



Lincolnshire Housing Partnership

Standing Orders

July 2021

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1.0 OVERVIEW

- 1.1 Lincolnshire Housing Partnership Limited (LHP) is a Community Benefit Society created under the Co-Operative and Community Benefit Societies Act 2014. It is a charitable, asset owning entity formed for the benefit of the community by providing and managing housing and other assistance to people who are vulnerable or on low incomes. LHP is regulated by **Rules**. These follow a model form produced by the National Federation of Housing (NHF). The Rules govern the objectives of LHP, its powers and shareholding. They are set as high-level overarching Rules and necessarily provide delivery of LHP's objectives and operations to a Board of Management (the Board) with some limited powers reserved to the shareholders at a General Meeting.
- 1.2 The Rules in particular set out the procedure for the admission, voting rights, appointment and cessation of shareholders and should be referred to for the detail.
- 1.3 The Board effectively carry out all the functions for LHP with some few exceptions. Board has **Terms of Reference** and in the conduct of meetings follow **Procedural Standing Orders**. Specified powers and authorities are delegated by Board through a **Delegation Schedule** either to Committees which Board has appointed or to the Executive.
- 1.4 The appointed Committees are currently: Audit & Risk Committee, Operations Committee, Finance Committee and People & Governance Committee. These Committees have individual Terms of Reference. However, some **decisions are reserved to Board**.
- 1.5 Board delegates all operational matters to the Executive Leadership Team (ELT) through the Chief Executive and other designated employees to deliver through a detailed scheme of delegation.
- 1.6 In addition, LHP has **Financial Regulations** and **Procurement Standing Orders**.
- 1.7 LHP has several wholly owned subsidiary companies which together under LHP form what is referred to as 'the Group'. These subsidiaries are:
 - Speedwell Homes Ltd – a company that owns market rent properties.
 - Humber Homes Ltd – a regeneration vehicle which is dormant.
 - Boston Mayflower Finance Plc – a financial special purpose vehicle.
- 1.8 The relationship between LHP and these subsidiaries within the Group is governed by an Intra-Group Agreement between LHP and each subsidiary. Each agreement sets out the extent of control and direction exercised by LHP and the governance and accountability of the subsidiary to LHP. The Board of each subsidiary is made up of Executive members, reporting into the LHP Board.
- 1.9 LHP is committed to ensuring customers can influence and be involved in scrutinising the performance and delivery of housing services and investment. The resident

involvement framework sets out the different ways in which LHP seeks to develop a closer relationship with customers including insight, involvement, consultation, scrutiny, and communication.

- 1.10 The Customer Scrutiny Panel is the main customer engagement body, supported by several resident-led Service Improvement Panels that are involved in core landlord services. A member of the Customer Scrutiny Panel is invited as an observer and to participate in every LHP Board meeting. The Operations Committee includes customer members and the outcome of scrutiny reviews are also reported to the Committee.
- 1.11 These documents form the basis for the Constitutional Framework and are supported by various other key governance and financial policies, codes, and procedures. These are approved and reviewed periodically by Board to:
- Ensure good governance of LHP
 - To meet regulatory and statutory requirements
 - To manage risks and facilitate an appropriate internal control environment
 - Maximise value for money opportunities and by doing so,
 - Ensure that LHP best positions itself to achieve its Corporate Plan and strategic direction successfully
- 1.10 LHP expects all Board and Committee members and employees to familiarise themselves with, and comply with, these Standing Orders. These documents will be reviewed on an annual basis, any substantial amendments must be approved by the Board. Non-material amendments may be approved by the Chief Executive.
- 1.11 In the event of any conflict in relation to the provisions of these Standing Orders, the guidance of the Company Secretary or Executive Director of Finance should be sought.

2.0 SECTION A: PROCEDURAL STANDING ORDERS

2.1 Agendas and Reports

- 2.1.1 Procedural Standing Orders set out the rules and processes to ensure the Board and its Committees are conducted and managed properly and effectively in accordance with LHP's adopted code of governance, the NHF Code of Governance.
- 2.1.2 The Chief Executive and supporting Executive staff will ensure that the Board and its Committees are properly informed so as to be able to carry out their responsibilities. In order to keep members informed, staff will provide useable, clear and concise information and not overwhelm agendas with data from which it is difficult to extract the key points.
- 2.1.3 Save in exceptional circumstances, agenda items requiring decision will be supported by a written report providing sufficient information about options and the implications of each option to enable the Board to reach an informed decision in each case. This

written report will follow templates approved from time to time by the Board which should state clearly:

- The purpose of the report
- Summary
- Any recommendations or, if none, why the report is being presented
- Background
- Any Business Plan and financial consequences and other corporate implications
- An assessment of the sustainability and environmental impact of the proposal (when applicable)
- Whether the recommendation conflicts with existing company policy or creates a precedent affecting other areas
- The consideration given to LHP's equality and diversity policies
- The Regulatory implications
- A risk assessment

2.1.4 Written reports must be sent out so that the Board members have them at least five working days before a meeting. Items should not be tabled at the Board or Committee meetings unless genuinely urgent, and in such case only with the prior agreement of the Chair.

2.1.5 The Board and its Committees will meet at least three times a year as an ordinary meeting at places to be fixed on an annual basis, current arrangements are included in the relevant terms of reference. Special meetings of Committees and of the Board may be called as required.

2.2 Urgent Decision-Making

2.2.1 Urgent decisions are matters that require authorisation between pre-scheduled meetings; and would normally require the decision to be taken by a particular Board or a Committee. In such circumstances there is an urgent decision-making process that shall be observed. This process will only be used in exceptional circumstances.

2.2.2 Prior to triggering the process, the following alternatives should be considered by the Chief Executive in consultation with the Chair:

- a shorter notice meeting to consider the matter, perhaps by tele or video conference
- If the matter can be pre-empted at the time of the previous meeting, delegate authority for the decision to a Senior Officer (with appropriate conditions attached where required)

2.2.3 Should alternative arrangements not be possible; the urgent decision-making process shall be followed. In between programmed Board or Committee meetings the Chief Executive, or with his or her sanction, the appropriate Officer, is authorised, in

consultation with the Chair of the Board or the Chair of any Committee within the relevant area of delegation, to deal with urgent work arising at any time and where it is agreed that calling a special meeting of Board or committee is not practicable. The decision will be supported by a written report.

- 2.2.4 Any such action is to be reported, including the original written report to the next Board or appropriate Committee meeting. In the absence of the Chair of the Board or relevant Committee Chair; the Vice Chair, if one has been appointed, is authorised to act.

2.3 Special Meetings

- 2.3.1 Special meetings of the Board can be called by the Company Secretary or by notice given to him or her by the Chair of the Board or by two Board Members. The Secretary must give at least seven days' but not more than fourteen days' notice of each meeting to every member of the Board. If the Secretary fails to call a meeting, then the Chair or two Board Members, whichever is the case, shall call such a meeting.

2.4 Quorum and Meetings

- 2.4.1 The quorum for the Board is three members and, if not otherwise stated in the terms of reference, three members in respect of Committees. The Board will not be quorate unless Board Members who are employees of the LHP are in the minority.
- 2.4.2 It is expected that the Board shall meet at least four times a year for normal business with an additional two meetings to deal with strategic visioning and planning.
- 2.4.3 There will be no business transacted at any meeting of the Board or any Committee, unless there is a quorum of members at the commencement of discussion of the business on the agenda, however in line with D15.3 of the Rules, if the number and make up of Board Members falls below the number and make up necessary for a quorum, the remaining Board Members may continue to act as the Board for a maximum period of six months and the provisions of rule D15.2 shall be suspended for that time. At the end of that time the only power that the Board may exercise shall be to bring the number and make up of Board Members up to that required by these Rules.
- 2.4.4 The Chair will formally open the meeting at the time specified on the agenda. Where there is no quorum within 30 minutes of the commencement time of a Board or Committee meeting, or during such a meeting, the Chair states that there is no quorum, then that meeting will stand adjourned. Consideration of the business not transacted is to be undertaken at a time fixed by the Chair or to the next ordinary meeting of the Board or Committee.

2.5 Attendance at Board Meetings

- 2.5.1 All Board Members are expected to attend meetings and training and development events. Where personal attendance is not possible, arrangements can be made for participation by voice or video conferencing which will count as attendance and for quorum purposes. Where other commitments make all options impossible, Board Members should tender their apologies in advance to the Company Secretary.
- 2.5.2 ELT is invited to attend the meetings and contribute to the debate but not the decisions of the Board. In addition, at the Chief Executive's or Chair's discretion, other staff who have been closely involved in the preparation of items under discussion may attend to present the item and contribute to the debate.
- 2.5.3 The Customer Scrutiny Panel Chair is also invited to attend all Board Meetings and will, at each meeting, be given an opportunity to raise any relevant issues and participate, but not vote.
- 2.5.4 Whilst Board Meetings are not held in public, other observers will also be able to attend if invited by the Board, with the Chair's permission, for specific items of business.

2.6 Administration

- 2.6.1 It is the responsibility of the Company Secretary to ensure that the Board meetings are properly serviced. The agenda and reports will be circulated via the Board Portal. Notices for meetings will be despatched electronically.

2.7 Minutes

- 2.7.1 The Board will keep minutes in registers kept for the purpose of recording:
- All Board appointments made by the Board, and reasons for any resignations
 - All proceedings at meetings of LHP, the Board, its Committees, working groups or sub-groups including the names of those present at such meetings
- 2.7.2 Minutes of the meeting will be circulated to the Chair in draft for approval, prior to consideration by the Board at its next meeting.
- 2.7.3 The minutes of any meeting are to be confirmed at each subsequent meeting by an affirmative resolution of members present and signed by the Chair.
- 2.7.4 Minutes of all meetings will be circulated to Board Members and minutes of Committee and sub-Committee meetings shall be circulated to the members of those bodies.

2.8 Order of Business

2.8.1 The order of business at ordinary board meetings is:

- Apologies for absence
- On the occasion of the first meeting after the Annual General Meeting, to elect a Chair and Vice Chair (if any)
- In the absence of the Chair and Vice Chair (if any), to select one of their number to act as Chair of the meeting
- To agree the accuracy of the minutes of the last meeting and any previous meeting, without approved minutes
- Matters arising
- Assurance Reporting
- Items for Decision
- To receive and examine minutes and consider recommendations of the Committees and reports by Chair of Committees
- To report any urgent business transacted and any other urgent business, which the Chair agrees shall be transacted at the meeting

2.8.2 The Chair or person presiding may vary the order of business with the consent of the majority of members present.

2.8.3 The Chair will ensure that the meeting considers the decisions required under each item of business on the agenda. In relation to the conduct of meetings the ruling of the Chair will be final.

2.8.4 The order of business at Committee meetings shall be as agreed by the Committee in question. The general rules as to procedure at Board meetings set out in this section and the Rules will apply, with appropriate adjustments, to Committee meetings.

2.8.5 The Chair will formally close the meeting when the business on the agenda has been transacted, or earlier if agreed by a majority. The time that the meeting closes will be noted in the minutes. No business purported to be transacted after that time will be valid and will not form part of the formal record of the meeting. If for any reason the full business of the meeting cannot practically be completed the meeting may stand adjourned if a majority of the members present so decide (see above for inquorate meetings).

2.9 Misconduct

2.9.1 The meeting will be conducted in accordance with the agenda. All members will direct contributions to the meeting through the Chair. Members will conduct themselves in a manner that does not obstruct the business of the meeting or calls into question the status of the Chair.

- 2.9.2 If any member persistently disregards the ruling of the Chair or behaves in any way that obstructs the Board or Committee business, the Chair (or any member) may move that the motion under discussion be put on hold and, if seconded, it shall be determined without further discussion. (See also the Code of Conduct for Members).
- 2.9.3 If the same member continues the misconduct after a motion has been carried, the Chair shall either:
- Move that the member shall leave the meeting, which can be determined without seconding or discussion; or
 - Adjourn the meeting and determine where and when it will be reconvened

2.10 Voting

- 2.10.1 Where a decision is required, a show of hands will be requested by the Chair on the basis of one vote per member. Any member may request that their vote be formally recorded.
- 2.10.2 In the case of equality of votes (and only in such case) the Chair of the meeting has a second or casting vote, whether or not the Chair voted in the first instance.

2.11 Confidentiality

- 2.11.1 All reports submitted to the Board and Committees shall be subject to the Board's policy on disclosure of information set out in the Code of Conduct.
- 2.11.2 The Board will conduct its affairs in an open manner and make certain information publicly available, except where items are of a confidential nature, or the release or debate on which might prejudice the competitiveness/viability or commercial interests of LHP or offend/contravene data protection regulations or contractual relationships, including staffing matters.

2.12 Conflicts of interest

- 2.12.1 The Company Secretary's duties shall include maintaining a register of interests in accordance with LHP's Rules. LHP shall maintain the register to alert the meeting Chair and members to matters that may arise during the meeting. However, it is ultimately for each member of a meeting to determine whether they have an interest which may cause a conflict during the meeting.
- 2.12.2 Any member or officer or employee of LHP having an interest, direct or indirect in any contract or other matter into which LHP is entering, should declare such interest. They must leave the meeting unless they are invited to remain by the Board or Committee. If they are invited to remain, the conflicted Board member, co-optee or Committee member shall not vote on the matter in question. This applies also to interests of close

relatives. (The Code of Conduct for Members and Staff gives detailed guidance on this point and should be considered).

- 2.12.3 If any question arises at a Board or Committee meeting as to a member's right to participate in the meeting, the question shall be referred to the Chair or Chair of the Committee whose decision shall be final.

2.13 Custody and Use of Seal

- 2.13.1 The Secretary will keep the seal, together with the seal record book, for LHP. Use of the seal will be reported to the Audit and Risk Committee annually.

2.14 Attendance

- 2.14.1 All Committee members are expected to attend Committee meetings. Where other commitments make this impossible, Committee members should tender their apologies in advance to the Executive Director who services the Committee or the Company Secretary.

3.0 BOARD AND COMMITTEE TERMS OF REFERENCE

3.1 Common Issues for the Board and Committees

- 3.1.1 These terms of reference aim to provide clarity on the role and specific responsibilities of each Board and committee. The **Delegations Schedule** is at Appendix A and sets out the specific delegated authorities in all key areas.
- 3.1.2 The composition of the Board, including provision for co-option to the Board and Committees, is set out in LHP's constitution. The size and composition for the Board and Committees in these Terms of Reference reflects current decisions on the matter and can only be varied by Board through the approval of amendments to the Terms of Reference.
- 3.1.3 The Board and its Committees should have the appropriate balance of skills, experience, independence, and knowledge of LHP to enable it to discharge its duties and responsibilities effectively and oversee the entirety of the Group's activities.
- 3.1.4 The Committees will be comprised of Board members, unless there is a specific skill requirement which cannot be met from within the Board. Where this is the case, an independent member will be appointed to a Committee though it is anticipated that this would be the exception rather than the norm.
- 3.1.5 The Board and Committees will be made up of non-executive members who have been determined by the Board to be independent in character and judgement, meaning that members are free from relationships or circumstances which are likely to affect their judgement or any relationships or circumstances which could appear to do so have been considered not to be material.

- 3.1.6 A review of Board and Committee effectiveness, including skills requirements and the Terms of Reference, is undertaken on an annual basis.
- 3.1.7 The Board and Committees have the right to seek specialist consultancy support and advice to assist in carrying out its responsibilities, at the expense of LHP, where the relevant Chair considers this to be reasonable and appropriate in the circumstances.
- 3.1.8 The Committee Chair will report formally to the Board meeting on its proceedings after each meeting, on all *significant* matters within its responsibilities, in addition to submission of minutes.

3.2 Board and Committee Appointments

- 3.2.1 The Board will appoint each Board Member for a term of three years unless, in accordance with the Rules, the Board has set a shorter term. On the expiry of a term, Board Members can stand for re-appointment, provided that no Board Member may serve for a continuous period of more than nine years, save where the Board agrees that circumstances exist where it would be in the best interests of LHP for a Board Member to serve for a longer period.
- 3.2.2 The Board will appoint the Chair for a three-year term of office, unless, in accordance with the Rules, the Board has set a shorter term. The office of Chair will be advertised and selected in accordance with the relevant recruitment policy, and as with Board Members having regard to the specific skills required of that position.
- 3.2.3 The Board may reappoint the Chair for a second term without external advertisement if, after formal appraisal, such reappointment is recommended. Again, no fixed term shall be set which would cause the Chair to serve beyond their ninth consecutive year, save where the Board agrees that exceptional circumstances exist where it would be in the best interests of LHP for a Board Member to serve for a longer period.
- 3.2.4 The Board may appoint an independent non-executive Board Member of the Group Board to the position of Senior Independent Director (SID). The post holder must be a full Board Member and cannot be held by a co-opted member of the Board. The SID shall hold the office for a three-year term, unless the Board agrees a shorter term, and subject to the SID remaining an independent non-executive Board Member of the Group Board. If the SID should stand down part way through their term of service, then the Board may appoint another Board Member to serve as the SID until the next Annual General Meeting. No fixed term shall be set which would cause the SID to serve beyond their ninth consecutive year, save where the Board agrees that exceptional circumstances exist where it would be in the best interests of LHP for the Board Member to serve a longer period.
- 3.2.5 The Board Members will annually appoint the Chair of each Committee. These appointments will be from members of the Board or co-opted members of the Board

The Board will also annually appoint members to each of the Committees (and Working Groups) which will be made up of Board members.

3.2.6 The Board may annually appoint a Vice Chair of the Board and Vice Chair of Committees.

3.2.7 In respect of the offices listed above:

- No person may simultaneously hold more than one Chair position
- The Chair of the Group Board and the Chair of any of the subsidiary Boards cannot be appointed as the SID
- The Chair of the main Board may not be a member of the Audit Committee
- Executive members may not Chair any Committees
- Executive members may not be members of the Audit and Risk or People and Governance Committees
- The Vice Chair and/or SID may chair a Committee of the Board
- A Vice Chair and/or SID (if any) has all the powers and responsibilities of the Chair on the absence of the office holder for any reason

3.3 Co-opted Members

3.3.1 The Board may have up to five co-opted members. If there are any specific skill deficits the Board may approve an approach to people with the required skills and invite people to be co-opted onto the Board (or relevant Committee) on such terms as the Board resolves.

3.3.2 Co-optees will be appointed to enhance the skills on the Board but they do not have all the rights of full Board Members and cannot be part of decisions about elections of officers or matters relating to shareholders.

3.3.3 A co-optee may otherwise act in all respect as a Board Member. A co-optee cannot be included in the quorum for Board meetings but may count towards the quorum for Committee meetings and vote as a full Committee member.

3.4 Customer Members

3.4.1 The Board may also appoint customer members to the Operations Committee. This will follow an open, skills-based recruitment process to appoint from within LHP's customer base.

3.5 Working Groups

3.5.1 Ad hoc Working Groups may be established on an exceptional basis with clear terms of reference agreed by the Board or Committee. The agreed Terms of Reference will include the relevance of the Working Group's work to the Corporate Plan, any delegated authority, resource requirements and expected outputs and timescales.

They will also include any matters or decisions that will need to be referred to the Board or relevant Committee for approval.

- 3.5.2 Where a Working Group is given powers to act, any decision made by the Group must be reported to the next meeting of the relevant Board or Committee. Where a Working Group is not given powers to act, the findings or recommendations of the Group will be presented to the relevant Board or Committee.

4.0 Board Terms of Reference

4.1 Objective and Purpose

- 4.1.1 The role of the Board is to set the direction, objectives, and purpose of LHP. Its primary responsibility is to ensure the long-term sustainability of the organisation including the protection of its assets, ensuring they are used in the fulfilment of its social purpose and charitable objectives. The Board must exercise effective control across all its activities, including subsidiaries, to ensure the achievement of its objectives, that it meets customer needs and acts lawfully and in accordance with regulatory standards and accepted standards of governance, performance, and probity.

4.2 Membership

- 4.2.1 Between five and twelve Board Members (including co-optees). The Board should be of sufficient size that the requirements of the business can be met and that changes to the Board's composition can be managed without undue disruption. The Chair of the Customer Scrutiny Group will also attend the Board as an observer.
- 4.2.2 The Chair of the Group Board cannot be appointed as the Senior Independent Director.

4.3 Quorum

- 4.3.1 Three members shall form a quorum.

4.4 Meeting Arrangements

- 4.4.1 The Board will meet six times a year including two strategy awaydays.

4.5 Lead Officer

- 4.5.1 Chief Executive.

4.6 Specific Duties of the Board

The duties marked * are reserved matters which are the responsibility of the Board and cannot be delegated.

4.6.1 Strategy, Plans and Performance

- i. Direct and approve LHP's mission, values, strategy, objectives and plans taking account of financial capacity, internal capability, and the external operating environment, including obligations to stakeholders. Review on a regular basis to ensure that LHP remains financially, environmentally, and socially sustainable. *
- ii. Determine and approve any expansion or cessation of LHP's activities and/or the existing geographical area within which it operates. *
- iii. Approve the Corporate Plan every at least every five years and a delivery plan and performance targets annually.
- iv. Scrutinise performance against plans and targets in priority areas on a quarterly basis and agree and monitor actions to address any significant under-performance against targets or external benchmarks. *
- v. Determine where strategies, policies and plans are required to achieve overall objectives. Ensure that a schedule of delegated authorities for the approval of strategies and/or policies by Committees or the Executive is in place. * (see Strategy and Policy Schedule).
- vi. Approve clear objectives and priorities to actively promote equality of opportunity, diversity, and inclusion across all LHP's activities and periodically assess progress against targets.

4.6.2 Customer Experience and Engagement

- i. Approve the Customer Strategy and any major changes to standards or service delivery affecting LHP residents and customers. This includes ensuring that a clear focus on customer priorities arising from resident engagement and customer insight are reflected in strategy and supporting plans. *
- ii. Scrutinise the progress against the actions and targets in the Customer Strategy at least on an annual basis.
- iii. Regularly review and scrutinise day to day service performance of landlord services, customer insight and complaints at a summary level, including actions to address any areas of serious under-performance or significant risk to ensuring regulatory standards are met.

- iv. Ensure a clear customer engagement framework is in place to enable customers to influence decisions and scrutinise performance of services and investment in homes across all tenures and periodically scrutinise its effectiveness.

4.6.3 Development and Asset Management

- i. Approve the Asset and Growth Strategy which set the targets and parameters for all development and asset investment activity, including plans to ensure the environmental sustainability of housing property. This follows consideration of the recommendations made by the Operations Committee. *
- ii. Scrutinise the progress against the actions and targets in the Asset and Growth Strategy at least on an annual basis.
- iii. Regularly review and scrutinise performance in relation to asset investment, development, and sales at a summary level, including actions to address any areas of serious under-performance or significant risk to ensuring regulatory standards are met.
- iv. Approve the development appraisal assumptions and criteria following consideration of the recommendations made by the Operations Committee, to ensure that appropriate financial parameters are in place to maintain the long-term financial viability of LHP.
- v. Approve any development scheme that carries significant financial or other risk and/or are outside of the approved Asset and Growth Strategy following consideration of the recommendations made by the Operations Committee.
- vi. Approve programme funding bids for which the funding body has a requirement for Board approval or oversight following consideration of the recommendations made by the Operations Committee.
- vii. Approve the annual and five-year investment programme in existing homes, as part of the annual budget setting process, following consideration of the recommendations made by the Operations Committee. *
- viii. Approve any significant proposals for reinvestment, redevelopment, rationalisation, or acquisition of housing property, following consideration of the recommendations made by the Operations Committee. *
- ix. Approve disposals of social housing stock that are outside of Asset and Growth Strategy parameters and where there is significant complexity and/or financial and reputational risk, following consideration of the recommendations made by the Operations Committee. An annual disposals plan is approved as part of the annual review of the Business Plan.

4.6.4 *Finance and Treasury*

- i. Review and approve the Business Plan of LHP, and its subsidiaries, on an annual basis to ensure plans reflect strategy and are based on reasonable economic, development and operational performance assumptions and will maintain the financial viability of LHP. This follows consideration of the recommendations made by the Finance Committee. *
- ii. Review and approve the annual budgets of LHP, and its subsidiaries, ensuring financial resources are available to meet the financial business plan objectives, value for money targets are set, and budgets comply with key performance indicators and covenants. This follows consideration of the recommendations made by the Finance Committee. *
- iii. Approve the Treasury Strategy, supporting treasury policies and the appointment of Treasury advisers. Scrutinise treasury management activity, every six months, monitoring performance against the Strategy, following consideration of the recommendations made by the Finance Committee. *
- iv. Review and approve all funding and security arrangements, including the terms and conditions of lending agreements and loan offers received, capital market facilities following consideration of the recommendations made by the Finance Committee. *
- v. Review and approve any changes to LHP's banking arrangements and banking provider, following consideration of the recommendations made by the Finance Committee.
- vi. Approve the Annual Accounts and Financial Statements, including those of subsidiaries, and receive assurance on the integrity of the financial information, following consideration of the recommendations made by the Audit and Risk Committee. *
- vii. Scrutinise overall financial performance, receiving and reviewing headline financial monitoring reports including reports on cashflow positions, covenant compliance, management accounts, value for money and benchmarking information. Put in place action plans to address any areas of serious under-performance or significant risk.
- viii. Approve the Financial Regulations for the Group, following consideration of the recommendations made by the Audit and Risk Committee. *
- ix. Approve the Value for Money Self-Assessment, including value for money targets, and ensuring consideration of value for money is intrinsic to the whole business and regulatory requirements are met, following consideration of the recommendations made by the Audit and Risk Committee. *

- x. Approve LHP's policies for setting rents and service charges, ensuring compliance with regulatory requirements following consideration of the recommendations made by the Operations Committee. *
- xi. Approve any additional budget requirement during the year.

4.6.5 Governance and Regulation

- i. Ensure that the LHP's affairs are conducted in accordance with generally accepted standards of governance and probity, including compliance with the chosen Code of Governance.
- ii. Review LHP's overall governance arrangements and their effectiveness periodically to ensure they remain fit for purpose and are in line with regulatory requirements and good practice. This includes receiving assurance on the levels of compliance with the adopted code of governance from the People and Governance Committee on an annual basis.
- iii. Approve any changes to the legal and governance structure, rules, size or composition of the Board, other Boards and Committees following consideration of any recommendations made by committees. This includes setting up new subsidiaries. *
- iv. Approve the Standings Orders and Terms of Reference for all Boards and Committees, including delegated authorities for all matters and authorised signatories, following consideration of any recommendations from the Audit and Risk Committee. *
- v. Approve any joint ventures or partnership vehicles ensuring proposals are in line with LHP's strategy and that benefits, and risks have been fully assessed and are reviewed periodically thereafter. *
- vi. Approve the appointment or removal of members and co-optees to the Board, Committees, and subsidiary Boards, including the selection of the Chair. *
- vii. Ensure that LHP complies with all regulatory standards, including proactive and timely communication with the Regulator should any potential regulatory breaches occur. This includes receiving assurance on the levels of compliance with the regulatory standards from the Operations Committee and Audit and Risk Committee on an annual basis.
- viii. Approve the Board and skills and succession plan following recommendations from the People and Governance Committee.
- ix. Appoint who shall act as the Company Secretary for the Group. *
- x. Approve the Remuneration Policy for Board, and Committee members following recommendations from the People and Governance Committee. *

- xi. Approve any changes to the adopted Code of Conduct and receive reports on Board member interests on an annual basis. Review the register of Board and Committee member interests on an annual basis prior to publication.
- xii. Review the effectiveness of governance arrangements annually. This includes ensuring that the collective and individual appraisal of the Board and its members takes place, reviewing effectiveness, diversity, training needs and succession planning.
- xiii. Approve resolutions put forward by the Board at the Annual General Meeting. *

4.6.6 Risk and Internal Control

- i. Approve the Risk Management Framework ensuring a full risk assessment is undertaken on matters that carry a significant risk. This includes a quarterly review of a summary of the significant risks on the Risk Register considering the internal and external operating environment. *
- ii. Ensure that a scenario planning exercise is undertaken at least annually to stress test the Business Plan and identify and monitor the implementation of any mitigation actions needed to ensure the continued financial viability of LHP. This includes consideration of recommendations from the Finance Committee. *
- iii. Ensure that an Asset and Liability Register is in place, reviewing a summary at least annually.
- iv. Approve the Risk Appetite Statement annually. *
- v. Approve the internal controls assurance statement annually, following consideration of recommendations from the Audit and Risk Committee. Ensure actions are identified to address any significant control weaknesses. *
- vi. Approve the appointment or removal of the external auditors, as recommended by the Audit and Risk Committee. * The Board will discuss the work of the Audit and Risk Committee once a year based on a formal report by the Chair of the Committee.

