

SCHEME OF DELEGATION**1. POWERS RESERVED TO THE BOARD****Company objectives**

- 1 Determination of the values and overall strategic direction of the Company
- 2 Determination of the Company's corporate objectives
- 3 Determination of the Company's Corporate Strategic Plan

Company finances and resources

- 4 Determination of the Company's business plan, medium term financial plan, capital programme and annual revenue budget
- 5 Approval of the Company's annual accounts
- 6 Approval of the annual staff pay award
- 7 Approval of any changes to the pension scheme
- 8 Approval of the principles of any workforce restructuring proposals

Corporate policies, strategies and standards

- 9 Determination, and review on a planned rolling programme, of key strategies and policies, including:
 - Governance
 - Risk management
 - Equality and diversity
 - Health and safety
 - Board remuneration and/or expenses
 - Openness
 - Procurement
 - Efficiency and value for money
 - Environmental and community sustainability
 - Customer Focus
 - Tenant and Leaseholder Involvement
 - Tenant Compact
 - Information and communications technology (ICT)
 - Accommodation
 - Business continuity
 - Complaints, grievances, allegations of impropriety and whistle-blowing
 - Any others the Board may determine from time to time
- 10 **Approval to the Company's input to the City Council's Housing Strategy**
- 11 Setting of standards for the Company in relation to probity, competence, management, and customer services

Business Activities

- 12 Responsibility for the business relationship and partnership with the City Council, and with other major stakeholders
- 13 Agreeing, and satisfying itself that compliance is being effectively monitored and reported to the Board, of the Management Agreement with NCC
- 14 Approval of the annual Delivery Plan
- 15 Approval of the arrangements in preparation for Audit Commission Inspection and for ensuring compliance with any action Plan or requirement of the Commission following Inspection
- 16 Approval to retendering proposals in relation to existing activities
- 17 Extension of the Company's operations into new activities or geographic areas, including approval to participate in tendering proposals arising from these
- 18 Any decision to cease a material part of the Company's operations

Internal Control

- 19 Approval of all financial regulations
- 20 Determination of the Company's risk capacity, profile and appetite
- 21 Establishment and oversight of a framework for the identification and management of risk
- 22 Establishment and oversight of a framework of delegation and systems of internal control
- 23 Requirement, from committees or staff, of monitoring reports or other forms of assurance the Board may determine, on any aspect of the Company's business
- 24 Approval of action recommended by staff or committees in response to any report from external auditors or the Audit Commission

Governance

- 25 Approval of any changes proposed to the Company's governing instrument to be recommended to the Company Member
- 26 Approval of all standing orders
- 27 Appointment (and, if necessary, dismissal) of the Chief Executive
- 28 Changes to corporate structure, including the setting up of subsidiaries or merging with another organisation, for recommendation to the Company Member

- 29 Establishment of criteria for appointments to (and, if necessary, dismissals from), the Board
- 30 Changes to structure, size and composition of the Board for recommendation to the Council Member
- 31 Approval of committee membership, including committee chairs and committees' delegations/terms of reference
- 32 Establishment, including deciding upon membership, including chair and delegations/terms of reference, of task-and-finish groups
- 33 Ensuring that there are effective arrangements for –
 - annual appraisal of the effectiveness (collectively) of the Board and committees, and (individually) of board and committee members
 - board recruitment and (s)election criteria, policies and procedures
 - board and committee member induction, development, retention, renewal and succession

Other

- 34 Any other matters not specifically delegated to committees, task-and-finish groups, tenant bodies, or the Chief Executive

2. POWERS DELEGATED BY THE BOARD TO THE PERFORMANCE & REGULATORY COMMITTEE

Within the context of the objectives, policies and budgets set by the Board:

Customer services policies and strategies

- 1 Determination, and review on a planned rolling programme, of key strategies and policies for customer services including housing management, maintenance and improvement, lettings etc
- 2 Review of, and advice to, the Board, on tenant involvement/resident consultation strategy and policies and the Tenant Compact

Performance monitoring and improvement

- 3 Ensuring performance against key customer service performance indicators and Company budgets is systematically monitored, and that timely and effective corrective action is taken on variances against plans
- 4 Reviewing proposed key customer service standards, performance indicators and Company budgets for the forthcoming year and making recommendations to the Board on these matters
- 5 Securing continuous improvement in the quality and efficiency of customer services by establishing, overseeing the delivery of, and taking decisions arising from the results of a programme of best value reviews

