



STANDING ORDERS AND TERMS OF REFERENCE

**Approved by SBHA's Board of Management
on 7th June 2017**

SCOTTISH BORDERS HOUSING ASSOCIATION

STANDING ORDERS AND TERMS OF REFERENCE

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1.0 INTRODUCTION AND RELATIONSHIP TO RULES

- 1.1 SBHA's Rules define the aims and set out the power and authority of the Association, which is vested in the Board of Management. The Association's Standing Orders set out how the Board and its Sub-Committees conduct their business. The Association's Financial Policies form part of the Association's Standing Orders and define the authority of the Board, Sub-Committees, Office Bearers and Staff in the control and use of financial resources and assets, and define how they must be accounted for.
- 1.2 Nothing in the Standing Orders can override:
- Statutory requirements;
 - Guidance from the Scottish Housing Regulator which has the force of statute; or
 - SBHA's Rules.
- 1.3 These Standing Orders reflect the Board and Sub-Committee structure of the Association as it has determined should be in place from 21.09.2017. They reflect changes to the Association's Rules which were approved by shareholders at a Special General Meeting 31.05.2017.

2.0 GOOD GOVERNANCE AND FINANCIAL MANAGEMENT

2.1 The Scottish Housing Regulator (SHR) in its *Regulatory Standards of Governance and Financial Management* document outlines the regulatory standards of governance and financial management for Registered Social Landlords (RSLs).

2.2 The SHR outlines the six Governance and Financial Management Standards to be complied with by SBHA and the Board of Management:

1. *“The governing body leads and directs the RSL to achieve good outcomes for its Tenants and other service users.*
2. *The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its Tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.*
3. *The RSL manages its resources to ensure its financial well-being and economic effectiveness.*
4. *The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation’s purpose.*
5. *The RSL conducts its affairs with honesty and integrity.*
6. *The governing body and senior officers have the skills and knowledge they need to be effective.”*

2.3 It is a requirement that the Board of Management has the collective skills and experience to govern and give effective strategic direction and deliver good Tenant outcomes. This will include an annual assessment of the Board and active succession planning.

2.4 The Board of Management will also be required to adhere to a Code of Conduct which outlines the behaviours and standards to be met by a Board Member.

2.5 The Board has overall responsibility for decision-making on behalf of the Association, based on good information, and at any time can seek independent or specialist advice.

3.0 THE BOARD OF MANAGEMENT

- 3.1 The Board of Management leads and directs the Association to achieve good outcomes for its Tenants and other service users, setting the Association's strategic direction.
- 3.2 The Board is responsible for determining the strategies and primary policies of SBHA and for ensuring that the business of SBHA is conducted to the highest standards of probity in an open and accountable manner and in accordance with best practice guidance and the Rules and legal obligations of the Association. At all times, the duty of the Board Members is to the Association and its Tenants and other service users (Rule 37.7).
- 3.3 All Board Members must satisfy themselves that they have appropriate access to all relevant information and are sufficiently informed regarding the affairs of the Association, and its background, to be able to make properly informed decisions on matters affecting SBHA, and fully understand the implications of these decisions
- 3.4 The Board is responsible for the overall conduct of all of the Association's business and has, as set out in these Standing Orders, delegated some authority to its Sub-Committees and Staff for specific functions. The terms of reference for the Board of Management are set out in Appendix 1.
- 3.5 The Board has responsibility for ensuring that, consistent with SBHA's ethos, Tenants have the opportunity to influence and to participate in the Association's decision-making by actively encouraging Tenant involvement.

Board Membership and Recruitment

- 3.6 Members of SBHA are elected and/or appointed to serve on the Board in accordance with the Association's Rules. The process for this is set out in the Association's Governance Policy.
- 3.7 The maximum number of Board Members is 12 (Rule 37.1) However, if at any time the number of Board Members falls below seven, the Board can continue only for another 2 months (Rule 49). Of the 12 Members, 8 will be Elected Board Members (comprising 4 Tenants and 4 non-Tenants), and 4 will be Appointed Board Members (Rule 39.1).
- 3.8 The Board has agreed a role description for its Members. At least annually, the Board will identify the range of skills, knowledge, diversity and experience that it requires to fulfil the terms of its agreed remit (Rule 37.5). It will publicise the role description and identify the areas of skills, knowledge and experience required when inviting nominations for appointment and/or election to the Board.
- 3.9 In considering nominations for the Board of Management, and Sub-Committee Tenant and non-Tenant representatives, the Board of Management reserves the right to reject applications if their election is not in the best interests of SBHA. This should only be used in exceptional circumstances.

Board Meetings and Quoracy

- 3.10 The Board will meet at least six times a year and there must be at least four Board Members present (excluding any co-optees) for the meeting to be quorate (Rule 48).

The Chair's Group

- 3.11 The Chair's Group will consist of the Chair of the Board, the Vice-Chair, and the Convenors of the Audit and Compliance and Customer Board Sub-Committees. The purpose of the Chair's Group is to consider issues requiring urgent attention and decisions between Board meetings. It is not a substitute for the Board. The remit of the Chair's Group is set out in Appendix 2.

Appeals Panels

- 3.12 From time to time, SBHA will be required to convene an Appeals Panel at the earliest opportunity following receipt of notification of an Appeal. The purpose of an Appeal's panel is to hear appeals relating to disciplinary and/or grievance proceedings in relation to the Chief Executive and senior officers.
- 3.13 The chair of the Appeals Panel will normally be the SBHA Board Chair, Vice-Chair or a Sub-Committee Convenor in his/her absence.
- 3.14 The Appeals Panel will ideally comprise 3 Members from the Board of Management (at least one of which will be the Chair, Vice-Chair, or a Sub-Committee Convenor as appropriate) and the Chief Executive (non voting), and/or appropriate senior officer (non Voting) or advisor (e.g. legal or employment specialists). The remit of the Appeals Panel is set out in Appendix 3.

