

# Northern Ireland Housing Executive Corporate Governance Manual

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## **Purpose of this Document:**

This Corporate Governance Manual aims to support and help the Housing Executive ensure the highest standards of Corporate Governance throughout the organisation and to promote adherence to accepted good governance principles.

The manual provides an overview of the structures, documents and controls in place to ensure the Housing Executive's resources are used appropriately and efficiently and that the organization operates in accordance with best practice. It also sets the relationship between the Housing Executive and its sponsor department, the Department for Communities and, what is expected of the Board, Chief Executive, Directors and staff in terms of good governance behaviours.

The manual acts as a single point of reference for key the Housing Executive policy, structure and principles. It does not include all policies, as these are area specific, nor does it introduce additional bureaucracy, instead it aims to provide the overarching governance documents used by the Housing Executive.

**Please note that linked documents referenced within this manual should be available on the intranet/internet via the search function. If you any difficulties in accessing the latest version please contact a member of the risk and governance team who will try to assist.**

<b>Approved by</b>		<b>Date</b>
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## **PART ONE:**

### **Foreword - The Corporate Governance Manual**

Good Corporate Governance is crucial to any well managed organisation. Corporate Governance is not simply about having the right documents or financial controls in place nor is it solely about the management of risk and performance. It is also about the organisation's culture and values, Board leadership, staff behaviours, attitudes and accountability and about having clearly defined roles and responsibilities.

Managing all these elements in a large organisation can be difficult and the Housing Executive, having gone through a governance review in 2010, has sought to ensure that good governance practice is adopted throughout the organisation from Board level through to operational frontline staff.

Reviews of key governance documents are regularly undertaken and training for staff on good governance principles is available and aims to raise awareness of good governance practice, based on the Nolan principles.

The Housing Executive also values the opportunity to learn from best practice and good guidance. To that end this manual aims to bring together some of the useful guides which have been published by Her Majesty's Treasury, Northern Ireland Audit Office and others. Where possible these have listed beside the relevant sections.

This Corporate Governance Manual aims to support and help the Housing Executive ensure the highest standards of corporate governance throughout the organisation and to promote adherence to accepted good governance principles. It provides an overview of the structures, documents and controls in place to ensure the Housing Executive's resources are used appropriately and efficiently and that the organisation operates in accordance with best practice. It also sets the relationship between the Housing Executive and its sponsor department, the Department for Communities and, what is expected of the Board, Chief Executive, Directors and staff in terms of good governance behaviours.

Supporting the governance structures are a number of key organisational strategies, policies and guidance notes which will also be subject to regular review to ensure they remain relevant and fit for purpose. These documents have been included in the manual.

This manual will be a living document and, together with its individual components, and will be subject to regular review and adjustment as necessary to ensure it remains a relevant guide to corporate governance in the Northern Ireland Housing Executive.

## **Management Summary - The Northern Ireland Housing Executive**

The Northern Ireland Housing Executive is the single strategic housing authority in Northern Ireland managing a stock of approximately 86,000 homes and employing around 3,000 people.

The organisation is a non-departmental public body (NDPB), governed by a ten member Board and operating through the provision of public funds from the Department for Communities and rental income. The Minister responsible for the Department for Communities is accountable to the Northern Ireland Assembly for the policies and performance of the Housing Executive including its use of resources and the policy framework within which it operates. In practice we operate within a NDPB framework as an arm's length body sponsored by the DFC, although for accounting purposes we are two separate entities.

The Housing Executive's role is to assess housing need in Northern Ireland and progressively to meet that need directly, or by facilitating or enabling other agencies to do so. The Housing Executive promotes high standards of new house building, repair, maintenance, housing management and general housing advice.

The Housing Executive is also the Home Energy Efficiency Authority for Northern Ireland. Financial pressures and issues such as equality, human rights, targeting social need, best value and tenant participation are particular influences on the Housing Executive's work, as is the search for innovative ways of providing and managing social housing and the drive for better performance year on year.

Public bodies like the Housing Executive operate through a governance framework which brings together legislative requirements, governance principles and management processes. Good governance leads to good management, good performance, good stewardship of public money, good public engagement and, ultimately, good outcomes from the services provided and for those it serves.

The Housing Executive operates within a Corporate Governance Framework which ensures accountability to its users, stakeholders and the wider community to which it relates.

## **PART TWO:**

### **Governing Legislation**

Paramount in the governance of the Northern Ireland Housing Executive is the need to ensure its acts within the law. The Housing Executive is a creature of statute. It was originally established as a public authority and independent body corporate under the Housing Executive Act (Northern Ireland) 1971, which was subsequently repealed. This status continues under the Housing (Northern Ireland) Order 1981. The Housing Executive, as a public authority is also subject to Section 75 of the Northern Ireland Act 1998 which obliges it to carry out its functions having due regard to the need to promote equality of opportunity between certain specified groups of people.

As a statutory body the Housing Executive's functions (which are made up of duties and powers) are laid down by statute. They are to be found chiefly in the various Housing (Northern Ireland) Orders from 1981-2011.