4.6.7 Legal and Compliance

- i. Review the impact of any new legislation as it may affect LHP and determine any necessary action to be taken.
- ii. Approve the LHP Health and Safety Policy and Framework and scrutinise arrangements for health and safety in relation to property, customers, and staff at least annually and high-level compliance performance quarterly, to ensure management of these areas meet statutory requirements and are sufficiently resourced. *
- iii. Approve the Procurement Strategy and any contract award more than £4.7m.

- iv. Approve an annual assessment against all regulatory standards, following consideration of recommendations from the Audit and Risk Committee. Ensure actions are identified to address any significant compliance weaknesses. *
- v. Approve out of court settlement claims more than £50,000 by or against LHP.
- vi. Approve, through delegation, the Executive Leadership Team to enter contracts and deeds and where appropriate to authorise the affixing of LHP's seal in accordance with the Rules and to report the use of the seal annually to the Audit and Risk Committee. *

4.6.8 *People, Culture and Organisation*

- i. Approve the People Strategy as recommended by the People and Governance Committee including consideration of the culture and behaviours needed to support the successful delivery of the strategy. Scrutinise an annual report of progress against the strategy which includes insight on the views of staff, organisation culture and behaviour.
- ii. Ensure that the organisation structure supports the delivery of LHP's purpose and strategy and approve any significant restructuring escalated jointly by the Chair of the Board and Chief Executive to the Board for consideration.
- iii. Approve any material changes to the pay, terms, and conditions of all staff, including the annual pay award, following consideration of recommendations from the People and Governance Committee. *
- iv. Approve any changes to pension arrangements following consideration of recommendations from the People and Governance Committee.
- v. Approve the appointment, and dismissal, if necessary, of the Chief Executive. *
- vi. Approve the remuneration package for the Chief Executive and the Executive Directors including salary, benefits and terms of employment following recommendations by the People and Governance Committee. Ensure the Chief Executive's contract is reviewed once every three years. *
- vii. Approve any significant change in structure of the Executive Leadership Team, following recommendations from the Chief Executive. This includes involvement in the recruitment of Executive Leadership Team members. *
- viii. Approve any severance arrangements relating to the Executive Leadership Team. *
- ix. Approve any strategies or significant changes to IT, digital, transformation and office accommodation following recommendations by the Executive Leadership Team.

4.7 Reporting

4.7.1 To support the above terms of reference the Board will receive the standard reports contained in this schedule:

Board								
Area of Activity	Feb	Mar	May	Jun SD	Jul	Sep AGM	Nov	Dec SD
Board Strategy Days				X				X
Corporate Plan Review				X				
Business Plan		X						
Business Plan Review	X				X		X	
Stress testing and Recovery Planning		X						
Annual Review of Risk								X
Risk Appetite Statement	X							
Treasury Strategy Review		X						
Asset and Growth Strategy Review							X	
Customer Strategy Review							X	
People Strategy Review, including culture.							X	
Chief Executives Report	X		X		X		X	
Performance reporting – Annual Plan and KPIs	X		X		X		X	
Customer Insight Report	X		X		X		X	
Risk Register – top risks	X		X		X		X	
Financial Performance Report	X		X		X		X	X
Treasury Management Update	X						X	
Annual Budget, Annual Plan and KPI targets		X						
Development Appraisal Assumptions	X							
Annual Rent and Services Charges							X	
Annual Pay Award	X							
Annual Board Skills and Succession					X			
Annual Assurance Statement – Regulatory Standards, Internal Controls, Code of Governance					X			

Annual Accounts and Management Letter					X	X		
Annual Value for Money Self-Assessment			X					
Annual Health and Safety Report							X	
Risk Management Framework	X							
Board Effectiveness Review					X			
Audit and Risk Committee Effectiveness					X			

5.0 Audit and Risk Committee Terms of Reference

5.1 Objective and Purpose

- 5.1.1 The role of this committee is to provide assurance to the Board on the systems of internal control, risk management and the internal and external audit functions to ensure that they are effective and comply with legal and regulatory requirements.
- 5.1.2 This committee also takes the lead role in providing assurance to the Board that legal, regulatory and risk management requirements are being met in the areas of procurement, probity, safeguarding, data protection and IT security and resilience.
- 5.1.3 The Committee has unfettered right of access to all information and people necessary to meet its responsibilities.

5.2 Membership

- 5.2.1 Between 3 and 5 members, which will include significant financial expertise.
- 5.2.2 The Chair of the Board cannot be a member of the Audit and Risk Committee and employees are not permitted to be members of this committee.

5.3 Quorum

- 5.3.1 Three members, to include at least two members of the Board.

5.4 Meeting Arrangements

- 5.4.1 The Audit and Risk Committee will meet at least four times a year.

5.5 Lead Officer

- 5.5.1 Executive Director of Finance

5.6 Specific duties of the Audit and Risk Committee

5.6.1 External Audit

- i. Approve the objectives, scope, and timing of arrangements for external audit of the annual accounts. This includes the review and approval of the annual audit plan to ensure that it is consistent with the scope of the audit engagement.
- ii. Recommend the approval of the appointment/dismissal of external auditors to the Board.
- iii. Oversee the selection process for the external auditor, and if the external auditor resigns investigate the issues leading to the resignation and decide whether any action is required.
- iv. Scrutinise the performance of the external auditors at least annually, ensuring they meet independence, ethical and performance standards and provide value for money. Ensure that there are no restrictions placed on the scope of the statutory audit or matters which could hinder their effectiveness, in particular the provision of non-audit services and report on recommendations to the Board.
- v. Scrutinise the annual external statutory audit of the annual accounts, including subsidiary accounts, and recommend approval of the financial statement and accounts to the Board. This includes responses to audit management letters, reports or investigations and to monitor implementation of any follow up actions.
- vi. Undertake a detailed review of the Statutory Accounts, Operating & Financial Review before submission to the Board, focusing particularly on:
 - Accounting policies and practices
 - Major judgmental areas
 - Significant adjustments resulting from the audit
 - The going concern assumption
 - Compliance with accounting standards
 - Compliance with legal requirements
- vii. Meet with the external auditors without any employees present at least annually.
- viii. Ensure co-ordination with the activities of the internal audit function.

5.6.2 Internal Audit

- i. Approve the appointment/dismissal of internal auditors and undertake the annual review of their effectiveness and value for money.
- ii. Approve a rolling three-year internal audit strategy and an annual programme of internal audit across the organisation. Agree the outline scope of each audit prior to

the start of the audit. Commission additional work by the internal auditors or other consultants as necessary.

- iii. Scrutinise all internal audit reports and qualitative audit reports, agree any further actions to be taken and monitor implementation of recommendations to ensure that identified weaknesses in control are corrected and deadlines are met.
- iv. Meet with the internal auditors without any employees present at least annually.

5.6.3 *Risk and Internal Controls*

- i. Ensure LHP has an effective and comprehensive Risk Management Framework in place and review its effectiveness annually, recommending any significant changes for approval to the Board.
- ii. Review the Risk Appetite Statement annually, recommending approval to the Board.
- iii. Scrutinise the Risk Register on a quarterly basis and undertake a thorough review annually. This includes providing assurance to the Board on risk management controls, ensuring that adequate controls and mitigations are in place, escalating any significant changes in risk profile to the Board or appropriate committee.
- iv. Scrutinise the proposed stress tests for the annual review of the Business Plan to ensure they reflect LHP's risk profile.
- v. Scrutinise the annual Statement of Internal Controls Assurance and recommend approval to the Board. This includes ongoing review during the year by the Committee to gain assurance that the appropriate internal controls are in place and maintained, with particular emphasis on controls relating to the key risks within the business.
- vi. Scrutinise the Asset and Liability Register every six months to gain assurance on the integrity of the Register including data quality, prior to the submission to Board.
- vii. Ensure that appropriate arrangements are in place for business continuity and disaster recovery and that they are tested regularly.
- viii. Scrutinise reports on the performance of the IT infrastructure in terms of security and resilience.
- ix. Review and approve LHP's insurance arrangements at least annually to ensure policies are in place to minimise exposure to potential losses and claims.
- x. Review the Financial Regulations and Governance Standing Orders annually, where necessary recommending any proposed significant amendments to the Board.

5.6.4 Probity Matters

- i. Approve the Probity Policy, Anti-Fraud Policy, Anti-bribery Policy, Anti-Money Laundering Policy and Whistleblowing Policy.
- ii. Receive reports on fraud and attempted fraud, ensuring appropriate investigation and any identified weaknesses in internal controls are addressed and that a fraud register is in place. Report to the Board and Regulator as appropriate.
- iii. Scrutinise the system of controls in place to ensure compliance with the requirements of the Code of Conduct and to promote high standards of probity. Review, at least annually, the following registers and systems of control: exemptions to the Code of Conduct, Declarations of Interest, Gifts and Hospitality, Whistleblowing, Frauds and Losses.
- iv. Review arrangements for employees and contractors to raise concerns in confidence about possible wrongdoing in financial reporting or other matters. Ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.

5.6.5 Compliance

- i. Ensure that an effective Procurement Policy is in place that meets legislative and value for money requirements.
- ii. Scrutinise procurement activity, including the procurement plan, on at least an annual basis. This is to ensure that compliance with procurement rules and value for money is being achieved and high standards of probity are maintained.
- iii. Scrutinise the annual self-assessments against the Governance and Viability and Value for Money Standards providing a summary as part of the Annual Assurance Statement to Board, noting any areas and actions to deal with non-compliance. The review will enable the Board's certification of compliance with the Governance & Financial Viability Standard for inclusion within the Annual Financial Statements.
- iv. Scrutinise assurance on compliance with all relevant law.
- v. Approve the Data Governance Framework, ensuring it complies with legislation and good practice and receive regular reports on compliance, including assurance on the integrity of performance information and key data.
- vi. Scrutinise reports on safeguarding activities and performance on an annual basis to identify any areas of risk and agree follow up actions.
- vii. Approve the write off bad debts or waiver of income greater than £5,000 relating to tenant or leaseholder debt and any commercial or other income.

- viii. Undertake a self-assessment of the Audit and Risk Committee performance at least annually and regularly evaluate training needs.
 - ix. Review the Standing Orders, Terms of Reference, Delegations and Financial Regulations annually recommending any significant changes to the Board.
 - x. Scrutinise the annual report on the use of the Seal.
- 5.7 Note: In the case of dispute, a Board decision must override that of a Committee. The Chair of the Audit and Risk Committee has the right to report such decision to the External Auditors after discussion with the Board regarding this course of action.

5.8 Reporting

- 5.8.1 To support the above Terms of Reference the Committee will receive the standard reports contained in this schedule:

Audit and Risk Committee				
Activity	Jan – Mar	Apr - Jun	Jul - Sept	Oct - Dec
Annual External Audit Plan	X			
Annual Accounts and Management Letter			X	
Annual Internal Audit Programme	X			
Internal Audit Reports	X	X	X	X
IA/QA Recommendations Monitoring	X	X	X	X
Review of Risk Management Framework and Risk Appetite Statement	X			
Review of Risk Register	X	X	X	X
Review of stress tests against risk register	X			
Assets and Liability Register Review		X		X
Probity/Incidents report– Whistleblowing, fraud, data or security breaches, safeguarding	X	X	X	X
Annual Assurance Statement - Internal Controls and Regulatory Standards			X	
Annual Standing Orders and Financial Regulations		X		
Annual Safeguarding Review				X
Annual Review of Probity Registers		X		

Annual Procurement Report		X
Annual Insurance Update and Renewal		X
Annual Business Continuity Review, including IT security and resilience	X	
Annual review of effectiveness and Internal and External Audit providers performance		X
Annual Information Governance Review	X	
Annual report on use of the seal	X	

6.0 Operations Committee Terms of Reference

6.1 Objective and Purpose

- 6.1.1 The role of this Committee is to provide assurance to the Board on the performance of all services provided to LHP customers, the asset management and maintenance of existing homes and the development and sale of new homes. This includes ensuring delivery against strategy objectives, performance targets and that legal and regulatory requirements are met.
- 6.1.2 This Committee also oversees the framework for customer engagement, insight, and scrutiny to ensure that the Board's decisions are influenced by the needs, experience, and concerns of customers.

6.2 Membership

- 6.2.1 Between 4 and 7 members, including up to 2 places for customer members.
- 6.2.2 The Committee will comprise of skills appropriate to its purpose including customer service, housing management, asset management of social housing, development, and sales.

6.3 Quorum

- 6.3.1 Three members, at least two of which must be Board members.

6.4 Meeting Arrangements

- 6.4 The Committee will meet at least 4 times a year.

6.5 Lead Officers

- 6.5.1 Executive Director of Customer and Executive Director of Property.

6.6 Specific duties of the Operations Committee

6.6.1 Customer Strategy and Performance

- i. Review the Customer Strategy and any major changes to standards or service delivery affecting LHP residents and customers, recommending approval to the Board. This includes ensuring that customer priorities arising from resident engagement and customer insight are reflected in strategy and supporting plans.
- ii. Scrutinise progress against the actions and targets, service reviews and change programmes in the Customer Strategy at least every six months. This is to gain assurance that changes are meeting customer needs, delivering against milestones and that risks to day-to-day service delivery are being managed.
- iii. Regularly scrutinise day to day service performance of all landlord services, customer insight and complaints, ensuring that actions are in place to address any areas of serious under-performance or significant risk to ensuring regulatory standards are met. Escalate any major risks to delivery, compliance, or regulation to the Board.
- iv. Scrutinise the service and commercial performance of the in-house repairs service to ensure that it is delivering a customer focused service, remains within budget and provides value for money.
- v. Ensure changes within the housing policy landscape and the potential risks are assessed in relation to customer and appropriate action is taken.
- vi. Scrutinise the annual self-assessments against the Consumer Standards providing a summary as part of the Annual Assurance Statement to Board, noting any areas and actions to deal with non-compliance.
- vii. Review LHP's policies for setting rents and service charges annually, ensuring compliance with regulatory requirements, recommending approval to the Board.

6.6.2 Customer Engagement

- i. Oversee the customer engagement framework that enables customers to influence decisions and scrutinise the performance of services and investment in homes across all tenures, regularly scrutinising its effectiveness. Recommend any significant changes in approach to the Board.
- ii. Commission any customer scrutiny groups to review any areas of concern within the Operations Committee's remit.

6.6.3 Asset and Growth Strategy

- i. Review the Asset and Growth Strategy which set the targets and parameters for all development and asset investment activity, including plans to achieve net zero carbon, recommending approval to the Board.

- ii. Review information on local housing markets, housing needs assessments, housing policy, legislation, and regulation to inform the Asset and Growth Strategy.
- iii. Ensure adequate consideration of sustainability requirements and aspirations in all aspects of property investment activity. Regularly consider external policy and political changes and their impact on asset investment planning, including building safety and sustainability.
- iv. Scrutinise progress against the actions and targets in the Asset and Growth Strategy at least every six months.

6.6.4 Asset Management

- i. Review the annual and five-year investment programme in existing homes, as part of the annual budget setting process, recommending approval to the Board.
- ii. Scrutinise the integrity of stock condition data, survey programmes and investment planning, providing assurance to the Board that the repair costs assumptions in the Business Plan are robust and that legal and regulatory requirements are being met.
- iii. Regularly review and scrutinise performance in relation to the delivery of planned investment programmes and building health and safety compliance. Ensure actions are in place to address any areas of serious under-performance or significant risk to compliance with regulatory standards. Escalate any major risks to delivery, compliance, or regulation to the Board.
- iv. Review any significant proposals for reinvestment, redevelopment, rationalisation, or acquisition of housing property, recommending approval to the Board.
- v. Approve the Asset Appraisal Policy, ensuring LHP achieve value for money and meet regulatory requirements in relation to disposal of social housing. The Committee will scrutinise an annual report on all disposal approvals made under delegations to ensure compliance with the policy.
- vi. Review disposals of social housing stock that are outside of Asset and Growth Strategy parameters and where there is significant complexity and/or financial and reputational risk, recommending approval to the Board.

6.6.5 Development

- i. Scrutinise the development and sales programme performance on a quarterly basis against, strategy targets, cash flow requirements, out-turn scheme costs, and subsidy requirements, ensuring that the commitment of funds sits within the Business Plan parameters set by the Board. Maintain a more detailed oversight of high-risk schemes as appropriate, escalating any significant risks to the Board.

- ii. Review the development appraisal assumptions and criteria to ensure that appropriate financial parameters are in place to maintain the long-term financial viability of LHP, recommending approval to the Board.
- iii. Review any development scheme that carries significant financial or other risk and/or is outside of the approved Asset and Growth Strategy recommending approval to the Board.
- iv. Review programme funding bids for which the funding body has a requirement for Board approval or oversight, recommending approval to the Board.
- v. Scrutinise development scheme design and quality issues post scheme completion and approve any changes in approach.
- vi. Receive a quarterly report on the approvals of development schemes by the Executive Leadership Team.

6.6.6 Other

- i. Review, recommend and approve policies and strategies in line with delegations.

6.7 Reporting

- 6.7.1 To support the above Terms of Reference the Committee will receive the standard reports contained in this schedule:

Operations Committee				
Activity	Jan – Mar	Apr - Jun	Jul - Sept	Oct - Dec
Asset and Growth Strategy – progress update	X		X	
Development Appraisal Assumptions				X
Market Intelligence reports		X		
Customer Strategy – progress update	X		X	
Performance reporting – customer, asset investment, development, and sales	X	X	X	X
Property H&S Compliance Monitoring	X	X	X	X
Customer Insight and Complaints	X	X	X	X
Asset Investment Programme Monitoring	X	X	X	X

Development and Sales Monitoring	X	X	X	X
Annual Rent and Service Charges report				X
30 Year Investment Programme				X
Annual Review – Customer Engagement	X			
Annual Review - Disposals			X	
Annual Review – Consumer Standards		X		

7.0 People and Governance Committee Terms of Reference

7.1 Objective and Purpose

- 7.1.1 The role of this Committee is to provide assurance to the Board on arrangements for Board and Committee skills, succession planning, appraisal and nominations arrangements, the review of the People Strategy and to ensure that the Group's governance arrangements meet regulatory and good practice requirements.
- 7.1.2 The Committee also oversees the policy for remuneration of staff, Executive Directors, Board and Committee members, making recommendations to the Board.

7.2 Membership

- 7.2.1 Between three and five members, which may include the Chair of the Board.
- 7.2.2 The Chair of the Board cannot be the Chair of this Committee and employees are not permitted to be members of this Committee.

7.3 Quorum

- 7.3.1 Three members.

7.4 Meeting Arrangements

- 7.4.1 The Committee will meet twice a year with the scope for additional ad hoc meetings should a significant need arise.

7.5 Lead Officer

- 7.5.1 Executive Director of Strategy, Digital and Culture

7.6 Specific duties of the People and Governance Committee

7.6.1 Governance

- ii. Approve the policy and process for recruitment, appraisal, succession and training and development of all Board and Committee members.
- iii. Ensure the annual appraisal and skills assessment of Board members takes place including an assessment of collective Board and Committee effectiveness.
- iv. Review the Board skills, diversity, and succession plan annually, recommending its approval to the Board.
- v. Approve the composition of any Board Recruitment Panel and oversee Board and Committee member recruitment, including the Chair of the Board. Recommend suitable candidates to the Board for appointment.
- vi. Ensure LHP's overall governance arrangements are reviewed periodically to ensure they remain fit for purpose and are in line with regulatory requirements and good practice, recommending any changes to Board.
- vii. Scrutinise the annual self-assessments against the NHF Code of Governance, noting any areas and actions to deal with non-compliance. The review will support the Board's certification of compliance with the Governance & Financial Viability Standard for inclusion within the Annual Financial Statements.
- viii. Oversee any plan of governance improvements including Board development.

7.6.2 Remuneration

- i. Keep reward and recognition policies and benefits for staff under review and make recommendations on any significant changes to the Board for approval. This includes the review of the annual pay award, recommending approval to the Board.
- ii. Review the remuneration package for the Chief Executive and the Executive Directors at least every three years, including salary, benefits, and terms of employment, recommending approval to the Board. This can include taking external independent advice from consultants and considering the recommendations from the Chief Executive and the outcome of appraisals and learning and development plans.
- iii. Ensure the Chief Executive's contract is reviewed once every three years.
- iv. Review the Remuneration Policy for Board, and Committee members, at least every three years, recommending its approval to the Board.

- v. Review any major changes to pension arrangements, recommending approval to the Board. Review and approve the policy on Local Government Pension Scheme Pensions Discretion Policy, Retirement Policy and the Flexible Retirement Policy

7.6.3 People and Organisation

- i. Review the People Strategy including consideration of the culture and behaviours needed to support the successful delivery of LHP's Corporate Plan, recommending its approval to Board.
- ii. Scrutinise an annual report of progress against the People Strategy which includes insight on the views of staff, organisation culture and behaviour, prior to consideration by the Board.
- iii. Ensure that the Chair of the Board undertakes the annual appraisal of the Chief Executive to agree his/her objectives, reporting through to the Board.
- iv. Review any significant change in structure of the Executive Leadership Team, following recommendations from the Chief Executive, recommending any approval to Board. Board members will be involved in the recruitment of ELT members.
- v. Review any other significant restructuring proposals escalated jointly by the Chair of the Board and Chief Executive, prior to consideration by Board.
- vi. Consider all cases and, if appropriate, recommend approval to the Board on any proposed non-contractual severance and redundancy payments on behalf of the organisation in respect of the Chief Executive and Executive Directors, ensuring that any payments made are lawful and in accordance with the Probity Policy.
- vii. Review any ELT Settlement Agreements and make recommendations to the Board. Scrutinise a report annually on use of all settlement agreements on an anonymised basis.
- viii. Scrutinise LHP's plans to actively promote equality of opportunity, diversity, and inclusion across all LHP's activities and periodically assess progress against targets.
- ix. To ensure all the above comply with current employment legislation including assurance that Equality Act requirements are being met.
- x. Review, recommend and approve policies and strategies in line with delegations.

7.7 Reporting

- 7.7.1 To support the above Terms of Reference, the Committee will receive the standard reports contained in this schedule.

People and Governance Committee		
Activity	Jan to June	July to Dec
Annual Board Skills and Succession Review	X	
Annual self-assessment against Code of Governance	X	
Governance cycle planning – appraisals, collective effectiveness, skills, development, improvement actions	X	X
Performance reporting – people, ED&I	X	X
Annual Review of People Strategy and Culture		X
Annual Equality, Diversity, and Inclusion Progress Update		X
Annual pay review report	X	
Board remuneration – every three years		X
Executive remuneration – every three years		X
Annual report on settlement agreement		X

8.0 Finance Committee Terms of Reference

8.1 Objective and Purpose

- 8.1.1 The role of this Committee is to provide assurance to the Board on key aspects of LHP's financial framework including the Business Plan and stress testing and the Treasury Strategy. This is to support the long-term financial sustainability of LHP and ensure that legal and regulatory requirements are met.

8.2 Membership

- 8.2.1 Between three and five members which include specialist skills in finance and treasury.

8.3 Quorum

- 8.3.1 Three members.

8.4 Meeting Arrangements

- 8.4.1 The Committee will meet twice a year with the scope for additional ad hoc meetings should a significant need arise.

8.5 Lead Officer

- 8.5.1 Executive Director of Finance

8.6 Specific Duties of the Finance Committee

- i. Scrutinise the review of the Business Plan, on an annual basis to ensure plans reflect strategy and are based on reasonable economic, development and operational performance assumptions and will maintain the financial viability of LHP, recommending approval to the Board.
- ii. Scrutinise the annual stress testing of the Business Plan and identify and monitor the implementation of any mitigation actions needed to ensure the continued financial viability of LHP, recommending approval to the Board.
- iii. Review the annual budgets of LHP, and its subsidiaries, ensuring financial resources are available to meet the financial business plan objectives, value for money targets are set, and budgets comply with key performance indicators and covenants, recommending approval to the Board.
- iv. Review the Treasury Strategy, supporting treasury policies and the appointment of Treasury advisers, recommending approval to the Board.
- v. Scrutinise treasury management activity, every six months, monitoring performance against the strategy.
- vi. Review all new loan facilities, refinancing and security arrangements, including the terms and conditions of agreements and loan offers and capital market facilities received, recommending approval to the Board.
- vii. Review changes to LHP's banking arrangements and banking provider, recommending approval to the Board.
- viii. Scrutinise overall performance against the Business Plan every six months, including reports on cashflow positions and covenant compliance. Put in place action plans to address any areas of serious under-performance or significant risk. Escalate any major risks to financial viability, compliance, or regulation to the Board.
- ix. Review any aspects of LHP's financial performance as directed by the Board where there is the potential for significant risks or opportunities for the organisation.

8.7 Reporting

8.7.1 To support the above Terms of Reference, the Committee will receive the standard reports contained in this schedule:

Finance Committee		
Activity	Jan to June	July to Dec
Review Business Plan, stress testing and mitigations	X	
Annual Budget	X	
Annual Review – Treasury Strategy	X	
Treasury Management Report	X	X
Performance against Business Plan – Q2 Review		X

9.0 Role and Delegations

9.1 Responsibilities of the Chair of the Board

9.1.1 These are set out below and will be kept under review. They also apply to any Vice Chair acting as Chair (if any).

9.1.2 The Chair shall have the following responsibilities:

- To ensure the efficient and proper conduct of Company, Board and Committee meetings, ensuring 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 (e.g., those without a conflict of interest) and vote, are invited to do so.
- To establish a constructive working relationship with, and provide support for, the Chief Executive, and to ensure when necessary that the Chief Executive is replaced in a timely and orderly fashion.
- To ensure that the Board makes proper arrangements to appraise the performance of the Chief Executive and to determine the remuneration of the Chief Executive and other senior staff.
- To ensure that the Board arranges its own appropriate annual appraisal, and the appraisal of the Chair of the Board (for which the SID, if any, shall be responsible), and individual Board Members, and that the Board has arrangements in place for the replacement of Board Directors.
- To ensure that the business of LHP is carried on effectively between Board Meetings, to exercise the authority delegated by the Board under urgent decision-making powers and to ensure that the Board monitors and, where appropriate, ratify the use of delegated powers.
- To ensure that the Board delegates sufficient authority to its Committees, the Chairs, the Chief Executive and others, to enable the business of LHP to be carried

on effectively between meetings of the Board and also to ensure that the Board monitors the use of these delegated powers.

- To take decisions that are delegated to the Chair of the Board.
- To ensure that the Board receives professional advice when it is needed either from its ELT or external sources.
- To ensure that LHP, save where exceptions have been agreed by the Board, complies with the NHF Code of Governance.
- To ensure that the affairs of LHP are conducted in accordance with generally accepted codes of performance and propriety.
- To agree the first draft of the Board minutes before they are circulated to the rest of the Board and be satisfied that the minutes of Board meetings are approved by the Board, as an accurate and complete record. Once approved the Chair must sign the minutes for recording in the Minutes Register.
- To be satisfied that all Company meetings have been properly convened by notice to the members, and that all Company and Board meetings are quorate.
- To guide the Board members through agenda items in the order they appear (unless modified with the agreement of the meeting), ascertaining the 'sense of the meeting' and summing up the general agreement on a particular conclusion.
- To give immediate rulings on complaints or queries relating to the procedure and conduct of the meeting, the Chair's ruling being final, adjourning any meeting of the Board or Committee for the purpose of restoring order or where required to do so by a majority of members.

