



TAI CANOLBARTH CYMRU MID-WALES HOUSING

Yn barod **amdani** **Equal** to the challenge

Membership Policy and Board Structure

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Title: MEMBERSHIP POLICY AND BOARD STRUCTURE

1. INTRODUCTION

The way in which the Board of Management and any Committee(s) operate are detailed in the “Membership Policy” and “Board and Committee Procedure”.

2. MEMBERSHIP OF THE ASSOCIATION

- 2.1. Membership of the Association will be open to anyone upon payment of £1 for a share, unless that individual is prohibited by law
- 2.2. Employees may not be Members of the Association.
- 2.3. The Association will make every effort to encourage Membership of the Association from throughout its geographic area of operation.
- 2.4. Membership of the Association among tenants is to be actively encouraged.
- 2.5. All applications for shareholding membership need to be approved by the Board.

3. BOARD OF MANAGEMENT

The Terms of Reference of the Board of Management are detailed in Standing Orders.

3.1. Overall Role

The Association’s Board of Management is the governing body of the Association and is responsible for directing the affairs of the Association in accordance with its Objects and Rules on behalf of the shareholders, tenants, employees and community at large. It exercises control of and responsibility over the management of the Association.

To be responsible for the governance of the organisation; to direct and control the Association’s work; to determine its strategic direction and policies, to establish and oversee control and risk management frameworks and to ensure that the Association achieves its aims and objectives and in accordance with the requirements of the law, regulatory bodies and best practice.

To recognise that day-to-day Management and the implementation of Board policies should be delegated to staff. **A schedule of Delegated Authorities is detailed in Standing Orders.**

To act only in the interests of the Association and not on behalf of any constituency or interest group and uphold the reputation of the Association and the values, objectives and principles for which it stands.

- 3.2. In accordance with its Rules, the Association's Board of Management comprises a minimum of seven and a maximum of fifteen Members (including co-optees).
- 3.3. A maximum of five persons may be co-opted to the Board from time-to-time for either a particular or a general purpose.

- 3.4. Any individual (including tenants) elected to the Board will serve for a period of three years from the date of the AGM when elected, before standing down. . Shareholding and Tenant Members will stand down at the AGM, but may stand for re-election if they so wish. All individuals serving on the Board may only serve for a maximum of three terms (or nine years).
- 3.5. The Association will make every effort to encourage Tenants¹ to stand for election to the Board. Up to a third of the Board (subject to a maximum of four) may be Tenants duly elected by the Association's Shareholders². (The procedure for electing Tenants will be decided, from time-to-time, by the Board).
- 3.6. Invitations to join the Board of Management will be made on the basis of a person's suitability and competence. A small group of Members, which should include the Chair of the Board of Management, the Chair of the Nominations Committee, together with the Chief Executive, will interview all candidates. Where a candidate is not suitable or does not reach the expected level of competence, their application will be rejected. In the case of Tenants, they will not be permitted to stand for election.
- 3.7. Board Membership will be reviewed annually by the Association's Nominations Committee, and will ensure that the composition of the Board is appropriate for the Association's present and planned activities. This will entail the routine appraisal of Members and review of the key performance areas such as attendance.
- 3.8. The composition of each Committee will be reviewed annually by the Nominations Committee. They will recommend to the Board of Management the membership of each Committee ensuring the Members have the appropriate skills for the Committee, taking into account Member preferences for serving on a Committee and ensuring there is continuity of membership from one year to the next.
- 3.9. Every effort will be made to ensure that the Board of Management contains representation from throughout the Association's geographic area of operation.
- 3.10. All Members (including Tenants) will sit on the Board of Management as individuals and not as representatives of a particular organisation or faction.
- 3.11. The Association will not consider employees or their close relatives as Members of the Board, since it would be unlawful for the Association to offer a Contract of Employment to a Board Member or to a close relative.
- 3.12. The Association will not consider close relatives of existing Board Members for Board Membership.
- 3.13. Board Members are expected to act at all times in the interests of the Association, and to meet the obligations of the agreed role specification. Members should also recognise they are "ambassadors" for the Association and should seek to present the Association positively at all times.

