

Berwickshire Housing Association

Role Description for Board Members

Purpose of document

This document provides a statement of the responsibilities of the BHA Group Board of Directors collectively and of its individual members. It is intended to act as a reference for all those involved in the governance of the housing association, including new and established Board members and senior members of staff. The relationship between the Board member and members of the staff group is vital to the effective governance of the housing association. The relationship must be based on good and regular communication, mutual trust and support and an understanding of the respective roles and responsibilities.

The statement is consistent with the principles set out in the Regulatory Code of Governance, published by the Scottish Housing Regulator.

As the Association is a Scottish Charity, the statement is also consistent with the Guidance for Charity Trustees published by the Office of the Scottish Charity Regulator (OSCR), which sets out the formal responsibilities of trustees in ensuring that the housing association acts in line with its charitable objects.

We operate within a group structure, the roles and responsibilities of members of the Board are further influenced by the relationships between the members of the group and the responsibilities of each. These are set out in the BHA rules and subsidiaries' corporate control documents.

Section 1: Introduction

The Board is ultimately responsible for the work of the housing association. For the Board to be effective, it is essential that the role and responsibilities of the Board are understood and observed (section 2). Being a member of the Board carries important responsibilities; individuals require to understand and accept these responsibilities (Section 3). Being a member of the Board involves making a time commitment and being willing to learn (Section 4). In return for that commitment, the housing association has a responsibility to support Board members to enable them to carry out their role effectively (Section 5).

Section 2: What the Board is responsible for

The function of the Board as a whole is two-fold:

- ♦ to provide leadership to the housing association and determine its strategy, and
- ♦ to control the housing association's affairs and ensure compliance.

The operational management of the housing association is delegated to the housing association's staff, within a framework of controls established by the Board. In practice this distinction involves a strong element of partnership between the Board and staff, and demands mutual respect, trust and support.

In relation to its **strategic and leadership** function, the core responsibilities of the Board are to:

- Determine the housing association's central purpose, its values and its culture, and ensure that they are consistent with the housing association's rules and corporate control documents.
- Determine and keep under review the housing association's strategic direction and its business objectives.
- Develop and maintain an understanding of the operating environment of the housing association, and take this into account in assessing the association's strategy.
- Disseminate and ensure compliance with the values of the housing association
- Establish a framework for the development, approval and review of policies and plans to achieve the housing association's business objectives.
- Ensure that the organisation is adequately resourced to meet its business objectives.
- Identify and manage the risks associated with the association's strategy.
- Decide on and keep under review formal partnerships and alliances with other organisations.
- Build up strategic links with external bodies and foster relationships with senior staff to enable them to discharge their strategic and leadership duties.

In relation to its **control and compliance** function, the core responsibilities of the Board are to:

- Establish and oversee a framework for delegation to office bearers, to committees and to staff.

- Establish and regularly review systems of internal and external control, including Standing Orders, external audit, internal audit, financial control and performance reporting.
- Establish and oversee a framework for the identification and management of risk, in order to protect the housing association and its assets.
- Ensure the solvency of the housing association, approve the annual budget, and approve the annual accounts prior to publication
- Monitor and assess the housing association's performance against plans, budgets, controls and targets, taking into account customer feedback and the performance of comparable housing associations.
- Establish and oversee a framework for the employment of staff.
- Appoint, support, appraise and (if necessary) dismiss the Chief Executive, and determine his/her remuneration
- Ensure that the housing association meets all its statutory obligations and acts in accordance with regulatory expectations and accepted good practice standards.
- Ensure that the housing association acts in accordance with its own constitution
- Assess periodically the Board's own effectiveness
- Assess how well the Board members follow its Code of Conduct.

In both sets of responsibilities, the Board is informed, advised and supported by the staff group.

The core responsibilities are central to the Board's role and cannot be delegated.

Section 3: What the housing association expects of individual Board members

Each individual member is expected to contribute constructively to the work of the Board. The effective collective performance of the Board depends on members recognising and fulfilling their individual responsibilities.

