



Hexagon Housing Association Group

Standing Orders & Delegated Authorities

Approved by the Board in July 2013

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Signed.....R Coulter.....

Chair of Board

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Part 1 Board Control and Core Values

1 Constitution

1.1 Overview

The Association's Board operates under the following main constraints:

- Rules (the governing instrument of the Association) [see 1.2 below]
- National Housing Federation's Excellence in governance: code for members and good practice guide 2010 [see 1.3 below]
- The requirements of the Regulator [see 1.4 below]

The Board has the responsibility for the control of the Association so that it sets and meets its objectives. Its role is set out in section 2 below. All the Board members share responsibility for decisions made. Each should act only in the interests of the Association and not on behalf of any constituency or interest group.

The Board has delegated day to day operational responsibility to the Chief Executive for the management of the Association within the overall strategy and objectives which it has set. The Chief Executive is supported in this task by the Directors Group. The scope of delegation to staff is set out in Part 3 of these Standing orders.

The Board has the power to delegate to Committees of the Board and can establish Project Groups. The Board has established an Audit & Risk Committee and a Remuneration Committee whose remits are set out in Sections 10 below. Its policy on Project Groups is set out in Section 11 below.

The Association's members, Board members, officers and staff are at all times to conduct the affairs of the Association in accordance with statutory requirements, Hexagon's contractual obligations, the governing instrument and committee instructions in the form of Delegated Authority and Standing Orders.

Unless otherwise stated the contents of these Standing Orders relate to all member organisations of the Hexagon Group.

1.2 Rules

Hexagon Housing Association is registered under the Industrial and Provident Societies Act 1965 and operates according to Rules that are based on NHF Model Rules 2011. The Rules, which were adopted in September 2011, set out detailed procedural and other requirements under the following headings:

- Name and objects
- Powers of the Association, Board and shareholders
- Shareholders and general meetings
- The Board
- Chair, Vice Chair(s), Chief Executive, Secretary and other officers
- Financial control and Audit
- Miscellaneous and statutory

The objects of the association are set out in section A2 of the Rules.

Horniman Housing Association Limited is also registered under the Industrial and Provident Societies Act 1965 and operates according to Rules that are based on NHF Model Rules 1998. The Rules, also set out detailed procedural and other requirements. The Rules differ due to the version of Model Rules they have been based on. When considering the shareholding membership and constitution of Horniman Housing board their Rules should be referred to.

1.3 NHF Excellence in governance: code for members and good practice guide 2010

The Association has also adopted the 2010 Code of Governance of the National Housing Federation and shall conduct itself accordingly. Copies of the Code can be obtained from the Secretary.

1.4 Regulation

The Association is registered as a social landlord with the Homes and Communities Agency (HCA). The HCA's regulatory approach is based on Co-regulation. This places responsibility on the Board for meeting the National Standards ([insert hyperlink here](#)) and being transparent and accountable for the delivery of our objectives. The HCA take a proactive role in regulating the economic standards and may intervene in cases where a breach or potential breach of a consumer standard leads to risk of serious detriment to tenants.

1.5 Shareholding Membership

The Board will admit each board member (other than any employee) as a shareholder and shall not admit any other person as a shareholder in accordance with the Rules (C7).

Former staff of the Association will not be eligible to become members of the Association until 12 months have lapsed since they left the Association's employment

1.6 Openness

The Association will publish information about its performance in addition to the prescribed financial reports required of the Association. The Board will publish annual reports of the Association's activities and performance.

The Association will enter into agreements with local authorities and other agencies, such as health authorities, with whom it works in partnership, or who have a legitimate interest in the Association's affairs.

The Association will comply with outside requests for information wherever practicable. The Board recognises, however, that some information may well be confidential or commercially sensitive or expensive to produce in the form requested and this will be taken into account in responding to such requests.

1.7 Resident Involvement

In accordance with the principles of co-regulation the Association will:

- ensure that transparency and accountability is central to co-regulation
- provide support to tenants in both shaping and scrutinising service delivery and to hold the board to account
- demonstrate that the Association understands the particular needs of tenants and leaseholders

The Association will adopt, update and publish its policies for involving tenants and residents in the decisions that affect their homes.

1.8 Equality of Opportunity

The Association has adopted and published an equality and diversity policy. The policy promotes equal opportunities through monitoring and action in all areas of the Association's work including:

- Identification and assessment of needs
- Allocation of housing (and any other services)
- Provision of services

- Membership and operation of the Board and Committees
- Staff recruitment, training and conditions of service
- The Association's buying of goods and services and contracting procedures.

2 Constitution of the Boards

2.1 Composition of the Boards

Hexagon Board

The Association's Rules state that the Board shall consist of seven members, or of such greater number not exceeding twelve (including co-optees) as may be determined by the Board.

No resident may be appointed (or co-opted to the Board if, following their appointment (or co-option), more than one-third of the Board members will at that time be residents.

No employee may be appointed (or co-opted to the Board if, following their appointment (or co-option), more than one-third of the Board members will at that time be employees.

Horniman Board

The Association's Rules state the board shall consist of five board members, or of such greater number not exceeding twelve (including co-optees) as may be determined by the parent.

Not more than one third of the board may be residents.

Except for co-optees, appointees of the parent and executive officers, only shareholders can be board members.

- The board may with the prior written consent of the parent appoint co-optees to serve on the board on such terms as the board resolves and may remove such co-optees. A co-optee may act in all respects as a board member, but they cannot take part in the deliberations nor vote on the election of officers of the association nor any matter directly affecting the appointment or removal of, or setting or amending the obligations of shareholders.
- Subject to the above rule, the board may co-opt the association's chief executive and other executive officers to the association's board.
- The board may, with the prior written consent of the parent, appoint the association's chief executive and other executive officers to the association's board.

For the purposes of these rules and of the Act a co-optee is not included in the expression "board member" or "member of the board". For the purposes of the Housing Act 1996 a co-optee is an officer.

Not more than five co-optees can be appointed to the board or to any committee at any one time.

2.2 Quorum

Hexagon Board

Three Board members form a quorum (or such higher number as the Board may decide). Co-opted members do not count towards a quorum.

Horniman Board

Three board or half of the board (whichever is lower) are present; and the majority of the board members who are present are neither executive officers nor co-optees.

The board may with the parent's prior written consent determine a higher number or impose additional requirements.

2.3 The Chair

The Chair of the Association chairs the Board. The Board elects the Chair at the first Board meeting after each Annual General Meeting. The role of the Chair is set out in section 6 below.

2.4 Obligations of Board Members

The obligations of Board members is set out in the Association's Code of Conduct for Board Members, see Section 5 below.

2.5 Training of Board Members

The Board will ensure that all new members receive induction training and that effective arrangements are made to maintain and develop the skills motivation and active involvement of all its members.

3 Role of the Boards

Hexagon Board

The Association has a Board which shall, subject to rule D26, direct the affairs of the Association in accordance with its objects and rules and ensures that its functions are properly performed. At all times that the Association is registered with the regulator as a provider of social housing, the Board shall

ensure that the Association takes account of any obligation imposed upon the Association by the regulator in exercise of its powers.

Horniman Board

The Association has a Board which shall, subject to rule D1, direct the affairs of the Association in accordance with its objects and rules and ensures that its functions are properly performed.

4 Role of Board Members

4.1 Collective Responsibilities

All Board members share responsibility for:

- The objectives of the Association
- Setting plans to achieve the objectives
- Approving the budget and accounts
- Establishing and overseeing the framework of delegation to staff
- Taking key decisions
- Monitoring the Association's performance in relation to the agreed plans, objectives, budgets etc
- The effective working of the Board
- Ensuring that the Association's affairs are conducted solvently, lawfully and in accordance with accepted standards of best practice and propriety

4.2 Personal Responsibilities

Board members accept a personal responsibility to:

- Support the values and objectives of the Association
- Support all Association policies and, in particular, the equality and diversity policy
- Be a Lead Board member or a member of the Audit & Risk Committee or Project Group if requested
- Contribute to the decisions of the Board and any committees of which they are a member from their skills and experience and share responsibility for all their decisions

- Read the papers beforehand for all meetings that they are invited to attend
- Attend the annual strategy "awayday" and training sessions provided for all Board members
- Register all interests that might have a bearing on the Association's work and declare any potential or actual conflicts of interest as and when they arise
- Raise any concerns they have about the Association's affairs with the Chief Executive, the Chair or either of the two Vice Chairs
- Represent the Association positively to all external audiences
- Members with specific skills may be required to liaise informally with the appropriate Director or other staff member

5 Code of Conduct for Board Members

5.1 General

The National Housing Federation's Excellence in governance: code for members and good practice guide 2010 which the Board has adopted. describes the respective roles of the Board and staff.

The guidance set out below applies to all Board members, and co-optees of the Association. Its purpose is to:

- Give clear guidance to members on conduct in the light of regulatory requirements and the Association's Rules.
- Give clear guidance to members on how to handle possible conflicts of roles and relationships with staff.
- Reassure regulators, funders, local authorities, tenants and the wider public that the Association has clear and high standards for Board and Committee conduct.

5.2 Supporting the Association

Board members are expected to support the work of the Association and to support and comply with its policies and procedures. Differences of view will be aired and resolved at Board or other internal meetings. Once decisions have been taken through this democratic process, Board members are expected to support them. Board members will not campaign against the Association or its policies externally. If members feel so strongly about an issue that they wish to take a public stand against the Association, then they should resign and be free to argue their case as they wish.

5.3 Avoiding personal benefit

The law generally prohibits any Board member or close relative from receiving any benefit from the Association. This includes all payments except for reasonable Board expenses (which are set out in the probity policy. Board members cannot undertake paid work for the Association. Board members should never accept gifts (other than those of a trivial nature). They should avoid giving or receiving any extravagant hospitality to anyone connected with the work of the Association. All hospitality received should be notified to the Secretary so that it can be entered in the hospitality register. Except in clearly defined circumstances, Board members and their relatives cannot be housed by the Association. Where Board members are in any doubt about these matters they can seek advice from the Chair, Chief Executive or Secretary.

5.4 Disclosing interests

The Association maintains an open register of the interests of Board members (which is available for public inspection) which details:

- their employment
- positions of public responsibility
- membership of other organisations (including housing associations) which might have a bearing on the Association's work
- any financial interest they have which might relate to the Association's work

The Association maintains a record of the interests of Board members and senior staff. If any issue arises in which members have a personal financial interest, or even an indirect or non-financial interest, then they will declare it to the meeting and withdraw from the meeting for that item, unless expressly asked to remain by Board.

5.5 Avoiding conflicts of interest

Board members should ensure that private or personal financial interest never influences their Board decisions. They should ensure that they never use their position as members for personal gain of any sort.

Board members make a valuable contribution to the work of the Association, even though (or because) they have responsibilities to others that might sometimes bring them into conflict with the Association. Such Board members may, for example, be:

- Connected with other voluntary agencies that have a contractual

relationship with the Association

- Tenants of the Association

All Board members have an overriding duty to act in the interests of the Association. Where an issue arises that conflicts with their responsibilities to another organisation, then they should declare their interest and withdraw from the meeting, unless invited to remain by the Board.

5.6 Declaring interests

When the Board discusses an item which poses a conflict of interest for any member or employee present, that person should declare an interest. If the conflict is clear and substantial, the Board member should offer to withdraw and, if invited to remain, refrain from voting on the matter. Where such a conflict is likely to reoccur on a frequent basis, the Board member should offer to resign.

