



ASHFIELD HOMES LIMITED

CODE OF

GOVERNANCE

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ASHFIELD HOMES CODE OF GOVERNANCE

1 INTRODUCTION AND CONTEXT

1.1 GENERAL PRINCIPLES

Ashfield Homes Limited is a wholly owned company limited by guarantee. The sole shareholder is Ashfield District Council.

Ashfield Homes' Board is committed to establishing and maintaining the highest standards of governance. We see good governance as a means to an end – of providing excellent services. We recognise the links made in the foreword to *The Good Governance Standard for Public Services*:

“Good governance leads to good management, good performance, good stewardship of public money, good public engagement and, ultimately, good outcomes.”

The Board believes that confidence in the integrity and probity of all Board Members is important in terms both of effective relationships within the Board and to inspire public trust - a key ingredient in the Ashfield Homes' reputation.

This Code of Governance sets out the principles which the Board has adopted to underpin our governance and the policies which help us to translate these principles into practice.

This Code of Governance will continue to evolve. The Board subscribes to the view expressed in the Higgs Report:

“Effective boards depend as much on behaviours and relationships as on procedures and structures do not presume a ‘one size fits all’ approach to governance is appropriate.”

The Board will, annually, review and report publicly on Ashfield Homes' compliance with this Code of Governance to ensure that we remain at the forefront of good governance. When appropriate we may also commission an independent review of our governance to ensure that it is ‘fit for purpose’. We strive for continuous improvement in our governance, as in every other part of our business, and have a Governance Action Plan, which sets out specific activities with target dates, and the improved outputs and outcomes we are intent on achieving.

1.2 ASHFIELD HOMES' VISION AND VALUES

The first principle of *The Good Governance Standard for Public Services* says that:

“Good governance means focusing on the organisation's purpose and on outcomes for citizens and service-users.”

The Board has agreed to review Ashfield Homes' vision and values prior to the autumn 2007 business planning process. The Board will actively promote this vision, and the values that drive our vision, by example so that these become firmly embedded in the organisation's culture and are demonstrated by employees at all levels.

Our current **vision** is:

“To ensure present and future customers, service users, and stakeholders of Ashfield Homes enjoy decent housing and a good quality of life in a stable community through the provision of a range of excellent services, which meet their aspirations and which represent value for money.”

These are the **values** that drive our vision:

- “Ashfield Homes will provide excellent Housing Services to the tenants of Ashfield District Council and the wider community, which represent Best Value;
- Ashfield Homes will strive to create an environment to make it an excellent employer of choice;
- Efficiency, economy, effectiveness, equity and quality will be at the heart of Ashfield Homes' performance culture. Underpinning all of this will be what matters to customers;
- Ashfield Homes will offer fair treatment to all service users regardless of age, race, sex, disability or sexual orientation;
- Ashfield Homes will involve service users to the level and extent they choose at all stages of the decision-making process;
- Employees will work together to deliver the aims of Ashfield Homes recognising that teamwork is more effective than working alone and in isolation;
- When complaints are received, problems occur and mistakes are made, Ashfield Homes will investigate quickly, put it right and learn so it does not happen again;
- Ashfield Homes will adopt a spirit of openness when making decisions and delivering services.”

1.3 SOURCES OF GOOD GOVERNANCE GUIDANCE

In preparing this Code of Governance, the Board has had regard to sources of good governance guidance, including:

- Adopting *The Good Governance Standard for Public Services 2005* (Chartered Institute of Public Finance and Accountancy/Office for Public Management)
- *Code of governance, Competence and Accountability 2004* (National Housing Federation, 2004);
- *Review of the role and effectiveness of non-executive directors* (Higgs Report, January 2003);
- *The Combined Code on Corporate Governance* (Financial Reporting Council, June 2006);
- *Tolley's Non-executive Director's Handbook* (LexisNexis,UK, 2003).

2 CONSTITUTION OF THE BOARD AND EXERCISE OF ITS FUNCTIONS

2.1 THE LEGAL CONTEXT

Ashfield Homes, including its Board and employees, may only do what is permitted by:

- the law (primary and secondary legislation, common law, and binding precedents established by the higher courts);
- its Memorandum and Articles of Association;
- the Management Agreement with Ashfield District Council, which delegates responsibilities to Ashfield Homes;
- its own policies and procedures.

Any action taken by the Company must pass all four tests. If there is a conflict between these, then the highest level in the hierarchy takes precedence; for example, the Company may not do something unlawful even if it is permitted by the Memorandum and Articles of Association. Conversely, it cannot take action permitted by law and by the Memorandum and Articles of Association, which would breach its policies or procedures.

The Company's Memorandum and Articles of Association and its policies and procedures can, of course, be amended by, respectively, a General Meeting and the Board. But no such amendment can give retrospective authority to a previous action or decision.

Under the law, Board Members have 'fiduciary duties', including:

- ensuring that they have the necessary knowledge to perform their duties;
- disclosing any limitations, conflicts of interest or issues that would prevent them from performing their duties appropriately and objectively;
- complying with any legal and professional requirements that relate to their roles, and also with any relevant ethical guidelines;
- not taking unfair advantage of their relationship (e.g. misusing information);
- acting only in the interests of the Company and not as representatives or advocates of any constituency, interest group or other organisation.

2.2 MEMORANDUM AND ARTICLES OF ASSOCIATION

The Memorandum and Articles of Association of Ashfield Homes set out the legal responsibilities and constitutional framework within which the Company operates. This Code of Governance and governance policies expand and interpret the Memorandum and Articles of Association.

2.3 THE BOARD'S ROLE AND RESPONSIBILITIES

The Good Governance Standard defines the primary functions of boards as being to:

- “Establish the organisation’s strategic direction and aims, in conjunction with the executive;
- Ensure accountability to the public for the organisation’s performance;
- Assure that the organisation is managed with probity and integrity.”

The Good Governance Standard further summarises the “heavy” responsibilities of Board Members as being to:

- Ensure that they address the purpose and objectives of the organisation
- Work in the public interest;
- Bring about positive outcomes for the people who use the service;
- Provide good value for tax-payers who fund these services;
- Balance public interest with accountability to government and an increasingly complex regulatory environment;
- Motivate front-line employees by making sure that good executive leadership is in place.

2.4 POWERS OF THE BOARD

The Memorandum and Articles of Association (Article 22) state that the Board has the powers to manage the business of the Company and may delegate any of its powers to:

- Committees (provided Board Members are in a majority over any other Committee Members the Board may appoint);
- the Chair or any Vice or Deputy Chair;
- any executive officer;
- anyone else appointed as the Company’s agent.

Such delegations may be subject to any conditions the Board may impose. The Board may also reserve to itself any of its powers. The Board has adopted a Scheme of Delegations, which sets out the matters reserved to the Board and those delegated to Committee and executive. The Scheme of Delegations is a policy document that cannot be amended except by the Board.

See Appendix B-2A

2.5 DELEGATIONS TO EXECUTIVES

The Good Governance Standard draws a particular distinction between the non-executive and executive roles and sets out specific non-executive responsibilities in relation to the executive:

“The non-executive role is to:

- Contribute to strategy: non-executives bring a range of perspectives to strategy development and decision making;
- Make sure that effective management arrangements and an effective team are in place at the top level of the organisation;

- Delegate: non-executives help to clarify which decisions are reserved for the governing body, and then clearly delegate the rest;
- Hold the executive to account: the governing body delegates responsibilities to the executive. Non-executives have a vital role in holding the executive to account for its performance in fulfilling those responsibilities, including through purposeful challenge and scrutiny;
- Be extremely discriminating about getting involved in matters of operational detail for which responsibility is delegated to the executive.”

2.6 THE ROLE OF COMPANY SECRETARY

Certain specific duties in law attach to the post of Company Secretary, concerning compliance matters and ensuring proper conduct of the organisation's business. However, the Chief Executive has ultimate responsibility for ensuring that Company Secretary duties are properly discharged.

2.7 SIZE AND COMPOSITION OF THE BOARD

The Board comprises 12 non-executive Board Members, as provided for in Article 13. Four of these are nominated by Ashfield District Council, four are tenants who are selected from the tenants and leaseholders in the District, and the other four are independents.

2.8 QUORUM FOR BOARD MEETINGS

Article 27 (1) of Ashfield Homes' Memorandum and Articles of Association says:

“Subject to any regulation established from time to time by the Organisation in general meeting and compliance with Section 10(1) of the Local Authorities (Companies Order) 1995 the Board may regulate their proceedings as they think fit and the quorum for the transaction of the business of the Board at the time when the meeting proceeds to business shall be 4 comprising no fewer than 1 Council Board Member, 1 Tenant Board Member and 1 Independent Board Member.”

3 CONDUCT OF BOARD MEETINGS

3.1 GENERAL PRINCIPLES

Most of the Board's business is conducted in meetings. To ensure that Board Members' and managers' time is used efficiently and effectively, the Board has adopted standards for the servicing and conduct of meetings - before, during and after.

See Appendix B-3A

3.2 URGENT DECISIONS

From time to time decisions need to be taken quickly which are outside the authority delegated to employees and which cannot wait until the next scheduled Board meeting. As a general principle, the Chair has a responsibility to ensure that all Board Members are given the opportunity to express their views on all matters of Board business. Ashfield Homes' Board has clear procedures which enable such decisions to be taken in a way that:

- ensures the effective continuation of the business;
- recognises the ultimate authority and responsibility of the Board;
- safeguards the probity and integrity of the person(s) who takes the decision on behalf of the Board;
- avoids placing a disproportionate burden on any Board Member.

See Appendix B-3B

4 THE ROLES, RESPONSIBILITIES AND OBLIGATIONS OF THE CHAIR, VICE CHAIR AND BOARD MEMBERS

4.1 GENERAL PRINCIPLES

Clearly defining the role and accountabilities of a Board Member – and the specific responsibilities of the Chair and Vice Chair – helps to:

- inform potential applicants for Board membership;
- emphasise every Board Member's responsibility to contribute across the breadth of the Board's business;
- provide a benchmark for collective and individual appraisals.

The principle of any Board is that every (non-executive) director's responsibility as a Board Member is to that organisation; the concept of 'representation' (by councillors or tenants) is untenable. It is well understood and embedded within Ashfield Homes that all Board Members are equal, do not represent any particular constituency of interest and are precluded from being mandated to take decisions in any particular way by any other external council, company or other organisation of which they are members. All Board Members are equally accountable to tenants and other key stakeholders.

4.2 THE CHAIR

The Chair of the Board has particular responsibilities, which should be formally recorded. The National Housing Federation's *Competence and accountability 2004* sets these out as being, as a minimum to:

- "Ensure the efficient conduct of the board's business and of the organisation's general meetings;
- Ensure that all board members are given the opportunity to express their views and that appropriate standards of behaviour are maintained in accordance with a code of conduct approved by the board;
- Establish a constructive working relationship with, and provide support for, the chief executive and ensure that the board as a whole acts in partnership with executive employees;
- Ensure that the board delegates sufficient authority to its committees, the chair, the chief executive and others to enable the business of the organisation to be carried on effectively between meetings of the board; and also to ensure that the board monitors the use of these delegated powers;
- Ensure that the board receives professional advice when it is needed, either from its senior employees or from external sources;
- Ensure that the organisation follows the recommendations of this Code which are appropriate to its circumstances;
- Represent the organisation on occasion;
- Take decisions delegated to the chair;

and, working in consultation with other non-executive board members, for instance with a small committee, to:

- Ensure that the board makes proper arrangements to appraise the performance of the chief executive and to determine the remuneration of the chief executive and other senior employees;
- Ensure, when necessary, that the chief executive is replaced in a timely and orderly fashion;
- Ensure that the board makes proper arrangements for its own appraisal and that of board members, including the chair's own appraisal and for implementing a succession plan for board membership;
- Ensure that the level of any agreed board member remuneration results from an approved process that minimises the potential for conflicts of interest;
- Agree the role of the vice chair, where there is one."

In effect, the Chair is the Chief Executive's line manager. A good working relationship between the Chair and the Chief Executive makes a huge difference to the effectiveness of governance, as well as providing a check and balance on each other's authority. Both share the overall leadership role, but there is a clear distinction. The Chair leads the Board and the Chief Executive leads the organisation in implementing strategy and managing delivery. The Board, and the organisation as a whole, needs to understand these respective roles.

The Chair, supported by the Human Resources and Development Manager, appraises the Chief Executive annually against challenging pre-agreed targets. The Chair should also arrange regular one to one meetings and informal reviews of the Chief Executive's performance.

The Memorandum and Articles of Association state that the Chair is appointed annually by the Board from among its Members. In practice a reasonable degree of continuity is important, and Ashfield Homes' intention is that these one-year appointments are renewable.

See Appendix B-4A

4.3 THE VICE CHAIR

As well as supporting the Chair, a Vice Chair can also provide a conduit, alerting the Chair to concerns other Board Members may have. It is helpful to identify specific responsibilities for the Vice Chair, as well as deputising for the Chair when necessary. The roles are complementary and quite different. There should be no automatic assumption that the Vice Chair will succeed to the Chair.

See Appendix B-4B

4.4 BOARD MEMBERS' ACCOUNTABILITIES

The role profile sets out the areas for which a Board Member is responsible under nine headings:

- leadership and direction;
- strategic development;
- risk management;
- internal controls framework;

- performance monitoring
- probity and integrity;
- transparency and openness;
- ambassadorial;
- executive and management arrangements.

4.5 OBLIGATIONS OF BOARD MEMBERS

Good practice is now to require every Board Member to sign up to a formal service agreement which sets out what is expected of her/him, including attendance and performance expectations. *Competence and accountability 2004* says that:

“Each board member should be given a formal agreement specifying their obligations and should sign a copy to indicate acceptance. Agreements should set out the key role and duties of board membership, the time commitment involved, and the principle that any approved remuneration is linked to fulfilling the specified role and duties.”

Ashfield Homes intends to introduce a formal, non-negotiable, legally binding agreement for services (this is explicitly not an employment contract) between each Board Member and Ashfield Homes by the end of September 2007. This will be additional, and complementary, to the Code of Conduct and will set out a Board Member’s obligations.

All current Board Members will be required to sign this service agreement immediately and new Board Members upon first appointment.

See Appendix B- 4D

5 BOARD MEMBER RECRUITMENT, RETENTION, SUPPORT, REVIEW AND RENEWAL

5.1 GENERAL PRINCIPLES

There is an abundance of good governance guidance on Board Member capacity and capability and the importance of succession planning. Paraphrased, these distil down to:

- all Boards need systematic and regular turnover in membership, balancing continuity in knowledge and relationships with renewal of thinking;
- recruitment should be objective, open and use a range of techniques to encourage a diverse membership that reflects the community;
- recruitment should be experience- and skills-based: this also applies to appointed Board Members;
- the effectiveness of the board collectively, and of individual Board Members' performance and contributions, should be reviewed regularly and non- or poor performance addressed;
- the size of the Board should be conducive to effective decision-making.

In particular, *The Good Governance Standard* says:

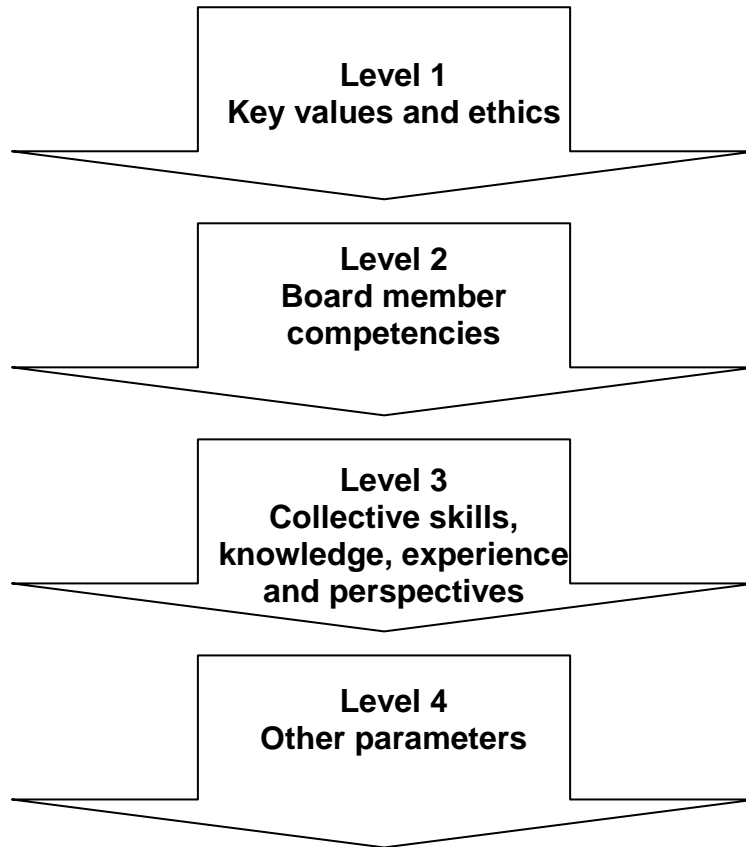
“The board needs to identify the skills it needs to direct and control the organisation. As well as conducting a skills audit of existing board members it should also aim to recruit a diverse group of people who reflect the community, to get a full breadth of ideas and experiences and to inspire public trust and confidence. Further, a regular turnover of board members is likely to make governance more effective and dynamic, but boards need to balance this carefully against the need for stability and continuity.”

5.2 CRITERIA FOR SELECTION OF BOARD MEMBERS

In the past, there had been a tendency (not just at Ashfield Homes) to assume that, because the Council nominates four Board Members and tenants select another four, the only ones where the Board has a say in recruitment and selection are the Independents. Ashfield Homes' Board recognises that it has an absolute responsibility to ensure that it has the requisite mix of competencies, skills etc to fulfil its role and responsibilities and it has accordingly established transparent and objective criteria for Board membership, which will apply to every Board Member.