All members share and must accept collective responsibility for the decisions properly made by the Board. All members are equally responsible in law for the decisions made. Each must act only in the interests of the housing association and its customers, and not on behalf of any constituency, other organisation or interest group. Although members may have been elected, nominated or appointed by a particular stakeholder group, their overriding loyalty must be to the housing association as a whole. Members should refer to the Code of Conduct for Board Members which is re-produced in part below:

Every individual member is expected to:

1. Uphold the values, objectives and policies of the housing association
2. Contribute to and accept responsibility for the Board's decisions
3. Uphold and promote the principles of equality and diversity in the governance of the housing association.
4. Treat all colleagues on the Board with consideration, and foster mutual respect and trust
5. Prepare for meetings and attend regularly and punctually
6. Attend relevant training sessions and events
7. Attend and participate in reviews of the performance and effectiveness of the Board.
8. Represent the housing association positively and appropriately
9. Be aware of the restrictions on payments and benefits and follow the housing association's policy on managing these restrictions
10. Not accept any offers of gifts and hospitality which could be seen as a way of exercising an improper influence over decision making
11. Declare any personal or other interests which could potentially conflict with those of the housing association
12. Not engage in any activity which could be detrimental to the interests of the housing association.
13. Respect confidentiality of information where appropriate
14. Keep his or her own learning and knowledge of their local and national operating environment and the impact that this has on the association, as up to date as possible, in order to make well informed decisions.
15. Adhere to the principles and the expectations set out in Scottish Housing Regulator's Regulatory Code of Governance and other regulatory codes that apply to the housing association.

The individual responsibilities listed form the basis of the Code of Conduct for Board Members. On becoming a member of the Board, each member is given a letter of appointment, containing the Code of Conduct, and is asked by signing to confirm their acceptance of the responsibilities. Members are also asked to re-confirm their acceptance on an annual basis

Section 4: What being a Board member involves

An estimate of the annual time commitment which is expected of Board members is as follows:

<i>Attendance at up to 12 Board meetings</i>	<i>40 hours, plus travel</i>
<i>Reading and preparation for Board meetings</i>	<i>32 hours</i>
<i>Attendance at up to 8 Committee meetings</i>	<i>24 hours, plus travel</i>
<i>Reading and preparation for Committee meetings</i>	<i>16 hours</i>
<i>Attendance at annual Board 'away' days</i>	<i>Up to 2 days, plus travel</i>
<i>Serving on occasional/ad hoc working groups</i>	<i>16 hours, plus travel</i>
<i>Training and conferences</i>	<i>12 – 36 hours plus travel</i>
Total	212 hours

It is stressed the above time commitments are illustrative only and may subsequently vary. Office bearers have additional responsibilities.

Section 5: How the housing association supports Board members

The housing association is committed to ensuring that the Board and its members are able to exercise their roles and responsibilities. It recognises that members require support and assistance to carry out their responsibilities, and to make their role a rewarding and satisfying one.

In return for their commitment and time, the housing association provides its Board members with

- A welcome and introduction when they first join and ongoing support thereafter
- Clear guidance, information and advice on their responsibilities and on the work of the housing association
- Formal induction training to assist them to settle in

- The support of a more experienced member as a mentor for a period of six months after joining.
- Papers which are clearly written and presented, and circulated in advance of meetings
- The opportunity to put members' experience, skills and knowledge to constructive use
- The opportunity to develop members' own knowledge and personal skills
- The opportunity to work in a stimulating and mutually supportive environment
- The chance to network with others with shared commitment and ideals
- The opportunity to stand for one of the office bearer positions

All members of the Board are volunteers and receive no payment for their contribution. There are restrictions set out in legislation which prevent Board members or their relatives benefiting personally from their involvement with the housing association. However, all expenses associated with the role of Board member are fully met and promptly reimbursed. No Board Member is expected to be out of pocket as a result of any work on behalf of the housing association.

In carrying out periodic reviews of its governance arrangements, the housing association examines the effectiveness of these support arrangements. Office Bearers are offered additional support to reflect their additional responsibilities.

<p>Section 6: Where to find out more</p>

The following documents are relevant to your role as a Board member, and form part of the package given to you when you become a member.

BHA Rules and Subsidiaries' Corporate Control Documents

These represent the constitution of the housing association. They can only be changed with the agreement of the shareholding membership of the housing association, of Scottish Housing Regulator and the Financial Services Authority/Companies House (whichever is appropriate).

Standing Orders

These are the procedures agreed by the housing association for the discharge of its business through the Board, its committees and the staff, including the formal arrangements for the delegation of authority.

Regulatory Code of Governance

The Code, published by Scottish Housing Regulator, sets out the regulatory standards which apply to the Board as a whole and to individual Board members.

Undertaking to observe the Regulatory Code of Governance

This document acts as an initial and subsequently annual declaration by Board members that they accept and understand their responsibilities and also deals with declarations in relation to Conflicts of Interest, Payments and Benefits to; and Gifts and Hospitality received by Board members

Policy on Expenses to Board members

This policy sets out the circumstances under which Board members can claim or receive expenses, and the limits to those expenses.

Finally, the Chief Executive, any member of the Management Team or any current Board Member will be happy to provide any further information if required.

Colin Turner
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