

The Chairman's Responsibilities

Terms of reference

The following responsibilities are based upon the requirements set out in the Annotated Combined Code for Mutuals. The Chairman will also have the responsibilities of a Non Executive Director of the Society.

The Board

- Ensure that the Board operates effectively and assumes collective responsibility for the success of the Society.
- Ensure that the Board is effective on all aspects of its role and setting its agenda.
- Ensure that the Board provides entrepreneurial leadership within a framework of controls enabling risk to be assessed and managed.
- Ensure that the Board sets the Society's strategic aims.
- Ensure that the Board sets the Society's values and standards.
- Ensure that the Board makes all decisions objectively in the interests of the Society.
- Ensure that the Board scrutinises the performance of management in meeting agreed goals and objectives, and monitors the reporting of performance.

Directors

- Ensure the contribution of the Non Executive Directors and that they challenge constructively.
- Ensure that the Non Executive Directors have a prime role in succession planning.
- Hold periodic meetings with the Non Executive Directors without the Executive Directors present.
- Ensure constructive relations between the Executive Directors and the Non Executive Directors.
- Ensure good information flows between the Non Executive Directors and senior management.
- Ensure that Board includes a balance of executive and Non Executive Directors such that no

individual or small group of individuals can dominate the Board's decision making.

- Ensure that the Board is of sufficient size that the balance of skills and experience of the directors is appropriate for the requirements of the business.
- Ensure that there is a formal, rigorous and transparent procedure for the appointment of new directors to the Board and that all appointments are made on merit and against objective criteria.
- Ensure that all directors receive appropriate induction upon joining the Board.
- Ensure that all directors regularly update and refresh their skills, knowledge and familiarity with the Society required to fulfil their roles on the Board and on its committees.

Operational

- Ensure that the Board and its committees meet with sufficient regularity to discharge their duties effectively.
- Ensure that the membership of the Board and its committees is refreshed from time to time.
- Ensure that the Board and its committees receive accurate, timely and clear information to enable them to effectively discharge their duties.
- Ensure good information flows within the Board and its committees.
- Ensure that the Board and its committees are provided with sufficient resources and support to undertake their duties.
- Ensure that the Board undertakes a formal and rigorous annual evaluation of its own performance, that of its committees and that of the individual directors.
- Act on the results of the performance evaluation by recognising the strengths and addressing the weaknesses of the Board and its committees.
- Where appropriate, propose new members be appointed to the Board or seek the resignation of directors.

