

# Governance Framework

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## 1. HOME GROUP'S STRUCTURE

Home Group operates through three key business areas: **Customers and Communities** (delivering services to customers in rented, shared ownership (including leasehold) and supported markets; **New Models of Care** (the design and development of integrated health and care services) and **Development** (building homes for outright sale, affordable housing and supported housing).

The delivery of these services is assisted by support services which provide asset management, risk and assurance, compliance, health and safety, communications, marketing, strategy, business development, finance, human resources, company secretary, information systems, legal services and procurement.

The organisational structure and the role of each part of the organisation are described more fully in:

### Organisational Structure

1.1

The legal structure of the organisation combines the Parent: Home Group Limited (a charitable housing association), together with Home in Scotland, Home Group Repairs Partnership Limited, Home Group Developments and North Housing which are constituted as subsidiaries of Home Group Limited. The legal structure of the organisation is described in:

### Legal & Shareholding Structure

1.2

## 1.1 Organisational Structure

Home Group delivers its customer facing services through three distinct business units:

**Customers and Communities:** the delivery of services to customers in rented, shared ownership (including leasehold) and supported markets. Property, neighbourhood, tenancy and income management are primary services together with the provision of personal care, life skills, customer risk, clinical and general support. All customer communications are initially managed through the Customer Service Centre.

Home Group has a national footprint with significant concentrations of stock in the North East and Cumbria. Home Group also has a presence in the Yorkshire region and the South. Within Scotland, the core areas of operation are Dundee, Glasgow and Edinburgh:

**New Models of Care:** the design and development of integrated health and care services.

**Development:** responsible for the acquisition and development of all new properties and regeneration projects. Directly manages the open market products relating to private rented and outright sale.

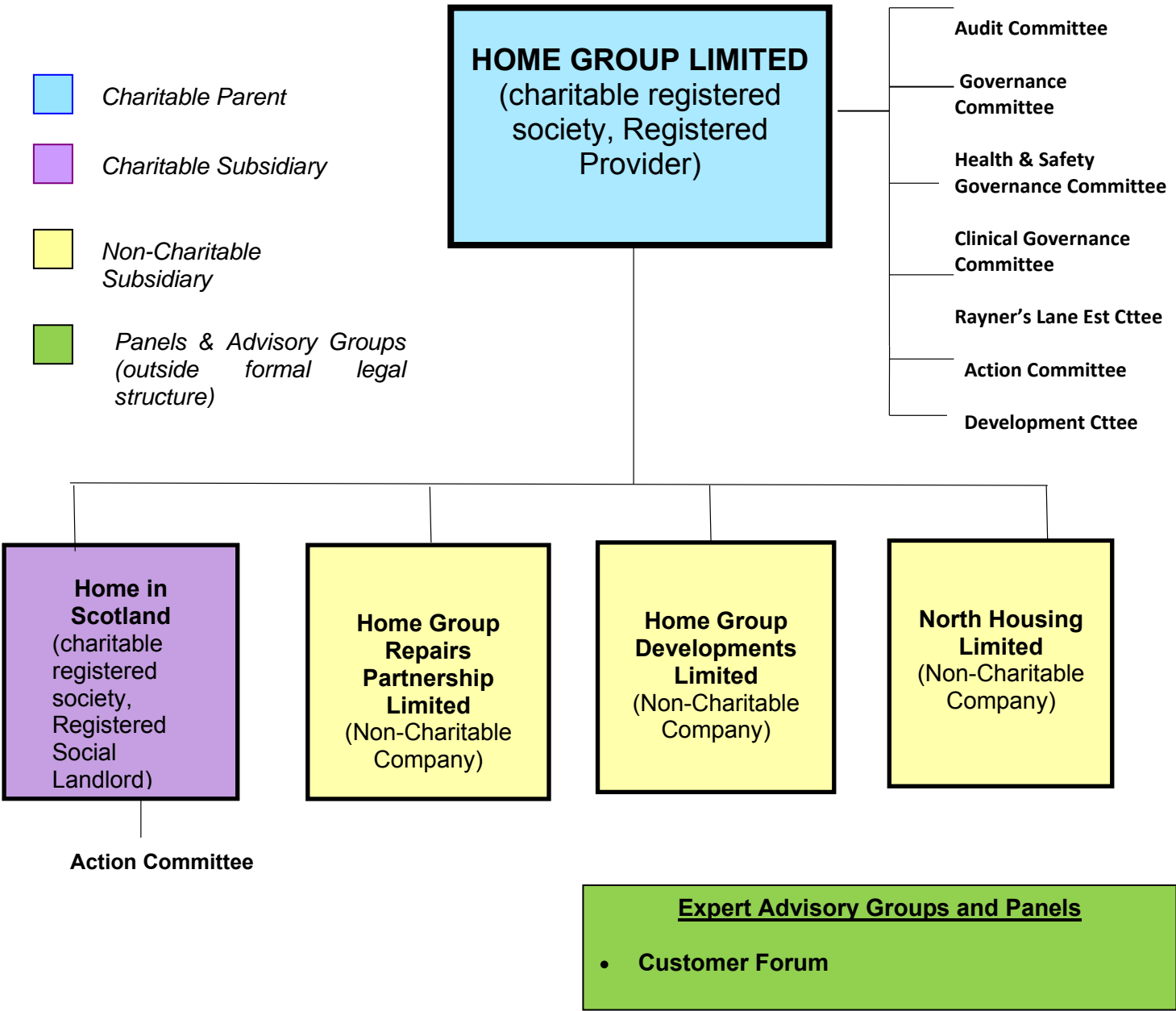
The delivery of these services is assisted by support services which provide asset management, risk and assurance, compliance, health and safety, communications, marketing, strategy, business development, finance, human resources, company secretary, information systems, legal services and procurement.

