



**HOWARD COTTAGE
BOARD MEMBERS
HANDBOOK
2017**

1. ABOUT HOWARD COTTAGE HOUSING ASSOCIATION

1.1 Introduction

Howard Cottage is a housing association founded in 1911 by Ebenezer Howard, the pioneer of the 'Garden City' movement, and currently operates within a 25 mile radius of Letchworth – the First Garden City. We manage over 1,600 homes, the majority of which are in Letchworth Garden City, but also have nearly 200 homes in rural areas of Hertfordshire and Bedfordshire. The stock includes around over 130 units of Sheltered Accommodation split between 4 schemes in Letchworth GC, each with its own scheme manager. In 2011 we opened our first Flexicare scheme at Tabor Court providing enhanced 24 hour extra care for those residents that need it.

Howard Cottage Housing Association is a non-profit making Industrial and Provident Society, and is controlled by a Board of Management, consisting mainly of local people and residents of the Housing Association. Since 2011 the Board have received payment in return for their services and commitment.

We regulated the Social Housing Regulator which since April 2012 has been part of the Homes and Communities Agency.

1.2 Commitments

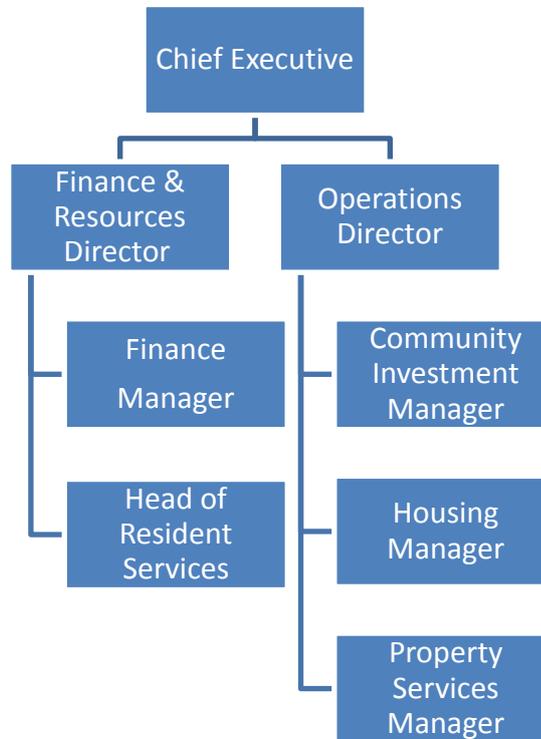
Our commitments are:

We will

- *Know, care for and respect our residents as individuals;*
- *Create and deliver high quality, sustainable solutions to housing issues;*
- *Be actively involved in the well being of our communities;*
- *Be a dynamic and innovative organisation;*

And deliver these commitments efficiently and effectively

1.3 Structure



2. Governance and the Board

2.1 Board Role

The Board's central role is to direct the Association's work and determine strategic direction and policy. The implementation of the Board's strategies is delegated to the executive staff.

The Board is the main decision making body of the Association and makes all policy decisions and ensures that the Association's affairs are managed efficiently, effectively and economically and in accordance with all appropriate legislation, rules and regulations and with propriety.

All members of the Board share the same legal status and have equal responsibility. Each must act only in the interests of the organisation and ensure that the interests of the organisation are placed before any personal interests, whether commercial or otherwise.

2.2 Board Membership

Board membership is open to all, including our residents who wish to take a more active interest in the Association's work. This includes individuals within the communities that the Association serves and who have an interest in

meeting the social housing needs of those communities. The Association aims to provide a pool of actual and potential Board members with the skills, commitment and enthusiasm to understand the complex affairs of the Association. The recently formed Review and Study Panel may prove a helpful mechanism for this.

The Chief Executive is not a co-opted Board Member.

The process for both independent and resident board membership is set out in the Governance Strategy and Board Membership Policy.

The Board currently comprises a maximum of 10 members (including co-optees).

Every year a third of the Board members stand down and are subject to nomination and election at the Annual General Meeting.

Members will usually be appointed for three-year terms and then at least every three years after appointment. There is a maximum term of office on nine years..