Tenant and resident Board members should regard matters specifically concerning their individual circumstances as a clear and substantial conflict; matters affecting residents more generally should be declared in the normal way.

Board members who are paid staff or Board members of, or providing goods or services to, other housing associations should declare conflicts of interest in the normal way.

Board members who are tenants have the same duty to act in the interest of the Association but are also expected to ensure that the Board is aware of the tenant view on issues. Tenant Board members should not raise issues that relate mainly to their tenancy at Board meetings. Where an issue arises that affects them personally or as one of a small number of tenants then they should declare an interest and withdraw from the meeting unless invited to stay by the Board. Tenant Board members are entitled to discuss and vote on issues that affect tenants generally.

5.7 Raising specific issues

As part of their role, Board members may wish to take up issues on behalf of a specific tenant or tenants or community group. This may be as an advocate or to ensure that a problem gets resolved quickly. This is a valued aspect of being a locally based association.

Board members should raise their concern with a manager or director or the Chief Executive. They should not raise them with more junior staff and cannot issue instructions. Board members are entitled to a written note of the action taken within five working days if they request one. Individual matters should not be raised at Board meetings.

Tenant Board members raising an issue regarding their own tenancy should follow normal procedures as laid out in the Tenants Handbook and other policies and procedures.

5.8 Relationship with staff

The National Housing Federation's Excellence in governance: code for members and good practice guide 2010 describes the respective roles of the Board and staff. The Board is particularly concerned with overall direction, which includes strategy, objectives and the delegation framework. The senior managers are concerned with achieving the objectives and strategy by the day-to-day management of the operation. The Board and staff recognise this distinction but also accept that there is considerable scope for blurring the edges of these different roles. Staff want to be involved in setting direction and Board members take a keen interest in detailed issues, particularly where these involve the standard of service to tenants.

The Board accepts that its time input is limited and will endeavor to maintain a consistent level of involvement that focuses on overall direction, setting objectives, agreeing policies and standing orders and monitoring performance. Senior managers accept that it is their responsibility to help the Board to carry out its role while concentrating on the day-to-day achievement of the agreed strategy and objectives.

Both parties are committed to developing and sustaining a partnership approach and recognise that this requires:

- the joint development of plans, objectives and strategy so as to generate commitment and ownership;
- respect for each other's roles and a recognition that both parties need to find them fulfilling;
- positive effort to establish earned and mutual respect.

The relationship between the Chair and the Chief Executive underpins the Board/staff relationship. The Chair leads the Board and the Chief Executive leads the staff team. The Chief Executive and Directors have a working relationship with all Board members and Directors will have an important working relationship with Lead Board members. All of these relationships need to be recognised as important.

Staff will get things wrong from time to time and should properly be held to account. Board members should only raise criticisms of staff with a Director or the Chief Executive or the Chair. Staff should not be criticised in front of junior staff or outside parties. It is appropriate to raise problems of poor

performance at Board meetings but these should be raised in a constructive way so as to help staff to resolve them and not as personal criticisms.

5.9 Confidentiality and openness

The Association wishes to be as open as possible about its work but operates in a commercial environment and must respect people's rights of privacy.

The following types of information should be treated as confidential:

- Items concerning specific individuals or their financial affairs – tenants, Board Members or employees.
- Items concerning the terms of negotiations relating to the acquisition or disposal of property or the supply of goods or services or the involvement of the Association in new areas of work.
- Items concerning labour relations, consultations or negotiations with staff.
- Items concerning legal proceedings.
- Items specifically marked “confidential”.

Only the Chair, Chief Executive or a designated Officer are authorised to make press statements or respond to press questions. Any approach by the press on any matter related to the Association should be referred to the Chief Executive or a Director immediately.

5.10 Gifts and hospitality

The Board has established a policy on the receipt of hospitality and gifts by Board members and staff to ensure that:

- Personal gifts with a significant monetary value are not accepted
- Hospitality is not accepted if it could be seen as a way of exerting an improper influence over the Association's decisions
- Gifts and hospitality are formally recorded in a register, apart from inexpensive items such as working meals or free calendars

5.11 Use of Association contractors and consultants

Board members should avoid using contractors or consultants or suppliers working on behalf of the Association for private jobs. It is recognised that this is not always practical. Where a Board member wishes to make an exception then it should be discussed with the Chair and reported to the Secretary.

5.12 Procedure for dealing with possible breaches of the Code

Alleged breaches of the Code should be reported to the Chair. The Chair will appoint a panel of not less than two Board members to investigate the complaint. The composition of the Panel will depend on the nature of the complaint. The Panel should be chaired by the Chair of the Association or another neutral Board member.

The Panel should follow normal complaints procedures. It should take reasonable steps to establish the facts and ensure that the Board members against whom the allegation has been made is given a fair opportunity to put their case in writing or in person (whichever they prefer). The Board member will be entitled to be accompanied by a colleague or friend.

The Panel should notify its conclusions and any recommendations for action to the whole Board.

6 Conduct of Business

6.1 Conduct of Business by the Board

Board decisions will, wherever possible, be based on full agendas and documents circulated to members well in advance of meetings. Points for decision should be clearly identified in those documents. Decisions will be recorded in the minutes, which will be formally agreed at the following meeting and signed by the chair as a true record.

Each year the Board should set aside time for a full discussion about the effectiveness with which it is conducting its business.

Urgent decisions will be taken in accordance with predetermined arrangements set out in these Standing Orders. These arrangements place on the Chair the responsibility, in the case of key decisions, to ensure that appropriate consultation with as many Board members as possible takes place whenever possible. The fact that Board members were consulted and the views expressed should be formally recorded.

6.2 Meetings of the Board

Meetings shall normally be held six times each year, convened by the Company Secretary.

This cycle is supplemented by at least one Board meeting which is set aside to consider strategy. Exceptionally meetings may be summoned by the Chair, or by Board members

Notice of time and venues shall be circulated by the Company Secretary. Agendas and Board papers shall be distributed to reach every Board member at least 5 days prior to each meeting.

The Chair shall invite such advisers and other persons to all or part of the meeting as he or she thinks fit.

Meetings will normally be restricted to a maximum length of three hours.

The meetings shall normally take place at the Association's registered offices and start at 6.30 p.m. unless specified otherwise.

6.3 Decisions/Voting

Decisions will normally be made by consensus. Where there is a significant disparity of views, the decision of the Board must be made by an affirmative vote of those present and entitled to vote (including, where necessary, the Chair's casting vote).

6.4 Minutes

The Company Secretary shall be responsible for ensuring that minutes of all meetings are taken. They will also accompany the papers for the next meeting, and shall be considered for approval at the beginning of that meeting.

The Chief Executive will draw up the agenda for each meeting in consultation with the Chair.

6.5 Co-option

Apart from those persons co-opted to fill casual vacancies until the next Annual General Meeting, the Board may at any time co-opt suitable persons to serve on the Board (provided that the total of Board members and co-optees does not exceed 12 people) or Audit & Risk Committee. Co-optees need not be members of the Association. They may vote on any issues apart from those directly concerning membership and election of officers. The Board and Committee's together will not contain more than five co-optees in

total at any one time. The Board has the power to remove co-optees at any time.

6.6 Standard Reports

The Board shall receive certain standard reports as part of the agenda papers. The exact form and content of these reports will be prescribed by the Board from time to time. From the date of approval of these standing orders, the following list will apply:

- Disclosures of Interest
- Chief Executive's report
- Performance Indicators (quarterly)
- Use of Company Seal
- Chair's Action
- Reports and minutes from the Audit & Risk Committee and Remuneration Committee
- Quarterly management accounts

The Board shall receive annually the following reports:

- Annual budget for the following year
- The report of the Audit & Risk Committee including the effectiveness of internal control systems of the Association in managing risk. This report to include a summary of the main risks facing the Association and any actual or attempted frauds or thefts.
- A report from the Remuneration Committee recommending senior staff pay awards
- A report of the external auditor on the Association's financial statements and underlying records and control systems
- Review and update of the Business Plan with interest rate and other sensitivities
- Annual review of strategies agreed as appropriate by the board.

In addition to the regular reports listed above, the Board shall receive "one-off" reports during the year.

7 Role of Chair

The role of the Chair is:

- a. To ensure the efficient conduct of the Board's business and of Associations' general meetings
- b. To ensure that all Board members are given the opportunity to express their views before any important decision is taken
- c. To establish a constructive working relationship with, provide support for, and supervise the Chief Executive
- d. To ensure that the Board delegates sufficient authority to the Audit & Risk Committee, Remuneration Committee, Project Groups, the Chair, the Chief Executive and others to enable the business of the Association to be carried on effectively between meetings of the Board; and also to ensure that the Board monitors the use of these delegated powers
- e. To ensure that the Board receives professional advice when it is needed
- f. To ensure that the Association complies with the Code of Governance
- g. To represent the Association as appropriate
- h. To take decisions delegated to the Chair, with the advice of the Chief Executive, and where appropriate in consultation with other Board members
- i. Appraise the performance of the Chief Executive.
- j. To ensure, when necessary that the appointment of the Chief Executive is undertaken in a timely and orderly fashion

8 Role of Lead Board Members

8.1 Introduction

Lead Board members will be appointed by the Board.

8.2 Key Functions

- a. To gain a greater insight into a particular area of activity through structured, pre-arranged and regular briefing sessions arranged by the Chief Executive.
- b. To provide an opportunity for Lead Board members to contribute their expertise, skills and understanding to the work of Hexagon across a range of operational areas.
- c. To take the lead on behalf of the Board in monitoring detailed performance indicators and reviewing progress in achieving the objectives in the Annual Service and Departmental Workplans.

- d. To provide support and guidance to the Director/Manager in conjunction with the Chief Executive.
- e. To work within the parameters of Board decisions, delegated authorities and internal line management structures.
- f. To be briefed on latest developments and potential future issues for the Board so as to be able to advise officers and members as required.
- g. To contribute to annual reviews to the Board in liaison with the appropriate Director/Manager.
- h. To provide feedback to the Chair and Chief Executive on their views and concerns particularly where this would lead to a change in priorities for the Director/Manager.

9 Urgency Procedure

9.1 Introduction

From time to time decisions need to be taken quickly which are outside of the authority delegated to staff and which cannot wait until the next scheduled Board or Committee meeting. The Urgency Procedure and definition of Chair's Action is designed to meet this situation. The intention is to balance the need for speedy decisions with proper Board oversight and the need to avoid an excessive burden on the Chair.

9.2 Range of Responses

There are three main ways of responding to the need for urgent decisions. The circumstances when each might be appropriate is described below. It should be accepted that it is never possible to foresee all the circumstances that might arise and this means that the choice of response requires a judgement to be made.

a. Special Board meeting

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

- a decision that would involve a significant departure from the course of action agreed in the Business Plan;
- A serious problem or issue that would require the whole Board to agree an appropriate course of action.

b. Urgency procedure

This would involve the convening of the Urgency Committee so that a formal decision could be taken. This would be the normal way of coping with major decisions that would be within the spirit of the Business Plan and overall financial parameters but were not anticipated. Such circumstances might be:

- approval for a new venture or partnership;
- Major exceptions to policies or procedures.

c. Chair's action

This would be appropriate for the following circumstances:

- Decisions outside of authority delegated to staff but not of sufficient importance to justify the urgency procedure;
- Decisions required at very short notice when it is not possible to follow the urgency procedure.

9.3 The Urgency Procedure

The Board delegates authority to take urgent decisions between meetings to the Urgency Committee. The Urgency Committee is a formal committee of the Board. The membership of the Committee is:

- Chair
- Vice Chair
- Lead Board Members

The quorum is 3 Board members and must include the Chair or Vice Chair if available, and should also include the Lead Board Member(s) with the relevant area of interest or experience (if available).

