

## **BOARD POLICY – NCHA MEMBERS’ TERMS OF OFFICE**

Responsible Director – Chair

Responsible Officer - Chief Executive and Secretary

Last Review – January 2022

Next Review – January 2025

### **1.0 PURPOSE**

The Association’s Rules and adopted code of governance (NHF Code 2020) contain provisions regarding terms of office for Board Membership. The purpose of this document is to detail the Policy relating to terms of office and to ensure compliance with the Rules, the Code and best practice.

Within the Rules, D11- D14 state that:

- [D11] each Board Member shall be elected for a fixed term of office, expiring at the conclusion of an Annual General Meeting (AGM);
- [D11] the Board shall set and agree policies on the maximum terms of office which Board Members may serve;
- [D12] Board Members who have served their fixed term may be eligible for re-election at an AGM;
- [D14.1] Board Members standing for re-election must submit a written statement setting out their details and reasons for suitability to be a Board Member.

Within the Code, Principle 3 Section 3.7 contains additional requirements as follows:

[3.7] Tenure and renewal: tenure for non-executive board members (and independent committee members) complies with the organisation’s constitution and is managed so as to enable the organisation to achieve an appropriately skilled, diverse and independent board membership.

[3.7.1] the board has a strategy for its own renewal which is based on an agreed statement of the skills, qualifications, diversity and other attributes required;

[3.7.2] where a member is at the end of a term of office and is eligible for reappointment, this is subject to considering the member’s performance and skills, and the needs of the board;

[3.7.3] maximum tenure will normally be up to six consecutive years (typically comprising two terms of office), but where a member has served six years, and the board agrees that it is in the organisation's best interests, their tenure may be extended up to a maximum of nine years;

[3.7.4] a member who has left the board is not re-appointed for at least three years.

[3.7.5] these provisions concerning tenure apply to office held across all of the organisation's boards and committees, and those of predecessor organisations, including service as a co-optee.

## **2.0 SCOPE**

2.1 The Policy set out below concerns terms of office and applies to NCHA Board Membership, and independent Committee Memberships for the Committees of the NCHA Board (Audit & Risk, Care, and Customer).

## **3.0 REFERENCES**

3.1 NCHA Rules (approved 2015)

3.2 NHF Code of Governance (2020 Edition)

## **4.0 POLICY STATEMENT**

4.1 Maximum terms of office for NCHA Board Members will comply with the provisions of the NHF Code 2020.

4.2 As set out in the Rules, a term of office for NCHA shall commence from election or re-election by shareholders at the AGM.

4.3 An individual term of office for NCHA will last three years, expiring at the AGM on the third anniversary of appointment (or re-appointment).

4.4 At the end of each individual term of office, NCHA Board Members may stand for re-election by shareholders at the AGM, subject to a maximum of two consecutive terms of office (six consecutive years in total).

4.5 Where a member has served six years, and the board agrees that it is in the organisation's best interests, their tenure may be extended up to a maximum of nine years. Re-election by shareholders at the AGM will be subject to a single year term of office for a maximum of three consecutive terms.

4.6 Re-election will be subject to consideration of the Member's appraised performance and skills, and to the wider needs of the Board at that time.

- 4.7 Members standing for re-election must also complete a nomination form setting out their details and the reasons for their continued suitability as a Board Member.
- 4.8 Elections and re-elections by shareholders at an AGM will be carried out by a show of hands of those shareholders present at the meeting or by proxy on the basis of one member one vote with the result being determined by a simple majority. In the event of a tied vote the Chair may exercise a casting vote.
- 4.9 Any Board Member who has served a two full terms of office (6 years) must ensure that a single full term has elapsed (3 years) before they are eligible to stand again for re-appointment.
- 4.10 Board Members may be recruited outside of the Annual General Meeting cycle and in this case shall be co-opted onto the Board, and approved as co-optees by the Board. Such Board Members shall have the status of co-optees as defined in the Rules until the next available AGM when they may be elected as Board Members. For the avoidance of doubt, the first term of office shall commence from the date of their initial co-optee appointment.
- 4.11 Independent Members of NCHA's Committees, who are not also Members of NCHA Board shall also be subject to a six year maximum length of service.

## **5.0 EQUALITIES AND DIVERSITY**

- 5.1 An Equalities and Diversity Impact assessment has been completed. Each of the nine protected characteristics (under the Equality Act 2010) have been considered as to whether the policy affects these particular groups of people in different ways compared to other groups. The impact of the policy on protected characteristics has been assessed as neutral.

## **6.0 RESPONSIBILITIES**

- 6.1 The Governance Committee is responsible for approving this policy and ensuring it is followed when planning board and committee succession.