Working Groups

- 3.15 The Board is responsible for the direction and control of SBHA. From time to time, the Board may establish Working Groups to consider specific issues and provide advice to the Board or its Sub-Committees. All Working Groups must be established in accordance with these Standing Orders, and must elect a Chair who will hold the position until the Working Group's purpose is concluded (or until he/she leaves the Board of Management, if sooner).
- 3.16 Membership of Working Groups is determined by the Board. Membership may be drawn from Board of Management, Sub-Committees, Staff of SBHA, and Tenants, including Scottish Borders Tenants Organisation.
- 3.17 In establishing a Working Group, the Board must record the membership of the Working Group, its remit and objective/s, and the timescale for its completion. Working Groups will only make recommendations to the Board of Management, and have no decision making power of their own.
- 3.18 A Working Group should not normally exist for longer than twelve months. In the event of a longer period being required to complete its deliberations, its remit should be reviewed after the initial period of twelve months and at intervals of six months thereafter. Once a Working Group has fulfilled its remit, it must be formally wound up by the Board.

The Executive Team

- 3.19 The Executive Team ensure the day-to-day activities of the Association's business are carried out, represent the Association on official business, and carry out all legal and financial duties on behalf of the Association in accordance with the Rules and Standing Orders of the Association and in line with the overall policies and procedures approved by the Board and its Sub-Committees. Their terms of reference are set out in Appendix 9.

4.0 SBHA'S SUB-COMMITTEES

4.1 The Board has delegated authority within the remits set out in these Standing Orders to the Sub-Committees, subject to their complying with the Association's corporate policies, approved Budget and Strategic Plan. These Sub-Committees, and their remits, are the:

- Customer Board – Overseeing the joined-up customer experience provided by SBHA.
- Audit & Compliance Sub-Committee - Ensuring that the Association's financial and business operations are carried out accurately, fairly, legally, and with due regard to the management of risk.
- Remuneration and Nominations Sub-Committee – Oversight of Chief Executive pay, Governance nominations and succession planning.

4.2 The terms of reference of each of these Sub-Committees are set out in Appendices 6-8. All Sub-Committees report to and are accountable to the Board.

4.3 All decisions of Sub-Committee must be reported to the next Board Meeting (Rule 58.3). This will usually be in the form of a copy of the minutes of that Sub-Committee.

4.4 Each of the Sub-Committees may obtain professional advice, without reference to the Board, to enable it to fulfil its responsibilities, subject to these Standing Orders, its agreed remits, and the budget as agreed by the Board.

Sub-Committee Membership and Recruitment

4.5 The Board has agreed a role description for its Sub-Committee Members. At least annually, the Board will identify the range of skills, knowledge, diversity and experience that the Sub-Committees require to fulfil the terms of their agreed remit. Board Members will be appointed to the Sub-Committees based on this assessment of the skills required.

4.6 The Customer Board will consist of up to 7 Members, comprising up to 4 Board Members, plus up to an additional 3 Independent Members¹.

4.7 The Audit & Compliance Sub-Committee will consist of up to 5 Members, comprising up to 4 Board Members, plus up to an additional 1 Independent Member. At least one Member of this Sub-Committee should have a financial background.

4.8 The Remuneration and Nominations Sub-Committee will consist of up to 4 Board Members, none of whom can be co-optees.

4.9 Independent Members will be recruited onto the Sub-Committees following the recruitment process agreed by the Board. The Board will publicise the role description for Independent Members and identify the areas of skills, knowledge and experience required when inviting nominations for appointment to the Sub-Committees.

¹ Independent Member – A Member of a Sub-Committee who is not also a Member of the Board

Sub-Committee Meetings and Quoracy

- 4.10 The Customer Board and the Audit & Compliance Sub-Committee will each meet at least four times per year and will report on their activities to the next Board Meeting. There must be at least three Members present (excluding any Co-optees) for the meeting to be quorate (Rule 58.1), and these Members should be drawn from both Board Members and Independent Members.
- 4.11 The Remuneration and Nominations Sub-Committee will meet as and when required (but at least once per year) and will report on its activities to the next Board Meeting. There must be at least three Members present for the meeting to be quorate (Rule 58.1).

5 TENANT INVOLVEMENT IN DECISION MAKING

- 5.1 It is a key element of SBHA's ethos that Tenants' views and needs underpin the decision making of the Association. The Board of Management, its Sub-Committees and Senior Officers, have a responsibility to ensure that Tenants and/or the Scottish Borders Tenants Organisation (SBTO) are consulted on all issues which directly affect services to Tenants.
- 5.2 If a decision or Policy being considered for approval directly affects the service SBHA provides to its Tenants, it should be discussed at a meeting of the SBTO. SBTO should normally receive a copy of the revised Policy for consultation with sufficient notice before the meeting to allow it to fully consider the policy, unless it has otherwise agreed.
- 5.3 The SBTO also has responsibility, as set out in these Standing Orders, to seek the views of individual Tenants and Tenants' groups, so as to represent the best interests of the SBHA Tenant population.
- 5.4 The SBTO is responsible for promoting and furthering the active participation of Tenants in influencing the decision-making of SBHA. SBTO receives support and resources from SBHA in carrying out its responsibilities.

6 OPENNESS AND TRANSPARENCY

- 6.1 SBHA aims to be an open, transparent and accountable organisation and is committed to wider circulation of information about its governance and decision making.
- 6.2 As part of this commitment, SBHA aims to publish the agendas for all Board and the Customer Board Sub-Committee on its website before the Meeting is due to take place. Following each such Meeting, SBHA will also aim to publish a list of key decisions within a reasonable period of time.
- 6.3 There will be some occasions when decisions (and/or Minutes and/or Meeting Papers) will not be available widely; for example where they deal with commercially sensitive details or information where individuals can be identified. Senior officers producing reports will mark such items on the agenda and on the accompanying paper (if applicable) as private and confidential. If the Board (or Sub-Committee) feel a paper either should not be marked as private and confidential, or should be marked as private and confidential, they can pass a resolution to that effect.