Home Group also operates through four wholly owned subsidiaries:

- **Home in Scotland Limited:** a Scottish registered subsidiary undertaking Home Group's business in Scotland
- **Home Group Repairs Partnership Limited:** a private non-charitable company limited by shares providing market and mid-market rented products;
- **Home Group Developments Limited:** a private non-charitable company limited by shares which undertakes market housing for sale and the new build construction of affordable housing for rent; and
- **North Housing Limited:** a private non-charitable company limited by shares which facilitates joint venture activity across the Group.

# 1.2 Legal & Shareholding Structure

## HOME GROUP STRUCTURE CHART



The following are key features of the legal/governance structure:

- Home Group Limited is the parent in the group structure;
- Home in Scotland is constituted as a separate subsidiary (Home in Scotland Ltd) because it operates in a different legal and regulatory regime;
- Home Group Repairs Partnership Limited is constituted as a separate subsidiary because its activities are largely incompatible with the charitable and housing association status of Home Group Limited.
- Home Group Developments Ltd undertakes market housing for sale, land banking for future mixed tenure development and the newbuild construction of affordable housing for rent. It was established as a subsidiary vehicle to facilitate development which is incompatible with the charitable and housing association status of Home Group Ltd. HGDL owns a minority interest in Ptarmigan Planning 4 Ltd, which was established for land promotion and development activities. HGDL has also invested in BMO UK Residential Real Estate FCP-RAIF to support the development of Flexible Rent leasing models.
- North Housing Limited was revived from its dormant company status in 2015 to act as a subsidiary vehicle to facilitate joint venture activity across the Group. North Housing is an equal partner with companies in the Vistry Group in the following joint ventures: Evolution Gateshead Developments LLP (Evolution Gateshead is also an equal partner with Gateshead Council in Gateshead Regeneration LLP), Evolution Morpeth LLP, Evolution Newhall LLP, Evolution (Shinfield) LLP, Linden (Northstowe) LLP, Evolution (Saffron Walden) LLP, Linden (Mowbray View 2) LLP and Linden (Manse Farm) LLP- to develop primarily residential property for private sale. These joint ventures operate on the basis that the members of the LLP (North Housing and Vistry Group) provide funding from group companies on a 50/50 basis. This is delivered on the basis of a loan from HGDL and a separate loan from Vistry Group. North Housing is also an equal partner in a joint venture Home Hill LLP with Hill Residential Ltd at Douglas Bader Park. This is delivered on the basis of a loan from HGDL and a separate loan from Hill Residential.

