



GROUP STANDING ORDERS

POLICY IMPLEMENTATION CHECKLIST	
Policy Guardian:	Chief Executive
Author:	Julie Cosgrove
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INTRODUCTION

- 1 This document comprises Caledonia's Group Standing Orders. The Group comprises Caledonia Housing Association as the Group parent organisation; and Cordale Housing Association as its subsidiary. For the avoidance of doubt, in Cordale's Rules Caledonia Housing Association is described as the 'partner'

In addition the use of the word 'organisation' in these Group Standing Orders is used to describe Caledonia and Cordale Housing Associations

- 2 Caledonia Housing Association Limited is controlled and managed in accordance with statutory and regulatory requirements and its Rules. Its Rules are based upon the Charitable Model Rules (Scotland) 2009 provided by the Scottish Federation of Housing Associations.

Cordale Housing Association Limited is controlled and managed in accordance with statutory and regulatory requirements and its Rules. Its Rules are based upon the Charitable Model Rules (Scotland) 2013 provided by the Scottish Federation of Housing Associations.

- 3 These Group Standing Orders acknowledge this and set out how the organisations will be controlled and run. They do so in greater detail than the Rules and specify the governance structures, procedures and delegation powers of each organisation. For the avoidance of doubt, in cases of conflict, the Rules of each organisation and legal and regulatory requirements will supersede any provision of these Group Standing Orders.

- 4 The Group Standing Orders themselves pertain to legal issues. Group Financial Regulations detail the financial policies of the Caledonia Group. They are drawn up in conjunction with and are deemed to be part of the Group Standing Orders. All policy statements approved by the Governing Bodies of each organisation are likewise deemed to be Group Standing Orders and shall be complied with in all respects.

- 5 The Group Standing Orders refer to the Code of Conduct for Governing Body Members and the Code of Conduct for Staff, both of which are set out separately in the Appendices The Caledonia Group has adopted the Model Codes of Conduct as developed by the Scottish Housing Regulator

- 6 Any of these Group Standing Orders may be suspended at a general meeting of each of the organisations or at a Governing Body meeting provided that the meeting is quorate and that for Cordale, a representative of Caledonia is present. Suspension of Group Standing Orders should be a comparatively rare occurrence, and if it is found to be required frequently, each of the Governing Bodies shall consider altering, rescinding or adding to Group Standing Orders, to minimise the incidence of suspension of Group Standing Orders.

INTERPRETATION OF GROUP STANDING ORDERS

- 7 For clarity, it should be stated that within these Standing Orders – and unless specifically stated otherwise - no reference to officers employed within the Group implies that they have the authority to make decisions. The

Group recognises that legislation overrides any provisions in the Standing Orders; and that the power to make decisions within the Group lies ultimately with the Governing Bodies of the organisations in the Group. Specific delegations to officers, largely to manage routine business matters, is clearly defined in these Group Standing Orders, the Group Policy on Delegated Authority and the Group Policy on Financial Regulations

The ruling of the Chair of the Governing Body as to the meaning or application of any of these Group Standing Orders shall be final, with due regard given to advice on acting in the best interests of the organisation as offered by senior officers in attendance

In these Group Standing Orders reference to any gender includes all genders. Reference to the Chief Officer specifically means for Caledonia HA, the Chief Executive; and for Cordale HA, the Senior Manager

COMMENCEMENT, AMENDMENT AND REVOCATION OF GROUP STANDING ORDERS

- 8 These Group Standing Orders are effective from the Financial Conduct Authority's date of registration of the constitutional partnership between Caledonia and Cordale Housing Associations; and are adopted in conjunction with the Rules of each organisation.

Caledonia HA's Governing Body may alter, rescind or add to any part of these Group Standing Orders by a simple majority vote of those present at its Governing Body Meeting. The Chair in conjunction with the Chief Executive (or for Cordale, the Senior Manager in conjunction with Cordale's Chair) shall periodically consider the need for amendments to Group Standing Orders. Where Cordale's Governing Body has considered and wishes to propose any alterations, these should be reported to Caledonia HA's Governing Body, who in turn will give full consideration to the proposals in conjunction with Cordale's Governing Body and Senior Manager.

Reviews of Group Standing Orders will be undertaken at least every two years, or earlier if this necessary.

CONTROL WITHIN THE GROUP

- 9 Control of both Caledonia HA and Cordale HA is exercised by their respective Governing Bodies, each of which comprises a maximum of 15 members. Membership of the Governing Bodies including eligibility and the process for electing members, is governed by each organisation's Rules.

The Group Membership Policy provides further details on the rights of members to stand for election to the Governing Body of each organisation

In furtherance of its commitment to involving tenants and residents in its business and in influencing decisions that affect them, Caledonia shall reserve three co-opted spaces on its Governing Body for resident representatives. As co-optees, Caledonia HA's Governing Body members appointed in this way have restricted rights. These are articulated in the organisation's Rules.

Notwithstanding this, tenants and residents who are members of Caledonia will be entitled and actively encouraged to stand for election to the Governing Body in their own right.

As far as possible, Caledonia will endeavour to fill these three co-opted spaces on an annual basis, by inviting the body it recognises as the principal resident representative body to nominate individuals. This body will hold elections as necessary to decide on its representatives. There is an underlying presumption that Caledonia HA's Governing Body shall agree to any changes in resident representatives outwith the annual nomination cycle to reflect the wishes of residents.

In order to ensure it continues to serve the needs and aspirations of the resident population, the aforementioned nomination arrangement shall be subject to review in conjunction with the annual consideration of Caledonia HA's Tenant Participation Strategy provisions. These in turn will involve consultation with and efforts to secure the agreement of residents.

Caledonia HA shall endeavour to ensure the remaining co-optee positions are used to enable recruitment of individuals for specific, limited term business reasons. Up to five Governing Body members can be co-optees at any one time, inclusive of resident representative co-optees. Cordale HA will consider the appointment of co-optees as appropriate alongside other members of its Governing Body appointed to provide a balance of required skills and resident representation

- 10 The Governing Bodies are responsible for directing the business of their respective organisations and can do anything necessary to fulfil that responsibility, except in the case of certain matters that by law and by the their respective Rules can only be dealt with at general meetings of the organisation. These include the standard items of business to be considered at Annual General Meetings, such as the Treasurer's Report and Annual Accounts, and the Election of the Governing Body members; or at Special General Meetings, such as proposed Rule Changes. At all times the Governing Bodies will strive to achieve the highest standards of accountability and openness.
- 11 Each of the organisation's Rules lists some of the Governing Bodies' most important powers. Each of the Governing Bodies is permitted to delegate its powers to sub committees, staff or Office Bearers. These provisions are elaborated upon in the Governance Structure – Terms of Reference, in the Appendices. Notwithstanding this permissive power, it is Group policy to normally manage all of its business through each of the organisation's Governing Bodies, excepting the Group Audit and Remuneration Committees. These arrangements are explained in further detail below and in the Appendices.

VERIFYING MEMBERSHIP APPLICATIONS

- 12 Each of the organisation's Rules defines the members of the organisation. These Rules, and the separate Group Membership Policy, set out how to apply for membership and how the Governing Bodies will consider applications received. Before an application is presented to a Governing Body for consideration, the Chief Executive or Senior Manager or his/her

nominated staff member, will be required to verify by a check to appropriate records that the person applying fulfils the membership criteria.

GENERAL MEETINGS

- 13 General meetings must be held in accordance with the organisation's Rules that set out the powers of general meetings and how they must be called and conducted. The Rules for General Meetings are covered in each of the organisation's Rules. These Rules are not repeated in full in these Group Standing Orders.
- 14 At general meetings, only the business included in the notice calling the meeting may be discussed.
- 15 Only Registered Members or their proxy, where a proxy application has been made in compliance with the Rules of each of the organisations, will be entitled to be admitted to general meetings of the organisation. The exception to this will be where a decision has been made by the Governing Body at a meeting prior to the general meeting to allow other predetermined persons to be admitted. The Chief Executive or Senior Manager, on behalf of their organisations, will be entitled to verify membership or otherwise before allowing entry to the meeting.
- 16 Changes to the Rules of each organisation can only be decided in accordance with each organisation's Rules, and at a Special General Meeting. For Cordale, this Rule requires that any changes it proposes to its own Rules also require prior consent of Caledonia HA's Governing Body

In addition, the Governing Bodies in the Group cannot amend their Rules without also referring them to a Special General Meeting of their members, and securing the necessary majority to the proposed Rule Changes.
- 17 Other matters which cannot be dealt with by the Governing Bodies and must be dealt with at every Annual General Meeting are detailed in each organisation's Rules

THE GOVERNING BODY

- 18 Having regard to the powers in each organisation's Rules, the Governing Bodies of the Group have resolved to reserve specific matters for their own decision. The remit and responsibility of the Governing Body of each organisation is detailed in the Appendices of these Group Standing Orders; whilst Terms of Reference for the Governing Bodies are also contained in the Appendices.