9.2 Responsibilities of the role of the SID

9.2.1 If appointed, the SID, in common with all Board Members, has the same general legal responsibilities to LHP as any other Board Member. The Board as a whole is collectively responsible for promoting the success of LHP.

9.2.2 The SID shall have the following responsibilities:

- To act as a sounding board for the Chair, providing support for the Chair in the delivery of his or her objectives
- To have the authority to call a meeting of the Board Members if, in his/her opinion, it is necessary
- To act as a conduit to the LHP Board for the communication of concerns when other channels of communication are inappropriate
- To ensure that the views of the other Board Members are given due consideration
- Be a conduit, as required, for views by other Board Members on the performance of the Chair and carry out a formal annual evaluation with the Board (excluding the Chair) to review the Chair's performance
- Conduct the Chair's annual performance appraisal
- To work with the Chair and other Board Members to resolve significant issues and to interfere in order to maintain Board stability in the following circumstances:
 - where there is a dispute between the Chair and the Chief Executive

- where Board Members have expressed concerns that are not being addressed by the Chair or the Chief Executive
- where the strategy being followed by the Chair and the Chief Executive is not supported by the entire Board
- where the relationship between the Chair and the Chief Executive is particularly close and decisions are being made without the approval of the full Board
- where succession planning is being ignored
- Act as a trusted intermediary for Board Members where this is required to help them to challenge and contribute effectively
- Take the initiative in discussion with the Chair or other Board Members if it should seem that the Board is not functioning effectively

9.3 Company Secretary

9.3.1 The Company Secretary will perform the following duties:

- The distribution of Notices and Agendas of Meetings of the Board, any Committee, Working Group, Annual General Meetings and/or Special General Meetings
- The recording and distribution of the Minutes of the proceedings of the Board, Committees, Sub-Committees and General Meetings of LHP, including agreeing the first draft of the minutes with the Chair before they are circulated to the other members
- To advise LHP on the application of its Rules
- To monitor the operation of general meetings, Board meetings and company secretarial functions to ensure that LHP operates within its constitution and in accordance with relevant legislation
- To ensure that proxy votes are recorded and taken into account
- At the Annual General Meeting, to supervise the election of Board Members in accordance with LHP's Rules
- The maintenance of a Register of Shareholders
- The making of all statutory returns on behalf of LHP
- To ensure that Audited Annual Accounts are presented to the Board
- Ensuring that LHP meets the Regulatory Code for the time being in force
- Responsibility for the completion of the Regulator's information requirements
- Responsibility for the completion of all other statutory and regulatory returns
- Keep a record of all declarations of interests of Board members and employees made at meetings

9.4 The Chief Executive

9.4.1 The Chief Executive is given delegated powers by Board for the management and day to day running of the Group and its business, including with the strategic and policy framework set by Board and its Committees.

9.4.2 The Chief Executive is empowered to delegate further these functions and powers to other employees as a matter of efficiency, practicality and to reflect business needs and expertise. This forms the **Delegation Schedule** at Appendix A which includes both financial and general delegations. These give individual and/or level of employees' specific authority with financial limits for such matters as placement of orders, authorising invoices, bank mandates, entering contracts, special payment requests, petty vouchers and decoration vouchers and similar.

9.4.3 The Delegation Schedule is an important document. This is because an action or decision by an employee without formal authority from the Schedule could be challenged as unlawful. This could lead to financial losses and damage to reputation as a consequence and even disciplinary action if the employee has acted beyond his/her authority and when not authorised to act on behalf of LHP.

9.4.4 Under the Delegation Schedule:

- i. Each employee exercising a delegated power should record the decision taken and reasons for it unless it is evident from the papers or file or not appropriate given the subject matter.
- ii. The exercise of a delegated power must be on behalf of LHP and subject to, and taking account of LHP's:
 - Policy framework
 - Budgets
 - Constitution
 - Corporate Objectives and Values
 - Value for Money requirements
 - Probity Policy and Codes of Conduct
 - Anti-Fraud and Corruption and Bribery Policies
 - Anti-Money Laundering and Anti-Slavery
 - Where appropriate proportionality under Human Rights Act
- iii. For avoidance of doubt, any exercise of delegated powers is subject to having any required budgetary approvals secured.
- iv. Any power or delegation within this Scheme shall be widely construed so as to incorporate anything which is ancillary or conducive to the discharge of the function or the power.
- v. Unless otherwise specified a power to approve includes a power to refuse or impose appropriate conditions.
- vi. Employees should always consult appropriate colleagues for technical or professional advice before exercising the function and should consider consultation with a Head of Service, Executive Director or the Chief Executive

in potentially controversial or sensitive matters which might involve the reputation of LHP and/or the Group.

- vii. Delegations granted may be withdrawn at any time generally or in specific cases and/ or be the subject of directions.
- viii. The Company Secretary will maintain this Scheme and is authorised to update it to reflect any re-organisational changes or change in legislation.
- ix. Delegations are given to employees at various levels of authority and expenditure commensurate with the responsibilities and seniority of the post holder.

9.5 Delegation to the Chief Executive

9.5.1 The following summarises the general delegations to the Chief Executive for management and operational purposes. Functions are listed under generic headings of strategy and governance, employment and performance, maintenance, and development, housing management and sealing documents. The Chief Executive will designate post holders and allocate specific authority against appropriate functions listed under these generic headings.

- i. The establishment and maintenance of an organisation capable of implementing the policies and pursuing the objects of LHP.
- ii. To advise and assist in the formulation of policy including matters pertaining to the Constitution including Standing Orders, Financial Regulations and other rules of LHP.
- iii. To review and amend policies within an agreed policy review cycle or where legislation or regulatory requirements change subject to Board approval for those policies reserved to it or where a fundamental change of direction or principle is proposed.
- iv. The preparation of plans, financial budgets, accounts and regular reports, in an agreed format, for consideration by the LHP Board and Committees.
- v. The establishment and maintenance of accounting and information systems requisite to the day-to-day management and control of the business of LHP and compliance with statutory and legislative requirements.
- vi. To exercise financial control over the business of LHP in adherence to approved Financial Regulations, the requirements, and directions of the Regulator of Social Housing and/or the Secretary of State and all applicable law.

- vii. Manage the affairs of LHP in accordance with the general policies and specific decisions of the Board.
- viii. Help the Board determine LHP's strategy and ensure effective consultation and communication on all relevant matters.
- ix. Ensure that LHP complies with the law and the Regulatory Standards and remains solvent.
- x. Ensure that the attention of the Board and of any relevant Committee is drawn to matters that they must consider and decide.
- xi. Ensure that the Board and all Committees are given the information necessary to perform their duties.
- xii. Ensure that proper systems of monitoring and control are established and maintained and have overall responsibility for the LHP's internal audit function of LHP.
- xiii. Ensure the supervision, with the guidance of the Chair, of the preparation of documents for consideration by the Board and relevant Committee.
- xiv. Ensure that the relevant Chair receives appropriate support to enable the business of the Board or relevant committee to be properly conducted.
- xv. Lead and manage the employees of LHP and ensure that their performance is appraised.
- xvi. To pursue, within agreed plans and budgets, the recruitment, training, motivation and direction of staff and their activities requisite to the promotion of the policies and object of Group.
- xvii. Ensure that all proposals including in particular those for new developments and activities and the acquisition or construction of properties, include a risk assessment which:
 - Identifies the key risk associated with the proposal including in particular the likelihood of planning permission where appropriate
 - Assesses the likely impact of these risks
 - Assesses the probability of the risks crystallizing
 - Identifies an officer of LHP responsible for controlling and monitoring the risk
 - Contains proposals for controlling the risk
 - Explains how the risk will be monitored
 - Recommends an appropriate risk strategy
- xviii. Appraise the performance of the other Executive Directors.

- xix. To promote and represent the interests of LHP and the Group in its relationship with the Regulator of Social Housing, Homes England, Local Authorities, Government Departments, Professional Bodies and Organisations, the NHF, the National Housing and Planning Council and such other organisations with which the Group may establish links or become affiliate.
- xx. To exercise appropriate day to day control and direction over all the business of the Group and those in its employ.
- xxi. To perform such other tasks and duties as may from time to time be required by the Board.
- xxii. To facilitate good working relationships between ELT and the Board and its Committees.
- xxiii. Subject to these Standing Orders including Financial Regulations, the Chief Executive may, without further reference to the Board or any Committee, take the action he/she considers necessary to ensure the efficient and effective management and administration of the LHP's activities consistent with the policies of LHP. Under the management of and through the Chief Executive, the duties and responsibilities set out above and below may be further delegated to the other Executive Directors or other employees whom the Chief Executive shall decide from time to time shall be authorised to so act and/or whose job descriptions would normally include such activity, as the case may be.

9.6 Human Resources

9.6.1 Within approved policies, settle Terms and Conditions of Service, salaries. And other emoluments.

9.6.2 Decide the following matters:

- i. Employee recruitment, selection, deployment, and management and, subject to approved disciplinary policies and procedures, employee discipline and dismissal and the authorisation of candidates' expenses and appointees' relocation expenses, accommodation and travelling expenses.
- ii. With the exception of major changes to structures which must be approved by the Board, changes to employee structures and establishment provided that costs are met from within agreed budgets.
- iii. Extension of sick pay entitlements and the exercise of discretions approved under the Local Government Pension Scheme regulations 1997 (as amended).

- iv. Development, approval and implementation of employment policies and procedures, including all employee welfare matters, that support the overall human resource and organisational development strategies, policies, and values of LHP.
- v. Operation of a performance appraisal scheme.
- vi. Authorisation of casual and temporary appointments and the determination of their rates of pay and allowances.
- vii. Informal and formal communications, consultations, and negotiations with employee representatives.
- viii. Leave of absence in excess of normal entitlement.
- ix. Employee training arrangements and attendance at employee courses, subject to approval by the Board of the strategic training and development plan for employees.
- x. Extensions of service.
- xi. Determining ex-gratia payments to employees in cases of loss or damage to possessions in connection with the work of LHP.
- xii. Conducting disciplinary hearings as provided for in the approved Disciplinary Policy and procedures.
- xiii. Establish, approve, and implement health and safety policies, procedure and practice in accordance with overall policy on Health and Safety to be approved by the Board.

9.7 Finance

9.7.1 As determined under the **Financial Regulations**.

9.8 Maintenance, Property and Development

- i. Applications for planning permission and the invitation and acceptance of tenders and entering of formal contracts for house construction, improvement, and repair schemes subject to the provision of Financial Regulations, Procurement Rules and within approved budgets.
- ii. Delivery (which includes all necessary actions) of development programmes and opportunities identified under the approved annual programme within the Asset Growth Strategy approved by Board.

- iii. Implementation of approved Disinvestment Strategies and programmes approved by Board either specific to identified properties or by reference to an annual financial target or capped number of properties to be identified and evaluated.
- iv. Negotiating and completing the ad hoc disposal of property and other assets with an individual value of up to £25,000 and the authorisation of payments in connection with this activity.
- v. Determining the use of land for housing development which is not immediately required for development purposes.
- vi. Approval of terms for short term leases with partner agencies, miscellaneous licences and rights, wayleaves, and easements.
- vii. Legal and other appropriate action in connection with property and land holdings including defending and settling disrepair claims (within approved financial delegated authority) and consultation with leaseholders and tenants in respect of rechargeable works and services ("section 20 consultation").

9.9 Housing Management

- i. The overall management of the housing stock including selection of tenants, letting and licensing of dwellings, garages, and other buildings, rent collection etc., in accordance with the LHP's approved policies.
- ii. The termination of tenancies and leases, including the issue of appropriate legal notices and all necessary legal action, in respect of all dwellings, garages or other accommodation and land and the repossession of properties for breach of tenancy conditions.
- iii. Subject to the relevant Tenancy Agreement, approval of tenants' requests in respect of sub-tenants, changes of use, alterations and extensions and erection of other structures.
- iv. Assessment of rents in accordance with the Regulatory Framework, approved policies and schemes and appropriate notification to tenants.
- v. Determination of applications for minor alterations to boundaries.
- vi. Carry out repairs, improvement and modernisation programmes within approved budgets and policies.
- vii. Management of the warden service (Sheltered Housing Service) and the provision of supported housing and other care needs within the community in accordance with LHP's policies.

- viii. Liaison with the local housing authority on matters relating to homelessness and other contractual obligations arising from the Transfer of Housing Stock Agreement between North East Lincolnshire Council and Boston Borough Council and LHP.
- ix. Administration of the Prescribed Right to Buy and Right to Acquire Schemes in accordance with the legal provisions and other schemes enabling tenants to acquire interests in their own homes.
- x. Legal action to enforce or waive covenants, rights and restrictions relating to all properties of LHP subject to legal advice.
- xi. Instituting appropriate action to enforce conditions of sale.
- xii. Action to contest or agree adverse possession claims relating to land subject to legal advice.

9.10 Authority to attest the use of the seal and sign documents as a Deed

- 9.10.1 Two Board members or a Board member and Company Secretary may attest the use of LHP's seal on documents requiring the affixing of the seal.
- 9.10.2 Board may grant a Power of Attorney to the Chief Executive and such members of the ELT as it determines appropriate to sign documents on its behalf as a Deed.

10 SECTION B: FINANCIAL REGULATIONS

10.1 Introduction

- 10.1.1 The Financial Regulations of LHP form part of its overall system of Governance which includes financial and management control. The Rules of LHP, the terms of reference of the Board, its Committees (the Audit and Risk Committee, Operations Committee, Finance Committee and People and Governance Committee) and the Standing Orders and Delegations outline how LHP will be controlled and run. The Financial Regulations are supported by a number of policies and procedures that describe the way that these regulations will be implemented.
- 10.1.2 Nothing in these Financial Regulations shall override instructions or conditions imposed by statute, Regulator or any other department or body which has a legitimate role in setting standards.
- 10.1.3 The Rules and Sections 1-5 of the Constitution will take precedence over these Financial Regulations where there is a conflict. Where there is a conflict between these Regulations and other policies or procedures issued by LHP from time to time, these Financial Regulations will take precedence.

10.1.4 The Financial Regulations are reviewed by the Audit & Risk Committee on an annual basis. If changes are recommended these must be taken to the Board for approval.

10.1.5 These regulations govern the conduct of LHP and its employees, Board Members and Committee Members in relation to all financial matters. Failure to comply with the Financial Regulations, or instructions issued under them, will constitute misconduct and may result in disciplinary action.

10.1.6 It is the responsibility of the members of ELT to ensure that staff for whom they are responsible are made aware of the existence and content of the Financial Regulations and the **Delegation Schedule**. The up-to-date version is maintained on the Intranet and is accessible to all staff.

10.1.7 The detailed financial policies and procedures setting out how the regulations will be implemented are contained in a separate manual. It is the Executive Director of Finance's responsibility to prepare and maintain LHP's financial policies and procedures.

10.2 Scope

10.2.1 These Regulations apply to:

- All LHP Income and Business
- All LHP Staff, Board Members and Committee Members
- All Departments and LHP subsidiary companies

10.3 Ethical Principles

10.3.1 LHP business shall be conducted in accordance with the Nolan Principles: selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

10.3.2 Staff, Board Members and Committee Members must ensure that:

- a) neither their conduct of LHP business; nor
- b) the conduct of any person or organisation entering into any contract or arrangement with LHP, contravenes the Bribery Policy.

10.3.3 Staff, Board Members and Committee Members must not use their authority or office for personal gain and must always seek to uphold and enhance the standing of the LHP.

10.3.4 Staff must declare to the Company Secretary any personal interest, which may affect any LHP business and act in accordance with the instructions given as to management of any conflict.

10.3.5 Board Members must declare to the Company Secretary any personal interest, which may affect any LHP business and act in accordance with the instructions given as to management of any conflict.

10.3.6 All Board Members, Committee Members and employees are required to comply with the Code of Conduct for Board Members and Employees.

11.0 Control Framework

11.1 Responsibilities

The Board

11.1.1 The Board has ultimate responsibility for LHP's finances, in particular to:

- Ensure the solvency of LHP
- Safeguard LHP's assets
- Ensure the effective and efficient use of resources
- Ensure compliance with the regulatory body's performance standards and related guidance
- Ensure that financial control systems are in place and are working effectively and that a statement of assurance is produced by the internal audit provider annually
- Review the management letter from the external auditor and take any appropriate action
- Approve LHP's Corporate Plan
- Approve the annual budget
- Approve the long-term business plan
- Approve the annual financial statements
- Appoint LHP's external and Internal auditors

11.1.2 The Board delegates certain financial responsibilities to the Audit and Risk Committee and the Finance Committee, which are detailed in the Constitution and Terms of Reference. The Audit and Risk Committee and Finance Committee are accountable to the Board. The Board can, from time to time, set up working parties for which terms of reference and any decision-making power will be established.

11.1.3 All Board and Committee Members are expected to operate in accordance with the Constitution of the Company and to comply with the Code of Conduct for Board Members and Employees to achieve the Corporate Objectives.

The Chief Executive

11.1.4 The Chief Executive is responsible to the Board for the day to day running of LHP and the implementation of the strategy and policies approved by the Board and for the overall financial control of the organisation and the provision of financial information.

11.1.5 These Financial Regulations set out the basis of the Chief Executive's powers to delegate authority to individuals on financial related matters and are intended to enable the efficient operation of LHP and the achievement of Corporate Objectives.

The Executive Director of Finance

11.1.6 The day-to-day financial administration of LHP is the responsibility of the Executive Director of Finance. He/she is responsible to the Chief Executive and the Board for:

- Financial and business planning
- Preparing annual capital and revenue budgets
- Preparing management accounts and information, monitoring and control of income and expenditure against budgets, within the context of delegated budgetary control, and all financial operations
- Preparing LHP's annual accounts and other financial statements and accounts that LHP is required to submit to other authorities
- Preparing information for the monitoring of Lenders' covenants
- Ensuring that LHP maintains satisfactory financial systems that are properly administered
- Monitoring and control of the adequacy of funding needs using close cash flow supervision and projections
- Providing professional advice to the Board on all matters relating to financial policies and procedures.

The Executive Leadership Team (ELT) and Managers

11.1.7 All Executive Directors are responsible to the Chief Executive for financial management in their own areas. They are advised by the Executive Director of Finance in the execution of their financial duties.

11.1.8 The ELT will submit to the Executive Director of Finance, as required, all information for costing and accounting purposes within the agreed timescales. They will also allow the Executive Director of Finance access to all accounts, records, and documents.

11.1.9 Each member of the ELT is responsible for establishing and maintaining clear lines of responsibility within their department for all financial matters. Where resources are devolved to budget holders, the budget holder is accountable to the appropriate member of the Executive for his/her own budget.

11.1.10 All Executive Directors and Managers should ensure sound financial management and effective control over their areas of responsibility in accordance with the strategies and policies approved by the Board and the Chief Executive.

- 11.1.11 Executive Directors, Senior Managers and Managers should ensure that operational areas within their responsibility operate in accordance with these Financial Regulations.

Staff

- 11.1.12 All members of staff are expected to operate in accordance with the Constitution of the Company and to comply with the Code of Conduct for Board Members and Employees to achieve the Corporate Objectives.
- 11.1.13 All staff should be aware of and familiar with the Constitution comprising **Standing Orders, Delegation Schedule, Financial Regulations**, and the **Procurement Rules** in so far as they affect their own role and the extent of their own authority.

External Bodies

- 11.1.14 It is permitted to delegate authority to commit the Company to a contractor, partner or consultant working on behalf of LHP. The authority delegated to act under these Financial Regulations to such a third party must be fully documented and authorised by the Chief Executive.

11.2 Publication of Financial Regulations

- 11.2.1 Every Board member and employee of LHP will have access to the Financial Regulations electronically or a hard copy if they do not have access to the intranet.

11.3 Company Secretarial

- 11.3.1 The Board together with the senior management will ensure that the relevant Organisations within the Group are operating within the permitted boundaries as laid down in the respective Memorandum & Articles, Rules, and other governance documents.
- 11.3.2 The Company Secretary will be the Secretary for all Group Organisations to ensure that statutory and regulatory reporting requirements are met for the whole Group. All Group Organisations are required to provide all information requested by the Company Secretarial department within the required timescale.

11.4 Delegated Authority

- 11.4.1 The delegated authority is a personal authority delegated to an individual and can only be delegated in accordance with these Financial Regulations. Each individual must exercise proper discretion when authorising a transaction. In particular this means that the authoriser should be satisfied that they have been delegated the authority to act and that all procedures have been correctly followed. Each individual is personally

responsible and will be held accountable for their actions under the delegated authority.

11.4.2 The maximum authority levels for each grade of staff are set out in the **Delegations Schedule** at Appendix A. Managers may delegate authority to incur expenditure up to the amounts specified in the table to individuals within those grades. Delegation of amounts in excess of the amounts specified must be clearly documented, approved by the Chief Executive and be for a specific period of time not exceeding three months.

11.4.3 A member of staff is authorised to enter into financial and other commitments on behalf of LHP within the limits set out in the **Delegations Schedule** (see Appendix A), provided that:

- The matter is not subject to specific approvals as set out in set Financial Regulations or the Procurement Rules
- That the costs have been provided for in a budget allocated for the purpose
- All other policy and procedural requirements have been met

11.5 Matters Reserved to the Board, Chief Executive and Others

11.5.1 The Matters Reserved to the Board (set out in the Constitution) shall be authorised by the Board or in accordance with specific delegations for each matter as determined by the Board. This may include delegation to individual Board Members, a Board Committee, the Chief Executive or Other Officers.

11.6 Segregation of Duties

11.6.1 The following principles shall be observed where possible in the allocation of duties involving financial activity:

- The duties of providing information about money due to or from LHP and of calculating, checking, and recording these sums, shall be separated as completely as possible from the duty of collecting or paying them
- Staff who examine and check the accounts of cash transactions shall not themselves be engaged in any of these transactions.

11.7 Audit Requirements

11.7.1 The accounts and management letter will be submitted to the Audit and Risk Committee for discussion and comment and then to the Board for noting and adoption.

11.7.2 External and internal auditors shall have authority to:

- access all assets, records, documents, and correspondence relating to any financial and other transactions of LHP

- require and receive such explanations as are necessary concerning any matter under examination
- require any employee of LHP to account for cash, stores or any other LHP property under his/her control
- access records belonging to third parties, such as contractors when required

External Audit

- 11.7.3 The appointment of external auditors will take place annually and it is the responsibility of the Board to appoint the external auditors following advice received from the Audit and Risk Committee.
- 11.7.4 External auditors may be appointed for a maximum period of five years, after which the service must be tendered.
- 11.7.5 The primary role of external auditor is to report on LHP's financial statements and to carry out such examination of the statements and underlying records and control systems as are necessary to reach their opinion on the statements and to report on the appropriate use of funds. Their duties will be in accordance with advice set out in the code of audit practice and the Auditing Practices Board's auditing standards.
- 11.7.6 The Executive Director of Finance will arrange for a management letter to be sent to the Chair of the Board by the external auditors reporting on the findings of the audit and highlighting any areas of concern related to the audit and including recommendations to improve efficiency and systems of internal control.
- 11.7.7 The external auditors will be given the opportunity as required, but at least once per year, to meet the Board without Officers present to discuss any issues that might have arisen during their work and to highlight areas of concern.

Internal Audit

- 11.7.8 The appointment of the internal auditor is approved by the Audit and Risk Committee. The appointment will be subject to annual review as to effectiveness and performance.
- 11.7.9 The main responsibility of internal audit is to provide assurance to the Board, the Chief Executive and senior management on the adequacy of the internal control system, and the consideration of the arrangements regarding risk management and governance. The internal audit service remains independent in its planning and operation and has direct access to the Board, Chief Executive and Chair of the Audit and Risk Committee.
- 11.7.10 The internal auditor will comply with the Institute of Internal Auditors' Code of Practice and Code of Ethics.

11.7.11 A three-year strategy and an annual programme of work will be approved by the Audit and Risk Committee under its terms of reference. The programme will be based on an assessment of the needs of LHP and the risks it faces.

11.7.12 The Audit and Risk Committee shall receive an annual report on the results of the approved programme of Internal Audit, including a summary of the Internal Auditor's assessment of the effectiveness of the systems of internal control.

Other Auditors

11.7.13 LHP may, from time to time, be subject to audit or investigation by external bodies such as the Regulator, FCA and HM Revenue and Customs.

11.8 Retention of Records

11.8.1 Accounting and other records must be retained for periods that comply with relevant legal requirements and best practice. A list of **document retention periods** is provided at Appendix B.

11.9 Insolvency Procedures

11.9.1 The Board is responsible for ensuring that LHP or any of its subsidiaries ceases to trade if there are reasonable grounds for believing LHP or an individual subsidiary is insolvent. The Chief Executive and the Executive Director of Finance, in conjunction with information provided by fellow members of the Executive Leadership Team and senior staff shall provide such appropriate information to the Boards and the Regulator should they suspect that the Group or one of its subsidiaries may be insolvent.

12.0 Financial Planning and Control

12.1 Financial Year

12.1.1 The financial year will run from 01 April to 31 March, unless amended by Board resolution.

12.2 Business Planning

12.2.1 LHP will produce a 3-year Corporate Plan and 30-year financial projections reflecting the strategic direction of LHP, which will be reviewed annually as a minimum and must be approved by the Board.

12.3 Annual Budget

12.3.1 Within a particular year, the Annual Budget provides the framework for financial decision making and control and is prepared with reference to the Corporate Plan.

12.3.2 The Executive Leadership Team of LHP is responsible for ensuring revenue and capital budget is prepared annually for consideration by the Board as part of the Annual Planning Process. This preparation is co-ordinated by the Executive Director of Finance who will set the initial overall objectives and timetable with the Chief Executive and in consultation with the Executive Leadership Team. Budgets should be presented to the Board at an early stage to allow adjustments and alteration.

12.3.3 All budgets will be prepared by budget holders under the direction of the appropriate Executive within the agreed timetable. The Executive Director of Finance will provide advice and assistance to budget holders as required to facilitate the production of the annual budget. A set of agreed budget principles is provided to budget holders and made available on the intranet.

12.3.4 The Budget, once approved will be used as the basis to authorise expenditure under the delegated authority scheme up to the specified limits.

12.3.5 When setting the Budget, the Executive Director of Finance and Budget Holders must ensure that:

- Current and known future commitments in relation to capital expenditure over the next 18-month horizon are, or can be, fully financed by loans, grants or other available funds, and that any security requirements required for the drawing of loans in that period are already in place
- Future rental and other revenue income is adequate to meet projected expenditure in the long term
- Expenditure on each of LHP's functions is adequately funded by income received or other pre-allocated resources
- There is prompt and accurate submission of claims for any capital, revenue, or deficit grants for which LHP is entitled
- That administrative costs and overheads are commensurate with LHP's circumstances and allocated on a reasonable basis to LHP's functions

12.3.6 When setting the annual budget, the following factors should be included:

- Main economic and operational assumptions and where they differ from the same assumptions contained in the long-term business plan
- The impact of any significant changes to policy
- The effect of material changes on budgets of changes in services or workload to achieve business objectives
- Progress against delivering the commitments made to residents at transfer
- Compliance with lenders' covenants
- Compliance with current regulatory requirements

- Sensitivity analysis and an assessment of the principle risks inherent in the budget
- The impact of the budget on the long-term financial forecasts
- Improving the value for money of all LHP's services over time to release resources for reinvestment in improved homes and services and to ensure that LHP's performance is consistent or better than its peer group

12.3.7 The budget also includes cash flow forecasts for the year and a projected year-end balance sheet.

12.3.8 When individual capital projects are presented for approval, they should be supported by:

- A statement demonstrating the project's consistency with strategic plans approved by the Board
- A budget for the project, incorporating a breakdown of costs including professional fees, VAT and funding sources
- An investment appraisal and financial evaluation of the plans together with their impact on revenue expenditure, plus advice on the impact of alternative plans where appropriate
- A cash flow / spend forecast
- A demonstration of Value for Money in respect of the proposed project

12.4 Budgetary Control

12.4.1 The responsibility for managing the revenue and capital budgets will be delegated to budget holders in line with the delegation schedule approved by the Board. All authorities to incur expenditure by individual members of staff will be documented showing the maximum limits of authority to commit expenditure and communicated to the budget holder. The **Delegation Schedule** is provided at Appendix A.

