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| C:\Users\Matthewss\Desktop\Fairhive Logo RGB (1).png   |  |  | | --- | --- | | **Name:** | **Terms of Reference (Including Matters Reserved) of the Fairhive Board** | | **Document Reference:** | **GF02** | | **Framework:** | **Governance Framework** | | **Framework**  **Approval Level (1 or 2):** | **1** | | **Terms of Reference Approval** | **Parent Board** | | **Author (name, job title):** | **Claire Taylor**  **Company Secretary** | | **Date approved:** | **November 2022** | | **Review Due Date:** | **November 2025** | | **Publication:** | **For Internal Use Only** | | **Version:** | **5** | | **Resident Consultation sought:** | **No** | |
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# Purpose

1. To ensure the solvency, viability and long term success and growth of Fairhive.
2. To direct and control the activities of Fairhive in accordance with the law, the constitution, regulatory standards, and as good practice.
3. To determine, and ensure compliance with, the vision and values.
4. To define, promote and embed an organisational culture reflecting Fairhive’s mission and values, with a strong customer focus.
5. To develop, review and take ownership of the corporate strategy, long term financial plan and budgets.
6. To agree, implement and monitor the outcomes of business strategies.
7. To agree and oversea the implementation of key policies and standards.
8. To maintain oversight and control of all of Fairhive’s assets and liabilities.
9. To agree and oversee for Fairhive’s borrowings.
10. To agree all matters that might create significant financial or other risk to Fairhive, or that raise material issues of principle.
11. To ensure that services are delivered to customers in line with agreed strategies, policies and standards.
12. To establish and maintain appropriate levels of engagement with residents and other stakeholders.
13. To establish strong and effective working relationships with the Chief Executive and other members of the Executive Leadership Team (ELT) providing oversight, direction and constructive challenge.
14. To maintain ownership of Health and Safety risks and responsibilities overall and provide the group, supported by the Committees, with non-executive oversight.
15. To maintain oversight and control of any subsidiary companies within the group
16. To ensure the safety of residents and other stakeholders within our properties and working environments so far as is practicable.
17. To direct and oversee Fairhive in achieving equality of opportunity, diversity and inclusion.
18. To map and keep under review Fairhive’s key stakeholders and their varied interests and to listen to the stakeholder views as appropriate when taking decisions.
19. Promote and drive environmental sustainability across Fairhive’s portfolio and its subsidiaries
20. Ensure appropriate confidential reporting/whistleblowing arrangements are in place.
21. **Membership**
22. The membership of the Fairhive Board will be twelve board members as set down in the Rules including:

* ten Independent Board members
* two Council Board members
* plus up to two Co-optees (Rule D7)

1. The Chair and Vice Chair (if one is appointed) of the Board will be appointed in accordance with Fairhive’s Rules.
2. **Quorum**
3. The quorum for meetings is six board members. The Board will not be quorate unless members that are employees of the Association are in a minority.
4. **Meetings**
5. The Board will meet at least three times a year as an ordinary meeting.
6. Additionally, special meetings may be called as required by the Chair or Company Secretary, or by other members in accordance with the Rules.
7. Attendance at all or part of meetings by non-Board members is solely at the discretion of the Chair although there is a presumption that the ELT will normally attend.
8. **Core Responsibilities**

* 1. In relation to **compliance** the Board’s responsibilities include:

1. Satisfying itself that Fairhive’s affairs are conducted lawfully and in accordance with generally accepted standards of performance, probity, good practice and regulatory requirements.
2. Assessing and certifying compliance with the regulator’s economic and consumer standards and the NHF Code of Governance.
3. Agreeing Fairhive’s annual review and financial statements.
4. Ensuring the timely submission of statutory and regulatory returns.
5. Considering and responding as appropriate to any regulatory judgment, viability review or consultation.
   1. In relation to **strategy & policy** the Board’s responsibilities include:
6. Establishing a framework for the development, implementation and review of all strategies and policies.
7. Agreeing the corporate strategy and keeping it under review.
8. Developing and agreeing business strategies.
9. Agreeing those policies which require Board Approval (level 1).
10. Ensuring that all level 1 policies incorporate legal and regulatory compliance.
    1. In relation to **governance arrangements** the Board’s responsibilities include:
11. Agreeing changes to governance structures.
12. Creating and delegating authority to committees or other board member bodies.
13. Delegating powers to the ELT, collectively and individually.
14. Agreeing amendments to the governance framework and delegated authority.
15. Appointing (and, if necessary, removing) board members, the Chair of the Board or the Company Secretary.
16. Establishing and ensuring compliance with a code of conduct.
17. Agreeing a policy for the admission to Fairhive’s membership.
18. Ensuring that the collective skills, knowledge and experience of board members remains appropriate for the business.
19. Developing a succession plan to address board renewal taking into account current and future business needs.
20. Agreeing a process for the induction of new board members.
21. Agreeing the board member training and development programme.
22. Agreeing a process for the annual appraisal of the Board and board members.
23. Agreeing the form and content of the Board Member Deed of Agreement for Services.
24. Agreeing policies for boards and committee member remuneration and expenses.
    1. In relation to **human resources & facilities** the Board’s responsibilities include:
25. Appointing (and, if necessary, dismissing) the Chief Executive.
26. Ensuring appropriate succession planning for the Chief Executive and other members of the ELT.
27. Agreeing remuneration policy for all employees.
28. Agreeing the employee grading structure and annual pay review.
29. Setting executive salaries, benefits and terms of employment.
30. Agreeing the employee competency and appraisal framework and performance related pay scheme.
31. Agreeing policies for the recruitment and retention of employees including their terms and conditions of employment.
32. Agreeing changes to the establishment which are outside budget or may result in redundancies.
33. Overseeing the viability of, and agreeing any changes to, pension arrangements.
34. Overseeing relations with recognised unions or other representative bodies.
35. Ensuring compliance, and demonstrating leadership, with equality and diversity policy.
36. Ensuring the adequate provision of office and other premises.
37. Overseeing Fairhive’s legal responsibilities as an employer, in particular ensuring compliance with health and safety at work legislation.
    1. In relation to **financial management** the Board’s responsibilities include:
38. Agreeing the 30 year financial plan.
39. Agreeing the annual budget, and cash flow forecast.
40. Monitoring performance against budget and key financial indicators.
41. Acting in relation to any serious financial under-performance or risk to viability.
42. Establishing and monitoring a framework for value for money.
43. Setting all residential rents and service charges.
    1. In relation to **treasury & borrowing** the Board’s responsibilities include:
44. Agreeing the treasury policy framework and an approach for borrowing including assessing the viability and the terms for the raising of private finance.
45. Considering and agreeing specific loans and the terms and conditions attached to those loans.
46. Considering and agreeing the creation of any fixed and/or floating charges to be given as security for loans and the terms and conditions attached to those charges.
47. Authorising the affixation of the seal, and signatories to witness the seal, on loan agreements and security documentation; and the execution of loan agreements under hand.
48. Authorising the execution of any related notices, letters or documents and performance of all matters, acts and things (which those authorised in their absolute discretion deem to be necessary or desirable) in connection or in relation to any loan or finance.
    1. In relation to **audit, risk & controls** the Board’s responsibilities include:
49. Agreeing a framework for the identification and management of risk; safeguarding the assets and reputation of the organisation.
50. Overseeing the effectiveness of risk management practice (including stress testing).
51. Agreeing a framework of control including internal and external audit systems and procedures.
52. Agreeing the statement of internal control assurance.
53. Recommending the appointment or removal of external auditors.
54. Ensuring the maintenance of adequate insurance cover.
55. Agreeing amendments to the financial regulations and authorisation levels for expenditure.
56. Agreeing authorised signatories for regulatory certifications and for all bank accounts.
57. Compromising, settling, conducting, enforcing or resisting either in a court of law or by arbitration any suit, debt, liability or claim by or against Fairhive which are material, by reason of value or impact on the reputation of Fairhive.
58. Agreeing any out of court settlement of legal claims in excess of the limits set in the financial regulations.
    1. In relation to **Health & Safety** the Board’s responsibilities include:
59. Providing non-executive oversight of Fairhive’s health and safety responsibilities for residents, staff, visitors and stock.
60. Monitoring compliance with health and safety legislation and regulation. Receiving regular health and safety reports.
    1. In relation to **contracts & disposals** the Board’s responsibilities include:
61. Agreeing contracts which are material, strategically or by reason of size, other than where expressly delegated and within the limits set in the financial regulations.
62. Agreeing any major capital programmes and projects that present a significant risk to viability.