The Urgency Committee can meet at short notice - 72 hours and members can be present by telephone.

9.4 Chair's Action and Urgency Decisions

Chair's Action and Urgency Decisions will be reported to the next Board meeting.

10 Standing Committees

There will be two Standing Committees

- Audit and Risk Committee
- Remuneration Committee

Membership of the Committees is determined by the Board. The minutes of the Committees will be reported to the Board and decisions requiring full Board approval will be highlighted for the main Board's attention.

10.1 The Audit and Risk Committee

The Audit and Risk Committee is a sub-committee of the Board and is responsible for advising the Board on matters of internal control and risk management. The Committee will comprise of five members, the Committee will elect its Chair from the membership but the Chair of the main Board shall not be the Chair of the Audit and Risk Committee. The quorum for this Committee is 3 and it will meet at least three times a year.

The terms of reference for this Committee set out its purpose, servicing and reporting requirements.

10.2 The Remuneration Committee

The Remuneration Committee is a sub-committee of the Board and is responsible for considering and approving all matters relating to pay in the organisation. The Committee will comprise of five members including the Chair of the Board, at least one Vice-Chair, the Chair of the Audit & Risk Committee, and 2 other Board Members. The Committee will elect its Chair from the membership but the Chair of the main Board shall not chair the Remuneration Committee. The quorum for this Committee is 3 and it shall meet as required, but a minimum of once per year in March.

The terms of reference for this Committee set out its purpose, servicing and reporting requirements.

11 Project Groups

The following procedure is for the establishment and control of Project Groups by the Board:

- a. Project Groups will be established by the Board as and when required to review in detail and, where given delegated authority, to approve specific proposals for new business and other activities.
- b. The terms of reference and composition of a Project Group and degree of its delegated authority will be determined by the Board.
- c. The Board may delegate to the Project Group budgetary responsibility to an agreed level.
- d. Project Group membership can be drawn from Board members, directors, managers and individuals outside the Association but must contain 2 Board members if the Project Group is to have delegated authority.
- e. Officers of the Association will provide the members of a Project Group with such in-house data as is practically available.
- f. Members of a Project Group will respect any confidential data made available to them.

12 Company Secretarial and Legal

12.1 Company Secretary

The Association shall appoint a Company Secretary with the following responsibilities:

- Maintenance of statutory registers and completion of statutory returns
- Ensuring compliance with relevant statutory and regulatory requirements
- Facilitating and monitoring the operation of the Association's formal decision making processes, in particularly ensuring that the Board and Audit & Risk Committee are provided with the advice and support necessary to its effective functioning.
- Ensuring that the decisions of the Board are properly recorded and communicated to staff

From the date of approval of these Standing Orders, the responsibilities of Company Secretary are delegated as follows:

Hexagon: the Chief Executive

Horniman: the Finance & IT Director

12.2 Deputy Company Secretary

The Company Secretary may appoint a member of the Directors Group to deputise in his/her absence to act as Deputy Company Secretary.

From the date of approval of these Standing Orders, the responsibilities of Deputy Company Secretary are delegated to the Finance & IT Director.

12.3 Company Seal

Any use of the Association's seal must comply with the requirements of the Association's Rules. The Board has delegated this responsibility to the Directors Group. Documents under seal must be signed by the Company Secretary, or in his or her absence the Deputy Company Secretary, and one other member of the Directors Group.

12.5 Complaints against the Association

The Association will publish and operate a Complaints Procedure in accordance with regulatory requirements for both tenants and applicants, and inform tenants, leaseholders and applicants of their rights to complain to the Independent Housing Ombudsman. The procedure will set out timescales and responsibilities for dealing with complaints.

The Association will operate a procedure under the control of the Operations Director to respond to cases that are referred by the Independent Housing Ombudsman.

The Operations Director will report on formal investigations and their progress to the Directors Group and Board on a regular basis.

The Operations Director is responsible for ensuring co-operation of the Association with any formal Ombudsman investigation and for co-ordinating the provision of information and access to the Ombudsman during the investigation.

Generally a detailed response to the Ombudsman should be completed for signature approval by the Chief Executive within 10 working days from receipt of the complaint.

The Ombudsman's rulings on cases will be reported to the Board without delay together with the Chief Executive's recommendations on the action to be taken as a result.

13 Policies and procedures

Delegation in respect of the approval of policies and procedures is set out in detail in Part 3 of this document. Paragraph 3 lists those matters reserved for Board approval. The approval of all other policies and procedures are delegated to the Directors Group.

Part 2 Board Maintenance

1 Statement of Required Skills and Experience

Board members should collectively possess the qualities required to set strategy, take key decisions and monitor the Association's performance. The Board should contain experience of all of the following:

- Strategic management in a public or private body
- General business skills, including the management of staff, property and risk
- Finance and treasury management
- Housing management
- Maintenance and stock improvement
- Tenants and residents issues and concerns
- Community relations and needs including equal opportunities
- Working with local authorities and other appropriate organisations
- Development land planning and building
- Management of IT
- Care services

2 Process for Recruiting Board Members

The Board will ensure that new members are recruited or elected on a systematic and regular basis so as to ensure that key skills are always present and that substantial changes of membership are avoided. The Board will decide and publish its policies for:

- the recruitment or election of new members
- the required qualities, skills and experience of members and as considered necessary
- overall maximum terms of office for individual Board members, the Chair and other officers
- the period since the last term of office before an individual is eligible for re-election or reappointment

All Board members will be appointed in accordance with the appointment procedure and for a fixed term of office as stated within the Association's Rules.

3 Review of Board Effectiveness

3.1 Review of membership

The Board in accordance with the NHF guide – Excellence in governance, Code for members and good practice guidance will undertake a formal and rigorous annual appraisal of its members and of the Board as a whole.

Part 3 Delegation to Staff

1 Overview of Delegation

- 1.1** The day to day management and operations of the Association require substantial delegation from the Board to the Chief Executive and Directors' Group and onward delegation to staff at different levels. Earlier parts of these standing orders have covered delegation to the Audit & Risk Committee, Urgency Committee and Project Groups. Parts 3-7 of these standing orders are concerned with delegation to staff.
- 1.2** The framework of delegation within a large organisation is necessarily complex. In order to increase the level of Board control, these standing orders set out the detail of the framework and not just the initial level of delegation from the Board to senior managers. They also help to define the relationship between the Board and senior management.
- 1.3** It is impossible to describe every circumstance in which delegation is appropriate. For this reason, delegation to the Chief Executive and Directors' Group is defined both in terms of the matters reserved to the Board as well as what has been delegated.
- 1.4** The following subsequent parts of these standing orders are also a key part of the delegation framework:
- Part 4 Financial Regulations
 - Part 5 Planning, Risk and Monitoring
 - Part 6 Procurement and Tendering
 - Part 7 Departmental Standing Orders

2 Relationship between the Board and Senior Staff

- 2.1** All authorities delegated to staff are deemed to have been delegated to the Chief Executive.
- 2.2** The Board has approved further delegation to other staff of the Association in accordance with part 7 of these Standing Orders.
- 2.3** Authority delegated by these Standing Orders to a specific post is deemed also to be held by any superior post in the line management structure.

2.4 The following matters are delegated to all Directors, Managers and Heads of Home and are not repeated in subsequent chapters of the guide dealing with each Department:

The authority to:

- a. manage their departments in accordance with approved strategies, policies and delegated authorities
- b. authorise or commit expenditure within the delegated financial limits set out in the Delegated Authority Schedule, as long as it is within approved budgets and virement limits
- c. recruit, supervise and discipline staff in accordance with the Association's personnel procedures
- d. implement the Conditions of Service, as set out in the staff handbook, and procedural guidelines relating to staff management in the department i.e. approval of leave, authorisation of petty cash, appointment of temporary cover, approving requests for compassionate leave etc.
- e. authorise overtime
- f. approve flexitime arrangements within the department, ensuring adequate cover is provided
- g. In addition all Managers are authorised to deputise for their Departmental Director in his/her absence, and to exercise the Director's authority in matters relating to the responsibilities of that manager's own Department, except where limited by the level of authorisation and signatory arrangements delegated to the Manager, or where the Director has expressly decided otherwise.

3 Matters Reserved to the Board

The Board shall approve the following:

3.1 Regulatory

- The Association's financial statements, including the annual report to shareholders.
- Bids to GLA.
- The Association's shareholder membership policy.
- Any recommendation to appoint or remove the Association's external auditors.

3.2 Strategic Management

- The Association's Corporate Plan.
- The Association's risk management methodology.
- The Association's development strategy.
- The key assumptions used in the Association's long-term financial forecasts.
- The Association's IT strategy.
- The Association's asset management strategy.
- The Association's customer service standards.
- The Association's allocations policy.
- The Association's tenancy policy.
- The Association's resident involvement policy.
- The Association's complaints policy.
- The format of the Association's quarterly key performance Indicators.
- The Association's equality and diversity policy.
- The Association's health and safety policy.

3.3 Financial Control

- The financial regulations, as set out in Part 4 of this document.
- The treasury management policy and strategy.
- The annual report on internal control assurance.
- The Association's response to the external auditor's management letter.
- The Association's annual budget, cashflow and establishment plan.
- The Association's long term business plan.
- Any departures from the approved budget outside the limits set in the financial regulations.

3.4 Procedural

- The frequency of and procedures for Board meetings.
- The terms of reference for project groups and committees of the Board, their membership and the appointment of Chairs.
- The appointment and removal of the Chief Executive and Secretary.
- The election of Vice Chairs and such other officers as the Board requires.
- An annual assessment of Board member performance.
- Administering the Board member recruitment process.

- Act as panel of appeal in staff dismissals.
- Any major changes in corporate identity.
- Significant changes to terms and conditions of employment.
- Significant changes to the composition or role of the Directors' Group.
- The level of land banking for development schemes, prior to confirmation of public subsidy.
- Specific development schemes or other projects which fall outside Board approved strategies or parameters, or which carry new or substantial risk.
- Approval of works contracts over £20m.
- Approval of revenue contracts over a nominal expected value of £4m.

3.5 Delegation to the Chair

- Taking Chair's Action in accordance with standing orders
- To appraise the performance of the Chief Executive annually.
- Annual review of the composition of the Board, the contribution of individual Board members and to ensure that action is taken to remedy any deficiencies, in conjunction with a selection panel of other Board members.

3.6 Delegation to Vice Chairs

- Taking Chair's Action in the absence of the Chair.

3.7 Delegation to Committees and Project Groups

The Board may delegate decision-making powers from time to time to a Committee or a Project Group. The Board has delegated certain functions to an Audit & Risk Committee as set out in Part 1, section 10 of this document. Procedures for the Board's delegation of functions to project groups is set out in Part 1, section 11.

4 Role of Chief Executive

- a. To manage the affairs of the Association in accordance with the values and objectives of the Association, and the general policies and specific decisions of the Board
- b. To help the Board determine the Association's policies and strategy

- c. To draw the Board's attention to matters that it should consider and decide
- d. To 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.
- e. To ensure that proper systems of control are established and maintained
- f. To supervise, with the guidance of the Chair, the preparation of documents for consideration by the Board
- g. To help the Chair ensure that the business of the Board is properly conducted
- h. To lead and manage the staff of the Association and ensure that their performance is appraised
- i. To represent the Association as necessary
- j. The Chief Executive will have a written contract of employment which, as well as complying with current legislation, clearly defines:
- k. His or her duties and the standards of performance expected
- l. The procedures for monitoring his or her performance and fixing the remuneration for the post
- m. How complaints and disciplinary matters are to be dealt with
- n. The length of the contract, whether or not it can be renewed (if it is for a fixed term) and any notice period.