When a member comes to the end of a term of office and is eligible for reappointment, this must be subject to consideration of the member's appraised performance and skills, and to the wider needs of the board at that time.

A member who has left the board after serving the maximum tenure must not be reappointed for at least one full term of office of three years.

The Board has a strategy for its renewal based on the skills, qualifications and attributes required, and balances the need for experienced members with that for new thinking and independent challenge. This is reviewed regularly and whenever the organisation is about to undertake new activities or become exposed to new risks.

When considering its composition the board must have regard to the need for a board which includes people from diverse backgrounds and attributes to help ensure healthy debate and challenge and a range of perspectives.

The Board has the power to appoint committees, make appointments to committee and delegate powers and responsibilities to committees and/or officers of the Association, as it deems appropriate. Strategy decisions will be taken by the Board itself. Policies are delegated to the Committees and all matters of operational procedure are managed by the executive.

The Board appoints a Chairman for each committee, who must be a full or co-opted Member of the Board itself.

The Terms of Reference for any committees appointed by the Board are reviewed annually by the Board itself.

The Chairman of the Board

The Chairman is responsible for leadership of the board and ensuring its effectiveness. The particular duties and responsibilities of the chairman should be formally recorded.

The role of Chairman is a significant responsibility and anyone appointed should ensure they have the skills, experience, attributes and time available to carry out the role. The Chairman must ensure arrangements are in place to appraise the performance of the chief executive and ensure the proper and appropriate arrangements for appraisal of individual board members. The Chairman should ensure that the board agrees the role of the Vice Chairman.

Audit & Risk

The Board must establish a formal and transparent arrangement for considering how the organisation ensures financial viability, maintains a sound system of internal controls, manages risk and maintains an appropriate relationship with its auditors.

The Board must identify and regularly review the individual and combined material risks faced by the organisation and make plans and strategies to mitigate and manage them effectively.

The Chief Executive

There must be clear working arrangements between the Board and the Chief Executive and clear delegation of authority.

The Chief Executive must have a written and signed contract of employment and the Board must consider whether it should be reviewed at least every three years.

The Board must delegate to a committee responsibilities that include oversight of the appraisal of the chief executive and make a recommendation to the Board on the Chief Executive's remuneration.

2.3 Board Committees

There are 2 Board committees:

Remuneration and HR Committee	Audit and Risk Committee
Purpose: To serve the needs of our residents in considering the appraisal, performance and remuneration of the Chief Executive. To consider and recommend levels of board remuneration	Purpose: To serve the needs of our residents and oversee all the resources activities of Howard Cottage; to monitor financial risk and be responsible for appraising activities which have resource implications prior to Board consideration
Major Policy Areas: <ul style="list-style-type: none"> • Appraisal of the CE • CE Contract and Remuneration • Board Remuneration 	Major Policy Areas: <ul style="list-style-type: none"> • Risk • Management • Internal Control • Value for Money • External and Internal Audit
Executive Lead: Chief Executive	Executive Lead: Finance & Resources Director
Meets: Once a year	Meets: 3-4 times a year

2.4 Howard Cottage Tenants Association (HeCTA)

Currently HeCTA is the recognised Residents' Association. All residents of the Association are automatically made members of HeCTA once they sign their tenancy agreement. HeCTA is managed by a Committee of Residents who organise social activities on behalf of residents.

2.5 Review & Study Panel (RaSP)

The RaSP are a group of residents whose main role is to objectively examine the housing services delivered by Howard Cottage. The group meet regularly to review an area of service. They use various methods of research including talking to members of staff, talking to residents, investigating performance indicators, analysing policies and procedures and benchmarking with other housing associations.

A project typically lasts between 12-16 weeks and may result in a formal report being written with recommendations to the Board.

2.6 Howard Cottage Board Code of Governance

The Board has adopted the National Housing Federations Code "*Promoting board excellence for housing associations*". All Board Members will be supplied with a copy of this Code and are required to familiarise themselves with the content, duties and obligations. As part of compliance with the code, an Annual Statement of Compliance with the code must be published in the Association's Annual Financial Accounts. Performance against the code will be reported to board prior to publication.