The way in which each part of the legal structure is incorporated and its legal status can be summarised as follows:

- Home Group Limited is a registered society under the Co-operative and Community Benefit Societies Act 2014 (registered number 22981R). It has charitable status but is exempt from registration with the Charity Commission – it is a “charity” but not a “registered charity”. Home Group Limited is a Registered Provider of Social Housing (Regulator of Social Housing registered number L 3076).
- Home in Scotland Limited is a registered society under the Co-operative and Community Benefit Societies Act 2014 (registered number 1935R(S)) and is a charity registered with the Office of the Scottish Charity Regulator (Scottish Charity No. SC005247). Its registration number with the Scottish Housing Regulator is HAL90. The legal relationship between Home Group Limited as ‘parent’ and Home in Scotland Limited as ‘subsidiary’ is documented principally

within the Rules of Home in Scotland Limited and within a Joint Arrangement Deed.

- Home Group Repairs Partnership Limited, Home Group Developments Limited and North Housing Limited are private companies limited by shares (company numbers 3402204, 4664018 and 04052443 respectively).

There are specific circumstances in which the 'legal name' is required to be used instead of or in addition to the 'business name':

- Legal documents must be entered into using the relevant legal name;
- There are detailed requirements concerning the inclusion of the legal name on written communications and notices – a guidance note on these requirements can be accessed on the intranet under the title "Legal Wording Guidance."

**Home Group's shareholding structures are summarised below:**

- As registered societies, Home Group Limited and Home in Scotland Limited have shares which are only of nominal financial value but which confer key roles in the decision making processes for those bodies.
- The shareholders of Home Group Limited are all of the non-executive members of the Home Group Board (excluding co-optees) together with one additional shareholder from the Home in Scotland board (usually the Vice Chair). Shareholding arrangements in relation to Home Group Limited are described in more detail within the [Governance Standards](#) document.
- Home in Scotland Limited has "National" shareholding members. Home Group Limited is a corporate "national" member of Home in Scotland Limited. The shareholding arrangements for Home in Scotland Limited are described more fully within the Home in Scotland Operational Manual.
- The shares of Home Group Repairs Partnership Limited and Home Group Developments Limited have an investment value, as well as conferring voting rights. The entire issued share capital of both companies is vested in Home Group Limited as corporate shareholder.
- The nominal share in North Housing Limited is vested in Home Group Limited as corporate shareholder.

## 2. BOARD & COMMITTEE STRUCTURE

Responsibility for the conduct of the business of Home Group Limited rests with the Home Group Board. The constitution of the Home Group Board is set out in:

**Home Group Board  
Constitution**  
2.1

The Home Group Board fulfils each of its responsibilities either directly as a board, through delegation to other boards and Committees or through delegation to Home Group’s executive and management structure. Those responsibilities which the Home Group Board fulfils itself are set out in:

**Home Group Board  
Reserved Matters**  
2.2

Other boards and Committees fulfil roles in the context of the subsidiaries of Home Group. Further information is set out in:

**Boards of Subsidiaries**  
2.3

The Home Group Board is additionally supported by six functional Committees, whose roles and responsibilities are set out in:

**Audit Committee**  
2.4

**Governance Committee**  
2.5

**Health & Safety  
Governance Committee**  
2.6

**Clinical Governance  
Committee**  
2.7

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**Development Committee**  
2.8

**Action Committee**  
2.9

The role and responsibilities delegated by the Home Group Board to the Executive and Senior Management structure of Home Group are described at:

**EXECUTIVE  
STRUCTURE**  
3

Home Group is 'chaired' by the Home Group Chair. The roles and responsibilities of the Home Group Chair and Senior Independent Member, and those of other Chairmen and vice chairmen within the Group are set out or referred to in:

**The Role of Chair &  
Senior Independent  
Member**  
2.10

The role and responsibilities of board and Committee members generally are set out in:

**The Role of Board or  
Committee Member**  
2.11

The role of the Company Secretary is set out in:

**The Role of the  
Company Secretary**  
2.12

## 2.1 Home Group Board Constitution

### 1. MEMBERSHIP OF THE HOME GROUP BOARD

1.1 The Home Group Board is established with the following membership:

- Five or more non-executive members including the Chair of the Home in Scotland board and customer representation;
- The Chief Executive and Chief Financial Officer.

