

Scheme of Delegations



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1 Introduction

The purpose of this Scheme of Delegations ('the Scheme') is to

- Enable decisions made by the Byker Community Trust Limited ('BCT') to be taken efficiently and effectively;
- Help Board Members carry out their role effectively; and
- Ensure decision making is transparent and accountable to BCT tenants.

2 Scheme of Delegations

The Scheme gives details of the delegation of responsibilities within BCT. Within the Scheme decisions of BCT are divided into four separate parts:

A Matters that are Reserved to the Board.

B Matters Delegated to Committees

C Responsibilities of the Chair and Vice Chair.

D Matters Delegated to Officers.

3 Part A: Matters Reserved to the Board

Under the BCT Rules, the Board is responsible for directing the affairs of BCT in accordance with its charitable objects and ensuring that its functions are properly performed.

The Board reserves to itself the following powers except only to the extent that such powers have been wholly or partly delegated by the Board to a Committee or an Officer:

- Adopting and changing the governance arrangements;
- Approving and adopting strategies, policies, business plans and work and investment programmes and the budget;
- Approving the statement of accounts, income and expenditure and balance sheets;
- Appointing the Chair and Vice Chair of the Board;
- Agreeing and amending terms of reference for committees, deciding on their composition and making appointments to them including the appointment of Chairs to the committees;
- Approving procedures for the recruitment for Board Members;
- Recommending persons for appointment as Board Members;
- Approving the BCT Corporate Plan;
- Approving proposals to provide services on behalf of other organisations;
- Making recommendations to general meetings of BCT including the appointment, remuneration and terms of engagement of the external auditors;
- Approving membership of, and appointing representatives to, outside bodies;
- The appointment or termination of the BCT Chief Executive;
- Approving the discharge of any of the BCT functions by another organisation;
- Considering recommendations to/from the Chief Executive following receipt of reports of external auditors, external regulators and the Housing Ombudsman;
- Agreeing changes to policies, strategies and procurements that are a MAJOR DECISION;
- Monitoring BCT's budget, performance and implementation of policy decisions;
- Forming partnerships as necessary to facilitate the delivery of the objectives of BCT;
- Responding to consultation papers from Government, the regulator or other bodies;
- Agreeing personnel policies, other than minor or technical changes to existing policies which do not affect the underlying principles of the policies;
- Approving the appointment of Co-optees; and
- Approving the admission of shareholders in accordance with BCT Rules.

4 Part B: Matters Delegated to Committees

4.1 Audit and Risk Committee

The purpose of the Committee is to:

- Scrutinise BCT financial statements;
- Manage BCT's responsibilities concerning all aspects of external and internal audit;
- Monitor the effectiveness of internal control and business assurance;
- Review, monitoring and scrutinising BCT's risk management systems; and
- Review regularly its own effectiveness.

4.2 Governance and Remuneration Committee

The purpose of the Committee is to:

- Consider in detail matters of governance,
- Advise on nominations to the Board, and review Board member skills and succession planning;
- Approve the salaries of the Chief Executive and Board Members, approve key HR and equality policies; and
- Review regularly its own effectiveness.

4.3 Customer Scrutiny Committee

The purpose of the Committee is to monitor performance and hold BCT to account against:

- The Regulator of Social Housing's Consumer Standards
- The Value for Money Standard
- Successful completion of the Stock Transfer Promises

The specific delegations and standing orders of the Committees are set out in their Terms of Reference.

5 Part C: Responsibilities of the Chair, Vice Chair and Company Secretary

5.1 Chair's Responsibilities

Strategic Direction

- Establish constructive working relationships with the Chief Executive and Executive Team and attend meetings with the Chief Executive on a regular basis.
- Represent BCT at public occasions and on outside bodies.
- Make comments on behalf of BCT to the press and other media in accordance with the BCT's Communication Policy.
- Take decisions (if any) delegated to the Chair with the advice of the Chief Executive.
- Ensure when a vacancy arises that the Chief Executive is replaced in a timely and orderly fashion.
- Agree with the Chief Executive the agenda for all the Board's meetings.
- Take action on disciplinary and other personnel matters concerning the Chief Executive in accordance with personnel procedures.
- Liaise with the Chief Executive on the strategic development and planning of BCT, bringing such reports and recommendations to the Board for discussion and approval.
- Review the performance of individual Board Members on an annual basis.
- Ensure that an annual review of the performance of the Chief Executive is carried out.
- Participate in an annual review of the Chair's performance.
- Be an ex-officio member of all Committees and attend meetings as appropriate.