¹ For the avoidance of doubt a "leaseholder" is legally a tenant and may stand for election under the rules.

² The change in the way tenants are elected has been approved by the Board but is subject to a change in the Rules, which requires a resolution at the AGM. Therefore, this change is subject to approval at the AGM in 2015.

3.14. Frequency of Meetings

- 3.14.1. The Board will meet bi-monthly in May, July, September, November, January and March.
- 3.14.2. Additional meetings may be called at the discretion of the Chair.

3.15. Quorum

- 3.15.1. Three Board Members or half the Board, whichever is the lower number, form a quorum for Board Meetings. At least one-third of the Members attending must be independent (not Tenant Board Members).
- 3.15.2. The quorum for Committee Meetings will be three Board Members.

3.16. Election of Chair and Deputy Chair

- 3.16.1. The Chair and Deputy Chair will be elected annually at the first Board Meeting immediately following the Annual General Meeting.
- 3.16.2. The Chair may hold office for a consecutive period not exceeding three years; they need to put themselves forward for election each year but may not continue as Chair after three years. They may choose to stand down at any time. The Chair may stand for a second term of office (of a maximum three years) if they so wish.
- 3.16.3. The Deputy Chair may, but may not necessarily, be elected to Chair upon the standing-down of the current Chair.
- 3.16.4. To ensure some degree of continuity at succession, the Deputy Chair elected to that role in the last year of the Chair's term of office will be expected to become Chair the following year (subject to due process at the AGM and the first Board meeting following the AGM).
- 3.16.5. Where the Chair or Deputy Chair are Tenants they may not be an officer (e.g. Chair) of any formal or informal tenants' group of the Association (e.g. Tenants' and Residents' Forum). The Association will expect them to resign from office of the other group as a condition of becoming Chair or Deputy Chair.
- 3.16.6. There will be no restriction on the length of membership of the Board before standing for Chair or Deputy Chair.

3.17. Financial and other Support

- 3.17.1. The Association will meet all the reasonable expenses of Board Members necessary to enable them to fulfil their role. This is outlined in the Board Members' travel and expenses guidance note as recommended by Nominations Committee. These expenses may include - but will not be limited to – the payment of reasonable travelling expenses; overnight accommodation where necessary; reimbursement of reasonable subsistence costs.

- 3.17.2. The Association will provide an iPad to each Board Member to facilitate the prompt distribution of information, and will provide relevant training to ensure Members are able to use such equipment effectively.
- 3.17.3. In some circumstances the Association will consider meeting other reasonable expenses – such as the cost of child care – to facilitate attendance at meetings involving Members. A decision on the reasonableness of such a request will be made by the Chair in consultation with the Chief Executive.
- 3.17.4. The Association is committed to supporting Board Members in undertaking their role, and provides a dedicated training and conferences budget so that Board Members can undertake appropriate and relevant training.
- 3.17.5. No attendance allowance will be paid.

3.18. Duality and Conflict of Interest

- 3.18.1. The Association will have regard to its statutory obligations in accordance with Paragraph 2 of Schedule 1 to the Housing Act 1996. This will ensure that Board Members, employees and their close relatives have no duality or conflict of interest.
- 3.18.2. Board Members are expected to disclose all direct or indirect pecuniary or other interests which could influence their judgement. A register of interests thus disclosed is maintained for all Board Members.
- 3.18.3. Each Board Member will be expected to declare any interest in any scheme being undertaken or considered by the Association or in any consultant, contractor or supplier being used or considered by the Association. The intention of this policy is to ensure that Members, by virtue of their position or connections elsewhere, do not unduly influence the Board in its deliberations nor stand to gain any benefit from their position or connections elsewhere.
- 3.18.4. Officers or Members of a County Council with which the Association has regular or frequent dealings may not stand as Chair of the Association.