DELEGATION OF POWERS TO THE CHIEF EXECUTIVE/ SENIOR MANAGER

- 19 The Chief Executive or Senior Manager is responsible to their Governing Body for the implementation of policy and for the day to day running of all aspects of the organisation's activities. The Governing Body, therefore, delegates authority to the Chief Executive or Senior Manager in all matters to enable the discharge of responsibilities expeditiously, without necessarily referring to the Governing Body. This can be done in a manner which is deemed appropriate, except in the specific circumstances contained in the

Rules, Group Standing Orders, Group Codes of Conduct and Group Scheme of Delegated Authority, or as decided from time to time by each of the Governing Bodies

- 20 The Chief Executive or Senior Manager is responsible for the interpretation of their organisation's policy in all current policy areas. The Chief Executive or Senior Manager may delegate responsibilities to other members of staff directly or for Caledonia, through the Executive Management Team, consisting of the Chief Executive and the Finance Director, Operations Director, Asset Management Director and Business Services Director. The Group Scheme of Delegated Authority must be reported to the Governing Body for approval.

GOVERNING BODY MEETINGS

- 21 Each of the organisation's Rules contain the regulations regarding the convening and conduct of general meetings and meetings of the Governing Body and are not repeated in full in these Standing Orders.
- 22 Before 31 December each year the Chief Executive or Senior Manager shall publish a calendar of their Governing Body's meetings, any sub-committee meetings (normally restricted to Group Audit and Remuneration Committees) and their usual venues for the next year. In accordance with the Rules, each of the Governing Bodies can decide when and where to meet; but must meet at least six times each calendar year. The work of the Governing Bodies will be augmented through holding one Strategic Group Planning Day outwith the Governing Body meeting cycle, and one further Group event. Terms of reference for the Governing Bodies are set out in the Appendices.
- 23 All Governing Body and sub-committee meetings will be held in accordance with each of the organisation's Rules, and these Group Standing Orders.
- 24 All of the Governing Bodies or sub-committees may adjourn their meetings to any other time and place.
- 25 Proceedings at all Governing Body and sub-committee meetings including agendas, reports, minutes and other documents will normally be treated as confidential unless otherwise agreed. Decisions made by Governing Bodies as part of non-confidential business would ordinarily be a matter of public record, although details (such as the value of a tender award) may be treated as commercially sensitive and confidential.

The Group Standing Orders allow for the circulation of Minutes with the exception of confidential items.

Summaries of minutes of Governing Body meetings will be prepared regularly, omitting matters of a confidential nature, and posted to organisations' websites

- 26 Special Governing Body meetings may be requested at any time by their Chairs or by two of their Governing Body members. Apart from electing a Chair if necessary, special Governing Body meetings are only permitted to deal with the business contained in the Notice of the Meeting.

- 27 In accordance with each of the organisation's Rules, the quorum for Governing Body meetings is four

APPOINTMENT AND ROLE OF CHAIR

- 28 The appointment of the Chair of each of the Governing Bodies will be in accordance with each organisation's Rules. The Chair will be elected to office annually. The same person may be re-elected, but must not normally hold office continuously for more than five annual general meetings. **In accordance with the terms of the Intragroup Agreement, Cordale's governing body must obtain the approval of Caledonia's governing body prior to appointing a Chair.**
- 29 The Chair will preside at all general meetings of the organisation and at meetings of the Governing Body at which he or she is present.
- 30 The responsibilities of the Chair will be to ensure the smooth running of the meeting by:
- Making sure those who wish to, are allowed to contribute
 - Allocating adequate time for contributors to speak
 - Ensuring voting procedures are in place and that these are followed
 - Announcing votes at meetings
 - Providing support for and establishing a constructive working relationship with the Chief Executive or Senior Manager of the organisation
 - Representing the organisation, where authorised
 - Taking all other decisions that are the responsibility of the Chair as laid down in the organisation's Rules, Group Standing Orders and Group Codes of Conduct
 - Participating in training, where necessary, to enable the above responsibilities to be carried out.

Each of the Governing Bodies will establish a self-evaluation process to consider the performance of all of their Governing Body Members.

- 31 In accordance with the Rules, if the Chair is not present at a Governing Body meeting or is not willing to act, those Governing Body Members present will elect another Governing Body Member to be Chair for that meeting. The person presiding over the meeting may exercise any power or duty assigned to the Chair as regards the conduct of a meeting.
- 32 The person presiding at the meeting shall decide all questions of order and relevance arising at the meeting. Any Governing Body Member present may take exception to any ruling by the person presiding. In that case the person presiding over the meeting shall without further discussion submit the matter to the meeting and his/her ruling shall not take effect unless the majority of the Governing Body Members present supports it. Due regard will be given to advice on acting in the best interests of the organisation as offered by senior officers in attendance

APPOINTMENT AND ROLE OF OTHER OFFICE BEARERS

- 33 The Governing Body will appoint a Secretary and other office bearers at their discretion in accordance with each organisation's Rules. The election process for other office bearers that are identified will reflect those applicable to the position of the Chair. The office bearers will all be Governing Body members with the exception of the Secretary where the Rules allow for this to be a staff member, which will not be the Chief Executive or Senior Manager of the organisation. The Secretary will be appointed for such term as the Governing Body determines. The role of such persons is clearly defined in the Appendices of these Group Standing Orders and may be subject to review by each of the Governing Bodies.

CIRCULATION OF AGENDAS AND PAPERS

- 34 Normally at least 7 days before a meeting of a Governing Body or a sub-committee, the following must be issued to every member of the Governing Body or sub-committee:
- A notice calling the meeting and stating the time and place.
 - A statement of the business to be transacted (the agenda).
 - All reports and other documents referred to or to be read with the agenda
- 35 Any report or document not sent with the agenda may, with the consent of a majority of the Governing Body Members present, be considered at the meeting if it relates to matters which are either:
- Referred to in the agenda; or
 - Is of such urgency or importance that it is desirable that the report or document receives consideration at the meeting.
- 36 Any matter that is not included on the agenda may be discussed or decided at a Governing Body or sub-committee meeting unless a majority of the Governing Body Members present object. Due regard will be given to advice on acting in the best interests of the organisation as offered by senior officers in attendance
- 37 Members of the Governing Body wishing to have items included on the agenda must give the Chief Executive or Senior Manager - or other staff member who acts as Secretary to a Sub Committee - at least 14 days written notice of the item. The Chief Executive, Senior Manager or Staff Member acting as Secretary to the meeting, will consult the Chair of the Governing Body or Sub Committee as to the item's inclusion.

SUB COMMITTEES

- 38 Subject to the provisions of each organisation's Rules, each of the Governing Bodies may appoint sub-committees or working groups. All sub committees and working groups must act in accordance with the remit given by their respective Governing Body. They will not normally have decision making powers but will have specific remits and timescales in which to report to, and where appropriate, make recommendations to the Governing Body. They will be governed by the provisions in these Group Standing Orders relating to the regulation of meetings. Working Groups may include Governing Body Members, staff and contributions from external bodies or individuals, if

appropriate. It is envisaged that Sub-Committees and Working Groups will be used only sparingly and for significant issues or matters of expediency.

- 39 Caledonia HA's Governing Body shall appoint a Group Audit Committee and a Group Remuneration Committee. Terms of reference for these two committees are contained within the Appendices. Places will be reserved on each of these two Committees for representatives of Cordale's Governing Body. Terms of Reference will be agreed by Caledonia HA's Governing Body in conjunction with Cordale's Governing Body for any ad hoc sub-committees or working groups established. The Governing Body will ensure that all Governing Body Members and staff members are aware of them.
- 40 The quorum for sub-committees shall be three.
- 41 The sub committee members present may elect a Chair except the Group Audit Committee and Group Remuneration Committees, whose Chairs who will be appointed by Caledonia HA's Governing Body. People who have been co-opted to the Governing Body or to sub committees may not be elected to preside.
- 42 Standing Orders 23 - 26 above shall apply to any sub committee established by the Governing Body.