Conduct of Meetings

- Ensure the efficient and proper conduct of the Board and general meetings of BCT as set out in the Board Standing Orders, “Conduct of Business”.
- Ensure that all Board Members are given the opportunity to express their views before any important decision is taken, but at the same time to ensure that only those who are eligible to speak (for example, those without a conflict of interest) are invited to do so.
- On a resolution where there is an equality of votes, the Chair shall have a second or casting vote and shall use his/her vote to vote against any resolution which proposed to alter the existing situation unless voting against the resolution would be deemed to be detrimental to the best interests of BCT.
- To ensure that the Board fully complies with BCT’s governance arrangements.
- To satisfy him/herself that every meeting of the Board has been properly convened by notice and properly constituted by the attendance of a quorum.
- To attend consultation meetings with Tenants, Leaseholders and Residents as required.
- To ensure that questions from members of the public are dealt with in the manner provided in the governance arrangements.
- To adjourn any meeting of the Board Committee for the purposes of restoring order or where required to do so by a majority of members.

5.2 Vice Chairs’ Responsibilities

- To assist and support the Chair in fulfilling his/her duties and responsibilities.
- To deputise for the Chair in his/her absence.
- To meet with the Chair and Chief Executive as required in between Board Meetings.
- To undertake such other duties as may be delegated to them by the Board.

5.3 Company Secretary’s Responsibilities

- Maintain an up-to-date version of the governance arrangements and will ensure that it is widely available for consultation by members, staff and the public.
- Keep the minutes of Board and general meetings, the seal, and the register of shareholders.
- Ensure that Board decisions, together with the reasons for those decisions and relevant Officer reports and background papers are made publicly available as soon as possible.
- Advise whether decisions of the Board are in accordance with BCT policies and budgets
- Report to the Board if s/he considers that any proposal, decision or omission would give would significantly contravene BCT’s Governance principles. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.
- Advise Board members on the scope of powers and authority to take decisions, financial impropriety, probity and governance issues.
- Restrictions on posts: The Chief Executive cannot act as the Company Secretary.

6 Part C: Matters Delegated to Officers and the Role of the Chief Executive

6.1 *General*

This Scheme delegates to the Chief Executive and other Officers the powers and duties necessary for the discharge of BCT’s functions subject to the specific exceptions as stated in 6.2 and 6.3 below.

The aim of this delegation is streamlining and simplifying the decision making processes of BCT and accordingly the Scheme should be interpreted widely rather than narrowly. Where

functions are delegated these should be taken to include all powers and duties necessary to carry out those functions delegated by BCT.

The Chief Executive will report to Board for information any new procurement or contract decisions taken within their delegated authority that exceed £10,000.

6.2 *Exceptions*

The Scheme does not delegate to the Chief Executive or other Officers any MAJOR DECISIONS or any other matter reserved to Board or delegated to committee. Major decisions are defined in 7 of the Scheme.

All powers and duties that the Chief Executive or other Officer is authorised to exercise or perform must be exercised or performed on behalf of and in the name of BCT and in accordance with the governance and management arrangements and in accordance with the Code of Conduct.

Where any matter involves professional or technical considerations not within the sphere of the competence of the Chief Executive or other Officer they must consult an appropriate professional or technical advisor.

In exercising delegated powers, the Chief Executive or other Officer should only act within the approved policies and budgets.

Any reference to the Chief Executive or other officer includes any other person authorised by that Officer to act on their behalf.

In addition to the general powers conferred upon them as Chief Executive, these Officers will be authorised to exercise all the powers and duties specifically conferred on subordinate Officers in their department. All powers and duties conferred upon subordinate Officers will be exercised in accordance with any direction issued by the Chief Executive.

6.3 *Exceptions (staffing decisions)*

The Chief Executive will be responsible for appointing, managing, disciplining and dismissing all employees within BCT subject to complying with:

- Employment policies and conditions of service;
- Any appropriate schemes or arrangements laid down by Board; and
- Any directions that may be issued from time to time by the Board.

The following matters must be dealt with by the Chief Executive or his/her delegated officers in consultation with an HR advisor:

- Authorising payments of honoraria that exceed £2,000 in the case of any one employee or in circumstances that are not covered by the policy guidelines.
- Determining applications from employees for their post to be regraded.
- Authorising payments for employees in the case of early retirement, voluntary redundancy and redeployment.
- Authorising the creation of additional temporary posts for more than six months, where budget provision exists.
- Authorising requests for leave which are either not covered by a policy or which exceed the limits in the relevant policy.