Board members are also expected to comply with Howard Cottages code of conduct for Board Members and generally:-

- Uphold Howard Cottages Mission and Commitments;
- Sign an annual declaration of interest;
- Act impartially at all times and not permit any personal relationship, business interest or political activity conflict with Howard Cottages best interest;
- Seek guidance from the Chief Executive on the acceptance of any gifts or hospitality from suppliers or contractors, and if accepted record these in the register;
- Not procure services from Howard Cottages contractors without first seeking guidance from the Chief Executive;
- Ensure all expenses claimed are at the most economical rate available and relate wholly to Howard Cottage business interests;
- Ensure Board and Committee meetings are conducted in a courteous and business like manner.
- Annually consider board and committee effectiveness with regard to:
 - Governing instruments, standing orders and other formal documentation
 - Timing and frequency of meetings
 - Format of agendas, papers, minutes and communications
 - Collective performance as a decision making body
 - Compliance with the NHF Code of Governance and legal duties

This should be formally reviewed at least every three years to ensure best practice and that documentation is compliant with the latest legislation and regulations

The above is not an exhaustive list and should you need guidance on acceptable behaviours please contact the Chief Executive.

Failure to comply with any aspect of the code will be addressed in the first instance by the Chairman who will determine what action is appropriate.

2.7 Confidentiality

As a board member you will have access to information that may be commercially sensitive, relate to customers and staff or that is confidential to Howard Cottage.

As a board member you are responsible for ensuring that documents and papers are appropriately stored at home and disposed of securely. Please return any unwanted papers to the Business Support Officer for shredding.

Board members must not make statements to the press without the permission of the Chief Executive or the Chairman.

2.8 Equality and Diversity

Howard Cottage is committed to promoting equality and celebrating diversity in terms of age, race, disability and gender. Our approach is set out in the Equality and Diversity Policy

2.9 Meetings of the Board

Agendas will be circulated at least five working days in advance of any meeting for consideration by the Board. The agenda will include:

- Matters arising and replies by the Chief Executive to questions raised at the last meeting
- Concise reports from the Chief Executive and other members of the Leadership Team, as appropriate, which will include items for information or decision. Where a decision is required, available options and a recommendation will be included.
- Where a Committee has been established with responsibility for a specific policy area, all policy matters and recommendations to the Board will be made after due consideration by the Committee.
- Papers will comprise those items to be debated and discussed at board and those items deemed "Efficient" which will only normally be debated where a consensus is not reached on the basis of the paper alone. Members have the right to request any "Efficient" item is added to the agenda for discussion.

3. BEING A BOARD MEMBER

3.1 Recruitment

Recruitment to Board vacancies must be open and transparent and based on the board's considered views of the skills and attributes required. The board must select or appoint new members objectively on merit.

The Board should agree in writing its policies for the recruitment and selection of new members including the Chairman, and establish a process for succession planning.

It is for each board to determine the core skills and competencies that all board members should have. A skills matrix may be used to identify any learning gaps and identify recruitment needs.

3.2 The Role

Board members are expected to:

- Properly prepare and attend board and relevant committee

- meetings
- Set and review the remit, strategy and policy of the organisation
- Approve and monitor the budget
- Supervise the work of the Chief Executive on all non-operational issues
- Ensure the highest standards of reputation and corporate governance.

3.3 Time

To discharge their responsibilities, board members are expected to accept the following workload:

- 8 board meetings a year, normally held at Pioneer House, Letchworth Garden City during the early evening, and 2-4 meetings of relevant committees.
- Attendance at the Board strategy forum event usually held on a weekday in June
- Attendance at the annual 2 day strategic event which will normally involve a residential stay from Thursday to Friday in early November
- Reading and preparation for board meetings
- Reading and responding to email communications from the Chief Executive, Chairman and other Board and committee members.
- Attendance at any required training/briefings, conferences and other events.

3.4 Being a shareholder

Members are expected to become shareholders. This is a positive affirmation of your commitment to Howard Cottage Housing Association. You will be asked to purchase one ordinary share at a cost of £1.00 – this is not refundable should you subsequently cease to be a shareholder. The share holds no rights of dividend or interest.