CONDUCT OF MEETINGS

- 43 Prescribed rules for the conduct of members at meetings are laid down in the Rules and the Governing Body Members Code of Conduct contained in the Appendices. Governing Body and sub-committee Members are expected to conduct themselves in a business-like and courteous manner and to observe the commonly accepted rules of debate and meetings.
- 44 Governing Body Members and employees will be given the opportunity to declare an interest in any item on the agenda at the beginning of the meeting. Declarations of interest must be repeated at the time the item is discussed. If there is a clear and substantial conflict of interest, a Governing Body Member or employee should give serious consideration to withdrawing from the meeting (See Standing Orders 61-69 below for further details).
- 45 Governing Body members will observe respect for the Chair at all times. The Chair's decision on length of speeches, debate and closure of debates will be final.
- 46 The Chair will ensure that all Members are given adequate opportunity to debate all items on the agenda.
- 47 The order of business at Governing Body meetings will normally be:
- To choose a person to preside if the Chair is not present.
 - To note apologies for non attendance
 - To note declarations of interest (any declarations made will be repeated before the particular agenda item is discussed)
 - To approve as a correct record the minutes of the previous Governing Body meeting.

- To consider any matters arising from the minutes of the last meeting that are not on the agenda.
- For Caledonia, to receive and note minutes from meetings of the principal resident representative body.
- Items and reports for debate, decision or action.
- Performance reports, Group Audit Committee and Group Remuneration Committee reports, minutes and risk analysis
- Papers and reports that are for information
- To consider any urgent business at the discretion of the Governing Body

48 The Chief Executive or Senior Manager, Members of the Executive Management Team, administrative staff, other officers of the organisation and external advisers shall attend Governing Body Meetings to present reports and otherwise advise and service the Governing Body. Such persons shall leave the meeting if they have a conflict of interest or they are asked to do so by the Governing Body.

49 The Chair has the discretion, subject to the agreement of the meeting, to allow items to be included in the agenda as “Any Other Business”.

VOTING

50 When taking a decision on an agenda item all Governing Body Members must have been present throughout the material part of the deliberations that preceded the taking of the decision. If Governing Body Members have not been present through the preceding deliberations, they will be excluded from taking part in the decision making process.

51 The majority of the Governing Body Members present at a Governing Body or sub-committee meeting shall, except where otherwise required by statute or by the organisation’s Rules, determine every question. Each Governing Body Member has one vote. In accordance with the Rules of the organisation, if there are an equal number of votes for and against a decision, the Chair will have a second and deciding vote.

52 Voting shall be either by a show of hands or secret ballot according to the majority decision of Governing Body Members present.

MINUTES

53 Minutes of the proceedings of the Governing Body and all sub-committees shall be recorded and copies provided for the Members of the Governing Body. The minutes shall be submitted to the next meeting of the same body. If proposed, seconded and signed by the Chair of the Meeting at which they are accepted, the minutes shall be taken as a correct record with or without amendment. The minutes shall then be conclusive evidence of any fact recorded in them.

54 The minutes of all sub committees must be submitted formally to the next Governing Body meeting.

55 The minutes are not a verbatim record of discussions at a meeting. They will record the item under consideration, amendments and the decisions taken.

Any members of the Governing Body or a sub-committee can ask for his or her dissenting view to be recorded in the minutes of the relevant Governing Body or Sub-Committee.

- 56 The Secretary will make arrangements for the safe storage of all Governing Body and Committee minutes at the Registered Office of the organisation.

URGENT DECISIONS AND DELEGATION

DECISIONS BY THE CHAIR

- 57 The Chair (and in the absence of the Chair, the Vice Chair or Treasurer) with advice and support from the Chief Executive or Senior Manager, or any member of the Executive Management Team shall have delegated authority, (where the nature of the circumstances require immediate or early action), to exercise any of the responsibilities of the functions of the Governing Body

Except in extreme circumstances, decisions under “Decisions by the Chair” should:

- Be taken in conjunction with at least one other Governing Body member.
- Only be used where the matter is sufficiently urgent, and falls between scheduled meetings.
- The facts and decisions taken should be communicated to all Governing Body members as soon as possible in writing.
- Be reported to the next Governing Body meeting and recorded in the Minutes thereof.

ADMISSION OF THE PUBLIC TO MEETINGS

- 58 Members of the general public will not normally be admitted to the organisation’s general meetings and Governing Body meetings unless this has been agreed at a meeting of the Governing Body prior to the general meeting.

- 59 The Governing Body may accept deputations from tenants, staff or other members of the public, as long as requests are made in writing and delivered to the Secretary 3 days in advance of the meeting. The request must state the subject on which the deputation desires to be heard and the action they are proposing the Governing Body should take. Acceptance of such deputations is entirely at the Governing Body’s discretion. No deputation authorised shall exceed 5 in number. Questions may be put to the deputation by Governing Body members, but a full discussion and decision will only take place after the deputation has withdrawn. Outcomes of the discussion will be forwarded to the deputation in writing after the meeting.

Caledonia reserves the right to consider and consent to deputations to attend Cordale’s governing body meetings. Such consent will not be unreasonably withheld

- 60 Provisions for publicising the decisions of each of the governing bodies are detailed in Standing Order 25 above.

DECLARATIONS OF INTEREST

- 61 This matter is also dealt with in the organisation's Codes of Conduct for Governing Body Members and Staff, which are appended to these Group Standing Orders. It is a requirement for all Governing Body Members to sign the Code of Conduct in order to participate in the Governing Body's business.
- 62 If a Governing Body Member or a staff member has a direct or indirect financial interest in any contract or proposed contract or any other matter, which is the subject of consideration, the fact shall be disclosed to the meeting. Those Governing Body Members and staff declaring such an interest shall leave the meeting before any discussion or voting on that matter.
- 63 Any interests that are not financial, but which could influence judgement or give the impression that a Governing Body Member or staff may be acting for personal motives (such as personal interest, kinship, friendship, membership of an organisation or other relationship) should be disclosed in a similar way. The Governing Body Member or staff should consider leaving the meeting before any discussion or voting on the matter, or if remaining in attendance, should consider refraining from discussion or voting on the matter. The Chair has the discretion to decide and direct on the appropriate course of action, with due regard given to advice on acting in the best interests of the organisation as offered by senior officers in attendance.
- 64 If a Governing Body or staff Member fails to disclose a financial or other interest in a contract or other matter, they may be subject to disciplinary procedures in the case of a staff member or in the case of a Governing Body Member, to proceedings for removal from the Governing Body.
- 65 In the case of a payment made or benefit granted in contravention of regulatory guidance, except those covered by any special exception granted by Scottish Ministers or the Scottish Housing Regulator, the organisation may, and if so directed by the Scottish Housing Regulator shall, effect recovery of such payment or benefit.
- 66 Where an interest is declared in accordance with 61 and 62 above at any Governing Body or sub-committee meeting of the organisation, the declaration must be recorded in the minutes of that meeting together with any action taken.
- 67 The Chief Executive or Senior Manager will record all such declarations of interest in a Register specifically held for that purpose. The information in the Register will be supplemented on an annual basis through requiring all Governing Body Members and employees to complete a Declaration of Interests Form.
- 68 Notwithstanding the terms of any of these Group Standing Orders, any Governing Body Member having an interest in the tenancy of a house belonging to the organisation may take part in the general discussion of housing matters that might affect that tenancy, provided they have declared that interest. An exception will be any matter which is *solely* concerned with

the particular tenancy from which his or her interest derives. In this case the member will declare such an interest and shall leave the meeting before any discussion or voting on that matter

69 These requirements (to declare an interest) shall not apply to an interest in a contract or other matter which a Governing Body or staff member may have:

- as a Council Tax payer or inhabitant of an area or as an ordinary consumer of gas, electricity or water
- by reason only of his/her being a member of a company or other private body if he/she has no beneficial interest in any share in that company or body
- by reason only of his/her holding shares in a private company or other body (excluding a public company) where the nominal value of those shares does not exceed £5,000 or 1% of the total nominal value of the issued share capital of that company, whichever is lower
- by reason only of his/her holding shares in a public company where the nominal value of those shares does not exceed 1% of the total nominal value of the issued share capital of that company.

