

1.01 Board Terms of Reference

Title: 1.01 Board Terms of Reference	
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Equality Impact assessment completed:	Yes

1. The Board

- 1.1 The powers of the Board are defined in the Memorandum and Articles of Association paragraph 37.

“The business of the Association shall be managed by the Council who may pay all such expenses of, and preliminary and incidental to the promotion, formation, establishment and registration of the Association as they think fit and may exercise all such powers of the Association and do on behalf of the Association all such acts as may be exercised and done by the Association, and as are not by statute or by these presents, required to be exercised or done by the Association in General Meeting, subject nevertheless to any regulations of these presents, to the provision of the statutes for the time being in force and affecting the Association, and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Association in General Meeting, but no regulation made by the Association in General Meeting shall invalidate any prior act of the Council which would have been valid if such regulation had not been made.”

- 1.2 The members of the Board are the Board of Directors of St Anne's Community Services for the purposes of the Companies Act and the Trustees of St Anne's Community Services for the purposes of the Charities Act.
- 1.3 The duties of the Board are to:
- 1) define and ensure compliance with the values and objectives of the organisation;
 - 2) establish policies and plans to achieve those objectives;
 - 3) approve each year's budget and accounts prior to publication;
 - 4) establish and oversee a framework of delegation and systems of control;

- 5) 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;
 - 6) monitor the organisation's performance in relation to these plans, budgets, controls and decisions, and to hold an annual strategic review;
 - 7) appoint (and, if necessary, dismiss) the chief executive;
 - 8) satisfy itself that the organisation's affairs are conducted lawfully and in accordance with generally accepted standards of performance and propriety.
 - 9) set a programme of meetings for each year.
 - 10) ensure individual members attend at least 60% of meetings each year, subject to personal circumstances. If a member of the Board does not attend three consecutive meetings without notifying the Chair and providing good reason they will be considered to have resigned, unless Board members accept there are exceptional circumstances to consider.
- 1.4 The Board may establish committees with delegated powers as it considers appropriate.
 - 1.5 The Board quorum for meetings is five¹ or half the membership (whichever is the lower at the time).
 - 1.6 The Board elects one of its members to chair the Board each year at the Annual General Meeting. The Board has determined that the office may be held for three consecutive years only.
 - 1.7 The Board elects one of its members as Deputy Chair at the Annual General Meeting.
 - 1.8 The Memorandum and Articles of Association provide that one third of the Board shall retire each year and are eligible for re-election.
 - 1.9 The Board delegates to the Chief Executive and Senior Management Team of St Anne's Community Services the management of the organisation.

¹ The Memorandum & Articles state that the quorum shall be three members but the Council of Management agreed to change this to bring practice in line with the NHFA Code of Governance in 1996 (30/1/96 Ref 96/1)

2. The Chair

2.1 The Chair of the Board has the responsibility to:

- 1) Ensure the efficient conduct of the board's business and of the organisation's general meetings;
- 2) Ensure that all the board members are given the opportunity to express their views before any important decision is taken;
- 3) Establish a constructive working relationship with, and provide support for, the Chief Executive;
- 4) 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;
- 5) Ensure that the board receives professional advice when it is needed, either from its senior staff or from external sources;
- 6) Represent the organisation on occasion;
- 7) Ensure, when necessary, that the Chief Executive is replaced in a timely and orderly fashion.

2.2 During each term of office, the Chair of the Board will ensure the Board has the opportunity to review both its performance as a Board and relevant governance and strategic issues, as appropriate.

3. Audit Committee

3.1 Constitution

- 1) The Committee will consist of four members of whom at least three will be members of the Board. The chair of the Board may not be a member of the Audit Committee.
- 2) Up to two members may be co-opted to the Committee by resolution of the Board.

- 3) At least one member of the Committee will be experienced in/qualified in accountancy.
- 4) The Committee will be chaired by a member of the Board.
- 5) The quorum will be three of whom two must be members of the Board.

3.2 Meeting Arrangements

- 1) The Committee will meet three times each year.
- 2) The Committee may require the Chief Executive, Finance Director or other member of the Senior Management Team and other staff to attend as necessary but may also meet with External and Internal Auditors without staff present.
- 3) External and Internal Auditors may request to meet the Committee without staff being present.

