

## Charter of Commitments

AHBs in Tiers 2 and 3 are automatically subject to all commitments set out for Tier 1 AHBs

Tier	Commitments
<b>Tier 1 :</b>	<ul style="list-style-type: none"> <li>• Have in place a properly functioning Board with               <ul style="list-style-type: none"> <li>- clear roles and responsibilities</li> <li>- at least 5 members, none serving more than 2 consecutive 5 year terms</li> <li>- a general meeting at least once per year</li> <li>- no employee acting as Chairperson</li> </ul> </li> <li>• Comply with existing companies law, charities requirements, conditions of approved status</li> <li>• Have a tax clearance certificate and a sinking fund<sup>8</sup></li> <li>• Have an agreed set of performance management indicators</li> <li>• Submit an Annual Report &amp; Accounts, and a copy of filing to the CRO or to the Registrar of Friendly Societies, to the Department (c.f. Appendix 1)</li> <li>• Submit data on Tenant Services (c.f. Appendix 1)</li> <li>• Submit a signed copy of this Charter to the Department</li> </ul>
<b>Tier 2:</b> All Tier 1 requirements	<ul style="list-style-type: none"> <li>• Have a Finance committee, or equivalent, in place</li> <li>• Annual report to include details of fixed assets, liabilities, reserves, loans outstanding, capital repayments and evidence of a risk register.</li> </ul>
<b>Tier 3:</b> All Tier 1 and Tier 2 requirements	<ul style="list-style-type: none"> <li>• Have an external audit process in place</li> <li>• Maintain an active strategic plan</li> <li>• 3-year financial plan in place</li> <li>• Have an agreed range of Tenant Services indicators in place</li> <li>• Submit a completed annual return, as specified by the Department</li> <li>• Agree to be subject to an audit<sup>10</sup> by the Department and/or its agents, if so requested</li> <li>• Attend an annual review meeting with the Department and the Housing Agency, if so requested</li> </ul>

<sup>7</sup> This commitment will apply to Board members from 15th July 2013 and service on the Board prior to this date will be disregarded for the purpose of this calculation.

<sup>8</sup> It is recognised that, while all AHBs should have an adequate sinking fund in place for management and maintenance of properties, not all do; all AHBs should however outline a clear plan to build up a fund within a reasonable timeframe.

<sup>9</sup> More information is given on this in the Appendices.

<sup>10</sup> The term audit refers to a more detailed examination of exchequer funding paid to a specific Approved Housing Body for the purpose of the provision of housing relief. This examination may involve a site visit to verify that funding paid is being used in accordance with the terms and conditions of original agreement (as set out for example in VHU: 2/02 or under the terms and conditions of HFA master loan agreement)