The following legislation also sets out additional Housing Executive functions:

- **Home Energy Conservation Act 1995**
- **Social Security Administration (NI) Act 1992**
- **Housing Support Services Order (NI) 2002**
- **Housing Support Services Regulations (NI) 2003**
- **Housing (Amendment) (Northern Ireland) Order 2006**
- **Housing (Amendment) Act (NI) 2010**
- **Housing (Amendment) Act (NI) 2011**

If you require a copy of the legislation as outlined above the Department for Communities webpage has a link to the individual Housing legislation.

The Housing Executive, as a public authority, is also subject to Section 75 of the Northern Ireland Act 1998 which obliges it to carry out its functions having due regard to the need to promote equality of opportunity between certain specified groups of people.

These include – but are not limited to - the following:

- The regular examination of housing conditions and housing requirements
- Drawing up wide ranging programmes to meet housing needs
- Establishing housing information and advisory services
- Consulting with District Councils and the Northern Ireland Housing Council
- Effecting the closure, demolition and clearance of unfit houses
- The possession of unoccupied houses
- Carrying out improvements or repairs by agreement
- Entry to land for the purpose of survey, valuation or examination
- Making vesting orders in respect of land and the disposal of land held
- Administering Housing Benefit to the public and private rented sectors
- Undertaking the role of the Home Energy Conservation Authority for Northern Ireland
- Administering the 'Supporting People' initiative
- Administering Private Sector Grants

- Provision of caravan sites for members of the Traveller Community
- The making of energy Brokering arrangements for its tenants pursuant to an approved statutory scheme
- Preparation and submission of Houses in Multiple Occupation (HMO) Registration Scheme for Departmental approval and HMO regulation
- Information sharing powers in respect of anti-social behaviour
- Powers to take action to enhance community safety in any area
- Power to enter into arrangements with other statutory authorities
- Effecting the improvement of the condition of the housing stock
- Identifying the need for the provision of new social houses
- The formulation and publication of a Homelessness Strategy
- Provision of advice about homelessness and the prevention of homelessness statutory responsibility for dealing with homeless applications
- Publication and review of its anti-social behaviour policies and procedures

## **DFC Management Statement and Financial Memorandum/ Dossier of Controls**

These documents set out the controls to be exercised over the different areas of the Housing Executive's activities by the Department for Communities (DFC) directly or by the Housing Executive itself. The prime purpose of the documents is to assist the Permanent Secretary of DFC in discharging his responsibilities in relation to the Housing Executive's systems and as such it represents a formal statement by DFC of the standards it requires the Housing Executive to achieve in relation to the probity of activities.

The documents accordingly seek to set down the broad policies and related procedures of the Housing Executive, which are agreed by DFC and for which the Permanent Secretary, as Accounting Officer, is responsible and would answer accordingly to the Public Accounts Committee. Actions and decisions taken within policies and procedures set out in the documents are the responsibility of the Housing Executive's Board.

DFC's approval of the Housing Executive's budgets and the payment by DFC of Housing Grant to the Housing Executive is conditional upon the Housing Executive's compliance with the terms of the documents.

In addition, DFC may also under Article 10(1) of the 1981 Order, give directions of a general or specific nature to the Housing Executive regarding the discharge of its functions. The 1981 Order requires the Housing Executive to act in accordance with such directions.

Certain controls set out in the documents lend themselves particularly to audit review to establish whether they are being followed and whether the procedures described are adequate. This is the responsibility of the Northern Ireland Audit Office (NIAO), DFC Housing Division / Internal Audit and Housing Executive Internal Audit.

The format of the documents is as follows:



- Part 1 is the Management Statement, which sets down the general framework governing the Housing Executive's operations and its relationship with DfC.
- Part 2 is the Financial Memorandum which sets out the financial controls governing the Housing Executive's operations.
- Part 3 consists of individual control documents either specifying procedures for obtaining DFC/DFP approval, or prescribing varying levels of delegated authority within policies and guidelines laid down or agreed by DFC/DFP covering income and expenditure in each line or combination of lines in the Housing Executive's budgets.

A senior officer in both DFC and the Housing Executive has been delegated responsibility for maintaining these documents. In DFC this responsibility rests with the Head of Housing Corporate Services Branch and in Housing Executive with the Director of Corporate Finance.

## Financial Regulations

To conduct its business efficiently, a public body needs to ensure that it has sound financial management policies in place and that they are adhered to.

The Housing Executive's Financial Regulations provide the framework within which the financial administration is to be conducted and ensure that sound financial control is operated. The provisions in Standing Orders and the Board Scheme of Delegations should be applied in accordance with the Housing Executive's Financial Regulations.

As a public body the Housing Executive also follow the guidance and principles laid out in Managing Public Money Northern Ireland. This document provides guidance on a wide range of issues, relating mainly to the proper handling and reporting of public money. It sets out the main principles for dealing with resources used by public sector organisations in Northern Ireland (NI). A copy is available on the Department of Finance internet home page.

