



Code of Governance

1. THE BOARD

- 1.1 The purpose of the Board is to direct the organisations affairs: management will be delegated to staff and volunteers or indeed a support organisation.
- 1.1.1 All Board members share responsibility for its decisions. Each should act only in the interests of the organisation as a whole and not on behalf of any constituency or interest group.
- 1.2 To discharge responsibilities for the direction of the organisation, Board members should have or acquire a diverse range of skills, competencies and experience. We will aim to ensure that the following broad areas are represented on the Board:
- (a) Working as an effective team to take strategic decisions for social result
 - (b) Direct knowledge of the needs and aspirations of the communities and people served
 - (c) General business, financial and management skills
 - (d) Other relevant skill, such as legal, property and development, and public affairs.
- 1.3 The Board will have at least 5 members, and no more than 12 members so as to balance representation against the interests of effective decision-making.
- 1.4 The quorum will be at least 3 Board Members, of whom no more than one is a co-opted Board Member or if more than three Board Members are present there are present Board Members representing the proportion 2:1 of elected Board Members to Co-opted Board Members. Co-opted executives will not count towards a quorum.
- 1.5 Executive staff cannot be co-opted as Board members.
- 1.6 Each Board member will be given a formal letter specifying a Board member's obligations, and should sign a copy to indicate acceptance. These will include obligations to:
- (a) uphold the values and objectives of the organisation
 - (b) uphold the organisation's core policies, including those for equal opportunities
 - (c) contribute to the share responsibility for the Board's decisions
 - (d) prepare for and attend meetings, training sessions and other events
 - (e) represent the organisation on occasion
 - (f) declare any relevant interests
 - (g) respect confidentiality of information
 - (h) uphold the principles of good governance.

2. BOARD REVIEW AND RENEWAL

- 2.1 The Board will carry out a regular review of its own strengths and weaknesses in order to ensure its continuing effectiveness, and to satisfy the requirements of paragraph 1.3 above.
- 2.2 The Board will ensure that new members are recruited or elected on a systematic and continuous basis, and thus avoid bigger changes at infrequent intervals. The Board will decide and publish its policies for:
- (a) the recruitment or election of new members
 - (b) the required qualities, skills and experience of members and, if considered necessary
 - (c) overall maximum terms of office for individual Board members, the chair and other Officers
 - (d) the period since the last term of office before an individual is eligible for re-election or reappointment
 - (e) age limits, either absolute or after which annual re-election or reappointment is required.
- 2.3 Steps should be taken to identify potential Board members to maximise representation and/or skills. A range of recruitment techniques will be considered to secure a wider choice of candidates.
- 2.4 The Board will ensure that all new members receive induction training and that effective arrangements are made to maintain and enhance the skills and motivation of all its members.

3. ESSENTIAL FUNCTIONS OF THE BOARD

- 3.1 The powers and responsibilities of the Board are formally recorded in the organisation's Constitutional documents. In exercising these powers, the Board will, as a minimum:
- (a) define and ensure compliance with the values and objectives of the organisation
 - (b) establish policies and plans to achieve those objectives
 - (c) approve each year's accounts prior to publication
 - (d) establish and oversee a framework of delegation and systems of control
 - (e) agree policies and make decisions on all matters that might create significant financial or other risk to the organisation, or which raise material issues of principle
 - (f) monitor the organisation's performance in relation to these plans, budgets, controls and decisions
 - (g) appoint (and, if necessary, dismiss) the Chief Executive
 - (h) satisfy itself that the organisation's affairs are conducted lawfully and in accordance with generally accepted standards of performance and propriety.