LETTINGS TO GOVERNING BODY MEMBERS, STAFF AND THEIR RELATIVES

70 Regulatory Guidance Notes and Scottish Housing Regulator publications such as Governance Matters, provides guidance on interpreting the granting of benefits to Governing Body members and staff

71 One of the provisions applies to lettings to Governing Body and staff members and their close relatives.

72 In cases where a letting may be permitted by the exceptions determined in the Regulatory Guidance, the Chief Executive or Senior Manager, or his/her designated officer, must prepare a report outlining the circumstances of the proposed let and its compliance with regulatory guidance on the granting of benefits. The report must be submitted to the Governing Body for consideration and decision before any tenancy is granted.

USE OF THE ORGANISATION'S CONTRACTORS, ADVISERS ETC BY GOVERNING BODY AND STAFF MEMBERS

73 A Governing Body or a staff member should not gain any benefit from the services of contractors, consultants, other advisers, solicitors and auditors who work for the organisation. Where it is quite impossible not to do so, any such use should be declared in writing to the Secretary in the case of Governing Body members and to the Chief Executive or Senior Manager, in the case of staff members.

An up to date list of Contractors, consultants and other advisers, solicitors and auditors who work for the organisation shall be kept by the Secretary and shall be available for inspection at the registered office of the organisation. Copies will be made available to Governing Body and Staff Members.

CONDUCT OF GOVERNING BODY AND STAFF MEMBERS

- 74 Governing Body members shall comply with the Group's Code of Conduct for Governing Body Members, which is set out separately in the Appendices and will be determined by Caledonia HA's Governing Body from time to time, taking into account any views of Cordale HA's Governing Body

Staff members shall comply with the Group's Code of Conduct for Staff, which is set out separately in the Appendices and will be determined by Caledonia HA's Governing Body from time to time, taking into account any views of Cordale HA's Governing Body

- 75 No Governing Body or staff member when acting in a private capacity shall, without the consent of the Governing Body, the Chief Executive or Senior Manager, in the case of staff, enter into any correspondence or address any meeting relating to the policy, business or property of the organisation.

- 76 The Codes of Conduct shall be reviewed every three years, or earlier if necessary, by the Governing Body. The outcome of the review and any proposed changes will be brought before the Governing Body and if approved, subsequently brought to the attention of all Governing Body and staff members.

- 77 Alleged breaches of the Rules, Group Codes of Conduct or the Group Standing Orders will pay due regard to protocols in Model Codes produced by the Scottish Housing Regulator and Scottish Federation of Housing Associations. In addition, alleged breaches should be reported to the Chair, the Chief Executive, or the Senior Manager. The Chair will appoint two or more Governing Body members to a panel to investigate, dependent upon the nature of the complaint. Caledonia HA reserves the right to direct the nature of the investigation as it relates to any of Cordale HA's business

- 78 The panel will take reasonable steps to establish the facts and ensure that the Governing Body member against whom the allegation is made is given a fair opportunity to put their case, in writing or in person. They may be accompanied by a representative.

- 79 The panel shall notify its conclusions to the whole Governing Body. Caledonia reserves the right to direct the treatment and circulation of the outcomes of any investigation as it relates to any of Cordale's business

PAYMENTS AND BENEFITS TO STAFF AND GOVERNING BODY MEMBERS

- 80 Each of the organisations will put in place policies to cover the payment of expenses to staff and Governing Body Members and how gifts and hospitality should be dealt with in accordance with regulatory guidance on payments and benefits. The Governing Body is empowered to make decisions about the application of this guidance. Further details are contained within the Group Codes of Conduct for Governing Body Members and Staff.

Caledonia reserves the right to direct the treatment of any payments and benefits issues as they relate to any of Cordale's business

ATTENDANCE OF GOVERNING BODY AND STAFF MEMBERS AT CONFERENCES ETC

- 81 The attendance of Governing Body members at conferences, training sessions, seminars etc shall be given prior approval by the Governing Body. Attendance at all training and personal development events will be approved by Governing Bodies with direction from the Executive Management Team or the Senior Manager, only within the context of agreed collective and individual training and personal development requirements and programmes, giving due regard to budget availability
- 82 The Chief Executive, Senior Manager or relevant line manager shall be responsible for approving the attendance of staff members at such events, giving due regard to budget availability

PERFORMANCE STANDARDS

- 83 In seeking to achieve the highest standards the Group shall ensure that it adopts and complies with any regulatory standards and performance requirements that are current. The Group will seek to fully consult with tenants to establish service standards and relevant performance targets

NOTES

In relation to references above to the Rules of Caledonia and Cordale, more specific information can be accessed as follows

Standing Order No.	Rule No. in Caledonia and Cordale's rules
9	37-44
11	47 and 58
12	6-10
13	20-36
15	27.1
16	88
17	20
18	47
28	59
33	59
38	58

CALEDONIA GROUP

Governance Structure – Terms of Reference

INTRODUCTION

These Terms of Reference apply to the Caledonia Group which currently comprises Caledonia Housing Association (the parent organisation), a charitable Registered Social Landlord (RSL); Cordale Housing Association (a charitable subsidiary of Caledonia Housing Association), and a charitable RSL; Caledonia Ventures and Caledonia Solutions (non-charitable subsidiaries of Caledonia Housing Association); and Cordale Property Services (a non-charitable subsidiary of Cordale Housing Association)

Governance is defined as the leadership, strategic direction and control of an organisation to ensure it achieves its aims and objectives and serves the best interests of a wide range of stakeholders. Robust governance is vital to drive an organisation forward, whilst still maintaining prudent control and accountability for its activities. Management of an organisation is concerned with putting into action the strategic aims and objectives. Strong collaboration between governing bodies and management structures is required to establish a governance structure which identifies and distinguishes between these roles.

In establishing an appropriate structure and associated policies for the Caledonia Group, consideration has been given to legal and regulatory requirements; the importance of establishing methods and opportunities for service users and tenants to feedback and inform priorities and policy; and the principles of good governance contained in guidance notes and other publications of the Scottish Housing Regulator (SHR).

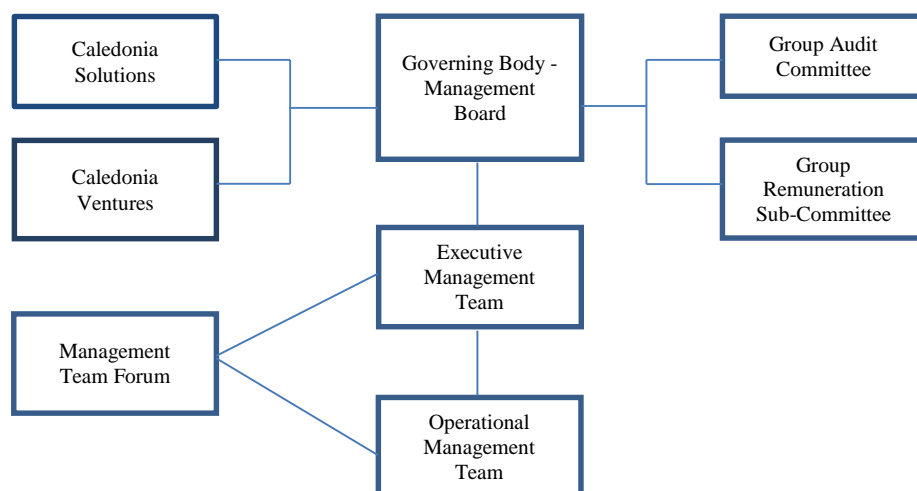
The SHR has defined a governing body's most important functions as, providing strategic direction and monitoring performance. As such governance arrangements and systems should reflect this, so that the main focus of each of the Group's Governing Bodies is on its organisation's strategy and overall performance. This document sets out how good governance is to be achieved in the Caledonia Group and the delineation of responsibilities and duties between the leadership and management functions of the business of the Group's organisations. It also explains how these two aspects of the business work to complement each other to deliver desired objects and highest standards in all of the Group's organisations.