5 Role of Directors Group

5.1 Overall purpose

The objective of the Directors Group is to ensure that strategic issues facing the organisation are considered and appropriate action taken.

The Directors Group is primarily concerned with the future direction of the Association, including the setting of annual corporate and service plan targets and performance requirements, and ensuring that they are met. It will put in place the appropriate mechanisms to ensure that the operations of the organisation are well run and that tenants and other clients receive a good service.

The delegation of authority to the Directors Group collectively does not lessen the responsibility of any individual Director or Manager for meeting the professional requirements of their job description and job specification, nor

does it lessen their individual responsibility derived from the authority delegated to their post by the Board from time to time.

The specific responsibilities of the Directors Group are set out in each of the Departmental Standing Orders which form Part 7 of these standing orders.

The Directors Group is authorised to:

5.2 Generally

- a. Agree strategic plans for the Board's approval (including the annual budget, Corporate plan and 30 year financial forecast)
- b. Decide the assumptions to be used in future business planning and development appraisals within overall parameters approved by the Board
- c. Implement and monitor the Association's Risk Management Methodology
- d. Approve detailed amendments to policies and procedures in accordance with strategies and policies approved by the Board
- e. Add and delete contractors and consultants from the approved lists
- f. Approve proposals for new service delivery
- g. Set standards and monitor performance against overall targets
- h. Approve the terms of reference and delegated authorities for any cross departmental decision making and planning
- i. Ensure that the Association is kept in touch with external developments
- j. Ensure that the achievements of Association are publicised and that effective communication with partners and stake holders is maintained
- k. Monitor risks that the Association is running and take effective action to ensure these are properly managed
- l. Approve the Association's publicity and external communications strategy
- m. Approve the Association's office arrangements and working practices and plan for any changes in future requirements
- n. Approve the Association's policies for the disposal of surplus equipment and vehicles
- o. Approve the disposal of property assets within budgets or strategies approved by the Board
- p. Sign documents under seal
- q. Approve procedures for the approved list of contractors and consultants
- r. Approve expenditure in line with the SODA

5.3 Finance

- a. Prepare the Association's capital and revenue budget, and 30 year financial forecast prior to the consideration of the Board
- b. Implement the Association's policies on Treasury Management
- c. Agree increases in capital or revenue expenditure within the budget contingency approved by the Board
- d. Prepare the Association's capital and revenue budget, and long term financial forecast prior to consideration by the Board
- e. Appoint the Association's insurance brokers and keep their performance under review

5.4 Human Resources and Facilities

- a. Represent management in negotiation with consultation with Staff Consultative Forum
- b. Consult with staff as appropriate through the Staff Consultative Forum
- c. Consider the operation of the Association's Conditions of Service (Staff handbook) where new policies are required or where existing conditions or practices require clarification
- d. Review annually the Association's establishment and prepare an establishment plan for the Board's consideration as part of the budget process. Approve any changes that may be required to the plan during the year provided that these are within the approved budget
- e. Review the Association's statistics for staff sickness, turnover, equal opportunities and receive reports from the HR Manager from time to time summarising the results of exit interviews
- f. Ensure the job evaluation panel operates in accordance with the Association's procedures
- g. Agree any exceptions to the policy of allowing all posts to be open to job sharers
- h. Agree the procedure for approving overtime payments
- i. Consider items referred by the Health and Safety Committee

5.5 IT

- a. Agree the IT strategy for consideration by the Board
- b. Approve the Association's office and IT arrangements and working practices and plan for any changes in future requirements

5.7 Development and Property Services

- a. Agree the Association's bids for capital funding where these fall within the agreed strategy and parameters, and for submission to the Board for final approval where they do not
- b. Review progress in meeting the development strategy and decide upon any development proposals which may fall outside it (particularly those in new areas or involving new types of development) prior to their consideration by the Board
- c. Agree the assumptions to be used in future business planning and development appraisals prior to approval by the Board
- d. Carry out the Association's risk assessment through a Risk Assessment Panel for all new schemes, approving those that fall within the agreed strategy and parameters and are not considered risky, and referring those that are considered to carry significant risk to the Board for final approval
- e. Approve key stages and internal subsidy of development, stock improvement programme and other schemes, provided these are within the parameters approved by Board
- f. Commission consultants for work for which budgetary provision exists
- g. Approve works and revenue contracts within financial parameters approved by the Board and where there is no substantial or new risk
- h. Approve freehold purchases, leases and starts on site where these are within the parameters approved by the Board as above
- i. Receive reports identifying cost overruns on contracts subject to overruns in excess of 30% or £200,000 being reported to the Board
- j. Agree the Association's asset management strategy prior to their submission to Board
- k. Approve Maintenance contractors
- l. Approve additions to the approved list of contractors, consultants and providers of goods and services in accordance with the approved list procedures
- m. Approve the approved list procedures

5.8 Resident involvement

- a. Consider the strategy for the development of resident involvement
- b. Review progress in achieving the Association's resident involvement strategy

- c. Consider proposals to provide new services prior to the consideration of these proposals by Board
- d. Consider, the selection of new groups and other key policy proposals
- e. Approve new co-op agencies
- f. Approve variations to co-op management agreements

5.9 Housing Services

- a. Review the Association's rent setting policy and recommend changes to the Board
- b. Approve Housing management policies

5.10 Care and Support

- a. Approve proposals for the development of new projects that fall within the agreed strategy and parameters and are not considered risky, referring those that are considered to embody a degree of risk to the Board for final approval
- b. Approve new agencies in accordance with the Care and Support Strategy
- c. Approve revenue budgets for supported housing projects

5.12 Risk Assessment Panel (RAP)

- a. RAP delegations can be carried out by the directors group

5.13 Community Investment

- a. Consider the community investment strategy for the approval by the board

Part 4 Financial Regulations

1 Financial Records

- 1.1 All accounting procedures and records of the Association will be kept under review by the Finance Manager and will be incorporated into the Finance Procedures approved by Finance & IT Director.
- 1.2 Staff may only place orders or approve invoices up to their level of authority as set out in the Delegated Authority Schedule. In addition, some types of expenditure may require a further signature or backing documentation, as set out below.

2 Budgetary Matters

2.1 Budget Preparation

- a. The Association will prepare annually a budget for the coming financial year showing forecast revenue and expenditure.
- b. The budget will be approved by the Board by March 31st of the preceding financial year and will be the basis upon which the Association will operate for the coming year.

2.2 Budgetary Control

Management Accounts will be produced at the end of each month, with the exception of the first month in the financial year, showing income and expenditure against budget to date, and a forecast for the budget period (from September onwards). A cash flow forecast will be produced at the end of each month.

2.3 Annual Accounts

The Association will prepare annual accounts in accordance with statutory, regulatory, and best accountancy practice requirements.

3 Audit

- 3.1 The Association will ensure that the following principles are observed.

- Its external auditors must be independent and effective
- There should be a proper procedure for the selection and periodic review of the appointment of external auditors
- The Association will have an Audit & Risk Committee
- The Association will have effective internal controls
- The Association will have an effective internal audit service
- The overall audit approach and arrangements will be regularly reviewed and reported to the Board

3.2 The Audit & Risk Committee will meet at least three times a year, and its minutes will be available to all members of the Board and the external auditors. The Audit & Risk Committee will be able to meet without paid staff being present.

Internal audit

3.4 The internal audit will be undertaken in accordance with relevant codes of practice for housing associations and a programme agreed and monitored by the Audit & Risk Committee. Any irregularities discovered will be reported to the Audit & Risk Committee and Board.

3.5 The internal audit will normally be tendered every 5 years.

External audit

3.6 The Board will appoint an external auditor and consider the external auditor's management letters. The Audit & Risk committee will review the implementation of any recommendations made by the external auditors.

The external auditor's appointment shall be for a maximum of 7 years, after which it will be re-tendered.

4 Treasury Management

4.1 All borrowings by the Association will be kept within limits recorded in the Rules. Every loan arranged will be considered and approved by the Board and only proceed following agreement that it is necessary and acceptable to the Board. All amounts borrowed by and for the Association will be in the name of the Association and will be arranged by the Finance & IT Director.

- 4.2** When a loan agreement has been signed, officers will ensure adequate records are kept to monitor compliance with loan covenants and will report quarterly on such compliance to the Board. If a situation of default arises, then the Finance & IT Director will notify the Board through the Chief Executive.
- 4.3** The Finance & IT Director will ensure that the Association has sufficient drawable loan facilities to meet its short-term cash requirements. The Finance & IT Director, in consultation with the Chief Executive, be responsible for negotiating the terms of any derivative transactions for recommendation to the Board.
- 4.4** All investments of money under its control shall be made in the name of the Association or in the name of nominees and in accordance with policies approved by the Board.
- 4.5** The performance of investments made by or on behalf of the Association will be monitored by the Board.
- 4.6** All money in the hands of the Association shall be aggregated where possible or appropriate for the purposes of treasury management.
- 4.7** The Finance & IT Director will be responsible for the management of the Association's cash and short-term money market and capital market transactions, within approved procedures, in order to maximise the returns to the Association.
- 4.8** The Finance & IT Director will prepare a Treasury Management report for presentation to the Board on an annual basis.
- 4.9** The Chief Executive and Finance & IT Director will be responsible for administering derivative transactions outside loan agreements approved by the Board

Refer to Treasury Management Policy for further detail.

5 Insurances

- 5.1** The Association will maintain in force appropriate policies and adequate levels of insurance in respect of:
- Properties
 - Computer equipment
 - Employer's Liability
 - Medical malpractice

- Public Liability
- Directors' and Officers' Liability
- Fidelity Guarantee
- Motor vehicles
- Professional Indemnity
- Monies held in offices and other locations and in transit
- Other risks as appropriate, including but not confined to, restrictive covenant indemnity and environmental hazards
- Offices and contents

5.2 Insurances will be managed by the Finance & IT Director within budget approved by the Board. The Directors Group will appoint the Association's insurance brokers. The brokerage will be reviewed by directors Group on a regular basis and re-tendered if appropriate.

6 Authorised Signatories

Table 1

The following staff are authorised signatories within the expenditure limits and budgetary approvals attaching to their posts.

6.1 Documents under seal

Chief Executive, Finance & IT Director, Operations Director, Development and Regeneration Director and Property Services Director

6.2 Legal documents including leases, tenancy agreements, management agreements, Memoranda of agreement and property acquisition documents (other than building contracts) not under seal

Chief Executive	Development	Senior	Housing	Housing Officer
Finance & IT	Manager	Officer		Resident
Director	Head of New	Resident		Involvement
Operations	Business	Involvement		Officer
Director	Housing Services	Manager		Supported
Development and	Manager	Supported Housing		Housing Officer
Regeneration	Care and Support	Manager		Customer Service
Director	Manager	Senior Supported		Manager
Property Services	Stock	Housing Officer		Finance Manager
Director	Improvement	Community		
	Manager	Investment		
	Responsive	Manager		
	Repairs Manager			
	Heads of Home			

6.3 Signing Building and maintenance contracts not under seal

Over £60,000

Chief Executive	Finance & IT Director
Operations Director	Development & Regeneration Director
Property Services Director	

Under £60,000

Development Manager	Head of New Business
Stock Improvement Manager	Responsive Repairs Manager
H R Manager	Quality Service Manager
Housing Services Manager	Care & Support Manager
Finance Manager	IT Manager

6.4 Letters of intent

Chief Executive	Finance & IT Director
Operations Director	Development & Regeneration Director
Property Service Director	

6.5 Appointment of consultants

Chief Executive	Finance & IT Director
Operations Director	Development & Regeneration Director
Property Services Director	IT Manager
Finance Manager	Housing Services Manager
Stock Improvement Manager	Responsive Repairs Manager
Service Quality Manager	Head of New Business
Development Manager	Care and Support Manager

6.6 Contracts and leases for cars, photocopiers, computer and other equipment

Finance & IT Director	IT Manager
HR Manager	

6.7 Contracts of employment

Chief Executive	Finance & IT Director
Operations Director	Development & Regeneration Director
Property Services Director	Human Resources Manager
Senior Human Resources Ofcr	

6.8 BACS, CHAPS and Cheque signatories

- a. All payments whether by BACS, CHAPs, Standing Order, Direct Debit, or Cheques will be authorised in accordance with the limits below.