It has agreed a hierarchy of criteria which has four levels:

1. Key values and ethics that every Board Member must subscribe to;
2. Core competencies that every Board Member needs, at least to a base level;
3. Essential skills, knowledge, experience and perspectives that the Board needs collectively; and
4. Other parameters e.g. geographic, Board membership of or employment by competitors or major contractors/suppliers:



The key values reflect the vision and values that underpin Ashfield Homes' objectives and Business Plan, while the competencies and skills are developed with, and tailored to, what is needed to drive, implementation. As well as informing selection, they also, together with clear role profiles (referred to at section 4), provide the reference point for Board Members' performance and future appraisals. The fourth level is much more open and Ashfield Homes has identified some specific parameters.

The Board also needs regularly to assess the levels of competencies and skills of current Board Members. This will enable it to identify any gaps and devise ways of closing these e.g. by training and development, recruitment etc.

As and when vacancies occur, the Board will appoint an Appointments Committee (as a time-limited task-and-finish group). Based on the hierarchy of selection criteria, the Appointments Committee will identify the priority competencies and skills etc, gaps and will use a range of recruitment techniques to attract a range of potential applicants, from a wide cross-section of society.

See Appendix B- 5A

5.3 SELECTION OF COUNCIL BOARD MEMBERS

(See Appendix B 5B)

5.4 SELECTION OF INDEPENDENT BOARD MEMBERS

The *Good Governance Standard* says:

“Good governance means drawing on the largest possible pool of potential governors to recruit people with the necessary skills. Encouraging a wide range of people to apply ... will develop a membership that has a greater range of experience and knowledge. It will also help to increase the diversity of governors in terms of age, ethnic background, social class and life experiences, gender and disability.”

(See Appendix B 5C)

5.5 SELECTION OF TENANT BOARD MEMBERS

Tenant involvement in decision making at various levels – including, but not just, at Board level - is a fundamental expectation of ALMOs. One of the underlying concepts of ALMOs is to increase opportunities for tenant input into decision making and Ashfield Homes positively encourages tenant involvement in a variety of ways and through the Chartered Institute of Housing Active Learning for Residents Programme is proactively supporting capacity building.

As part of this commitment to capacity building for tenants, and as part of the Board's succession planning, the Board will also, in consultation with Ashfield Federation of Tenants' and Residents' Associations, consider ways in which it could better support and prepare prospective Tenant Board Members. Tenant Board Members will be selected well in advance and offered a longer period of induction training, which may include attending one or more meetings as an observer.

(See Appendix B 5D)

5.6 INDUCTION, DEVELOPMENT AND SUPPORT FOR BOARD MEMBERS

Board Members are valuable assets of our business and we are committed to investing in them to support their induction and on-going development. Ashfield Homes believes that it has a responsibility to support Board Members in practical ways to help to maximise the effectiveness of every Board Member's contribution.

This support takes various forms:

- Induction programme for new Board Members;
- Subscription to *Inside Housing*;
- Individual training and development opportunities for every Board Member;
- Collective training and development for all Board Members;
- Places at externally-organised conferences seminars and courses;
- An allowance towards the purchase of computer and other equipment;
- Timely reimbursement of expenses incurred by bank transfer.

We will agree an annual budget to support programmes of training and development for all Board Members. As part of their service agreements, all Board Members are required to commit to collective and individual training and development programmes. This is an integral responsibility of Board membership.

Individual training priorities will be identified during the appraisal process and set out in Personal Development Plans. The Board will annually agree its collective training priorities and set clear objectives and expected outcomes, against which it can review the effectiveness of the programme. This will be informed by business priorities, external policy developments, and the collective appraisal system.

We also ensure that the working environment for meetings, away days and training sessions are convenient and conducive to high quality thinking. Most Board Members are altruistic, but we also believe that it is important to recognise, and express our appreciation of, each other's contributions to Ashfield Homes. We believe that, taken together, these measures will assist us to retain Board Members and make being a Board Member of Ashfield Homes a positive experience.

5.7 EQUIPMENT ALLOWANCE AND USE OF ASHFIELD HOMES' FACILITIES

To facilitate communication with and between Board Members and maximise opportunities for full contribution, Ashfield Homes offers an equipment allowance to all Board Members.

Board Members must not use the Company's facilities, services, offices or employees' time for personal use or gain advantage by utilising contacts made by Ashfield Homes for private or own business use as set out in the Code of Conduct. However, the exception to this general rule is that reasonable personal (but not business) use may be made of any computer, broadband connection or other ICT equipment provided via the Equipment Allowance.

(See Appendix B 5G)

5.8 BOARD MEMBERS' EXPENSES

Ashfield Homes positively encourages Board Members to claim reimbursement of out of pocket expenses actually, necessarily and properly incurred in the business of the organisation. The over-riding principle is that Board Members should be neither financially advantaged nor disadvantaged with regard to expenses incurred in undertaking of official business.

5.9 REVIEW OF THE BOARD'S COLLECTIVE EFFECTIVENESS

The Board will carry out an annual appraisal of its own performance. This will include:

- a review of how well the Board performs its key roles;
- a review of the effectiveness of Board relationships;
- a review of the composition of the Board, the skills and contribution of its individual Members and the organisation's ability to recruit and retain the balance of Board Members it needs; and

- result in a clear Governance Action Plan to support continuous improvement of the organisation's Board to meet the challenges faced by the organisation.

The Board will utilise the support of an independent external facilitator to assist in this review.

5.10 INDIVIDUAL BOARD MEMBER APPRAISAL

The Board has committed to a system of individual Board Member appraisals. These will meet best practice and be undertaken by an independent external facilitator. These will include:

- being championed by the Chair and owned by the Board;
- an element of peer assessment for inclusivity;
- individual feedback by the Chair and facilitator;
- completion of a Personal Development Plan by every Board Member against which progress will be monitored;
- a report to the Board on general lessons and collective learning, with relevant matters incorporated in the Governance Action Plan

The Board will ensure that the process is handled sensitively and with confidentiality assured. We believe that an appraisal and performance review of individual Board Members demonstrates that their role and contribution is important and valued and provides an opportunity for them to take stock of their own development needs. The overriding objective is for the Company to support Board Members to develop and maximise their contributions to the Board.

The appraisal of individual Board Members will be carried out after one year in office and then at least every two years after appointment. In the intervening years the Chair will instigate a less formal review to discuss progress on the Personal Development Plan and any subsequent development priorities.

5.11 CONDITIONS FOR CONTINUING MEMBERSHIP OF THE BOARD

Article 18 of the Memorandum and Articles of Association sets out the reasons why a person would be ineligible for appointment or would cease to be a Board Member e.g. at 18(7) and (8):

“shall for more than six consecutive months have been absent without permission of the Board from meetings of the Board held during that period and the Board resolves that his office be vacated; or

“in any period of 12 months, he shall have been absent (without the permission of the Board Members) from at least 60% of the meetings of Board Members held during that period and the Board Members resolve that his office be vacated”

Ashfield Homes' Board believes strongly that people are Board Members to make a real and regular contribution. Continuing membership of the Board is, therefore, dependent upon both regular attendance at meetings, training and other events, and on the effectiveness of the Member's contribution.

5.12 TERMS OF SERVICE

The Board of Ashfield Homes prescribes to a maximum term of office for individual Board Members as follows:-

1. For an initial full term (currently four years), followed by an additional term, subject to re-election. This would lead to a maximum period of office of two full terms in office.
2. In exceptional circumstances the Board may decide to afford a further final consecutive term to the incumbent Board Member. This would lead to a maximum of three terms in total. The circumstances would be where it has not been possible to recruit or re-elect to the vacant post due to the lack of applicants or due to a specific skill being required which has not been found in the recruiting process.

So far as the Chair of the Board and Vice Chair are concerned in order to facilitate turnover and renewal, and in line with good governance guidance, the Chair and Vice Chair of the Board, together with any Committees, shall be elected to office annually in accordance with the Memorandum and Articles. The same person may be re-elected. The Chair's period in office, subject to re-election is limited to five years in aggregate in any seven-year period.

Elections for the appointment of the Chair to the Board are in accordance with the Memorandum and Articles of the Company approved by the Board on 20 March 2002. Paragraph 31.1 of the Memorandum and Articles states that at the first Board meeting following each Annual General Meeting, the Board Members shall appoint one of their number to be Chair of the Board.

The first Board Meeting following the Annual General Meeting usually takes place in May. The incumbent Chair opens the meeting but then at the appointed time on the Agenda, then stands down from office. As at that moment there is no Chair of the meeting, and therefore the outgoing Chair does not have a second, or casting vote. Board Members can however vote for themselves in the Elections.

Nominations for the position of Chair should be submitted to the Company Secretary, no later than 10 days prior to the first Board meeting following each Annual General Meeting. Each nomination shall be signed by the nominee and two other Board members. The nomination will be set out in the Agenda and papers and where more than one nomination is received, an election will be held. The vote will normally be taken by a show of hands. Where the majority of Board Members request a ballot then the vote will be taken by ballot.

Where each candidate returns an equal numbers of votes, the successful candidate will be chosen by lot.

5.13 SUCCESSION PLANNING

Board renewal is important for good governance. While the contribution of experienced board members is vital, boards also need the stimulation of new members who can provide an independent challenge to long-standing, familiar patterns of thinking and behaviour that may not best serve the organisation's purpose. We will endeavour also to ensure that turnover in membership is not too extensive or frequent which could deprive Ashfield Homes of the benefit of longer-serving members' learning and experience.

We will:

- log the terms of current Board Members;
- include a discussion on future plans e.g. for re-(s)election and aspirations (as Chair, Vice Chair, Committee Chair etc) at individual feedback sessions with Board Members as part of the appraisal process;
- try to smooth out any anticipated bunching of planned retirement dates;
- maintain and promulgate clear criteria for Board membership;
- identify key competency and skills gaps that cannot be met by training;
- cite the benefits and personal development opportunities of Board membership;
- consider the use of co-options to a Committee or the Board for handover or other short periods when appropriate;
- be aware of the need for diversity in the composition of the Board.

Under Article 31, the Board appoints its Chairman at the first meeting after the Annual General Meeting. The same person may be re-elected Chair. Indeed for continuity, it is desirable for a Chair to serve for more than one year. The Chair is a key role and the Board needs to be able to demonstrate that it has the best person for the job – not necessarily the one most willing.

When a current Chair is known to be reaching the end of her/his term, or otherwise standing down and not seeking reappointment, the Board can plan in a measured way. However, in some circumstances, a resignation may be unplanned and unexpected, and the Board needs to have contingency plans – usually the Vice Chair on an interim basis.

There should be no presumption that a Vice Chair will automatically succeed to the Chair: the roles and attributes are quite different. The Chair has an important and distinct role, over and above her/his role as an individual Board Member.

In recruiting a successor to this key role, the Board will have regard to current good practice:

- a successful Chair can in principle come from any ‘constituency’; but the Board will have regard to any dualities of interest which may restrict the Chair’s full participation in the Board’s business and seek to mitigate any reputation or perception issues;
- there will be a role profile for, definition of the desirable attributes of, and an explicit assessment of the time commitment for the Chair;
- sufficient time will be built into the process to allow a handover period, when the Chair-designate is co-opted (if not already a Board Member) and is working through a thorough handover plan with the existing Chair.

5.14 RESIGNATIONS AND EXIT INTERVIEWS

As part of its commitment to continuous improvement in all areas of its work, Ashfield Homes has a policy of asking all Board Members who are standing down from the Board – either at the end of a term or mid-term - to undertake an exit interview with the Chair to ensure we learn from individual’s experiences. Unless the exiting Board Member asks for something to be kept confidential, a note of the interview would normally be reported to the next Board meeting.

Where a Board Member leaves the Board during a term of office, a copy of her/his resignation letter will be included on the next Board Agenda.

6 ACCOUNTABILITY, OPENNESS AND TRANSPARENCY

6.1 GENERAL PRINCIPLES

Accountability =
- Transparency: accounting to stakeholders
- Responsiveness: responding to stakeholder concerns
- Compliance: complying with legal requirements, standards, codes, principles, policies and other voluntarily commitments.¹

Accountability = responsibility for things to persons.²

The Good Governance Standard identifies the multiple accountabilities that public service organisations have: to the public (including direct customers) and to those who have the authority and responsibility, to hold them to account on the public's behalf (including ministers, government departments and regulators).

The Good Governance Standard also draws a clear distinction between accountability to the public in general, and consultation and responsiveness to service-users, and points out that in developing dialogues with different groups, different approaches are appropriate.

The Board is committed to developing its Communications and Tenant Participation Strategies and other policies, which cover methods of engagement. We have agreed a methodology which we will apply to review, refresh, prioritise and, if appropriate, broaden our approach to stakeholder relationship management and accountability, bringing various current activities together. This exercise will be completed in tandem with re-setting our Business Plan and corporate objectives in autumn 2007. We will ensure that, in future, engagement with stakeholders is systematic.

We receive considerable sums of public money and are committed to ensuring that we achieve value for money in all our activities. We will critically compare our costs and quality against our peers and other relevant comparators, and be alert to new and alternative ways of delivering services.

We recognise that both interest and confidence are susceptible to things going wrong (reputation risk). One of our underpinning values is honesty in our dealings with others and we will learn quickly from any mistakes we make. We proactively encourage, and respond quickly to, comments, complaints and compliments received from both users and non-users, and have published a complaints policy and procedure.

¹ From *Stakeholder Engagement Standard exposure draft*, Accountability, 2005

² Based on Concise Oxford Dictionary definition of 'accountable'

The Board will, at minimum, publish annually:

- the organisation's purpose, strategy, plans and financial statements;
- information about the organisation's outcomes, achievements, peer comparisons and the public and/or service-users' satisfaction in the previous period, including
- the diversity of the service-users, etc;
- the extent to which it is applying *The Good Governance Standard*, including an action plan for improvement.

However, the Board's view of accountability is that it requires a relationship and dialogue over and above post-event reporting and discussion. We will continue to use innovative and appropriate ways of engaging with stakeholders to understand their views during the planning and delivery stages.

6.2 RELATIONSHIPS WITH STAKEHOLDERS

Like most organisations, Ashfield Homes has a complex web of formal and informal relationships which, directly or indirectly, will help us to achieve our objectives. Primary among these (in alphabetical, not priority order) are:

- Ashfield Council;
- Contractors.
- Employees;
- Tenants and leaseholders;
- Wider public.

Ashfield Homes has already taken a proactive approach to ascertaining what certain stakeholders think of it.

Ashfield Council is a key stakeholder. Much of our formal relationship is set out in the Management Agreement. However, beyond these formalities, the Board is committed to leading an organisation that, at all levels, has a genuine and constructive reciprocal relationship with the Council.

As an employer, the Board is concerned to provide a working environment that is conducive to good performance and effective service delivery, and to being responsive to employees' views and suggestions. It will review and clarify its policy on how and when it consults and involves employees in decision-making.

In particular, recognising that many users of public services have limited choices, so that customer (dis)satisfaction is less readily expressed through the free market mechanism or the bottom line, Ashfield Homes will continue to go the extra mile in ensuring that services are of the highest quality.

As well as deciding how it will measure the quality of services, the Board will ensure that it receives information that enables it to review service quality effectively. This will include feedback from users and non-users from all backgrounds and communities about the suitability and quality of services to inform continuous improvement in service choices and delivery. Our Tenant Participation Strategy will also focus on providing a variety of ways in which tenants and leaseholders can readily input to inform and influence our decision making.

6.3 OPEN MEETINGS AND AVAILABILITY OF INFORMATION

Ashfield Homes is committed to making its Board meetings accessible to people who use its services. As part of this commitment, the Board has decided to conduct Open Board Meetings. The Board accepts that it and employees of Ashfield Homes are obliged to account for our actions in an open manner and are committed to being open about our business, making many documents generally available by publication on our website. However there are matters e.g. about individuals or because they are commercially sensitive that need to be kept confidential. In particular the Data Protection Act means it is unlawful to disclose any information about individuals (e.g. tenants, employees, applicants for housing, fellow Board Members) without that person's consent.

As a public body, Ashfield Homes is subject to the Freedom of Information Act. As required by law, we have promulgated a Publication Scheme, and have effective procedures in place for responding within the specified timescales to requests for information.

Guide to Open Board meetings Appendix B – 6A

6.4 DECISION MAKING

The Good Governance Standard says:

“Good governance means taking informed, transparent decisions and managing risk. To make good decisions, board members need good information, effective systems to identify and manage risks and a clear focus on the organisation's purpose and strategic direction.”

The Board and executives are constantly alert to the need to obtain professional and sufficient information and to balance necessary and rigorous analyses of technical and other background information, against voluminous, unnecessary and inappropriate information.

As part of its commitment to rigour and transparency in its decision making, the Board will ensure that the criteria used in its decision making are clearly set out, together with its rationale and any other considerations, so that decisions are more likely to be understood by employees, the public and other stakeholders. Such a discipline will also provide a clear basis for future impact evaluation and assessment.

To ensure the effectiveness of, and continuous improvement in, its decision making, the Board will periodically critically review its decision making processes, with independent support if appropriate.

7 EQUALITY, DIVERSITY AND INCLUSION

7.1 GENERAL PRINCIPLES

Ashfield Homes is committed to promoting equality of opportunity and diversity and is dedicated to addressing discrimination, harassment, intimidation and disadvantage in all their forms. Ashfield Homes will not tolerate the less favourable treatment of anyone on the grounds of gender, age, race, disability, religion or belief, or sexual orientation.

Equality and Diversity is at the heart of everything we do as a Company, in our role as an employer, and in the delivery of excellent housing services. To demonstrate our commitment, the Company has adopted a number of policies, procedures and guidelines promoting equality for tenants, leaseholders and employees. These are available on our website by following the 'Equality and Diversity' link from the home page.

All Board Members are required to complete equality and diversity training. The Board regularly monitors and publicises our performance and achievements – and ensures action is taken to rectify any weaknesses - in these areas.

