



## Board Membership Policy

Policy Ref: G04

<b>Prepared By</b>	Chief Executive
<b>Date of Review</b>	May 2021
<b>Date of Next Review</b>	May 2024
<b>Reviewed By</b>	PHA Board

## **1. CONTEXT**

- 1.1 References in this policy to “Rules” are to the Rules of Partick Housing Association Limited (“PHA”).
- 1.2 PHA’s Board Membership Policy should be read in conjunction with its Membership Policy and Code of Conduct for Potential Governing Body & Governing Body Members.
- 1.3 In accordance with Rule 37.1, PHA’s Board must comprise a minimum of 7 and is limited to a maximum of 15 Board Members.
- 1.4 Rules 37.3 and 37.4 further state that the following people are not eligible for Board membership:
- any person under 18 years of age, or
  - an employee of PHA, or a Close Relative of an employee of PHA.

“Close Relative” is defined in PHA’s Rules as:

“someone who is the spouse or civil partner of a person, or (being either of the same or different sex) who cohabits with that person, or is that person’s parent, grandparent, child, stepchild, grandchild, brother or sister”.

## **2. AIM**

- 2.1 The aim of this policy is to set out criteria by which the Board of PHA will seek future Board Members, having regard to PHA’s constitution and requirements.
- 2.2 The Board of PHA strongly supports the principle that PHA should reflect the needs and aspirations of the community that it serves, including tenants, future tenants, local residents and others interested in furthering social housing objectives.

## **3. SKILLS AND EXPERIENCE**

- 3.1 PHA wishes to ensure that Board Members collectively possess the appropriate mix of skills and knowledge required to take important decisions and monitor PHA’s performance.
- 3.2 PHA will welcome expressions of interest from potential Board Members with any or all of the following skills and experience:
- general business skills, including the management of staff and of property;
  - finance, accountancy and banking;
  - development and building;
  - legal matters;
  - local housing needs;
  - residents’ issues and concerns;
  - community engagement; or
  - working with local authorities and other public/statutory bodies.
- 3.3 PHA will endeavour to ensure that future Board Members are recruited on a regular and continuing basis to avoid major changes in Board Membership at infrequent intervals. For example, through tenant participation activities, PHA will seek to develop its pool of potential Board Members. Also, PHA will take reasonable opportunities to promote Board membership by, for example:
- publicising and promoting widely its aims and objectives; and
  - disseminating information through its newsletters and website.

- 3.4 PHA will take steps to identify potential Board Members with appropriate skills and will consider advertising in appropriate circumstances as a means of securing as wide a choice as possible of candidates.
- 3.5 PHA will assess the training needs of current and future Board Members and will provide appropriate induction and ongoing training to ensure that Board Members make an effective contribution individually and collectively.

Please see also Appendix 1 for Core Functions of the Board and Obligations of Board Members.

#### **4. PROCEDURE FOR SELECTING BOARD MEMBERS**

- 4.1 At every Annual General Meeting, the Board will ensure that elections are held to effect replacements or confirm reappointment of those retiring Board Members (in accordance with Rules 39.1 to 39.4 and 40.1).
- 4.2 A nomination of a person as a potential Board member must be made by a PHA Member in writing and in the form specified by PHA. A Member cannot nominate himself/herself for election to the Board. A nominee must meet be eligible to be a Board member (see Appendix 2 for eligibility Rules).
- 4.3 The Board can reject a nomination for election if at least three quarters of the Board Members decide to do so, on one or more of the grounds set out in Rule 40.3, which are:
- where election to the Board would be contrary to PHA's Rules or policies; or
  - where a conflict of interest may exist which, even allowing for the disclosure of such an interest, may adversely affect PHA's work; or
  - where there is clear evidence of relevant circumstances from which it is concluded that election to the Board would not be in the best interests of PHA.
- 4.4 If something occurs whereby an existing Board Member is no longer eligible to be a Board Member (see Appendix 2), then that Board Member must notify the Board immediately and will be deemed to have vacated office.
- 4.5 Casual vacancies occurring among Board Members between general meetings may be filled in accordance with Rule 41.
- 4.6 In accordance with Rules 42.1 to 42.3, to address specific skills gaps, persons may be co-opted on a short-term basis. A Co-optee may be co-opted to the Board or to a Committee of PHA.

#### **5. REVIEW**

- 5.1 PHA's Board will carry out a regular review – at least annually – of its performance to ensure its continuing effectiveness.
- 5.2 Individually and collectively the Board will participate in a training needs assessment. Training programmes will be developed and tailored to address any specific weaknesses, build upon existing strengths and reflect updated guidance produced by the Scottish Housing Regulator (SHR), the Office of the Scottish Charity Regulator (OSCR) or other relevant regulatory bodies such as the Financial Conduct Authority.

- 5.3 The Board will consider periodically any vacancies which occur in relation to those who have retired or withdrawn voluntarily, or have been suspended or removed on disciplinary grounds under PHA's Code of Conduct or Rules. Where there are particular skill shortages within the Board, PHA will consider its options, such as filling casual vacancies or co-opting individuals who have the appropriate skills.
- 5.4 PHA will review its Board Membership Policy every three years, or sooner if required due to statutory or regulatory changes.

**6. POLICY REVIEW**

- 6.1 We will review this policy every three years, but it may be amended from time-to-time to reflect legislative, regulatory or other changes.