4. RESPONSIBILITIES OF THE CHAIR

- 4.1 The responsibilities of the chair, acting on behalf of the Board, and not in isolation, should be formally recorded, and should include as a minimum to:
- (a) ensure the efficient conduct of the Board's business and of the organisation's general meetings
 - (b) ensure that all Board members are given the opportunity to express their views before any important decision is taken
 - (c) establish a constructive working relationship with, and provide support for, the Chief Executive
 - (d) ensure that the Board delegates sufficient authority to its committees, the chair, the Chief Executive and others to enable the business of the organisation to be carried on effectively between meetings of the Board and also to ensure that the Board monitors the use of these delegated powers
 - (e) ensure that the Board receives professional advice when it is needed, either from its senior staff or from external sources
 - (f) ensure that the organisation complies with the other recommendations of this code which are appropriate to its circumstances
 - (g) represent the organisation on occasion; and, working in consultation with other voluntary Board members, for instance with a small committee, to:

- (h) take decisions delegated to the chair with the advice of the Chief Executive
- (i) ensure that the Board makes proper arrangements to appraise the performance of the Chief Executive and to determine the remuneration of the Chief Executive and other senior staff
- (j) review the composition of the Board and the skills of its individual members and to ensure that action is taken to remedy any deficiencies
- (k) ensure, when necessary, that the Chief Executive is replaced in a timely and orderly fashion.

5. CONDUCT OF THE BOARD'S BUSINESS

- 5.1 Board decisions will, wherever possible, be based on full agendas and documents circulated to members well in advance of meetings. Points for decision are to be clearly identified in those documents. Decisions are to be recorded in the minutes.
- 5.2 Each year, the Board will set aside time for a full discussion about the effectiveness with which it is conducting its business.
- 5.3 Urgent decisions will be taken in accordance with predetermined arrangements. These arrangements place on the chair the responsibility, in the case of key decisions, to ensure that all the Board members are consulted whenever possible - by telephone or fax or by other means. The fact that Board members were consulted, and the views expressed, will be formally recorded at the next board meeting.

6. THE CHIEF EXECUTIVE

- 6.1 The essential duties of the Chief Executive will be to:
 - (a) manage the affairs of the organisation in accordance with the values and objectives of the organisation, and the general policies and specific decisions of the Board
 - (b) help the Board determine the organisation's policies and strategy
 - (c) draw the Board's attention to matters that it should consider and decide
 - (d) 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) ensure that proper systems of control are established and maintained
 - (f) supervise, with the guidance of the chair, the preparation of documents for consideration by the Board
 - (g) help the chair ensure that the business of the Board is properly conducted
 - (h) lead and manage the staff and volunteers of the organisation and ensure that their performance is appraised
 - (i) represent the organisation on occasion.
- 6.2 Like other employees, the Chief Executive will have a written contract of employment which, as well as complying with current legislation clearly defines:
 - (a) his or her duties and the standards of performance expected
 - (b) the procedures for monitoring the Chief Executive's performance and fixing his or her remuneration
 - (c) how complaints and disciplinary matters are dealt with
 - (d) the length of the contract, whether or not it could be renewed (if it is for a fixed term) and any notice period.

Chief Executive's remuneration

- 6.3 The Board will ensure that there is a committee/group which has responsibilities which include the appraisal and remuneration of the Chief Executive. In terms of membership:
 - (a) this committee will include the chair
 - (b) it will not include any executive staff of the organisation

6.4 The following principles will be observed:

- (a) a remuneration package should be given which is sufficient to attract, retain and motivate the quality of Chief Executive required
- (b) there will be full disclosure to the Housing Corporation of all elements of the remuneration package, including pension arrangements, and periods of notice
Periods of notice of more than 12 months will be avoided
- (c) any performance-related elements of the remuneration package will be linked to the achievement of specific and measurable targets which are reviewed annually.

7. COMMITTEES OF THE BOARD – to be developed

7.1 The Board will periodically review the committees reporting to the Board. Committee structures will be clear and streamlined. Initially the committees will comprise:

- Buildings and development
- Finance, Audit and Personnel

7.2 Each committee will have clear terms of reference approved by the Board and will report regularly to the Board. These will allow the possibility of non-Board members serving on sub-committees, subject to:

- Prior Board approval
- Membership being subject to annual review by the Board.