£100,000 and over	2 Directors or 1 Director and the Chief Executive
£50,000 to £99,999.99	2 Directors or 1 Director and 1 Manager
£0.01 to £49,999.99	Any two Directors or Managers

- b. All payments on behalf of residents when an employee is acting as the appointee for a resident in a Care Home must carry two signatures.

- These may include Heads of Homes and Senior Team Leader

Heads and Senior Team Leaders are authorised to make payments on the Nursing Homes imprest account

- c. The following combinations of authorised signatories are excluded:
- Chief Executive and Human Resources Manager
 - Chief Executive and Service Quality Manager
 - Finance & IT Director and Finance Manager
 - Finance & IT Director and IT Manager
 - Operations Director and Housing Services Manager
 - Operations Director and Care and Support Manager
 - Development and Regeneration Director and Development Manager
 - Development and Regeneration Director and Head of New Business
 - Property Services Director and Responsive Repairs Manager
 - Property Services Director and Stock Investment Manager
- d. The Resident Involvement Manager and Resident Involvement Officers and are authorised to be signatories for bank accounts set up on behalf of Cooperative Groups under procedures approved by the Directors Group from time to time.

6.9 Claims to funding authorities

The following are authorised to sign claims for funding and their names have been notified to the Association's solicitors, local authorities and other funders.

Chief Executive	Finance & IT Director
Operations Director	Development &Regeneration Director
Property Services Director	Housing Services Manager
Stock Improvement Manager	IT Manager
Care and Support Manager	Head of New Business
Development Manager	Service Quality Manager
Community Investment Manager (grants for CD only)	Finance Manager

- 6.10** Examples of the usual signature of each authorised signatory will be held by the Finance Department.

7 Authorisations of Expenditure

7.1 Authorisation Limits

The expenditure limits (exclusive of VAT) for staff are set out in the Delegated Authority Schedule (insert hyperlink). These limits relate only to items for which budgetary provision has been made and for which the post holder has budgetary authority. Authorisation of expenditure means both the placing of orders and the processing of invoices.

Expenditure outside departmental budgetary limits may only be authorised with the approval of the Chief Executive or the relevant Director

In the absence of the relevant Director, the normal line management escalation should apply.

Each document passed for payment must be checked for arithmetical correctness and validity in respect of an order prior to authorisation by the budget-holder or a member of staff to which authorisation has been delegated by the budget-holder. This check must be evidenced on the authorisation document. Staff may only place orders or approve invoices up to their level of authority as set out in the Delegated Authority Schedule (insert hyperlink). In addition, some types of expenditure may require a further signature or backing documentation, as set out in Appendix 1.

7.2 General Authorities

- a. The Chief Executive may authorise expenditure for all Departments within the overall expenditure limits set out in the Delegated Authority Schedule (insert hyperlink).
- b. Directors may authorise expenditure for all departments under their management, and in the absence of the Departmental Manager and the relevant Director, authorisation will be passed to the CE. If the CE is also absent and the matter is urgent another director may sign.
- c. Managers and staff may only authorise expenditure within the budgets set for their own departments, subject to the virement limits set up in paragraph e. below.
- d. Expenditure outside budget limits may only be authorised by the Chief Executive or any two Directors, and within their expenditure authorisation limits set out in the Delegated Authority Schedule (insert hyperlink).
- e. Budget holders may vire between revenue budgets for which they have responsibility up to a maximum of 20% of each budget head beyond this the relevant Directors authority is required.
- f. The Human Resources Manager and IT managers may authorise expenditure for other departments for which they have ultimate budget responsibility.
- g. The Finance & IT Director may authorise financing expenditure, (covering issue and legal costs, including valuation fees, audit and offer certificates and costs associated with potential or abortive financing).
- h. Salary Payments will be signed by the Chief Executive and one Director or any two Directors.
- i. Authorised holders of petty cash floats may authorise expenditure to the limit of the float set by the Finance & IT Director.
- j. The Chief Executive and the Finance & IT Director may approve staff loans.
- k. The Chief Executive and the Finance & IT Director may administer derivative transactions approved by the Board.

7.3 Specific Authorities

The financial authorities of the Directors, Managers and other staff are contained in the individual Departmental sections in Part 7 of this document.

8 Financial Irregularities

- 8.1** Whenever a member of staff becomes aware of any matter which involves, is thought to involve, or suspected to involve fraud or irregularities (including theft, bribery or money laundering) it must be reported in accordance with the Fraud theft and bribery policy and Confidential reporting details.
- 8.2** The Chief Executive, Finance & IT Director or their authorised representative shall have authority to access all records relating to any transaction of the Association, require and receive such explanations as are necessary concerning any matter under investigation and require any member of staff to produce association cash or property under their control.
- 8.3** The Finance & IT Director will maintain a record of all cases of actual or attempted fraud.
- 8.4** All cases of alleged, actual or attempted fraud or irregularities will be reported to the Audit & Risk Committee. The Finance and IT Director will report to the Regulator as required.

Part 5 Planning, Risk and Monitoring

1 Strategic Planning

1.1 The review of the organisation's strategy is an important area of responsibility for the Board and Officers of Hexagon which involves members and staff across the association. The approach to the formulation of the strategies is an evolving and iterative process with refinements made year on year. The key elements of Hexagon's approach to strategic planning are as follows:

- Corporate Plan which incorporates a mission statement and a series of corporate objectives and related action plans which are established for a three year period and reviewed annually;
- 30 year Financial business plan which is approved annually by the Board, and re-presented when the Board are considering new development bids;
- The budget which is approved by the Board in March for the following financial year;
- Departmental Workplans which, in the context of both the Corporate Plan, set out the tasks to be achieved by each department;
- Individual staff plans which are established through the Performance Management System.

1.2 The timetable for the review of corporate plan is relatively fluid and as such it is not possible or indeed desirable to be too prescriptive in terms of precise dates. However, the broad framework which is adopted is as follows:

- Initial report to the Board of the preceding year followed by regular updates and presentation of the final strategic plan and related matters by March for approval;
- Regular discussions between the Chair, Vice Chairs and the Chief Executive on covering progress and ideas for Hexagon's strategy;
- Annual Board members seminar to be set up, as felt necessary, for members to discuss the strategy and corporate objectives;
- Chief Executive, Directors and Managers to discuss the strategy with staff and provide an opportunity to make suggestions at an early stage;
- Chief Executive to meet with individual Board members as required to discuss priorities for the following year;
- Managers and Directors group to review Hexagon's strategy and identify key priorities for the following year;

- Regular feedback to staff throughout the process;
- Staff Conference in November to include discussion with participants;
- Final draft of the Strategy and any amendments to the mission statement/corporate objectives to be presented to the Board in March.

2 Annual Risk Review

- 2.1 The Association has adopted an approach to corporate risk management which involves regular updates of risk maps, please see risk management methodology. This review, together with the results of internal and external audit and reports on tenants and leaseholders complaints and any cases of fraud or maladministration, forms the basis of a report by the Chief Executive to the Board each year on the effectiveness of the Association's systems of internal control. The Board in turn makes a public statement in the annual Report and Accounts on internal financial control.

3 Risk Assessment Panel

- 3.1 Directors Group Responsibilities in relation to risk appraisal and Development "Key Stage" approvals include collective responsibility for decision making and monitoring through a Risk Assessment Panel in the following areas:
- a. Risk assessment in respect of all types of new development, new initiatives and new business including the remodeling of supported housing schemes, within Board approved parameters
 - b. Control of annually agreed internal subsidy
 - c. Capital cost appraisals and internal subsidy levels on a scheme by scheme basis and overall
 - d. Medium Term cash flow forecasts
 - e. Private finance requirements, including security charging
 - f. Future management and maintenance implications of the developments under consideration
 - g. Land banking proposals provided these are within approved Board limits and do not carry unusual or significant risk
 - h. Maintenance of the corporate risk map

3.2 Decision Making

The Director's Group acting as the Risk Assessment Panel may:

- a. Recommending Board approval for bids to the GLA and other development proposals involving private finance
- b. Approve the level of internal subsidy on individual schemes prior to their purchase within Board approved parameters
- c. Determine whether to proceed with the purchase of land and entering into building contracts, having considered the risks associated with it and appraised the capital costs and considered the cashflow for the scheme - (subject to the agreement of the Board where schemes fall outside agreed strategy or parameters or where a level of new risk is identified)
- d. Approve internal subsidy for schemes prior to their start on site, within the overall internal subsidy approved by the Board in each programme year
- e. Consider increased risks (beyond those approved prior to purchase) for schemes referred by the Development Manager or Technical Services Manager prior to their start on site
- f. Receive reports from the Directors on any events which may (or have) caused significantly increased costs or reduced income now or in the future and determine the corrective action, if any, which should be taken.
- g. Consider the implications of new initiatives and new business proposals, and the extension of existing business into new areas or with new clients, before making recommendations to the Board.
- h. Approve individual property disposals.

3.3 Finance

The Director's Group acting as the Risk Assessment Panel may:

- a. Consider capital costs appraisals and assess risks for bids.
- b. Consider annual internal subsidy requirements prior to the submission of the bids to the Board for approval.
- c. Consider strategies for raising private finance, and proposals for raising individual loans, prior to their approval by the Board.
- d. Consider whether the Association should proceed with a new development initiative involving private finance.

3.4 Monitoring

The Director's Group acting as the Risk Assessment Panel may:

- a. Receive cash flows & capital appraisals for information at key stages of schemes.
- b. Monitor the Association's requirements for development finance, and the use of facilities in operation.
- c. Monitor the Association's requirements for long term finance, and the use of facilities in operation.
- d. Monitor the revised forecasts on the Development Programme against parameters approved by the Board.
- e. Undertake regular monitoring and maintenance of the Corporate Risk Map.
- f. Periodically review the Association's insurance claims experience and consider the implications for operational risk management.

4 Chief Executive Appraisal

- a. The Chief Executive will be appraised at least annually by the Chair. The appraisal will be conducted under the Performance Management system.
- b. Regular supervisions will be undertaken by the Chair at mutually agreed intervals.