- 6.4 Board and Sub-committee Members and Staff are obliged to treat all SBHA business as confidential. This is set out in the Code of Conduct for Governing Board Members.

7 OFFICE BEARERS

The Chair

- 7.1 As outlined in the Association's Rules, a Chair will be appointed on an annual basis at the next scheduled Board Meeting held after each annual general meeting (Rule 59.5). The remit of the Chair is set out in Appendix 4.
- 7.2 The Chair will be elected by a vote of all present Board Members at the first meeting of the Board following the AGM. If, for any reason, the Chair resigns prior to an AGM, the Chair will be elected by all present Members at the next meeting of the Board. When electing the Chair, the Board is expected to take into account the skills needed to fill the role, which the Board will set out in the Chair's Role Description.
- 7.3 The Chair of the Board of Management will not sit on any Sub-Committee, but, has the right to attend any Meeting and receive all papers.

The Vice-Chair

- 7.4 As outlined in the Association's Rules a Vice-Chair will be appointed on an annual basis at the next scheduled Board Meeting held after each annual general meeting (Rule 59.5).
- 7.5 The Vice-Chair will be elected by a vote of all present Board Members at the first meeting of the Board following the AGM. If, for any reason, the Vice-Chair resigns prior to an AGM, the Vice-Chair will be elected by all present Members at the next meeting of the Board. When electing the Vice-Chair, the Board is expected to take into account the skills needed to fill the role, which the Board will set out in the Vice-Chair's Role Description.
- 7.6 In the Chair's absence, the Vice-Chair shall act as the Chair and shall have the Chair's powers and duties.

The Convenors

- 7.7 Each Sub-Committee must elect a Convener at its first meeting following the AGM, who must be a Board Member. The Convenors are responsible to the Board for regular reporting and must liaise closely with the appropriate senior officer to ensure that the Board and Sub-Committees are kept fully informed and advised on all relevant matters.
- 7.8 The Convener of a Sub-Committee will be elected by a vote of all present Sub-Committee Members at the first meeting of the Sub-Committee following the AGM. If, for any reason, the Convener resigns prior to an AGM, the Convener will be elected by all present Members at the next meeting of the Board. When electing the Convener, the Sub-Committee is expected to take into account the skills needed to fill the role, which the Board will set out in the appropriate Convener's Role Description.
- 7.9 The Convener of the Remuneration and Nominations Sub-Committee will normally be the Vice-Chair.

The Secretary of the Registered Society

- 7.10 The Secretary will be appointed by the Board, and will usually be the Director of Finance. The remit of the Secretary is set out in Appendix 5.

8 PROCEDURE AT BOARD AND SUB-COMMITTEE MEETINGS

Notice of Meetings

- 8.1 Members must receive notice of Meetings at least 7 days prior to the Meeting taking place (Rule 50). Therefore, all matters of business should be sent by senior officers and/or senior staff members to the Secretary (or the Chief Executive acting on the Secretary's behalf) timeously to allow the notice to be given.

Quorum

- 8.2 The quorum for each Meeting is set out within these Standing Orders and the Rules. In each case, the quorum must be met by Members entitled to vote and neither the Board nor the Sub-Committees may exercise any of their powers unless such a quorum is present. Co-optees do not count towards constituting the quorum (Rule 42.3).
- 8.3 In the event that a quorum is not achieved the following should be considered - the meeting should be rearranged; the business considered by the Board; or the urgent business items approved via telephone or electronically (as per Rule 55).

The Chair

- 8.4 The Chair presides at all meetings of the Board. The Board also elects a Vice-Chair, who will preside at Board meetings in the absence of the Chair. In the absence of the Chair and Vice-Chair, the Members present at the meeting appoint one of the Sub-Committee Conveners to act as Chair or, if none are in attendance, one other Member is elected to act as Chair.
- 8.5 All questions of order arising at any meeting of the Board are decided by the Chair of the meeting.
- 8.6 The Convener of the relevant Sub-Committee presides at all Sub-Committee meetings; in his/her absence, members of the Sub-Committee elect one of the members present to Chair the meeting. All questions of order arising at meetings of the Sub-Committee are decided by the Convener of the meeting.

Business at Meetings

- 8.7 Meetings normally follow the order of the agenda, but the Chair/Convener may vary the order of business at any stage.
- 8.8 All items of business on the agenda are normally the subject of a written report, prepared by Staff, and circulated with the agenda in advance of the meeting, to those Board Members entitled to attend. These reports contain the information necessary for the members to make decisions and include the source from which additional details may be obtained. These papers are also available to all other Board Members and senior managers on request.
- 8.9 All Board Members who are nominated to a Sub-Committee will receive a full set of Agenda and reports for that Sub-Committee. Where Board Members are not

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members of Sub-Committees, they will receive a copy of the Agenda and a summary of the report items for that Sub-Committee, subject to any confidentiality restrictions.

- 8.10 All Sub-Committee members who are not Board Members will receive a copy of the Board Agenda and a summary of the report items, subject to any confidentiality restrictions.
- 8.11 The Secretary, in consultation with the Chief Executive and relevant senior officers, is responsible for ensuring that all relevant papers are prepared and circulated to the Board and the Sub-Committees, in advance of their meetings.
- 8.12 With the consent of the Members present, business not on the agenda may be transacted at an ordinary meeting, but not at a special meeting.
- 8.13 The Board and Sub-Committees have the power to adjourn any meeting to such date and time as the Board, Sub-Committee, Chair or Convener may determine and when any adjourned meeting is re-convened, it must commence at the point at which it was adjourned and may extend only to items on the agenda for the original meeting.
- 8.14 A resolution sent to all Board Members or all members of a sub-committee and signed, or confirmed electronically, by three-quarters of the Board Members or by three-quarters of the members of a sub-committee shall be as valid and effective as if it had been passed at a properly called and constituted meeting of the Board or sub-committee and may consist of documents in the same form and signed or confirmed electronically by one or more persons (Rules Clause 55).