- 6 Commissioning, review of results, and determining action plans from, customer research e.g. market surveys, focus groups, mystery shopping, tenant inspections, satisfaction surveys, complaints analysis
- 7 Commissioning, review of results, and determining action plans from, benchmarking service delivery against best-in-class external comparators
- 8 Commissioning, review of results, and determining action plans from, benchmarking of housing management, maintenance, investment, lettings and tenant involvement/resident consultation costs against best-in-class external comparators
- 9 Agreeing a plan for preparation for Audit Commission Inspection and for monitoring progress in relation to this. Agreeing any action plan arising from the Inspection and monitoring progress in implementing the plan
- 10 Reviewing performance against allocations and lettings targets and ensuring compliance with the relevant policies and procedures

Tenant involvement

- 11 Keeping the effectiveness of the tenant involvement/resident consultative structures under review, promote actions to promote their improved effectiveness, and regularly consider and advise the Board on any potential for budgetary or other decision-making responsibility to be delegated to Area Panels

Agency Services

- 12 Approval, and monitoring provision, of customer-related services provided by other organisations
- 13 Monitoring of management services provided to other organisations

Financial and Investment Matters

- 14 Ensuring financial viability of the Company by the monitoring and review of quarterly management accounts and cashflow, and advising the board in relation to these
- 15 Monitor and review progress of the capital investment programme quarterly
- 16 Monitor the performance of Service Level Agreements, and approve SLA's over the value of £150,000 pa
- 17 Review the proposed annual revenue budget and recommend its approval to the Board
- 18 Review the proposed capital investment programme for the Company and recommend its approval to the Board.
- 19 Review the City Council's capital investment programme and advise the Board

- 20 Monitor the Housing Revenue Account of the City Council
- 21 Monitor and review the Company's register of Dispensations

Committee effectiveness

- 22 Review of the Committee's membership and effectiveness on a regular basis to ensure that it has appropriate skills and relevant experience, advising the board accordingly.
- 23 Provide an annual report on the work of the committee and a work plan for the next 12 months to the Board

3. POWERS DELEGATED BY THE BOARD TO THE HUMAN RESOURCES COMMITTEE

Within the context of the objectives, policies and budgets set by the Board:

HR policies and strategies

- 1 Determination, and review on a planned rolling programme, of key strategies and policies for human resources and organisational development including
 - executive and staff recruitment retention,
 - employee terms and conditions,
 - people development plan
 - HR Strategy

Staff and Trades Union consultation

- 2 Determination, and oversight, of effective arrangements for consultation with staff as a whole, and for negotiation and consultation with appropriately recognised Trades Union(s) and/or other representatives
- 3 Undertake the role of the Disputes Resolution Panel to consider appeals against Chief Executive or Company decisions

Chief Executive

- 4 Establishment of targets for the Chief Executive for each financial year
- 5 Ensuring effective arrangements are in place for the Chief Executive's appraisal and monitoring of in-year progress against these targets
- 6 Assessment of, and making recommendations to the Board on, the Chief Executive's performance related pay in the light of achievement or otherwise of these targets

Terms and Conditions of Employment

- 7 Determination of performance related pay awards for other staff based on the achievement or otherwise of the year's targets
- 8 Consideration, and recommendation to the Board of, the annual pay award for the Company's staff
- 9 Consideration and determination of changes to the Company's pay structure
- 10 Consideration and determination of the remuneration of the Executive Management Team
- 11 Determination of significant variations to the terms and conditions of employment
- 12 Ensure appropriate policies and procedures are in place in relation to appeals and appeal panel arrangements
- 13 Consider the details of restructuring proposals following any necessary approvals in principle by the board

Performance Monitoring

- 14 Monitor HR performance on a quarterly basis, including in relation to:
 - Workforce profile
 - Results from staff surveys
 - Use of agency staff and consultants
 - Turnover, vacancies, speed of recruitment
 - Sickness absence
 - HR registers
 - Health and safety monitoring

Committee effectiveness

- 15 Review the Committee's membership and effectiveness on a regular basis to ensure that it has appropriate skills and relevant experience, advising the board accordingly.
- 16 Provide an annual report on the work of the committee and a work plan for the next 12 months to the Board

4. POWERS DELEGATED BY THE BOARD TO THE AUDIT COMMITTEE

Within the context of the objectives, policies and budgets set by the Board:

Audit matters

- 1 Consider, and report to the Board on, the annual statutory audit and make recommendations on the response to any audit management letters, reports and investigations
- 2 Discuss with the external auditor any problems, reservations or issues arising from the interim or final audit or other investigations
- 3 Review and approve the internal audit needs assessment and strategy and the annual plan, and monitor delivery of the plan, approving any changes during the year
- 4 Sign off individual audit plans, receive and consider reports by the internal auditor on significant audit findings, together with the response from managers to these reports
- 5 Receive and consider reports from staff on any statutory, regulatory or inspection reports, recommendations, or notices of non-compliance with requirements and proposed responses and action plans
- 6 Monitor the timely implementation of recommendations in respect of internal and external audit and of other regulatory and inspection reports and recommendations
- 7 Ensure the Company is operating within recognised codes of practise and standards