8 RISK MANAGEMENT, INTERNAL CONTROLS AND AUDIT

8.1 RISK MANAGEMENT

The Good Governance Standard says:

“Good governance means taking informed, transparent decisions and managing risk. To make good decisions, board members need good information, effective systems to identify and manage risks and a clear focus on the organisation’s purpose and strategic direction. They also need to receive assurance on the effectiveness of, and review, policies post implementation.”

The responsibility for establishing and overseeing a framework for the identification and management of risks, including health and safety, and receiving regular reports on these is a key function of the Board. It is committed to using risk management effectively and integrating this into all Board and management reporting. It receives regular reports on key risks and changes in Ashfield Homes’ risk profile, including risk crystallisation and emergent risks. Board Members have risk training and require to be alerted to risks across the spectrum i.e. opportunities, uncertainties and threats, direct and indirect, and how these are to be managed, including the identification of individual and cumulative residual risks. As part of this, the Board will decide the organisation’s risk capacity and appetite.

The Audit Committee oversees the embedding and maintenance of an effective system of internal control and ensures that any significant weaknesses identified are remedied and reported to the Board. In addition it provides assurance to the Board that there is a sufficient and systematic review of the risk management arrangements within the organisation.

8.2 SYSTEMS OF INTERNAL CONTROL

Underpinning all of our business are the systems of internal control. We are committed to high levels of robustness and integrity in all our systems, but also that these should not inhibit efficiency or innovation.

The Board requires regular assurance on, and formally reviews each year, the effectiveness of Ashfield Homes’ systems of control, drawing on a range of evidence based sources, including, but not exclusively, internal and external audit, and publishes Accounts. As a contribution to this, the Audit Committee reviews the executive’s draft annual statement on the effectiveness of the system of internal control systems, and makes appropriate recommendations to the Board.

8.3 AUDIT ARRANGEMENTS

Ashfield Homes has established an Audit Committee and takes heed of good practice guidance in its deliberations. In particular, the Chair of the Board will not chair the Audit Committee.

The Audit Committee, on behalf of the Board, challenges and reviews a rolling risk based internal audit plan, receives reports and monitors progress against the plan, and ensures that audit recommendations are heeded by management. Similarly, it receives and considers reports from employees on any statutory, regulatory or inspection reports, recommendations, or notices of non-compliance with requirements and proposed responses and action plans.

Ashfield Homes recognises the importance of independent and effective external auditors and ensures that its external auditors do not provide the Company with significant non-audit services. The auditors' performance is reviewed regularly by the Audit Committee, and auditors are (re)appointed annually at the Annual General Meeting.

KPMG are Ashfield Homes' external auditors; their appointment is reviewed annually and they are appointed at the Annual General Meeting. Ashfield District Council provides internal audit services to Ashfield Homes under a Service Level Agreement, which has no time limit but can be reviewed at the request of either party.

9 CONDUCT AND PROBITY

9.1 GENERAL PRINCIPLES

Probity = integrity, uprightness, honesty, incorruptibility

Ashfield Homes' responsibility for the stewardship of public money and publicly funded assets requires the highest standards of conduct, behaviour, integrity and probity from Board Members, other Committee or panel members, and employees.

One of the key principles of *The Good Governance Standard* centres on "promoting values that underpin good governance and upholding these through behaviour". The Board therefore has set out, and will ensure compliance with, standards of behaviour that are expected of Board Members and employees.

Ashfield Homes' Board adopted the Code of Conduct for Board Members in March 2007 and each Board Member is required to sign a copy, indicating her/his compliance with all its requirements.

For the avoidance of doubt, refusal to sign either the Code of Conduct or service agreement (incorporating Board Members' obligations) does not absolve a Board Member from her/his obligation to comply – effectively, signing is a pre-requisite of Board membership.

There will be a separate, but similarly rigorous Code of Conduct for employees, which all will be expected to sign on appointment to Ashfield Homes' employees.

9.2 DECLARATIONS OF INTEREST

Ashfield Homes follows the principles of The Local Authorities (Model Code of Conduct) (England) Order 2001.

The Code of Conduct defines the interests which must be declared on the Company's Register of Interests.

The Code of Conduct also sets out arrangements for dealing with conflicts of interest.

9.3 DEALING WITH TENANTS AND EMPLOYEES

It is crucial that Board Members recognise the need to behave impartially and not to get involved in detailed operational matters. The Code of Conduct therefore sets out appropriate arrangements for Board Members' dealings with matters which may be raised by tenants or employees.

9.4 BREACHES OF BOARD PROTOCOLS

The Board will treat any breach of Board policies, including the Code of Conduct and service agreement, very seriously. Its procedure for dealing with breaches, and any allegations against Board Members, is set out in the Code of Conduct.

9.5 WHISTLEBLOWING

Through this Code of Governance, and the delegations, policies and procedures, etc. that operate throughout the ALMO and in its relationships with others, the Board has endeavoured to put in place proper arrangements for the referral and determination of individual cases of ethics or probity. These include a whistle-blowing policy to allow all Board Members and employees to raise issues of concern without the fear of reprisal, while maintaining their duty of confidentiality.

ASHFIELD HOMES: GOVERNANCE POLICIES

2A DELEGATED POWERS

PREAMBLE

Ashfield Homes' definition of governance is the leadership, direction and control of the Company by the Board in partnership with the executive.

Ashfield Homes' governance philosophy is that it will be:

- Streamlined: governance has a cost, and it needs to add as much value as possible at the lowest practicable cost. This means, for example, minimising the numbers of Committees, and having substantive discussions of issues once only and in the most appropriate forum;
- Effective: the Board and any Committees should be of the size and composition most conducive to effective decision-making, with all Board Members expected to make a full and value-adding contribution;
- Continuously improving: the Board needs to demonstrate leadership by example, recognising that expectations of, demands on, and good practice regarding governance is constantly evolving;
- Flexible and adaptable: the key issues and priorities facing the Company will change over time, and governance structures and arrangements will need to change to ensure that the Board's, Committees' and senior executives' attention remain focussed on the most important and fundamental issues.

POWERS RESERVED TO THE BOARD

- 1 Determination of the values and overall strategy of the Company;
- 2 Determination of the Company's corporate objectives;
- 3 Determination of the Company's Business Plan and annual budget, including the budget for the annual pay award for employees;
- 4 Approval of the Company's annual accounts;
- 5 Determination, and review on a planned rolling programme, of key strategies and policies, including:
 - governance;
 - risk management;
 - employee recruitment, development, retention and remuneration;
 - equality and diversity;
 - health and safety;
 - Board remuneration and/or expenses;
 - openness;
 - stakeholder relationship management;
 - procurement;
 - efficiency and value for money;
 - environmental and community sustainability;
 - cash and treasury management;
 - resident consultation and involvement;
 - information and communications technology (ICT);
 - business continuity;
 - complaints, grievances, allegations of impropriety and whistleblowing;
 - any other strategies and policies as the Board may determine from time to

➤ time;

- 6 Setting of standards for the Company in relation to probity, competence, management, and customer services;
- 7 Agreeing, and satisfying itself that compliance is being effectively monitored and reported to the Board, of the Management Agreement with Ashfield District Council;
- 8 Approval of all financial regulations;
- 9 Determination of the Company's risk capacity, profile and appetite;
- 10 Establishment and oversight of a framework for the identification and management of risk;
- 11 Establishment and oversight of a framework of delegation and systems of internal control;
- 12 Requirement, from Committees or employees, of monitoring reports or other forms of assurance the Board may determine, on any aspect of the Company's business;
- 13 Approval of action recommended by employees or Committees in response to any report from external auditors or the Audit Commission;
- 14 Extension of the Company's operations into new activities or geographic areas;
- 15 Any decision to cease a material part of the Company's operations
- 16 Approval of any changes proposed to the Company's governing instrument;
- 17 Approval of resolutions and documentation to be considered by a general meeting;
- 18 Appointment (and, if necessary, dismissal) of the Chief Executive;
- 19 Determine the Chief Executive and senior managers' pay and conditions;
- 20 Approval of any changes to the pension scheme;
- 21 Changes to corporate structure, including the setting up or dissolution of Committees or subsidiaries, or merging with another organisation;
- 22 Approval of Committees' delegations/terms of reference, and membership, including Committee Chairs;
- 23 Establishment of criteria for appointments to (and, if necessary, dismissals from) the Board;
- 24 Changes to structure, size and composition of the Board;
- 25 Establishment, including deciding upon delegations/terms of reference, and membership including Chair, of task-and-finish groups;
- 26 Any other matters not specifically delegated to Committees, task-and-finish groups or the Chief Executive

DELEGATIONS TO THE AUDIT COMMITTEE

Role of the Committee in Respect of Audit

The Audit Committee's primary role is to independently contribute to the Board's overall process for ensuring that an effective internal control system is maintained. The Board will always retain responsibility for all aspects of internal control.

The Committee is accountable to the Board for the fulfilment of the responsibilities delegated to it as set out in this Scheme of Delegations. All Committee members share responsibility for its decisions.

The Board will obtain assurance on the Committee's work via minutes of all of its meetings which will be made available to the Board. The Chair of the Committee will ensure that key issues are promptly brought to the attention of the Board.

At least annually the Committee shall meet in closed session with the external and internal auditors together.

Powers of the Committee

In respect of audit matters, the Committee has an unfettered right of access to all information within the organisation and the active co-operation of any of the organisation's employees so as to be able to carry out its responsibilities.

The Committee may obtain independent legal or other professional advice and secure the attendance of others with relevant experience and expertise, within a pre-set budgetary limit set by the Board, to assist in fulfilling its responsibilities.

The internal and external auditors have direct access to the Chair of the Committee to ensure the independence of the audit functions.

The specific powers delegated by the Board of Ashfield Homes to the Audit Committee are, within the context of the objectives, policies and budgets set by the Board, to:

Audit

- 1 Consider, and report to the Board on, the annual statutory audit and make recommendations on the response to any audit management letters, reports and investigations;
- 2 Discuss with the external auditor any problems, reservations or issues arising from the interim or final audit or other investigations;
- 3 Ensure effective co-ordination between the external and internal auditors;
- 4 Review and approve the internal audit needs assessment and strategy and the annual plan, and monitor delivery of the plan, approving any changes during the year;
- 5 Receive and consider reports by the internal auditor on significant audit findings, together with the response from managers to these reports;
- 6 Receive and consider reports from employees on any statutory, regulatory or inspection reports, recommendations, or notices of non-compliance with requirements and proposed responses and action plans;
- 7 Monitor the timely implementation of recommendations in respect of internal and external audit and of other regulatory and inspection reports and recommendations;
- 8 Oversee the embedding and maintenance of an effective system of internal control and ensure that any significant weaknesses identified are remedied and reported to the Board;
- 9 Review the annual report on the effectiveness of the system of internal control systems and make appropriate recommendations to the Board;
- 10 Provide assurance to the Board that there is a sufficient and systematic review of the risk management and internal control arrangements within the organisation;
- 11 Ensure that the impact of alleged or fraudulent activity on the organisation's framework of internal control is properly assessed and, where it considers it necessary, to recommend changes to strengthen the control framework;
- 12 Receive reports relating to any matters of whistleblowing or alleged or actual fraudulent activity which may have an effect upon the Company;
- 13 Review and monitor the external auditor's independence and objectivity, and annually appraise the effectiveness and value for money of the external audit service;
- 14 Make recommendations to the Board, for approval in general meeting, on the appointment, reappointment or otherwise, of the external auditor;
- 15 Approve the fees and terms of engagement of the external auditor;
- 16 Agree with, and monitor the programme of work of, the external auditor;

- 17 Develop, implement and monitor a policy on the engagement of the external auditor to supply non-audit services, taking into account relevant guidance regarding the provision of non-audit services by the external audit firm;
- 18 Consider and make recommendations to the Board on the internal audit arrangements, including the appointment, reappointment or otherwise, fees, methods and terms of engagement, of the internal auditor, whether on the Company's payroll or outsourced;
- 19 Review and annually appraise the effectiveness of the approach, nature and scope of internal audit activities and compliance with professional standards, good practice guidance, and performance indicators;
- 20 Review the Committee's effectiveness on a regular basis to ensure that it has appropriate skills and relevant experience, advising the Board accordingly.

DELEGATIONS TO THE CHIEF EXECUTIVE

Role of the Chief Executive

The National Housing Federation Code *Competence and accountability 2004*, section G1, lists the essential duties of the Chief Executive as being to:

- "Act in the best interests of the organisation;
- Assist and advise the Board in determining the organisation's policies and strategy;
- Manage the affairs of the organisation in accordance with the values and objectives of the organisation, and the general policies and specific decisions of the Board;
- Draw the Board's attention to matters that it should consider and decide;
- Ensure that the Board is given the information necessary to perform its duties and, in particular, that the Board receives advice on matters concerning compliance with its governing instrument, the law and the need to remain solvent;
- Ensure that proper systems of control, risk assessment and risk management are established and maintained, and that regular reports on these are provided, at least annually, to the Board;
- Supervise, with the guidance of the Chair, the preparation of documents for consideration by the Board;
- Help the Chair ensure that the business of the Board is properly conducted;
- Lead and manage the employees of the organisation and ensure that their performance is appraised; and
- Represent the organisation on occasion."

Powers of the Chief Executive

The powers delegated by the Board of Ashfield Homes to its Chief Executive are clearly stated in the Financial Regulations and specific Board resolutions. In summary, the Chief Executive has power and responsibility, within the context of the values, objectives, policies, Business Plan and budgets set by the Board, to:

- 1 Manage the affairs of the Company in accordance with its values and objectives and the general policies and specific decisions of the Board;
- 2 Act as principal strategic adviser;
- 3 Lead, direct, set targets for and hold to account the Senior Management Team as a whole;
- 4 Appoint, set targets for, appraise the performance of, and if necessary dismiss, the individual members of the Senior Management Team and any other direct reports;

- 5 Establish arrangements for monitoring compliance with, and reporting promptly to the Board upon performance against, the Management Agreement with Ashfield District Council;
- 6 Take or authorise the taking of items through the urgency procedure and ensuring that a report is taken to the Board at the earliest time after the event;
- 7 Subject to the Memorandum and Articles of Association, and provided that it is consistent with the approved values, objectives, policies. Business Plan, budget, scheme of delegations and financial regulations and any decisions made by the Board or any Committee, to take the action (s)he considers necessary to ensure the efficient and effective management and routine administration of the Company's activities.

The above authorities may not be further delegated by the Chief Executive without the approval of the Board, other than by way of written delegation of authority to act in her/his temporary absence.

The Chief Executive also has the following powers and responsibilities. In order to exercise efficient and effective management the Chief Executive may delegate specific responsibilities in writing to Directors or Managers within the following list:

- 1 Undertake and be responsible for day to day management of the Company;
- 2 Write off fixed assets within the limits set by the financial regulations;
- 3 Employ and dismiss employees, and set and review individual terms and conditions of employment subject to:
 - adherence to Company's human resources policies;
 - adherence to annual budgets and human resource plans;
- 4 Implement policies and strategies, including the Business Plan, and decisions and directions of the Board;
- 5 Lead, direct, set targets for, and hold to account, employees throughout the chain of command;
- 6 Ensure that managers and employee teams are customer-focussed and responsive to individual residents, local councillors, and the needs of communities;
- 7 Take, or authorise the taking, of any appropriate action in cases of urgency or emergency;
- 8 Take, or authorise the taking, of any appropriate action to preserve the Company's position, pending scrutiny by the Board or appropriate Committee of the matter, in relation to any proposed legislation, or any other proposal, scheme, plan, act or omission to act by any person or body or any event or occurrence, including Acts of God.

Policy Review Data	
Policy title	Scheme of Delegations
This version authorised by Board	17 July 2007
Date implemented	
Review period	Two years
Date of previous review	n/a
Review authority	Board
Version	Version 1
Date of next review	July 2009

3A CONDUCT AND SERVICE STANDARDS FOR BOARD MEETINGS

AGENDA PLANNING

The Chief Executive will maintain a rolling 12 month programme of dates for Board, Committee and General meetings, to include the mandatory items (e.g. consideration of annual accounts, budgets, annual report etc) needing to be considered at each, together with a cyclical work plan setting out the key matters proposed to be considered at each meeting. By considering this forward work plan regularly (at least every 3 months), the Board will be able to control its own agenda, including:

- avoiding 'bunching' of key matters and the risk of skimping discussion thereon;
- satisfy itself all key matters which it wishes to debate are included at an appropriate time;
- deciding, in advance, if any matters of less importance should be delegated to a Committee, a task-and-finish group, or the Chief Executive.

Individual Board Members may request that a specific item is added to the forward agenda of meetings. If the Chief Executive, after consultation with the Chair, considers that such request should be turned down, and the individual Board Member does not agree, the final decision will be taken by the Board when it next considers the forward work plan.

AGENDA AND PAPER DESPATCH

At least seven days before a meeting of the Board and any Committee, there shall be issued to every Board Member or member of that Committee a copy of:

- a notice convening the meeting giving time and place;
- a statement of the business to be transacted (the Agenda);
- all reports and other documents referred to or to be read with the Agenda.

LATE PAPERS

Exceptionally, late or tabled papers may, with the consent of the Board Members present, nevertheless be considered. This is expected to occur only where either:

- the late availability of important information means that, had the report been circulated with the agenda, there was a substantial risk of its conclusions being invalidated by the later information;
- the matter is of such urgency or importance that it is desirable that the report or document receives consideration at the meeting.

OBSERVERS

The Board and any Committee may invite any person to attend their meeting as an observer. A person attending a meeting as an observer shall not speak or take part except by invitation of the Chair, may not vote or take part in any other poll or other matter under consideration, and shall withdraw forthwith from the meeting if requested to do so by the Chair.

CONDUCT OF MEETINGS

Board Members should conduct themselves in a businesslike and courteous manner and observe the commonly accepted rules of debate and meetings. Members should observe respect for the Chair at all times. The Chair's decision on length of speeches, debate and closure of debates will be final. The Chair will ensure that members are given adequate opportunity to debate all items on the agenda. The Chair has the discretion, subject to his/her agreement prior to the meeting, to allow items to be included in the Agenda as "Any Other Business" and her/his ruling in this respect is final.