3.19. Confidentiality

- 3.19.1. Board Members are expected to appreciate and respect the confidential nature of the Association's business.
- 3.19.2. Information acquired from or through the Association, whether in or outside meetings of the Board, Committees or Working Groups, must not be discussed with, or divulged to, any person or body not connected with the Association, unless specifically authorised or requested at a Board or Committee Meeting and minuted accordingly. Any unauthorised disclosure of confidential matters will be regarded as a breach of trust and may result in removal from the Board.

3.20. Co-option

- 3.20.1. Other individuals may, from time-to-time, be co-opted to the Board (and Committees/Working Groups). Co-optees may be appointed:
- To fill casual vacancies on the Board;

- To provide additional skills where a gap in necessary skills has been identified via the appraisal of Board Members.

3.21. Co-opted Members may attend any or all Board Meetings and may take part in all deliberations and vote on any issue except issues prohibited by the Association's Rules.

3.21.1. Co-optees cannot take part in the deliberations nor vote on the election of officers of the Association nor any matter directly affecting shareholders.

3.21.2. Co-optees in attendance will not count towards the quorum.

3.21.3. Co-optees will serve until the next AGM, at which point they must stand down. They may stand for election as a permanent Member. The Board may, at its discretion, reappoint a co-optee to serve for subsequent term(s) upon the recommendation of the Nominations Committee and where the co-optee's skill continues to be required."

3.22. COMMITTEE STRUCTURE

3.22.1. The Board of Management may delegate certain responsibilities or tasks to a Committee. These may be standing committee(s) or an ad-hoc Committee established for a specific task. All Committees will have clearly set out terms of reference approved by the Board.

3.22.2. The standing Committees are established across the Group. They are to consider a Group perspective and not be specific to one organisation of the Group.

3.22.3. The membership of each of the Committees will be considered by Nominations Committee who will make a recommendation to the Board on which Board Members should be on each Committee

3.22.4. The Association may consider the appointment of employees to the Committees.

3.23. Election of Chair of Committee(s)

3.23.1. The Chair will be elected annually at the first meeting of that Committee immediately following the Annual General Meeting.

3.23.2. The Chair may hold office for a consecutive period not exceeding three years; they need to put themselves forward for election each year but may not continue as Chair after three years. They may choose to stand down at any time. The Chair may stand for a second term of office (of a maximum of three years) if s/he so wishes.

3.23.3. There will be no restriction on the length of membership of the Board before standing for Chair of a Committee.

3.24. Standing Committees

3.24.1. The Association has four standing Committees, the Finance & Audit Committee, **Scrutiny Committee**, **Nominations Committee** and **Remuneration Committee**. The terms of reference are detailed in the Standing Orders.

3.24.2. Finance & Audit Committee

- The Finance & Audit Committee will be formed by five Board Members; four from Mid-Wales Housing Association Board and one from the Care & Repair Board.
- One of the Committee Members should be a Tenant Board Member.

- The Finance & Audit Committee will meet four times a year, but may meet more frequently at the discretion of the Chair of the Finance & Audit Committee where there are, in her/his opinion, sufficient matters to warrant a meeting. The meetings will be arranged to fit in with the annual financial cycle. The pattern of meetings is likely to be:
 - February – consider draft budget
 - May – consider draft year end accounts
 - July – consider audited accounts
 - October – consider the half year accounts

3.24.3. Scrutiny Committee

- The Scrutiny Committee will be formed by five Board Members; four from Mid-Wales Housing Association Board (including the Deputy Chair of the Board) and one from the Care & Repair Board.

- One of the Committee Members should be a Tenant Board Member.

- Scrutiny Committee will meet four times a year, but may meet more frequently at the discretion of the Chair of Scrutiny Committee, where there are, in her/his opinion, sufficient matters to warrant a meeting.

3.24.4. Nominations Committee

- The Committee shall consist of four Members of the Board of the Association and the Company Secretary. Three of the Board Members are from Mid-Wales Housing Association Board and one from the Care and Repair Board.