Part 6 Procurement and Tendering

1 General

- 1.1 All references to financial limits and thresholds relate to expenditure exclusive of VAT.
- 1.2 This section applies to all circumstances where the association is seeking to procure services from external providers including consultants, contractors and suppliers of goods and services.
- 1.3 The term Director refers to the: Development and Regeneration Director, Property Services Director, Finance and IT Director and Operations Director.
- a) All procurement arrangements will be in accordance with the requirements of Hexagon’s regulatory authorities, and generally accepted good practice.
 - b) Where development or refurbishment work is procured, an appropriate standard form of Building Contract or other approved contract document will be used.
 - c) Where the procurement of goods or services has a value exceeding £20,000, competitive tenders for such work will be sought. Alternatively, where an appropriate Framework Agreement for the goods or services is in place, then subject to the correct authority approval, the contract works can be called off in line with the agreement.
 - d) The procurement of goods and services may be negotiated, subject to the approval of the relevant Director.
 - e) The Association will maintain a list of approved contractors and consultants for development and property services activities. The approval process and authorisation requirements are set out in the Approved List procedures.
 - f) The Association will review annually the performance of those contractors, consultants and providers of goods/services from whom it has procured services.
 - g) New additions to the approved list should be Constructionline registered.
 - h) In an emergency, the services of a non approved contractor, consultant or supplier can be commissioned, provided that the relevant Director is satisfied that the provider meets essential insurance and health and safety requirements, and on the basis of telephone references. Normal Approved List admission procedures must then be completed promptly.
 - i) Admissions or deletions to any Framework Agreement that occur between annual reviews must be approved by the Directors Group.

2 Tendering (Construction Works)

- a. The preferred method of procuring goods and services for the organisation is through competitive selection using a tender process. Tenders for construction contracts including repair, maintenance and refurbishment, must be sought in accordance with the general principles of the *NJCC Code of Procedure for Single Stage Selective Tendering*. Guidance on the

tender process is contained within the separate Tendering Procedures document.

3 Negotiated Contracts

- a. Where a Framework Agreement exists, contracts may be procured by calling off goods and/or services from the framework without undertaking a selective tender process. The selection of the contractor, consultant or supplier must be in accordance with the Framework Agreement wording.
- b. Under certain circumstances it may be appropriate to negotiate a contract with a provider who is not part of a Framework Agreement, for example where a developer brings a site opportunity to the association on the basis of carrying out the building work, or where the value falls below OJEU procurement threshold values. Details of the current values can be found on the OJEC website at: www.ojec.com/Threshholds.aspx

4 Partnered Contracts

- a. Partnered (negotiated) contracts may be placed with the Association's strategic partners. Negotiations in relation to partnered contracts exceeding £250,000 and other contracts exceeding £30,000 in value must have had the prior written approval of the relevant director. Negotiations in relation to contracts of less than £30,000 may be commenced without the prior approval of the relevant director, but written approval must then be obtained prior to the placing of the order.
- b. The predicted outputs or benefits of partnering or the reasons for negotiating without any prior tendering should be set out in an agreed format in the relevant scheme file.
- c. Where the contract value exceeds £30,000, and in all contracts funded by SHG, a report confirming that value for money has been achieved must be obtained upon completion of the negotiations. The report may be submitted by either a cost consultant or quantity surveyor, who may be the Employer's Agent.
- d. The details of all negotiated contracts with a value greater than £10,000 will be entered into the *Tender Book*, which will be available for inspection.

5 Tenders, Quotes and Estimates

- a. Tenders are required for all contract values greater than £20,000.
- b. For contracts between £20,000 and £250,000 at least three tenders are required. The tender list can be approved by the departmental manager. The director's approval must be sought if less than three tenders are to be sought.

- c. For contracts over £250,000 at least four tenders are required and the tender list must be approved by the relevant director.
- d. For contract works estimated to cost between £2,000 and £20,000 a minimum of two written quotes are required. In exceptional circumstances the relevant manager may agree a negotiated price, subject to written confirmation by the manager or a cost consultant or quantity surveyor, that the price achieved is competitive and represents value for money. The relevant director will be notified where this is the case.
- e. The Property Services Director (PSD) may approve repair, maintenance and stock improvement contracts, including schedule of rates contracts, up to a value of £200,000. Risk Assessment Panel must approve contracts valued at over £200,000.
- f. Repair and maintenance work estimated to cost less than £2000 can be awarded to contractors under a previously tendered schedule of rates contract, or to other contractors on the approved list who have demonstrated appropriate expertise and value for money in previous contract/works awards.

6 Procurement of Other Goods and Services

6.1 The following applies to the procurement of other goods and services

- a. Goods and services in this category will include, but is not restricted to the following.
 - Office equipment
 - Computer hardware and software
 - Audit and insurance services
 - Consultancy services, other than consultants and solicitors working on development projects
 - Office cleaning and other office services
 - Building materials suppliers
- b. All contracts valued greater than £20,000 must be competitively tendered for a defined period, unless otherwise approved by the relevant director or Directors Group and documented. The defined period will be the scheduled term of the contract when it is first awarded, and the value will be the cumulative cost of the contract over its full term.
- c. For expenditure valued between £10,000 and £20,000, at least two written quotes are required.
- d. For expenditure between £2,000 and £10,000, at least one written quote is required.

- e. Suppliers of goods and services must provide evidence of appropriate professional indemnity and third party liability insurance.
- f. Tenders and quotes will be obtained by the officer with budgetary responsibility for the expenditure.
- g. Tenders will be placed and opened in accordance with the general tendering procedures.
- h. Tenders and quotes will be kept with the tendering and contract documentation.

7 Continuation of Contracts

- 7.1 Where the Association has awarded a contract to a provider of goods and/or services for a fixed period of time and that contract has expired, the Association may wish to extend the contract. A contract may be extended subject to the following requirements.
- i) The reasoning and justification for the extension of contract must be documented and recorded in the contract file, including an evaluation of the present contractor's/supplier's performance and how it satisfies value for money requirements.
 - ii) The extended contract award complies with the same authority approvals as for new contracts, and in particular in relation to the cumulative value of the contract where it is extended.
 - iii) The extended contract award is approved by the appropriate authority.
 - iv) The contract is in compliance with OJEU regulations.

8 Opening of tenders, recording results and tender compliance declaration

Opening of tenders, recording tender results and the tender compliance declaration are detailed in the tender procedure document.

9 Variations to Approved Contracts

- a. Variations to a contract that will result in an increase in contract value of more than 25% or £200,000, whichever is the lesser, must be approved by the Director's Group. Variations of 30% or £400,000, whichever is the lesser, must be reported to the Board.
- b. Variations to a contract that will result in an increase of less than 25% or £100,000, whichever is the lesser, must be approved as follows:

Up to 25% or £200,000, whichever is the lesser and all variations outside the authority of managers	Development Director, Property Services Director, Operations Director and Finance Director
Up to 20% or £60,000, whichever is the lesser and all variations outside the authority of senior officers	Development Manager, Head of New Business
Up to 15% or £60,000, whichever is the lesser and all variations outside the authority of surveyors	Stock Improvement Manager
Up to 15% or £10,000, whichever is the lesser and all variations outside the authority of officers	Senior Development Officers and Senior New Business Officers and Responsive Repairs Manager
Up to 10% or £3,000, whichever is the lesser	Development Project Managers Project Surveyors, Planned Surveyors and Area Surveyors

- c. In exceptional circumstances it may be necessary to approve a variation before the Directors Group is able to formally approve the expenditure. In such cases the Contract Administrator will obtain the approval of a Director, and seek retrospective approval from the Directors Group.
- d. Variations to contracts that lead to the internal subsidy limits agreed by the Board for any one programme year being breached require Board approval.

Part 7 Departmental Standing Orders

1 Human Resources

1.1 The Chief Executive is authorised to:

- a. Ensure that the appointment, discipline and dismissal of all staff is conducted in accordance with the Association's personnel policies
- b. Issue instructions in accordance with the Conditions of Service. In situations not precisely covered by the Conditions of Service, the Chief Executive has the authority to act within the spirit of these Conditions.
- c. Ensure that the Association operates within its Health and Safety at Work policy
- d. Act, and negotiate with staff side on the Staff Consultative Forum, on behalf of the Board regarding recognition and procedural agreements with the Staff Consultative Forum
- e. Monitor any case of reported harassment against a member of staff
- f. Ensure the smooth running of the Staff Consultative Forum

1.2 The Directors Group is authorised to:

- a. Represent management in negotiation with the Staff Consultative Forum
- b. Consider the operation of the Association's Conditions of Service where new policies are required or where existing conditions or practices require clarification
- c. Review annually the Association's establishment and prepare an establishment plan for the Board's consideration as part of the budget.
- d. Approve any changes that may be required to the plan during the year provided they are within budget
- e. Approve the Association's office arrangements and working practices and plan for any changes in future requirements
- f. Review the Group's statistics for staff sickness and turnover and receive reports from the Human Resources Manager from time to time
- g. Ensure the job evaluation panel operates in accordance with the Association's procedures
- h. Approve the annual training plan

- i. Agree any exceptions to the policy of allowing all posts to be open to job sharers.
- j. Agree the procedure for approving overtime, on-call and additional hours
- k. Consider items referred by the Health and Safety Committee

1.3 The Human Resources Manager is authorised to:

- a. Sign correspondence on the Association's behalf to staff regarding any aspects of the Conditions of Service
- b. In conjunction with the appointing panel, approve references submitted to the Association
- c. Revise job description with departmental manager and arrange job evaluation panel where appropriate
- d. Sign offer of employment letters on the Association's behalf
- e. Sign termination of employment letters on the Association's behalf
- f. Approve invoices and expenditure on temporary staff, training stationery, mobile phones and recruitment provided the expenditure is within budget
- g. To represent the Association in any capacity as from time to time required by the Association's HR policies
- h. Authorise payments of income tax and national insurance to the Inland Revenue up to £200,000
- i. Authorise payments of Pension Contributions up to £200k
- j. Sign cheques and authorise electronic payments within the authority set out in the Delegated Authority Schedule (insert hyperlink)
- k. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).

1.4 The Senior Human Resources and Facilities Officer is authorised to:

- a. Sign correspondence on the Association's behalf to staff regarding any aspects of the Conditions of Service
- b. In conjunction with the appointing panel, approve references submitted to the Association
- c. Sign offer of employment letters on the Association's behalf
- d. Sign termination of employment letters on the Association's behalf

- e. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).

1.5 Human Resources and Facilities Officer is authorised to:

- a. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink)
- b. Sign offer of employment letters on the Association's behalf
- c. Sign termination of employment letters on the Association's behalf

1.6 Learning and Development Advisor is authorised to:

- a. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).