Motions and Amendments

- 8.15 All motions and amendments must be relevant to the subject under discussion. The Chair/Convener of any meeting has the power to rule out of order any motion or amendment as irrelevant or incompetent. Motion or amendments must be proposed and seconded before being put to the meeting.
- 8.16 When only one amendment is made to a motion, the vote on that amendment is taken first. When there is more than one amendment, the order of voting on the amendments is at the discretion of the Chair/Convener until one successful amendment is obtained, and a vote is then taken on the successful amendment against the motion.

Order of Debate

- 8.17 The Chair/Convener of the meeting determines the order of debate and a member is not normally permitted to speak more than once on the same issue, unless to reply to a question or with the permission of the Chair/Convener of the meeting. The mover of a motion has the right of reply before a vote is taken, but may not introduce any new matter at that stage. After the mover of the motion has exercised his/her right to reply, no other member may speak on the question, unless to raise a point of order.

Voting

- 8.18 Voting at meetings of the Board and Sub-Committees is normally by show of hands, unless a secret ballot is requested by one-third of the Members present who are eligible to vote.

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- 8.19 A simple majority of those present and voting is sufficient to determine any matter, except a motion to suspend Standing Orders, in which case a two-thirds majority in support of the motion of those present and entitled to vote is required. The Sub-Committees may not suspend Standing Orders. In the case of an equality of votes, the Chair/Convener of the meeting has a second and casting vote.
- 8.20 Any Member of the Board or Sub-Committee may request that his/her dissent from any resolution may be recorded in the Minutes, without giving any reasons, provided that the request is made at the meeting at which the resolution is made.

Points of Order

- 8.21 Any Member may raise a point of order in the course of a meeting; and all questions of order are decided by the Chair/Convener of the meeting. No other member is permitted to speak to the point of order, except with the Chair's/Convener's permission.

Length of Meetings

- 8.22 Meetings continue for no more than two hours beyond the stated starting time, (excluding any break for refreshments), except with the approval of a majority of Members present and entitled to vote after the expiry of that time. A meeting can be adjourned after three hours if the majority of Members approve this.

Non-Member Attendance at Meetings

- 8.23 The Chief Executive and appropriate senior officers normally attend all meetings of the Board. Their role is to provide advice and they do not take part in any decisions.
- 8.24 Senior Officers normally attend all meetings of the Sub-Committee relevant to their area of responsibility. Their role is to provide advice and they do not take part in any decisions.
- 8.25 Other Staff members may be invited or required to attend meetings of the Board or Sub-Committees.
- 8.26 The Board and Sub-Committees may require external and internal auditors, consultants and other professional advisers to attend particular meetings.
- 8.27 The Board and Sub-Committees may require Staff and advisers to withdraw from all or part of any meeting.
- 8.28 The Board and Sub-Committees may invite other external bodies to attend their meetings.

9.0 EMERGENCIES

- 9.1 Nothing in these Standing Orders will prevent the effective implementation of approved emergency procedures that will apply in the event of a disaster or emergency situation arising.
- 9.2 Where emergency decisions are required and it is not practicable to hold a meeting of the Board or the Chair's Group (including by electronic or other means as per Rule 55), the Chair (or in his/her absence the Vice-Chair, or in his/her absence a Sub-Committee Convenor) and the Chief Executive (or in his/her absence a senior officer or in their absence a senior staff member) alongside at least one other Board Member, will take all necessary decisions to fulfil the Association's responsibilities to Tenants and partners. This is not a substitute for the Board, or the Chair's Group, and should only be used in extreme circumstances. All such decisions and actions must be reported to the Board at the earliest possible opportunity.

10.0 REVIEW OF STANDING ORDERS

- 10.1 It is the role of the Board of Management to oversee the Standing Orders of the Association. Its role can be defined as having responsibility for:
- (a) formulation of the Standing Orders;
 - (b) monitoring the policy and practice;
 - (c) ensuring standards are maintained and the Association meets Scottish Housing Regulator/SFHA performance standards, and the requirements of the Office of the Scottish Charities Regulator (OSCR); and
 - (d) monitoring the effectiveness of these Standing Orders every three years to ensure they continue to meet SBHA's mission statement, vision, values and objectives.
- 10.2 Any suggested revisions will be considered carefully to ensure that the Association has the required resources to implement them.

11.0 GLOSSARY

11.1 All terms referred to in these Standing Orders should be taken to have the same definition as those in the Rules. The following are in addition to these definitions, and those contained within these Standing Orders:

Chief Executive	The Chief Executive of the Association or the agreed Depute Officer acting in his/her place.
Senior Officers	Director Level Posts within SBHA, namely the: <ul style="list-style-type: none">▪ Director of Assets & Property Services▪ Director of Business Support▪ Director of Customer Services▪ Director of Finance
Scottish Borders Tenants Organisation (SBTO)	The “umbrella” group of SBHA Tenants, whose remit is to consult with, and represent the best interests of, SBHA’s wider Tenant population.
Senior Staff Members	Senior Managers within SBHA who are members of SBHA’s Leadership Team
Executive Team	The Chief Executive and the Senior Officers
Independent Member	A Member of a Sub-Committee who is not also a Member of the Board of Management
Customer Audit Team (CAT)	A group of Tenants who scrutinise an aspect of SBHA’s service provision on behalf of SBTO, and produce a report detailing their recommendations
Office Bearers	The collective terms for the Chair, Vice-Chair, Sub-Committee Convenors and the Secretary

Appendix 1 – The Board of Management’s Terms of Reference

1.0 The Board is responsible for determining the strategies and primary policies of SBHA and for ensuring that the business of SBHA is conducted to the highest standards of probity in an open and accountable manner and in accordance with best practice guidance and the Rules and legal obligations of the Association. It is also responsible for ensuring an appropriate system of internal controls is in place. Specifically, its remit covers the following terms of reference in each category in accordance with the scheme of delegated authorities (appendix 10), but it can also delegate any of its functions to a Sub-Committee or the Executive Team.