12.4.2 The control of income and expenditure within an agreed revenue budget is the responsibility of the designated budget holder who must ensure that day to day monitoring is undertaken effectively. Budget holders are responsible to their Executive Director for the income and expenditure appropriate to their budget. The budget holder will be assisted in this duty by management information provided by the Finance Team.

12.4.3 The inclusion of items of revenue expenditure in the approved budget shall constitute authority to incur the expenditure except where the Board has placed conditions on any item, items or category of expenditure. Expenditure on any such items can only be incurred when and to the extent that such conditions have been satisfied.

12.4.4 An approved budget for capital expenditure other than non-property related fixed assets, does not bestow authority to automatically incur expenditure. A scheme appraisal providing appropriate detail relevant to the spend must first be considered by the group or person authorised under the scheme of delegation before the

scheme can proceed. Further advice can be obtained from the Financial Planning and Treasury Manager.

- 12.4.5 For approved budgets where the decision making is delegated to resident involvement (Section 7.5) the Executive Director of Customers is responsible for ensuring that the representatives of such involvement are informed of their budget limits and limit their approval of schemes to the total budget.
- 12.4.6 If it appears that a capital project or long-term contract budget will be exceeded outside predetermined limits it will be the duty of the budget holder concerned after consultation with the Executive Director of Finance to inform the Board of the circumstances.
- 12.4.7 Budget holders can vire budget within their own areas of responsibility provided expenditure:
- Remains within budget
 - Does not generate a financial or other commitment beyond the current financial year
 - The funds are not ring-fenced to a particular activity
- 12.4.8 Transfers between budgets must not result in long-term commitments such as employment of additional permanent staff not included in the current establishment budget, unless approved by the Executive and Corporate Management Team, or entering into long-term contracts without approval of the Chief Executive.
- 12.4.9 Expenditure within total budget but involving virement from one budget head to another is the responsibility of the Chief Executive, subject to issues of policy being agreed by the Board. Expenditure in excess of budget requires Board approval. Approval of the virement of amounts between budget heads up to the value of £10,000 is delegated to the Executive Director of Finance.
- 12.4.10 All transfers between budgets must be approved by the Executive Director of Finance and those over £10,000 will be reported to the Board on a quarterly basis.
- 12.4.11 The Chief Executive or in his/her absence the Executive Director of Finance may authorise expenditure in excess of the budget allowance if it is essential to meet any immediate needs created by a sudden emergency. Such action must be reported to the Board as soon as possible after the event.
- 12.4.12 If there is a significant change in operational activity or policy that will affect the financial position of LHP the Board will be provided with a report outlining the financial impact of the change.
- 12.4.13 Any new proposal with a financial implication that involves the incurring of additional net expenditure during a period for which the Board has already approved a budget, or a programme of capital expenditure shall be presented to the Board a report

quantifying the financial impact. The Board will be requested to approve the proposal and the resultant financial implication.

- 12.4.14 The Board may approve a revision to the annual budget for the year at any time during the year. The budgeted levels of expenditure should not be exceeded without formal approval by the Board.

Budget Monitoring and Reporting

- 12.4.15 The Board is responsible for the overall monitoring performance against budgets with day-to-day responsibility being delegated to budget holders in their own area of control.
- 12.4.16 The Executive Director of Finance in conjunction with budget holders will be responsible for ensuring that as far as practicable budget holders have systems and procedures available to enable budget holders to monitor and control their budgets, including monthly management accounts.
- 12.4.17 The Executive Director of Finance is responsible for ensuring budgetary control is exercised correctly and has the authority to seek and receive explanations of actual and potential variances to budgets that fall outside delegated authorities.
- 12.4.18 It is the responsibility of the Executive Director of Finance to present regular out-turn reports in respect of revenue income and expenditure and capital expenditure. These reports will show expenditure against budget and forecasts and will be presented to the Executive and Corporate Management Team monthly (except for April month end) and to the Board quarterly. Prompt action should be taken to correct adverse variances from budgets where possible. Budget holders are obliged to provide suitable commentary for any notable variances.
- 12.4.19 The Executive Director of Finance will report quarterly to the Board on the financial position of LHP. Board meetings are to be held at a time that allows for the figures to be presented.

12.5 Accounting

- 12.5.1 The Executive Director of Finance will provide guidance on the accounting policies and procedures to be used throughout LHP by its officers in all its financial matters. This will recognise the requirements of company law, statutory agencies, and regulatory authorities.
- 12.5.2 The Executive Director of Finance will be responsible for the accounting procedures, accounts, and accounting records of LHP and maintaining their completeness and accuracy.
- 12.5.3 The implementation of all accounting procedures and compilation and maintenance of financial records of LHP shall be managed by the Executive Director responsible for

the specific area of activity, after consultation with the Executive Director of Finance, in accordance with requirements of statutory agencies and regulatory authorities.

12.5.4 The following accounts and accounting records will be kept as a minimum requirement:

- Nominal Ledger
- Cash Book and Bank Statements
- Purchase Ledger and Invoices
- Loan Register
- Rent Ledger and Invoices
- Fixed Asset Register
- Sundry Debtor Ledger
- Payroll Records
- Project Ledger

The records should be kept such that they comply with the requirements of HM Revenue and Customs and any funding bodies, and in a manner consistent with statutory accounting regulations and good practice.

12.5.5 The Executive Director of Finance is responsible for maintaining accounting records sufficient at all times to:

- Identify assets and liabilities (including monthly accruals)
- Ensure properly due amounts are paid out
- Recognise and collect all income that is due
- Provide regular reports on the financial position to the Executive, the Board, Funders and Statutory or Regulatory bodies

12.5.6 The records prepared under Regulations 8.3.4 and 8.3.5 must be sufficient to allow for the preparation, at any time, of financial statements, which give a true and fair view of both the results for the period prescribed, and the net assets. The financial statements must be prepared in compliance with all the relevant statutory and regulatory requirements, and in accordance with the approved accounting policies.

12.5.7 The establishment of new Project Codes on the Project Ledger can only proceed with the approval of the Executive Director of Finance supported by a clear explanation as to why a Project Code is required. The Budget Holder requesting the Project Code should be able to identify clearly either that there is a capital budget in place against which the project will be linked or that there is corresponding revenue funding (e.g., grant funding) in place to support that project.

12.6 Accounting Policies

- 12.6.1 The annual financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards and Statements of Recommended Practice, in particular with the Statement of Recommended Practice – Accounting by Registered Social Landlords (SORP).
- 12.6.2 The Accounting Policies are approved by the Audit and Risk Committee and detailed in the annual financial statements.
- 12.6.3 Any fixed asset owned by LHP will be depreciated in accordance with best practice and the latest relevant SORP. Rates for depreciation for the different categories of fixed assets are set out in the detailed financial procedures. Small items of capital expenditure costing below an agreed amount as specified in the detailed financial procedures are treated as consumables and written off in the year of purchase.
- 12.6.4 LHP will, where possible maintain and increase the level of general reserves, so that they adequately reflect its capital and revenue commitments. The use of reserves must comply with the appropriate statutory and regulatory requirements.

12.7 Accounting Returns

- 12.7.1 The Executive Director of Finance is responsible for consolidating and dispatching financial returns and other periodic financial reports to the regulatory body and other agencies as required.

12.8 Group Structures and Subsidiaries

- 12.8.1 In certain circumstances it may be advantageous to LHP to establish group structures or subsidiaries to undertake services on its behalf. The Board is responsible for approving the establishment of group structures or subsidiaries and the procedure to be followed in order to do so. Compliance with LHP's Rules and regulatory guidance must be secured.
- 12.8.2 It is the responsibility of the Board to establish the shareholding arrangements and appoint directors of companies wholly or partly owned by LHP. The Directors of companies where LHP is the shareholder must submit an annual report to the Board.

13.0 Income and Banking

13.1 General

- 13.1.1 The Executive Director of Finance is responsible for ensuring that appropriate procedures are in operation to enable LHP to receive all the income to which it is entitled. All manual or electronic receipt forms, invoices, tickets or other official documents in use must have the approval of the Executive Director of Finance.

13.2 Appointment of Bankers

- 13.2.1 The Board is responsible for the appointment of LHP's bankers. The appointment shall be for three to five years after which consideration shall be given by the Board to competitively tendering the service.

13.3 Banking Arrangements

- 13.3.1 The Executive Director of Finance is responsible for liaising with LHP's bankers in relation to LHP's bank accounts and the issue of cheques. All cheques shall be ordered on the authority of the Executive Director of Finance who shall make proper arrangements for their safe custody.
- 13.3.2 The procedures for opening and closing bank accounts are agreed with the bank concerned. All bank accounts shall be in the name of LHP unless specifically approved otherwise by the Board.
- 13.3.3 Details of authorised persons and limits for all types of payment including BACS and CHAPS shall be provided for in LHP's detailed financial procedures.
- 13.3.4 The Executive Director of Finance is responsible for ensuring that all bank accounts are subject to regular reconciliation and independent review and that large or unusual items are investigated as appropriate.
- 13.3.5 Cheques will be signed by members of staff authorised by the Board in accordance with the Delegation Schedule.
- 13.3.6 Personal cheques of Board Members or employees are not to be cashed by LHP.

13.4 Charging for Services Provided

- 13.4.1 All Service Users and Customers should be charged the approved rate for services provided by the LHP in accordance with LHP Policy. This includes rent, support charges, service charges, repairs recharges meals and any other fees or charges for goods and services the Company may provide.
- 13.4.2 The Executive Director of Finance is responsible for ensuring all rents and charges are set in accordance with current legislation, regulatory requirements and LHP policy.
- 13.4.3 Compensation for service failure will be approved in accordance with the Compensation Policy, and authority for making payments under that policy is delegated under these Financial Regulations.
- 13.4.4 Authority to reduce or cancel charges to service users under approved contracts outside the Compensation Policy is documented in the Delegations Schedule at Appendix A.

13.5 Cash Receipts

- 13.5.1 All staff must comply with LHP's cash handling procedures when handling cash on behalf of LHP.
- 13.5.2 All monies received by LHP from whatever source must be recorded by staff in any service on a daily basis together with the form in which they were received. An authorised receipt of LHP must be issued.
- 13.5.3 Money must be paid to the Finance Department and custody of all cash holdings must comply with the requirements of LHP's insurers.
- 13.5.4 No deductions may be made from any cash collected on behalf of LHP prior to paying into the Finance Department.
- 13.5.5 Personal or other cheques must not be cashed out of money received on behalf of LHP.

13.6 Rent Collection

- 13.6.1 The collection of rents is the responsibility of the Executive Director of Customers. He/she should ensure that:
- Swift and effective action is taken to collect overdue rents in accordance with LHP's formal procedures
 - Outstanding rents are monitored, and reports prepared for managers
- 13.6.2 Payment of credits on individual rent accounts back to tenants are made following the deduction of any overpaid Benefit received direct by LHP.

13.7 Collection of Debts

- 13.7.1 The raising of debtors' invoices is carried out by the Finance Team at the request of other Teams upon receipt of appropriate supporting documentation.
- 13.7.2 The designated officers must ensure that:
- Debtors' invoices are raised promptly in respect of income due to LHP
 - Charges are raised on official invoices
 - Swift and effective action is taken to collect overdue debts in accordance with LHP's formal procedures
 - Outstanding debts are monitored, and reports are prepared for managers

13.7.3 Terms offered to debtors are generally that they have twenty-eight days from the date of the invoice. The date commercial rent is due is detailed in the relevant tenancy agreement.

13.8 Writing Off Debts

13.8.1 Effective action should be taken to pursue cases of non-payment. However, in certain situations a debt will become irrecoverable. The authorisation for writing off such debt is detailed in the schedule of delegated authority.

13.8.2 If at any time within the Statute of Limitations the circumstances of the debtor change such as to make any written-off debt recoverable, the debt will be written back onto the appropriate debtor account and appropriate recovery action taken. Where taxable debt is written-off bad debt relief should be claimed in accordance with the relevant HMRC notice.

13.9 Grant Income

13.9.1 The Executive Director of Finance must ensure that adequate accounting systems are in place to enable LHP to comply with the procedural conditions of the Homes England and other grant providers. Each member of ELT will, where appropriate, ensure that arrangements are in place to claim the full and appropriate amount of capital and revenue grant. Copies of all relevant information, including grant applications and submissions, must be sent to the Executive Director of Finance.

14.0 Expenditure

14.1 General

14.1.1 The Executive Director of Finance is responsible for making payment to suppliers of goods and services to LHP.

14.1.2 In its procurement activity, LHP must be able to demonstrate Value for Money, quality and probity of any works, goods, or services. All staff involved in purchasing should adhere to the Procurement Rules when making purchases.

14.2 Payment for Goods and Services

14.2.1 The **Delegation Schedule** set out at Appendix A specifies authority levels for employees who can commit to expenditure and authorise invoices and supplier payments.

14.2.2 To ensure value for money is achieved, the Procurement Rules must be followed.

14.2.3 The normal method of payment of money due is by BACS, electronic transfer or cheque drawn on the LHP's bank account and signed or approved by signatories authorised by the Board. Other approved methods are as follows:

- Standing orders or direct debits where required (for example, mortgage repayments, utilities etc.)
- Approved credit card arrangements

14.2.4 Automated payments must conform to the requirements of the Group's Insurers:

- Electronic payments or transfers can be initiated by authorised signatories on the bank software with passwords and access privileges strictly controlled
- Confirmatory letters signed by an authorised signatory issued for any other payment or transfer instruction given to the bank which are of a non-routine nature
- BACS payments for creditors will be made by utilising the credit facilities on the bank's software package, and payments are restricted to bank accounts/sort codes contained on the package, which has been confirmed by the receipt of documentary evidence as to the validity of the account

14.2.5 Responsibility for certifying an account for payment lies ultimately with the officer who approved the purchase of goods/services on behalf of LHP but must be countersigned by their manager if they were also responsible for placing the order for goods/services.

14.2.6 Statements, photocopies or facsimiles of invoices are not acceptable. However, if it is unavoidable, the authorising officer must confirm the original is unavailable and the copy clearly marked "copy" and signed by the authorising officer.

14.2.7 Before certifying an account for payment the certifying officer must satisfy him/herself that:

- The works, goods, or services to which the account relates have been received, carried out, examined, and approved
- Prices, extensions, calculations, trade discounts, other allowances, credits, tax, and coding are correct
- The invoice is arithmetically correct
- The relevant expenditure has been properly incurred and is within the relevant estimate provision
- Appropriate entries have been made in the inventories, store records or stock books as required
- The account has not previously been passed for payment and is a proper liability of LHP

14.2.8 The process for signing off an invoice for payment is as follows:

- The individual ordering the goods / services will sign to confirm that the goods / services have been received and where they are the budget holder will confirm a budget is in place for that expenditure
- A second individual of appropriate responsibility (usually the line manager) will sign to authorise payment and where they are the budget holder to confirm that there is a budget in place

14.2.9 Under no circumstances must the payment request be:

- Certified by the payee
- Certified by the cheque signatory
- Certified by an officer not listed in the detailed financial procedures

14.2.10 Where a purchase ordering system is available then it should be used for all purchases where practical. In such cases, authority over the order shifts such that the person ordering the goods or services raises an order which must be approved by their manager or other person with the relevant delegated authority to approve that order.

14.2.11 Once the goods or services have been received, the person who ordered them must update the purchase order system that this is so, as long as the goods or services are satisfactory. On receipt of the invoice, the finance department will then arrange matching with the order and receipt advice and assuming a match within tolerance, arrange payment with no further recourse to the ordering officer.

14.2.12 Should the match fall outside tolerances, the finance department will contact the supplier or the officer requesting the goods as appropriate.

14.2.13 In processing such invoices, the checks outlined in paragraph 2.7 must still be carried out by the Finance Department.

14.2.14 LHP will not pay for any goods or services that have not been delivered and found satisfactory for the purpose. In the case where the supplier requires payment or part payment in advance of delivery then approval must be obtained from the Executive Director of Finance who will satisfy himself or herself of the credit status of the supplier and advise on the circumstances, which will enable the order to be placed.

14.2.15 On occasion purchases may be made over the internet, where discounts can be secured, or this is the only source of the items. Payment will be made via a corporate credit card.

14.2.16 In exceptional circumstances the Executive Director of Finance will prepare cheques manually for urgent payments.

14.2.17 Goods and services that are procured under partnering agreements have specific delegated authority limits distinct from standard authority limits to support the realisation of the efficiency gains to be made from partnership working.

14.2.18 Individuals who have authority to approve repair work and other jobs under the partnering agreements will be specifically delegated a level of authority under those agreements. A record of the level of delegation applied to each Officer will be held with each partnering agreement with copies provided to the Finance Department.

14.3 Petty Cash

14.3.1 All the petty cash floats will be held only for the purpose of making small disbursements and paying properly authorised expenses. The level of imprest will be set by the Executive Director of Finance and will be determined by expenses flows, security and insurance consideration.

14.3.2 Each member of the Executive Leadership Team in whose area an imprest is held will be responsible for ensuring that drawings on that imprest are on petty cash vouchers or the appropriate expenses form authorised in accordance with the Delegations Schedule, and that there are regular checks on the balance in hand. There should be a regular expense analysis which is reviewed and approved by a Manager nominated by the ELT member concerned before reimbursement is made.

14.3.3 In all but exceptional circumstances receipts should be provided for all items of petty cash requiring reimbursement. Exceptional circumstances must be authorised by the appropriate member of the Executive Leadership Team in all instances.

14.3.4 No person may authorise a petty cash voucher or expenses form payable to themselves.

14.3.5 Petty cash should not be used for items controlled by another budget holder, except in exceptional circumstances. Where this does occur, then the budget holder must confirm the expenditure is acceptable and subsequently authorise the expenditure and record it for monitoring purposes.

14.3.6 Employees responsible for petty cash will be personally responsible for:

- Ensuring the proper use and safe keeping of the money advanced
- Producing on demand to the Executive Director of Finance or his/her authorised representative cash and vouchers that in total match the value of the imprest accompanied by a balanced petty cash account
- On leaving employment of LHP be liable to account for the petty cash imprest advanced

14.3.7 The Executive Director of Finance will maintain a record of petty cash balances held and reimburse imprests on receipt of vouchers and a balanced account as often as necessary.

- 14.3.8 No income received on behalf of LHP may be paid into an imprest account, but must be banked or paid to LHP, as provided elsewhere in these regulations.
- 14.3.9 Personal cheques must not be cashed, or money borrowed from imprest accounts.
- 14.3.10 Money can be provided in advance of expenditure. Supporting receipts and documentation must be provided subsequently and any balance returned.
- 14.3.11 At the end of the financial year a certificate of the balances held should be completed by the member of staff responsible for the float and countersigned by the Manager.

14.4 Non-Contractual, Charitable and Compensation Payments and Gifts

- 14.4.1 Payments to third parties (i.e., customers, members of the public or charities but excluding staff) which are discretionary and can be described as:

- Non-contractual
- Ex Gratia
- Charitable
- Gifts
- Incentives
- Prizes
- Compensation

should only be made in accordance with the relevant policies.

- 14.4.2 Charitable donations should only be made where the making of the donation does not conflict with LHP's own charitable objectives. Where there is doubt confirmation should be sought from the Company Secretary.
- 14.4.3 There may be circumstances where it is appropriate for LHP to make a gift to members of staff or Board Members, for example on retirement. Such gifts must be made in accordance with the Probity Policy and must be approved by the Chief Executive.

14.5 Contracts

- 14.5.1 LHP enters into contracts for a variety of activities. These include building contracts, maintenance contracts, banking, audit and insurance. Building contracts and related documentation should be based on accepted industry standards.
- 14.5.2 Contracts can only be entered into and signed in accordance with the **Delegations Schedule** at Appendix A.
- 14.5.3 For construction and major works contracts capital payments may be made by instalments. In such circumstances the Executive Director of Property shall arrange

for the keeping of individual accounts to show the financial transactions on each contract between LHP and the contractor, together with any other payments and related professional fees.

- 14.5.4 For construction and major works contracts payments to contractors on account during a contract shall only be made based on a certificate issued by the supervising officer (or private architect, engineer or consultant where engaged by LHP) confirming the value of works completed.
- 14.5.5 For construction and major works contracts subject to the provisions of the contract, in each case shall be authorised in writing by the consultant engaged by LHP and checked by the appropriate officer in the Property Team.
- 14.5.6 The final certificates of completion of any contract greater than £15,000 shall not be issued until the Executive Director of Property has examined and agreed the final accounts for the contract.
- 14.5.7 Where completion of a contract is delayed beyond the contract period, the Executive Director of Property shall take action where appropriate in respect of any claim for Liquidated and Ascertained Damages (LADs). Legal advice is required in situations where the full level of LADs is not to be claimed.

14.6 Appointment of Consultants

- 14.6.1 On occasion LHP will need to appoint consultants where independent advice or additional skills are required. LHP may appoint consultants for areas such as property services, IT and legal services.
- 14.6.2 Such appointments should be tendered every 3-5 years in line with the Procurement Rules.

14.7 Company Credit Cards

- 14.7.1 The Executive Director of Finance will make arrangements for the administration of company credit cards and will issue them where circumstances require.
- 14.7.2 Members of the ELT are responsible for ensuring that company credit cards used in their Directorate are only held by appropriate staff and are used strictly in compliance with the specific guidance issued by the Executive Director of Finance.
- 14.7.3 Each month an appropriate receipt will support all items of expenditure on the credit card statement. The receipt is the responsibility of the card holder to obtain and must be retained for the reconciliation of the credit card statement monthly.
- 14.7.4 Purchases made over the internet are permitted subject to a £2,000 limit and must be supported by appropriate printed documentation. Each purchase remains constrained by the need for approved budgets and general Procurement requirements.

14.8 VAT

- 14.8.1 Executives are responsible for providing information to enable the Executive Director of Finance to maintain proper VAT records and ensure that returns are made to HM Revenue and Customs in accordance with prescribed regulations.

14.9 Taxation

- 14.9.1 The Executive Director of Finance is responsible for providing advice on all taxation issues in the light of guidance issued by the appropriate bodies and the relevant legislation as it applies to LHP. Therefore he/she will issue instructions to departments on compliance with statutory requirements including those concerning VAT, PAYE, National Insurance, the Construction Industry Scheme (CIS) tax, and Corporation Tax, where appropriate.
- 14.9.2 The Executive Director of Finance is responsible for maintaining LHP's tax records, making all tax payments, receiving tax credits, and submitting tax returns by their due date as appropriate.

14.10 Salaries and Wages

- 14.10.1 The Board, subject to any delegations to the Executive or the People and Governance Committee and any other consultative arrangements in place will approve all salary bands and structures, pay awards and pay increases and pension arrangements for all members of staff. Remuneration for Board Members and the Executive Leadership Team is a matter for the Board on recommendation from the People and Governance Committee who must determine and source the advice they require.
- 14.10.2 The Executive Director of Finance is responsible for all payments of salaries and wages to all staff including payments for overtime or service rendered. He/she is responsible for ensuring that all arrangements and controls are in place to ensure:
- Maintenance of all payroll related records both statutory and internal
 - Proper accounting for payroll costs
 - Accurate and timely payment of salaries and wages
- 14.10.3 All appointments must be made by the Chief Executive or by such Executive Director delegated by him/her to do so within agreed budgets except in the appointment of the Chief Executive and Executive Directors, where the appointment will be made by the Chair of the Board.
- 14.10.4 The Executive Director of Digital, Strategy and Culture will be responsible for keeping the Executive Director of Finance informed of all matters relating to personnel for payroll purposes. In particular these will include:
- appointments, resignations, dismissals, secondments and transfers

- absences from duty for sickness or other reason, apart from approved leave, where there is a payroll implication
- changes in remuneration including and pay awards
- instances of approved paid overtime
- information necessary to maintain records of service for pension arrangements, income tax, national insurance, etc

14.10.5 The Executive Director of Finance is responsible for payments to all staff who are not directly employed such as Agency staff and for informing the appropriate authorities of such payments. All casual and part-time employees will be included on the payroll.

14.10.6 The Executive Director of Finance shall be responsible for keeping all records relating to payroll including those of a statutory nature.

14.10.7 All payments must be made in accordance with LHP's detailed payroll financial procedures and comply with HM Revenue and Customs regulations.

14.10.8 Where the payroll service is outsourced to a third party, the Executive Director of Finance must satisfy him/herself that arrangements are in place to ensure all legal and regulatory requirements are adhered to.

14.10.9 Where errors in the payment of salaries, wages or pensions are discovered the Executive Director of Finance must be informed immediately. It is the responsibility of the Head of Human Resources and Organisational Development to inform employees or former employees of errors made and to recover any sums overpaid in accordance with prescribed procedures.

14.10.10 Overpayments must not be written off unless the Executive Director of Finance is satisfied:

- After consultation with legal advisors that all steps possible have been taken to recover the sums due
- that the cost of recovering any sums due would exceed the sum involved
- that recovery would cause undue hardship to the employee concerned

14.10.11 The prior authority of the Board must be obtained to write off sums in excess of £5,000 and of the Executive Director of Finance below this amount.

14.11 Pensions

14.11.1 The Board is responsible for undertaking the role of employer in relation to appropriate pension arrangements for employees.

14.11.2 The Executive Director of Finance is responsible for day-to-day pension matters including:

- Paying of contributions to the authorised pension schemes

- Preparing the annual return to the authorised pension schemes

14.11.3 A review of the performance of the management of the pension fund should be carried out periodically by the Executive Director of Finance and the Company Secretary. Any potential problems must be reported to Board.

14.12 Travel, Subsistence and Other Allowances

14.12.1 All claims for payment of subsistence allowances, travelling and incidental expenses shall be completed in a form approved by the Executive Director of Finance and using the payroll system and its normal pay dates. Claims should be submitted in the month following that in which the expenditure was incurred. Claims over three months old will not be paid except in exceptional circumstance and with the approval of the Executive Director of Finance. Claims must be submitted in the financial year in which the expenditure was incurred with the exception of March of each year which must be submitted by the end of the first week in April. The backdating of claims into previous financial years will only be made in exceptional circumstances, as determined by the Executive Director of Finance.

14.12.2 All claims will be examined and checked for reasonableness by the authorising officer with respect to the amounts claimed.

14.12.3 Payments due to Board Members, including co-opted Members who are entitled to claim travelling or other reasonable costs incurred, will be made upon receipt of the prescribed form duly completed and authorised by the Chief Executive, together with supporting documentation, where possible. The accuracy of the information contained in a claim shall be the responsibility of the Member concerned.

14.12.4 Claims by members of staff must be certified by their supervising manager. The certification by the supervising officer shall be taken to mean that the journeys were authorised, the expenses properly and necessarily incurred and that the allowances are properly payable by LHP.

14.12.6 Claims by the Chief Executive will be certified by the Chair of LHP on a monthly basis.

14.12.6 Use of private vehicles on LHP business must be approved in advance by the Chief Executive. Vehicles must be appropriately insured for business use.

14.12.7 Employees should be aware that:

- LHP will not accept liability for excess parking charges, parking fines or speeding charges
- Expenditure in respect of entertaining must conform to the requirements of LHP's Probity Policy and Codes of Conduct

14.12.8 All staff using their own vehicles on behalf of LHP shall maintain appropriate insurance cover for business use. Where staff use their car for work, they must provide current

copies of their driving license, insurance and MOT certificate and have completed the appropriate driver training modules. Staff are not authorised to use their vehicle for work purposes and will not be entitled to mileage payments without having supplied this documentation and completed the training.

- 14.12.9 All staff must inform their line manager and the Head of Human Resources and Organisational Development if their medical circumstances change, or they are disqualified from driving.

14.13 Emergency salary advances

- 14.13.1 Emergency salary advances to cover staff in immediate need may in exceptional circumstances be authorised by the Chief Executive or, if they are not available, the Executive Director of Finance. All such payments must be accounted for through the payroll system and tax deducted accordingly.