Furthermore, there is often supplementary guidance issued by the Department of Finance which provide specific advice on issues of accountability, regularity and propriety as well we the annual accounting exercises. This guidance usually takes the form of a 'Dear Accounting Officer' letter (usually referred to as DAOs). For a full listing of DAO letters please see the DoF webpage.

## Equality Scheme

Public authorities in carrying out their functions relating to Northern Ireland are required by the Section 75 statutory duties to have due regard to the need to promote equality of opportunity:

- Between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation
- Between men and women generally
- Between persons with a disability and persons without
- Between persons with dependants and persons without
- And have regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group

Under Schedule 9 of the Northern Ireland Act 1998, designated public authorities, which include the Housing Executive, are required to submit an equality scheme to the Equality Commission. An equality scheme is a statement of the public authority's commitment to fulfilling its Section 75 statutory duties, including procedures for measuring performance.

Our equality Officer works closely with the Equality Commission for Northern Ireland and their website has a lot of useful information.

## **Rural Proofing**

The Rural Needs Act was granted Royal Assent on 9th May 2016. This primary legislation not only places a statutory duty on all central government departments and local councils to pay due regard to rural needs when developing and implementing government policies and strategies and delivering public services, but also requires them to compile, and make available in an open and transparent manner, information on how they have met that duty.

The Housing Executive has endorsed and implemented rural proofing since it was first introduced in 2002. The attached policy/procedure is in place to rural proof all new and revised corporate strategies and policies and a training programme has been delivered to ensure that policy owners are aware of their responsibility to consider whether a new policy will have a disproportionate impact on rural customers.

The Rural Needs Act 2016 will come into full effect for arms-length bodies including the Housing Executive in April 2018. We are currently awaiting direction from DAERA on how our current policy/procedure and training package should be updated to reflect the new legislation.

## **Environmental Policy**

Our environmental policy is to ensure that all of our activities and decisions make a positive contribution to the Sustainable Development Strategy for Northern Ireland.

Concern for environmental conditions and best use of resources is part of our business strategy. Our policy is to:

- Maintain an independently accredited Environmental Management System
- remain committed to legal compliance and continual improvement of our Environmental Management System
- Train all staff in sustainable development awareness and provide specialist training as needed
- Develop and maintain targets in keeping with the NI Sustainable Development Strategy
- Apply the Reduce, Re-use, Recycle approach to waste streams
- Prevent pollution of air, land and water
- Monitor and report regularly on our contribution to the Northern Ireland Sustainable Development Strategy
- Support initiatives to develop sustainable local communities
- Offer environmental and sustainability advice to business, community and voluntary sector stakeholder organisation

## **Corporate Procurement Strategy**

The Northern Ireland Housing Executive procures a wide range of Supplies, Works and Services as the Strategic Housing Authority in Northern Ireland. The value of these requirements is in the region of £300m annually and covers everything from Response Maintenance to Planned Maintenance to Stationery to Professional Services to name but a few. The Housing Executive maintains a professional procurement function – The Corporate Procurement Unit (CPU) – which ensures that all procurement is compliant with European and National regulations as well as Northern Ireland Public Procurement Policy.

This compliance is assured by the Housing Executive's Corporate Procurement Strategy (CPS) updated and approved by the Board in January 2015. This document outlines the organisation's vision and methodology for delivering robust procurement. The strategy now governs procurement within the Housing Executive and provides a clear framework and the overarching template for the delivery of all the Housing Executive's procurement requirements. Furthermore the Strategy details the governance and hierarchical structure for the delivery of such procurements.

The CPS is now the catalyst for all procurement strategies within the Housing Executive. This will ensure that all future strategies are taken forward in accordance with the tenets of best practice procurement methodologies.

The procurement arrangements will differ, depending upon the estimated value or amount of the particular procurement, and subject always to the requirements of EU public procurement law.

Linked to procurement is the area of Contract Management which is vital if the Housing Executive is to get value for money and ensure our contracts are delivery for our tenants. The National Audit Office produced a 'Good Practice Contract Management Framework' in December 2016 which can be found on their webpage.

## **Health & Safety Policy Statement and Strategy**

In accordance with the requirements of the Health and Safety at Work (N.I.) Order 1978 and associated legislation, the Housing Executive recognises and accepts its responsibility as an employer for providing a safe and healthy workplace and as far as is reasonably practicable, a risk free working environment for all its employees. It will conduct its activities so as to minimise and where possible, eliminate the risk to which others e.g. Visitors, Members of the Public, Contractors etc. may be exposed as far as is reasonably practicable.

Employees are reminded of their own duties under Article 8 and 9 of the Order which requires that they take care of their own safety and that of others who may be affected by their acts or omissions.