When you leave the Board you will be required to surrender your share.

Shareholders must agree to the obligations set out in the Rules and must act at all times:

- In the best interests of Howard Cottage Housing Association;
- For the benefit of the community
- As guardians of Howard Cottage Housing Association objectives
- And participate in general meetings

4. EXPENSES

Where payment to Board members is considered appropriate, Howard Cottage Housing Association will pay Members expenses in respect of:

- Travel – car mileage, public transport, taxis where appropriate and/or necessary, parking etc
- Child or other care to enable members to attend meetings;

- Food, beverages and accommodation when not included at conferences/events;
- Other expenses relating to discharge of the role: for example consumables for home computers etc

In order for payment to be made there must be a clear recorded business case for payment. .

Expense claims must represent actual costs incurred and be supported by receipts. Expenses must be 'reasonable' and must not be excessive.

Members expenses are subject to internal scrutiny prior to payment and are reported annually to the Audit Committee.

Expense claims must be submitted to the Business Support Officer within 3 months of being incurred.

Any member who is uncertain if it is appropriate to claim a particular expense should consult the Chief Executive.

Howard Cottage reserves the right not pay any claim that is not deemed "reasonable" by the Chairman or Chief Executive. The Chairman's decision will be final in the case of any such dispute.

5. EQUIPMENT

If necessary, HCHA will provide members with stationery and in the case of the Chairman, Committee Chairmen and Portfolio Holders a mobile phone and/or tablet computer to enable them to discharge their role. All equipment must be returned to Howard Cottage when you cease to be a board member.

6. INDUCTION, TRAINING AND APPRAISAL

All new board members will be appointed on a six month probationary period during which remuneration will not be paid. It is expected that new board members will avail themselves of the training and induction programme offered to ensure they can be fully effective at the completion of the probationary period.

To discharge their responsibilities for the direction of the organisation, Board members should have or acquire a diverse range of skills, competencies and experience. These should cover the following broad areas:

- Working as an effective team to take strategic decisions for social result;
- Direct knowledge of the needs and aspirations of the communities and people served;
- General business, financial and management skills;
- Other relevant skills, such as legal, property and development, and public affairs.

In addition Members, as non-Executives, will be required to assimilate complex reports, deal with strategic thinking and exercise decision making skills. Board Members, and Committee Members (incl. Co-optees and

Appointees) will receive any ongoing training, information, development or other support deemed necessary to exercise their responsibilities. New Members will receive induction training.

All board members will be required to participate in a full and rigorous annual appraisal. This will be used to identify any training needs.

7. DECLARATIONS OF INTEREST

New board members will be required to complete declarations of interest form and should notify the Chief Executive of any financial interests that could reasonably be regarded as relevant to the work of Howard Cottage.

As well as a general declaration of financial interests, a Board Member will be expected to declare any possible conflict of interest on a particular matter under consideration by the board, and withdraw from any meeting or discussion when this matter is under discussion.

8. BOARD MEMBERS PERFORMANCE

Being a Board Member should be a useful and enjoyable experience for both the individual and the Association. Nevertheless there may be times where the Association has concerns about a members input and/or conduct and has a duty to residents to address this.

Minor performance or conduct issues will be addressed with the individual by the Chairman, with a view to agreeing a satisfactory remedy. If this cannot be resolved satisfactorily it will be dealt with as a more serious issue.

Where issues are more serious this will also be discussed with the Chairman and where appropriate the member will be asked to consider resigning from the board. If agreement cannot be reached and it is deemed appropriate the Chairman may seek the member's removal from the board by members vote in accordance with the rules.

Issues that may be deemed as more serious include but are not restricted to the following:-

- Acting in a way that is likely to damage Howard Cottage or its reputation;
- Disqualification from acting as a director;
- Conviction of an offence which in the opinion of the Board brings Howard Cottage into disrepute or is considered not to be compatible with the role of a board member;
- Failure to declare a relevant interest.

In addition to removal from the board in exceptionally serious instances the Association may refer the matter to the relevant authority e.g. the police.