2 Development and Regeneration

2.1 The Directors Group is authorised to:

- a. Agree the Association's bids for capital funding where these fall within the agreed strategy and parameters approved by the Board
- b. Review progress in meeting the development strategy and decide upon any development proposals which may fall outside it (particularly those in new areas or involving new types of development) prior to their consideration by the Board or under Urgency Procedures
- c. Determine the assumptions to be used in future business planning and development appraisals
- d. Act as the Association's Risk Assessment Panel for all new schemes, approving those that fall within the agreed strategy and parameters and are not considered risky, and referring those that carry significant risk to the Board approval
- e. Approve the Group's standard development and design briefs
- f. Approve the disposal of housing assets within budgets and strategies approved by the Board
- g. Sign purchase documentation for property and land
- h. Authorise variations to contract sums of up to 30% or £400,000, whichever is the lesser
- i. Sign building contracts over £60,000 not under seal
- j. Approve the method for selecting contractors and consultants and the addition of non-Constructionline registered firms

2.2 The Development and Regeneration Director is authorised to:

- a. Sign development agreements with other housing associations or statutory or voluntary organisations
- b. Seek tenders and negotiate contracts under £200,000, unless previously approved by the Risk Assessment Panel when no limit will apply
- c. Sign building contracts up to £60,000 not under seal
- d. Authorise or commit expenditure within approved budgets
- e. Approve the Association's terms and conditions of engagement for consultants
- f. Approve the Development Procedures Manual
- g. Jointly with the Development Manager and Head of New Business, monitor the performance of development contractors and consultants
- h. Approve returns to the GLA
- i. Authorise variations to contracts of up to 25% or £200,000 whichever is the lesser, and all variations outside the authority of Managers
- j. Sign cheques and authorise electronic payments within the authority set out in the Delegated Authority Schedule (insert hyperlink)
- k. Review any Development Framework and recommend to the Directors Group the addition and removal of contractors and consultants from the framework agreement as appropriate
- l. Approve the appointment of scheme specific consultants
- m. Approve the disposal of equity shares under shared ownership leases

2.3 The Development Manager is authorised to:

- a. Draw up the Development Procedures Manual (including Sales, New Business and Design Brief) for approval by the Development and Regeneration Director
- b. Authorise payment to contractors and invoices relating to schemes in development in accordance with consultants certificates up to £200,000, and provided that the sum authorised does not include variations over and above the limits in i. below
- c. Sign cheques and authorise electronic payments within the authority set out in the Delegated Authority Schedule (insert hyperlink)
- d. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink)
- e. Select contractors/consultants from the Association's Approved List for inclusion on tender lists
- f. Approve the design/materials or mix of a new scheme in consultation with the appropriate manager

- g. Add Constructionline registered development firms to the Approved List in accordance with the approved list procedures
- h. Make recommendations to the Directors' Group on amendments to the Approved List in accordance with the Association's policies and practices
- i. Authorise variations to contracts of up to 20% or £60,000 whichever is the lesser, and all variations outside the authority of Senior Officers

2.4 The Head of New Business is authorised to:

- a. Authorise payment to contractors and invoices relating to schemes where a contract has been entered into in accordance with consultants certificates up to £200,000, and provided that the sum authorised does not include variations over and above the limits in d. below
- b. Sign scheme submission documents to funding authorities
- c. Recommend the appointment of contractors/consultants for approval by the Development and Regeneration Director
- d. Authorise variations to contracts of up to 20% or £60,000 whichever is the lesser, and all variations outside the authority of Senior Officers
- e. Sign cheques and authorise electronic payments within the authority set out in the Delegated Authority Schedule (insert hyperlink)
- f. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink)

2.5 Senior Development and Senior New Business Officers are authorised to:

- a. Authorise or commit expenditure within approved budgets and the authority set out in Delegated Authority Schedule (insert hyperlink to delegated authority schedule)
- b. Authorise variations to contracts of up to a maximum for the whole contract 15% or £10,000 whichever is the lesser, and all variations outside the authority of Officers

2.6 Development Project Managers are authorised to:

- a. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink)
- b. Authorise variations to contracts of up to a maximum for the whole contract 10% or £3,000, whichever is the lesser

2.7 Senior Sales Executive is authorised to:

- a. Authorise or commit expenditure within approved marketing budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink)
- b. Allocate new shared ownership leases in accordance with the associations policies and procedures
- c. Authorise variations to contracts of up to a maximum for the whole contract 15% or £5,000 whichever is the lesser, and all variations outside the authority of Officers
- d. Place orders/authorise invoices relating to the Brickfield Cottages Project up to £10k.

3 Property Services**3.1 The Directors Group is authorised to :**

- a. Approve the Association's asset management and stock improvement strategies prior to their submission to Board
- b. Approve any proposals for reconfiguring the Association's existing properties where a change in the number or mix of dwellings is involved

3.2 The Property Services Director is authorised to:

- a. Approve the Maintenance Procedures
- b. Seek tenders and negotiate contracts under £200,000, unless previously approved by the Risk Assessment Panel when no limit will apply
- c. Sign building contracts up to £60,000 not under seal
- d. Authorise or commit expenditure within approved budgets
- e. Authorise variations to contracts of up to 25% or £200,000, whichever is the lesser, and all variations outside the authority of Managers
- f. Write off debts owed by tenants for rechargeable repairs which are not cost effective to pursue
- g. Approve any case requiring determination of a contract
- h. Give permission to leaseholders to carry out structural alterations or other major works to our properties

3.3 The Responsive Repairs Manager is authorised to:

- a. Authorise payments to tenants, in accordance with the Association's compensation policy
- b. Sign maintenance contracts up to £60,000 not under seal
- c. Authorise variations to contracts of up to 15% or £10,000, whichever is the lesser, and all variations outside the authority of Surveyors
- d. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink)
- e. Sign cheques and authorise electronic payments within the authority set out in the Delegated Authority Schedule (insert hyperlink)
- f. Add Constructionline registered maintenance firms to the Approved List in accordance with the approved list procedures
- g. Open tenders in accordance with tendering procedures.

3.4 The Responsive Repairs Senior Surveyor is authorised to:

- a. Authorise or commit responsive works expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink), provided that the sum authorised does not include variations over and above the limits in b. below
- b. Authorise variations to works orders of up to 15% or £5,000 whichever is the lesser
- c. Authorise compensation payments to tenants, in accordance with the Association's compensation policy.
- d. Open tenders in accordance with tendering procedures (insert hyperlink)

3.5 The Responsive Area Surveyors are authorised to:

- a. Authorise or commit responsive works expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink), provided that the sum authorised does not include variations over and above the limits in b. below
- b. Authorise variations to works orders of up to 10% or £3,000 whichever is the lesser
- c. Authorise compensation payments to tenants, in accordance with the Association's compensation policy. Insert hyperlink

3.6 The Responsive Repairs Administrator is authorised to:

- a. Authorise or commit responsive works expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink)

- b. Allocate repairs to the external SOR contractors and contractors on the Association's approved list

3.7 The Stock Improvement Manager is authorised to:

- a. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink)
- b. Authorise tender invitations for maintenance works
- c. Select consultants and contractors from the Association's approved list for inclusion on tender lists and approve the appointment and terms of engagement which will apply. Call off from Consortiums requires approval of PSD
- d. Open tenders in accordance with tendering procedures.
- e. Authorise payment to contractors and invoices relating to schemes in accordance with consultants certificates up to £60,000 and provided that the sum authorised does not include variations over and above the limits in f. below
- f. Authorise variations to SIP and cyclical works contracts of up to 15% or £60,000 whichever is the lesser and all variations outside the authority of Surveyors
- g. Select properties for the Stock Improvement Programme
- h. Sign contracts not under seal with a value up to £60,000
- i. Add Constructionline and Consortiums registered stock improvement firms to the Approved List in accordance with the approved list procedures
- j. Monitor the performance of consultants
- k. Authorise compensation payments to tenants, in accordance with the Association's compensation policy. Insert hyperlink
- l. Sign cheques and authorise electronic payments within the authority set out in the Delegated Authority Schedule (insert hyperlink).

3.8 The Planned Project Surveyors are authorised to:

- a. Authorise certificate payments to contractors within approved stock improvement budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink), and provided that the sum authorised does not include variations over and above the limits in c. below
- b. Authorise or commit stock improvement works expenditure within approved budgets and the authority set out in the Delegated Authority

Schedule (insert hyperlink)., and provided that the sum authorised does not include variations over and above the limits in c. below

- c. Authorise variations to SIP contracts and works orders to a maximum of £1000
- d. Authorise compensation payments to tenants, in accordance with the Association's compensation policy. Insert hyperlink

3.9 The Stock Improvement Administrator is authorised to:

- a. Authorise or commit responsive works expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).
- b. Allocate repairs to external approved contractors on the Association's approved list

4 Housing Management, Resident Involvement and Community Investment

4.1 The Directors group is authorised to:

- a. Review the Association's policies on rent setting, allocations, arrears, voids and prior to approval by the Board
- b. Review the Associations policy on resident involvement, including policies relating to Co-op groups, prior to approval by the Board
- c. Approve agreements with new Coop agencies and charges to Coop groups

4.2 The Operations Director is authorised to:

- a. Approve cases for eviction
- b. Approve the write-off of rent arrears
- c. Approve the use of referral agencies
- d. Sign, and approve changes to, management agreements
- e. Approve shared-ownership staircasing or sales to existing tenants.
- f. Sign cheques and authorise electronic payments within the authority set out in the Delegated Authority Schedule (insert hyperlink)
- g. Approve policies that do not require Board or Directors Group approval.
- h. Give permission to leaseholders to carry out structural alterations or other major works to our properties or other changes under the lease.

4.3 The Housing Services Manager is authorised to:

- a. Endorse cases for eviction put forward by Senior Housing Officers or the Resident Involvement Manager for consideration by the Operations Director
- b. Allocate tenancies in accordance with the Association's policies
- c. Sign and allocate leases and licences for short life properties in accordance with the Association's policies
- d. Approve the Housing Management Procedures
- e. Set licence fees and service charges and apply for fair rent increases in accordance with the Association's rents policy
- f. Instigate possession proceedings and other legal action in all cases other than those delegated to the Senior Housing Officer, Housing Officer
- g. Recommend staircasing disposals for approval by the Director of Operations or the Finance & IT Director
- h. Sign cheques and authorise electronic payments within the authority set out in the Delegated Authority Schedule (insert hyperlink)
- i. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).
- j. Authorise rent adjustments

4.4 Senior Housing Officers are authorised to:

- a. Approve all applications for housing and transfer except where staff or their relatives are involved
- b. Instruct solicitors in relation to possession proceedings in cases of complex arrears, squatting and unauthorised occupation in accordance with the Association's policies
- c. Prepare cases for eviction for consideration by Housing Services Manager and Operations Director
- d. Recover debts from tenants
- e. Approve mutual exchange applications
- f. Authorise rent adjustments
- g. Accept or reject applications for transfers within the transfers policy of the Association
- h. Produce the Tenants Handbook and issue any necessary amendments in line with the Associations Policies
- i. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule.

4.5 Housing Officers are authorised to:

- a. Serve Notices of Seeking Possession and carry out DIY possession applications in court
- b. Represent the Association in court
- c. Sign tenancy agreements
- d. Recover debts from tenants
- e. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule.

4.6 The Allocations Coordinator is authorised to:

- a. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).

4.7 The Resident Involvement Manager is authorised to:

- a. Endorse possession order requests on receipt of authority from Managing Agent
- b. Approve mutual exchange applications
- c. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).

4.8 Resident Involvement Officers are authorised to:

- a. Sign tenancy agreements on behalf of Hexagon Housing Association
- b. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).

4.9 The Community Investment Manager is authorised to:

- a. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink)
- b. Sign grant claims for Community Investment funding

4.10 Community Investment Officers are authorised to:

- a. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink)
- b. Sign grant claims for Community Investment funding

4.11 Employability Co-ordinator is authorised to:

- a. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).

4.12 Financial Inclusion Advisor is authorised to:

- a. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).