1.2 The member of the Home Group Board serving by virtue of their Chairship of the Home in Scotland board is appointed to the Home Group Board for the duration of their Chairship. Arrangements for the appointment to the Chairship of Home in Scotland are set out as part of the governance arrangements for Home in Scotland referred to within the Home in Scotland Operational Manual.

1.3 The appointments of other non-executive members and customer board members of the Home Group Board are revisited as part of the appraisal process with a normal length of service of 6 years. This maximum term is embodied in the Rules of Home Group Limited (Rule D11) and is extended only in exceptional circumstances up to a maximum of 9 years in total by unanimous resolution of the Home Group Board.

1.4 It is the policy of Home Group to include the Chief Executive and Chief Financial Officer in the membership of the Home Group Board. This is intended to improve the way the Board conducts its business by increasing team cohesion and shared accountability and to provide additional business insight to help inform decision making.

1.5 Meetings of the Home Group Board are attended additionally by other members of the Home Group Executive and, as required, by other senior managers.

### 2. CONSTITUTION

2.1 The membership of the Home Group Board described above is established in the following ways:

2.1.1 The seat on the Home Group Board reserved for the Chair of the Home in Scotland board is embodied within the rules of Home Group Limited (Rule D10);

2.1.2 Co-optees are appointed by the Home Group Board with an upper limit of 5 (Rule D6);

2.1.3 The other members of the Home Group Board are appointed by the Board in accordance with Home Group's Board Member Recruitment framework.

- 2.2 To accord with best practice, it is the policy of the Home Group Board that it should have no less than 5 and no more than 12 members (including co-optees). This is facilitated by Rule D2 of Home Group's Rules which impose an absolute minimum of 5 members and maximum of 15 members (including co-optees).
- 2.3 The Home Group Chair, the Senior Independent Member and the Chair of the Audit Committee are selected from the membership of the Home Group Board. Eligibility and arrangements for the Home Group Chairship and Senior Independent Member are described in:

**The Role of Chair &  
Senior Independent  
Member**  
2.10

Eligibility and arrangements for the Chairship of the Audit Committee are described in:

**Audit Committee**  
2.4

## 2.2 Home Group Board Reserved Matters

The following list sets out the matters reserved by the Home Group Board to itself:

### 1. STRATEGY & PLANNING

- 1.1 Setting and ensuring compliance with Home Group's mission and values.
- 1.2 Establishing a positive culture which is focused on the needs of customers and other key stakeholders and which embeds equality, diversity and inclusion in the organisation.
- 1.3 Monitoring Home Group's overall business environment.
- 1.4 Setting and ensuring compliance with a single strategy for Home Group and approving any supporting sub-strategies.
- 1.5 Setting overall objectives for Home Group.
- 1.6 Approving Home Group's 5 year business plan and annual operational plan.
- 1.7 Reviewing the overall risk map for Home Group and approving Home Group's risk appetite according to the Executive's recommendations based on risk aggregation.
- 1.8 Approving Home Group's budget and financial forecasts.
- 1.9 Approving significant mid-year changes to Home Group's overall objectives and business plan.
- 1.10 Approving Home Group Developments', Home Group Repairs Partnership Limited and North Housing's business plans and budgets and any significant mid-year changes.
- 1.11 Reviewing and monitoring the Home in Scotland business plan in accordance with the provisions of the Joint Arrangement Deed.

### 2. OPERATIONS & FINANCE

- 2.1 Setting KPIs and monitoring the performance of Home Group by reference to these.
- 2.2 Overseeing the performance of Home in Scotland, Home Group Repairs Partnership Limited, Home Group Developments and North Housing against their business plans and budgets through receipt and consideration of regular financial and management reports in such areas and in such format as the Home Group Board requires.
- 2.3 Monitoring major incidents and issues which are material to the financial position or reputation of Home Group.