DECISION MAKING AND VOTING PROVISIONS

The Board and Committees normally reach decisions by a simply majority of those voting

Unless a recorded vote is requested all votes shall be taken by show of hands. The question shall be decided by a majority of those present and voting.

The Chair of the meeting shall have a second or casting vote in cases of equality.

The number of votes cast for or against the decision shall be recorded in the minutes of the meeting.

At any meeting on a proposal moved and seconded for a recorded vote and supported by a majority of Board members present and voting the names for and against the motion or abstaining from the vote will be taken down and recorded in the minutes.

A Board Member dissenting from any decision, whether voted upon or not, has the right to have his/her dissent recorded in the minutes. All Board Members are bound by Board decisions, and may not subsequently inform others, inside or outside the organisation, of her/his dissent, nor take any steps to undermine or frustrate implementation of the decision, except as provided for by law or by the Company's policies.

MINUTES

Minutes of the proceedings of the Board and Committees shall be recorded. The Minutes shall be submitted to the next meeting of the Board or Committee with the agenda and shall be accepted as a correct record with or without amendment. The Minutes shall then be conclusive evidence of any fact recorded therein and shall be signed by the person chairing the meeting at which they are submitted.

Policy Review Data	
Policy title	Conduct and Service Standards for Board Meetings
This version authorised by Board	17 July 2007
Date implemented	
Review period	Three years
Date of previous review	n/a
Review authority	Board
Version	Version 1
Date of next review	July 2010

3B URGENCY PROCEDURES

INTRODUCTION

This urgency procedure should only be used exceptionally, when an urgent decision is required from the Board outside of the agreed meeting schedule. The procedure is not intended to be used for items, which were not produced by the specified deadline for submission to a scheduled Board meeting, unless previously agreed. Where it is anticipated that an urgent decision may be required between meetings, the Board will be alerted during its usual cycle of meetings and will be invited to give a steer - both on its preferred policy and procedure – at a normal Board meeting.

As a general principle, the Chair has a responsibility to ensure that all Board Members are given the opportunity to express their views on all matters of Board business.

OPTIONS FOR DEALING WITH URGENT BUSINESS

There will be two main ways of responding to the need to take urgent decisions. The circumstances when each might be appropriate are described below. But it is accepted that it is never possible to foresee all the possible circumstances that might arise and this means that the choice of response requires a judgement to be made. If in doubt, Board Members and employees will veer towards the more cautious.

Option 1: Special Board Meeting

In exceptional circumstances this might be necessary. Such circumstances might be:

- a decision that would involve a significant departure from the Business Plan, existing policy or principle or major financial risk;
- a problem or issue so serious that the whole Board should decide an appropriate course of action;
- a significant possibility of major divergences of views.

Option 2: Chair's Action or Urgency Committee

This is the more usual way of dealing with decisions that are within the spirit of the Business Plan but were not anticipated. This would require the Chair to consult with other Board Members – but not necessarily in a formal meeting – and may be appropriate in the following circumstances:

- approval for a new venture or partnership;
- exceptions to policies or procedures;
- decisions outside delegated authority to employees.

Chair's Action

Chair's Action will be used for less significant decisions and requires the Chair (or Vice Chair in the Chair's absence) to consult **at least three** other Board Members. The choice of Board Members would depend upon availability but would normally include those with particular skills, experience or knowledge in the area of the decision.

The Chair (or Vice Chair in the Chair's absence) may not act unilaterally **unless** the approval is a formality and within the spirit of a decision already taken by the Board when, subject to the reporting requirements below, (s)he may take Chair's Action alone.

Urgency Committee

An Urgency Committee will be convened for more significant decisions. Membership of the Urgency Committee will be agreed in advance by the Board and will comprise:

- the Chair or Vice Chair; and
- a minimum of two other Board Members that reflects the constitutional requirements for a quorum.

PROCEDURE

Where a decision is required which is outside of the authority delegated to employees and there is an urgent need to proceed with a particular course of action, the following procedure shall be followed:

- 1 Approval to use the urgency procedure must be sought from the Chief Executive, or in her/his absence, two of the senior managers, excluding anyone (except the Chief Executive) seeking the decision;
- 2 The Chief Executive will consult with the Chair (or Vice Chair in the Chair's absence) and the Chair will decide whether, given the significance of the decision, a Special Board meeting is required or whether the decision should be taken by Chair's Action or by convening an Urgency Committee;
- 3 If the Chair (or Vice Chair in the Chair's absence) decides that a Special Board meeting is needed, this will be called in accordance with Ashfield Homes' Memorandum and Articles of Association and procedures for Board meetings;

For urgency procedures not requiring a Special Board Meeting:

- 4 The Chair (or Vice Chair in the Chair's absence) will also decide the most appropriate method of consultation e.g. meeting, telephone conference, e-mail or written correspondence. The Chief Executive will, if available, be included in any meeting, telephone conference or correspondence;
- 5 A report should then be prepared in the agreed standard reporting format, outlining the proposal and the decision required, and submitted to the Chief Executive, or in her/his absence, two of the senior managers, for approval;
- 6 A pro-forma cover and response sheet should also be completed, specifying a deadline by when responses are required (not less than 48 hours) and providing daytime and evening contact numbers to enable a speedy response;
- 7 The report shall then be delivered to the Chief Executive (or authorised alternative) who will arrange for it to be e-mailed, faxed, or couriered to those Board Members who will take the decision;
- 8 These Board Members may respond to the report either by e-mail or fax or phone within the specified timescale, and should also send a copy of the signed pro-forma response sheet to the Chief Executive or Company Secretary (as specified on the pro-forma cover sheet) for filing;
- 9 The employees concerned may proceed with the proposed action, if the Chief Executive or Company Secretary (as specified) advises that a majority of Board Members consulted agree;

- 10 A written report will then be presented to the next scheduled meeting of the Board by the Chief Executive, which will set out any urgent actions taken together with a note of which method was used, which Board Members were consulted, and this shall be noted by the Board;
- 11 Decisions made in accordance with these urgency procedures are binding on the Company in the same way as decisions made by the Board in a Board meeting.

Policy Review Data	
Policy title	Urgency Procedures
This version authorised by Board	17 July 2007
Date implemented	
Review period	Two years
Date of previous review	n/a
Review authority	Board
Version	Version 1
Date of next review	July 2009

4A CHAIR'S ROLE PROFILE

CHAIR ROLE PROFILE	
PURPOSE OF ROLE	To provide leadership to the Board by creating the conditions for collective Board and individual Board Member effectiveness, both inside and outside the Board Room.
KEY ACCOUNTABILITIES	
<p>The Chair has particular duties and responsibilities which are additional, and complementary, to those of other Board Members. However, in carrying out these duties, the Chair should always remember that (s)he is acting on behalf of the Board and (s)he should seek the advice of, and proactively involve, other Board Members and/or the Chief Executive as necessary. The Chair also shares the accountabilities of other Board Members¹.</p> <p>Management of meetings</p> <ul style="list-style-type: none"> ➤ To ensure that the Board's work plan is appropriate and agendas are forward-looking and strategy-focussed; ➤ To ensure the efficient and effective conduct of the Board's business and Ashfield Homes' General meetings; ➤ To ensure that sufficient time is allowed for the constructive discussion of complex or contentious issues, where appropriate arranging informal meetings beforehand to enable thorough preparation for the Board discussion; ➤ To ensure that the Board receives accurate, timely and clear information, including about Ashfield Homes' performance, that enables it to take sound decisions and monitor its effectiveness; ➤ To ensure that appropriate internal and/or external professional advice is available at all times; ➤ To ensure that decisions are correctly recorded and that matters arising and other follow-up actions are monitored. <p>Board members' contributions</p> <ul style="list-style-type: none"> ➤ To ensure that the Board matches the capabilities of the Board Members with the needs of Ashfield Homes and makes the best use of the skills, competencies and experience of all Board Members at, and between, meetings; ➤ To encourage the active engagement by all Board Members in all aspects of the Board's business; ➤ To ensure that appropriate standards of behaviour are maintained in accordance with a code of conduct approved by the Board; ➤ To ensure that all Board Members are given the opportunity to make their contributions before any important decision is taken; ➤ To ensure that individual Board Members' minority views and concerns are addressed appropriately; ➤ To ensure that the Board agrees the role of the Vice Chair, and other Board Members. 	

¹ The Chair should therefore also sign a copy of the Board Member role profile.

Chief Executive and Senior Management

- To ensure that the respective roles and responsibilities of the Chair and Chief Executive are clear;
- To establish and develop a constructive and supportive relationship with the Chief Executive;
- To ensure that the Board as a whole acts in partnership with the executive;
- To ensure that the Board makes proper arrangements to appraise the performance of the Chief Executive;
- To ensure that the Board makes appropriate arrangements to determine the remuneration of the Chief Executive and other senior employees;
- To ensure, when necessary, that the Chief Executive is replaced in a timely and orderly fashion.

Delegation

- To ensure that the Board delegates sufficient authority to any Committees, the Chair, the Chief Executive and others to enable the business of Ashfield Homes to be carried on effectively between meetings of the Board;
- To take, and be accountable for, any decisions delegated to the Chair;
- To ensure that the Board monitors the use of any delegated powers.

Board Learning and Development

- To ensure that the Board makes proper and appropriate arrangements for its own collective appraisal and that of individual Board Members, including the Chair's own appraisal;
- To promote and deliver continuous improvement in the Board's effectiveness;
- To ensure that adequate resources are available for on-going training and development for Board Members, collectively and individually;
- To ensure that there is a properly constructed induction programme for every new Board Member that is comprehensive, formal and tailored.

Succession Planning

- To implement a succession plan for Board membership that balances continuity with the need for fresh perspectives;
- To ensure that the Board has the requisite skills, competencies and perspectives appropriate for the business as envisaged in the Business Plan;
- To ensure timely and open recruitment processes for Board Members.

Board Member Recognition

- To ensure that Board Members have appropriate administrative and other support to enable them to fulfil their responsibilities;
- To encourage a positive culture of mutual support and appreciation within the Board and with senior managers;

Probity and Integrity

- To ensure that the Board receives professional advice when it is needed, either from its executives or from external sources, to ensure appropriate levels of compliance;
- To ensure that Ashfield Homes' affairs are conducted in accordance with all relevant regulatory requirements and best practice standards;
- To ensure that the Board develops an understanding of the views and priorities of its major stakeholders.

Transparency and Openness

- To ensure that the Board's deliberations and decisions are as open as practicable to all Board/Committee Members, employees and other stakeholders;
- To promote and demonstrate effective two-way communications between the Board, Committees and other entities throughout the organisation;
- To establish and maintain the Board's visibility and appropriate communication with employees.

Ambassadorial Role

- To ensure that Ashfield Homes is represented positively to the wider community and key current and potential stakeholders and partners;
- To ensure the prompt and effective management of any critical event with a potentially adverse impact on Ashfield Homes' reputation.

RESPONSIBILITY LINES

The Chair is elected annually, and appointed by, the Board. The Board collectively and by its consent gives the Chair authority and responsibility to ensure the efficient conduct of the Board's business. There is a mutual obligation between the Chair and other Board Members to respect and support each other to achieve Ashfield Homes' objects as set out in its Memorandum and Articles of Association and the vision, values and objectives set out in its current Business Plan.

Policy Review Data	
Policy title	Chair's Role Profile
This version authorised by Board	12 December 2006
Date implemented	17 July 2007
Review period	3 years
Date of previous review	n/a
Review authority	Board
Version	Version 1
Date of next review	July 2010

4B VICE CHAIR'S ROLE PROFILE

VICE CHAIR ROLE PROFILE	
PURPOSE OF ROLE	To provide leadership to the Board by creating the conditions for collective Board and individual Board Member effectiveness, both inside and outside the Board Room.
KEY ACCOUNTABILITIES	
<p>The Vice Chair has particular duties and responsibilities which are additional, and complementary, to those of other Board Members. These primarily involve deputising for and supporting the Chair in her/his role. However, in carrying out her/his duties, the Vice Chair should always remember that (s)he is acting on behalf of the Board as a whole and (s)he should seek the advice of, and proactively involve, other Board Members and/or the Chief Executive as necessary. The Vice Chair also shares the accountabilities of other Board Members.²</p> <p>Cover for the Chair</p> <ul style="list-style-type: none"> ➤ To deputise for the Chair when required to do so; ➤ To fulfil the Chair's key accountabilities in the absence of the Chair; ➤ To discuss regularly the key issues, problems, difficulties and future plans with the Chair and Chief Executive and provide a sounding board and conduit for the Chair on the views of other Board Members and the executive; ➤ To take on specific tasks and responsibilities as assigned from time to time e.g. chairing task-and-finish groups; ➤ To monitor the workload and potential overload of the Chair and advise on priorities and balances. <p>Management of Meetings and Board Work Plan</p> <ul style="list-style-type: none"> ➤ To support the Chair in debate on matters previously agreed between them; ➤ To participate in agenda planning and in particular the overall shaping of the Board's business; ➤ To lead periodic reviews of the value added by, and identify opportunities to improve the effectiveness of, Board and Committee meetings. <p>Board Learning and Development</p> <ul style="list-style-type: none"> ➤ To assist the Chair in appraising the Board's collective and individual performance; ➤ To ensure that the Chair's performance is appraised annually; ➤ To lead on ensuring that appropriate induction, mentoring and other training and development programmes are in place for individual Board Members and the Board collectively, including team building, and monitoring progress. <p>Succession Planning</p> <ul style="list-style-type: none"> ➤ To support the Chair in ensuring that there are timely and appropriate succession plans for Board renewal. <p>Ambassadorial Role</p> <ul style="list-style-type: none"> ➤ To maintain an active interest in all aspects of Ashfield Homes' work so that (s)he is able to deputise effectively at short notice and, in particular, to be available to positively represent Ashfield Homes at short notice. 	

² The Vice Chair should therefore also sign a copy of the Board Member role profile.

RESPONSIBILITY LINES

The Vice Chair is elected annually, and appointed by the Board. The Board collectively and by its consent gives the Vice Chair authority and responsibility to act as deputy to the Chair and support the Chair in ensuring the efficient conduct of the Board's business. There is a mutual obligation between the Vice Chair, Chair and other Board Members to respect and support each other to achieve Ashfield Homes' objects as set out in its Memorandum and Articles of Association and the vision, values and objectives set out in its current Business Plan. There should be no assumption that the Vice Chair will succeed as Chair or is a 'chair-in-waiting'. Rather, the Vice Chair is likely to be an internal 'promotion', particularly providing continuity and a depth of experience especially when/if the Chair is externally recruited.

Policy Review Data	
Policy title	Vice Chair's Role Profile
This version authorised by Board	12 December 2006
Date implemented	17 July 2007
Review period	3 years
Date of previous review	n/a
Review authority	Board
Version	Version 1
Date of next review	July 2010

4C BOARD MEMBERS' ROLE PROFILE

BOARD MEMBER ROLE PROFILE	
PURPOSE OF ROLE	To add value to Ashfield Homes' business by contributing experience, expertise and insight to determine strategy, direction and control in the interests of tenants and leaseholders, service users and the wider community.
KEY ACCOUNTABILITIES	
<p>The Board has ultimate responsibility for the governance of Ashfield Homes. The Board's central role is to direct and control Ashfield Homes' work: that is, to determine strategic direction and policies, to establish and oversee control and risk management frameworks that will ensure that Ashfield Homes achieves its aims and objectives. Management - that is the implementation of Board policies - is delegated to employees.</p> <p>All Board Members share responsibility for its decisions. Each Board Member should act only in the interests of Ashfield Homes and not on behalf of any constituency or interest group. Board Members should put the interests of the organisation before their own interests.</p> <p>Leadership and Direction</p> <ul style="list-style-type: none"> ➤ To define the vision and values of Ashfield Homes and ensure that these are realised and upheld; ➤ To define the direction of the business; ➤ To ensure clear accountabilities and communications within the Company; ➤ To maintain a clear service user and community focus; ➤ To support the Chair in providing strategic leadership; ➤ To create a positive climate within the Board which fosters constructive challenge to assumptions about the business; ➤ To review Board composition, performance and succession plans regularly; ➤ To appoint (and, if necessary, remove) the Chair. <p>Strategic Development</p> <ul style="list-style-type: none"> ➤ To set the key strategic objectives and determine the strategic aims and outcomes required; ➤ To drive the development of the Business Plan, providing constructive challenge and contributions and ensuring the effectiveness of the Plan; ➤ To approve an annual Business Plan, budgets for both revenue and capital expenditure and funding strategy that support the achievement of the corporate strategy and Business Plan; ➤ To establish a framework for approving and regularly reviewing policies and plans to achieve business objectives; ➤ To ensure that all assets are managed efficiently and effectively, and capacity is properly utilised, so as to maintain long term viability and sustainability of the organisation and its homes. <p>Risk management</p> <ul style="list-style-type: none"> ➤ To oversee a framework for the identification, management and review of risks, including agreeing risk capacity, profile and appetite; ➤ To contribute to the review and evaluation of strategic risks in both the external and internal environments and receive regular reports on these and on crystallising and emergent risks; 	
<ul style="list-style-type: none"> ➤ To ensure that a positive culture of managing opportunities, threats and uncertainties is embedded throughout the organisation; ➤ To determine policies and decisions on all matters that might create a significant financial or 	

other risk to the organisation, or which raise material matters of principle.

Internal Controls Framework

- To establish and oversee a framework of delegation and systems of internal controls;
- To draw up a schedule of significant matters specifically reserved for the Board's decision;
- To obtain systematic information that provides assurance on the effectiveness of internal controls.

Performance Monitoring

- To regularly review and monitor performance in relation to plans, budgets, controls and decisions;
- To obtain and consider performance information in relation to customer and stakeholder feedback and benchmark against comparable organisations and activities.