63. Approving and keeping under review any external contracting, ensuring social housing assets are not placed at risk.
64. Agreeing the disposal of any assets above the limits set in the financial regulations and outside delegated authorities.
65. Approving any major investments including the purchase and/or lease of office accommodation, vehicle fleets, and major IT systems.
66. Agreeing the appointment of Fairhive’s solicitors and bankers.
67. Ensuring compliance with the terms of the transfer agreement with AVDC (now Buckinghamshire Council).
    1. In relation to **business improvement & review** the Board’s responsibilities include:
68. Establishing a framework for performance monitoring.
69. Monitoring key performance indicators against agreed targets and benchmarking information and directing corrective action where necessary.
70. Agreeing the Business Improvement Plan.
71. Monitoring the achievement of key projects.
    1. In relation to **customer services** the Board’s responsibilities include:
72. Setting the standards for the delivery of services to customers.
73. Monitoring the performance of service delivery against agreed standards and value for money.
74. Developing a framework for measuring and monitoring customer satisfaction.
75. Monitoring the levels and nature of customer complaints.
    1. In relation to **business growth** the Board’s responsibilities include:
76. Developing a plan for the organic and non-organic growth of Fairhive.
77. Agreeing any diversification into new activities and new markets.
78. Setting out the parameters within which the Chief Executive, other employees or advisers may engage with other organisations and individuals in furtherance of any agreed growth plans.
    1. In relation to **asset management, repairs & maintenance** the Board’s responsibilities include:
79. Agreeing and keeping under review the management, repair and maintenance of Fairhive’s assets.
80. Agreeing the annual stock investment programme and the parameters for its procurement including the selection of contractors, suppliers, professional advisers and consultants.
81. Monitoring the delivery of the stock investment programme, responsive repairs, voids, cyclical maintenance and safety servicing.
82. Ensuring up to date data on the condition of the housing stock and related assets.
83. Ensuring the maintenance of a thorough, accurate and up-to-date register of Fairhive’s assets and liabilities.
    1. In relation to **development & regeneration** the Board’s responsibilities include:
84. Agreeing the programmes for new homes development and regeneration schemes, including the commitment of internal and external funding in line with the long term financial plan.
85. Agreeing the methods for appraising the costs and risks of development and regeneration schemes.
86. Overseeing the arrangement of private finance for development.
87. Agreeing feasibility studies, funding bids, land banking or acquisition.
88. Agreeing the parameters for the procurement of the development and regeneration programmes including the selection of developers, contractors, suppliers, professional advisers and consultants.
89. Agreeing any partnerships with other housing associations or developers for the delivery of new homes.
90. Monitoring the delivery of the development and regeneration programmes.
    1. In relation to **housing & neighbourhood services** the Board’s responsibilities include:
91. Agreeing key policies for the allocation and letting of Fairhive’s homes.
92. Agreeing key policies for the management of tenancies including tackling anti-social behaviour.
93. Agreeing key policies for delivery of housing with support for older and other vulnerable people.
94. Agreeing mechanisms for investing in the neighbourhoods and communities where Fairhive works.
    1. In relation to **engagement** the Board’s responsibilities include:
95. Ensuring that Fairhive sufficiently engages with residents and that their views, needs and priorities are taken into account.
96. Ensuring that involvement structures and mechanisms are adequately supported and resourced including enabling residents to scrutinise the work of Fairhive.
97. Ensuring that Fairhive sufficiently engages with other stakeholders.
98. Establishing mechanisms for communicating information relating to performance to residents and other stakeholders.
    1. In relation to any subsidiary company the Board’s responsibilities include:
99. Appointing (and, if necessary, removing) board members.
100. Approving the remuneration of subsidiary board members.
101. Approving major strategies and policy initiatives.
102. Approving the business plan including targets.
103. Approving the annual budget.
104. Monitoring performance in relation to plans, budgets, controls and decisions.
105. Acting in relation to any serious financial under-performance or risk to viability of the subsidiary.
106. Considering and agreeing specific investments and/or loans and the terms and conditions attached to those investments and/or loans.
107. Considering and agreeing the creation of any fixed and/or floating charges to be taken as security for investments and/or loans and the terms and conditions attached to those charges.
108. Establishing and overseeing a framework of delegation and systems of internal control.
109. Approval of changes to the Financial Regulations.
110. Ensuring appropriate provision of Audit and Risk Committee responsibilities.
111. **Reserved Matters for the Board (which cannot be delegated)**
     1. The following is a schedule of significant matters specifically reserved for the Board’s decision, which cannot be delegated to the Executive Leadership Team collectively or as individuals or to the Board’s committees:
112. Expansion of Fairhive’s operations into new activities or geographic areas.
113. Any decision to cease a material part of Fairhive’s operations.
114. Changes to corporate structure, including the setting up of subsidiaries.
115. Approval of resolutions to be put forward to Members by the Board at a general meeting.
116. Changes of the structure, size and composition of the Board.
117. Approval of committee membership and committees’ terms of reference.
118. Appointment or removal of any board member and the Company Secretary.
119. Approval and high level oversight of major capital programmes.
120. Ensuring adequate succession planning for board member and senior management appointments.
121. Approval of key policies, including a code of conduct and expected behaviour.
122. Ruling on conflicts of interest arising for individual board members.
123. Changes to the schedule of matters reserved for the Board’s decision.