14.14 Utilities and Statutory Payments

- 14.14.1 Payments to utility companies (telephones, energy, water) and statutory authorities including local authorities, Government Departments and Agencies including Her Majesty's Revenue and Customs have separate levels of authority limits, limited to certain roles within LHP to reflect the fact that they are dictated by regulations and recognising the obligations LHP has to make these payments promptly.

15.0 Assets

15.1 Property, Assets and Fixed Assets Register

- 15.1.1 The purchase, lease or rent of land or buildings or fixed plant other than office accommodation can only be undertaken as part of an approved growth strategy or as part of an approved strategy of land banking. Such a strategy must take into account the financial burden and risks involved in land banking.
- 15.1.2 The purchase, lease or rent of land or buildings or fixed plant as office accommodation can only be undertaken as part of a plan approved by the Board.
- 15.1.3 Publicly funded rented housing assets should only be used for social housing related purposes and not placed at risk by non-social housing activities.
- 15.1.4 A register of all properties owned by LHP will be kept in a form approved by the Executive Director of Finance and form part of the Assets and Liabilities Register.
- 15.1.5 A fixed asset register and inventory shall be maintained recording a description of furniture, fittings and equipment, plant and machinery and other capital equipment owned or leased by LHP. The form in which the fixed asset register and inventories shall be kept is to be set by the Executive Director of Finance and each Manager will

be responsible for items within his/her area with a copy being provided to the Executive Director of Finance upon request.

- 15.1.6 Each Manager responsible for assets in the fixed asset register shall ensure that an annual check is made of all items detailed on the register, that action is taken in relation to surpluses or deficiencies and for making amendments to the register and notifying these to the Executive Director of Finance.
- 15.1.7 LHP's assets shall not be removed other than in the ordinary course of business or used other than for the purposes of LHP except in accordance with specific directions issued by any Executive Director responsible for the asset.

15.2 Asset Disposal

- 15.2.1 The Board has delegated to the Chief Executive authority for the disposal of all interest in land and properties where the disposal falls under one of the following categories:
- Right to Buy / Right to Acquire / Voluntary Right to Buy sales
 - Properties already approved by the Board as shared ownership properties for sale
 - Properties already approved by the Board as having been built for sale
 - Properties that meet the criteria of the Asset Appraisal Policy and are within the annual Business Plan parameters set by the Board
- 15.2.2 Board has delegated authority to approve the disposal of any individual property or interest in a property with a value of less than £80,000 to the Chief Executive Specific Board approval is required to dispose of a property if the value is in excess of £80,000 unless covered by Regulation 11.2.1 above.
- 15.2.3 Any disposals outside of the agreed criteria and/or Business Plan parameters will be reviewed by the Operations Committee and if appropriate recommended for approval to the Board.
- 15.2.4 The Executive Directors are authorised to approve disposals of land with limited intrinsic value up to a limit of £25,000.
- 15.2.5 Other than provided for in Regulations 11.2.1 and 11.2.2, disposal of land and buildings can take place where:
- the cost of carrying out major repair works, adaptations or demolition and rebuilding is not financially viable
 - the undeveloped land can be sold at such a value that alternative housing development, more appropriate to current housing need, can be undertaken; or
 - there are strategic benefits to LHP
- 15.2.6 Board approval is required for any such disposal. ELT members will be required to demonstrate that such disposal does not detract from the ability to satisfy housing

need and that consultation with residents and the local authority has been carried out, where appropriate.

- 15.2.7 Consent for disposal must be obtained from LHP's lenders and any relevant regulator in accordance with their requirements.
- 15.2.8 The disposal of all other assets with a value owned by LHP (including but not limited to vehicles, furniture, computers, and office equipment) must be approved by the Executive Director of Finance.

15.3 Stocks and Stores

- 15.3.1 Each member of the ELT shall be responsible for the security and care of all stocks and stores under their control and for ensuring that only the minimum required for efficient operational purposes is held to reduce losses through loss, obsolescence, damage or cost of financing.
- 15.3.2 Stocks and stores records will be kept in a form approved by the Executive Director of Finance following consultation with the appropriate member of ELT and managers.
- 15.3.3 Members of ELT and managers will provide finance staff with all information as is required to prepare and maintain accounting, costing and related financial records.

15.4 Treasury Management

- 15.4.1 The Board is responsible for approving the treasury management policy. The Finance Committee interprets the Policy into the Annual Treasury Strategy. This sets out the strategy and criteria for cash management, long term investments and borrowings. The Finance Committee has the responsibility for ensuring implementation, monitoring and review of the Strategy and compliance with the Policy.
- 15.4.2 The principal aims of the treasury management strategy will be to:
 - Minimise exposure to adverse interest rate movements
 - Ensure as far as possible stable interest payments against borrowings over the long term
 - Ensure all investments make a satisfactory rate of return
 - Limit the business's exposure to risk of loss of capital
 - Minimise the cost of funds whilst maintaining a balanced portfolio of borrowing which minimises interest rate risk
- 15.4.3 All Executive decisions concerning borrowing, investment, or financing, within policy parameters, shall be delegated to the Executive Director of Finance.

- 15.4.4 The Executive Director of Finance will report to the Finance Committee every six months in each financial year on the treasury management function and on the exercise of powers delegated to him/her including monitoring compliance.
- 15.4.5 Specific Board approval is required for any new loan or [material] financing / leasing facilities other than necessary in the normal course of business for non-housing assets.

15.5 Leasing and Other Financial Instruments

- 15.5.1 The financial limits provided for in the Delegations Table (Appendix A) apply to the capital value (inclusive of VAT) of any vehicle or item of equipment or plant to be leased or financed.
- 15.5.2 The Executive Director of Finance shall be responsible for the co-ordination of all leasing or alternative financing agreements, of any item entered into by LHP.
- 15.5.3 Each member of the ELT is responsible for ensuring that all leasing needs are forwarded to the Executive Director of Finance.
- 15.5.4 The Executive Director of Finance shall maintain a register showing details of all vehicles or items of equipment or plant financed by LHP.
- 15.5.5 The Executive Director of Finance shall notify any member of ELT of any changes to a financing agreement to ensure appropriate measures are taken.

15.6 Development

- 15.6.1 The development programme budget and targets are approved annually as part of the Board's review of the Business Plan. The Board also reviews and approves the development appraisal assumptions annually, following consultation with the Operations Committee.
- 15.6.2 Individual schemes are reviewed by the Asset Review Group and approved by ELT subject to schemes being within the above parameters approved by the Board. Any schemes outside of strategy and budget parameters will be reviewed by the Operations Committee and, if appropriate, referred to the Board for approval.

16.0 External Arrangements

16.1 Partnerships and Joint Ventures

- 16.1.1 The Executive Director of Finance must be consulted on the financial and probity implications of all partnership agreements, joint ventures, and similar arrangements before any such agreements are finalised. Such arrangements must be approved by the Executive Director of Finance prior to approval by the Board and be in accordance with the detailed standards in Regulation 12.1.4 below. Members of the ELT are

required to agree and formally accept the roles and responsibilities of each of the partners involved before the project commences and to communicate regularly with partners for the duration of the project.

16.1.2 Members of the ELT are responsible for assessing the risks and benefits associated with partnership or joint venture budget arrangements and for ensuring any such arrangement is in the best interest of the LHP and its service users.

16.1.3 Members of the ELT are responsible for promoting and maintaining the same high standards of conduct with regard to financial administration in partnerships and joint ventures that apply throughout LHP.

16.1.4 Partnership arrangements may be used as a means of acquiring goods, works or services and may be of a complex nature. It is therefore necessary that the Executive Director of Finance is consulted on the financial implications of such arrangements and must approve that:

- Costs and income are provided for in LHP's budget
- Arrangements are in place for accurate accounting for costs and income
- Appropriate Governance arrangements with sufficient controls are in place for the successful operation of the partnership, including arrangements for sufficient access to financial and other records
- End of contract carry forward or cessation arrangements have been determined
- A formal risk assessment has taken place and a management strategy devised; and
- An auditing regime has been established

16.1.5 In any joint venture or partnership involving land, legal advice must be sought, received and be provided with any report seeking approval from the Board.

16.2 External Funding

16.2.1 The Executive Director of Finance must be consulted on the financial and probity implications of all projects involving funding from external sources (e.g., Lottery grants, European Social Funds etc).

16.2.2 All funding received from external bodies or associated parties must be properly recorded in the LHP's accounts.

16.2.3 Key conditions of funding and any statutory requirements must be understood and followed.

16.2.4 Any match-funding requirements must be given due consideration prior to entering into long term agreements and future revenue budgets must reflect those requirements.

16.3 Work for Third Parties

- 16.3.1 Proposals should be costed properly before an agreement is reached to do work for a third party. Formal contracts or a memorandum of understanding should be drawn up prior to any work commencing.

17.0 Risk Management, Security and Control

17.1 Risk Management

- 17.1.1 The Executive Director of Finance is responsible for the effective risk management procedures, including strategic and operational risk maps and any other arrangements which from time to time are regarded as best practice for Registered Providers Housing Associations.
- 17.1.2 All Board Members and members of staff are required to comply with the Risk Management Policy.
- 17.1.3 It is the responsibility of the Corporate Management Team to ensure that risk is effectively managed throughout the organisation including within their own area of operation. It is the responsibility of all staff to consider the risks involved in the activities in which they are involved, how they might change, and the risks involved in new proposals.
- 17.1.4 The Executive Director of Finance will ensure that LHP has a risk map and programme of risk management which is approved and monitored by the Audit and Risk Committee and the Board.
- 17.1.5 The Executive Leadership Team, Heads of Service and Managers will provide assurance that the mitigating controls identified within the risk register are in place and operating effectively through certification twice a year. This will feed into the internal controls' assurance report provided by the Chief Executive to the Board at the end of each financial year.

17.2 Insurance

- 17.2.1 The Executive Director of Finance is responsible for effecting insurance cover, as determined by the Audit and Risk Committee, the regulators and private lending institutions.
- 17.2.2 Any and all insurance policies entered into must be approved by the Executive Director of Finance.
- 17.2.3 Responsibility for day-to-day administration of insurance is delegated to departments as appropriate. The Executive Director of Finance will be responsible for obtaining

quotes and maintaining the necessary records and will deal with the insurers and advisers about specific insurance problems.

- 17.2.4 The Executive Director of Finance will annually review insurance arrangements and cover in consultation with the Corporate Management Team. All members of ELT, CMT and managers will notify promptly the Executive Director of Finance of any new risks identified and/or assets that require to be insured or of any alteration that might affect existing insurance cover.
- 17.2.5 The ELT must ensure that any agreements negotiated within their departments with external bodies cover any legal liabilities to which LHP may be exposed.
- 17.2.6 The process for making an insurance claim is to be made is outlined in the financial procedures.
- 17.2.7 All losses or potential losses that might lead to an insurance claim either on behalf of or against LHP will immediately be notified to the Executive Director of Finance.
- 17.2.8 Uninsured losses must be recorded separately and reported to the Executive Director of Finance to help inform the insurance requirement and the risk management process.
- 17.2.9 The Executive Director of Finance will keep a register of all insurances affected by LHP and the property and risks covered.
- 17.2.10 The Executive Director of Property is responsible for keeping suitable records of plant that is subject to inspection by an insurance company and for ensuring that inspection is carried out in the periods prescribed.
- 17.2.11 The ELT and Managers in consultation with the Executive Director of Finance shall ensure that all contractors and service providers have adequate employers and third-party liability insurance in place before contracts are awarded.

17.3 Security

- 17.3.1 Board members and employees are responsible for accountability, security, control, and proper use of all LHP resources, including cash, plant, buildings, stores and materials within their sphere of control.
- 17.3.2 Maximum limits for cash holdings shall be agreed with the Executive Director of Finance and shall not be exceeded without his/her express permission.
- 17.3.3 Keys to safes or similar containers are to be carried on the person of those responsible at all times while in the office and stored safely when not in the office. The loss of such keys must be reported to the appropriate member of ELT and the Executive Director of Finance as soon as practicable. Duplicate keys will only be issued in exceptional circumstances on satisfaction that all reasonable efforts have been made to recover

lost keys. No keys should be marked in such a way as to make them identifiable to any person who is not authorised to hold that key.

17.3.4 The Executive Director of Digital, Strategy and Culture will be responsible for ensuring that all permanent staff have identification cards as appropriate. The appropriate member of the ELT will be responsible for making arrangements for identity cards to be issued to temporary staff and that all staff return their identity cards when they leave LHP.

17.3.5 The Chief Executive and Head of IT are responsible for maintaining proper security and privacy of information held in any computer installation maintained, operated or accessed by LHP and for ensuring that information is not improperly disclosed. Members of staff should be responsible to ensure the data they are dealing with remains secure.

17.3.6 Computer data security will be the responsibility of the Head of IT as will ensuring that adequate disaster recovery arrangements are in place to protect LHP's interests in the event of a major systems or hardware failure. Data security, including password maintenance and disaster recovery, will be carried out in accordance with the computer security and disaster recovery procedures which will be reviewed at least annually.

17.3.7 LHP will comply with the Data Protection Act 2018 and any associated regulatory requirements, under the direction of the nominated Data Protection Officer (Head of IT). It will also comply with the General Data Protection Regulation (GDPR) and ensure adequate measures and training is provided on a timely basis. The Head of IT will extend their remit to covering this new requirement.

17.3.8 The Head of IT is responsible for ensuring that regular copies of computer data are made and that these are stored in a safe, secure and remote location.

17.3.9 All staff and Board members have a responsibility to ensure that they comply with data security instructions issued and from time to time updated.

17.4 Protection of Private Property

17.4.1 Staff, Board Members and Committee Members should ensure that their personal belongings are kept safe and secure at all times because LHP cannot be responsible for losses.

17.5 Fraud, Bribery, Corruption and Financial Misconduct

17.5.1 All Board and Committee members, ELT, CMT and all other staff shall comply with the requirements of LHP policies at any given time relating to preventing fraud and corruption, anti-bribery, anti-slavery and anti-money laundering as well as complying with the Probity Policy and Codes of Conduct. The Executive Director of Finance and

Company Secretary shall ensure that these policies and documents will always be available for all to access on the intranet and other media.

SECTION C: PROCUREMENT STANDING ORDERS

18.0 SECTION 1

18.1 Introduction and General Overview

18.1.1 The purpose of the Procurement Standing Orders is to provide a series of internal rules for Lincolnshire Housing Partnership (LHP) which ensure the Company's purchasing decisions are undertaken in a consistent manner. These rules are necessary so that LHP can:

- Further its corporate objectives
- Use its resources efficiently and effectively
- Evidence value of Money through its procurements
- Safeguard its reputation from any suggestion of impropriety or dishonesty; and
- Act Lawfully.

18.1.2 The Procurement Standing Orders help to ensure that LHP procures its supplies, services, and works in a fair, efficient, and economic manner.

18.1.3 The Procurement Standing Orders form part of the wider constitution comprising standing orders and financial regulations.

18.1.4 Procurement is about obtaining the most competitive rates and value for money from external suppliers, for the goods, services and works necessary to support LHP, in delivering its services to residents.

18.1.5 It is important to note that procurement goes beyond financial efficiencies, of which are identified in the companies Procurement Strategy, However, these objectives need to be carefully balanced with achieving value for money.

18.2 Scope

18.2.1 These Standing Orders apply to all purchases of works, services or supplies by LHP. Where these Standing Orders refer to "suppliers", this also includes service providers (as applicable).

18.2.2 Every decision that involves LHP Staff making a purchase from an external supplier is a procurement decision. It is not just about LHP's big spend areas (e.g., the repairs and investment programme), it is about raising awareness of good procurement practices across all of our external expenditure. This means thinking through the available choices and their associated consequences before committing to a purchase. Naturally, there will be greater focus on those areas of spend which are of higher

value, of greater risk or offer opportunities for improvement. Of course, the starting point for any procurement decision should be whether, or not, the purchase is genuinely necessary. It is also essential to confirm that a budget exists for the purchase.

18.2.3 All LHP staff responsible for making procurement decisions will be required to ensure that their decisions are consistent with the Procurement Strategy, Procurement Policy and Procurement Standing Orders, this will be of particular relevance to individuals who have significant procurement responsibilities as part of their wider job role. Compliance with the organisations Procurement Standing Orders is mandatory for LHP Employees.

18.3 Purpose

18.3.1. The Procurement Standing Orders are intended to ensure LHP remains compliant with legislative requirements with regard to Procurement, to support the delivery of regulatory requirements and most importantly to reinforce LHP's commitment to delivering value for money for customers, potential customers and other stakeholders.

18.3.2 A key issue regarding LHP's procurement activity is the requirement to comply with all relevant procurement law when awarding contracts. Procurement Law specifically regulates the award of contracts above certain value thresholds. Certain contracts also need to be advertised to potential suppliers electronically, both nationally and across Europe, and the contract award process is required to follow set procedures and specific timescales.

18.3.3 All of LHP's contract awards, regardless of their value, are subject to principles which stem from the Treaty on the Functioning of the European Union (TFEU). These require that contract awards follow principles of no-discrimination, equal treatment and transparency.

18.4 Regulatory Requirements

18.4.1 The regulatory framework for Social Housing in England from April 2012 (Revised in March 2020).

18.4.2 The Regulator for Social Housing (RSH) regulatory framework requires that all registered providers shall ensure effective governance arrangements that deliver their aims, objectives and intended outcomes for tenants and potential tenants in an effective, transparent, and accountable manner.

18.4.3 They must:

- Adhere to all relevant law
- Comply with their governing documents and all regulatory requirements
- Be accountable to tenants, the regulator, and relevant stakeholders

- Safeguard taxpayers' interests and the reputation of the sector
- Have an effective risk management and internal controls assurance frameworks
- Protect social housing assets

18.4.4 In addition, the Value for Money Standard require registered providers to articulate and deliver a comprehensive and strategic approach to achieving value for money in meeting their organisations objectives.

18.5 Legislative Requirements

18.5.1 EU Procurement Rules

LHP is legally bound to comply with the requirements of both the Public Contracts regulations 2015 and the TFEU; collectively, this legislation is known as EU Procurement Law.

The European Union (EU) Procurement Rules, which are transposed into UK Law by the Public Contracts Regulations 2015 (PCR 201), are designed to give all potential suppliers a fair chance of bidding for, and winning, contracts. Any contract with a potential value over the current tendering thresholds must be advertised in the official journal of the European Union (OJEU).

The rules identify aggregate contract value tendering thresholds and prescribe procurement practice and procedure to be followed where the rules apply.

Activity	EU Tendering Threshold
Works	£4,733,252
Supplies	£189,330
Services (other than for social and other specified services)	£189,330
Light touch regime*	£663,540

18.5.2 The above thresholds are advertised in the EU Directive in Euros. The European Commission publishes official conversion figures to the £ every 2 years on 01 January. When deciding whether the value of a contract is above the threshold it is these converted figures that apply.

18.5.3 PCR 2015 specify how contracts should be valued for the purposes of the EU Tendering thresholds. In summary:

- The value of a contract for works is the total amount payable for those works over the whole life contract, including the value of any services or free issue materials made available
- The value of a contract for services is the value of those services over 4 years, or over the life of the contract if it is for less than 4 years
- The value of a contracts for the purchase of goods (supplies) is the value of all goods that are to be purchased under it

- iv. The value of a contract for the hire of goods is the value over the life of the Contract if it has affixed length, or over 4 years if it is an indefinite contract
- v. The value of a framework agreement or dynamic purchasing system is the maximum estimated value of the contracts that may be let, or purchases made under it

18.5.4 These thresholds do not apply just to the contract being procured, but also to other contracts whose values are aggregated with it for the purposes of identifying whether the total value is above the tendering threshold.

18.5.5 As well, as valuing an individual contract, it must be considered whether the value of that contract has to be aggregated with the values of other related contracts, so that if their combined value is over the relevant EU Tendering threshold, an EU procurement process is required for the contract that is being procured. The EU procurement rules aggregate together:

- i. The value of all works contracts that relate to a single work (for example, works to a single building or separate contracts for a single programme of works)
- ii. The values of all supplies or service contracts to meet a single requirement (for example, three separate appointments with the same firm for architectural services for the refurbishment of a single building were considered to be a single requirement even though each annual refurbishment programme came from a different annual budget)
- iii. The value of all supplies or services contracts for suppliers or services of the same type that are regular in nature (for example, contracts for spot-purchased items such as building materials bought from a supplier's retail branch) signed within a twelve-month period. This value is determined either by aggregating the actual values of all contracts for similar types or services or supplies in the previous twelve months or aggregating the estimated value of such contracts in the coming 12 months

18.5.6 If the aggregate value of the contract and all contracts whose values are aggregated with it is above the relevant EU Tendering Threshold, then that contract must be procured by a formal procurement process under PCR 2015. Where there is any doubt as to the value of any contract or the application of the aggregation rules, advice should be sought.

18.5.7 The above thresholds must be considered when any significant procurement within LHP is planned.

18.5.8 Before applying the EU procurement procedures, further guidance must be sought from the Procurement Business Partner.

18.5.9 It is beyond the scope of the Procurement Standing Orders to cover the detailed requirements of EU Procurement Law. Employees are not expected to be aware of the full details of these obligations. However, employees with procurement

responsibilities as part of their job role should develop a basic awareness and advice is always available from the Procurement Team and Company Secretary.

18.5.10 In the event of any contradiction between the requirements of EU Procurement Law and the Procurement standing orders, the obligations of EU Procurement law shall take precedence.

18.5.11 LHP will maintain a watching brief on how Brexit may impact on EU procurement Law. Once further details are known and how any potential changes will impact on how LHP undertakes its procurement activities a full review of the Procurement Standing Orders will be undertaken.

18.6 Consultation of Leaseholders on Service Charges

18.6.1 When procuring any goods, works or services where the cost is to be recharged to Leaseholders or tenants who pay variable service charges (i.e. Service Charges which vary according to the costs incurred) LHP should consider whether those leaseholders or tenants (referred to in this document as leaseholders) needs to be consulted formally on those contracts in accordance with the Landlord and Tenant act 1985 (LTA 1985) and the Service Charges (Consultation Requirements (England) Regulations 2003 (the service charge regulations).

18.6.2 In order for service charges to be recoverable from Leaseholders:

- i. Those service charges must be reasonably incurred
- ii. The works/ services provided must be of a reasonable standard
- iii. The lease or tenancy agreement must allow them to be recovered from leaseholders
- iv. Where the amount being recovered is above certain threshold figures, LHP must either formally consult leaseholders on those service charges or get a dispensation form the First Tier Tribunal (Property Chamber) (formally known as the Leasehold Valuation Tribunal) from doing so

18.6.3 Formal Leaseholder consultation is needed where LHP procures:

- A Qualifying Long-Term Agreement (QLTA) i.e., any agreement lasting for more than 12 months, although there are expectations for agreements with subsidiaries for which any leaseholder will be charged more than £100 in service charges in a 12-month period; or
- Qualifying Works for which any leaseholder will be charged over £250 in service charges in relation to a particular programme of works

18.6.4 The consultation requirements are set out in the following schedules to the service charge regulations:

- i. Schedule 1- for a QLTA that does not need to be tendered via OJEU e.g., because its value is below the applicable EU Tendering threshold

- ii. Schedule 2 – For a QLTA that must be procured via OJEU
- iii. Schedule 3 – for qualifying works done under a QLTA (following a schedule 1 or schedule 2 consultation to set up the QLTA)
- iv. Schedule 4 – Part 1 – for qualifying works not done under a QLTA that have to be tendered via OJEU; or
- v. Schedule 4 – Part 2 – for qualifying works not done under a QLA that do not have to be tendered via OJEU

18.6.5 There are minor differences between the consultation requirements set out in these different schedules. Care is required to ensure that the correct consultation route is followed.

18.6.6 For Procurement over OJEU threshold it is important to note that the first consultation notice has to be served within a minimum of 30 days prior to submitting the OJEU notice.

18.6.7 Most of the consultation routes allow LHP to simplify the notices by telling leaseholders where they can inspect relevant documents, rather than including full details in the notices that are served on leaseholders. All notices under these procedures must also be served on recognised tenants associations.

18.6.8 In conjunction with the association of London Government, LEASE has issued guidance on section 20 consultation. This guidance includes checklists and model notices for each type of consultation. These model notices provide a good starting point for LHP's own leaseholder consultation. However, there is flexibility to tailor them to LHP's own style of communicating with its residents. Making the leaseholder consultation materials as user friendly as possible, through plain English and clear financial information, can reduce the risks of non-recovery.

18.6.9 Failure to consult properly may result in LHP being unable to enforce the collection of service charges above these amounts. A dispensation is likely to be given, as long as leaseholders have not been prejudiced by the procurement route used. However, this will mean LHP having to meet legal costs (their own and those of the service charge payers) of going to tribunal.

18.6.10 Underpinning this need for consultation is an undertaking given to Leaseholders that no new services would be introduced and recharged without consultation prior to procurement.

18.7 Probity and Ethics

18.7.1 LHP is committed to achieving the highest standards of probity and good governance in all of its activities. All employees shall uphold the standing of LHP by maintaining the highest standard of ethical behaviour when dealing with suppliers.

18.7.2 LHP's Bribery Policy and Anti-fraud and Corruption Policy are particularly relevant to its procurement activities.

18.7.3 Conflicts of interests shall be managed according to LHP's Probity (Payments and Benefits) Policy procurement decisions shall never be taken for the personal gain of employees. The Employee Code of Conduct must be followed on all occasions.

18.7.4 For each Competitive Procurement Exercise, employees are required to review their Register of Interest's declaration form for employees to ensure that there have been no material changes to their annual declaration and if so, to amend their declaration.

18.8 Bribery

18.8.1 LHP has a commitment to a high level of ethical and moral standards and actively works to prevent and detect instances of bribery and / or suspected bribery. LHP has a zero-tolerance approach to bribery and any instance may lead to criminal investigation and / or disciplinary action.

18.8.2 A person commits an offence of bribery under the Bribery Act 2010 by giving, promising or offering to give a financial or other advantage to another person with the intention of inducing them to perform a relevant function or activity improperly. The offence is also committed where the person offering the advantage knows that if the advantage is accepted this in itself would constitute improper performance of a relevant function or activity.

18.8.3 The offence of being bribed can also be committed by a person requesting, agreeing to receiving or accepting a financial or other advantage in return for performing a relevant function or activity improperly or through performing a relevant function or activity improperly on the expectation of receiving a financial or other advantage.

18.8.4 In every contract that is let, there is a clause empowering LHP to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation, if the contractor has been responsible for or authorised or allowed any bribe.

18.9 Modern Slavery Act

18.9.1 The Modern Slavery Act 2015 (MSA) requires commercial organisations with an annual turnover of £36 million to publish a statement for each financial year stating: "the steps that the organisation has taken during the financial year to ensure that slavery and human trafficking is not taking place: in any of its supply chains and in any part of its own business".

18.9.2 The MSA does not currently apply to LHP since its turnover is below the reporting threshold. However, organisations are increasingly being required to take steps to enforce compliance with the MSA, even if they are not themselves subject to it.

18.9.3 In order to be able to report positively on the steps that LHP has taken in relating to its supply chain, LHP should therefore include terms in its contracts requiring its suppliers to:

- i. Warrant that they and their senior people have not been convicted of any offence involving slavery or human trafficking
- ii. Take appropriate steps to ensure that there is no slavery or human trafficking in their own supply chains (including an obligation to ensure that its subcontractors include similar provisions in relation to slavery and human trafficking)

19.0 SECTION 2

19.1 Authority to Purchase

19.1.1 The authority necessary for employees to make purchases on behalf of LHP is split into two separate and distinct aspects.

- Delegate Procurement Authority - This is the authority required to undertake any procurement exercise up to the point just prior to committing LHP to making the purchase
- Procurement Commitment Authority - This is the authority required to subsequently commit LHP to making the purchase (i.e., authorising release of a purchase order; or signing a contract; or making any other similarly binding commitment on LHP's behalf)

19.1.2 All Employees have delegate procurement authority providing that their manager has agreed they have procurement responsibilities as part of their job role. Managers should ensure that employees undertaking procurement activities have the sufficient knowledge, skills, or experience to perform such activities.