Probity and Integrity

- To approve each year's accounts prior to publication;
- To obtain assurance that Ashfield Homes' affairs are conducted lawfully and in accordance with generally accepted and specific standards of reporting, performance and probity;
- To ensure Ashfield Homes' compliance with all relevant regulatory requirements.

Transparency and Openness

- To review regularly Ashfield Homes' openness arrangements, taking account of further good practice developments;
- To establish Ashfield Homes' policy for communicating with, and involving, residents [and others in the community] about its work and performance.

Ambassadorial Role

- To promote Ashfield Homes positively at key events and other meetings, and establish constructive, high quality relationships, with key current and potential partners and stakeholders, both internal and external, as required;
- To monitor, safeguard and enhance Ashfield Homes' reputation.

Executive and Management Arrangements

- To appoint (and, if necessary, dismiss) the Chief Executive and approve her/his salary, benefits and terms of employment;
- To ensure there are appropriate policies and systems to recruit, develop, retain and remunerate employees.

RESPONSIBILITY LINES

Individual Board Members are responsible through the Chair of Ashfield Homes, who is elected annually by Board Members, for the achievement of the objects of the Company. The Chair will ensure the efficient conduct of the Board's business; that all Board Members are given the opportunity to express their views; that the Board makes proper and appropriate arrangements for its own appraisals and that of Board Members; and for a succession plan for Board Members.

Policy Review Data	
Policy title	Board Member Role Profile
This version authorised by Board	12 December 2006
Date implemented	17 July 2007
Review period	3 years
Date of previous review	n/a
Review authority	Board
Version	Version 1
Date of next review	July 2010

4D SERVICE AGREEMENT

SERVICE AGREEMENT- BOARD MEMBERS

This Service Agreement is made on the day of 2008

Between

Ashfield Homes Limited (“the Company”), registered office Broadway, Brook Street, Sutton in Ashfield, Nottinghamshire

and

(insert full name and address of Board Member)

WHEREAS

The Board of the Company appointed you as a Non Executive Director on ***(insert date of appointment)***

it is agreed that pursuant to the Company’s Code of Governance dated 17 July 2007 and revised 9 September 2008 that the terms of this Agreement will apply to your position. It is not intended that this Service Agreement is a contract of employment.

1. Appointment

1. Your appointment shall be from (insert start date) for a period of four years and shall be subject to the Memorandum and Articles of Association of the Company.

2. Time

2.1 You are expected to attend Board Meetings held every eight weeks, the Annual General Meeting, one Board Away Day and other ad hoc events such as training and other Company events as may from time to time be arranged.

e.g. the Employee Conference

2.2 You are expected, on acceptance of this appointment, to devote appropriate preparation time for all such meetings and events.

2.3 In addition you agree to allow sufficient time to meet the expectations of the role.

3. General Role

You will have the same duties and legal responsibilities as any other Company Director as set in the Companies Act 2006 and as a member of the Board you are responsible for the success of the Company including but not limited to in general:

3.1 providing entrepreneurial leadership of the Company within a framework of prudent and effective controls, which enable risks to be assessed and managed.

3.2 setting the Company's strategic aims and ensuring that the necessary financial and human resources are in place for the Company to meet its objectives and review management performance and

3.3 setting the Company's values and standards and ensuring that its obligations to its stakeholders and others are understood and met taking all decisions objectively in the interests of the Company

3.4 complying with the Code of Governance and Code of Conduct by working in the best interests of the Company to promote its success.

4. Specific Role

As a Board Member your role will specifically involve

4.1 Strategy- constructively challenge and help develop proposals on strategy

4.2 Performance- scrutinise management performance in meeting agreed goals and objectives and monitor the reporting of performance

4.3 Risk- satisfy yourself on the integrity of financial information and ensure that financial and internal controls and systems of risk management are robust and defensible

4.4 People-determine appropriate levels of remuneration for Senior Management Team and senior managers

5. Expenses

You will not receive any remuneration for this appointment but you will be reimbursed for all reasonable and documented expenses incurred in the performance of duties as are allowable from time to time in the Code of Governance.

6. Outside interests

You have been nominated to the Board in the position of **(insert Tenant/Independent/Council)** and have declared any conflicts of interest that you are aware of at this stage. In the event that you become aware of any potential conflicts of interest these should be disclosed to the Chair and Company Secretary as soon as possible. If in doubt seek advice from the Company Solicitor and Secretary.

7. Confidentiality

All information acquired by you during your appointment is confidential to the Company and should not be released or disclosed to any third party without the consent of the Board either during your appointment or after your appointment ceases for whatever reason.

8. Code of Governance

This will be issued to you prior to the signing of this Agreement and this Service Agreement is conditional upon a commitment by you to the Code including but not limited to induction, training, reviews of performance, attendance at meetings.

Signed _____

Board Member

Dated

Signed _____

For and on behalf of the Company

Position- Company Secretary

Dated

Policy Review Data	
Policy title	Service Agreement
This version authorised by Board	September 2008
Date implemented	
Review period	3 years
Date of previous review	n/a
Review authority	Board
Version	Version 1
Date of next review	2011

5A HIERARCHY OF FOUR LEVELS OF CRITERIA FOR BOARD MEMBER RECRUITMENT, SELECTION AND REVIEW

This Appendix sets out the rationale and detail of the hierarchy of the four levels of criteria.

KEY VALUES AND ETHICS

1.1 Every Board Member must subscribe to the key values and ethics of the organisation. These are quite generic and reflect Ashfield Homes' mission, vision and values:

“All Board Members need to empathise with, and demonstrate commitment to:

- The mission and values of Ashfield Homes;
- The principles and practices of collective Board responsibility and decision making;
- The tenants and other service users; and
- The wider community in which Ashfield Homes operates.

In particular, Board Members should subscribe to learning and development within the Board and be at ease with an organisational style of continuous improvement. They also need to be comfortable within a highly regulated environment, with much peer group comparison. Individuals must maintain high standards of governance, including independence and integrity.”

1.2 In practice, this passion and commitment is what unites Board Members, so this first sift in selection may tend to be a formality, as few candidates are likely to seek membership if they don't subscribe to the *raison-d'être*. However, although it may seem a statement of the obvious, it is worth spelling it out unequivocally up front.

1.3 Also, there have been some concerns (elsewhere) that the introduction of Board Member payment may “attract the wrong sort of people” and this is a way of making it clear that prospective Board Members must genuinely care about the organisation. It also helps by emphasising that ‘constituency’ hats are discarded at the Board Room door.

CORE COMPETENCIES

2.1 Current good practice is to differentiate between technical or professional skills, knowledge and experience, often gained in a formal work (whether paid or voluntary) setting and evidenced by paper qualifications, and broader competencies gained in the ‘school of life’. There is increasing acceptance that all Board Members should have a full set of broad competencies but that a Board, collectively, needs a pool of deeper skills, knowledge and experience on which it can draw. The important point is that, because all Board Members share responsibility for decisions, each and every one must be sufficiently competent to understand the fundamentals of the issues under discussion.

- 2.2 “A competency is an underlying characteristic which results in effective and/or superior performance” and, not being primarily paper qualification-driven, competencies better support and promote equality, diversity and inclusivity.
- 2.3 These competencies will be a key criterion in future selection of Board Members with the clear expectation that every candidate will be at or above base level for a majority of the competencies. New recruits (as part of a tailored induction programme) may receive support to help them to develop in specific competencies on the understanding that they should reach a base level within six months of appointment. If individuals do not achieve this then, pragmatically, they should be asked to leave the Board. It sounds ruthless, but the Board – accepting its responsibilities for the leadership, direction and control of the business - has endorsed this principle.
- 2.4 Ashfield Homes has identified seven core competencies, with subjective levels of: no competency, base level, moderate, and high, that every Board Member needs to have, at least at a base level, in order to discharge their responsibilities and provide leadership, direction and control of the business for at least the period of the Business Plan:

Analysis and challenge	<ul style="list-style-type: none"> ➤ analyses and rigorously questions complex issues and underlying assumptions; ➤ thinks creatively, while keeping focus on the big picture; ➤ interprets and challenges financial information and opportunities in the context of both Ashfield Homes’ business and the wider economy; ➤ scrutinises, monitors and provides feedback on performance against both financial and non-financial ➤ measures to improve efficiency and effectiveness;
Leadership and motivation	<ul style="list-style-type: none"> ➤ contributes proactively to collective leadership; ➤ establishes and exemplifies clear mission, values, objectives and delegations; ➤ sets and demonstrates high standards of probity and integrity and behaviours; ➤ inspires the confidence of the executive and other employees;
Relationship management	<ul style="list-style-type: none"> ➤ relates, and represents Ashfield Homes positively, to service users, partners, other stakeholders and pres as required within an agreed relationship management strategy
Risk focus	<ul style="list-style-type: none"> ➤ contributes to determination of Ashfield Homes’ risk appetite and capacity; ➤ evaluates threats, uncertainties and opportunities; ➤ ensures that Ashfield Homes has appropriate processes in place such that risks are mitigated and opportunities explored in the most cost-effective manner; ➤ uses risk management to enhance discussion and decision making

Specialisms and self-management	<ul style="list-style-type: none"> ➤ applies specialist skills, knowledge, experience and perspectives in and outside meetings to add value; ➤ shares such skills, knowledge etc to enhance and develop others' contributions; ➤ is conscientious and enthusiastic about full range of Board Member responsibilities and obligations i.e. thorough preparation, regular attendance, quality contributions in and outside meetings, reviews of individual and Board Member effectiveness and ongoing personal development
Leadership and motivation	<ul style="list-style-type: none"> ➤ contributes proactively to collective leadership; ➤ establishes and exemplifies clear mission, values, objectives and delegations; ➤ sets and demonstrates high standards of probity and integrity and behaviours; ➤ inspires the confidence of the executive and other employees;
Strategic thinking/ Decision making	<ul style="list-style-type: none"> ➤ understands the preferences and experiences of current and future customers and applies this to inform and improve services; ➤ weighs issues and makes balanced and reasonable judgements and decisions, with others; ➤ promotes the efficient, effective and ethical utilisation of balance sheet capacity to facilitate Ashfield Homes' objectives; ➤ takes a broad overview and sees both the short and long term implications for Ashfield Homes and the wider community;
Team working	<ul style="list-style-type: none"> ➤ puts Ashfield Homes' objectives above any personal or other relationships in discussions and decision making; ➤ communicates constructively, critically, objectively, persuasively and clearly, combined with good listening skills; ➤ appreciates, respects and is positive about working with others, from a diverse range of backgrounds; ➤ compromises when appropriate and supports the Board's decisions

SKILLS, KNOWLEDGE, EXPERIENCE AND PERSPECTIVES

- 3.1 Thirdly, and in the context of having agreed the key values and ethics as well as the core competencies, the Board has prioritised from a 'shopping list' the essential skills, knowledge, experience and perspectives it optimally needs from its Board Members collectively.
- 3.2 Boards add more value by bringing a breadth of perspectives that complement the professional employees – rather than duplicating it as used to be conventional wisdom. There may well be overlaps, but the Board can 'buy in' specialist advice if it needs. The Board aims to get the maximum added value by recruiting Board Members with complementary skills etc from outside the housing sector.
- 3.4 The 'shopping list' has been based on a combination of those used by other housing organisations, so not all of these are currently relevant for Ashfield Homes). This, however, will change over time in the context of the changing Business Plan and objectives:

Asset management	Local government
Board/Committee membership	Marketing and public affairs
Business development/management in an organisations of a similar size to AHL	Organisational change management
Chairing meetings	Partnership working with other organisations
Community involvement	Policy making
Community languages	Political acumen
Community regeneration	Procurement
Contract law	Property maintenance
Customer services	Property management – other residential
Domiciliary care services	Property management – commercial
Employment law	Regulation, inspection and compliance
Environmental issues	Risk management
Equality and diversity	Sheltered Housing
Financial management	Stock reinvestment
Governance	Supported housing
Housing management	Tax
Human resources	Treasury management
Information technology management	User involvement (as a tenant)
Internal controls	Voluntary agencies

ADDITIONAL PARAMETERS FOR BOARD MEMBERSHIP

4.1 The fourth criterion of eligibility for Board membership is more open-ended. The Board has set these additional parameters for Board membership. Some are non-negotiable and others inspirational, targets (not quotas):

- Board Members must meet all statutory requirements, and other provisions in Ashfield Homes' Memorandum and Articles of Association, for Board membership and must not be disqualified from being a company director under the Companies Acts and Article 18;
- Board Members should have a strong connection with, and commitment to, the area in which Ashfield Homes operates;
- The diversity of Board Members (by age, gender, ethnicity, faith) should reflect the current tenant mix;
- Currently one third of places on the Board are reserved for tenant nominees and another third for Council nominees (Article 13);
- No Board Member to be a close relative of another Board Member;
- No Board Member to be a Board Member or employee of any organisation deemed to be a current or potential competitor or a major contractor/supplier.

Policy Review Data	
Policy title	Hierarchy of four levels of criteria for Board Member recruitment, selection and review
This version authorised by Board	17 July 2007
Date implemented	
Review period	2 years
Date of previous review	n/a
Review authority	Board
Version	Version 1
Date of next review	July 2009

5B PROTOCOL FOR SELECTION OF COUNCIL BOARD MEMBERS

At the Annual General Meeting of Ashfield District Council, four Councillor nominees are appointed to the Board.

- a. A person nominated by the Council to the Board of Ashfield Homes Limited shall not act in the capacity of a Board Member or attend any Board meetings unless the nominee has received the acceptance of their nomination by the Board.
- b. When considering the above nomination, the Board shall be satisfied that the Code of Governance has been complied with prior to accepting the nomination.
- c. Compliance shall include, as a minimum, the following procedural steps:-
 - ci completion and submission to the Company Secretary of the declaration of interest form required of directors
 - cii completion and submission to the Company Secretary of the Code of Conduct for Board Members
 - ciii completion and submission to the Company Secretary of the Companies House documentation for Board Members
 - civ completion and submission to the Company Secretary of the Service Agreement for Board Members
 - cv completion and submission to the Company Secretary of the Equalities Monitoring for Board Members
 - cvi attendance at the Company Induction for Board Members. The Company shall use its best endeavours to ensure that the Induction includes presentations from the Solicitor to the Council and the Company Solicitor.
- d. The Company Solicitor shall check compliance of the above and certify to the Board that the procedure has been followed. The new nominee shall then be invited to the next scheduled Board Meeting and accepted to the Board. Failure to comply with the procedure will result in delay in such invitation.
- e. All new Board Members are expected to comply with ci to cvi and failure to do so may result in a delay to their attendance at meetings.

Policy Review Data	
Policy title	Protocol for selection of Council Board Members
This version authorised by Board	12/01/2010
Date implemented	12/01/2010
Review period	4years
Date of previous review	n/a
Review authority	Board
Version	Version 1
Date of next review	2014

5C PROCEDURE FOR SELECTION OF INDEPENDENT MEMBERS

Ashfield Homes' existing policy is to advertise vacancies in local newspapers. Following receipt of applications, the Appointments Committee commences a shortlisting process followed by interviews.

Policy Review Data	
Policy title	Procedure for Selection of Independent Board Members
This version authorised by Board	17 July 2007
Date implemented	
Review period	2 years
Date of previous review	
Review authority	Board
Version	Version 2
Date of next review	July 2009

5D PROCEDURE FOR SELECTION OF TENANT BOARD MEMBERS

Board approval is sought to undertake an election process for a Tenant Board Member. The process for the election is as follows:

- A letter is sent to all tenants and leaseholders in the relevant area, asking if anyone wished to put themselves forward as a possible candidate for election to the Board.
- Initial checks are taken on all prospective candidates to ensure that they are eligible to become a Board Member.
- Candidates are invited to an open evening, which provides them with an opportunity to meet some Board Members from Ashfield Homes and to receive information on the roles and responsibilities of being a Board Member.
- Candidates are asked to write a 200-word pen portrait of why they consider they should be appointed to the Board of Ashfield Homes. This along with a photograph accompanies the ballot paper that is sent to every tenant and leaseholder in the relevant area. The ballot is a postal vote.
- The Electoral Reform Service undertakes the Tenant Board Member election on behalf of Ashfield Homes.
- The election results are announced at an open event, which all Candidates will be invited to attend.
- In the event that there is only one candidate for the position, and that candidate meets the qualification criteria, then that candidate is automatically elected to the vacant post unopposed.

Policy Review Data	
Policy title	Procedure for Selection of Tenant Board Members
This version authorised by Board	April 2002
Date implemented	April 2002
Review period	5 years
Date of previous review	17 July 2007
Review authority	Board
Version	Version 1
Date of next review	2012

5E BOARD MEMBERS' INDUCTION PROGRAMME

New Board Members face a steep learning curve. Although each has a personal responsibility for getting up to speed, Ashfield Homes will facilitate and support this. Every Board Member needs to acquire, at minimum, a base level in every core competency within six months.

Subject to individual tailoring, over the first six months every new Board Member will be expected to complete the following induction programme:

- introduction to Ashfield Homes and the 'big picture' Business Plan, vision, values and objectives by the Chair;
- series of short meetings with the Chief Executive and each senior manager to explain their key responsibilities, activities, interface with Board;
- session on the environment within which Ashfield Homes operates:
- regulation/inspection, government policies and priorities;
- opportunity to spend a half day with one or two front line employees (in conjunction with line manager);
- visits to sample of stock and other key business projects;
- directed reading, but carefully selected (avoid overload)!
- reading or training on legal responsibilities of a Board Member;
- governance training;
- equality and diversity training

A current, experienced Board Member will also act as a mentor/buddy for this six month period.

All Board Members will be provided with a manual which includes key reference material e.g. Memorandum and Articles of Association, Code of Governance, expenses claims forms, contact details, key introductory publications, etc.