**CORE FUNCTIONS OF THE BOARD AND OBLIGATIONS OF BOARD MEMBERS**

1. The role of the Board includes the following functions (which are indicative and not exhaustive):
  - compliance with the regulatory regime;
  - to define and ensure compliance with the values and objectives of PHA;
  - to establish a business plan to achieve those objectives;
  - to approve each year's budget and accounts prior to publication;
  - to establish and oversee an appropriate framework of delegation and systems of control;
  - take key decisions on matters that will, or might, create significant risk to PHA;
  - monitor PHA's performance in relation to these plans, budgets and decisions;
  - appoint and, if necessary, dismiss the Chief Executive and executive Directors; and
  - satisfy itself that PHA's affairs are conducted lawfully and in accordance with generally accepted standards of performance and propriety.
  
2. The obligations of a Board Member include (but are not limited to):
  - an obligation to act at all times in the best interests of PHA and its members;
  - commitment to the values and objectives of PHA (these are primarily concerned with the provision of affordable housing);
  - commitment to PHA's core policies including equal opportunities;
  - an obligation to contribute to, and share responsibility for, Board and committee decisions;
  - an obligation to read Board papers;
  - an obligation to prepare for and attend meetings, training sessions and other events (meetings will normally take place in the evenings);
  - an obligation to declare any relevant interests; and
  - an obligation to maintain the confidentiality of any private information relating to the Board's decisions or the business of PHA.

**PEOPLE WHO CANNOT BE BOARD MEMBERS  
(as stated in Rules 43 and 44)**

- 43.1 A person will not be eligible to be a Board Member and cannot be appointed or elected as such if:-
- 43.1.1 he/she is an undischarged bankrupt, has granted a trust deed which has not been discharged or is in a current Debt Payment Plan under the Debt Arrangement Scheme (in terms of [the Debt Arrangement Scheme \(Scotland\) Regulations 2011](#)); or
  - 43.1.2 he/she has been convicted of an offence involving dishonesty which is not spent by virtue of the Rehabilitation of Offenders Act 1974 or an offence under the Charities and Trustee Investment (Scotland) Act 2005; or
  - 43.1.3 he/she is a party to any legal proceedings in any Court of Law by or against the Association; or
  - 43.1.4 he/she is or will be unable to attend the Board Meetings for a period of 12 months; or
  - 43.1.5 he/she has been removed from the Board of another registered social landlord within the previous five years; or
  - 43.1.6 he/she has resigned from the Board in the previous five years in circumstances where the resignation was submitted after the date of his/her receipt of notice of a special board meeting convened to consider a resolution for his/her removal from the Board in terms of Rule 44.5; or
  - 43.1.7 he/she has been removed from the Board in terms of Rules 44.4 or 44.5 within the previous five years; or
  - 43.1.8 he/she has been removed, disqualified or suspended from a position of management or control of a charity under the provisions of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 or the Charities and Trustee Investment (Scotland) Act 2005; or
  - 43.1.9 he/she has been removed from the office of charity trustee or trustee for a charity by an order made by the Charity Commissioners for England and Wales or by Her Majesty's High Court of Justice in England on the grounds of any misconduct in the administration of the charity for which he/she were responsible or to which he/she were privy, or which his/her conduct contributed to or facilitated; or
  - 43.1.10 a disqualification order or disqualification undertaking has been made against that person under the Company Directors' Disqualification Act 1986 or the Company Directors Disqualification (Northern Ireland) Order 2002 (which relate to the power of a Court to prevent someone from being a director, liquidator or administrator of a company or a receiver or manager of company property or being involved in the promotion, formation or management of a company); or

- 43.1.11 his/her nomination for election to the Board has been rejected in accordance with Rule 40.3 during the period between the return of the completed nomination form and the commencement of the relevant Annual General Meeting.
- 43.2 A person cannot be re-elected as a Board Member if the Board is not satisfied under Rule 37.6 of the individual's continued effectiveness as a Board Member. In these circumstances the Board must not allow the individual to stand for re-election.
- 44 A Board Member will cease to be a Board Member if:
- 44.1 he/she resigns his/her position as a Board Member in writing; or
  - 44.2 he/she ceases to be a Member unless he/she is a co-optee in terms of Rule 42.1 or an appointee of The Scottish Housing Regulator; or
  - 44.3 he/she misses four Board meetings in a row without special leave of absence previously being granted by the Board either at his/her request or by exercise of the Board's discretion; or
  - 44.4 the majority of Members voting at a general meeting decide this. (The Members at the meeting may then elect someone to take his/her place. If a replacement is not elected at the meeting, the Board may appoint a Board Member in terms of Rule 41); or
  - 44.5 the majority of those remaining Board Members present and voting at a special meeting of the Board convened for the purpose decide to remove him/her as a Board Member. The resolution to remove him/her as a Board Member must relate to one of the following issues:
    - 44.5.1 failure to perform to the published standards laid down by the Scottish Federation of Housing Associations and/or The Scottish Housing Regulator adopted and operated by the Association;
    - 44.5.2 failure to sign or failure to comply with the Association's Code of Conduct for Board Members; or
    - 44.5.3 a breach of the Association's Rules, standing orders or other policy requirements;
  - 44.6 he/she becomes ineligible as a Board Member in terms of Rule 43; or
  - 44.7 he/she is a co-optee or was appointed to fill a casual vacancy and whose period of office is ended in accordance with Rules 39.1 or 42.1; or
  - 44.8 he/she is a Board Member retiring in accordance with Rule 39.1.