These objectives will be achieved by:

- Providing clear definition of the roles and ownership of health and safety responsibility for all management staff
- Developing and periodically reviewing a comprehensive Health and Safety Manual that is available to all staff
- Providing a comprehensive Health and Safety training programme

- General Awareness training for all staff
- Undertaking on-going Health and Safety audits
- Implementing an Accident Prevention Programme
- Providing help, information and advice to all staff via the Health and Safety Advisor, the Portal and periodic Health and Safety bulletins

## **Procedures for Handling Personal Information under the Data Protection Act 1998**

The Housing Executive's guidance on Data Protection concerns the collection and handling of personal information and applies to all personal information created or collected by the Housing Executive and its staff in the course of their daily work. The procedures for the collection and handling of personal information apply to all personal information created or collected by the Housing Executive and its staff in the course of their daily work.

The information includes:

- The names and other details of tenants, grant applicants, housing benefit claimants, employees, and other individuals with whom we do business;
- The names and other details of those who correspond with us or provide details during telephone calls;
- Information about contractors and suppliers of goods and services;
- Information held by managers about their staff, such as performance management information;
- Word processed documents, spreadsheets and databases which contain personal details such as names and addresses
- Emails, where either the person sending or receiving is identifiable or the contents refer to identifiable people

Collectively this personal information is called 'personal data' and the people it is about are called 'data subjects'. The information is generally held in systems such as HMS, I-world (HB), Payroll and PSMS (Grants), Outlook mailboxes, and a range of other local specific databases 'owned' by other Departments.

It should be noted that with effective from 25 May 2018 the General Data Protect Regulation (GDPR) will come into effect. This is an EU wide legal framework. The Housing Executive has a plan in place to ensure compliance with the new framework once implemented.

## **Freedom of Information Act 2000 Policy & Procedures**

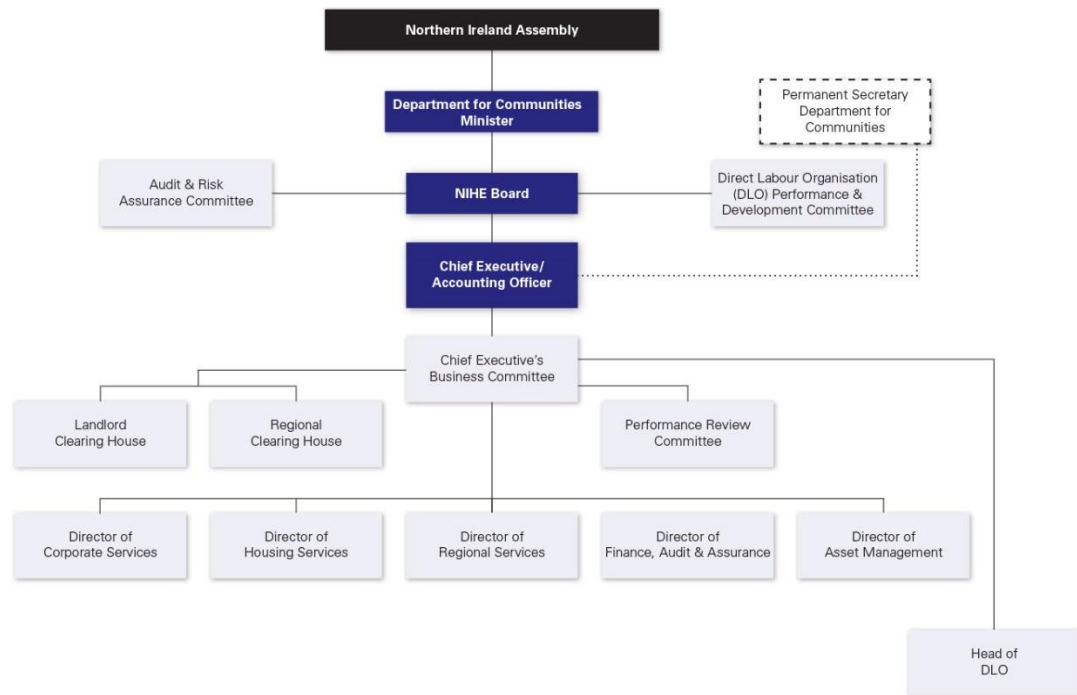
The Housing Executive's FOI procedures manual provides detailed guidance to staff responsible for dealing with Requests for Information under the Freedom of Information Act 2000.

The aim of the manual is to ensure that staff are able to deal effectively with requests and to encourage consistency and best practice in the operation of the Freedom of Information Act (FOIA) and the Environmental Information Regulations (EIRs).

## PART THREE:

### Governance Structure

The governance structure diagram below shows the relationship between the Housing Executive and its Sponsor Department (the Department for Communities), and between the Board, its Committees and the Chief Executive and his/her Senior Management Team.



### Introduction: Board Operating Framework/Committee Terms of Reference

Within the Housing Executive, an Operating Framework has been developed for the Board and Terms of Reference developed for the Board's two Committees (Audit & Risk Assurance Committee, DLO Performance & Development Committee) and also for the Senior Management Committees. Copies of each of these are available on the Housing Executive website.