Policy Review Data	
Policy title	Board Members' Induction Programme
This version authorised by Board	17 July 2007
Date implemented	
Review period	3 years
Date of previous review	n/a
Review authority	Board
Version	Version 1
Date of next review	July 2010

5F BOARD TRAINING PRIORITIES

Ashfield Homes to insert 12 month rolling programme

Policy Review Data	
Policy title	Board Training Priorities
This version authorised by Board	
Date implemented	
Review period	1 year
Date of previous review	n/a
Review authority	Board
Version	Version 1
Date of next review	

5G EQUIPMENT ALLOWANCE: PAYMENT CRITERIA

An Equipment Allowance to each Board Member up to a value of £250 per annum.

The allowance can be paid as an annual sum or paid in advance up to a maximum of £1,000 for a four year period of office.

If a Board Member resigns or retires from the Company, the appropriate proportion of an advance allowance relating to the remainder of the period of office will be repayable.

The following lists the main items that can be acquired:-

Computer Equipment
Computer Software
Fax Machine
Mobile Phone
Photocopier
Telephone
Answerphone
Office Furniture

The above list is not exhaustive and Board Members should contact the Company Accountant for advice on any other requests.

KPMG, the Company's External Auditors, have advised that the equipment will be subject to tax and National Insurance contributions. All allowances will, therefore, be paid to Board Members through the Payroll System, and the Company will notify the Inland Revenue of this when it makes its annual returns.

If computer equipment is purchased, Board Members should contact the Company Accountant to advise on the best method of connection to the Company's existing ICT system.

The allowance is made available to Board Members and can only be used for the benefit of that Member to undertake his/her role as a Board Member and, as such, cannot be transferred to anyone else.

Ashfield District Council nominated Board Members should be aware that they are unable to claim an Equipment Allowance from both Ashfield District Council and Ashfield Homes.

Policy Review Data	
Policy title	Equipment Allowance: Payment Criteria
This version authorised by Board	
Date implemented	
Review period	2 years
Date of previous review	
Review authority	Board
Version	Version 1
Date of next review	

5H BOARD MEMBERS' EXPENSES

BOARD MEMBER EXPENSES 2010/2011

Mileage Rates (based on Local Government rates)

Engine size not exceeding 999cc	42.9 pence per mile
Engine size not exceeding 1000cc and 1199cc	47.7 pence per mile
Engine size over 1199cc	60.1 pence per mile

Passenger supplement – not exceeding 4 to whom the travelling allowance would otherwise be payable:

3.0 pence per mile for the first passenger

2.0 pence per mile for the second and subsequent passengers

Taxi and Rail Fares

Travelling expenses such as rail, bus and taxi fare will be paid to Board Members who travel on the Company's business to other locations. Board Members have a duty to choose the most economic method of travel which will enable them to reach their destination at the required time.

Childcare/Carer Expenses

A standard rate of £5.50 per hour will be paid to any Board Member who incurs either childcare or carer costs.

Telephone Allowance

All Board Members can charge £11.00 plus VAT per month for line rental.

Tenant and Independent Board Members can also claim for business calls at a fixed rate of £10 per month (inclusive of VAT).

Council Elected Board Members cannot claim for the cost of calls

Mobile Phones

The Chair of the Board will be provided with a mobile phone and the Company will meet all reasonable costs.

Internet Allowance

An Internet allowance of £15 per month (inclusive of VAT) can be claimed by all Board Members.

Subsistence

All allowances are inclusive of VAT

- Breakfast allowance of more than 4 hours before 11.00 am £6.00
- Lunch allowance of more than 4 hours including between 12 noon – 2.00 pm £8.50
- Tea allowance of more than 4 hours including period 3.00 pm – 6.00 pm £3.50
- Evening meal allowance of more than 4 hours 6.00pm-10.00pm £10.00

Overnight Subsistence

Claims for overnight expenses will be made only where an overnight stay has been approved by the Chief Executive. The allowances are exclusive of VAT where a relevant VAT invoice is provided. The allowance is as follows:

- Outside London £90.00
- In London £115.00

Attendance at Conferences and Training Events

The Company will meet the costs of any suitable conference and training fees.

Submitting Claims

Standard forms have been developed in line with Internal Audit recommendations for Board Members to make claims for expenses. These forms should be completed at the end of each month, and submitted to the Payroll Officer at Ashfield Homes Ltd, Head Office. All relevant receipts should be attached to the claim to enable the Company to recover any VAT that is due to the Company.

Policy Review Data	
Policy title	Board Members' Expenses
This version authorised by Board	23.03.2010
Date implemented	23.03.2010
Review period	Annually
Date of previous review	2009
Review authority	Board
Version	
Date of next review	2011

51 TEMPLATE FOR BOARD MEMBER EXIT INTERVIEW

NAME:

DATE:

Ashfield Homes is committed to continuous improvement in all areas of its work. For this reason it has implemented a policy of asking all Board Members who are standing down to undertake an exit interview with the Chair to ensure we learn from your experiences over the time you have served on the Board.

Unless you ask that something is kept confidential the note of this meeting would normally be reported to the next meeting of the Board.

Length of service and positions held:

Reasons for resignation:

What works well in our governance arrangements?

What do you think we should improve?

How can we support Board Members more effectively?

Do you have any concerns about our strategic direction or performance?

What do you feel about the relationship between Board Members and the way the Board works together?

How do you feel the relationship with the executive and employees works? Is the Board well serviced by them?

Is there anything else you want to tell us?

Interview conducted by:

Policy Review Data	
Policy title	Template for Board Member Exit Interviews
This version authorised by Board	17 July 2007
Date implemented	17 July 2007
Review period	3 years
Date of previous review	n/a
Review authority	Board
Version	Version 1
Date of next review	July 2010

6A PROCEDURE FOR OPEN BOARD MEETINGS AND PUBLIC QUESTIONS

Introduction

Ashfield Homes is committed to making its Board meetings more accessible to people who use its services. As part of this commitment, the Company's Board of Non Executive Directors (Board Members) has decided to hold Open Board Meetings.

Notice

Meetings are normally held at the Company's Head Office, Broadway, Brook Street, Sutton in Ashfield. Notice of the Board Meeting scheduled for the year will be posted on the Company's website. In addition, seven days before the Board Meeting is to take place Notice will be given at the Company's Property shops in Sutton, Kirkby and Hucknall as well as on the website.

Sometimes the venue may change to accommodate a large number of attendees and anyone wishing to attend is advised to check the venue on the Notices posted on the website before each meeting.

Agenda

A copy of the Agenda and open reports will also be posted on the Company's website. Hard copies are available at the Company's Head Office.

Those wishing to attend

Parts of the meeting may be exempt (see **Exempt items** below) from public scrutiny but normally there will be items of Company's business which members of the public may observe.

Anyone wishing to attend the Company's Board meetings should, if possible, give at least two working days prior notification to either:

The Company Solicitor and Secretary
Ashfield Homes
Broadway
Brook Street
Sutton in Ashfield
Notts NG17 1AL

Or by Email to ahlmail@ashfieldhomes.co.uk

Or Telephone 01623 608888

Anyone requiring help or having any disability which cause difficulties for them attending the Meeting please advise us prior to your attendance to enable us to make the appropriate arrangements, where possible.

Questions

In order to ensure the correct regulation of the meeting, that Agenda items are properly dealt with and that the relevant officer is in attendance to deal with enquiries anyone wishing to ask a question must follow the procedure below:

- a. Members of the public may ask questions through the Chair of the Board and such questions will be taken in the order asked subject to grouping together of similar questions.
- b. A question may only be asked if prior notice has been given, by mail or writing no later than two working days prior to the meeting. Please use **Form A** attached. Notice of questions should be addressed to the Board and sent to the Company Solicitor and Secretary at the address/email given above. If anyone has any difficulty presenting a written question they may speak to the Company Solicitor and Secretary who will complete the details for them over the telephone. If that officer is unavailable then please ask to speak to the P.A. to the Chief Executive.
- c. Form A should set out clearly the name and address of the person asking the question. Please also insert the reference or the name of the person to whom the question is put, where known.
- d. A limit of two questions per meeting per person or organisation shall operate.
- e. Certain questions, may, at the Chairs discretion be excluded. If excluded, reasons will be given at the meeting which may include questions which are defamatory, frivolous, offensive, relates to matters outside of the Company's business, is substantially the same question that has been previously put, requires the disclosure of confidential or exempt information or relates to matters that are currently the subject of potential or actual legal proceedings in any courts and finally that relate to individual employees of the Company. The requirements of the Data Protection Act 1998 must be adhered to.
- f. All questions shall be recorded.
- g. If the person presenting the question has indicated on the Form that they are not attending the meeting a written response will be sent to them and recorded in the minutes.

Exempt and Non Exempt Items

Some items on the Agenda can be discussed in public but some may not. The Agenda will make clear which items are open to the public (non exempt) and which are not (exempt). In either event specific details of individual tenants or tenancies will not be discussed.

The Chair will announce which items are exempt/non exempt at the commencement of the meeting and the Agenda will also reflect this.

Examples of Non Exempt items

- Waiting lists and allocations
- Day to day housing repairs
- Major works to housing stock
- Planned and cyclical maintenance schemes

- Rent collection and prevention of rent arrears
- Tenancy issues such as anti-social behaviour
- Management of Council estates
- Community Alarm and Care Co-ordinator Services for Older People
- Performance Report
- Tenancy Support Services for People with Special Needs

Examples of Exempt items

- Items or information relating to individuals
- Items or information likely to reveal and individuals identity
- Items including commercially sensitive information relating to the Company or the business or financial affairs of a particular person.
- Items or information relating to employees of the company or matters relating to their employment contracts
- Items or information to which attaches legal professional privilege
- Items or information which are subject to confidentiality
- Items or information relating to matters of national security

Meeting Dates, Times and Venue

The date and time for Board Meetings are advertised on the website and in the Notice at Property shops. Conduct of the meetings shall be in accordance with the Company's Memorandum and Articles. If any person acts in a disruptive or abusive manner, or there is disruption to the meeting for any other reason, the Chair may adjourn the meeting as he/she sees fit.

Board Meetings normally commence at 5.30 pm, and normally last until around 7.00 pm. For security reasons the Company regrets latecomers will not be admitted.

Board Meetings are normally held at the Company's Head Office. The Company are able to accommodate a maximum of 6 members of the public and have lift access.

If the numbers of public exceed this the meeting may need to be adjourned to an alternative date and time to allow for an alternative venue to be fixed.

Policy Review Data	
Policy title	Procedure for Open Board Meetings and Public Questions.
This version authorised by Board	12/01/2010
Date implemented	12/01/2010
Review period	2 years
Date of previous review	09/09/08
Review authority	Board
Version	Version 1
Date of next review	2014

FORM A QUESTIONS



To: THE BOARD OF ASHFIELD HOMES LTD

Reference:

(insert who you would like to answer your query if known)

Your name:

Address:

Telephone Contact Number.....

Question (attach a separate sheet of paper if you run out of space):

.....
.....
.....
.....

Are you attending the Board meeting?
(delete as appropriate)

Yes/No

If you indicate you are not attending the meeting a written response will be sent to you.

Once complete this form can be

- Posted to: Company Solicitor and Secretary
Ashfield Homes
Broadway
Brook Street
Sutton in Ashfield

NG17 1AL
- Emailed to: ahlmail@ashfieldhomes.co.uk

If you have difficulty completing a written question this form can be completed on your behalf over the telephone. If you require this facility please telephone 01623 608888 and ask to speak to the Company Solicitor and Secretary or PA to Chief Executive.



**ASHFIELD HOMES LTD
OPEN BOARD MEETING**

Ashfield Homes Ltd is an Arms Length Management Company set up in April 2002 by Ashfield District Council to manage and maintain its Council housing stock. The Company is run by a Board of 4 District Council nominees, 4 elected Tenant Representatives, and 4 Independent people from the business community. As part of a commitment to making its meetings more accessible, the Board has decided to hold open Board meetings.

The Board of Ashfield Homes will next meet on

Date:

Time: 5.30pm

Venue: Broadway, Brook Street, Sutton Ashfield, Nottingham, NG17 1AL

The Board meets to discuss Company business, performance and accounts.

All Council tenants and members of the public are invited to attend. If you wish to ask a question at the meeting please complete Form A and submit to Company Solicitor and Secretary no later than ***[date (2 working days before the meeting)]***.

For further information visit www.ashfieldhomes.co.uk

Company Registration Number: 4294485 (England and Wales)

Please note that space is limited at the venue so please call 01623 608888 to let us know you are attending.

9A CODE OF CONDUCT FOR BOARD MEMBERS

ASHFIELD HOMES LTD BOARD MEMBER'S CODE OF CONDUCT

SUMMARY

The role of the Board is to establish and uphold the values, vision and strategy of Ashfield Homes, and to oversee their implementation by the Chief Executive and employees. Board Members exercise this role by acting collectively and through proper structures and procedures.

All Board Members accept that they have responsibilities, acting collectively, for:

- The values, ethics and objectives of the Company;
- Setting plans to achieve the objectives;
- Approving the budget and accounts;
- Establishing and overseeing the framework of delegation to employees;
- Taking key decisions;
- Monitoring the Company's performance in relation to the agreed plans, objectives, budgets etc;
- The collective working of the Board;
- Ensuring the Company's affairs are conducted solvently, lawfully and openly at duly constituted and convened Board meetings and in accordance with accepted standards of best practice and propriety.

Ashfield Homes' responsibility for the stewardship of public money and publicly funded assets requires the highest standards of conduct, behaviour, integrity and probity from the Board, other committee or panel members and employees.

PRINCIPLES

One of the key principles of good governance centres on "promoting values that underpin good governance and upholding these through behaviour" (*Good governance standard for public services*, published January 2005). The Board has, therefore, set out, and will ensure compliance with, standards of behaviour that are expected of Board Members and employees.

Board Members will lead by example by upholding the following ten principles that are derived from Ashfield Homes' previous Code of Conduct, the Relevant Authorities (General Principles) Order 2001, and the recommendations of the Committee on Standards in Public Life:

- 1 Selflessness** – You must take decisions solely based on the mission and values of Ashfield Homes. You should not do so in order to gain financial or other benefits for yourself, your relatives, or your friends or associates. You must not improperly confer any advantage or disadvantage on any person or business.

- 2 Integrity and Honesty** – You must not put yourself under any obligation to outside interests, individuals or organisations that might influence you in performing your duties as a Board Member of Ashfield Homes. You must not place yourself in situations where your integrity or honesty may be questioned, must not behave improperly, and must on all occasions avoid the appearance of such behaviour. You must declare any personal interests including those of your relatives or business associates relating to the business or decisions of Ashfield Homes. You must take steps, discussed with and approved by the Chair, to manage any potential conflicts of interest in a way which is lawful and protects the reputation and values of Ashfield Homes.
- 3 Objectivity** – You must be impartial and ensure choices and decisions are made on merit alone and in accordance with Ashfield Homes’ policies and procedures.
- 4 Accountability** – You are accountable for your actions and decisions, and must submit yourself to whatever scrutiny is appropriate.
- 5 Openness** – You should be prepared readily to give reasons for your actions and decisions, and restrict provision of information only when individual or commercial confidentiality are clearly essential.
- 6 Personal judgement** – You may take account of the views of others, but should reach your own conclusions on the issues before you and act in accordance with those conclusions.
- 7 Duty to uphold the law** - Board Members should uphold the law and, on all occasions, act in accordance with the trust that the Council and the public is entitled to place in them.
- 8 Equality and diversity** – You must be aware of, and respect, others’ individual sensitivities and treat everyone with equal respect.
- 9 Stewardship** – You should do whatever you are able to do to ensure that Ashfield Homes uses its resources prudently and in accordance with the law, its Memorandum and Articles of Association, and its policies, standing orders, financial regulations and procedures.
- 10 Leadership** – You must promote these principles by leadership and example, and should act in a way that secures or preserves public confidence.

PERSONAL CONDUCT

Board Members have an important role to play in ensuring that all decisions are taken in the Company’s best interests. Each Member has the right and the opportunity to participate fully in the Company’s decision-making processes. Once the Board, or a committee with delegated powers, has made a decision in accordance with the Company’s governing instruments, each individual must accept the collective responsibility for that decision and do nothing to obstruct or prejudice a successful outcome to its implementation, other than in the exceptional circumstances where the Board Member considers there to be a question as to the decision’s lawfulness or propriety.

All Board Members accept that they have a personal responsibility to:

- Have regard to the reputation and interests of the Company, supporting the vision, aims, objectives and values of the Company and working towards achievement of them;
- Support and abide by all Company policies and procedures including, in particular, the governing instrument and governance policies of the Company, the Equality, Diversity and Inclusion Policy, and the Health and Safety Policy;
- Act only in the interests of the Company and not on behalf of any constituency or interest group, and put the interests of the Company before their own interests;
- Contribute to and share responsibility for all Board decisions;
- Respect the confidentiality of information about the Company and individual employees and tenants;
- Establish and maintain a constructive, mutually supportive and respectful relationship with executive and senior management and employees at all levels;
- Deal with tenants, other stakeholders and members of the public courteously and with respect;
- Represent Ashfield Homes positively externally, and with employees and tenants;
- Never abuse their position by accepting or seeking inducements or bribes;
- Never permit any payments or benefits from the Company to themselves, other Board Members or employees, or relatives or friends, or businesses with which any of these are involved, except as expressly permitted by strict adherence to the Company's policies and procedures;
- Register and keep up to date, in accordance with the Company's policies and procedures, a record of all relevant interests, including specifically any from which an actual or perceived conflict of interests might arise or which could affect the reputation of the Company;
- Resign from the Board if they have any business interests relating to the work of the Company which directly or indirectly give personal advantage;
- Ensure that private or personal financial and non-financial interests never influence their decisions and that they never use their position as a Board Member for personal benefit;
- Complete, within one month of appointment and whenever subsequently required, an equal opportunities/diversity monitoring form, including the Board Member's name, to enable the Board to monitor its compliance with good practice expectations;
- Attend at least 75% of all meetings they are expected to attend, to prepare properly for these meetings by reading the papers in advance, and by attending every strategy away day;
- Attend and participate in at least 75% of all training and development sessions arranged by Ashfield Homes to support and develop Board Members;
- Reply promptly (usually within 48 hours) to requests from Ashfield Homes and other Board Members for information, assistance etc;
- Attend and participate in reviews linked to individual performance both self and for others and/or that of the whole Board and to commit to agreed development programmes;
- Keep themselves up to date with the external framework and operating environment for the sector;
- Enable the Board to implement timely succession planning and, where practicable:
 - Give Ashfield Homes notice as to whether they wish to be considered for a further term of office three months before the end of their current term;

- Give Ashfield Homes three months notice if they voluntarily resign from the Board within a term of office (but Ashfield Homes may give a lesser, or no, period of notice);
- Advise Ashfield Homes in advance of any absences, including holidays, of more than 7 days (other than for genuine emergencies);
- Ensure that Ashfield Homes always has current contact details including postal and e-mail addresses and phone numbers;
- Not instruct any external professional advisers nor to cause the Company to incur any expenditure without a mandate from the Board to do so;
- Abide by this Code of Conduct at all times, and to accept that any failure to do so is a disciplinary matter.