PURPOSE OF THE ORGANISATIONS IN CALEDONIA'S GROUP

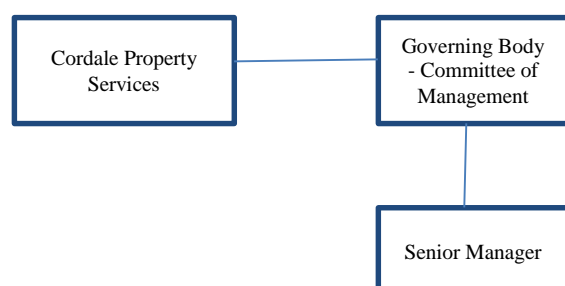
Governing body members must act in the best interests of their organisation and service users and tenants at all times. The activities of the Group's charitable RSL's are closely defined by legislation, including charity law, regulation and their Rules. However, their main purpose and associated activities are aimed at supporting the provision and management of housing for those in need. These core landlord and management services will be delivered through Caledonia and Cordale Housing Associations. Any other non-charitable or non-core services/activities as determined by Caledonia HA's Governing Body, in consultation with Cordale HA's Governing Body, will be delivered via the non-charitable wholly owned subsidiaries in the Group.

Notwithstanding the regulatory and legislative requirements the services and activities of the Caledonia Group will be underpinned by a commitment to focus on people, value and quality at the heart of its decision making.

CALEDONIA HOUSING ASSOCIATION - GOVERNANCE STRUCTURE



CORDALE HOUSING ASSOCIATION - GOVERNANCE STRUCTURE



Governing Bodies

The roles and responsibilities of the Governing Bodies are governed by each of the organisation's Rules, and by the Group Standing Orders, as well as regulation and legislation. But in essence there are two main functions which the Governing Bodies must undertake:

- Provision of leadership, development of the future direction and strategy, and monitoring performance of the organisation, in accordance with Group Business Planning arrangements and organisational functions detailed in the Intragroup Agreement
- Control of the organisation's affairs

In discharging these functions, Caledonia's Governing Body is supported by the Executive Management Team (EMT) and Cordale's Governing Body by its Senior Manager. Management of the organisations is delegated to senior staff. This delegation of duties is governed via the Group's Policy of Delegated Authority and

Group Financial Regulations. It is also governed via the development and approval by the Governing Body of policies which provide staff with guidance on the delivery of services.

There are matters and responsibilities which must be retained by the Caledonia HA's Governing Body, and which are reflected in the Group Delegated Authority and Disciplinary Policies; and these include:

- Appointment of senior staff, including Executive Management Team members
- Appointment of Cordale's Senior Manager, in consultation with Cordale's Governing Body
- Termination of employment contracts of Directors and the Chief Executive
- Appeal against dismissal involving the Chief Executive

There are matters and responsibilities which must be retained by each of the Governing Bodies and these include:

- Legal responsibilities as an employer
- Health and Safety obligations
- Legal and regulatory duties and responsibilities
- Ensuring systems are in place to allow for the monitoring and delivery of key performance standards in accordance with group objectives, business plans and strategic documents, policy, and Departmental and Organisation Plans.

A detailed Governing Body – Terms of Reference document provides further clarification on areas of responsibility and core functions to be discharged as individual Governing Body Members and collectively as a Governing Body. In addition a Code of Conduct sets out the standards and behaviours expected of Governing Body Members.

Role of Office Bearers

The prime role of the Chair of each of the organisation is to create the conditions that allow their Governing Bodies to operate effectively. The Chair is also responsible for setting the organisation's business agenda; ensuring the provision of timely and clear information to Governing Body members; ensuring effective communications with members; arranging for the periodic review of the Governing Body's performance; and arranging for the periodic review of the performance of the Chief Executive or, for Cordale, the Senior Manager.

The role of the Vice Chair is as above in the absence of the Chair.

The role of Secretary of the companies in Caledonia's Group will be fulfilled by Caledonia's Finance Director.

The Treasurer will provide support and guidance to the Finance Director to meet financial requirements including the preparation of management accounts for the Governing Body

Delegation of Powers

The organisations in Caledonia's Group recognise that in order to conduct business efficiently, they need to consider arrangements for delegation of powers. The Group has identified three broad sets of circumstances in which the powers of each of the Governing Bodies will be delegated – delegations of appropriate powers for dealing with business through Committee structures; delegation of powers for urgent decision-making and for routine business requiring the authorisation of individual Governing Body members; and delegation of powers to officers via the policies of delegated authority and financial regulations.

The exercising of any delegated authority for decision making from the Governing Body, by Committees, individual Governing Body members, and officers of the organisation, will be limited by the budgets and any risk parameters approved by their respective Governing Bodies.

The Governing Bodies of organisations in the Group will further reserve decision-making powers for the following categories of business:-

All statutory responsibilities where decision-making lies with the Governing Bodies, such as health and safety issues; Companies Act and associated legislation;

Any regulatory requirements where decision-making lies with the Governing Bodies

Approval where necessary of statutory returns such as those required by the Financial Conduct Authority

All financial and business strategic issues which could impact materially on the viability of the organisations in the Group

All activities, including policy implementation and the entering into contracts, where the estimated or actual values inclusive of VAT meet or exceed £2m or other activities which exceed £50,000.

All projects of a competitive nature where the bid requires the formal approval of the Governing Bodies prior to submission, including full project assessment with financial and risk analysis.

Any decisions falling within the scope of regulatory guidance on the granting of payments and benefits

Any items which may be deemed as potentially contentious, would leave the organisations in the Group exposed to significant risk, bad publicity, or could damage their reputation

Delegation of Powers: Urgent Decisions

The Governing Bodies recognise that arrangements are necessary to ensure that the work of the organisations in the Group is not unnecessarily delayed for decisions that are of an urgent nature or of a routine business nature which require authorisation. The Chair or in his/her absence the Vice Chair, Treasurer or other nominated Governing Body member, or Chair of a sub-committee, will have the general remit to consult with the Chief Executive or Senior Manager to ensure that all necessary urgent decisions are taken in between meetings as appropriate, provided that:

- no new policy decisions are taken

- decisions are in line with budgets
- no new major financial commitments are entered into without prior approval or the Governing Body or relevant sub committee

As far as possible such decisions and urgent actions will be reported to the following Governing Body or Sub Committee meeting.

Caledonia - Executive Management Team

The Executive Management Team (EMT) consists of the Chief Executive, Business Services Director, Operations Director, Asset Management Director and Finance Director, of Caledonia HA. Cordale's Senior Manager will be invited to attend to consider matters impacting across Caledonia's Group and in particular on Cordale's business. The EMT will meet on a monthly basis to discharge its functions and responsibilities. The key role of the EMT is:

- to provide advice, guidance and support to the Group Governing Bodies
- to inform and assist in the development of strategic plans
- to implement each of the organisations' strategic plans
- to manage the organisations' operations & service delivery
- to control, monitor and report on performance against objectives and targets
- to consider matters impacting across Caledonia's Group
- to ensure that Caledonia's responsibilities for delivering central business support and specialist services across the Group, are achieved in line with the Group objectives and targets

A more detailed Terms of Reference document for the EMT provides further clarification on areas of responsibility and core functions to be discharged. In addition the Group Staff Code of Conduct sets out the standards and behaviours expected of staff.

Caledonia - Operational Management Team

The Operational Management Team (OMT) consists of all the Managers across Caledonia HA. This team meets monthly. Members of this team have individual responsibility for the delivery of department plans, priorities and meeting operational targets. Collectively the OMT fulfils the following:

- Review Service Level Agreements (SLA's) and performance by departments against SLA's
- Review the performance at department level to identify areas for improvement
- Develop, share and implement good practice to improve services
- Improve communication and collaboration across departments

A Terms of Reference document for the OMT provides further clarification on areas of responsibility and core functions to be discharged.

Caledonia - Management Team Forum

The Management Team Forum (MTF) consists of both members of the EMT and OMT of Caledonia HA. Cordale's Senior Manager will be invited to attend to consider matters impacting across Caledonia's Group and in particular on Cordale's business. The MTF will meet quarterly and will form the 'hub' for improvement and performance

management across Caledonia's Group, aimed at achieving the highest levels of service delivery across each of the organisations.

