

ISHA BOARD - FUNCTIONS AND TERMS OF REFERENCE

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1. Board size and composition

The membership of the Board is 10 members, with a minimum of 5 and a maximum of 12 members (including any co-opted members and including the executive member, currently the Chief Executive) as allowed by the association's Rules. If membership falls below 10, action will be taken to recruit to fill vacancies.

The composition of the Board is for:

- A mix of skills suitable to discharge its functions, to be reviewed annually;
- No ISHA Board member should be employed within the North River Alliance, or any other strategic partnership that ISHA leads or directs.

Executive Membership

The Executive Board Member shall participate in all Board discussions and is entitled to vote where matters are put to a vote, subject to the conditions set out below.

Unless otherwise determined by the Chair and a majority of the elected members of the Board, Executive members of the Board will not be able to have a vote in relation to:

- (i) Delegated authorities to the Leadership Team and Chief Executive
- (ii) Review of their own performance and remuneration
- (iii) In camera session with ISHA's auditors
- (iv) Chair's Actions submitted by the Chief Executive
- (v) And other sessions with a conflict of interest as determined by the Chair

2. Responsibilities and Principles of Delegation

The Board is responsible for the overall leadership of the organisation. In addition to its formal responsibility to its shareholders, the Board will be accountable to its customers; the Regulator of Social Housing; Homes England and the Greater London Authority with regard to grant funding; local authorities; and the local community for the good governance of the Association and pursuit of its social purpose.

The Board will focus on strategy and policy issues, risk management and assurance (advised by the Audit & Risk Committee), overriding performance issues, major new developments, overall responsibility for the finances of the Association, health & safety, customer service and satisfaction, effective supervision of the Chief Executive (and through the Chief Executive, the staff) and of the effectiveness of itself and of its committees. Delegations to Committees of the Board and the Leadership Team are set out in their respective terms of reference.

3. The Functions of the Board

The essential functions of the Board, **none of which shall be capable of delegation**, are:

1. Setting and ensuring the organisation upholds its values, vision, mission and strategic objectives, in accordance with its charitable aims and social purpose, and ensuring the organisation's long-term success
2. Setting a positive culture, with strong customer focus, which embeds equality, diversity and inclusion in the organisation
3. Ensuring that the organisation operates effectively, efficiently and economically
4. Providing oversight, direction and constructive challenge to the organisation's Chief Executive and Leadership Team
5. The appointment and if necessary, the dismissal of the Chief Executive
6. The appointment and removal of any Non-executive Director and executive officer of the Board, including the Company Secretary
7. Approval of the succession plan for Board
8. Appointment and removal of ISHA's External Auditor
9. Satisfying itself as to the integrity of financial information, approving each year's budget, business plan and annual accounts prior to publication
10. Establishing, overseeing and reviewing a framework of delegation and systems of internal control
11. Establishing and overseeing a risk management framework in order to safeguard the assets and reputation of the organisation.
12. Approving and monitoring compliance with the health and safety management system and associated health and safety policies.
13. Hearing the customer voice

4. Specific Tasks

The Board is responsible for supervision and decision-making in the following areas, and will receive an annual report (or more frequently if required) providing assurance on: -

- (i) Value for Money and continuous improvement – ensuring that the Association demonstrates and measures economy, efficiency and effectiveness, realising VfM across the range of its activities, and that this is linked to performance monitoring
- (ii) Business Planning; including stress testing of the business plan
- (iii) Borrowing and treasury management strategies;
- (iv) Appointment and reviewing the appraisal of the Chief Executive;
- (v) Review of the Chief Executive's contract at least every three years; albeit detail may be delegated to the People Committee;
- (vi) Compliance – Ensuring that the Association complies with the requirements of the Regulator for Social Housing, including compliance with its Economic and Consumer Standards, Homes England, Greater London Authority, other statutory bodies, and the Rules of the Association;
- (vii) Encourage participation by customers in the work of the Association. Ensure that decision-making is open and accountable to customers and the community;
- (viii) ISHA's Equality, Diversity and Inclusion Strategy and objectives;

- (ix) To receive reports from the Internal Auditor, on at least an annual basis, or as otherwise required by the Board from time to time, on the effectiveness of the Association's system of internal controls;
- (x) New Business Initiatives, especially if 'non-traditional' or involve expansion to new geographic areas;
- (xi) Approve development schemes of over £5.5 million within approved development programmes and any scheme not within an approved development programme;
- (xii) Approval of the strategic plan and key supporting strategies and policies;
- (xiii) Reviewing the Board's own effectiveness;
- (xiv) Risk Monitoring and acting on the Risk Register and Risk Management Strategy
- (xv) Use of the Seal;
- (xvi) Sales or other disposals of land and property with the exception of the following delegated matters: -
 - Shared Ownership sales and Right to Acquire sales (consent taken as given by the original Board decision to build or purchase the development);
 - residential 'social housing' or 'affordable housing' tenancies.

5. Executive Reporting to Board

The members of the Leadership Team, and such other Officers as may be appropriate, shall attend Board meetings.

6. Servicing the Board

The Company Secretary will provide support to the Board, working with the Chair and the Chief Executive.

7. Agendas, Minutes and Reports

Agendas, reports and minutes of meetings of the Board will be circulated to all members of Board. Notice of meetings will be issued not later than seven days before the meeting.

8. Quorum

A quorum for the purpose of conducting business will consist of three Board members.

9. Decisions between meetings

Decisions taken by the Board between meetings may be executed as follows:

1. Electronically, with a resolution confirmed by three quarters of the board members as per Rule D38
2. By Chair's Action – this urgent procedure enables the Chair to take decisions on key issues but shall not be used where the decision could reasonably be dealt with at the next Board meeting, OR where the matter is so weighty that a Special Board Meeting is appropriate.

- (i) the Chief Executive or Company Secretary shall submit a written report (attached to a standard and numbered form) with a recommendation to the Chair, circulated to all Board members electronically;
- (ii) at least two further Board members (of which at least one will normally be a chair of Committee) must confirm approval of the report. If the Chair is unavailable, the Vice-Chair or the Chair of Audit & Risk may substitute for the Chair;
- (iii) decisions taken under the procedure shall have the full authority of the Board and shall be ratified by the Board at the next Board meeting after the use of the procedure;
- (iv) a record of Chair's Actions will be maintained by the Company Secretary.

10. Observers

For non-confidential items, there may be times when members of staff, customers who are members of committees and co-opted members of committees may request to attend meetings, as observers. The Chair has the power to determine whether to agree to this request and the maximum number who can attend outside the normal membership.