7.3 Paid staff will not chair any of its committees.

7.4 The responsibilities of committee chairs will be defined in documents approved by the Board.

7.5 In the case of dispute, the Board's decision will override those of any committee; but the chair of the committee responsible for audit will have the right to report any such decision to the external auditors (and where necessary to external regulatory bodies), after discussion at the Board about this proposed course of action.

8. OPENNESS

8.1 Boards and employees will accept an obligation to account for their actions in an open manner, and will have a policy about access to their information and documentation. The organisation will publish information about its performance in addition to the prescribed reports on their finances.

8.2 The organisation will comply with outside requests for information wherever practicable.

8.3 The Board will review the openness of the organisations arrangements on a regular basis and take account of further developments of good practice.

9. ACCOUNTABILITY

9.1 Aspire Ryde will identify the range of stakeholders to which it is accountable, and ensure that each group has the appropriate influence over, or involvement in, planning and decision making through regular events or communication conduits.

Involvement of service users

9.2 The involvement of service users is a major focus of accountability, and the organisation aims to adopt a comprehensive package of measures which meets the needs of our service users. As part of this, the organisation will aim to adopt and publish policies for communicating with service users about its work and performance, and involving them in the decisions that effect their lives.

Full Membership

9.3 The rights of the full members are set out in our Constitution.

10. EQUALITY OF OPPORTUNITY

10.1 The organisation will adopt a policy for equality of opportunity and publish it. The policy will promote equal opportunities in all areas of the organisation's work including:

- (a) identification and assessment of needs
- (c) provision of services
- (d) membership and operation of the Board and any committees
- (e) staff recruitment, selection, training and conditions of service
- (f) the organisation's buying of goods and services and contracting procedures.

11. AUDIT

11.1 The organisation will ensure that it observes the following principles that:

- (a) its external auditors must be independent and effective
- (b) there should be a proper procedure for the selection and periodic review of the appointment of external auditors
- (c) it should have effective internal controls
- (d) it should make effective arrangements for discharging the internal audit function
- (e) points (a) to (b) above should be regularly reviewed and the outcome of each review reported to the Board.

12. STANDARDS AND ETHICS

12.1 The organisation will have codes of conduct for its Board members and staff, aimed at upholding high standards of policy and ethics.

12.2 The Board will from time to time review:

- (a) the stated values of the organisation, and how they are implemented in practice
- (b) the implementation of this *Code of Governance*, and its underlying principles
- (c) the policies and procedures of the organisation relating to hospitality, gifts and other matters of business ethics.

Conflicts and declaration

12.3 Board members must ensure that their private or personal interest do not influence their decisions, and that they do not use their position to obtain personal gain of any sort.

12.4 Board members and staff should be meticulous about declaring dualities or conflicts of interest. Aspire Ryde will maintain records of the declared interests of Board members and staff; subject to considerations of individual privacy, these will be available for public inspection.

12.5 When the Board discusses an item which poses a conflict of interest for any member or employee present, that person should declare the interest and it be recorded in the minutes.

12.6 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.

12.7 Board members who are members of groups that use our services should regard matters specifically concerning their individual circumstances as a clear and substantial conflict.

12.8 Board members who are the paid staff or Board members of, or providing goods or services to, other organisations that we do business with, should declare conflicts of interest arising in the normal way.

Gifts and hospitality

12.9 The Board will establish a policy on the receipt of hospitality and gifts by Board members and staff to ensure that:

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

12.10 The Board will establish a policy on the offering of hospitality and gifts by the organisation or by Board members and staff on its behalf, to ensure that:

- (a) no gifts of a significant monetary value are given or offered
- (b) hospitality is not offered if it could be seen as lavish, or as a way of exerting an improper influence over the decisions of another person or organisation
- (c) all hospitality offered is formally recorded in a register, apart from inexpensive items, such as working meals.

12.11 The Board will ensure that proper arrangements are made for the referral and determination of individual cases raising issues of ethics or probity.