5 Care Homes

5.1 The Chief Executive is authorised to:

- a. Sign initial management agreements, service contracts and memoranda of agreement with Health Authorities and Trusts, statutory authorities, voluntary agencies and other bodies

5.2 The Directors Group is authorised to:

- a. Consider proposals for the development of new projects and approve new agencies prior to their consideration by the Board

5.3 The Operations Director is authorised to:

- a. Sign updated management agreements, service contracts and memoranda of agreement with Health Authorities and Trusts, statutory authorities, voluntary agencies and other bodies
- b. Approve the Association's model service contracts, tenancy agreements and handbooks relating to nursing homes
- c. To monitor the implementation of the Association's policy and procedures in respect of Care Homes
- d. Authorise the write-off of arrears in Care Homes
- e. Approve cases for eviction
- f. Approve procedures for handling residents' monies following consultation with auditors
- g. Sign Care and Support Contracts

5.4 The Care and Support Manager is authorised to:

- a. Formulate and recommend to the Operations Director variations to the Association's model service contracts, tenancy agreements, licences and handbooks relating to Care Homes

- b. Monitor the implementation of the Association's policy and procedures with respect to Care Homes and to recommend changes to the Operations Director, where appropriate
- c. Recommend new schemes for the consideration of the Directors Group and, subsequently, for the approval of the Board
- d. Approve Care Homes Procedures
- e. Endorse cases for eviction for consideration by the Operations Director
- f. Authorise or commit other expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).
- g. Approve additional hours and on-call payments within budget
- h. Sign cheques and authorise electronic payments within the authority set out in the Delegated Authority Schedule (insert hyperlink)
- i. Apply for registration of nursing homes and residential care homes under the relevant legislation.

5.5 The Heads of Homes are authorised to:

- a. Authorise or commit other expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink)
- b. Vire across sub-headings within Care Homes budgets, by up to 20% of sub-budget, or £10,000, whichever is the less, as long as expenditure remains within approved budgets overall
- c. Authorise use of Bank, Agency or overtime to provide minimum standards of care in their Homes
- d. Represent the Care Homes Manager on specific issues, as necessary
- e. Items c. and d. may be delegated by the Heads of Homes to their Senior Team Leaders as necessary
- f. Act as appointees for residents
- g. Handle residents' monies where there is no appointee-ship
- h. Approve additional hours within budget
- i. Sign imprest cheques within the authority set out in the Delegated Authority Schedule (insert hyperlink)

5.6 Senior Team Leader is authorised to:

- a. Authorise or commit other expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink)
- b. Approve additional hours within budget

- c. Sign imprest cheques within the authority set out in the Delegated Authority Schedule (insert hyperlink).

5.7 Team leaders are authorised to:

- a. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).

6. Supported Housing

6.1 The Chief Executive is authorised to:

- a. Sign initial management agreements, service contracts and memoranda of agreement with Health Authorities and Trusts, statutory authorities, voluntary agencies and other bodies.

6.2 The Directors Group is authorised to:

- a. Approve new agencies (in accordance with the Supported Housing Strategy)
- b. Approve revenue budgets for supported housing projects
- c. Review the rent setting policy and recommend changes to the Board
- d. Approve procedures for handling residents' monies following consultation with auditors

6.3 The Operations Director is authorised to:

- a. Sign updated management agreements, service contracts and memoranda of agreement with voluntary agencies or statutory authorities
- b. Approve variations to the Associations model management agreements. licence agreements, tenancy agreements and handbooks for Supported Housing Projects
- c. Authorise the write-off of arrears from Supported Housing Projects
- d. Approve cases for eviction

6.4 The Care and Support Manager is authorised to:

- a. Formulate and recommend to the Operations Director variations to the Association's model management agreements, tenancy agreements and handbooks for supported housing projects

- b. Vire between the Supported Housing budget heads up to the currently agreed limits
- c. Handle of residents' monies where there is no appointee-ship for Care Homes
- d. Draw up the Supported Housing Procedure Manual
- e. Sign applications to Administrating Authorities for Supporting People funding within financial limits
- f. Sign contracts for Supporting People funding
- g. Approve additional hours and on-call payments within budget
- h. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink)
- i. Sign cheques and authorise electronic payments within the authority set out in the Delegated Authority Schedule (insert hyperlink).

6.5 Supported Housing Manager is authorised to:

- a. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink)
- b. Replace items of equipment where provision has already been made in the budget and at a cost within their delegated financial authority
- c. Approve additional hours and on-call payments within budget
- d. Authorise tenancies in accordance with the Association's policies
- e. Sign legal agreements (licences and tenancies) provided that the SSHM has not been involved in any way in the assessment process.

6.6 The Newstead Road Project Manager is authorised to:

- a. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink)
- b. Replace items of equipment where provision has already been made in the budget and at a cost within their delegated financial authority
- c. Approve additional hours, the use of bank staff and on-call payments within budget
- d. Serve notices of seeking possession and instruct solicitors in relation to possession proceedings in cases of arrears, squatting, and unauthorised occupation in accordance with the Association's policies
- e. Sign imprest cheques within the authority set out in the Delegated Authority Schedule (insert hyperlink)

- f. Allocate licences and tenancies and sign the legal agreements which pertain to them, provided that the NRPM has not been involved in any way in the assessment process.

6.7 Senior Supported Housing Officers are authorised to:

- a. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).
- b. Replace items of equipment where provision has already been made in the budget and at a cost within their delegated financial authority.
- c. Serve notices of seeking possession and instruct solicitors in relation to possession proceedings in cases of arrears, squatting, and unauthorised occupation in accordance with the Association's policies
- d. Authorise tenancies in accordance with the Association's policies.
- e. Sign legal agreements (licencies and tenancies) provided that the SSHM has not been involved in any way in the assessment process.

6.8 Supported Housing Officers are authorised to:

- a. Authorise or commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).
- b. Sign documentation on behalf of the Association at the commencement of occupation
- c. Authorise petty cash up to £200 per month
- d. Sign tenancy agreements
- e. Serve notices of seeking possessions

7. Customer Service Centre

7.1 The Customer Service Manager is authorised to:

- a. Authorise or commit works expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).
- b. Approve the Customer Services Procedures

In the absence of the Customer Services Manager the Customer Services Officer who is designated to cover for the Customer Services Manager post has the same delegated authority as the Customer Services Manager.

7.2 Customer Services Officer is authorised to:

- a. Authorise or commit works expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).

7.3 Customer Service Advisors are authorised to:

- a. Authorise or commit works expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).

8. Finance and IT**8.1 The Directors Group is authorised to:**

- a. Approve the Business Resumption Plan
- b. Approve the appointment of insurance brokers
- c. To approve the write off of non tenant debts that exceed the Finance Directors authority.

8.2 The Finance & IT Director is authorised to:

- a. Develop and implement appropriate financial regulations for the control of the Association's financial affairs
- b. Recommend the Finance Procedures Manual for approval by the Director's Group
- c. Raise private loans after approval by the Board
- d. Fix the rate of interest payable in respect of any loan facility or any part or parts in accordance with the Treasury Management policy
- e. Invest the Association's surplus funds in accordance with the Association's Treasury Management policy
- f. Issue payments to suppliers in accordance with the Association's policies and procedures
- g. Approve expenditure on loans, swaps and insurances
- h. Approve payments of computer maintenance contracts
- i. Countersign applications where required to do so
- j. Agree payments to contractors in accordance with consultants certificates
- k. Agree salary payments, including pensions, permanent health insurance etc., in accordance with the contracts of employment
- l. Authorise payments of office rents, audit fees and maintenance contracts
- m. Approve Regulatory financial returns

- n. Sign cheques and authorise electronic payments within the authority set out in the Delegated Authority Schedule (insert hyperlink).
- o. Approve the write-off of non-tenant debtors up to £6000
- p. Approve staff loans in accordance with HR policies.
- q. Manage the Association's arrangements for properties charged as security for loans and other financial instruments including commissioning valuations, charging properties (in conjunction with another director or a board member), releasing properties from charge, and allocating and re-allocating properties already charged.

8.3 The Finance Manager is authorised to :

- a. Approve the Finance Procedures
- b. Develop and monitor the implementation of the Association's Finance Procedures Manual and recommend changes to the Finance & IT Director for authorisation by the Directors Group
- c. Invest surplus funds in accordance with the Association's Treasury Management policy
- d. Authorise imprest levels and petty cash floats and within laid down limits
- e. Authorise loan interest and financing expenditure up to £60,000
- f. Sign VAT, tax and other inland revenue returns
- g. Sign submissions to funding authorities
- h. Authorise interbank transfers, direct debit and standing order mandates.
- i. Agree the level of bank charges with the Association's clearing and other banks
- j. Authorise or commit other expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).
- k. Sign cheques and authorise electronic payments within the authority set out in the Delegated Authority Schedule (insert hyperlink).
- l. Administer vehicle and other insurances
- m. Administer commercial properties.

8.4 The Security Charging Officer is authorised to:

- a. commit expenditure within approved budgets and the authority set out in the Delegated Authority Schedule.

8.5 The Senior Accountant is authorised to:

- a. Invest surplus funds in accordance with the Association's TM policy
- b. Authorise or commit loan interest and imprest expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).

8.6 The IT manager is authorised to:

- a. Prepare the IT strategy for approval by the Board
- b. Administer tenders and sign contracts for IT equipment procurement and service agreements
- c. Dispose of surplus IT equipment in accordance with the Association's current policy
- d. Represent the Association in respect of IT matters
- e. Authorise IT capital expenditure up to £60,000, within budget
- f. authorise or commit other expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).
- g. Sign cheques and authorise electronic payments within the authority set out in the Delegated Authority Schedule (insert hyperlink).

8.7 The Senior IT Support Analyst is authorised to:

- a. Authorise or commit other expenditure within approved budgets and the authority set out in the Delegated Authority Schedule (insert hyperlink).

8.8 The IT Support Analyst is authorised to:

- a. Place orders and authorise invoices up to a limit of £400.

9.0 Service Quality**9.1 The Service Quality Manager is authorised to:**

- a. Sign cheques and authorise electronic payments within the authority set out in the Delegated Authority Schedule (insert hyperlink).

Appendix 1

Financial procedures for separation of duties in placing orders and approving invoices for payment.

Staff may only place orders or approve invoices up to their level of authority as set out in the Delegated Authority Schedule (insert hyperlink). In addition, some types of expenditure may require a further signature or backing documentation, as set out below.

Type of expenditure	Authorisation required at point of ordering	Authorisation required for payment
Maintenance		
Maintenance expenditure ordered on Genero system	One-person input to system officer	Batch approval for items below £1k, manager approval above £1k
Cyclical decorations	No order – procured by tender	One signature
Gas safety checks and repairs within contract	No order – procured by tender	One signature
Gas repairs outside the contract, and heating system upgrades	One signature, backed by advice from consultant	One signature (not the person who ordered)
Maintenance service contracts	No order – procured by tender	One signature
Major repair programmes	No order – procured by tender	One signature, generally backed by works certificate
PIVs	Two signatures – person ordering plus their line manager.	One signature, generally backed by works certificate
Aids & Adaptations	One signature	One signature
Development		
Land purchases	No order, but backed by RAP approval	One signature, backed by RAP approval paper
Build costs	No order – procured by tender	One signature, backed by works certificate
On costs	No order – but appointment of consultant and cost rate approved by Development Director	One signature

Other procurement		
Services procured via contract eg <ul style="list-style-type: none"> • Property and other main insurance • Utilities • Software maintenance • Cleaning and gardening • Loan interest 	No order, as approved at contract stage	One signature
Services procured via order eg <ul style="list-style-type: none"> • Legal fees • Consultancy work • Maintenance of white goods for supported housing schemes • Costs of selling properties 	Two signatures – person ordering plus their line manager if order value is over £500. One signature if less than £500.	One signature
Goods procured via order eg <ul style="list-style-type: none"> • Furniture, furnishings and white goods for supported housing schemes • Office supplies, mainly ordered by HR & Facilities • Office, catering, cleaning and medical supplies ordered by the three homes • IT equipment ordered by IT • Goods for dressing show homes in New Business 	Two signatures – person ordering plus their line manager if order value is over £500. One signature if less than £500.	One signature