### The Board Operating Framework

The Board Operating Framework 2015 sets out the role of the Housing Executive Board and this document is currently under review. The Framework sets out how the Board conducts business; its administrative processes with regard to meetings, minutes, conflict of interests, committee structure and also how the Board's performance is evaluated and reviewed.

The Board shall:

- Establish the overall strategic direction of the Housing Executive within the policy and resources framework determined by the Minister;
- Oversee the production of a Corporate Plan including determination of key strategic objectives and targets as approved by the Minister;

- Ensure that the organisation fulfils the aims and objectives set out in the Corporate & Business Plans and promote the economic, efficient and effective use of staff and other resources by the Housing Executive;
- Ensure DFC is kept informed of any changes likely to impact on the strategic direction of the Housing Executive or on the attainability of its targets and determine the steps needed to deal with such changes;
- Receive and review up to date financial/managerial information concerning the management of the Housing Executive; be informed in a timely manner about any concerns about the activities of the Housing Executive; and provide assurance to DFC that appropriate action has been taken on such concerns;
- Appoint, with DfC approval, a Chief Executive to the Housing Executive and, in consultation with DFC, set performance objectives and remuneration terms linked to these objectives for the Chief Executive, which give due weight to the proper management and use of public monies;
- Oversee performance including financial performance, the efficiency and effectiveness of operations and the quality of services;
- Take due account of risk analyses and performance measures;
- Consider all matters reserved to it under the Board Scheme of Delegations;
- Ensure the proper delegation of responsibility and accountability for specified matters to individual Board Members (Members) or Committees of;
- Ensure compliance with the Public Service Values as set out in Appendix 1 of the Terms of Reference.

In November 2016 the Northern Ireland Audit Office produced 'Board Effectiveness: A Good Practice Guide'. This guide was specifically produced for public sector bodies and provides useful advice to maximise Board Effectiveness.

### **Code of Practice - Board Members**

The Housing Executive's Code of Practice for Board Members 2017, (the Code), provides key governance information for members on their roles and responsibilities as Board Members in accordance with Cabinet Office guidance. The code is available on the Housing Executive website.

The DfC MSFM states "the Housing Executive Board Chair shall ensure that a Code of practice for Board Members is in place" and, although the Code is agreed with the Department for Communities as the Housing Executive's Sponsor Department, they do not hold an approval role.

The Code provides details of the register held to record any conflict of interests and emphasises the need for Board Members to update this register regularly and at least annually. The Code also includes and emphasises the importance of Members' observation of adherence to, the 'Nolan Principles' for conduct in public life.

For more information on dealing with conflicts of interest please see the National Audit Office Report published in 2015 'Conflicts of Interest.' Alternatively a Good Practice Guide on Conflicts of Interest was produced by the Northern Ireland Audit Office in March 2015.

## Standing Orders and Board Scheme of Delegations

Standing Orders are a key governance document for any Board and help ensure transparent and effective decision making. Standing Orders regulate the proceedings, meetings and business of the Authority and its Committees. A copy of the Housing Executive Standing Orders is available on the Housing Executive website.

- Part A of the Housing Executive's Standing Orders sets out a range of matters including procedural requirements in terms of meetings, papers submitted to the Board, disclosure of interests, Committees of the Board, Delegation by the Board and Emergency Action;
- Part B sets out the necessary procedures to be followed in relation to issues such as approvals for expenditure, disposal of assets, procurement, budgets and annual accounts, internal audit, salaries and wages and the administration of the Housing Executive

The Board Scheme of Delegations (2016), currently under review, sets out the powers reserved to the Board and those delegated to the Chief Executive at the Chief Executive's Business Committee, and those delegated to specific posts within the organisation. This section also provides information on residual matters to be decided at the Chief Executive's Business Committee together with the action to be taken in relation to claims against the organisation.

## The Audit and Risk Assurance Committee Terms of Reference

The Audit and Risk Assurance Committee (ARAC) is an advisory and scrutiny body with no executive powers. The ARAC supports the Accounting Officer and Board by reviewing the comprehensiveness and reliability of assurances on governance, risk management, the control environment and the integrity of financial statements and the annual report. The ARAC operates in accordance with the Audit Risk and Assurance Committee Handbook NI as specified in DAO 05/14.

The Committee, which meets on a quarterly basis, comprises three Board members and two Independent members, the Senior Management Team, Head of Internal Audit and Technical Inspection Manager. Representatives from the Northern Ireland Audit Office and DfC also observe at these meetings. The draft minutes of meetings are presented by the Committee Chair to Housing Executive Board meetings, although remain subject to ratification by the ARAC Committee. An annual update report is also produced by the Chair of ARAC which outlines the effectiveness of the Committee and the scope of work undertaken during the year. This report is also presented to the Board by the Committee Chair.

