



Lyvennet Community Trust

Code of Governance

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Aims of the Lyvennet Community Trust Code of Governance

- To define how LCT will govern and control its activities
- To provide clarity on who does what within the organisation
- To ensure compliance with the Governance and Viability Standard
- To help Trustee/Directors comply with statutory and regulatory responsibilities

This Code of Governance document aims to assist the Lyvennet Community Trust (LCT) Board put the principles of good governance into practice. It is about organisational vision, mission, clarity of purpose / actions and effectiveness. Through focus on good governance the organisation's reputation and results will be enhanced.

Albeit this document covers key business activities it should be read in conjunction with the LCT Articles of Association and the numerous specific business policies (both LCT and our managing agent Eden Housing Association's where appropriate)

1. Constitution and composition of LCT Board

The Board must be effective in leading and controlling LCT and acting wholly in its best interest. Board members must ensure that the interests of the organisation are placed before any personal interests.

1. The primary purpose of the Board is to determine strategy, direct, control, scrutinise and evaluate the organisation's affairs.
2. The Board will ensure that adequate management procedures and policies are in place, regularly reviewed and their utilisation verified, to ensure good management practice.
3. The Board will ensure that where any aspect of the service is outsourced it is delivered in full compliance with LCT, legislative and statutory requirements.
4. All members of the Board share the same legal status and have equal responsibility for decisions taken.
5. The composition of the Board shall at all times be as prescribed in the LCT Articles of Association
6. The roles of Chair of the Board, Treasurer, Data Protection Officer any Sub Committees must be held by a Trustee Directors.
7. The Board must consider any potential conflicts of interest in compliance with the LCT Conflicts of Interest Policy
8. Where conflicts of interest arise, these must either reflect provisions made by relevant legislation or they must be recorded and the individual concerned excluded from the discussion or decision.

2. Essential functions of the LCT Board

It is important that the LCT Board members are clear about their duties and responsibilities and those of their appointed Officers

The core responsibilities of the Board are:

1. To ensure compliance with the LCT Articles of Association
2. To ensure compliance with LCT values, vision, mission and strategic objectives.
3. To appoint, manage and terminate as appropriate any Managing Agent Agreement including approval of their fees and detailed management agreement
4. The Board must satisfy itself as to the integrity of financial information, approving each year's budget, business plan and annual accounts prior to publication
5. To establish, oversee and review as appropriate a framework of delegation and systems of internal control
6. Establish and oversee a risk management framework in order to safeguard the assets of the organisation
7. The Board, through its terms of reference, must determine significant matters where full Board discussion and decision making is required.
8. To ensure the LCT meets the requirements of this Code of Governance for community led housing and industry best practice
9. The Board must ensure that in everything it does it acts in full compliance with its Equal Opportunities Policy

3. Induction and information

All new Board members will receive appropriate induction on joining the business. In addition to the LCT Trustee/Director Role Description they will be briefed and provided with copies of all key business documents and policies. The Board will be supplied in a timely manner with information in a form and quality appropriate to enable discharge of its duties.

4. Responsibilities of the Chair

The Board will appoint a Trustee/Director to act as Chair who is aware of their duties and the clear division of responsibilities between Trustee/ Directors and any appointed managing agent.

The **Chair** has particular duties and responsibilities including

1. To ensure the efficient conduct of meetings and compliance with the LCT Code of Conduct
2. To ensure that all Trustee/Directors have an opportunity to express their views

3. To create an appropriate environment for interaction with appointed managing agents and contractors
4. To lead the management of any appointed managing Agents
5. To ensure proper delegation of authority within the organisation and to third parties as appropriate
6. To make decisions under 'Chair's Action' when absolutely necessary
7. To get professional advice for the Board when appropriate
8. To ensure that the Board has the right mix of skills knowledge and experience and to address shortfall through training and co-option
9. To provide procedural guidance for the Board and advice on compliance with the organisations governing documents
10. To ensure review and where appropriate organisational compliance with legislative, regulatory and corporate governance developments
11. To prepare agendas, papers for meetings and arrange minutes are recorded.
12. To organise new Trustee/Director inductions