19.1.3 By contrast, only employees holding 'enter into Contracts' and 'placement of orders' authority in accordance with the **Delegation Schedule** have procurement commitment authority. Employees without procurement commitment authority shall escalate the proposed purchase to a member of employees with the necessary authority before any purchase can be made on behalf of LHP.

19.1.4 It is very important to clearly distinguish the two types of authority. Only employees with procurement commitment authority can enter into commitments with suppliers on behalf of LHP.

19.1.5 All purchases must be undertaken within the available financial resources and approved budgets of LHP. It is essential that an approved budget is identified before a purchase order is placed and/ or a contract is entered into on behalf of LHP.

19.1.6 Procurement can involve complex technical provisions and detailed legal rules. These are particularly relevant to HIGH Value and HIGH-RISK purchases. Failure to comply

with the requirements of the Procurement Standing Orders can potentially have serious consequences for LHP and amount to a breach of the Employee Code of Conduct. If you are in any doubt regarding these rules, then you must seek assistance for the Procurement Business Partner.

- 19.1.7 Before requesting quotations, going out to tender or to entering into any contract, the Executive Director or delegated deputy must ensure that he/ she has been authorised to incur expenditure on the work or supply of materials or services in questions and that there is sufficient budget available.

19.2 Application

- 19.2.1 The Procurement Standing Orders apply to all employees of LHP. They are relevant to employees with responsibilities for making purchases on LHP's behalf.

- 19.2.2 Procurement is any arrangement which will lead to LHP making payment to a third party (i.e., a supplier) in exchange for obtaining supplies, services and works. This includes any hire, rental or lease of supplies. Consultancy and agency labour should be considered as being within the scope of the definition of services.

- 19.2.3 All purchases made on behalf of LHP shall comply with the Procurement Standing Orders unless:

- i. An existing contract is used, and the scope allows for it (**see Section 3**)
- ii. A specific Exemption applies as per section 3
- iii. An authorised waiver has been secured as per section 3 Waivers

- 19.2.4 Purchases using a company credit card are required to comply with the requirements of these procurement rules.

19.3 Procurement Principles

- 19.3.1 The following three key principles shall apply at all times when lead officers and project managers consider the most appropriate procurement method; all are of equal propriety and point iii is mandatory.

- i. Value for money
- ii. Customer satisfaction
- iii. Compliancy

19.4 Standard Processes

- 19.4.1 A range of standard procurement processes have been aligned to the Procurement Standing Orders. Key processes include a mixture of direct awards, low value procurement, request for quotations, Lincolnshire Housing Partnership tender processes, EU Tender Processes, Mini Competitions via Frameworks and Works Tenders (below and above OJEU level).

19.4.2 Tenders will be categorised as either an EU tender procedure or a Lincolnshire housing partnership tender procedure. This categorisation will determine how the tender exercise is subsequently undertaken.

19.4.3 EU tender procedure must follow a series of rigid steps which are set out in legislation. The LHP tender procedure is less prescriptive, but still requires adherence to LHP's own rules.

19.5 Low Value Procurement

19.5.1 Process A: All purchases Below £2,500

- a) It is not considered cost-effective to obtain competition where the requisition value is less than £2,500, please check the quotation register for previous suppliers for the requirement and use these where possible to standardise and rationalise these types of purchases
- b) Competition need not be sought where the product / service is available via a direct award via a framework
- c) Verbal informal quotes should be obtained wherever practicable
- d) Raise Purchase order for authorisation as per financial regulations
- e) Record details on the quote register

19.5.2 Process B: Above £2,500 and Below £10,000

- a) Formal quotes should be obtained from a minimum of two suppliers where practicable using an RFQ low value template, please check the quotation register for previous suppliers for the requirement and use these where possible to standardise and rationalise these types of purchases
- b) Competition may not be sought where the product / service is available via direct award of a framework
- c) Where competition is impracticable, then a permanent record, stating the reason, must be recorded on the quote register
- d) Raise Purchase order for authorisation as per financial regulations
- e) Record details on the quote register including evidence of quotes obtained where applicable

19.5.3 Process C: Above £10,000 and Below £25,000

Where the purchase value is below £25,000 then formal quotes should be obtained using an Invitation to Quote Form and the opportunity advertised on the procurement e-procurement portal under the low value option. please check the quotation register for previous suppliers for the requirement and use these where possible to standardise and rationalise these types of purchases.

- a) Competition need not be sought where the product / service is available via a direct award from a framework

- b) Raise Purchase order for authorisation as per financial regulations
- c) Record details on the quote register including evidence of quotes obtained where applicable
- d) Regular reviews of expenditure under £25,000 will be conducted by the Procurement team to ensure that a) spend is not being disaggregated within the business and b) to identify any items that could be linked to a contract that is already in place.

Processes between £0.01 and £25,000

Total purchase value (ex VAT)		Type of competitive procurement exercise	Minimum level of response required	Advertising requirements	Documentation / Template	Approval for contract award	Contract signature requirement
From	To						
£0	£2,500	Request for quotation	1 x quotation catalogue price/ internet price	None	Written quotation or catalogue reference	Reference delegated authorities	Reference delegated authorities
Raise PO, PO ref recorded on quote register, Evidence of obtain quotes centrally filed, PO authorised, Goods Received (GRN), Payment processed							
£2,501	£10,000	Request for quotation / direct award from framework	2 x quotations	Optional	Written quotation	Reference delegated authorities	Reference delegated authorities
Raise PO, PO ref recorded on quote register, Evidence of obtain quotes centrally filed, PO authorised, Goods Received (GRN), Payment processed							
£10,000	£24,999	Request for quotation / direct award	3 x quotations	Optional	Written quotation	Reference delegated authorities	Reference delegated authorities
Raise PO, PO ref recorded on quote register, Evidence of obtain quotes centrally filed, PO authorised, Goods Received (GRN), Payment processed							

19.6 Strategic Procurement

19.6.1 All processes above £25,000 require a Request for Procurement Form and must be completed by the individual responsible for the procurement – this will be the “Requisition”. The requisitions will provide evidence of budget available and record the options of which route to market are available for the requirement for the purpose of audit.

19.6.2 Contracts with a value of £25,000 or more which are advertised publicly in any way must also be advertised on Contracts finder. This does not apply where specific suppliers are approached to quote and there is no public advertisement of the tender opportunity.

19.6.3 Where the contract is not advertised at least four suitable suppliers must provide a quote for the requirements.

19.6.4 All processes above £25,000 require a Request for Executive Approval form (REFA) to be completed which provides the evidence of due diligence carried out in the procurement process. The Request for Executive Approval form must be signed by a member of the Procurement team and presented to the delegate authority for signature prior to awarding a contract. This will provide reassurance to the Delegate authority that all applicable Procurement rules have been adhered due to for the requirement.

19.6.5 Where the contract is advertised on contracts finder:

- a) All documents relating to the tender process must be available online and free of charge. (This includes the Invitation to tender, the award criteria, the contracts, the specification and payment provisions)
- b) It must state an Estimated value of Contract
- c) Contracts with a value estimated to equal or exceed the applicable EU tendering threshold must also be tendered through an OJEU compliant tender process or either via direct award from an OJEU framework or mini competition via a framework. (see section for information on Frameworks)

19.7 Strategic Procurement Processes

19.7.1 Process D: Strategic Procurement Level 4 £25,000 to £49,999

- a) Where the requisition value is for £25,000 but less than £49,999 then formal quotes should be obtained using an invitation to quote form and the opportunity advertised on the procurement e-procurement portal under the low value option.
- b) A requisition must be completed for all purchases above £25,000
- c) The opportunity must also be advertised via Contracts Finder in line with EU Legislation. An advert will be placed on Contracts finder once the requisition is completed and authorised by budget holder
- d) Competition need not be sought where the product / service is available via framework
- e) The allocation of a contract number and subsequent contract management is required for expenditure within the above thresholds
- f) Where no competition is sought, the 'single quotation / tender action' part of the Requisition Form will need to be completed and authorised in accordance with LHP SFI's
- g) A Purchase Order must not be raised unless a fully authorised Request for Executive Approval Form has been received

19.7.2 Process E: Strategic Procurement Level 5 £50,000 to £75,000

- a) Where the requisition value is greater than £50,000 less than £75,000 then formal competitive tenders must be obtained, and the opportunity advertised on the electronic procurement systems under the low value ITT option.

- b) A requisition must be completed for all purchases above £25,000
- c) The opportunity must also be advertised via Contracts Finder in line with EU Legislation – an advert will be placed on Contracts Finder by the Procurement Team once the requisition is completed and authorised by budget holder
- d) Competition need not be sought where the product / service is available via direct award on a framework.
- e) The allocation of a contract number and subsequent contract management is required for expenditure within the above thresholds
- f) Where no competition is sought, the 'single quotation/ tender action' part of the requisition form will need to be completed and authorised
- g) A Purchase Order must not be raised unless a fully authorised Request for Executive Approval form has been received.

19.7.3 Process F - Strategic Procurement Level 6 £75,000 to OJEU value

- a) Where the requisition value is greater than £75,000 but less than the OJEU value, then formal competitive tenders must be obtained, and the opportunity advertised on the electronic procurement system and Contracts Finder
- b) A requisition must be completed for all purchases above £25,000
- c) Competition need not be sought where the product / service is available via direct award on a framework
- d) Where no competition is sought, the 'single quotation / tender action' part of the Requisition Form will need to be completed and authorised
- e) A Purchase Order must not be raised unless a fully authorised Request for Executive Approval Form has been received

19.7.4 Process G- Strategic Procurement Level 7 £OJEU Level – inc. Works contracts

- a) Where the requisition value exceeds the EU threshold of £189,330 there is a legal obligation to advertise the contract through the official journal of Europe; adherence to EU Legislation is paramount in regard to the tender process in order to safeguard LHP from legal challenge
- b) A requisition must be completed for all purchases above £25,000
- c) Competition need not be sought where the product / service is available via a direct award from a framework
- d) Expenditure exceeding the EU threshold cannot be waived unless there is genuinely only one sole supplier – See Procurement for advice on these suppliers
- e) A Purchase Order must not be raised unless a fully authorised Request for Executive Approval Form has been received

19.8. Consultancy Contracts

19.8.1 From time-to-time LHP may decide that external consultancy advice is required.

19.8.2 Consultants should only be appointed where it has been established that the work cannot be performed by a member of LHP staff due to a lack of expertise or capacity.

- 19.8.3 The cost of appointing a Consultant must be contained within the budget for the service or project for which the Consultant is to be appointed.
- 19.8.4 A clear specification of requirements should be created with clear outcomes before starting the appointment process. Every Consultant should be appointed under a written consultancy agreement, which should also be prepared before starting the appointment process. This should include monitoring arrangements and gateway reviews to ensure payments are aligned to the satisfactory completion of the required outcomes. LHP's standard form of Consultant appointment can be found at [*\[link to follow\]*](#). This should be used for all Consultant appointments other than those where an Industry Standard Form (e.g., RICS, RIBA) is more appropriate or where the appointment is called off from a framework (where the form of appointment specified in the framework agreement should be used).
- 19.8.5 Before starting the process of appointing a Consultant, an assessment of the 'value' of the consultancy arrangement must be made. This 'value' is the total amount LHP expects to pay to the Consultant under the appointment (over its full duration). This must be a genuine estimate and should include a reasonable contingency for any extra or follow-on services that may be required or for potential cost overruns.
- 19.8.6 This 'value' should be calculated in accordance with PCR 2015 details of which are set out in the Legislative Requirements section of these Standing Orders. This value includes:
- i. the value of any work that is to be done after the Consultant's appointment has been novated (i.e., transferred to a third party – e.g., where an architect appointment is novated to a design and build contractor)
 - ii. all work which LHP pays for, even though these costs may be recharged to a third party
 - iii. any amount that could be paid under an option to extend the appointment or acquire optional extra services, where there is a contractual right to do so
- 19.8.7 It is also necessary to consider whether LHP will require similar consultancy services (services are similar where they are provided by the same type of Consultant e.g., quantity surveyors, PR Consultants) over the next 12 months. If so, the anticipated total amounts payable under all of those consultancy agreements that will be entered into over the next 12 months is the amount LHP must consider when deciding whether the consultancy agreement needs to be tendered under PCR 2015.
- 19.8.8 If the estimate of costs (excluding VAT) is above or close to the threshold value at which services need to be tendered under PCR 2015 (see the Legislative Requirements section of these Standing Orders), the appointing manager must discuss procurement options with the Procurement Business Partner.
- 19.8.9 Requirements must not be artificially split over a number of shorter appointments to avoid the requirements of PCR 2015.

- 19.8.10 In line with the Strategic Procurement elements of these Standing Orders, a Request for Executive Approval Form must be completed before entering any consultancy agreement with a value exceeding £25,000 to allow the agreement to be recorded on LHP's Contract Register.
- 19.8.11 Where a consultancy appointment with a value over £25,000 is advertised in any way (this applies to all circumstances other than where LHP approaches one or more Consultants directly for a quote or proposal) the appointment must also be advertised on the Contracts Finder website. Where this needs to be done, the notice will be published by the Procurement Team. This is in addition to any advertising of 'above threshold' consultancy appointments in the Find a Tender Service website under PCR 2015.
- 19.8.12 A former employee who has been granted early retirement or been given a redundancy package should not be appointed as a Consultant (other than through a tender process under PCR 2015 where they submit the most economically advantageous tender) unless:
- i. a minimum of 1 year has elapsed between the end of employment and their appointment as a Consultant; and
 - ii. the appointment is approved by the Chief Executive who is satisfied that there is a clear and robust justification for the appointment of the former employee as a Consultant.
- 19.8.13 As soon as the procurement process is complete and before the Consultant starts work, the consultancy agreement should be signed and dated by both parties. This should be done in line with the Procurement Commitment Authority definition as set out in the Authority to Purchase section of these Standing Orders.
- 19.8.14 The Procurement Team must be notified of all consultancy appointments LHP enters into which have a value over £25,000 (whether or not they have been advertised beforehand). This is so LHP can include details of these appointment in the quarterly return LHP submits to the Contracts Finder website in accordance with PCR 2015. This also applies to Consultant appointments (of any value) called off from a framework agreement.

19.9 Table One

Total purchase value (ex VAT)		Type of competitive procurement exercise	Minimum level of response required	Advertising requirements	Documentation/ Template	Approval for contract award	Contract signature requirement
From	To						
£25,001	£49,000	RFQ	3 x Quotations	1. Company's E-Tender portal 2. Contracts finder portal***	Formal request for Quotation (RFQ)	Executive Director or Chief Executive	Executive Director or Chief Executive
RfEA, Raise PO, Authorisation of PO, publish award on Contracts finder, record on Procurement database, Invoices paid as per Schedule or GRN and process payment upon invoice							
£49,001	£75,000	Low value tender Exercise / Direct award or mini-Competition	3 tenders	1. Company's E-Tender portal 2. Contracts finder portal***	Invitation to tender (Low Value) ITTLV	Executive Director or Chief Executive	Executive Director or Chief Executive
RfEA, Raise PO, Authorisation of PO, publish award on Contracts finder, record on Procurement database, Invoices paid as per Schedule or GRN and process payment upon invoice							
£75,000	£OJEU	Tender exercise/ direct award or Mini Competition via framework	3 to 5 tenders**	1. Company's E-tender Portal 2. Contracts finder***	Invitation to Tender (ITT)	Executive Director or Chief Executive	Executive Director or Chief Executive
RfEA, Raise PO, Authorisation of PO, Publish Award on Contracts finder, record on procurement database, invoices paid as per schedule or GRN and process payment upon invoice							
>£OJEU		EU Tender process for above EU threshold supplies or services contract / Direct award or Mini Competition via framework	As required by EU Regulations	1.Company's E-Tender Portal 2. Contracts finder portal*** 3. Official Journal of the European union (OJEU)	Invitation to tender EU template (ITTEU)	Chief Executive up to £4,700,000	Chief Executive up to £4,700,000
Observe mandatory Standstill period- 10 days, RfEA, Raise PO, Authorisation of PO, publish award on Contracts Finder and OJEU, record on procurement database. Invoices paid as per schedule or GRN and process payment upon invoice							

20.0 SECTION 3

Use of existing contracts, exemptions, and waivers

20.1 Use of existing contracts:

- a. Before initiating a new competitive procurement exercise (i.e., obtaining quotations or tenders), the LHP procurement database should be reviewed. Using the information on current live contracts, employees shall determine whether there is an existing contract which could meet their requirement. Where a suitable contract already exists and both points below are satisfied, this shall be used instead of commencing a new competitive exercise.
 - i. The PCR 2015 state that the scope of the new requirement must have been advertised in the PIN or Contracts Finder notice
 - ii. The value of the new requirement must not exceed 50% of the original value of the awarded contract
- b. If you intend on using an existing contract, then Procurement must be made aware of this and record it on the procurement database. The use of the requisition form for this purpose is acceptable.
- c. Employees should also assure themselves that the use of an existing contracts will provide value for money. This could simply involve a discussion with the relevant Contract Manager the first time the contract is used in order to confirm it is suitable for the types of purchase planned. It is acceptable to consider value for money in terms of the entirety of the contract, rather than as the level of the individual purchase.
- d. An existing contract is only valid if it was completed in accordance with the procurement rules in effect at the time of its original award. If not, then the existing contract shall not be used, and a new competitive procurement exercise should commence.
- e. Where an existing contract is both valid and offers value for money, there are no further obligations to comply with under the procurement rules except for the rules on authority to purchase and re-procurement.

20.2 Exemptions

20.2.1 An exemption allows the competitive procurement exercise summarised in section 16.3 to be avoided. An exemption is available to cover a range of planned for and anticipated circumstances where competition is either not possible or not appropriate. Before an exemption provision can be used it needs to be validated.

20.2.2 An appropriate degree of research into the supply market should take place to determine whether suitable alternatives are available which could remove the needs for an exemption. This is an important qualification which applies to the use of any exemption. An exemption should only be used where it is genuinely in the best interests of LHP.

20.2.3 Before an exemption can be invoked, the total purchase value shall be calculated as per the guidance provided in the Procurement Processes Short Form Guide.

20.2.4 For exemptions with a total purchase value is between £25,000 and £75,000 the exemption record form shall be validated by any one of the following:

- 16.2.4.1 Procurement Team;
- 16.2.4.2 Head of Service (or equivalent senior manager); or
- 16.2.4.3 Executive Director.

20.2.5 For exemptions where the total purchase value is above £75,000, the exemption record form shall be validated by any one of the following:

- 16.2.5.1 Company Secretary;
- 16.2.5.2 Executive Director; or
- 16.2.5.3 Chief Executive.

20.3 Exemption Circumstances

20.3.1 For legal reasons and regulated purchases:

20.3.2 For regulated purchases which can only be made from a single supplier (public or private sector) the REFA should still be completed and not the exemption form. For example, this includes television licences, fees for planning applications and court costs. These examples are included for indicative purposes and are not an exhaustive list;

20.3.3 For purchases which fall under the circumstances outlined in subsection 3 exclusions of the Public Contract's Regulations 2015;

20.3.4 For the appointment of legal counsel and expert witness in legal proceedings. This includes where this is requirement for insurance related purposes (e.g., liability disputes);

20.3.5 For purchase or contracts of an ongoing nature;

20.3.6 Where the supply is for the licencing, support of, or upgrade to existing IC hardware or software, which can only be offered by the original equipment manufacturer (OEM) or their nominated reseller – REFA sole supplier section should be completed;

20.3.7 For purchases or contracts which are property related;

20.3.8 For agreements relating solely to the lease, acquisition, disposal or transfer of land and / or existing property;

20.3.9 For services where the supplier has been nominated by the leaseholder and it is a condition of the lease hat the services cannot be opened up to competition;

- 20.3.10 For circumstances of genuine emergency situation;
- 20.3.11 Where the requirement to undertake a competitive procurement exercise would prevent LHP from responding to situations identified in its major incident process which are of an urgent nature;
- 20.3.12 Where the requirement to undertake a competitive procurement exercise would pose an immediate risk the health and safety, of damage to property, of financial loss or of reputational damage to LHP;
- 20.3.13 In the event that an existing supplier to LHP expectably ceases to trade as a short-term exemption is permissible to support LHP with securing continuity of supply. The exemption shall only be valid whilst a new supplier is appointed according to the full requirements of the procurement rules;
- 20.3.14 For circumstances necessary for the effective running of the company;
- 20.3.15 For the supply of utilities (Gas, Eater, Electricity etc.) to void and new development properties only;
- 20.3.16 For purchase made under schemes where all payments to suppliers on behalf of LHP will be fully compensated by external income streams paid by the third party direct to supplier;
- 20.3.17 For the provision of banking facilities and other financial service which cannot reasonably be the subject of a competitive e-procurement exercise in the opinion of the Director of Finance; or
- 20.3.18 Where the headings used to group exemptions only exist for categorisation purposes and cannot be sued to justify an exemption which is not specifically identified in the text.

20.4 Waiver of Procurement Rules

- 20.4.1 The requirement to comply with the procurement rules can be waived by means of an authorised waiver where this would be advantageous to LHP. In contrast to exemptions, a waiver is an exceptional process and needs to be supported by a robust justification as to why the standard requirements of the procurement rules ae not appropriate in a specific set of circumstances.
- 20.4.2 Waivers can be used to remove the needs to undertake a competitive procurement exercise. They can also be used as a means to depart form the standards method of conducting a competitive procurement exercise. Waivers can either be of a permanent or temporary (i.e., specific to a particular contract) nature.

20.4.3 Waivers should only be sought in limited circumstances and they should genuinely be in the best interests of LHP. The use of Waivers is not appropriate where inadequate planning has taken place and there is insufficient time to undertake a competitive procurement exercise.

20.4.4 A waiver shall only be sought by completing the Waiver Request Form. No waiver shall be relied upon until the appropriate authorisation has been obtained. A waiver does not need to be sought if an exemption is already available. The Waiver Request Form provides examples of where a waiver may be considered to be appropriate.

20.4.5 Waiver shall be authorised as follows.

Total purchase Value	Authorisation of waiver
Up to £75,000	Executive Director
£75,000 - £OJEU value	Chief Executive
£OJEU value and above	Board

20.4.6 The total purchase values shall be calculated by reference to guidance provided in the Procurement Standing Orders. All approved waivers shall be recorded in the waiver register held by the Procurement Team.

20.4.7 A list of approved waivers shall be provided to ELT on a monthly basis and the Board on an annual basis.

20.5 Alternative Procurement Routes

20.5.1 Framework Agreements, DPS and Procurement Consortia

- a. The use of existing framework agreements established by either Procurement Consortia or LHP is available as an alternative to undertaking a competitive procurement exercise.
- b. This option is available because framework agreements have already been established by means of a tender procedure. This ensure that robust competition has already taken place and is compliant with the Public Contract's Regulations 2015.
- c. There is no presumption in favour of the use of framework agreements, they simply offer an alternative to other procurement processes. In some instances, the use of framework agreements can offer savings in time and effort where otherwise a full competitive procurement exercise would be required. Each individual purchase needs to be assessed as to whether a framework agreement or a competitive procurement exercise is most advantageous to LHP.
- d. Framework agreements established by recognised Procurement Consortia may be used provided:
 - i. The framework agreement offers value for money;
 - ii. That the Procurement Team is engaged for any purchases;
 - iii. LHP is permitted to access the framework agreement; and/or

- iv. Using the framework agreement will not unduly restrict business opportunities for local suppliers.
- e. The Procurement Team will undertake the necessary liaison with the recognised Procurement Consortia.
- f. In addition to using framework agreements established by Procurement Consortia, LHP can establish frameworks in its own right.
- g. Framework agreements are formed either with a single supplier or multiple suppliers. For multiple supplier framework agreements purchases shall be made in accordance with regulation 33 of the Public Contract's Regulations 2015. This provides two methods of making purchases:
 - i. Direct Call offs: by applying the terms laid down in the framework agreement without reopening competition (where such terms are sufficiently precise with regards to the particular purchase); or
 - ii. Mini competitions: by holding a mini competition in accordance with the terms laid down in the framework agreement or the requirements of EU procurement Law where the framework details are not sufficiently precise (or complete).

20.5.2 Dynamic Purchasing Systems (DPS)

20.5.2.1 The Dynamic Purchasing System (DPS) is a procedure available for contracts for works, services and goods commonly available on the market. As a procurement tool, it has some aspects that are similar to an electronic framework agreement, but where new suppliers can join at any time.

20.5.2.2 It has its own specific set of requirements. It is to be run as a completely electronic process and should be set up using the restricted procedure and some other conditions (as set out in Regulation 34 of the Public Contracts Regulations 2015). Contracting authorities, including central purchasing bodies, may set up a DPS.

20.5.2.3 The DPS should be set up for identified types of requirement, which may be divided into categories of products, works or services.

20.5.3 The DPS is a Two-Stage Process

20.5.3.1 First, in the initial setup stage, all suppliers who meet the selection criteria and are not excluded must be admitted to the DPS. LHP will not impose any limit on the number of suppliers that may join a DPS.

20.5.3.2 Individual contracts are awarded during the second stage. In this stage, LHP invites all suppliers on the DPS (or the relevant category within the DPS) to bid for the specific contract.

20.6 Collaborative Procurement

20.6.1 LHP may enter into collaborative procurement arrangements with other partner organisations in order to enhance value for money. Collaboration should only

normally take place with organisations who are subject to EU Procurement Law. Such partner organisations could include, but are not limited to other housing associations, local authorities, further and higher education services, NHS Trusts and the emergency services.

- 20.6.2 Where LHP is acting as the lead organisation on a collaborative competitive procurement exercise, this shall be undertaken in accordance with LHP's own Procurement Rules.
- 20.6.3 Where a partner organisation undertakes the lead role on collaborative procurement arrangements, then that organisation's equivalent of Procurement Rules can take precedence over LHP's own requirements. However, the Procurement Team shall consult with the Company Secretary in this regard and must give approval to this effect.
- 20.6.4 Where a partner organisation's equivalent of Procurement Rules takes precedence, certain rules of LHP's own requirements shall still overrule those of the partner organisation. These are as follows:
 - 20.6.4.1 Authority to Purchase section 2
 - 20.6.4.2 Contracts Register section 4
 - 20.6.4.3 Variations to Existing Contracts section 4
 - 20.6.4.4 Re-procurement section 4

21.0 SECTION 4

Contracts and Other Formalities

21.1 Contracts Registers

- a) LHP maintains a Contracts Register in order to provide visibility of the arrangements which have made on its behalf. Following the completion of a Competitive Procurement Exercise, the Contracts Register shall be updated in accordance with any further instructions provided by the Procurement Team.

21.2 Contract Management

- a) The purpose of contract management is to maximise the financial and operational performance of contracts which have been awarded following a Competitive Procurement Exercise. Appropriate arrangements shall be put in place to ensure that there is suitable oversight of contracts awarded by LHP and this is the responsibility of the Contract Manager.
- b) A proportionate approach towards contract management shall be taken. Those contracts which create the greatest risks for LHP shall require more robust management by the nominated Contract Manager.

- c) Contract management activities are concerned with the following:
 - i. Ensuring LHP's position is protected
 - ii. Decreasing the level of risk for both parties
 - iii. Improving the quality of service and customer focus
 - iv. Achieving value for money and financial controls
 - v. Clarifying roles and responsibilities of the Contract Manager/Team, suppliers and end users
 - vi. Monitoring and evaluating the supplier's performance against the specification and key performance indicators
 - vii. Enabling early detection and resolution of poor performance and other potential sources of dispute
 - viii. Continually improving contract performance

21.3 Contract Extensions

- a) An option to use a Contract Extension can be taken where this was provided for in the original contract and does not exceed the maximum permitted extension period.
- b) In order to take advantage of the option for a Contract Extension, the following requirements apply:
- c) The Contract Extension shall provide LHP with value for money and be in its best interests;
- d) Documentation and records shall be kept to ensure that details of the Contract Extension are appropriately maintained;
- e) The Contracts Register shall be updated to reflect the revised end date for the contract;
- f) A Competitive Procurement Exercise shall be scheduled so that the contract can be re-competed before the revised end date of the contract;
- g) When extending an existing contract in accordance with these requirements, there is no obligation to undertake a Competitive Procurement Exercise to cover the period of Contract Extension; and
- h) In the event that a Contract Extension also expands the scope of the original contract, the rules regarding Variation to Existing Contracts shall apply.