- Review performance and delivery of corporate & department objectives
- Review and analyse customer feedback via complaints process, comments cards and learning from complaints
- Review internal audit reports and implement actions for improvement
- Review performance against Customer Service Standards
- to consider the impact of these matters across Caledonia's Group

Terms of Reference for the MTF provide more detail on areas of responsibility and core functions and relationship to the EMT & OMT.

Cordale – Senior Management Arrangements

Cordale's Senior Manager has the responsibility for delivering and accounting for service performance to its Governing Body and within the Group's decision-making structure.

Cordale's Senior Manager will attend and participate in meetings of Caledonia's Executive Management Team and Management Team Forum. The Senior Manager will also meet regularly with the Chair of Caledonia's Operational Management Team, to ensure its work and business impacts on Cordale (and vice versa) are taken into account and are consistent with Group objectives.

The Senior Manager will fulfil the specific responsibilities of Caledonia's OMT for Cordale, ensuring Cordale's performance meets its stated targets. The Senior Manager will also ensure that Caledonia's responsibilities for delivering central business support and specialist services are achieved in line with the Group Intragroup Agreement and Service Level Agreement

SUB COMMITTEES

Each of the Governing Bodies can seek to delegate certain duties and responsibilities to sub-committees to undertake on their behalf, and report accordingly. Each sub-committee will be covered by Terms of Reference outlining key responsibilities & duties, which will be set and reviewed annually by the Governing Body.

However, it is Caledonia's policy for the organisations in its Group to reserve as much business as possible to the Governing Bodies of these organisations. This recognises the central role of all Governing Body members, acting both individually and collectively, for their responsibility and accountability for the performance of their organisations. This is a legal responsibility for Governing Body members of the charitable RSL's in Caledonia's Group; and accords with best practice. It also ensures the active involvement of all Governing Body members in considering all aspects of business. It thus operates to ensure meaningful scrutiny is not restricted to the limited number of Governing Body members working in Sub Committees of Governing Bodies

In accordance with best practice however, Caledonia will operate with two Group Sub Committees covering Audit and Remuneration. This recognises the key role of audit in providing a 'quasi-independent' scrutiny role in particular for the key risks confronting the Group's organisations. The Group Remuneration Committee ensures that in line with developing good practice and regulatory guidance, impartiality can be secured for the Group in considering the terms and conditions in particular of its senior staff

Group Audit Committee

The Group Audit Committee will meet quarterly to receive reports from the Internal Auditors on the Group's systems of control, effectiveness of risk management and governance arrangements. The Group Audit Committee will be primarily responsible for scrutinising control systems, risk management and receiving Internal Audit reports. Amongst its duties will be:

- agreeing an annual programme of internal audit inspections
- making recommendations for improvement
- reporting to Governing Bodies on findings

Terms of Reference have been prepared to support the work of the Group Audit Committee.

Group Remuneration Committee

This Group Remuneration Committee will meet on an ad-hoc basis and at least once per year to fulfil tasks regarding the appointment and remuneration of senior staff, defined as members of the EMT and Cordale's Senior Manager. Given the nature of the work to be undertaken by this Committee, it is likely that external advice will be sought to support decision making as required.

SUBSIDIARIES

As charitable RSL's, Caledonia and Cordale are restricted in the activities they can undertake. Increasingly RSL's are seeking to develop a wider range of activities to support charitable activities. Caledonia has therefore established two wholly owned non-charitable subsidiaries – Caledonia Ventures and Caledonia Solutions - which can undertake wider activities. Caledonia Ventures is currently trading although Caledonia Solutions is currently dormant.

Cordale has established one wholly owned non-charitable subsidiaries – Cordale Property Services - which can undertake wider activities. Cordale Property Services is currently trading

The legal relationships between the subsidiaries and their parent organisations will be subject to the agreement of Annual Business Plans prepared and approved by the governing bodies of each of the subsidiaries. However, these documents will be prepared and approved in a manner consistent with Group Business Plans, Strategic Documents and Budgets as approved by Caledonia HA's Governing Body, in consultation with Cordale's Governing Body

To facilitate the trading of these subsidiaries, further contractual documentation will require to be put in place and regularly updated as required, to formalise the degree of independence of operation of the subsidiaries. This will ensure the provision of appropriate regular information and intervention opportunities to and by their respective Governing Bodies, or Caledonia HA's Governing Body for the parent company.

This contractual relationship will pay due regard to all legal and regulatory requirements and established best practice.

VALUES

Good governance means promoting values for the whole Group and demonstrating values of good governance through behaviour. The Codes of Conduct for Governing Body Members and Staff set out the behaviours expected and are linked to the values of the Group. Governing body members and staff will be expected to give a written undertaking to comply with the Codes of Conduct and where this is breached, such breaches will be fully investigated.

The Values of the Caledonia Group are based around Nolan's seven principles of public life:

Selflessness: staff and Governing Body members will act solely in their organisation's interests and for the benefit of tenants, and not seek to gain financial or material benefit for themselves or their family.

Integrity: staff or Governing Body members must act at all times in line with policy and procedures and not place themselves in a position whereby external parties may seek to influence decisions.

Objectivity: decisions made must be above challenge and in line with approved policies and procedures.

Accountability: staff and Governing Body members are accountable for their decisions and actions in discharge of their duties.

Openness: Caledonia's Group will make information available on its decisions and actions unless it is commercially sensitive or would breach legal & statutory duties.

Honesty: staff and Governing Body members have a duty to declare any private interest which might impact on the performance of their duties or where financial gain may be attained.

Leadership: senior staff and Governing Body members will support and promote these principles through their actions and behaviours.

MANAGING RISK AND PERFORMANCE

The Governing Bodies of each of the Group's organisations have responsibility for managing and monitoring risk to ensure that their organisations are not unduly overexposed to strategic, operational or financial risks. In addition, Caledonia HA's Governing Body will manage and monitor risks to the Group as a whole. Governing Bodies' risk management responsibilities will be supported through a Group Risk Management Policy and through reports, information and advice at Governing Body meetings from EMT, Cordale's Senior Manager and external parties as required. Risk will be explicitly considered as part of the reporting and decision making process. It will also form part of the internal audit function.

Annually the Governing Body will make a statement in its organisation's annual accounts regarding the effectiveness of internal controls and risk management.

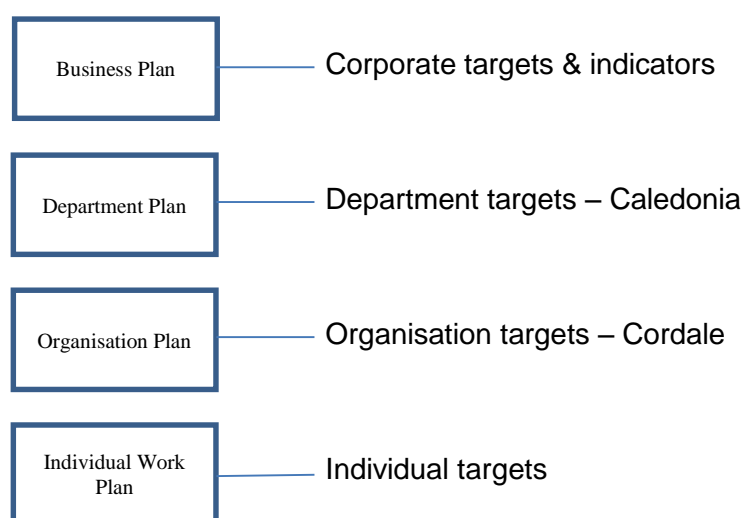
Performance management is an integral function of the Governing Body to ensure that the organisation is well managed, financially robust and can achieve its strategic

objectives. A Performance Management framework sets out how this will be managed across the Group, at Governing Body, senior officer and operational levels.

Caledonia HA's Governing Body will annually draft and approve Group Business Plans, Strategic Documents and Budgets. However the Group will adopt a collaborative approach to its business planning arrangements. The Governing Bodies of all Group members will be asked to participate in annual Group Business Planning events. Working with support as required from the Executive Management Team, Cordale's Senior Manager will work closely with Cordale's Governing Body to prepare for these events and ensure that Cordale's specific business planning and budgetary requirements are assessed and articulated at Group business planning events; and in subsequent Business Plans, Strategic Documents and budgets drafted as a result of these Group business planning events. Cordale will produce and approve its own annual Business Plan and budget, albeit that these will be consistent with Group Business Plans and Budgets, and derived from the business planning arrangement outlined above

For each of the Group's organisations, the Business Plan is the principal strategic document which will set out the strategic direction and priorities. These documents will be prepared and approved in a manner consistent with Group Business Plans, Strategic Documents and Budgets as approved by Caledonia HA's Governing Body

Targets and indicators will be established to assist with monitoring the delivery of each organisation's Business Plan. This will then be cascaded through department plans and individual work plans.