- The Nominations Committee will normally meet twice a year, but may meet more frequently at the discretion of the Chair where there are, in her/his opinion, sufficient matters to warrant a meeting.

3.24.5. Remuneration Committee

- The Committee shall consist of four Members of the Board of the Association, and the Chief Executive. Three of the Board Members are from Mid-Wales Housing Association Board (including the Chair of the Board) and one from the Care & Repair Board.

- The Remuneration Committee will normally meet twice a year, but may meet more frequently at the discretion of the Chair where there are, in her/his opinion, sufficient matters to warrant a meeting

3.24.6. The Chair of the Board may not be a Member of Scrutiny Committee and may not be Chair of any Committee.

4. WORKING GROUPS

- 4.1. The Board may, from time-to-time establish working groups (or “task and finish” groups) for the purpose of considering specific issues. These may, but need not include, both officers and Members.
- 4.2. Working Groups will have no delegated powers, but will refer recommendations to the Board of Management of the Association or to the appropriate Committee, as agreed when set up.
- 4.3. The terms of reference or scope of any Working Group will be established by the Board or respective Committee.

5. BOARD CHAMPIONS

- 5.1. The Association has adopted a system of Board Champions designed to provide staff with an informal sounding board for ideas, utilising the expertise of its Board Members. The role is an additional one which an individual Member may volunteer to fill. It does not represent an obligation under the role specification.
- 5.2. The Terms of Reference of Board Champions is detailed in Standing Orders.
- 5.3. Board Champions do not have any delegated authority.

6. SUBSIDIARY COMPANIES (INCLUDING CARE & REPAIR IN POWYS)

- 6.1. The Association will exercise control of its subsidiary (or subsidiaries) by ensuring that within the rules of those subsidiaries it is able to nominate the majority of that company’s voting committee Members.
- 6.2. It will not normally fill all of those vacancies unless it needs to exercise control to protect the reputation and/or financial stability of the subsidiary and/or group.
- 6.3. In the normal course of events it will nominate no less than two Members from the Board plus either the Chief Executive or Company Secretary.
- 6.4. The nominations to the subsidiary Board will be by the Board on the recommendation of the Nominations Committee.

Key Performance Areas:

- A. Regular appraisal of Board Members.
- B. Attendance at Board (and Committees) not to be less than 75%. Performance to be measured and monitored by the Chief Executive who will report to Nominations Committee annually.
- C. Record kept of annual declarations of interest.

Strategic Risk Factors	<ul style="list-style-type: none"> - SR14SR001 – Governance - amber - SR14SR028 – Care & Repair – amber 	
Equality Impact Audit. <i>{This element of policy review will be replaced by the Equality Impact Assessment process recently approved by Board when it is fully implemented}.</i>	<p>How does/will this policy ensure needs are met fairly particularly with regard to race, gender, disability etc.?</p>	<ul style="list-style-type: none"> • It presents a clear and equitable framework for anyone who wishes to be a Member of the Board. • It establishes a clear set of rules for Members, ensuring no inadvertent bias can be imposed for whatever reason.
	<p>Is it felt that this Policy might affect different groups adversely. If so what is the justification for this, and is it legally permissible?</p>	<p>It is not felt that any elements of this Policy will mean any individual with any protected characteristic will be disadvantaged by any element of the Policy.</p>
	<p>Have any representative groups in the locality been asked for their opinion and if so what was the outcome?</p>	<p>NO</p>
Tenant Engagement	<p>How does/will this policy ensure the needs of tenants are met?</p>	<p>This Policy does not directly impact upon service delivery. However the quality and effectiveness of the Board and governance generally, has a direct relationship on the operation of the Association. Ensuring tenants are represented upon the Board and Committees, by individuals of appropriate calibre, will ensure those interests of tenants are best represented.</p>
	<p>How is it felt this Policy will impact on the rights and obligations of tenants?</p>	<p>It will not have any direct impact upon the rights or obligations of tenants.</p>
	<p>Have tenants been consulted and were the outcomes of that consultation taken into account when considering the introduction of this Policy?</p>	<p>NO</p>