The Chief Executive in conjunction with his/her Executive Team may

- Take action to secure the safety and welfare of employees and to take immediate action where in his/her opinion there is danger to life and limb.
- Develop, review and monitor Human Resource Policies and standards including the promotion of Equal Opportunities.
- Approve changes to staffing levels or organisational structure within agreed budgets where there is a cost of less than £20,000 in a financial year.

6.4 Responsibilities of Chief Executive

The Chief Executive will have responsibility for all management, operational and non-major decisions about the following functions and areas of responsibility. The Board has delegated to the Executive Team the responsibility of jointly assuming the powers and duties of the Chief Executive in his/her absence.

- Provide effective leadership across BCT demonstrating sound management style to ensure that the agreed management framework is consistently implemented and to provide advice, support and guidance to managers and others.
- Manage, motivate, develop and communicate effectively with officers who report direct.
- Approve and join up business plans for the services provided making sure that they are clearly aligned to and contribute to the achievement of BCT's vision and strategy.
- Establish an achievement orientated and responsive performance culture:
- Contribute to the development of appropriate policy and strategy for BCT and when approved, be accountable for consistent and effective communications, implementation and monitoring of policy in all areas of BCT.
- Support Board Members by:
 - Providing advice;
 - Ensuring effective implementation of decisions;
 - Taking delegated decisions within the policy, budgetary and legal framework;
 - Supervising the preparation of documents for consideration by the Board; and
 - Ensuring the provision of induction and training programmes for Board Members.
- Maximise opportunities and benefits arising from partnership working and new funding sources.
- Manage and monitor financial resources in line with financial and audit requirements.
- Encourage new ideas and innovation designed to improve the standards of services.
- Maintain an efficient and prompt investigation of complaints in line with policies
- Ensure equality of access and opportunity in service provision and personnel practices.
- Represent BCT at external meetings.
- Determine and publicise a description of the overall departmental structure of BCT showing the management structure and deployment of Officers. The Chief Executive will report to the Board on the manner in which the discharge of BCT's functions is coordinated, the number of Officers required for the discharge of functions and the organisation of Officers.

7 Major Decisions

Major decisions is: Any decision in relation to the BCT's function which results in the incurring of expenditure which is significant.

The threshold for "significant expenditure" is £50,000.

The definitions are qualified by the following:

- Decisions that are a direct consequence of implementing a major decision will not, in themselves, be "major". An example is the delivery of individual capital schemes already agreed as part of the Investment Programme.
- Decisions to bid for sums over £50,000 are not included, provided that expenditure is within the agreed budget and policies of BCT.
- Any decision involving the making of a grant or loan to any organisation or individual unless it is less than £10,000 or in accordance with a policy already approved.

- Changes to staffing levels or the organisational structure that have an additional cost of £20,000 per year or more or where there is no budget provision unless in either case the change is incidental to a major decision taken by the Board.

8 Urgent Decisions

Because of the cycle of Board meetings, there is likely to be the need to make urgent major decisions ahead of the next Board meeting. In this event, an urgent major decision will be made as follows:

- The Chief Executive of BCT will prepare a report in the format of the Board report for the Chair of BCT, who may then approve the major decision, subject to approval by one other Board Member.
- The full report and the decision of the Chair and other Board Member should then be reported to the next available Board meeting for information.