The governing body will receive regular information on the following:

- Management Accounts & financial information
- Performance against approved Corporate Key Performance Indicators (KPI's) as appropriate across departments, or as regards Cordale, for the organisation as a whole
- Performance against Business Plan targets & indicators
- Customer Satisfaction & Feedback
- Performance against Service Standards

Senior officers will be responsible for review of performance and reporting on trends, comparison with other RSL's and action to be taken to address poor performance.

Operational, departmental and organisational KPI's will be reviewed by senior officers. This will include:

- delivery of department and organisation plans
- operational, departmental and organisational KPI's
- service level agreements between departments and between Caledonia and Cordale
- customer satisfaction & feedback

CAPACITY AND CAPABILITY OF GOVERNING BODY

The range of skills and experience required on each of the Governing Bodies will be reviewed regularly in line with the strategic planning process. This will ensure that skills, knowledge and experience can be aligned with the strategic direction of the organisation and appropriate action taken to fill gaps or develop existing Governing Body member skills. The Group Governing Body Membership Policy sets out how new Governing Body members will be recruited to fill vacancies.

ACCOUNTABILITY

Caledonia and Cordale have a legal responsibility to develop tenant participation structures and policies which allow and encourage tenants and service users to be involved. The Group Tenant Participation Strategy will set out the structures, methods for engagement and information which will be made available.

Within Caledonia HA's Governing Body there are three co-opted places reserved for tenants. This does not exclude tenants who are members from standing for election to Caledonia HA's Governing Body outwith the co-opted places.

The Group will seek to provide a wide range of information through regular newsletters, website, leaflets, tenant meetings and forums. The information will include:

- performance against targets
- performance against service standards
- customer satisfaction
- key policies
- annual reports
- Summaries of Governing Body minutes excluding sensitive or confidential information

The Group will respond positively to requests for information where possible and appropriate.

The Group will consider all practical steps in making information widely available on its actions, decisions and performance. The Group will also abide by all legislative requirements relating to individual members of the public accessing information held by the Group; for the correction of any errors in this information; and all requirements of Data Protection legislation.

The Group recognises that its stakeholders comprise residents, local communities, local authorities and other partners, together with our funders and Regulator. We will take all practical steps to keep our stakeholders informed of our business activities.

The Group recognises the need to ensure its information takes into account a number of barriers caused by sensory impairment, language difficulties, and low literacy levels. It will take practical steps to overcome such barriers, including access to translation services and developing practical means of overcoming a variety of sensory impairment issues that are known to be relevant amongst our residents. Steps will also be taken to publicise our services in this regard.

Supporting Governance Documents

- Individual Organisations' Rules
- Individual Organisations' Business Plans
- Code of Conduct - Governing Body
- Code of Conduct – Staff
- Governing Body Members Expenses Policy
- Governing Body Membership Policy
- Group Conflict of Interest Policy
- Group Financial Regulations
- Group Membership Policy
- Group Notifiable Events Policy
- Group Openness & Confidentiality Policy
- Caledonia's Serious Complaints Against the Chief Executive Policy
- Group Payments & Benefits Policy
- Group Performance Management Framework
- Group Risk Management Policy
- Group Delegated Authority Policy
- Group Standing Orders
- Group Terms of Reference - Governing Body
 - Executive Management Team
 - Operational Management Team
 - Management Team Forum
 - Group Audit Committee
 - Group Remuneration Committee
- Group Whistleblowing Policy

Governance Registers – for each individual organisation

Codes of Conduct
Declaration of Interest
Payments and Benefits
Risk Map
Members
Fraud
Gifts and hospitality
Tender
Use of Seal
Notifiable Events
Freedom of Information

CALEDONIA GROUP

Governing Body – Terms of Reference

The Governing Bodies in Caledonia's Group will not normally delegate powers to sub-committees, excepting the Group Audit and Group Remuneration Committees. Any sub-committees will comprise such Group Governing Body members and other persons as the Governing Body thinks fit, which shall in the functions entrusted to them, conform to the instructions given to them in writing by their respective Governing Body.

With the exception of the Group Audit and Group Remuneration Committees, the Governing Body will consider and take the final decision on the recommendations from its sub – committees (in accordance with its delegated authority).

Caledonia HA's Governing Body will fulfil its role as outlined in relevant Governance Policies, including monitoring performance in handling complaints, and dealing directly with any Whistleblowing reports and complaints against the Chief Executive or Senior Manager

Caledonia HA's Governing Body – specific reservations of powers

Caledonia HA's Governing Body reserves the right to deal with the following issues:

Appointment (and if necessary, investigation of complaints against or dismissal of) the Chief Executive and other senior staff members

Approval of strategies and plans relating to business growth, including housing development proposals

Acceptance of Scottish Government's Housing Investment Department annual programme of investment

Approval of the Group Annual Business Plan and other Group strategic documents

Approval of the Group annual budget and accounts

The letting of a contract not identified in the investment programme or in the approved budget.

Overriding responsibility to ensure fulfilment of the requirements and expectations of the Scottish Housing Regulator, including those set out in its regulatory guidance for Governance and Financial Management

Overriding responsibility to ensure compliance with the requirements and expectations of other regulators, such as the Social Care and

Social Work Improvement Scotland (The Care Inspectorate) and the Office of the Scottish Charity Regulator.

Approval of all Group policies

Matters reserved to it by Group Financial Regulations

Matters of doubt or difficulty or which involve, or appear likely to involve, major changes in Group policy.

Major matters concerning relationships with central government, local authorities, statutory bodies, other housing associations and other community organisations.

The extension or restriction of the scope of the activities of any of the organisations in Caledonia's Group

The appointment of external and internal auditors to the Group, through the Group Audit Committee

Governing Bodies in Caledonia's Group – general reservations of powers

Each of the Governing Bodies shall oversee, control and direct the duties and the actions of the Chair, Secretary, Treasurer and any other officers of the organisation to ensure that these are undertaken in accordance with the Rules and aims of the organisation.

The Governing Body shall provide leadership to the organisation, setting the organisation's values and standards and ensuring that its obligations to stakeholders are met.

The Governing Body shall set the organisation's strategic aims, ensuring that the resources to meet these are in place, and review performance.

The Governing Body will take objective decisions in the interests of the organisation. In doing so it will be open about what it does, and publish information about its activities

The Governing Body shall delegate authority to the Chief Executive or Senior Manager and other senior staff

The Governing Body shall scrutinise the performance of the organisation in meeting its stated goals and objectives; and hold the Chief Executive and the Senior Manager to account for their performance.

The Governing Body shall ensure that the organisation's budgets and borrowings are undertaken in accordance with its Rules, Group Standing Orders and Group Financial Regulations.

The Governing Body shall ensure that the AGM and any General Meetings of the organisation are called and conducted in accordance with its Rules

The Governing Body may decide to affiliate to the Scottish Federation of Housing Associations, and to any other organisations having objectives similar or relevant to those of the organisation

The Governing Body is responsible for ensuring the recommendations or directions made by the Scottish Housing Regulator in the course of its regulatory activities are implemented.

Each of the Governing Bodies will meet once a year to discuss with the Chief Executive or Senior Manager the strengths, weaknesses, skills and performance of the Governing Body over the last year. Caledonia HA's Governing Body will also review the effectiveness of its sub-committees and working groups.

The Governing Body may decide on the appointment of any of its members or any employee to act as a signatory. Such appointments shall be reflected in the Group Scheme of Delegated Authority.

Governing Bodies in Caledonia's Group have the right to deal with the following issues:

Approval of the organisation's annual Business Plan in a manner consistent with Group Business Plans, Strategic Documents as approved by Caledonia HA's Governing Body

Approval of the organisation's annual budget and accounts, in a manner consistent with Group Budgets as approved by Caledonia HA's Governing Body

Organisational responsibility to ensure fulfilment of the requirements and expectations of the Scottish Housing Regulator, including those set out in its regulatory guidance for Governance and Financial Management

Organisational responsibility to ensure compliance with the requirements and expectations of other regulators, such as the Social Care and Social Work Improvement Scotland (The Care Inspectorate) and the Office of the Scottish Charity Regulator.