A copy of the most recent Her Majesty's Treasury Audit and Risk Committee Handbook can be accessed online. Other useful and related publications available on their respective websites include:-

- NIAO - Good Practice in Risk Management (June 2011)
- NIAO - Value for Money Standards (June 2011)
- NIAO / NAO / Auditor General for Scotland / Wales Audit Office: Whistleblowing in the Public Sector - A Good Practice Guide for Workers and Employers (Nov 2014)

- IFAC / CIPFA - International Framework - Good Governance in the Public Sector (July 2014)
- NIAO - The Governance of Land and Property in the Northern Ireland Housing Executive (Jan 2016)
- NIAO - Managing Fraud Risk in a Changing Environment - A Good Practice Guide (Nov 2015)
- NIAO - Managing the Risk of Bribery and Corruption - A Good Practice Guide for NI Public Sector (Nov 2017)
- NIAO - Homelessness in Northern Ireland (Nov 2017)

### **DLO Performance & Development Committee Terms of Reference**

The DLO Performance and Development Committee is an advisory and scrutiny body with no executive powers and is responsible for providing assurance to the Board on the effectiveness and efficiency of management, performance, governance, and compliance control in respect of the DLO.

The Committee, which meets quarterly, comprises of three Board Members and two Independent Members. The Chief Executive, Directors, Head of DLO and Human Resource / Finance Business Partners also attend these meetings.

Emerging risks will be identified and brought to the Board and the ARAC as appropriate. The Chair of DLO Performance and Development Committee presents draft minutes from Committee meetings to Housing Executive Board meetings, although these remain subject to ratification by the DLO Committee. An annual update paper is also produced outlining the effectiveness of the Committee and the scope of work undertaken during the year. This report is also presented to the Board by the Committee Chair and Head of DLO.

### **The Chief Executive's Business Committee (CXBC) Terms of Reference**

This Committee considers matters delegated to the Chief Executive at the Chief Executive's Business Committee, under the Board Scheme of Delegations together with routine operational and cross divisional business within the Chief Executive's delegated limits. Other matters considered include the business calendar and matters carried forward from previous Chief Executive Business Committee meetings.

The CXBC also constitutes itself as the "Pre-Board" once a month to consider any draft papers available for submission to the monthly Board meeting.

The Chief Executive chairs this Committee which also comprises all Directors and the Head of Corporate Communications & Secretariat. In the absence of the Chief Executive meetings are chaired by the nominated Director.

The Chief Executive's Business Committee is an open forum where the Chief Executive and Directors are expected and encouraged to challenge decisions and to raise any concerns on any papers submitted or issues discussed.



## **Corporate Performance Review Committee Terms of Reference**

This Committee is chaired by the Chief Executive and comprises all Directors, Head of Internal Audit, Business Planning Manager and Assistant Principal Officer (Business Planning). In the absence of the Chief Executive it is chaired by the nominated Director.

The Terms of reference for the Committee requires it to review and monitor progress against the annual corporate business objectives approved by the Board using a range of agreed performance indicators, investigating and explaining any significant variances and producing a monthly progress report for submission to the Board. The Committee are also required to review and update the Corporate Risk Register on a monthly basis, advising the Audit & Risk Assurance Committee and Board accordingly.

The Corporate Performance Review Committee is an open forum, where Directors and other participants are encouraged and expected to challenge decisions and raise concerns.

## **The Landlord Services Clearing House Committee Terms of Reference**

The Landlord Services Clearing House Committee is chaired by the Director of Asset Management. In his/her absence the Committee should be chaired by another Director. Membership is drawn from the Asset Management, Landlord Services and Finance Divisions.

The Terms of Reference for Landlord Services Clearing House requires the Committee to consider and scrutinise all routine Landlord Services papers for compliance with organisational governance requirements.

Papers are approved by the Committee within limits delegated by the Board. The Committee also approves papers for submission for approval to either the Chief Executive's Business Committee or the Board, in accordance with Standing Orders and the Board Scheme of Delegations.

## **The Regional Services Clearing House Committee Terms of Reference**

The Regional Services Clearing House Committee is chaired by the Director of Regional Services. In his/her absence the meeting should be chaired by another Director. Membership is drawn from the Regional Services, Asset Management, Landlord Services and Finance Divisions.

The Terms of Reference for Regional Services Clearing House requires the Committee to consider:

- A range of Land & Property papers under the limits contained within relevant Standing Orders and the approved Board Scheme of Delegations.

## **Governance Best Practice**

There have been a number of reports published into governance; however the two below may be of particular interest:

- Who's Accountable? Relationships between Government and arm's-length bodies
- Corporate Governance in central government departments

A recent publication is available from the Department of Finance entitled “Partnerships between Departments and Arm’s Length Bodies: NI Code of Good Practice (March 2019)”.

Furthermore, as an arm’s-length body it is important that the Housing Executive pay close attention to the security of our documents and ensure that they are classified correctly in order to protect the organisation. The government classifications changed in 2014.

## **PART FOUR:**

### **Staff Code of Conduct (The Staff Code) 2015**

This document sets out the Code of Conduct (the Staff Code) for Housing Executive Officers and forms part of the contractual relationship between the Housing Executive and its Officers. It sets out the standards and behaviours required of all Housing Executive employees and workers, (permanent, temporary, or otherwise, and whether employed directly by the Housing Executive or through an agency).