2.0 Corporate Strategy and Operations

2.1 Set the strategic direction of SBHA. This will include working alongside the Executive Team to develop the Strategic Plan, and approve the final Strategic Plan. Alongside this, the Board will set the Vision, Values and Mission Statement of SBHA.

2.2 Approve SBHA’s Business Plan and Annual Budget, and the associated setting of annual rents and service charges.

2.3 Approve the Primary Policies which set the strategic direction of SBHA. The Board can also review any policy that they believe could incur a risk to SBHA. Any policies not approved by the Board (which have instead been delegated to a Sub-Committee or the Executive Team) will be made available to all Board Members for review and comment. The Board will also at least annually review the Policy Register, and make any recommendations as to which Policies should be delegated to its Sub-Committees and the Executive Team.

2.4 Oversee the performance of SBHA, especially headline performance indicators.

3.0 Corporate Compliance

3.1 Approve returns to the Regulator.

3.2 Approve returns to the bank where Board approval is specifically required.

3.3 Monitor the quarterly financial accounts of SBHA, consider any areas of concern and major variations of spend against the Budget, including detailed scrutiny of the accounts of SBHA’s Property Services.

3.4 Has ultimate responsibility for ensuring that SBHA has in place a system of controls that is appropriate for the business environment in which it operates. These controls are designed to give reasonable assurance with respect to:

- The reliability of financial information used within the Association, or for publication;
- The maintenance of proper accounting records; and
- The safeguarding of assets against unauthorised use or disposition.

3.5 Recommend the Annual Accounts to the Annual General Meeting (AGM) of SBHA, on the recommendation of the Audit and Compliance Sub-Committee.

- 3.6 Appoint the Internal Auditor, and accept the reports of the Internal Auditor, both on the recommendation of the Audit and Compliance Sub-Committee.
- 3.7 Recommend the appointment of the External Auditor to the Annual General Meeting (AGM) of SBHA, on the recommendation of the Audit and Compliance Sub-Committee.
- 3.8 The corporate responsibility for Health and Safety rests with the Board of Management in all aspects. This is managed through the Executive Team and monitored and overseen, on behalf of the Board, by the Audit & Compliance Sub-Committee. The Board's will approve and endorse the Health and Safety Policy and Manual, and authorise the Chair and Chief Executive to sign it.
- 3.9 The Board will receive regular KPIs informing it of any outstanding Health and Safety actions, and the progress made to resolve these, to ensure compliance with the Health and Safety Policy. This will extend to KPIs relating to the health and safety of SBHA's people.
- 3.10 Approve the Procurement Strategy, and approve procurement decisions above the delegated limit, as set out in the suite of financial Policies.

4.0 Governance Compliance

- 4.1 Conduct all of its business in accordance with the Code of Conduct and SBHA's values, and maintain the highest ethical standard throughout.
- 4.2 Periodically review the Rules, Standing Orders and Governance Policy of SBHA, and approve any changes to them to enhance the governance of the Association. This includes the Governance Structure and the Terms of Reference.
- 4.3 Ensure that Board business is carried out in accordance with SBHA's Rules, and that SBHA complies with its Rules, law, statutes, performance standards, best practice and contractual obligations through appropriate scrutiny of relevant reports and documents.
- 4.4 Consider all applications for Shareholding Membership of SBHA in line with the Rules and approved Shareholding Membership Policy.
- 4.5 Appoint Board Members to its Sub-Committees, with regard for the skills required, based on the recommendation of the Remuneration and Nominations Sub-Committee.
- 4.6 Ensure the Board has the right skills in place (Rule 37.5) and carry out succession planning as such, based on the recommendation of the Remuneration and Nominations Sub-Committee.
- 4.7 Ensure that the appraisal of the Chair is carried out.
- 4.8 Ensure that Board Members equipped to fulfil their responsibilities by undertaking training as required and reviewing best practice examples.

- 4.9 For any and all subsidiaries of SBHA, the Board will:
- Control the activities of, and manage any risks arising from, its subsidiary(ies);
 - Ensure the appropriate use of funds by its subsidiary(ies);
 - Manage and mitigate any risk the subsidiary(ies) may pose to its core business; and
 - Uphold strong standards of governance and protect the reputation of its subsidiary(ies) for investment and other purposes.

5.0 Strategic Corporate Risk

- 5.1 The corporate responsibility for Corporate Risk rests with the Board of Management in all aspects. This will be managed through the Executive Team and be monitored and overseen, on behalf of the Board, by the Audit & Compliance Sub-Committee.
- 5.2 The Board will set the Association's overall approach to risk, including the extent and categories of risk which it regards acceptable for the Association to bear, and monitoring the Association's exposure to risk and ensuring that risk mitigation processes are in place. At least annually, the Board will review and approve the Association's high level risk map.

6.0 People

- 6.1 Approve any changes to staff Terms and Conditions, including those contained within staffing policies. The Board will also set the strategic direction for SBHA's staffing policies.
- 6.2 Take decisions on staffing resources by exception, and where they are outwith the budget or the delegated limits of the Executive Team. This will include any significant changes to SBHA's staffing complement and/or structure.
- 6.3 Appoint the Chief Executive and assist in the appointment of the senior officers.
- 6.4 Undertake all responsibilities as set out in the agreed Disciplinary and/or Grievance Policy (or other relevant Policies as appropriate) for the Chief Executive and senior officers.
- 6.5 Oversee headline people KPIs pursuant to its function at 2.5 above.

7.0 Treasury Management

- 7.1 Approve the Treasury Management Policy and Strategy, and fully understand the implications of this. This will be implemented by the Executive Team and be monitored and overseen, on behalf of the Board, by the Audit & Compliance Sub-Committee.