21.4 Variations to Existing Contracts

- a) Variations to existing contracts are permitted where they were allowed for in the original contract. For example, this can include pre-agreed formulas for price adjustments and minor amendments to service levels. This is not an exhaustive list of areas of potential areas for variations.

- b) Where the proposed variation includes an expansion to the contract scope, approval shall be sought from the Procurement Team or the Company Secretary before the variation is permitted. Variations which involve an expansion to the contract scope shall only be approved if they are consistent with the Public Contract Regulations 2015 (Regulation 72) and the Court of Justice of the European Union's ruling in the Pressetext (C-454/06) case or any subsequent case law.
- c) In accordance with the Pressetext ruling, a variation is likely to be denied if:
 - i. It introduces conditions which, had they been part of the initial award procedure, would have allowed for the admission of tenderers other than those initially admitted, or would have allowed for the acceptance of a tender other than the one initially accepted;
 - ii. It extends the scope of the contract considerably to encompass services not initially covered; and
 - iii. It changes the economic balance of the contract in favour of the supplier in a manner which was not provided for in the terms of the initial contract
- d) Advice should be sought from the Procurement Team in this regard for variations to any contracts with a Total Purchase Value above £25,000.
- e) Where a contract variation is permitted, appropriate documentation shall be maintained so that the contract history and variations are adequately recorded.

21.5 Re-Procurement and Forward Planning

- a) For contracts or purchases where LHP has ongoing requirements beyond the initial contract or supply period length, adequate planning shall take place to ensure that appropriate re-procurement takes place when it is due.
- b) The Contract Manager and the Procurement Team is responsible for ensuring that a new Competitive Procurement Exercise is commenced in sufficient time. Appropriate allowance should be made for the period of time required to mobilise a new supplier (if necessary) in order to achieve a successful transition with no gap in supply or service provision.

22.0 SECTION 5

Miscellaneous

22.1 E-Procurement

- 22.1.1 E-procurement is a term which describes the use of electronic methods to automate or improve various stages of the procurement process. Requests for Quotations can be issued and received by either e-mail or through the use of any specialist E-Tender Portal introduced by the Procurement Team.

22.1.2 Mini-competitions based upon framework agreements can also be undertaken using e-procurement methods providing that the technology satisfies the requirements of Regulation 33 of the Public Contracts Regulations 2015.

22.1.3 The use of electronic auctions as part of a tender or a mini competition is permitted providing prior authorisation is obtained from the Procurement Team. Electronic auctions can be undertaken by either using the E-Tender Portal introduced by the Procurement Team or via a suitable third party (e.g., a Procurement Consortia).

22.2 Amendments to Procurement Rules

22.2.1 The Executive Director of Property Services in consultation with the Company Secretary may make amendments to the Procurement Rules of a technical and procedural nature. Such changes shall be limited to changes which do not substantively alter the requirements of these Procurement Rules. Changes to the thresholds stated in Table One constitute a substantive change and shall require Board approval.

22.2.2 In the event of changes to the law regarding public procurement, the Company Secretary may amend the Procurement Rules to take account of these changes.

22.3 Compliance with the Procurement Standing Orders

22.3.1 The Audit and Risk Committee will receive an annual report on compliance with these Procurement Standing Orders for the previous year's procurement activity.

22.3 Definitions

Term	Definition
Brexit	A term for the potential or hypothetical departure of the United Kingdom from the European Union.
Call Off	A contract or purchase which is directly awarded to a supplier on a Framework Agreement without undertaking a Mini-Competition.
Collaborative Procurement	Where the Company enters into an agreement (formal or informal) with another organisation subject to EU Procurement Law in order to jointly undertake a Competitive Procurement Exercise.
Common Procurement Vocabulary	A numeric coding system which is used by the EU Procurement Law regime in order to classify purchases into Supplies, Services or Works.
Company	Means Lincolnshire Housing Partnership.
Competitive Procurement Exercise	A term to describe the different procurement processes (including Requests for Quotations and Tenders) used by the Company.

Contract Extension	A provision in an existing contract which permits the Company to continue with the contract after its stated expiration date (this is subject to a maximum extension period).
Contract Manager	An employee of the Company who has responsibility for ensuring that an appointed supplier performs to the required standard and meets any contractual obligations.
Contracts Register	A list of all the contracts entered into by the Company containing information which is pertinent to the contract (e.g., end dates/contract value etc.).
Delegated Procurement Authority	The authority necessary for an employee of the Company to undertake a Competitive Procurement Exercise up to the point just prior to committing the Company to making the purchase.
EU Procurement Law	The body of European Union and English law regarding public procurement which the Company is required to comply with. This includes the Public Contracts Regulations 2015 and the Treaty on The Functioning of The European Union.
EU Tender	A tender process for which there is a legal requirement (per the Public Contracts Regulations 2015) to place a contract notice in the Official Journal of the European Union
Evaluation Criteria	The factors (e.g., whole life cost; technical merits of the solution etc.) which will be used to assess competing suppliers' Quotations and Tenders on a consistent basis. Evaluation criteria are weighted according to the relative importance of each factor.
Exemption	Purchases which are exempted from complying with the competition requirements of the Procurement Rules due to competition not being in the Company's interest.
Exemption Record Form	A Company form which must be used to obtain an Exemption where the Total Purchase Value is above £25,000.
Framework Agreement	A formal agreement with one or more suppliers which is established by means of an Invitation to Tender. Such an agreement will establish terms (particularly with regard to price) governing future contracts or purchases. Subsequent purchases can be made either via a Call Off or by a Mini-Competition as permitted by EU Procurement Law.
Invitation to Tender	A structured document prepared by the Company which invites suppliers to submit a formal bid for the provision of Supplies, Services or Works.

Mini-Competition	A further competition between all suppliers on a multi-supplier Framework Agreement who are capable of meeting the particular need.
Negotiation	Bargaining with one or more suppliers on key aspects of their commercial offer (such as price; terms and conditions etc.) in return for concessions made by the Company.
Post-tender Negotiation	Negotiation with suppliers after Tender responses have been received.
Pre-procurement Research	Any research activity which takes place before a Competitive Procurement Exercise is launched. This can involve meeting with suppliers in order to inform the procurement activity.
Procurement Authority Commitment	The authority necessary for an employee of the Company to commit the Company to making a purchase by any means.
Procurement Consortia	Organisations established with the intention of creating Framework Agreements which can be used by third-party organisations. For example, Procurement for Housing, Efficiency North, Fusion 21, Crown Commercial Service, Northern Housing Consortium, Scape etc.
Procurement Rules	The rules in this document which govern the Company's procurement procedures.
Procurement Strategy	The Company's formal written strategy for its approach to procurement, as approved by the Board.
Procurement Team	The Procurement Team is the Senior Procurement Officer and the function managed by the Head of Assets and any other employees appointed to this team on a temporary or permanent basis.
Public Contracts Regulation 2015	A prescriptive set of legal rules which govern the Selection and Invitation to Tender procedures for contracts above the EU threshold.
Quotation	An offer of price and any other relevant matter made by a supplier in response to a Request for Quotation.
Regulated Purchases	Refers to purchases for which there is no competitive supply market due to legislation and, as a result, the supplier enjoys a monopoly position. Regulated Purchases will normally be made from public sector bodies; although the monopoly may also be operated by the private sector on the public sector's behalf.
Request for Quotation	Any informal or formal process which is used to obtain Quotations from suppliers.
Self-Certification Form	A Company form which must be completed by employees at the outset of each Competitive Procurement Exercise if there have been no significant changes to the annual declaration.

Selection (previously Pre-Qualification)	A means by which suppliers are assessed on their financial standing, technical capability and organisational capacity before being considered for the Invitation to Tender stage.
Services	Are any of the activities specified in Schedule 3 of the Public Contracts Regulations 2015. This relates to a wide range of service led activities. For example, consultancy, insurance, printing and legal services all come under this classification.
Lincolnshire Housing Partnership Tender	Any Tender required by these Procurement Rules which is not required to follow an EU Tender process.
Standing List	A formal list of suppliers given preference by the Company to undertake certain types of Supplies, Services or Works.
Supplies	Are physical goods and products which are not covered by the definition of Services or Works. For example, this can include boiler spares, furniture and office stationery.
Supply Period	Used to calculate the Total Purchase Value where repeated purchases of an ad-hoc but frequent nature are made with an individual supplier without being exposed to competition. This applies to the purchases of Supplies, Services and Works.
Tender	A formal written offer by a supplier in response to an Invitation to Tender. This will include a fully costed proposal and document the supplier's proposal for a solution to meet the Company's requirements.
Tender Record Sheet	A form used by the Company when Tenders are opened in order to keep a formal record of their key details.
Total Purchase Value	A concept used in the Procurement Rules to determine which type of Competitive Procurement Exercise must be used.
Treaty on The Functioning of The European Union	A set of overarching European Union rules which prohibit suppliers from being discriminated against on the grounds of their location.
Variation	A formal change to a contract which amends the original agreement in factors such as scope, service levels, prices or other related issues.
Waiver	A formal process requesting a deviation from the requirements of the Procurement Rules
Waiver Register	A record held by the Procurement Team of all Waivers which have been requested.
Waiver Request Form	A Company form which must be used in order to secure approval for a Waiver.

Whole Life Costs	The systematic consideration of all relevant costs associated with a purchase during its period of ownership.
Works	Are any of the activities specified in Schedule 2 of the Public Contracts Regulations 2015. This relates to construction and construction related activities. For example, painting, glazing, plastering and construction of new buildings are all classed as Works.

Standing Orders Appendix A: Schedule of Delegation

Introduction

The Schedule of Delegation sets out the delegation of decision making and approvals for Lincolnshire Housing Partnership including financial thresholds and reporting requirements covering the Board and committees, Executive Leadership Team and other postholders.

The Schedule of Delegation sets out the hierarchy of decision making and approval limits. Boards, committees or postholders may make decisions or approval at any level within their remit or limit. It is expected that relevant committees or Executive Directors will review and recommend proposals that require Board approval.

Notwithstanding the approval limits set out in this Schedule of Delegation any decision or approval with a significant organisational financial or reputational risk or impact should be referred to the Board.

The Chief Executive can make urgent and important decisions in consultation with the Chair of the Board on anything not covered elsewhere in these delegations or that are not able to be dealt with using the Urgency Procedure. All decisions taken in this way will be recorded and reported to the next meeting of the Board.

For the avoidance of any doubt, any exercise of delegated powers or approvals of expenditure or receipts must be within approved budgets.

All delegated authorities must notify colleague prior to their absence a nominated deputy who will assume their Delegated Authorities.

N.B. Special Payments are paid by completing a "Cheque/BACS Requisition (BACS is our preferred method of payment.) This process is used to make payments to customers for reimbursements such as; complaints/compensation, customer refunds, shared costs to private owners e.g. boundary fencing works etc (where no invoice is available.) For payments to suppliers used on a "one-off" basis - please refer to "Authorise Invoice" approval limits.

Schedule of Delegation: Procurement				
Area of Delegation	Board	Committee	Executive	Managers/Other
Authority to undertake procurement	N/A	N/A	>£25k Chief Executive or Executive Director	<£25k – as per delegations
Enter into a contract	>£4.7m	N/A	Up to OJEU limit (£4.7m) Chief Executive £25k - £75k Executive Director	<£25k Heads of Service and Company Secretary and Treasury and Strategic Planning Manager
Exemption from competitive procurement (criteria in 16.2 of regs)	N/A	N/A	>£75k Head of Governance or Executive Director or Chief Executive	< £75k Procurement Team Head of Service
Waiver of procurement rules (criteria in 16.4 of regs)	N/A	N/A	<£75k Executive Director £75k – OJEU (£4.7m) Chief Executive	N/A
Extension to existing contract (18.3 of regs)	N/A	N/A	If provision in original contracts and VFM requirements met.	If provision in original contracts and VFM requirements met.
Variations to existing contracts (18.4 of regs)	N/A	N/A	N/A	>£25k Procurement Team or Head of Governance
Sale of goods and services	N/A	N/A	Up to £150k Chief Executive Up to £10k Executive Director	N/A

Please note that before entering in to contracts the following process needs to be adhered to

£0 - £10k	2 Quotes
£11k - £25k	3 Quotes
£26k - £75k	Contact Procurement Department (Heads of Service & Directors approval)
£76k - £181k	Director Approval
£182k - £4.5m	Appropriate Service Director, plus CEO, or Company Secretary, or Director of Resources

Schedule of Delegation: Development, Sales and New Business				
Area of Delegation	Board	Committee	Executive	Managers/Other
Strategy relating to development and sales	Approval	Review prior to approval – OC	Recommend Executive Leadership Team	N/A
Development Appraisal Assumptions	Approval	Review prior to approval – OC	Recommend Executive Leadership Team	N/A
Approval of development programme	Approval via Business Plan	N/A	Recommend Executive Leadership Team	N/A
Approval of development schemes	Approval if outside strategy and annual programme	Review and recommend if outside strategy and annual programme - OC	Approval of all schemes within strategy and annual development programme Executive Leadership Team	N/A
Enter into a development contract including S106.	>£4.7m	N/A	<£4.7m Chief Executive £25,000 - £75,000 Executive Director	N/A
Approval of new business opportunities, including working for third parties	Approval	Review prior to approval – OC if property related	Recommend Executive Leadership Team	N/A
Purchase, lease or rent of land or buildings	Approval – new proposals not part of a pre-approved plan or strategy	N/A	If as part of a Board approved strategy Executive Leadership Team	N/A
Approve a new subsidiary, joint venture, or partnership arrangements	Approval	Review and recommend - OC	Recommend Executive Leadership Team	N/A
Approve Homes England and other agencies funding bids and conditions	Approval if outside strategy and annual programme	Review and recommend if outside strategy and annual programme - OC	Approval of all schemes within strategy and annual development programme Executive Leadership Team	N/A
Agree variations to approved schemes	Approval if outside strategy and annual programme	Review and recommend if outside strategy and annual programme - OC	Approval of all schemes within strategy and annual development programme Executive Leadership Team	N/A

Schedule of Delegation: Asset Management and Repairs				
Area of Delegation	Board	Committee	Executive	Managers/Other
Strategy relating to asset management and repairs	Approval	Review prior to approval – OC	Recommend Executive Leadership Team	N/A
Annual and five-year capital and revenue repairs programme	Approval	Review prior to approval – OC	Recommend Executive Leadership Team	N/A
Annual disposals plan	Approval via Business Plan	N/A	Recommend Executive Leadership Team	N/A
Asset disposal – housing property	Approval if outside policy delegations or >£80k	Review and recommend if outside policy delegations - AIC	Approve all disposals <£80k and within policy and Business Plan parameters Executive Leadership Team	N/A
Existing stock redevelopment proposals	Approval	Review and recommend - OC	Recommend proposals Executive Leadership Team	N/A
Stock acquisition or rationalisation proposals	Approval	Review and recommend - OC	Recommend proposals Executive Leadership Team	N/A
Approval of repairs, maintenance, and improvement contracts	>£4.7m	N/A	Up to OJEU limit (£4.7m) Chief Executive £25,000 - £75,000 Executive Director	<£25k Heads of Service and Company Secretary
Variations to existing contracts (18.4 of regs)	N/A	N/A	N/A	Approval for contracts >£25k Procurement Team or Head of Governance
Land disposal	Approval >£25k	N/A	<£25k Executive Directors	N/A
Ad hoc disposal of all other assets	>£25k	N/A	<£25k Chief Executive (5.8 iv)	N/A

Schedule of Delegation: Operations				
Area of Delegation	Board	Committee	Executive	Managers/Other

Bad Debt/Arrears write off	N/A	N/A	Unlimited Chief Executive £10k Executive Directors	Head of Income £2000
Requests for sub-letting, change of use, alternations, extensions, and new structures	N/A	N/A	Chief Executive	N/A
Termination of tenancies	N/A	N/A	Executive Director of Customer	Head of Lettings
Right to Buy and Right to Acquire	N/A	N/A	Executive Director of Customer	Head of Asset Management
Compensation payments	N/A	N/A	Executive Director of Customer	Head of Service
Decoration Vouchers	N/A	N/A	Up to £1k Chief Executive or Executive Director	Up to £500 See detailed schedule below
Approve transfer of tenancies	N/A	N/A	Executive Director of Customer	Head of Housing
Approve Notices to Quit and Notices Seeking Possession	N/A	N/A	Executive Director of Customer	Head of Housing/Area Housing Manager
Approve applications for mutual exchange	N/A	N/A	Executive Director of Customer	Head of Housing/Area Housing Manager

Schedule of Delegation: Employee Related				
Area of Delegation	Board	Committee	Executive	Managers/Other
Strategy relating to people	Approval	Review and recommend – GPC	Recommend Executive Leadership Team	N/A
Annual pay award	Approval	Review and recommend – GPC	Recommend Executive Leadership Team	N/A
Terms and conditions policy (significant)	Approval	Review and recommend – GPC	Recommend Executive Leadership Team	N/A
Approval of changes to individual pay, terms, and conditions	Approval - Executive Team T&C	Review and recommend – Executive T&C - GPC	Extensions to sick pay Pension scheme discretionary rules Ex gratia payments Executive Directors	N/A
Appointment of staff	CEO, Executive Team, Company Secretary	N/A	All staff within budgets Casual and temporary appointments Executive Directors	N/A
Executive Leadership Team	Executive Leadership Team	Executive Leadership Team	Executive Leadership Team	Executive Leadership Team
Expenses	Approval CE expenses Chair of Board	N/A	Up to £2k Chief Executive Up to £1k Executive Directors	Up to £500 See detailed schedule below
Emergency salary advances	N/A	N/A	Chief Executive or Executive Director of Finance	N/A
Organisation restructure	Executive Team and major changes	N/A	Reorganisations that can be met within existing budgets (5.6.1 ii) Chief Executive	N/A
Severance and/or non-contractual payments to staff	Approval – Executive roles	Executive roles, review and recommend – GPC	Approval – all other staff Chief Executive	N/A
Out of court settlements on employment matters	CEO and Executive Directors	N/A	All other staff Chief Executive	N/A
Lettings to employees, Board Members, or their relatives	N/A	N/A	Approval Chief Executive	N/A

Schedule of Delegation: Legal and Governance				
Area of Delegation	Board	Committee	Executive	Managers/Other
Amendments to Standing Orders and Board and committee terms of reference	Approval	Review and recommend - PGC	N/A	N/A
Appointment of Board, committee, and subsidiary members, including co-optees	Approval	Recommend - PGC	N/A	N/A
Board remuneration	Approval	Recommend - PGC	N/A	N/A
Terms for short leases, licences, rights, wayleaves, and easements	N/A	N/A	Approval Chief Executive	N/A
Approve a new subsidiary, joint venture, or partnership arrangements	Approval	N/A	Recommend Executive Leadership Team	N/A
Board member expenses	N/A	N/A	Approval Chief Executive	N/A
Settlement of legal disputes	>£50k	N/A	<£50k and report to Board Chief Executive	N/A

Schedule of Delegation: Authorised Signatories				
Area of Delegation	Board	Committee	Executive	Managers/Other
Deeds	Two board members or one board member and the Company Secretary	N/A	Two members of the Executive Leadership Team	N/A
Regulatory returns	N/A	N/A	Director of Resources	N/A

Schedule of Delegation: Finance				
Area of Delegation	Board	Committee	Executive	Managers/Other
Long Term Business Plan	Approval	Review and recommend - FC	Recommend Executive Leadership Team	N/A
Annual, parent and subsidiary revenue and capital budgets.	Approval no later than 31 st March in the preceding financial year	Review and recommend - FC	Recommend Executive Leadership Team	N/A
Budget virements	N/A	N/A	If creates long term commitment Executive Leadership Team	If within overall budget and does not create long term commitment – Budget Holders
Increases in approved budget or capital programme	Approval	N/A	Recommend Executive Leadership Team	N/A
Annual Financial Statements	Approval	Review and recommend - ARC	Recommend Executive Leadership Team	N/A
Amendments to Financial Regulations	Approval	Review and recommend - ARC	Recommend Executive Leadership Team	N/A
Temporary changes to financial delegations up to three months	N/A	N/A	Approval Chief Executive	N/A
Changes to accounting policies	N/A	Approval - ARC	Recommend Executive Leadership Team	N/A
Risk Management Framework	Approval	Review and recommend - ARC	Recommend Executive Leadership Team	N/A
Assets and Liabilities Register	Approval	Review and recommend - ARC	Recommend Executive Leadership Team	N/A
Appointment of external auditors	Approval	Review and recommend - ARC	Recommend Executive Director of Finance	N/A

Appointment of internal auditors	N/A	Approval	Recommend Executive Director of Finance	N/A
Insurance arrangements	N/A	Approval	Recommend Executive Director of Finance	N/A

Schedule of Delegation: Finance (continued)				
Treasury Strategy and Policy	Approval	Review and recommend - FC	Recommend Executive Leadership Team	N/A
Treasury Management Decisions	Approval if outside of Treasury Strategy	Review and recommend - FC	Within Treasury Strategy Executive Director of Finance or Chief Executive	N/A
Authorise loan draw down	Approval if outside of Treasury Strategy	Review and recommend - FC	Within Treasury Strategy Executive Director of Finance or Chief Executive	N/A
Authorise interest rate fixings (once Board approval obtained)	Approval if outside of Treasury Strategy	Review and recommend - FC	Within Treasury Strategy Executive Director of Finance or Chief Executive	N/A
Appointment of bankers, treasury advisers	Approval	Review and recommend - FC	Recommend Executive Director of Finance	N/A
Approve new funding agreements	Approval	Review and recommend - FC	Recommend Executive Director of Finance	N/A
Leasing agreements	Approval if outside of Business Plan/budget		If within Business Plan/budget Chief Executive	
Committing LHP to expenditure	N/A	N/A	Unlimited Chief Executive Up to £1.5m Executive Directors	Up to £500k See detailed schedule below
Special Payment Requests	N/A	N/A	Unlimited Chief Executive Up to £7.5k Executive Directors	Up to £6.5k See detailed schedule below
Refunds	N/A	N/A	Unlimited Chief Executive	Up to £2.5k See detailed schedule below

			Up to £10k Executive Directors	
Petty Cash	N/A	N/A	Up to £500 Chief Executive and Executive Directors	Up to £100 See detailed schedule below
Issue credit cards	N/A	N/A	Approval Executive Director of Finance	N/A

<u>Job Title</u>	<u>Certifying Value</u>			
	Orders	Special Payment Requests	Petty Cash	Refunds
Head of ICT & Digital Services	20,000.00	2,500.00	100.00	-
<u>Job Title</u>	<u>Certifying Value</u>			
	Orders	Special Payment Requests	Petty Cash	Refunds
Head of Human Resources	10,000.00	2,500.00	100.00	-
<u>Job Title</u>	<u>Certifying Value</u>			
	Orders	Special Payment Requests	Petty Cash	Refunds
Company Secretary ²	500,000.00 ²	2,500.00	100.00	-
<u>Job Title</u>	<u>Certifying Value</u>			
	Orders	Special Payment Requests	Petty Cash	Refunds
Health & Safety Manager	10,000.00	100.00	-	-
<u>Job Title</u>	<u>Certifying Value</u>			
	Orders	Special Payment Requests	Petty Cash	Refunds
Head of Communications	10,000.00	0.00	50.00	0.00
Head of Assurance	10,000.00	0.00	50.00	
<u>Job Title</u>	<u>Certifying Value</u>			
	Orders	Special Payment Requests	Petty Cash	Refunds
Head of Asset Management	50,000.00	2,500.00	50.00	2,500.00 ³
Head of Repairs and Maintenance	50,000.00	2,500.00	50.00	-
Home Ownership & Leasehold Manager	60,000.00	1,000.00	50.00	750.00 ³
Development Manager	25,000.00	500.00	50.00	-
Commercial Manager	25,000.00	500.00	50.00	-
Planned Maintenance Manager	25,000.00	100.00	50.00	-
Repairs Manager	25,000.00	100.00	50.00	-
<u>Job Title</u>	<u>Certifying Value</u>			
	Orders	Special Payment Requests	Petty Cash	Refunds
Repairs & Maintenance Manager	25,000.00	100.00	50.00	-
Planning Team Leader	10,000.00	100.00	-	-
Voids & Maintenance Surveyor	2,000.00	100.00	50.00	-
Compliance Coordinator	2,000.00	100.00	-	-
Gas Supervisor	2,000.00	100.00	-	-
Asset Officer	2,000.00	100.00	-	-
Asset Officer	2,000.00	100.00	-	-
Electrical Supervisor	2,000.00	100.00	-	-
Responsive Repairs Supervisor	2,000.00	100.00	-	-
Responsive Repairs Supervisor	2,000.00	100.00	-	-
Trainee Quantity Surveyor	2,000.00	100.00	-	-
Voids Supervisor	2,000.00	100.00	-	-
Voids Supervisor	2,000.00	100.00	-	-
Asset Management Project Surveyor	1,000.00	100.00	-	-
Asset Management Project Surveyor	1,000.00	100.00	-	-
Compliance & Performance Surveyor	1,000.00	100.00	-	-
Asset Management Project Surveyor	1,000.00	100.00	-	-
Repairs Surveyor	1,000.00	100.00	-	-
Environmental Task Team Supervisor	500.00	100.00	-	-
Construction H&S Manager	2,000.00	100.00		

<u>Job Title</u>	<u>Certifying Value</u>			
	Orders	Special Payment Requests	Petty Cash	Refunds
Head of Commercial and Support Services	10,000.00	6,500.00	100.00	-
Head of Housing	10,000.00	6,500.00	100.00	2,000.00
Head of Income	10,000.00	6,500.00	100.00	2,000.00
Head of Lettings	10,000.00	6,500.00	100.00	2,000.00
Service Development Manager	5,000.00	100.00	50.00	-
Customer Services Manager	5,000.00	100.00	50.00	-
Lettings Manager	1,000.00	250.00	50.00	-
Lettings Manager	1,000.00	250.00	50.00	-
Area Housing Manager	1,000.00	250.00	100.00	750.00
Area Housing Manager	1,000.00	250.00	100.00	750.00
Area Housing Manager	1,000.00	250.00	100.00	750.00
Area Housing Manager	1,000.00	250.00	100.00	750.00
Area Housing Manager	1,000.00	250.00	100.00	750.00
ASB Manager	1,000.00	250.00	100.00	-
Income Manager	1,000.00	250.00	100.00	750.00
Income Manager	1,000.00	250.00	100.00	750.00
Customer Contact Centre Team Leader	500.00	250.00	50.00	-
Customer Contact Centre Team Leader	500.00	250.00	50.00	-
<u>Job Title</u>	<u>Certifying Value</u>			
	Orders	Special Payment Requests	Petty Cash	Refunds
Business Development Manager	5,000.00	200.00	50.00	-
Support Service Manager	2,000.00	200.00	50.00	-
Senior Operations Coordinator	0.00	0.00	0.00	-
Senior Sales and Accounts Officer	0.00	0.00	0.00	-
<u>Job Title</u>	<u>Certifying Value</u>			
	Orders	Special Payment Requests	Petty Cash	Refunds
Head of Finance	10,000.00	2,500.00	100.00	2,500.00 ³
Corporate Treasury and Strategic Planning Manager	10,000.00	2,500.00	100.00	2,500.00 ³
Chief Accountant	7,500.00	2,500.00	100.00	2,500.00 ³
Corporate Finance and Performance Manager	7,500.00	1,000.00	100.00	
Financial Services Manager	7,500.00	1,000.00	100.00	
Risk and Assurance Manager	7,500.00	1,000.00	100.00	-
Performance Manager	7,500.00	1,000.00	100.00	
Rent and Service Charge Manager	7,500.00	1,000.00	100.00	
1 = any amount above £1.5m requires two directors signatures (one from the resource and an independent)				
2 = requires service directors and a secondary independent director approval				
3 = Only in respect of leaseholders and other non- housing system billed residents				
4 = Limits between £25k and £181k will require Heads of Service & a Director signature				
5 = In the absence of the Chief Executive Officer delegated authorities fall to the Director of Resources and in their absence to the Company Secretary				

Appendix B :Records Retention Schedule

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Correspondence, internal memoranda, photos and images

General Principle

Most correspondence and internal memoranda should be retained for the same period as the document they pertain to or support. For instance, a letter pertaining to a particular contract would be retained for as long as the contract. It is recommended that records that support a project be kept with the project and take on the retention time of that project file. Correspondence or memoranda that do not pertain to documents having a prescribed retention period should generally be discarded sooner.