The purpose of the Staff Code is to protect the Housing Executive and its Officers in carrying out its functions, to provide clear information on the conduct and behaviour that is required as an Officer of the Housing Executive, and to encourage consistent standards throughout the Organisation. All Officers must familiarise themselves with the contents of the Staff Code and act in accordance with the principles set out in it. Officers must ensure that they understand this document and if they have any doubts about any aspect they should in the first instance approach their Line Manager for clarification, and thereafter the Human Resources Department.

It is important to note and understand that any breach of the terms of the Staff Code will be dealt with in accordance with the provisions of the Housing Executive's Disciplinary Procedure. Serious or recurring breaches of the Staff Code may be considered as Gross Misconduct under the Housing Executive's Disciplinary Procedure with the potential to lead to dismissal.

The Staff Code will be kept under review and any subsequent revisions will be communicated to officers.

This Staff Code builds on, and is in keeping with the Housing Executive's Core Values, and the Seven Principles of Public Life as articulated by the Nolan Committee on Standards in Public Life. Housing Executive Officers must abide by and demonstrate commitment to these principles and values in the course of their employment.

### **Whistleblowing Procedures**

All of us at one time or another may have concerns about what is happening at work. However, when it is about unlawful conduct, a possible fraud or a danger to the public or the environment, or other serious malpractice, it can be difficult to know what to do.

The purpose of this Whistleblowing Procedure is to reassure employees that it is safe and acceptable to speak up. The Procedure also enables employees to raise any concern about malpractice at an early stage and in the right way. Rather than wait for proof, we would prefer employees to raise the relevant matter when it is still a concern.

In 2014 the Northern Ireland Audit Office, along with the other main UK audit agencies, produced a Good Practice Guidance into Whistleblowing in the Public Sector. The guide aims to encourage a culture of Whistleblowing in order to protect the reputation and integrity of the Public Sector.

## **PART FIVE:**

### **Audit Framework**

Audit is vital to ensure than the Housing Executive are operating as it should be and to provide assurance to the Board, Accounting Officer and general public that our systems and processes work. The Housing Executive has its own Internal Audit function which produces an annual audit plan linked to our current risks.

Furthermore, the Northern Ireland Audit Office provides an external audit function. Their Code of Audit Practice published in 2016 can be accessed on their webpage.

### **Risk Management Framework**

The Housing Executive is committed to the management of risk in order to achieve its corporate goals and objectives. A risk management strategy was developed in 2016/17 which aimed to outline our strategic approach to risk management. Furthermore the risk policy and processes where enhanced to ensure best practice is adopted.

Housing Executive also developed a risk appetite statement, which will assist us in being open and transparent in our approach to managing risk and risk exposure.

Whilst the Board has overall responsibility for ensuring risk management within the Housing Executive is effective, it has delegated the oversight of risk management activities to the Audit and Risk Assurance Committee. Furthermore the Chief Executive (Accounting Officer), along with the senior management team, has responsibility for identifying and managing strategic risks in conjunction with Board and ARAC. They also maintain oversight and scrutiny of the operational effectiveness of the risk and assurance frameworks.

The Housing Executive has adopted a 5 stage approach to identifying and managing risk. This approach is in line with the NIAO best practice. The risk management policy and process document provides detailed information on how the five stage approach is applied and information on roles and responsibilities.



Risks are captured within a variety of risk registers, with the Corporate Risk Register capturing those which are strategically significant and requiring Board and ARAC consideration. A general risk and governance update, which includes a copy of the Corporate Risk Register, is provided to the monthly Performance Review Committee and quarterly to the Board and ARAC.

Whilst The Housing Executive continuously horizon scans for new and emerging risks, in 2017/18 a new and improved Corporate Risk Register was introduced which built on the work already completed as part of the wider Risk Management Review. A copy of the current Corporate Risk Register is now uploaded at a minimum of Quarterly to the Risk and Governance intranet page.

The Risk Management function work to the governments Orange Book Management of Risk – Principles and Concepts.

Furthermore the Risk Management Review was carried out in line with the Northern Ireland Audit Offices Good Practice guide.

### **Risk Management Framework**

The Housing Executive has adopted the three lines of defence model as its risk management framework; this is supported by a mapping template for identifying not only risks but where assurance comes from at each line of defence.

This model is widely accepted as best practice within both the public and private sectors. It has been highlighted by the Institute of Risk Management as a standard operating model and was introduced into the wider public sector through Her Majesty's Treasury (HMT) document Assurance Frameworks 2012.

The first line of defence is all staff, the second line reflects our policies, procedures, Board and Committees and, finally, the third line of defence is represented by our internal and external audit functions. This provides a robust framework for managing risk effectively.