- 2.4 Establish and monitor arrangements for communicating and receiving feedback from the organisation's stakeholders and shareholders.
- 2.5 Approving and monitoring the overall arrangements within Home Group for customer involvement.
- 2.6 Giving 'in principle' approval (based on a high level review of strategic fit, risk profile, financial implications, design quality and social and environmental performance) and 'full approval' (based on a detailed review) to new business initiatives relating to each area of the business eg new services/projects, housing developments including multi-phase developments, regeneration schemes (including demolitions), stock transfers, acquisition of properties or acquisition of existing businesses) where one or more of the following apply:
- Capital funding (being total spend, including grant) is required from Home Group (including any subsidiary) exceeding £5m (in the case of rented/sales/mixed tenure developments) and £1m (in the case of supported housing developments);
  - turnover in respect of the initiative in any financial year is expected to exceed £750k;
  - there is expected to be a negative impact on Home Group's income and expenditure account in any financial year exceeding £100k;
  - The initiative is reliant on proceeds from property sales exceeding £2.5m (in the case of rented/sales/mixed tenure developments) and £1m (in the case of supported developments);
  - there is an impact on the legal structure of Home Group or the structure or composition of any board/Committee.
- 2.7 In accordance with Home Group's asset strategy, approving all disposals (and schemes of disposal) of property owned by Home Group (including property owned by a subsidiary) where:
- In the case of a disposal, the market value (vacant possession, or existing use if tenanted at sale) exceeds £2m or the loss on disposal exceeds £500k.
- 2.8 Approving:
- Any loan facility, bond issue or similar arrangement through which Home Group (including any subsidiary) raises funds externally,
  - the early redemption of such an arrangement;
  - the framework within which Home Group enters into any derivative financial instruments.
- 2.9 Setting Home Group's investment policy and approving capital expenditure by Home Group (including any subsidiaries) on company shares.

- 2.10 Approving the Information Systems Strategy and approving each capital project necessary to deliver the IS strategy.
- 2.11 Decisions on the centralisation/decentralisation and insourcing/ outsourcing of major processes which are material to Home Group overall (in the view of Home Group's Chair).
- 2.12 Decisions on the location of Home Group's head office and/or registered office.
- 2.13 Changing relationship bankers.
- 2.14 Approval of the annual accounts.
- 2.15 Approval of the Tax Strategy following recommendation by the Audit Committee.
- 2.16 Recommending to shareholders the appointment of external auditors.
- 2.17 Approving changes to the Rules and Trust Deeds for pension schemes where the agreement of Home Group Limited is required.
- 2.18 Approving the signing of any Procurement led contract with a value over £10m.
- 2.19 Approving the early decommissioning/closure of a supported housing service with an annual turnover exceeding £750k (or exit costs over £250k).

### **3. GOVERNANCE & INTERNAL CONTROL**

3. 1 Approving Home Group's [Governance Framework](#), and [Governance Standards](#) documents and any supplemental governance document for Home Group.
3. 2 Reviewing how Home Group complies with the Regulator of Social Housing's Regulatory Standards of Governance and Financial Viability and approving a statement of compliance/non-compliance in its annual review and accounts.
3. 3 Reviewing how Home Group follows the recommendations of the Code of Governance published by the National Housing Federation from time to time and approving a statement of compliance/non-compliance in its annual review and accounts.
3. 4 Establishing the required reporting framework to the board.
3. 5 In relation to Home Group's internal control framework (summarised within the [Governance Standards](#) document):
  - Being satisfied (by the Audit Committee) that there is a sufficient and systematic review of internal control arrangements;
  - considering any weaknesses or matters of particular concern reported to the board, and
  - approving the board's annual statement on internal control.

3.6 Monitoring Home Group's overall arrangements to provide assurance of compliance with all legal, statutory, regulatory and constitutional requirements.

3.7 Approving:

Home Group's self-assessment of compliance with the Regulator of Social Housing's Consumer Standards, and

- Home Group's annual Value for Money (VFM) Statement.

3.8 Monitoring Home Group's overall policy on payments and benefits and monitoring the exercise of Permitted Payments and Benefits and any use of the Special Approvals procedure.

3.9 Gaining assurance that an effective and appropriate risk management system is established across Home Group.

3.10 Approving policies which require Home Group Board approval, as set out in the Policy Development Governing Framework.

3.11 Approving:

- The appointment (and approval to any exceptional extension to length of service) of any Home Group Board member who is not automatically appointed through their Chairship of the Home in Scotland board, and
- The co-option of board members (to a limit of 5).