8.0 Development

- 8.1 Approve Strategic Housing Investment Plan (SHIP) submissions
- 8.2 Approve any new development or investment, including the acquisition of any sites, alongside the budgets for this, having reviewed the viability assessment. The implementation of this, and the design of any developments, are delegated to the Executive Team and will be monitored and overseen by the Board. The Customer Board will also advise the Board on the customer and housing needs that any proposed development will fulfil.
- 8.3 Approve all land sales and asset disposals which require the consent of the SHR.

Appendix 2 – The Chairs Group’s Remit

- 1.1 As set out at section 3.11 of these Standing Orders, the purpose of the Chair’s Group is to consider issues requiring urgent attention and decisions between Board meetings. It is not a substitute for the Board and is accountable to the Board at all times.
- 1.2 The Chair (or in his/her absence the Vice-Chair or a Sub-Committee Convenor) may call a meeting of the Chair’s Group at any time. The Chief Executive (or Executive Team in the Chief Executive’s absence) may request that the Chair does so.
- 1.3 The Group may take decisions which would otherwise be a Board matter, provided:
 - the matter is urgent and a decision required before a Board meeting can reasonably be called, or where a decision has been delegated to it by the Board due to the timing of meetings;
 - the matter is not subject to an adjourned Board meeting;
 - the only reason the matter has not been brought before the Board is that the Chair, Secretary and senior officers were not aware of it at or prior to the last Board meeting; and
 - any decisions and action taken are reported by the Chair to the next Board meeting for explanation and ratification.
- 1.4 The Chair’s Group has no authority to incur or approve expenditure not included in the budget except to protect the Association’s Staff, Tenants or property from immediate risk.

Appendix 3 – The Appeals Panel’s Remit

- 1.1 The Board can establish an Appeals panel when needed as at section 3.12-3.14 of these Standing Orders.
- 1.2 The Appeals Panel will hear individual cases, take advice from officers and independent advisers as appropriate, and decide on whether an Appeal has been upheld or not (and if it is, instruct remedial action where appropriate).
- 1.3 Decisions from the Appeals Panel will be communicated in writing to the appellant by the chair of the Panel.
- 1.4 The Appeals Panel will advise the Board or Sub-Committee of the nature and outcome of Appeals and any recommended remedial action or policy reviews.

Appendix 4 – The Chair’s Remit

4.1 As outlined in the Association’s Rules and earlier in these Standing Orders, a Chair and a Vice-Chair will be appointed on an annual basis at the next scheduled Board Meeting held after each Annual General Meeting (Rule 59.5).

4.2 As per Rules 59.5, the Chair is responsible for the leadership of the Board and ensuring its effectiveness in all aspects of the Board’s role and to ensure that the Board properly discharges its responsibilities as required by law, the Rules and the standing orders of the Association. The Chair will be delegated such powers as is required to allow the Chair to properly discharge the responsibilities of the office. Among the responsibilities of the Chair are that:-

- the Board works effectively with the senior Staff;
- an overview of business of the Association is maintained;
- the agenda for each meeting is set;
- meetings are conducted effectively;
- minutes are approved and decisions and actions arising from meetings are implemented;
- the standing orders, code of conduct for Board Members and other relevant policies and procedures affecting the governance of the Association are complied with;
- where necessary, decisions are made under delegated authority for the effective operation of the Association between meetings;
- the Board monitors the use of delegated powers;
- the Board receives professional advice when it is needed;
- the Association is represented at external events appropriately;
- appraisal of the performance of Board Members is undertaken, and that the senior staff officer’s appraisal is carried out in accordance with the agreed policies and procedures of the Association; and
- the training requirements of Board Members, and the recruitment and induction of new Board Members is undertaken.

Appendix 5 – The Secretary’s Remit

1.1 As per the Rule 59.3, the Secretary’s duties include the following (these duties can be delegated to an appropriate employee with the Secretary assuming responsibility for ensuring that they are carried out in an effective manner):

- calling and going to all meetings of the Association and all the Board Meetings;
- keeping the minutes for all meetings of the Association and Board;
- sending out letters, notices calling meetings and relevant documents to Members before a meeting;
- preparing and sending all the necessary reports to the Financial Conduct Authority and The Scottish Housing Regulator;
- ensuring compliance with the Rules;
- keeping the Register of Members and other registers required under these Rules; and
- supervision of the Association’s seal.

Appendix 6 – The Customer Board’s Terms of Reference

1.0 The Customer Board Sub-Committee is responsible for overseeing the joined up customer experience delivered by SBHA under section 4.0 of these Standing Orders. Specifically, its remit covers the following terms of reference in each category in accordance with the scheme of delegated authorities (appendix 10), and any additional elements delegated to it by the Board.

2.0 Corporate Strategy and Operations

2.1 Implement, oversee, and keep under review any projects which are allocated to it by the Board, within the SBHA Strategic Plan which is current at the time, and report key outcomes to the Board (i.e. those affecting the Association’s Business Plan, risk levels, and reputation). The extent of financial delegated authority for these projects will be defined in the current Budget and Business Plan.

2.2 Actively promote and monitor the delivery of good customer care and tenant satisfaction in all areas of service delivery. This can include the Standard of SBHA’s homes and open spaces, for example, in terms of Planned Maintenance, repairs and estate management.

2.3 Monitor the customer facing performance of SBHA including, but not limited to, voids, rent arrears, repairs, the Planned Maintenance Programme, anti-social behaviour, and overall Tenant satisfaction.

2.4 Suggest improvements to the customer experience and adapt these to the changed needs and expectations of customers by seeking out best practice examples of service delivery, from within and outside the social housing sector.

2.5 Approve and make suggested improvements to any of SBHA’s Policies, delegated to it by the Board, which will have a direct impact on the service received by Tenants. In doing so, it will take into account the needs and priorities of local/remote Tenants and communities are always taken into account.

2.7 Work alongside the Board and SBTO so that Tenants’ views and needs underpin the decision making of the Association. This will involve consulting with and taking account of the views of Tenants and SBTO when making any changes to policies or service delivery that will affect Tenants.