### **Departmental Arm's Length Bodies Quarterly Assurance Process**

The Department for Communities Management Board requires assurance that all Arm's Length Bodies are operating effectively, have business planning processes in place, are achieving desired outcomes while stringently monitoring budgets and are meeting their strategic objectives through effective risk management in a manner that is in accordance with all statutory requirements.

The Housing Executive complete Quarterly Assurance Statements for each division to ensure a full picture of the organisation is captured when preparing the organisation's statement. The quarterly assurance statement is ordinarily completed by an Assistant Director (except in exceptional circumstance), Directors and the Chief Executive. These divisional statements are then used to produce the organisation's Quarterly Assurance Statement, as required by the Department for

Communities. This statement must be considered and reviewed by the ARAC and Board before being signed off by the Chief Executive and Chairman.

The quarterly assurance statement provides assurance that risks are being managed in accordance with the risk management policy. There is also a Certificate of Assurance which details compliance with key areas. These statements will, in turn, provide assurance to the Chief Executive when producing the Annual Governance Statement.

### **Departmental Accountability Meetings**

The Housing Executive holds monthly performance and quarterly accountability meetings with the Department for Communities. These meetings ensure there is regular communication between The Housing Executive and Department. They are also an opportunity for pressures to be called out or areas for concern to be discussed.

### **Corporate Plan**

The Corporate Plan sets out the Housing Executive's principal goals and objectives for the years ahead. It is a 3-year plan with particular focus upon the actions which will be taken in the first of those years. Those actions go to make up the Business Plan for the year and performance against that Plan is monitored each month by the Board.

The Corporate Plan provides a broad analysis of the environment in which we deliver our services. This will include reference to the Programme for Government along with other Government policies relating to housing; the financial context; the circumstances of the housing market generally; and other developments which affect the business or the people we serve.

The Plans are developed on foot of broad consultations with the community and voluntary sector, partner organisations within and without the public sector, our staff and political representatives via the Northern Ireland Housing Council. The Board sets the scope of the plans following those consultations. A final draft is sent to consultees prior to final endorsement by the Board and subsequent submission to the Minister for Communities for approval.

The approved plan effectively forms:

- Our commitment to the people we serve
- Our commitment to Government and a demonstration of how we will conduct our stewardship of the public funds which we manage
- A set of actions against which our performance can be measured and judged

### **Fraud & Irregularity Procedures**

The Housing Executive provides a wide and varied service to all its clients and stakeholders which puts it at risk of loss due to fraud or related offences both from within and outside the organisation. The Housing Executive is committed to a culture of honesty, openness, transparency, and non-discriminatory practice, and expects all staff at all times to act honestly and with integrity and to safeguard the public resources for which they are responsible.

To complement this, the organisation is committed to ensuring that opportunities for fraud are reduced to the lowest possible level and in so doing have six key objectives:

- The development and continuous promotion of an anti-fraud culture
- Maximising the deterrence of fraud
- The successful prevention of fraud which cannot be deterred
- The prompt detection of fraud which has not been prevented
- The professional investigation of detected fraud
- The application of effective sanctions, and redress, including appropriate legal action

The statutory and regulatory framework within which the Housing Executive functions complemented by a risk based approach enabling targeting of resources at problem area 'hot spots' can be considered as a set of risks to be managed alongside other business risks.

Best practice derived from DAO/FD (DFP) letters (09/15 Managing Fraud Risk in a Changing Environment; 09/16 Good Practice Procedures in Fraud Investigation), and Managing Public Money (NI) have been adopted and rigorously applied.

The Northern Ireland Audit Office, in 2015, produced a report into Managing Fraud Risk in a Changing Environment: A Good Practice Guide.

## Complaints Procedure

The Housing Executive operates a Complaints Procedure for the benefit of customers who wish to appeal against decisions taken or make representations about the manner in which their case has been handled.

The procedure provides for a two tier process: first stage complaints are investigated by the Regional/Grants/Land & Property Manager, and if still not satisfied, the complainant may then appeal to the Chief Executive. The procedure also allows for cases to be referred back to the Area Manager to be investigated informally.

Where a complainant, after Stage 2, remains dissatisfied, she/he has recourse to the Commissioner for Complaints who may decide to investigate the case independent of the Housing Executive.

The Housing Executive is committed to:

- Putting the customer first
- Providing a high quality customer service
- Dealing with complaints quickly and fairly
- Keeping complainants informed about their complaint and assisting them in the process
- Keeping all the information provided confidential
- Explaining the Housing Executive's decision
- Using complaints and feedback to review our services

For further advice on handling complaints The British and Irish Ombudsman Association have produced a useful guide on their webpage.

## **Policy Governance Committee**

The Housing Executive have in place a Policy Governance Committee which aims to ensure a three year cycle for reviewing all Housing Executive policies. The Committee also has representation from each division to provide adequate oversight of new policies.

It is the responsibility of the policy writer to ensure their policy is listed on the schedule of policies and to update with required changes. However the Committee offer an additional level of governance and support.

An intranet page has been developed which lists all policies currently on the Housing Executive corporate policy list. The intranet page also provides detail on the divisional contacts.