3.3 Reporting Arrangements

- 1) The decisions of the Audit Committee will be minuted and reported to the next meeting of the Board.

3.4 Terms of Reference

The Audit Committee has the following responsibilities:

3.5 Policies and Controls

- 1) To review St Anne's major accounting policies, principles and practice and make recommendations to the Board.
- 2) To review the adequacy of internal control systems.
- 3) To review proposed changes to St Anne's Standing Orders and Standing Financial Instructions (SFI) and make recommendations to the Board.
- 4) To examine the circumstances associated with each occasion on which the Standing Orders or SFI's have been waived and report any concerns to the Board.
- 5) To approve the writing off of any losses and compensation payments.

3.6 Internal Audit

- 6) As part of (2) above to review the adequacy of the Internal Audit function.
- 7) To review and approve the Internal Audit strategic and annual plans.
- 8) To receive reports from Internal Audit on audit reports completed and Senior Management Team response to them.

3.7 External Audit

- 9) To discuss with External Auditors their audit strategy and annual plan and the extent of their reliance on Internal Audit.
- 10) To ensure a cost effective service from External Audit.
- 11) To confirm and ensure the independence and objectivity of External Auditors and review with management any areas of disagreement between external auditors and Senior Management Team.

3.8 Risk

- 12) To receive assurances from St Anne's Risk and Integrated Governance Committee (RIG) to ensure the organisation has adequate risk management and control arrangements in place.
- 13) To receive periodic reports and updates from executive officers on existing and new strategic risks which have the potential to impact on the wellbeing of the organisation.

4. Remuneration and Nominations Committee

4.1 Constitution

- 1) The Committee will consist of four members of the Board, two of whom shall be the Chair and Deputy Chair of the Board. The Chief Executive will attend the meeting for all items other than for those concerning the salary of the Chief Executive.
- 2) The Committee will be chaired by the Chair of the Board.
- 3) The quorum shall be two, of whom one will be the Chair or Deputy Chair of the Board.

4.2 Meeting arrangements

- 1) The Committee will meet at least once a year.
- 2) The Committee may invite the Chief Executive or others to be present for the whole or part of its meeting.

4.3 Reporting arrangements

- 1) The decisions of the Committee will be minuted and reported to the next meeting of the Board.

4.4 Terms of Reference

4.4.1 Remuneration

- 1) The Committee will determine the pay and conditions of service of the Chief Executive and Senior Management Team.
- 2) The Committee will consider annually whether and at what level a cost of living pay award should be made to the Chief Executive and Senior Management Team.
- 3) The Committee will from time to time review the pay and conditions of the Chief Executive and Senior Management Team to ensure that they are adequate to recruit and retain suitably qualified and experienced people.
- 4) The Committee may consider other items relating to pay and reward strategies referred for consideration by the Chief Executive or Chair of the Board.

4.4.2 Nominations

- 5) The Committee will regularly monitor the skill mix of the Board and determine the recruitment requirements and the strategies required to fill any perceived gaps in knowledge and expertise.
- 6) The Committee will oversee the completion of the Board recruitment procedures, as detailed in the current Board Governance Framework, to ensure Board recruitment meets the organisation's requirements and fit person standards.

5. The Chief Executive

5.1 The Chief Executive has the responsibility to

- 1) 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;
- 2) Help the Board determine the organisation's policies and strategy;
- 3) Draw the Board's attention to matters that it should consider and decide;
- 4) 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;
- 5) Ensure that proper systems of control are established and maintained;
- 6) Supervise, with the guidance of the chair, the preparation of documents for consideration by the Board;
- 7) Help the chair ensure that the business of the Board is properly conducted;
- 8) Lead and manage the staff of the organisation and ensure that their performance is appraised;
- 9) Represent the organisation on occasion.

5.2 The Chief Executive is responsible for ensuring the proper and effective operation of financial planning and management controls and for giving effect to the Board's policies for securing the efficient, economical and effective management of the organisation's income assets and expenditure.

5.3 The Chief Executive is responsible for ensuring that suitably qualified and experienced people are appointed as directors and managers in the organisation and that appropriate arrangements are made to employ the staff necessary to carry out the work of the organisation.

5.4 The Chief Executive is responsible for ensuring that the organisation operates within the laws relevant to its activities and in particular that the organisation's obligations under Health and Safety legislation are discharged satisfactorily.