2.8 Review the results of the Tenant Satisfaction Survey (and any other associated research), reviewing any proposed actions and recommending any additional actions to continuously improve the customer journey provided by SBHA in line with SBHA’s values and objectives. It will also monitor the implementation of these actions.

2.9 Review the output of the Customer Audit Team’s Scrutiny Projects, as provided by SBTO, reviewing any proposed actions to continuously improve the customer journey provided by SBHA in line with SBHA’s values and objectives. It will also monitor the implementation of these actions.

3.0 Corporate Compliance

3.1 Approve any health and safety policies that relate directly to SBHA’s customers. This could include the Gas Safety Policy and Asbestos Policy.

4.0 Governance Compliance

- 4.1 Conduct all of its business in accordance with the Code of Conduct and SBHA's values, and maintain the highest ethical standard throughout.
- 4.2 Ensure that Sub-Committee Members are equipped to fulfil their responsibilities by undertaking training as required and reviewing best practice examples.

5.0 Development

- 5.1 Ensure that any new developments meet customer and housing need in order to inform the investment decisions of the Board.
- 5.2 Oversee the customer aspect of any development programme, including SBHA's development standard.

Appendix 7 – The Audit and Compliance Sub-Committee’s Terms of Reference

1.0 The Audit and Compliance Sub-Committee is the specialist Sub-Committee with responsibility for ensuring the Association’s financial and business operations are carried out accurately, fairly, legally, and with due regard to the management of risk under section 4.0 of these Standing Orders. The Board is responsible for identifying and assessing risks associated with SBHA’s activities and for overseeing a framework for the management of these risks. Specifically, its remit covers the following terms of reference in each category in accordance with the scheme of delegated authorities (appendix 10), and any additional elements delegated to it by the Board.

2.0 Corporate Strategy and Operations

2.1 Keep under review all of SBHA’s Policies delegated to it by the Board, which sit within its core remit as delegated to it by the Board of Management. These include policies relating to money laundering, fraud and anti-bribery, as well as data protection and health and safety.

2.2 Monitor the performance of SBHA within its remit including, but not limited to, the implementation of Internal and External Audit and risk recommended actions, treasury management, health and safety compliance and loan compliance.

3.0 Corporate Compliance

3.1 Carrying out detailed scrutiny of the SBHA annual Financial Statements, and advising the Board of Management relative to same.

3.2 Satisfying itself that appropriate arrangements are in place to promote economy, efficiency and effectiveness, in order to enable the Board of Management to give an annual statement of assurance in respect of financial control systems.

3.3 Advising the Board whether an adequate system of accounting and internal control exists, and for making recommendations for its improvement. In this, it will be advised by External and Internal Auditors and the Director of Finance and Corporate Services.

3.4 Reporting to the Board on the effectiveness and efficiency of SBHA’s system of accounting and internal financial control, and recommending whether the Board should accept the Internal Auditor’s annual report thereon.

3.5 Ensuring that effective financial control systems are in place and that a statement of assurance is produced by the Internal Auditor annually in this regard.

3.6 Recommending whether the Board should accept the Internal Financial Control Statement for inclusion in the Annual Financial Statements of the Association.

3.7 Recommending the appointment or reappointment (based on performance monitoring) of suitably qualified External and Internal Auditors to the Board, and for negotiating their fee.

3.8 Agreeing the planning and timing of audit work, having regard to advice from the Auditor and Director of Finance, and ensuring compliance with all appropriate statutes, Regulations and guidance.

- 3.9 Receiving the External Auditor's Management Letter, and Internal Auditor reports, along with management responses, instructing relevant actions as a result, and ensuring that any remedial actions are taken and monitored. Any substantive issues will be reported to the Board in a timeous manner.
- 3.10 Annually approving the list of authorised signatories, and their authorisation limits.
- 3.11 Annually review the compliance of the Association's list of Approved Contractors, Consultants and Planning Supervisors, as approved by the Executive Team.
- 3.12 Oversee compliance with the Board Approved Health and Safety Policy. Monitor the implementation of the Association's Health and Safety Policy (as approved by the Board). In doing so, the Sub-Committee will regularly review the Association's Health and Safety Risk Register on behalf of the Board, and receive KPIs on compliance with this.
- 3.13 Be proactive in commissioning any internal and/or external health and safety audits and ensuring any resulting actions are carried out, and reporting to the Board on this. This can be based on the advice of the Executive Team.
- 3.14 Take an active interest in an investigation of any significant safety failure, and ensure measures are in place to rectify any resulting issues, and reporting to the Board on this.

4.0 Governance Compliance

- 4.1 Conduct all of its business in accordance with the Code of Conduct and SBHA's values, and maintain the highest ethical standard throughout.
- 4.2 Ensure that Sub-Committee Members equipped to fulfil their responsibilities by undertaking training as required and reviewing best practice examples.

5.0 Strategic Corporate Risk

- 5.1 The Audit and Compliance Sub-Committee has responsibility for overseeing the development, implementation and maintenance of appropriate risk management and business continuity planning within the organisation, and in doing so will be advised by the Executive Team.
- 5.2 The Committee will ensure that an effective risk management framework is in place, and recommend this to the Board, and have overall responsibility for identification and review of SBHA's strategic corporate risks. This will involve regular review of the high level risk map and the scoring of risks. If very significant unforeseen risks arise between the reports then these will be advised along with the action being taken to the Convener of the Committee.

6.0 Treasury Management

- 6.1 Monitor the implementation of the Treasury Management Policy and Strategy (as approved by the Board), and monitoring SBHA's cash flow forecasting and treasury operations.

Appendix 8 – The Remuneration and Nominations Sub-Committee’s Terms of Reference

1.0 The Remuneration and Nominations Sub-Committee has a limited remit under section 4.0 of these Standing Orders to oversee Chief Executive pay, Governance nominations and succession planning, and urgent staffing issues. Its terms of reference are set out below.

2.0 Governance Compliance

2.1 Conduct all of its business in accordance with the Code of Conduct and SBHA’s values, and maintain the highest ethical standard throughout.