For clarification, if a Board Member is not prepared to abide by collective responsibility in respect of decisions made by the Board, (s)he would be expected to resign from the Board.

ABSENCES FROM MEETINGS AND SPECIAL LEAVE

If a Board Member is unable to attend a meeting, other than in the most exceptional circumstances, (s)he should always submit apologies for absence to the Chair or Company Secretary prior to the meeting, giving as much notice as possible.

Where a Board Member does not expect to be able attend meetings for a finite period e.g. because of personal serious illness or that of a close relative or dependent, the Board may, exceptionally, grant special leave of up to six months. This decision will be entirely at the Board's discretion. Special leave can not be granted retrospectively.

All non-attendances, other than pre-approved special leave, count as missing meetings.

REGISTER OF INTERESTS

The Company keeps a Register of Interests, which is publicly available for examination. This is designed to protect both the Company and individual Board Members by demonstrating openness, transparency and that there is nothing to hide. The important thing is that the Board should be – and be seen to be – objective in its decision making and 'squeaky clean'. Much of what is openly declared will not involve any conflict of interests; arrangements for dealing with potential conflicts are set out below.

Interests which must be declared include both financial and non-financial interests, as follows:

- Name and business of employer(s);
- Company directorships, business partnerships, self employment, and significant shareholdings (defined as over £5000 nominal value, or 1% of shares in a quoted company or 10% in a private company);
- Occupancy of any residential or non-residential property owned or managed by Ashfield Homes;
 - (Where a relative or business associate are occupants of property owned or managed by Ashfield Homes or work for or have a direct interest as defined above in an organisation which does business with Ashfield Homes, this too must be declared.)
- Positions of public responsibility;
- Board/committee membership, shareholding membership or tenancy of another ALMO, local authority or a housing association;

- Any other monetary or non-monetary interest which could be perceived as potentially affecting judgement or give the impression that a Board Member could be acting for personal motives.

Paragraph 8(2)(a) of the Local Authorities (Model Code of Conduct) (England) Order 2001, defines a relative as “A spouse, partner, parent, parent-in-law, son, daughter, step-son, step-daughter, child of a partner, brother, sister, grandparent, grandchild, uncle, aunt, nephew, niece, or the spouse or partner of any of the preceding persons.”

Board Members will be provided on appointment and thereafter annually with a Declaration of Interests form which must be completed, signed and returned within 1 month. Whenever an interest changes or a new one occurs the Board Member is responsible for completing a revised declaration within 1 month.

All declarations will be reviewed by the Chair¹ who will either countersign the form to indicate (s)he is satisfied that there is no conflict of interests, or will set out in writing to the Board Member her/his advice on how any potential conflict is to be managed. Any such advice will also be placed on the Register. The Register will be reported to the Board annually; any significant changes will be reported if they occur more frequently.

CONFLICT OF INTEREST AND VOTING

Any Board Member who is aware of any personal interest in any matter about to be discussed or decided by the Board or a committee must disclose this interest and ensure the declaration is recorded in writing in the meeting's minutes. “Personal interest” includes interests as defined in the preceding section, plus (in accordance with the requirements of the Local Authorities (Model Code of Conduct) (England) Order 2001) a matter which might reasonably be regarded as affecting, to a greater extent than other residents, the well-being or financial position of him/herself, a relative or a friend or:

- (a) any employment or business carried on by such persons;
- (b) any person who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
- (c) any corporate body in which such persons have a beneficial interest in a class of securities exceeding the nominal value of £5,000.

All relevant facts must be disclosed. It is each individual Board Member's responsibility to take this action; they must not wait for someone else to challenge them on it. The Board/committee will decide whether the Board Member may remain in the room during any part of the discussion or decision, or vote. The Board Member must not attempt to influence any other Board Member's view or vote, nor the actions of employees, on the matter by any form of communication prior to, or after the relevant meeting(s).

If a Board Member, or a relative or business associate, has any interest in land or property which is or might be sold to or leased or managed by the Company, this interest must be declared immediately to the Chief Executive. The Board Member must take no part in, or attempt to influence in any way, decisions regarding such property.

Notwithstanding the above, all Board Members including residents (including tenants and leaseholders) of the Company are fully entitled to participate in discussions of, and vote on, all policy matters affecting all or a substantial group of residents. However they must abide by the preceding paragraph on matters affecting them, their relatives or close friends

¹ by the Vice Chair for the Chair

individually – including discussions of policy on issues such as arrears, harassment, anti social behaviour where the Company is considering or taking action against the relevant person; or complaints etc where the individual is taking action against the Company.

If a Board Member who is a tenant of Ashfield Homes or Ashfield District Council gets into arrears beyond two weeks on three occasions in any 6 month period (unless the arrears are wholly due to delayed processing of housing benefit by the local authority and the Board Member is actively pursuing the matter by all available means), or is otherwise in breach of their tenancy conditions, the Board will decide whether the Board Member will be required to stand down from the Board either permanently or until the arrears or other breach are dealt with.

Any Board Member involved in a significant current dispute with the Company will automatically be required to stand down until the dispute is resolved – other than Tenant Board Members using the normal complaints procedure who must abide fully by the preceding paragraphs in relation to consideration of their complaint by the Company. Board Members who are tenants will automatically be required to stand down when the complaint reaches consideration by the Board or a panel including Board Members. They will remain stood down until final decisions, including consideration by the Board of any Ombudsman's findings, have been taken by the Company.

If a Board Member or employee considers that a Board Member has a conflict of interest which has not been declared, or if declared not dealt with appropriately as set out above, they have a duty to raise the matter immediately with the Board via the Chair (or Vice Chair if it involves the Chair).

ACCEPTANCE OF GIFTS, ENTERTAINMENT, HOSPITALITY & FAVOURS

It is important that all of a Board Member's actions are above suspicion. Board Members must never accept any gifts, entertainment or hospitality where the motive could be to influence the Board Member or the Company, or where acceptance could imply an obligation or the need for a reciprocal favour to the person or organisation offering it. Board Members must never solicit gifts, entertainment or hospitality.

A Board Member must never accept gifts other than of a trivial nature (e.g. diaries and calendars) or where it would give offence or be impossible to refuse. Acceptance of modest working lunches or refreshments while representing the Company in a way which is authorised and 'on the record' is acceptable, but must be recorded promptly in the Company's Gifts and Hospitality Register including the estimated cost and reason for acceptance.

Every Board Member is personally responsible for ensuring that any gift, entertainment, hospitality or favours offered – whether or not accepted – is recorded promptly in the Company's Gifts and Hospitality Register, and for accounting as required to HM Revenue and Customs for the value of the benefit.

The Company will ensure that its current and prospective contractors, consultants etc are aware of its policies in this regard, and seek their co-operation in not offering gifts, entertainment, hospitality or favours which would breach its Code of Conduct.

Offers of hospitality or entertainment where the value is more than £25 must be refused unless its acceptance has been specifically authorised in writing in advance by the Board (including under urgency procedures) and recorded promptly in the Company's Gifts and Hospitality Register, including the cost and the reason why acceptance is considered to be in the Company's interests.

Offers of money, or of personal gifts other than outlined above, must always be refused, and must be recorded in the Gifts and Hospitality Register. An acceptable alternative to refusal where this would offend is to suggest a donation to the Company or to a charity nominated by the Company.

If a Board Member receives an unsolicited gift of more than token value (such as a diary or calendar) which it is impractical to refuse, (s)he must immediately donate it to the Company via the Chief Executive. The Chief Executive will decide, depending on the nature of the gift, whether it is most appropriately used for Company purposes (for example food or drink might be used at the next Company social event for tenants or employees) or donated to a charity chosen by the Company. The gift, and what is done with it, must be recorded in the Gifts and Hospitality Register.

The Gifts and Hospitality Register is used by employees as well as Board Members. The Chief Executive, or another senior employee designated by him, will review the Gifts and Hospitality Register at least quarterly, and sign it off to indicate whether or not s/he is satisfied that the letter and spirit of the Company's policies is being followed. There will be an annual summary report to the Board indicating the scale of gifts, entertainment, hospitality and favours both accepted and declined.

GIVING OF GIFTS, ENTERTAINMENT, HOSPITALITY & FAVOURS

Board Members are not generally expected to give gifts, entertainment or substantial hospitality. Any hospitality given will be instigated by senior employees and must be recorded in the Gifts and Hospitality Register. It is expected that such expenditure will be limited to working lunches, refreshments to visitors and business contacts.

PURCHASE OF GOODS AND SERVICES

To safeguard the reputation of the Company Board Members (and employees), and their relatives and business associates, must not gain any advantage by virtue of their position. Board Members must therefore:

- Not seek, nor accept, any preferential treatment, price discounts, incentives, or other preferential treatment offered, quoted or tendered by any of Ashfield Homes' suppliers, contractors, professional advisers or consultants;
- Record in the Company's Register of Interests any use by themselves, relatives or business associates, of any of Ashfield Homes' suppliers, contractors, professional advisers or consultants. Any such usage should be on normal commercial terms.

As an exception to this general rule, Board Members may freely use, and need not declare use of, utility companies (gas, electricity, water, telecoms, public transport) and large national companies which are also suppliers to Ashfield Homes.

DEALING WITH TENANTS AND EMPLOYEES

The nature of Ashfield Homes, and the fact that many Board Members are tenants, councillors and others with strong local connections means that it is likely that Board Members will be approached by tenants and asked to get involved in individual concerns. However, it is crucial that Board Members recognise the need to behave impartially and not to get involved in operational matters. Board Members may not take up individuals' cases (as opposed to matters of general policy or procedure) on three main grounds:

- Equality and consistency of treatment (Ashfield Homes' reputation will be damaged if there is a perception that an individual's treatment is about "who you know");
- The existence, and desirability of not bypassing, clear procedures for handling complaints etc, generally with appeal to a Board panel, prior to recourse to the Ombudsman;
- In law, all Board Members' fiduciary duty is solely to the interests of the Company, and this is undermined if a Board Member acts as an advocate of anyone in dispute with or lobbying the Company.

To safeguard the reputation of the Company it is important that there is no suspicion of favouritism in the allocation of Ashfield Homes'/Ashfield District Council's housing.

Offers of accommodation (including transfers) by Ashfield Homes may only be made by scrupulous adherence to the Company's normal policies and procedures. It is particularly important that there is no participation in or attempt to influence the process by a Board Member in relation to offers of accommodation to Board Members or employees, those who have been a Board Member or employee in the preceding 12 months, or their relatives, or who are known personally to a Board Member through kinship, friendship, business, faith or social connection.

Board Members may report matters raised with them by individual residents to the relevant employee, but must not advocate on the resident's behalf. In dealing with matters raised by individual tenants, Board Members should operate as follows:

- Encourage the enquirer to approach the relevant team/employees at Ashfield Homes;
- Never takes sides with the enquirer – there are always two sides to a story;
- Do not get involved with any lobbying for allocations, repairs, transfers etc;
- On complaints about service, encourage the enquirer to raise the matter through the Company's complaints procedure;
- If the enquirer raises issues about Ashfield Homes' policies, raise the policy issue to the Chief Executive for clarification and/or discussion at the Board;
- If a Board Member wishes to take details of any enquiry, (s)he should refer these details to the relevant employee to respond direct to the enquirer; the Board Member must ensure that the enquirer understands that further contact is likely to be from employees. While in some circumstances (e.g. housing benefit issues) it may be appropriate for employees to discuss the details of the case with councillors, and for councillors then to communicate with the resident, this is not the case with other Board Members including those who are officers of tenants' or residents' associations.

While Board Members may legitimately contact those employees who have written a Board paper to seek clarification or further information prior to the Board meeting, Members should not become involved in day to day operational matters outside of normal monitoring by and reporting to the Board as a whole or to a committee.

Board Members should not entertain employees' approaches to Board Members on work related matters except via or authorised by the Chief Executive, or where the employee is following the Company's Whistleblowing Policy.

USE OF INFORMATION AND CONFIDENTIALITY

Ashfield Homes aims to be open and accountable to its stakeholders and the general public, while maintaining confidentiality of personal and commercially sensitive information.

In their contacts with third parties, Board Members must always support Ashfield Homes' established policies and Board decisions, and not disclose any disagreements or dissent. If a Board Member has a serious concern about the propriety of any actions by Ashfield Homes or any individual within it or with whom it has dealings, and the matter cannot be satisfactorily resolved through normal procedures, the Board Member should use the Company's whistleblowing procedure or, in accordance with the Public Interest Disclosure Act, notify the appropriate body designated under the Act.

Any requests for information which Board Members receive individually must be referred promptly to the Chief Executive who will arrange for a corporate response. Similarly any contacts from the media should be referred to the Chief Executive or Chair who will decide whether to handle the matter personally or agree a line to take with the Board Member if it is appropriate for the Board Member to deal with the matter. Speeches, briefings, media statements, interviews, and articles ostensibly given on behalf of the Company or stating the Company's position on any matter must be agreed in advance with either the Chair or Chief Executive.

No Board Member may speak to the media on behalf of, or about, Ashfield Homes' business without prior authority of the Chair or Chief Executive.

Board Members are encouraged to come up with ideas for proactive communication with the press and other key stakeholders to promote Ashfield Homes' reputation and awareness of its work. These should be communicated to the Chief Executive or raised at Board meetings.

Board Members should attend external meetings on behalf of Ashfield Homes only with prior approval of the Chair or the Chief Executive.

Other than as set out above, unless expressly authorised by the Board, no individual Board Member should communicate with the press or key stakeholders.

The Data Protection Act means it is unlawful to disclose any information about individuals (e.g. tenants, employees, applicants for housing, fellow Board Members) without that person's consent. Board Members must therefore never release or discuss such personal information. They must refer any inquiry they receive to the Chief Executive, who will ensure that they are properly dealt with.

USE OF ICT AND COMPANY FACILITIES

Board Members must not use the Company's facilities, services, offices or employee time for personal use or gain advantage by utilising contacts made by the Company for private or own business use.

The exception to this general rule is that reasonable personal (but not business) use may be made of any ICT equipment provided via use of the Equipment Allowance. The Board Member will be required to sign an undertaking similar to that signed by employees using the Company's equipment. The undertaking will be about e-mail protocols and language, indemnifying the Company against unauthorised or illegal use e.g. pornography, and taking all precautions to keep the Company's systems secure e.g. by updating antivirus protection and firewalls, regular backing-up of Company data, etc.

When emailing third parties Board Members must include a disclaimer stating that they are not communicating on behalf of the Company.

POLITICAL ACTIVITIES

The Company's work may take it into the political arena but Board Members must ensure that they demonstrate the Company's non-political nature and must keep their personal political activities totally separate from the Company's work.

Board Members' obligations at all times to uphold and support Ashfield Homes' policies and decisions and to act in the best interests of the Company makes it impractical for a Board Member (other than council-nominated Board Members, who are in a special position) to be an election candidate² for Ashfield District Council unless, as a candidate, s/he steers completely clear of any comment or casework on housing matters.

Any Board Member intending to stand for the Council must agree written ground rules for avoiding the appearance or actuality of conflict of interests with the Chair and Chief Executive. These should include:

- How, if at all, the candidate may refer, in their pre-election or campaign literature, press releasers, etc, to their membership of Ashfield Homes' Board;
- How any casework for tenants, individually or collectively, of Ashfield District Council/Ashfield Homes is to be handled;
- How any policy issues affecting the Housing Revenue Account, the future of council housing, or the current or prospective interests of Ashfield Homes is to be handled;
- Prohibition of any comment which could be construed as anything other than supportive of Ashfield Homes or its Board or employees.

WHISTLEBLOWING

Ashfield Homes has a separate Whistleblowing Policy, which is intended to help employees and Board Members who have concerns over any wrongdoing within Ashfield Homes relating to unlawful or unethical conduct, financial malpractice or dangers to the public or the environment. Specific examples could include that:

- A criminal offence (e.g. fraud, corruption or theft) has been/is likely to be committed;

² Includes adoption as a prospective candidate

- A miscarriage of justice has been/is likely to occur;
- The health or safety of any individual has been/is likely to be endangered;
- The environment has been/is likely to be damaged;
- Public funds are being used in an unauthorised manner;
- The Company's constitution, governance policies, financial regulations etc are not being observed or are being breached by Members and/or employees;
- Sexual, racial or physical abuse or harassment of any employee or service recipient is taking place (this policy is not intended to be used by the victim of such action, for whom the Company's harassment policies will be appropriate);
- Discrimination is occurring to any employee or service recipient on grounds of gender, race, faith, age, sexuality or disability;
- Any other form of improper action or conduct is taking place;
- Information relating to any of the above is being deliberately concealed or attempts are being made to conceal the same.

The Board has approved the Whistleblowing Policy to enable individuals to raise concerns about such malpractice(s) at an early stage and in the right way. Ashfield Homes would rather that the matter is raised when it is just a concern rather than waiting for concrete proof.