5. Responsibilities of the Treasurer

The Board will appoint a Trustee/Director to act as Treasurer

The **Treasurer** has particular duties and responsibilities including

1. In conjunction with the Chair has overall financial control of the organisation
2. To ensure that a procedure and timetable is established for preparing and agreeing an annual budget
3. To ensure that financial accounts are maintained and that at each financial year end they are appropriately audited
4. To review arrangements, manage interaction and outcomes
5. To provide the financial reports to the Board
6. To ensure compliance with the LCT Financial Control Policy
7. To ensure that the Annual Return is prepared and filed with
 - a. Charity Commission
 - b. Regulator of Social Housing
 - c. Companies House
 - d. Charity Bank
8. To ensure timely information provision to HM Revenue
9. To review and report to the Board on compliance with LCT Reserves Policy
10. To ensure that adequate accounting records are maintained in order to protect the organisation's assets and prevent fraud
11. To ensure suitable accounting policies are maintained and consistently applied

6. Responsibilities of the Data Protection Officer

The Board will appoint a Trustee/Director to act as Data Protection Officer

The **Data Protection Officer** has particular duties including

1. To ensure compliance with the LCT Data Protection Policy
2. To regularly review the Policy in line with current legislation
3. To audit, on an annual basis, personal information held, managed and used
4. To maintain the Register of Interests for Board members

7. Code of Conduct

The Boards expectations in this area are enshrined in the LCT Trustee Code of Conduct Policy and this document should be read in conjunction with the LCT Articles of Association.

Directors and Trustees of the LCT are one and the same: they are 'directors' by virtue of the organisation being a company and 'trustees' as a result of the company's charitable status.

8. Responsibilities of the Managing Agent

LCT has appointed a Managing Agent to provide tenant facing services.

The Housing Management Agreement between LCT and Eden Housing Association (EHA) Ltd (dated 01/08/2014) covers professional services in respect of housing management, finance and administration, and applies to all housing owned by LCT.

The Agreement covers

1. Landlord Services
 - a. Lettings
 - b. Housing support
 - c. Termination of tenancies and arrears
 - d. House files
 - e. Enforcement
 - f. Reactive maintenance
 - g. Planned and cyclical maintenance
 - h. Voids

2. Managing Agent services
 - a. Financial administration
 - b. Financial management and accounting
 - c. Rent
 - d. Insurance
 - e. Regulation
 - f. Reporting

The service will be managed by an Assistant Director of EHA with quarterly meetings with LCT Trustee/Directors to review service provision, issues, compliance and finance. LCT management of this agreement will be led by the Chair.

The agreement is subject to a formal three yearly review by both the LCT Board and EHA, or earlier if required.

There is a £500 limit on any single maintenance charge without prior approval.

The policies of both organisations have been reviewed by the LCT Board and a detailed spreadsheet developed clarifying the policy to be adopted for management and servicing of the LCT business and its tenants.

9. Board sub-committees

Subcommittees may be established where the Board determines that they will provide expertise, enable it to scrutinise and deliver effective corporate governance and manage risk for operational purposes or allow a two stage approach to dealing with an issue where an appeal process is required.

Any subcommittee will have clear terms of reference approved and reviewed by the Board.

10. Documents and Policies

The LCT Code of Governance document must be read in conjunction with the following LCT documents and policies:

- a) LCT Articles of Association
- b) Trustee Code of Conduct
- c) Equal Opportunities Policy
- d) Data Protection Policy
- e) Trustee Director Role Description
- f) Reserves Policy
- g) Public Benefit Statement
- h) Repossession Policy
- i) Conflict of Interest Policy
- j) Financial Control Policy
- k) Complaints Policy and Procedure
- l) Rent Policy
- m) H&S Policy
- n) LCT + EHA Management Policies
- o) Housing Allocation Policy
- p) Housing Management Agreement (LCT + EHA)