Scheme of Delegations at a Glance

	Board	Governance & Remuneration	Audit & Risk	Customer Scrutiny Committee	Executive Team
Decides and Approves	<p><u>Strategy</u> BCT’s Purpose, Vision and Values. Corporate Plan</p> <p><u>Finance</u> Business Plan Investments and Loans New Business The Budget FFR and Annual Accounts <i>MAJOR DECISIONS*</i></p> <p><u>Governance</u> Scheme of Delegations Standing Orders Member nominations Board forward plan Board effectiveness Committee Chairs Company Secretary Appoint/dismiss - CEO CEO remuneration</p> <p><u>Assurance</u> External auditors Internal Controls statement Audit management letters Performance and risk reports Stress testing and mitigations</p>	<p><u>Board members</u> Board remunerations</p> <p><u>Officers</u> Terms and Conditions Cost of living increase for staff</p> <p><u>Other</u> Committee effectiveness</p>	<p><u>Internal Audit</u> Internal audit provider Internal Audit fees Internal Audit plan Internal Audit actions Management responses Annual review of Internal Audit</p> <p><u>External Audit</u> External Audit fees External Audit activities</p> <p><u>Other</u> Insurance cover Committee effectiveness Authorised signatories</p>	<p>Quarterly Board update Content for its pages in BCT newsletters New Committee members</p> <p><u>Other</u> Elects its Chair from existing BCT Board members. Appointment of co-optees Creation of task and finish improvement reviews</p>	<p><u>Resources</u> Align resources to corporate priorities and set staff structure within budget. Day to day management of service level agreements Financial expenditures not requiring a MAJOR DECISION. Manage Corporate Plan Action Plan Achieve operational KPIs and targets Property “Buy backs” Debt write-offs</p> <p><u>Controls</u> Conduct regular policy and procedural reviews Conduct and report on self-assessments Implement audit actions Implement internal controls, processes, and procedures Delegate authorisation levels for staff</p>

	Board	Governance & Remuneration	Audit & Risk	Customer Scrutiny Committee	Executive Team
<p>Reviews and Recommends to Board</p>	<p>N/A</p>	<p><u>Board members</u> Recruitment and new nominations Board Member appraisal and 121s Board and Committee skills matrices Succession planning Board Member attendance Salary of CEO</p> <p><u>Governance</u> Governance self-assessment Breaches of Code of Conduct NHF Code self-assessment</p> <p><u>Other</u> Committee forward plan Committee ToRs</p>	<p><u>Financial Statements</u> Annual accounts External audit firm Audit management letters Annual Accounts and FFR Internal controls statement</p> <p><u>Business Plan</u> Viability self-assessment VFM self-assessment Stress testing and mitigations</p> <p><u>Risk and Assurance</u> Risk registers Changes in financial regulations Health and safety</p> <p><u>Other</u> Committee forward plan Committee ToRs</p>	<p><u>Customer Service</u> Customer Service standards Customer Service targets Service area reviews for performance improvement New service offers</p> <p><u>Satisfaction and complaints</u> Monitor complaints and satisfaction Areas for investigation where satisfaction is falling Commission and review results from STAR Survey</p> <p><u>Engagement</u> Methods of encouraging greater customer engagement</p> <p><u>Other</u> Committee forward plan Committee ToRs</p>	<p><u>Policy changes</u> Regular updates on all corporate strategies Changes in policy Reviews Financial regulations</p> <p><u>Operations</u> Accurate and appropriate progress reports Prepares treasury and investment reports Monitors performance and recommends remedial actions Annual reports on service level agreements</p>

	Board	Governance & Remuneration	Audit & Risk	Customer Scrutiny Committee	Executive Team
Policy and Strategy Ownership	<p><u>Finance</u> Treasury and Investment Development and Growth (including property purchases). Value for Money Financial Regulations and Procurement</p> <p><u>Tenancy</u> Tenancy agreement changes Income management Housing Management Policies Rent & Service Charge Setting</p> <p><u>Governance Policies</u> Shareholder policy BCT Rules</p> <p><u>Property</u> Health and safety Asset Management Adaptations</p>	<p><u>Human Resources</u> Code of Conduct Recruitment and selection Disciplinary policies Absence policies Recognition and reward Training and induction Equality and Diversity Safeguarding</p>	<p><u>Risk Management</u> Risk management framework Fraud policy Whistle blowing Insurance Business Continuity Plans ICT</p>	<p><u>Customer Service</u> Complaints (input) Performance (input)</p> <p><u>Engagement</u> Engagement framek and policy</p>	<p><u>Human Resources</u> All minor staffing policies e.g. Uniform policy.</p> <p><u>Other</u> Implementation and communication of all strategies. Regular review all policies to ensure legal, regularity and statutory compliance.</p>
Risk Ownership	<p>Ultimate ownership of all strategic risks. Monitor Health and Safety directly Review Executive skills</p>	<p>Board Member skills Staff skills Non-compliance with Governance Standards Safeguarding</p>	<p>Monitor all strategic and operational risks Non-compliance with Viability Standards Fraud</p>		<p>Ownership of operational risks Manage all strategic and operational risks Maintain a system of internal controls assurance</p>

***MAJOR DECISION –** A major decision is one requiring expenditure of over £50,000 for which there is no prior Board approval, or specific budget allocated.