Systems of Internal Control

- 8 Oversee the embedding and maintenance of an effective system of internal control and ensure that any significant weaknesses identified are remedied and reported to the Board
- 9 Review the annual report on the effectiveness of the system of internal control systems and make appropriate recommendations to the Board
- 10 Ensure compliance with applicable financial reporting standards
- 11 Ensure adequate processes are in place for the safeguarding of Company assets
- 12 Monitor and review the Company's tender and contracts registers
- 13 Ensure compliance with the financial regulations, and recommend any proposed revisions to the board

Risk

- 14 Provide assurance to the Board that there is a sufficient and systematic review of the risk management arrangements within the organisation
- 15 The assessment of risks and the monitoring of the audit response to identified risks

Fraud

- 16 Ensure that the impact of alleged or fraudulent activity on the organisation's framework of internal control is properly assessed and, where it considers it necessary, to recommend changes to strengthen the control framework
- 17 Receive reports relating to any matters of whistle-blowing or alleged or actual fraudulent activity which may have an effect upon the Company

Appointment of External and Internal Auditors

- 18 Make recommendations to the Board, for approval in general meeting, on the appointment, reappointment or otherwise, of the external auditor
- 19 Approve the fees and terms of engagement of the external auditor
- 20 Develop, implement and monitor a policy on the engagement of the external auditor to supply non-audit services, taking into account relevant guidance regarding the provision of non-audit services by the external audit firm
- 21 Consider and make recommendations to the Board on the internal audit arrangements, including the appointment, reappointment or otherwise, fees, methods and terms of engagement, of the internal auditor, whether on the Company's payroll or outsourced
- 22 Monitor the performance of the internal and external auditors

Committee effectiveness

- 23 Review the Committee's membership and effectiveness on a regular basis to ensure that it has appropriate skills and relevant experience, advising the Board accordingly.
- 24 Provide an annual report on the work of the committee and a work plan for the next 12 months to the Board

5. POWERS DELEGATED TO TASK AND FINISH GROUPS

From time to time the Board may set up Task and Finish Groups to assist the Company in its work. By definition, the groups will be set up to undertake a particular task and then disband once the Board agrees that they have completed the task.

Such groups may only be set up by properly constituted meetings of the Board. Each group so set up shall have clear Terms of Reference ascribed to it by the Board, making clear what, if any, formal delegated powers are being provided to the Group.

The Company Secretary shall maintain proper records of all such groups set up by the Board from time to time, including inception and completion details, record of membership, record of meetings held, reports back to the Board, as well as Terms of Reference and specific delegations.

6. POWERS DELEGATED TO TENANT BODIES

Tenant Involvement Structure

Through the NCH Tenant and Leaseholder Participation Compact 2007 – 2010, NCH has agreed the following vision for tenant participation in NCH (quote from the Tenant and Leaseholder Compact).

Within the Compact, NCH recognises a number of ways that the NCH Board (and its committees) can consult with and be consulted by, communicate with and receive communication from, challenge and be challenged by, inform and be informed by, the various bodies within the tenant involvement structure.

In addition, the NCH Board may, from time to time, agree specific delegations to any of these tenant bodies. Examples might include delegations to Area Panels to manage an area budget, or to the Tenant and Leaseholder Congress to manage a tenant training budget. Such delegations, together with any conditions or criteria to be attached, may only be agreed at a properly constituted meeting of the Board, and a record of such delegations will be held by the Company Secretary.

7. POWERS DELEGATED BY THE BOARD TO THE CHAIR

Given the frequency of Board meetings, it will be necessary from time to time to secure the efficient and effective operation of the business for actions, such as the award of contracts or approval of payments, to be taken.

All actions undertaken through these powers shall be for the sake of expediency, and following the written recommendation of the Chief Executive. A report must be taken to the next Board meeting following any delegated actions.