2.2 Overseeing the recruitment process, as advised by the Board, to the governance structure and Sub-committees, to ensure the right skills are in the right places.

2.3 Carrying out succession planning, as advised by the Board, to ensure the Board and Sub-committees maintain the appropriate mix of skills.

3.0 People

3.1 Approving the pay level of the Chief Executive. This could involve seeking independent, professional advice if the Sub-committee feel this is required.

Appendix 9 – The Executive Team’s Terms of Reference

1.0 The Executive Team have the responsibility for the day-to-day running of SBHA and ensuring the Association complies with the law, regulations, and Regulatory requirements at all times, as set out in Section 3.19 of these Standing Orders. Specifically, its remit covers the following terms of reference in each category in accordance with the scheme of delegated authorities (appendix 10),, and any additional elements delegated to it by the Board.

2.0 Corporate Strategy and Operations

2.1 Work with the Board to develop the Strategic Plan, and the Vision, Values and Mission Statement of SBHA, and then implement the Strategic Plan as agreed by the Board.

2.2 Work within the Budget and Business plan as agreed by the Board.

2.3 Manage the performance of SBHA through a suite of management performance indicators, reporting on performance to the Board and Sub-Committees and highlighting any performance issues to the Board or relevant Sub-Committee

2.4 Approve the operational policies of SBHA delegated to it by the Board. The Board and Sub-Committees retain the right to call in any policy for approval that falls under their remit if they feel that it is necessary.

3.0 Corporate Compliance

3.1 Monitoring the financial accounts of the Association through the monthly Management Accounts

3.2 Advising the Audit and Compliance Sub-Committee whether an adequate system of accounting and internal control exists, and for making recommendations for its improvement. In this, it will be advised by External and Internal Auditors.

3.3 Deliver regulatory returns to the Board for approval within the required timescales.

3.4 Authorise urgent items of expenditure up to £50,000 on any one item which is not included in the Annual Budget, provided the purpose of the expenditure is consistent with the Association’s aims and that a full report is made to the next Board meeting.

3.5 Responsibility for overseeing the management and operation of SBHA’s Property Services division, within approved budgets and to agreed targets for workload, quality and performance.

3.6 Determine and prioritise the allocation between Planned Maintenance Programme projects of the financial resources approved by the Board of Management, and for monitoring same. This will be based on the priorities for the Programme that the Board has agreed.

3.7 Approve the Association’s list of Approved Contractors, Consultants and Planning Supervisors, in line with the Board approved Procurement Policy, and reporting on compliance with this to the Audit and Compliance Sub-Committee.

3.8 Monitoring the award of Assets and Property Services contracts for SBHA, and gaining Board approval for any contracts which vary from their budget by over 5%.

- 3.9 Support the External Audit and the Internal Audit, providing all information required, and producing management responses to the Internal Audit for the Audit and Compliance Sub-Committee, and then ensuring that these are implemented and a register of these actions is maintained.
- 3.10 Implement the Health and Safety Policy as agreed by the Board, and report on this to the Audit & Compliance Sub-Committee. In doing this, it will maintain the strategic Health and Safety Risk Register, adding new risks as appropriate, and recommending the scoring of risks on a regular basis to the Audit and Compliance Sub-Committee.
- 3.11 Monitor the Association's operational health and safety performance in all aspects and have responsibility for ensuring that all statutory requirements are met in relation to the work of the Association. In doing so, they will ensure that any significant health and safety failure, and the outputs of any internal and/or external health and safety audit, are reported to the Audit and Compliance Sub-Committee (and the Board), and all resulting actions are put in place.
- 3.12 Approve procurement decisions under the delegated limit set out in the financial regulations, and ensure that procurement legislation, and SBHA's procurement policy, is complied with at all times.

4.0 Governance Compliance

- 4.1 Preparation and issue of Board and Sub-Committee agendas (in consultation with the Chair or relevant Convenor) and the issuing of papers and minutes for these Meetings.
- 4.2 Maintain the register of Board decisions and the register of policies, ensuring that all Board and Sub-Committee decisions are followed through.
- 4.3 Plan, carry out, and record Member training to ensure that the Board and Sub-Committees have the full range of skills they require to operate effectively.

5.0 Strategic Corporate Risk

- 5.1 Maintaining the high level risk register, adding new risks as appropriate, and recommending the scoring of risks on a regular basis to the Audit and Compliance Sub-Committee.
- 5.2 Carrying out the day to day risk management of the Association's activities. This will include compliance with all matters and recording this in the Corporate Compliance Register.

6.0 People

- 6.1 Provide strategic leadership to SBHA's people, co-ordinating and integrating activity towards achieving SBHA's objectives and values as determined by the Board. This will include updating operational staffing policies and procedures to be in line with Board's strategic decisions. If these would result in significant changes to SBHA's staffing complement and/or structure, or Staff Terms and Conditions, these must be referred to the Board.
- 6.2 Manage staffing performance within SBHA, ensuring that SBHA complies with employment law and best practice, and make the Board aware of any potential issues in this regard.

- 6.3 Approve all staffing related decisions that are in line with the Board-approved Budget.

7.0 Treasury Management

- 7.1 Implement the Treasury Management Policy and Strategy as agreed by the Board, and report on this to the Audit & Compliance Sub-Committee.

8.0 Development

- 8.1 Work with local partners to develop SBHA's submission for the Strategic Housing Investment Partnership (SHIP), and present this to the Board for their approval.
- 8.2 Implementing the outcomes of the Association's bids for Housing Association Grant etc, all within the terms of the Borders Local Housing Strategy (LHS) and Strategic Housing Investment Partnership (SHIP).
- 8.3 Approving the design of building projects and associated environmental works, based on the viability assessment approved by the Board and the input of the Customer Board on customer and housing needs and SBHA development standards.
- 8.4 Where appropriate, make recommendations to the Board on the proposed acquisition of sites or particular properties, taking account of the availability of loan or grant finance, and the housing or business needs which the property/site will address.

See separate document.