Those pertaining to routine matters and having no significant, lasting consequences should be discarded within two years. Some examples include:

- Routine letters and notes that require no acknowledgment or follow-up, such as notes of appreciation, congratulations, letters of transmittal, and plans for meetings.
- Form letters that require no follow-up.
- Letters of general inquiry and replies that complete a cycle of correspondence.
- Letters or complaints requesting specific action that have no further value after changes are made or action taken (such as name or address change).
- Other letters or notes of inconsequential subject matter or that close correspondence to which no further reference will be necessary.
- Chronological correspondence files.

Please note that copies of interoffice correspondence and documents where a copy will be in the originating department file should be read and destroyed unless that information provides reference to or direction to other documents and must be kept for project traceability.

Electronic Mail

Not all email needs to be retained, depending on the subject matter.

- All e-mail—from internal or external sources—is to be deleted after 2 years.
- Staff will not store or transfer LHP-related e-mail on non-work-related computers except as necessary or appropriate for LHP purposes.
- Staff will take care not to send confidential/proprietary LHP information to outside sources.
- Any e-mail staff deems vital to the performance of their job should be copied to One Drive.

Electronic Documents

Retention will often depend on the subject matter.

- **PDF documents** - The length of time that a PDF file should be retained should be based upon the content of the file and the category under the various sections of this policy. The maximum period that a PDF file should be retained is 6 years.
- **Text/formatted files** - Staff will conduct annual reviews of all text/formatted files (e.g., Microsoft Word documents) and will delete all those they consider unnecessary or outdated.

Photos and Images - Personal Data

If an image can be used to identify a living individual, that image is likely to constitute personal data. This includes where individuals in an image are named and in situations where no names are used but other contextual information would enable individuals to be identified, e.g., place where photo was taken or other individuals within a group photo.

This guidance covers the use of images of people, including photos and videos (except CCTV) for LHP's own purposes. It applies to images already stored on LHP assets, including but not limited to databases; phones and tablets; Outlook; LAN and SharePoint, as well as to images captured in the future. Images taken for personal use only are exempt from data protection law, but their storage and retention are covered below.

To store and retain photos and images of individuals, LHP must have a fair and transparent purpose and a lawful basis to do so. For example:

- LHP has a "legitimate interest" in using staff members' photos for security reasons.
- Photos and images of individuals may be stored as part of a record, such as an investigation which may be a "legal obligation" or "legitimate interest". In these cases, they are to be retained in accordance with that record as defined in the Schedule below.
- Photos and images of an identifiable individual, used for marketing and communications purposes, should have the "consent" of the individual for that purpose and a record of that consent maintained.

Where LHP does not have a purpose or lawful basis for storing photos and images of individuals, including consent, then they should not be stored or retained.

Photos and Images - General

LHP stores and retains photos and images of, for example, developments, houses and repairs and maintenance activities, where no individuals are identifiable within them. Good practice is to ensure that these are deleted unless they are required to be retained as part of a record (see Schedule below for relevance).

Photos and Images – Personal Use

Images taken for personal use only are exempt from data protection law, e.g., photographs taken by members of staff outside of LHP business and shared with colleagues on Teams or via email. Where members of staff are sharing photos and images not related to LHP business amongst themselves, then they should be mindful of the digital storage space that they take up so should delete them as soon as possible from all stored locations.

1. Governance

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
1.1	Governance	Organisation wide Corporate Plans, Policies, Business Continuity, Risk Management and Strategies	1 year after superseded (longer if required for historical reasons)	Company Secretary
1.2	Governance	Governance documentation	Life of company	Company Secretary
1.3	Governance	Constitution, Aims and Objectives	Life of company	Company Secretary
1.4	Governance	Record of HMRC confirmation of charitable status	Life of company	Company Secretary
1.5	Governance	Record of charitable registration	Life of company	Company Secretary
1.6	Governance	Certificate of Incorporation	Life of company	Company Secretary
1.7	Governance	Memorandum of Association	Life of company	Company Secretary
1.8	Governance	Articles of Association/ Model Rules	Life of company	Company Secretary
1.9	Governance	Certificate of registration with housing regulator	Life of company	Company Secretary
1.10	Governance	Record of registration and certificate of incorporation for change of name	Life of company	Company Secretary
1.11	Governance	Registration documentation (Co-operative and Community Benefit Societies)	Life of company	Company Secretary
1.12	Governance	Internal Audit correspondence, terms of reference, meeting minutes, related papers and reports	5 years	Head of Assurance
1.13	Governance	Board member documents – apt letters, SLAs, bank details etc.	6 years	Company Secretary

2. Personal Data

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
2.1	Data Governance	Emails	Archived after 6 months Destroyed after 2 years	Head of Assurance
2.2	Data Governance	CCTV	30 days - unless required to be retained for investigation/enforcement needs, e.g., ASB Case/Police investigation	Head of Assurance
2.3	Data Governance	Call Recordings	6 months	Head of Commercial and Support Services
2.4	Data Governance	Data Subject Access Requests	1 year	Head of Assurance
2.5	Data Governance	Films / Videos	3 years	Head of Assurance
2.6	Data Governance	Data Breach Records	6 years	Head of Assurance
2.7	Data Governance	Fraud Records	6 years	Head of Assurance

3. Meetings

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
3.1	Meetings	Notice of meetings	6 years	Company Secretary
3.2	Meetings	Executive meeting agendas, papers, minutes and resolutions	10 years	Company Secretary
3.3	Meetings	Board and Committee meeting minutes and resolutions	10 years from the date of the meeting of extant company or life of company	Company Secretary
3.4	Meetings	Board and Committee meeting agendas and papers	10 years from the date of the meeting of extant company or life of company	Company Secretary
3.5	Meetings	Shareholder meeting minutes and resolutions	Life of company	Company Secretary
3.6	Meetings	Shareholder meeting agendas and papers	Life of company	Company Secretary
3.7	Meetings	Minutes and resolutions of trustees (charities)	Life of company	Company Secretary

4. Regulations and Statutory Returns

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
4.1	Regulations and Statutory Returns	Audited financial statements	6 years	Company Secretary
4.2	Regulations and Statutory Returns	Sealing register	Life of company	Company Secretary
4.3	Regulations and Statutory Returns	Annual Statutory Returns to the Regulator	Life of company	Company Secretary
4.4	Regulations and Statutory Returns	Register of directors and secretaries	Life of company	Company Secretary
4.5	Regulations and Statutory Returns	Register of shareholding members	Life of company	Company Secretary
4.6	Regulations and Statutory Returns	Register of share certificates	Life of company	Company Secretary
4.7	Regulations and Statutory Returns	Declarations of interest	Life of company	Company Secretary
4.8	Regulations and Statutory Returns	List of members (Communities & Benefit Society)	Life of company	Company Secretary

5. Strategic Management

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
5.1	Strategic	Business Plans and supporting documentation	5 years	Company Secretary

6. Insurance

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
6.1	Insurance	Current/former policies: <ul style="list-style-type: none"> - crime cover - engineering inspection - motor insurance - property damage - loss of commercial rent - housing contents - office contents - works in progress cover - business interruption cover - all risks cover - engineering insurance - personal accident for staff - professional indemnity - crime/fidelity cover 	Life of company	Head of Assurance
6.2	Insurance	Certificate of Employers' Liability Insurance	40 years	Head of Assurance
6.3	Insurance	Annual Insurance schedule	Life of company	Head of Assurance
6.4	Insurance	Claims and related correspondence	15 years	Head of Assurance

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
6.5	Insurance	Indemnities and guarantees	6 years after expiry	Head of Assurance
6.6	Insurance	Group health policies	12 years after cessation of benefit	Head of HR & OD

7. Finance

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
7.1	Finance	Accounting records for Communities & Benefit Society or Charity	6 years	Head of Finance
7.2	Finance - Cheques and associated records	Cash books/sheets	6 years	Head of Finance
7.3	Finance - Cheques and associated records	Petty Cash and Cheques Paid Out	2 years	Head of Finance
7.4	Finance - Cheques and associated records	Creditors' history records	6 years	Head of Finance
7.5	Finance - Cheques and associated records	Purchase Ledger Invoices	6 years	Head of Finance
7.6	Finance - Cheques and associated records	General and subsidiary ledgers produced for the purposes of preparing certified financial statements or published information	6 years	Head of Finance
7.7	Finance - Expenditure records	Journals – routine adjustments	2 years	Head of Finance
7.8	Finance - Expenditure records	Trial balances - Year-end balances, reconciliations and variations to support ledger balances and published accounts	6 years	Head of Finance
7.9	Finance - Receipts and revenue records	Receipt books/butts Office copies of receipts – cashiers', cash register, fines and costs, sale of publications, general receipt books/butts/ records	6 years	Head of Finance
7.10	Finance - Receipts and revenue records	Debtors' records and invoices - debit notes rendered on debtors (such as invoices paid/unpaid, registers of invoices, debtors ledgers)	6 years	Head of Finance
7.11	Finance - Receipts and revenue records	Debits and refunds - Records relating to unrecoverable revenue, debts and overpayments (such as register of debts written off, register of refunds)	6 years	Head of Finance

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
7.12	Finance- Purchase order records	Goods inwards books/records	6 years	Head of Finance
7.13	Finance - Financial Statements	Statements/summaries prepared for inclusion in quarterly/annual reports	6 years	Head of Finance
7.14	Finance - Financial Statements	Periodic financial statements prepared for management on a regular basis	2 years	Head of Finance
7.15	Finance - Asset register financial records	Assets/equipment registers/records	6 years after asset or last one in the register is disposed of	Head of Finance
7.16	Finance - Asset register financial records	Depreciation registers - Records relating to the calculation of annual depreciation	6 years after asset or last one in the register is disposed of	Head of Finance

8. Banking

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
8.1	Other Banking Records	Cancelled / Dishonoured Cheque	2 years	Head of Finance
8.2	Other Banking Records	Paid/presented cheques	7 years	Head of Finance
8.3	Other Banking Records	Record of cheques drawn for payment	7 years	Head of Finance
8.4	Other Banking Records	Bank deposit books/slips/butts	2 years	Head of Finance
8.5	Other Banking Records	Bank deposit summary sheets - Summaries of daily banking	2 years	Head of Finance
8.6	Other Banking Records	Bank reconciliations files/sheets	2 years	Head of Finance
8.7	Other Banking Records	Bank statements, periodic reconciliations	2 years	Head of Finance
8.8	Other Banking Records	Electronic banking and electronic funds transfer	6 years	Head of Finance

9. Contracts and Agreements

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
9.1	Contracts and Agreements	Contracts under seal and/or executed as deeds	12 years after completion (including any defects liability period)	Head of Assurance
9.2	Contracts and Agreements	Contracts for the supply of goods or services, including professional services	6 years after completion (including any defects liability period)	Head of Assurance
9.3	Contracts and Agreements	Documentation relating to small one-off purchases of goods and services, where there is no continuing maintenance or similar requirement	3 years. Suggested limit: goods or services up to £10,000	Head of Assurance
9.4	Contracts and Agreements	Loan agreements	12 years after last payment	Head of Assurance
9.5	Contracts and Agreements	Licensing agreements	6 years	Head of Assurance
9.6	Contracts and Agreements	Service Agreements, purchase agreements, additional equipment forms, testing sheets, referral forms and assessments for service, annual updates	6 years	Head of Assurance
9.7	Contracts and Agreements	Indemnities and guarantees	6 years	Head of Assurance
9.8	Contracts and Agreements	Documents relating to successful tender	6 years	Head of Assurance
9.9	Contracts and Agreements	Documents relating to unsuccessful tenders	2 years after notification	Head of Assurance
9.10	Contracts and Agreements	Forms of tender	6 years	Head of Assurance
9.11	Contracts and Agreements	Documentation relating to purchases of medical devices and medical equipment	11 years	Head of Commercial & Support Services

10. Charitable Donations

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
10.1	Charitable Donations	Deeds of covenant	12 years after last payment	Head of Finance
10.2	Charitable Donations	Index of donations granted	6 years	Head of Finance
10.3	Charitable Donations	Account documentation	6 years	Head of Finance

11. Applications and Tenancy Records

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
11.1	Application and Tenancy Records	Applications for accommodation, including Mutual Exchange Requests and Succession Requests	6 years after offer accepted	Head of Lettings
11.2	Application and Tenancy Records	Continuous Recording of lettings and sales (CORE) data record form	As long as it is deemed necessary to support social housing policy	Head of Lettings
11.3	Application and Tenancy Records	Benefit notifications, including Housing and Universal Credit	2 Years	Head of Income
11.4	Application and Tenancy Records	Rent statements	2 years	Head of Income
11.5	Application and Tenancy Records	Former tenants' Tenancy Agreements, and details of their leaving	6 years	Head of Housing
11.6	Application and Tenancy Records	Care plans for children and related documents <i>(Note: Required to be retained by Local Authority Until 75th year of child's birth or 15 years after death if child dies before 18. (Case records including care plans))</i>	2 years after end of tenancy and all relevant data/ documentation/ records have been passed to the Local Authority	Head of Housing
11.7	Application and Tenancy Records	Care plans/ case files for adults and related documents	8 years from end of care (Adult Social Care)	Head of Housing
11.8	Application and Tenancy Records	Documentation, correspondence and information provided by other agencies relating to special needs of current tenants	While tenancy continues	Head of Housing

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
11.9	Application and Tenancy Records	Records relating to offenders, ex-offenders and persons subject to cautions	While tenancy continues	Head of Housing
11.10	Application and Tenancy Records	Safeguarding Referral	10 years	Head of Housing
11.11	Application and Tenancy Records	Safeguarding Records - Serious Case Review	Minimum of 364 days or when notified Home Office has closed DHR	Head of Housing
11.12	Application and Tenancy Records	Direct Debit Mandates	2 years (or longer if risk of claim deems it necessary)	Head of Income
11.13	Application and Tenancy Records	Money Support Service (including advice)	2 years	Head of Income
11.14	Application and Tenancy Records	DRO/IVA/Bankruptcy Orders	2 years or longer for claims	Head of Income
11.15	Application and Tenancy Records	Rent references	1 year	Head of Income
11.16	Application and Tenancy Records	UC triage forms	2 years	Head of Income
11.17	Application and Tenancy Records	Court Orders	7 years	Head of Income
11.18	Application and Tenancy Records	UC APAs	2 years	Head of Income
11.19	Application and Tenancy Records	RentSense Reports	2 years	Head of Income

12. Property Records

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
12.1	Property Records	Rent registrations (superseded)	6 years	Head of Lettings
12.2	Property Records	Rent Registration (not superseded)	Life of company	Head of Lettings
12.3	Property Records	Fair rent documentation	6 years	Head of Lettings
12.4	Property Records	Leases and deeds of ownership	15 years after expiry.	Head of Housing
12.5	Property Records	Copy of former leases	12 years	Head of Housing
12.6	Property Records	Wayleaves, licences and easements	Lifetime of the asset	Head of Governance
12.7	Property Records	Abstracts of title	12 years	Head of Governance
12.8	Property Records	Planning and building control permissions	12 years	Head of Asset Management
12.9	Property Records	Searches	12 years	Head of Asset Management
12.10	Property Records	Property maintenance records	6 years	Head of Asset Management
12.11	Property Records	Reports and professional opinions	6 years	Head of Asset Management
12.12	Property Records	Development documentation	12 years	Head of Asset Management
12.13	Property Records	Invoices	12 years	Head of Asset Management

13. Vehicles

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
13.1	Transport & Vehicles	Mileage records & defect sheets	2 years	Head of Repairs
13.2	Transport & Vehicles	Maintenance records & MOT tests	2 years	Head of Repairs
13.3	Transport & Vehicles - Operators Licence Only	Operator's Licence certificates and documents of title	Permanently	Head of Repairs
13.4	Transport & Vehicles - Operators Licence Only	Mileage records & defect sheets	2 years	Head of Repairs

14. Capital Assets

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
14.1	Capital Assets	Capital Assets including all land, property, housing stock, corporate buildings, play areas, vehicles, equipment, fixtures & fittings >£400	6 years after which records are destroyed or made inactive	Head of Asset Management
14.2	Capital Assets	Fixed Asset Register (see also Section 7 for Asset Registers)	Permanently	Head of Asset Management

15. Employees – Tax and Security

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
15.1	Tax and Social Security	Record of taxable payments; record of tax deducted or refunded; record of earnings on which standard NI Contributions payable; record of employer's and employee NI contributions	6 years	Head of HR & OD
15.2	Tax and Social Security	NIC contracted out arrangements; Inland Revenue notice of code changes, pay and tax details.	6 years	Head of HR & OD
15.3	Tax and Social Security	Copies of notices to employees (e.g., P45, P60)	6 years plus current year	Head of HR & OD
15.4	Tax and Social Security	HMRC notice of code changes, pay & tax details	6 years	Head of HR & OD
15.5	Tax and Social Security	Expense Claims	6 years	Head of HR & OD
15.6	Tax and Social Security	Record of sickness payments	6 years	Head of HR & OD
15.7	Tax and Social Security	Record of maternity payments, statutory paternity pay, statutory shared parental pay and statutory adoption pay	6 years	Head of HR & OD
15.8	Tax and Social Security	Income Tax and NI returns	6 years	Head of HR & OD
15.9	Tax and Social Security	Redundancy details and record of payments & refunds	6 years	Head of HR & OD
15.10	Tax and Social Security	Revenue and Customs approvals	Permanently	Head of HR & OD
15.11	Tax and Social Security	Annual earnings summary	12 years	Head of HR & OD
Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
15.12	Tax and Social Security	Payroll/ salary records, overtime, bonuses expenses etc.	3 years	Head of HR & OD
15.13	Tax and Social Security	Actuarial valuation reports	Permanently	Head of HR & OD
15.14	Tax and Social Security	Detailed returns of pension fund contributions; annual reconciliations of fund contributions	Permanently	Head of HR & OD
15.15	Tax and Social Security	Money purchase details	6 years	Head of HR & OD
15.16	Tax and Social Security	Qualifying service details	6 years	Head of HR & OD

15.17	Tax and Social Security	Investment policies	12 years	Head of HR & OD
15.18	Tax and Social Security	Trade Union agreements	10 years after ceasing to be effective	Head of HR & OD
15.19	Tax and Social Security	Inland Revenue approvals	Life of company	Head of HR & OD
15.20	Tax and Social Security	Annual earnings summary	3 years from the end of the tax year they relate to	Head of HR & OD

16. Human Resources – Pension Schemes

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
16.1	Pension Schemes	Actuarial valuation reports	Permanently	Head of HR & OD
16.2	Pension Schemes	Detailed returns of pension fund contributions	6 years	Head of HR & OD
16.3	Pension Schemes	Annual reconciliations of fund contributions	6 years	Head of HR & OD
16.4	Pension Schemes	Money purchase details	6 years after transfer or value taken	Head of HR & OD
16.5	Pension Schemes	Qualifying service details	6 years after transfer or value taken	Head of HR & OD
16.6	Pension Schemes	Investment policies	12 years	Head of HR & OD
16.7	Pension Schemes	Pensioner records	12 years after benefits cease	Head of HR & OD
16.8	Pension Schemes	Records relating to retirement benefits	6 years	Head of HR & OD

17. Human Resources – Personnel Records

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
17.1	Personnel Records	Records relating to retirement benefits	6 years	Head of HR & OD
17.2	Personnel Records	Terms and conditions of service, both general terms and conditions applicable to all staff, and specific terms and conditions applying to individuals	6 years	Head of HR & OD
17.3	Personnel Records	Benefits and Deductions	6 years	Head of HR & OD
17.4	Personnel Records	Remuneration package	6 years	Head of HR & OD
17.5	Personnel Records	Former employees' Human Resources files	6 years	Head of HR & OD
17.6	Personnel Records	References to be provided for former employees	6 years	Head of HR & OD
17.7	Personnel Records	Training Programmes	6 years	Head of HR & OD
17.8	Personnel Records	Individual training records	6 years	Head of HR & OD
17.9	Personnel Records	Short lists, interview notes and related application forms	6 months	Head of HR & OD
17.10	Personnel Records	Application forms of non-short-listed candidates	1 year	Head of HR & OD
17.11	Personnel Records	DBS certificate number	3 years	Head of HR & OD
17.12	Personnel Records	Timecards/ sheets	2 years	Head of HR & OD
17.13	Personnel Records	Trust deeds, rules and minutes (for joint employee/employer sports/social clubs, etc. set up under trust)	Permanently	Head of HR & OD
17.14	Personnel Records	Employer/Employee committee minutes (Staff Forum)	Permanently	Head of HR & OD
17.15	Personnel Records	Parental leave records	18 years from birth of child	Head of HR & OD

18. Human Resources – Health & Safety

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
18.1	Health & Safety	Medical records relating to control of asbestos	40 years	Head of HR & OD
18.2	Health & Safety	Health and safety assessments; records of consultations with safety reps	Permanently	Head of HR & OD
18.3	Health & Safety	Health and safety policy statements	Permanently	Health & Safety Manager
18.4	Health & Safety	Accident records, reports, accident books	6 years after date of occurrence/entry	Health & Safety Manager
18.5	Health & Safety	Sickness records	6 years from date of sickness	Head of HR & OD
18.6	Health & Safety	Health and safety statutory notices	6 years after compliance	Health & Safety Manager

19. Technical and Research Records

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
19.1	Technical and Research	Technical and research records	12-15 years after requirements have ended for both records and reports and drawings and other data	Head of Commercial & Support Services

20. Anti-Social Behaviour Case Files and Associated Documents

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
20.1	ASB case files and associated documents	ASB (Anti-social behaviour) case files and associated documents	5 years or until end of legal action	Head of Housing
20.2	CCTV Footage	Digital Recordings	30 days - unless required to be retained for investigation/enforcement needs	Head of Housing
20.3	Noise App Recordings	Digital Recordings	30 days - unless required to be retained for investigation/enforcement need	Head of Housing
20.4	Noise Monitoring Recordings	Digital Recordings	30 days - unless required to be retained for investigation/enforcement needs	Head of Housing

21. Supporting People – Support Plans / Single Assessments including Supporting Information

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
21.1	Supporting People	Supporting people – support plans / single assessments including supporting information	Duration of tenancy or for the period of support (for non-tenants)	Head of Commercial and Support Services Housing

22. Resident Meetings

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
22.1	Resident Meetings	Resident Meeting Minutes	1 year	Head of Housing

23. Property Sales

Reference	Function	Record type	Recommended retention period	Nominated Information Asset Owner
23.1	Home Ownership	New Sales applications	6 years	Head of Asset Management
23.2	Property Sales	Registrations of interest	2 years	Head of Asset Management
23.3	Property Sales	Offer Details	6 years	Head of Asset Management
23.4	Property Sales	Completion documentation	12 years	Head of Asset Management
23.5	Property Sales	Post purchase questionnaire/ customer feedback	3 years	Head of Asset Management
23.6	Property Sales	Help to Buy applications	6 years	Head of Asset Management
23.7	Property Sales	Resales (Shared Ownership)	6 years	Head of Asset Management
23.8	Property Sales	Staircasing process documents	12 years	Head of Asset Management
23.9	Property Sales	Right to Buy/ Acquire files	12 years	Head of Asset Management



Equality Impact Assessment Initial Screening

Name of policy / strategy / project (the "initiative"):

Records Retention Policy

Provide a brief summary of the aims and main activities of the initiative:

Benefits of Records Retention Policy

Although there is a legal requirement for the policy there are also opportunities to realise benefits of efficiency and effectiveness from its implementation.

They include:

- Reduced storage space – both physical and digital – by removing and destroying data that should not be held or is no longer needed.
- Achieve a "single source of truth" by ensuring that everyone is referring to and using the same data, with duplications of the same data, documents and records having been removed.
- Reduce the administrative burden when searching for and identifying documents and records in response to legal action/ Data Subject Access Requests.
- Ensure that the whole organisation is applying and implementing the same retention periods and document/ record classifications.
- Reduce the risk of unauthorised access/loss of data.

A further indirect benefit of the policy is that, with proper training and guidance, it will bring about changes in some working practices, such as how records are stored and the cessation of practices such as unnecessary duplication and sharing.

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STAGE 1: SCREENING

This stage establishes whether a proposed initiative will have an impact from an equality perspective on any particular group of people or community – i.e., on the grounds of race, religion/faith/belief, gender (including transgender), sexual orientation, age, disability, or whether it is “equality neutral” (i.e., have no effect either positive or negative).

Q 1. Who will benefit from this initiative? Is there likely to be a positive impact on specific groups/communities (whether or not they are the intended beneficiaries), and if so, how? Or is it clear at this stage that it will be equality ‘neutral’ i.e., will have no particular effect on any group? *Please consider all aspects of Diversity including as a minimum: Age, Disability, Gender/Transgender, Race/Ethnicity, Religion/Faith/Belief, Sexuality*

This policy is deemed equality neutral

Q 2. Is there likely to be an adverse impact on one or more minority/under-represented or community group as a result of this initiative? If so, who may be affected and why? Or is it clear at this stage that it will be equality ‘neutral’? *Please consider all aspects of Diversity including as a minimum: Age, Disability, Gender/Transgender, Race/Ethnicity, Religion/Faith/Belief, Sexuality*

This policy is deemed equality neutral

Q 3. Is there sufficient data on the target beneficiary groups/communities? Are any of these groups under or overrepresented? Do they have access to the same resources? What are your sources of data and are there any gaps? *Please consider all aspects of Diversity including as a minimum: Age, Disability, Gender/Transgender, Race/Ethnicity, Religion/Faith/Belief, Sexuality*

This policy is deemed equality neutral

Q 4. Outsourced services – if the initiative is partly or wholly provided by external organisations / agencies, please list any arrangements you plan to ensure that they promote equality and diversity. *Please consider all aspects of Diversity including as a minimum: Age, Disability, Gender/Transgender, Race/Ethnicity, Religion/Faith/Belief, Sexuality*

None for consideration

Q 5. Is the impact of the initiative (whether positive or negative) significant enough to warrant a full impact assessment – see guidance? If not, will there be monitoring and review to assess the level of impact over a period of time? *Please consider all aspects of Diversity including as a minimum: Age, Disability, Gender/Transgender, Race/Ethnicity, Religion/Faith/Belief, Sexuality*

None for consideration

Q 6. To be completed at six monthly review Detail actions taken to assess the level of impact over a period of time, or to address any gaps in data. *Please consider all aspect of Diversity including as a minimum: Age, Disability, Gender/Transgender, Race/Ethnicity, Religion/Faith/Belief, Sexuality*

Guidelines: Things to consider

- Where a negative (i.e., adverse) impact is identified, it may be appropriate to make a full EIA (see Stage 2), or, as important, take early action to redress this – e.g., by abandoning or modifying the initiative. NB If the initiative contravenes equality legislation, it must be abandoned or modified.
- Where an initiative has a positive impact on groups/community relations, the EIA should make this explicit, to enable the outcomes to be monitored over its lifespan.
- Where there is a positive impact on particular groups, does this mean there could be an adverse impact on others, and if so, can this be justified? - e.g. Are there other existing or planned initiatives which redress this?
- It may not be possible to provide detailed answers to some of these questions at the start of the initiative. The EIA may identify a lack of relevant data, and that data-gathering is a specific action required to inform the initiative as it develops, and also to form part of a continuing evaluation and review process.
- It is envisaged that it will be rare for full impact assessments to be required. Usually, where there are particular problems identified in the screening stage, it is envisaged that changing the approach at this stage, and/or setting up a monitoring/evaluation system to review a policy's impact over time will tackle the problem.