3.12 Approving the appointment and dismissal of:

- Members of the Executive;
- Any Company Secretary.

## 2.3 Boards of Subsidiaries

### 1. OTHER BOARDS & COMMITTEES

- 1.1 The following boards and Committees fulfil roles in the context of the subsidiaries of Home Group:
- A unitary (non-executive and executive) board of Home in Scotland supported by an Action Committee oversee Home Group's activities in Scotland
  - an executive only board of Home Group Repairs Partnership Limited oversees the Home Group Repairs Partnership Limited business;
  - an executive only board of Home Group Developments oversees the business of Home Group Developments;
  - an executive only board of North Housing oversees the business of North Housing;
  - the Rayners Lane Estate Committee fulfil the role agreed in the context of the stock transfer with the London Borough of Harrow.
- 1.2 The board and Committee structures at subsidiary level are referred to more fully within the respective Operational/Governance documentation for each of the subsidiaries.



## 2.4 Audit Committee

### 1. ROLE

1.1 The Audit Committee's role encompasses:

- Financial reporting;
- external audit;
- internal control;
- internal audit; and,
- risk.

### 1.2 Constitution

1.2.1 The Audit Committee has a minimum membership of four comprising:

- A non-executive member of the Home Group Board appointed by the Home Group Board to be the Chair of the Audit Committee (not being the Home Group Chair or the Chair of the board of a subsidiary), and
- three or more non-executive members appointed by the Home Group Board each being a member of the Home Group Board (not being the Home Group Chair or the Chair of the board of a subsidiary), a member of the board of a subsidiary, or a person whom the Home Group Board considers to have relevant skills or experience which the Audit Committee requires (for the avoidance of doubt it is usual practice to include one member of the Home in Scotland Board in the Committee membership).

1.2.2 In making appointments to the Audit Committee the Home Group Board seeks to ensure that there is a cross-section of experience of the business of Home Group.

1.2.3 Appointments should be for a period of two terms of 3 years, reviewed after each 3 year term and extendable thereafter by one year at a time, up to a maximum of 9 years overall.

1.2.4 In making appointments to the Audit Committee the Home Group Board seeks to ensure that there is an appropriate balance between experience of the business of Home Group and wider professional skills, knowledge and experience. To ensure this balance is maintained the Home Group Board may appoint to membership of the Audit Committee from time to time persons who are not members of the Home Group Board or of the board of a subsidiary, but whom the Home Group Board considers to have relevant skills or experience which the Audit Committee requires. At least one member of the Audit Committee should have recent and relevant financial experience.

- 1.2.5 Audit Committee meetings are attended by the Chief Executive, Chief Finance Officer and the Head of Audit. Other members of the Executive and Home Group's external auditors may be required to attend meetings in full or for particular agenda items at the request of the Committee. Any person in attendance at a meeting may be required to leave by the Audit Committee Chair if necessary in relation to one or more agenda items.
- 1.2.6 Home Group's external auditors have the opportunity to meet the Audit Committee at least once a year with only non-executives present. The Chair of the Audit Committee and the Head of Audit meet as and when necessary.
- 1.2.7 The Audit Committee normally meets a minimum of four times a year, the cycle of meetings being approved by the Audit Committee having regard to internal and external audit operating cycles.
- 1.2.8 The Audit Committee's quorum is two non-executive members, one of whom must also be a member of the Home Group Board.

### 1.3. **Terms of Reference**

- 1.3.1 The responsibilities of the Audit Committee in relation to each aspect of its role are defined below:

- **Financial reporting –**

- To review and, if appropriate, recommend to the Home Group Board that it approves the annual audited accounts, focusing particularly on:
  - any changes in accounting policies and practice;
  - significant financial reporting judgements;
  - material adjustments resulting from the external audit;
  - the going concern assumption;
  - compliance with accounting standards and best practice;
  - compliance with any regulatory or legal requirements;
  - the report of the Home Group Board accompanying the audited accounts, the Operating and Financial review, and in particular references to Risk and Uncertainty and the section on the Home Group Board's responsibilities for the accounts;
  - the annual Value for Money Statement.
- To monitor and assist the Home Group Board in ensuring the integrity of formal announcements and reports issued to the public relating to Home Group's financial performance, through reviewing significant financial reporting judgements contained in them and obtaining assurance of compliance with accounting standards;