The independent charity Public Concern at Work on 020 7404 6609 (website www.pcaaw.co.uk) can give individuals free confidential advice at any stage about how to raise a concern about serious malpractice at work.

ADHERENCE TO THE CODE

All Board Members must sign the Code of Conduct to signify their acceptance of it, and of the consequences of breaches, immediately on appointment. All Board Members will be required to sign annually as a 'renewal of their vows' immediately after the annual general meeting. As a condition of continued Board membership they must also sign to signify acceptance of any subsequent updates to the Code.

BREACHES OF THE CODE AND ALLEGATIONS AGAINST BOARD MEMBERS

The Board will appoint annually a panel of three Board Members plus three substitutes to consider any alleged breaches of this Code or other complaints or allegations against a Board Member. The panel will report the matter to the next Board meeting and may, if the matter is sufficiently serious, convene a special Board meeting. The panel's initial report to the Board will address the question of whether the Board Member should be required to stand down from the Board while the matter is investigated. Ashfield Homes will not pay the legal or other costs of any Board Member who is the subject of investigation.

The panel will be responsible for having the matter investigated on behalf of the Board. It will do so by following as closely as practicable in the circumstances of the case the good practice guidance in the Housing Corporation's publication *Responding to allegations* and the principles of natural justice. The panel may commission independent professional advice or investigations.

The panel will provide a written report of its findings and recommendations to the Board, which will take any necessary decisions. The normal consequence of any breach of the Code or other significant finding against a Board Member will be dismissal from the Board.

I confirm that I have read and will comply with this Code of Conduct and any updates thereto.

Signed:	Date:
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Policy Review Data	
Policy title	Board Members' Code of Conduct
This version authorised by Board	27 March 2007
Date implemented	1 April 2007
Review period	After 6-12 months, then every 2-3 years
Date of previous review	The previous Code of Conduct (covering Board Members and Employees) was approved on 1 December 2004
Review authority	Board
Version	Version 1

9B FORM FOR DECLARATIONS OF INTEREST

ASHFIELD HOMES

FORM FOR DECLARATIONS OF INTEREST BY BOARD MEMBERS AND EMPLOYEES

Ashfield Homes' Codes of Conduct for Board Members and employees state that there shall be a register of declarations of both financial and non-financial interests. This is one of the means by which Ashfield Homes demonstrates its commitment to openness, honesty and integrity in all its operations.

This form is for the purposes of declaring all such interests. The existence of an interest does not necessarily involve a conflict of interests, but full declaration will mean that potential conflicts are identified and dealt with appropriately.

Everyone acting on behalf of Ashfield Homes, whether in a paid or unpaid capacity, should always act as they would were the full glare of public scrutiny upon them. They must not behave in any way that could bring Ashfield Homes or the ALMO sector into disrepute. Board Members and employees should therefore be meticulous about declaring interests. The over-riding message is: when in doubt, declare. Failure knowingly or negligently to disclose any interest that is subsequently identified will always be treated as a serious breach of the Codes of Conduct and hence as a disciplinary matter.

For Board Members

The Code of Conduct states that you shall resign from the Board if you have any business interests relating to the work of the Company which directly or indirectly gives personal advantage. If you consider that another Board Member or employee has such an interest, you have a duty to raise it with the Chair or Company Secretary immediately.

Where a matter in which you have any personal interest (as defined in the Code of Conduct) is to be discussed at any Ashfield Homes meeting, you must declare this at the start of the meeting or before discussion commences. The others present at the meeting will decide whether you must withdraw from the meeting for the duration of the item, and/or must not participate in any discussion or vote. The declaration and action taken must be recorded in the Minutes of that meeting. A copy of the Minutes or separate record must be forwarded to the Company Secretary for recording in a register held specifically for this purpose.

For Board Members and Employees

Circumstances may arise when you become aware that a matter is to be discussed or decided at a Board, committee or management meeting (whether or not you would normally attend the meeting) or by a person under delegated powers, in which you have, or could be perceived to have, a significant business or personal interest. You should notify the Company Secretary in advance and not receive any papers or other information relating to that item.

You must not attempt to influence the decision by discussing the matter with attendees, or by communicating with them on the matter in any way.

You must not make any representations to any other party that purports, or could be construed to purport, to be on behalf of Ashfield Homes without the prior explicit authority of the Board, including under its Scheme of Delegations.

This form is to be completed by all employees, Board and committee³ Members on initial appointment and renewed annually, or at any time by people wishing to make a declaration where a new actual or potential interest has arisen.

Policy Review Data	
Policy title	Form for declarations of interest by Board Members and employees
This version authorised by Board	27 March 2007
Date implemented	1 April 2007
Review period	After 6-12 months, then every 2-3 years, in conjunction with the Codes of Conduct
Date of previous review	n/a
Review authority	Board
Version	Version 1

³ Subsequent references to Board Members include committee members and apply whether Members are elected or co-opted

FORM FOR DECLARATIONS OF INTEREST

Name:	
Role/job title	
Previous positions at Ashfield Homes or predecessor bodies, either non-executive or as an employee, including dates	

WHEN IN DOUBT, DECLARE.

Definitions

Ashfield Homes defines ‘**relative**’ to mean a spouse, partner, parent, parent-in-law, son, daughter, step-son, step-daughter, child of a partner, brother, sister, grandparent, grandchild, uncle, aunt, nephew, niece, or the spouse or partner of any of the preceding persons⁴.

	GIVE DETAILS, INCLUDING DATES WHERE APPROPRIATE
<p><i>For Board Members only</i> Please give the name(s) and address(es) of your employer(s), and your job title(s).</p> <p>If you are self-employed or a member of a partnership please give the name(s) under which the entity/ies trades.</p>	
<p><i>For employees only</i> Please give the name(s) and address(es) of any other employer(s) you have, and your job title(s).</p>	
<p>Please give the names of any corporate body/ies in which you have a beneficial interest in a class of securities exceeding the nominal value of £5,000 or 1% of the share capital (for quoted companies) or 10% of the share capital (for unquoted companies), whichever is less</p>	

⁴ This is the same definition as in The Local Authorities (Model Code of Conduct) (England) Order 2001

Please list any directorships or managerial positions you hold, whether paid or unpaid. (This includes being a Board or committee Member of another housing organisation, voluntary organisations, etc)	
Please state whether you are a tenant, or shareholding or elected member, of any other ALMO, housing association or local authority.	
Please list any public offices you hold, including as an official, appointed or elected member of any statutory body	
Please list any other companies, businesses or organisations in which you are involved in any way in the management	

	MARK IF YES	IF YES GIVE DETAILS, INCLUDING DATES WHERE APPROPRIATE
Are you or, to your knowledge, any of your relatives or business associates a tenant or lessee of any property owned or managed by Ashfield Homes? If a relation please state the relationship.	<input type="checkbox"/>	
Are you or, to your knowledge, any of your relatives or business associates or any of the companies or organisations listed above a user, or carer of a user, of Ashfield Homes' services?	<input type="checkbox"/>	
Are you or, to your knowledge, any of your relatives or business associates or any of the companies or organisations listed above the owner of any property leased to or managed by Ashfield Homes?	<input type="checkbox"/>	
Do you have, or have you had, a close business or personal relationship with any current or previous Board Member or employee of Ashfield Homes?	<input type="checkbox"/>	

	MARK IF YES	IF YES GIVE DETAILS, INCLUDING DATES WHERE APPPROPRIATE
Have you any business relationship with any company or organisation with which Ashfield Homes does business?	<input type="checkbox"/>	
Are you aware of any actual or potential overlaps or dualities of interest arising from your connection with Ashfield Homes and your or your relatives' or business associates' personal/business interests?	<input type="checkbox"/>	
Have you been disqualified from acting as a director of a company for any reason?	<input type="checkbox"/>	
Have you been convicted of an indictable ⁵ offence within the last five years?	<input type="checkbox"/>	
Do you have any other interests which could be perceived as significant or material that you wish to declare?	<input type="checkbox"/>	

The information you have provided will be held by Ashfield Homes on a Register of Interests. By signing below you agree to Ashfield Homes using the information provided to manage its business and to respond to any enquiries from third parties.

I certify that:

- the information and answers given above are true and complete to the best of my knowledge;
- should I become aware of an interest which is not disclosed in this declaration, I will immediately make a further written declaration.

Signed:	Date:
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⁵ An indictable offence is a serious criminal offence that requires trial by jury in a Crown Court

REVIEW OF DECLARATION OF INTEREST		
EITHER I confirm there are no matters requiring further action or measures	<input type="checkbox"/>	Signed: (Chair for Board Members, line manager for employees) Date:
OR To protect the good name of Ashfield Homes and the individual, the under noted measures should be taken	<input type="checkbox"/>	Signed: (Chair for Board Members, line manager for employees) Date:
Measures to be taken:		
Declaration of interest recorded in Register of Interests	<input type="checkbox"/>	By: Date:
Register of Interests declaration number:		



ASHFIELD HOMES LIMITED

WHISTLEBLOWING POLICY

1 October 2008

ASHFIELD HOMES LIMITED

WHISTLEBLOWING POLICY

1. PREAMBLE

- 1.1 Employees/workers are often the first to realise that there may be malpractice within the workplace. However, they may not express their concerns because they feel that speaking up would be disloyal to their colleagues or to their employer. They may also fear harassment or victimisation. In these circumstances, the employee/worker may feel it is easier to ignore the concern or suspicion.
- 1.2 Ashfield Homes Limited is committed to the highest possible standards of openness, probity and accountability. In line with this commitment, we encourage employees/workers with serious concerns about any aspect of the Company's work in relation to matters listed in 2.2 below, to come forward and voice those concerns. It is recognised that certain cases will have to proceed on a confidential basis. This policy document makes it clear that employees/workers who raise such concerns in good faith can do so without fear of reprisals. This Whistleblowing Policy is intended to encourage and enable employees/workers to raise serious concerns within the Company rather than overlooking a problem or blowing the whistle outside.
- 1.3 The Public Interest Disclosure Act 1998 amended the Employment Rights Act 1996 to provide protection for employees and workers who raise legitimate concerns about specified matters (see 2.2 below)

2. AIMS AND SCOPE OF THIS POLICY

- 2.1 This policy aims to:-
 - Provide avenues for you to raise concerns and receive feedback on any action taken
 - Allow you to take the matter further if you are dissatisfied with the Company's response, and
 - Reassure you that you will be protected from reprisals or victimisation for whistleblowing in good faith.
 - Provide guidance as to the types of issues that can be raised
- 2.2 The policy extends to employees, workers and also Board members and is contained within the Company's Code of Governance.
- 2.3 There are existing procedures in place to enable you to lodge a grievance relating to your own contract of employment. This Whistleblowing Policy is intended to cover specified matters that fall outside the scope of other Company procedures. The law protects what are known as "protected disclosures". This is a qualifying disclosure made in good faith by an employee or worker who has a reasonable belief that one of the following is being, has been, or is likely to be, committed.

- A criminal offence
- A miscarriage of justice
- An act creating risk to health and safety
- An act causing damage to the environment
- A breach of any other legal obligation; or
- Concealment of any of the above

2.4 The employee/worker shall have a

- Reasonable belief and
- Sufficient grounds for their concerns

That such an act is being, has been, or is likely to be committed.

The employee/worker has no responsibility for investigating the matter. The Company has responsibility, subject to 5.3 below, to ensure an investigation takes place. An employee/worker who makes such a protected disclosure has the right not to be dismissed or subjected to victimisation because he or she has made the disclosure.

3. SAFEGUARDS

3.1 Harassment or Victimisation

The Company recognises that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the malpractice. The Company will not tolerate harassment or victimisation and will take action to protect you when you raise a concern in good faith.

3.2 This does not mean that, if you are already the subject of disciplinary or redundancy procedures, those procedures will be halted as a result of your whistleblowing (save in the exceptional case where your whistleblowing directly refers to some aspect of these procedures and their use).

3.3 Confidentiality

The Company will do its best to protect your identity when you raise a concern if you do not want your name to be disclosed. It must be appreciated that the investigation process may reveal the source of the information and a statement by you may be required as part of the evidence. If the matter proceeds the employee may need to come forward as a witness and can be supported by a work colleague, Employee or Trade Union representative if they wish.

3.4 Anonymous Allegations

This Policy encourages you to put your name to your allegation. Concerns expressed anonymously are often much less powerful, but they will be considered at the discretion of the Company Solicitor and Secretary in consultation with the Chief Executive. If, however, the concern relates to either of these officers then the above decision will involve one of the following in place of the officer implicated

- Director of Operations
- Company Accountant
- Human Resources and Development Manager

3.5 In exercising the discretion, the factors to be taken into account would include:-

- The seriousness of the issues raised;
- The credibility of the concern; and
- The likelihood of confirming the allegation from other sources

3.6 Untrue Allegations

If you make an allegation in good faith, but it is not confirmed by the investigation, no action will be taken against you. If, however, you make malicious or vexatious allegations, disciplinary action may be taken against you. It will be a matter for the Company Solicitor and Secretary to form a view on whether an allegation has been made maliciously or vexatiously and to refer their view to the relevant member of the Senior Management Team if disciplinary action needs to be considered. If the Company Solicitor and Secretary is implicated then this decision will be made by those listed in 3.4 above.

4. HOW TO RAISE A CONCERN

4.1 As a first step, you should normally raise concerns with your immediate Manager or their Supervisor. The matter will be treated in confidence subject to the provisions of this Policy. The Manager/Supervisor should contact the Company Solicitor and Secretary to record the concern raised and obtain advice on how the matter should proceed. This depends, however, on the seriousness and sensitivity of the issues involved and who is thought to be involved in the malpractice. For example, if you believe that management is involved, you should approach the Company Solicitor and Secretary or, if the concern involves the Company Solicitor and Secretary, the Chief Executive.

If, however, the concern relates to either of these officers then the above decision will involve one of the following in place of the officer implicated

- Director of Operations
- Company Solicitor and Company Secretary
- Company Accountant

4.2 Concerns are better raised in writing. You are invited to set out the background and history of the concern, giving names, dates and places as a witness statement where possible. Include the reason why you are particularly concerned about the situation. If you do not feel able to put your concern in writing, you can contact the immediate Manager/supervisor.

4.3 The earlier you express the concern, the easier it is to take action.

4.4 You are not expected to prove the truth of an allegation but you will need to demonstrate to the person contacted that there are sufficient grounds for your concern.

4.5 Advice and guidance on how matters of concern may be pursued can be obtained from:-

Chief Executive
Director of Operations
Human Resources and Development Manager
Company Accountant
Company Solicitor and Secretary

4.6 You may invite your Trade Union or Employee Representative, or a work colleague, to raise a matter on your behalf. It is expected that in the first instance the procedure detailed at 4.1 will be followed.

5. HOW THE COMPANY WILL RESPOND

5.1 The action taken by the Company will depend on the nature of the concern. The matters raised may:-

- Be investigated internally;
- Be referred to the Police;
- Be referred to the external Auditor;
- Form the subject of independent scrutiny

and in any event will be notified to the Audit Committee and/or Board

5.2 In order to protect individuals and the Company, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. Concerns or allegations which fall within the scope of specific procedures (for example, fraud) will normally be referred for consideration under those procedures or to the relevant external body, (e.g. Police).

The overriding principle for the Company will be public interest. In order to protect employees/workers including those who may be wrongly or mistakenly accused, initial enquiries will be made to decide whether an investigation is appropriate and if so, what form it will take.

5.3 Within ten working days of a concern being received, the Company will write to you:-

- Acknowledging that the concern has been received;
- Indicating how it proposes to deal with the matter;
- Giving an estimate of how long it will take to provide a final response;
- Telling you whether any initial enquiries have been made, and
- Telling you further investigations will take place, and if not, why not.

- 5.4 The amount of contact between the officers considering the issues and you will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, further information will be sought from you.
- 5.5 When any meeting is arranged, you have the right, if you so wish, to be accompanied by a Trade Union or Employee Representative, or a work colleague, who is not involved in the area of work to which the concern relates.
- 5.6 The Company will take steps to minimise any difficulties which you may experience as a result of raising a concern. For instance, if you are required to give evidence in criminal or disciplinary proceedings, the Company will advise you about the procedure.
- 5.7 The Company accepts that you need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, you will receive information about the outcomes of any investigations.

6. HOW THE MATTER CAN BE TAKEN FURTHER

6.1 This Policy is intended to provide you with an avenue to raise and resolve concerns *within* the Company. If you have a reasonable belief that the appropriate action has not been taken, the following are possible contact points:-

- A Member of the Board;
- The External Auditor;
- Relevant professional bodies or regulatory organisations, e.g. HM Revenue and Customs, the Financial Services Authority, or Health and Safety Executive;
- Your solicitor;
- The Police

If you do take the matter outside the Company, you need to ensure that you do not disclose confidential information beyond the qualified disclosure. Check with the contact point about that.

7. THE RESPONSIBLE OFFICER

Subject to 3.4 above, the Human Resources and Development Manager has overall responsibility for the maintenance and operation of this Policy. This Manager maintains a record of concerns raised and the outcomes (but in a form which does not endanger your confidentiality) and will report as necessary to the Senior Management Team or Board.

8. ADMINISTRATIVE ARRANGEMENTS

8.1 All correspondence required to be entered into, as a consequence of this Policy, shall wherever possible be sent to the employee's home address.

8.2 All correspondence from a witness shall be addressed as follows and marked ‘Strictly Private and Confidential – to be opened by addressee only’ to one of the following:-

Human Resources and Development Manager
 Chief Executive
 Director of Operations
 Company Accountant
 Company Solicitor and Company Secretary

At Ashfield Homes Limited
 Broadway
 Brook Street
 Sutton in Ashfield
 Nottingham
 NG17 1AL

DATED 1 OCTOBER 2008

Policy Review Data	
Policy title	Whistleblowing Policy
This version authorised by Board	Revised Whistleblowing policy introduced August 2008
Date implemented	1 May 2002
Review period	Five years
Date of previous review	n/a
Review authority	9 th September 2008
Version	Version 2
Date of next review	May 2013