7. POWERS DELEGATED BY THE BOARD TO THE CHIEF EXECUTIVE

The Chief Executive has the following powers and responsibility delegated by the Board within the context of the values, objectives, policies and budgets set by the Board, to:

- 1 Manage the affairs of the Company in accordance with its values and objectives and the general policies and specific decisions of the Board
- 2 Act as principal strategic adviser
- 3 Lead, direct, set targets for and hold to account the Executive Management Team as a whole
- 4 Appoint, set targets for, appraise the performance of, and if necessary dismiss, the individual members of the Executive Management Team and any other direct reports

- 5 Establish arrangements for monitoring compliance with, and reporting promptly to the Board upon performance against, the Management Agreement with NCC
- 6 Take or authorise the taking of items through the urgency procedure and ensuring that a report is taken to the Board at the earliest time after the event
- 7 Subject to the Memorandum & Articles, and provided that it is consistent with the approved values, objectives, policies, business plan, budget, scheme of delegations and financial regulations and any decisions made by the Board or any committee, to take the action he/she considers necessary to ensure the efficient and effective management and routine administration of the Company's activities

The above authorities may not be further delegated by the Chief Executive without the approval of the Board, other than by way of written delegation of authority to act in his/her temporary absence. That written delegation can be through a minute of the Executive Management Team and will include financial authorisations at a level which only the Chief Executive could sign off.

The Chief Executive also has the following powers and responsibilities. In order to exercise efficient and effective management the Chief Executive may delegate specific responsibilities in writing to Directors or Managers within the following list:

- 1 Undertake and be responsible for day to day management of the Company.
- 2 Employ and dismiss staff, and set and review individual terms and conditions of employment subject to:
 - Adherence to Company HR policies
 - Adherence to annual budgets and staffing plans
- 3 Implement policies and strategies, including the Company's Business Plan, and decisions and directions of the Board
- 4 Lead, direct, set targets for, and hold to account, staff throughout the chain of command
- 5 Ensure that local managers and staff teams are customer-focussed and responsive to individual residents, Area Panels, local councillors, and NCC's Area Committees
- 6 Take, or authorise the taking, of any appropriate action in cases of urgency or emergency
- 7 Take, or authorise the taking, of any appropriate action to preserve the Company's position, pending scrutiny by the Board or appropriate committee of the matter, in relation to any proposed legislation, or any other proposal, scheme, plan, act or omission to act by any person or body or any event or occurrence, including Acts of God.

8 SPECIFIC MATTERS FOR APPROVAL WITH THEIR DELEGATION LEVELS

The table below sets out the current matters that require specific approval, which positions within the Company have been delegated by the board to make such approval decisions, and any arrangements for subsequent reporting where a decision relating to such a delegation has taken place.

Specific Board Delegations on Matters of Probity

Matter	Delegation to	Action Taken Notified to
Authority to approve reimbursement of Board Members expenses within policy	Company Secretary	Board (annual review)
Authority for Board members to accept gifts or accept or offer hospitality	Chair	Board (annual review)
Determining breaches of the Board members Code of Conduct	Chair plus 2 other Board members	Audit Committee or Board
Determining appeal against Panel hearing above	Vice-chair plus 2 Audit Committee members	Audit Committee or Board
Grant of offer of tenancy to a Board member (or close relative)	Director of Housing plus Co Sec	Board (next meeting)
Determination of an appeal from a Board member (or close relative) to an allocation or tenancy management matter	Chief Exec plus 1 other Director	Board (next meeting)
Grant of an offer of employment or engagement as a consultant or contractor to a Board Member or close relative	Chief Exec plus Director of OD	Board (next meeting)
Authority to suspend Standing Orders (urgency procedure)	Chair plus Chief Exec plus 1 other Board member	Board (next meeting)
Authority to suspend Financial Regulations (grant dispensation)	Chair of Performance & Regulatory Committee plus Chief Exec	Performance & Regulatory Committee (next meeting)
Approval to repair or improvement to a council property occupied by a Board member (or close relative) in excess of £1000 in value	Chief Exec plus Director of Investment	Board (next meeting)
Grant of offer of tenancy to a member of NCH staff (or close relative)	Director of Housing plus 1 other Director	Board (annual review)
Grant of offer of tenancy to a City Councillor	Chief Exec plus Director Housing	Board (next meeting)
Grant of offer of tenancy to an employee of Nottingham City Council	Director of Housing plus 1 other Director	Board (annual review)
Grant of offer of employment or engagement as a consultant or contractor to a City Councillor	Chief Exec plus Director of OD	Board (next meeting)
Grant of offer of employment to a close relative of existing NCH staff member	Chief Exec plus Director of OD	Board (annual review)
Re-employment of former employee or re-engagement as self-employed contractor	Chief Exec plus Director of OD	Board (annual review)

within 6 months of termination of employment with NCH		
Authority for staff members to accept gifts or to accept or offer hospitality	Line Manager	Audit Committee (annual review)
Authority to agree out of court settlements	Chair plus Chief Exec plus 1 other board member	Board (next meeting)
Authority to agree non-contractual severance arrangements with employees	Chair plus Chief Exec plus 1 other board member from HR Committee	HR Committee (next meeting)
Authority to dispose, and arrangements for disposal, of stock items and obsolete equipment	Chief Exec plus Director of Finance	Audit Committee (annual review)