The review of the effectiveness of the organisation's work and of the standards and levels of services provided, including the identification of the need for new or improved services; and the review of the necessity for existing ones.

Approval of all organisational policies not reserved by Caledonia HA's Governing Body as Group policies

Considering and making decisions on proposed payments or benefits to be granted to governing body members or employees, ensuring these are taken in accordance with regulatory expectations and the associated Codes of Conduct.

Matters reserved to it by Group Financial Regulations.

Matters of doubt or difficulty or which involve, or appear likely to involve, major changes in organisational policy, excepting policies reserved by Caledonia HA's Governing Body as Group policies

The creation and dissolving of sub committees and the referral and delegation of business to them.

Any matter referred to it by a general meeting.

The reference of any matter to a general meeting.

CALEDONIA GROUP

Group Audit Committee – Terms of Reference

The Governing Body of Caledonia Housing Association has established a Group Audit Committee to support the Governing Bodies in the Group in the discharge of their duties relating to risk management, control, governance and the external and internal audit functions. These Terms of Reference set out the areas of responsibility of the Group Audit Committee.

Membership

Members of the Group Audit Committee will be appointed by Caledonia's Governing Body on an annual basis at the first Caledonia Governing Body Meeting following its Annual General Meeting. The Group Audit Committee will consist of a minimum of 4 and a maximum of 7 members. One place will be reserved for a member of Cordale's Governing Body which in turn will select its nominee

Caledonia HA's Governing Body will appoint a Chair from the Group Audit Committee members, but this shall not be the Chair of the Governing Bodies of Caledonia or Cordale.

Caledonia's Finance Director will attend Group Audit meetings and fulfil the secretariat role. Other senior staff will be invited to attend meetings as required.

Quorum

The quorum necessary for the transaction of business is three. A meeting convened at which a quorum is present is competent to undertake all duties and responsibilities of the Group Audit Committee.

Frequency of Meetings

The Group Audit Committee will meet quarterly. An annual work programme and reporting cycle will be prepared to support the work of the Group Audit Committee. The Chair can call additional meetings as required.

The notice of each meeting along with supporting documents and reports will be issued to members 5 days prior to the meeting.

Reporting

The Group Audit Committee will formally report to the Governing Bodies of Caledonia and Cordale after each meeting. In doing so, it shall identify any matters where it considers action or improvement is needed; and will make any associated recommendations. A copy of the minutes of the meeting may form the basis of the report. In addition the Group Audit Committee will provide an Annual Report to the Governing Bodies of Caledonia and Cordale, linked to the year-end audited accounts and statement on internal control, summarising the Group Audit Committee's performance and conclusions from the work carried out during the year.

Duties & Responsibilities

a) Financial Reporting

The Group Audit Committee will:

- review and monitor the integrity of the annual financial statements, annual reports, management letters and any other statements relating to financial performance
- review financial returns to regulators
- review and challenge where necessary the accounting policies; accounting treatments and compliance with legal and regulatory standards for financial reporting.

b) Internal Controls and Risk Management Systems

The Group Audit Committee will:

- review and monitor the effectiveness of internal, including financial, controls and risk management systems including the risk map
- review and approve the statements in the Annual Reports of each of the organisations in the Group, on internal control and risk management.

c) Internal Audit

The Group Audit Committee will:

- retain primary responsibility for recommending the appointment, re-appointment or removal of the Internal Auditors
- approve the remuneration and terms of engagement of the Internal Auditor
- approve the remit of the Internal Auditors including the annual Internal Audit Plan
- review all reports received from the Internal Auditors and managements responses to the findings and recommendations of the Internal Auditors.
- Monitor and review the effectiveness of internal audit activities, including the use of the Internal Auditor to carry out non-audit duties; and will report on this to the Governing Bodies on an annual basis.

d) External Audit

The Group Audit Committee will:

- retain primary responsibility for recommending the appointment, re-appointment and removal of the External Auditors
- approve the remuneration and terms of engagement of the External Auditor
- review the findings of the audit with the External Auditor, discussing any issues arising during the audit; accounting and audit judgements; and errors identified during the audit
- review the management letter and the response to the findings and recommendations.
- review and monitor the External Auditor's independence and objectivity; and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements

- approve and review the engagement of the External Auditor to supply non-audit services, taking into account relevant ethical guidance

e) Whistleblowing & Fraud

The Group Audit Committee will:

- Review the arrangements for whistleblowing and detection of fraud.

f) Other Matters

The Group Audit Committee will:

- have access to sufficient resources to carry out its duties
- review its performance and effectiveness, identifying skills gaps or training requirements; and undertake any necessary training.

Authority

The Group Audit Committee is authorised to:

- seek relevant and appropriate information to support its activities and terms of reference
- obtain necessary external professional advice on matters within these terms of reference in line with budget provision.

CALEDONIA GROUP

Group Remuneration Committee – Terms of Reference

The Governing Body of Caledonia Housing Association has established a Group Remuneration Committee, to support the Governing Bodies in the Group in the discharge of their duties relating to establishing and reviewing the remuneration package and terms & conditions of the Executive Management Team and Cordale's Senior Manager. The Group Remuneration Committee will also consider salary and terms and conditions for other employees as appropriate. These Terms of Reference set out the areas of responsibility of the Group Remuneration Committee.

Membership

Members of the Group Remuneration Committee will be appointed by the Caledonia Governing Body on an annual basis at the first Caledonia Governing Body meeting following the Annual General Meeting. The Group Remuneration Committee will consist of a minimum of four and maximum of six members. One place will be reserved for a member of Cordale's Governing Body which in turn will select its nominee

Caledonia HA's Governing Body will appoint a Chair from the Group Remuneration Committee members, but this shall not be the Chair of the Governing Bodies of Caledonia or Cordale.

Caledonia's HR manager will fulfil the secretariat role. Caledonia's Finance Director and Caledonia's Chief Executive will normally attend the meetings except where matters directly affect them. Other senior staff and external advisors will be invited to attend meetings as required and as appropriate.

Quorum

The quorum necessary for the transaction of business is three. A meeting convened at which a quorum is present is competent to undertake all duties and responsibilities of the Group Remuneration Committee.

Frequency of Meetings

The Group Remuneration Committee will meet on an *ad hoc* basis as required but at least once a year to review work plans and performance of the Group Remuneration Committee. The Chair can call meetings as required.

The notice of each meeting along with supporting documents and reports will be issued to members 5 days prior to the meeting.

Duties & Responsibilities

- a) Executive Management Team and Cordale Senior Manager

The Group Remuneration Committee will:

- Supervise the recruitment of Caledonia's Chief Executive in conjunction with external advisors, including job description, person specification, recruitment and make recommendation to the Board.
- Liaise with Caledonia's Chief Executive on the recruitment of members of the Executive Management Team and Cordale's Senior Manager including participation in the recruitment process.
- Consider and recommend to the Governing Bodies the remuneration package and terms and conditions for the Executive Management Team and Cordale's Senior Manager.
- Review and recommend any variations to approved remuneration or terms and conditions.

b) General Staffing

The Group Remuneration Committee will:

- Review and recommend to the Governing Bodies variations to the approved remuneration package or terms and conditions for staff below Executive Management Team and Cordale Senior Manager level.
- Consider and approve staff recruitment to new posts outwith budget provision.

c) Other Matters

The Group Remuneration Committee will:

- Act as the appeal panel for all instances which require the governing body to be involved in staff appeals or grievances.
- Act as the appeal panel for dismissals at Manager level and above.
- Have access to sufficient resources to carry out its duties.
- Review its performance and effectiveness, identifying skills gaps or training requirements.

Authority

The Group Remuneration Committee is authorised to:

- Seek relevant and appropriate information to support its activities and Terms of Reference.
- Obtain necessary external professional advice on matters within these Terms of Reference in line with budget provision.

CALEDONIA GROUP

Governing Body Members Code of Conduct

< REFER TO SEPARATE DOCUMENT >

CALEDONIA GROUP

Staff Code of Conduct

< REFER TO SEPARATE DOCUMENT >