- to confirm to the Home Group Board that there are no outstanding areas of disagreement between management and the external auditors;
- to learn from the external auditor of any principal matters of concern.
- **External Audit –**
  - To monitor and review the independence, objectivity and effectiveness of Home Group’s external auditors and the standard of their work, taking into consideration relevant UK professional and regulatory requirements;
  - to consider whether at the start of the annual audit cycle there are appropriate plans in place for the external audit;
  - to consider whether Home Group is obtaining value for money from its external auditors;
  - to recommend to the Home Group Board the reappointment or otherwise of the external auditors;
  - to approve the remuneration and terms of engagement of the external auditors;
  - to approve, monitor and review any non-audit work performed by the external auditors in accordance with the Financial Reporting Council’s (FRC) Ethical Standards;
  - to consider the external audit management letter. The Audit Committee should review and monitor management’s responsiveness to the external auditor’s findings and recommendations;
  - to review the draft audit representation letter before signature by management and, in particular, consider matters relating to non-standard issues.
- **Internal Control –**
  - To advise the Home Group Board on the extent to which there is an appropriate culture of control throughout Home Group;
  - to satisfy the Home Group Board that there is sufficient and systematic review of the internal control arrangements within Home Group;
  - to ensure that any significant weaknesses identified are dealt with in a timely manner and reported to the Home Group Board;
  - to satisfy the Home Group Board that Home Group has in place a clear and well communicated policy which defines fraud, and covers prevention, detection and reporting mechanisms, together with expectations on the recovery of assets;
  - to satisfy the Home Group Board that Home Group has in place a clear and well communicated policy on anti-bribery;

- to satisfy the Home Group Board that Home Group has in place a clear and well communicated policy for confidential reporting, which ensures that individuals can raise concerns about potential improprieties in matters of financial reporting and other matters;
  - to monitor any instances of fraud, to review Home Group's Annual Fraud Report and review the Annual Fraud Report submitted to the Regulator of Social Housing;
  - to receive an annual report on whistleblowing cases made during the year;
  - to commission special investigations into matters of particular concern relating to internal control;
  - to review the Chief Executive's Annual Report on Internal Controls Assurance and recommend to the Home Group Board the annual statement on internal control (after evaluating evidence from assurance work assessing Home Group's internal control systems) for inclusion in Home Group's financial statements;
  - to review the Head of Audit's annual assurance statement of internal control, including fraud, and determine if the conclusions are acceptable;
  - to learn from the Assurance Service's Team of any major audit findings, and to advise thereon.
- **Internal Audit –**
    - To ensure that Home Group has appropriate internal audit arrangements, to approve the nature and scope of such arrangements and to monitor and review their effectiveness;
    - to approve in advance the appointment and termination of appointment of the Head of Audit;
    - to review and approve the planned programme of work of Assurance Services to ensure its appropriateness in relation to the business, including the significant risks faced by Home Group and to monitor the implementation of the programme;
    - to consider the issues and management responses presented within internal audit reports and monitor progress against agreed actions, to ensure that management react appropriately and timely to implement any recommendations arising from the reports – in this respect key issues are reported additionally to subsidiary boards to assist them in fulfilling their responsibilities;
    - to commission follow-up or extension reports into any matter where this is justified in the view of the Audit Committee.

- **Risk –**

- To satisfy the Home Group Board that Home Group operates a continuous framework, embedded throughout Home Group, that does identify, evaluate and manage the significant risks to achieving Home Group's objectives;
- to review the risk management process and recommend changes to that process;
- to monitor risk management activity within Home Group and to ensure that appropriate action is being taken to deal with significant risks identified;
- to monitor material changes to Home Group's strategic risk register and to review the risk register at each of its meetings;
- to commission special investigations into matters of particular concern relating to risk management;
- to receive regular reports on the operation and effectiveness of the risk management process within Home Group;
- to monitor information risk activity within Home Group and to ensure that appropriate action is being taken to deal with risks identified.

#### 1.4 **Accountability**

- 1.4.1 The Audit Committee is accountable to the Home Group Board for the fulfilment of its Terms of Reference. Committee members have responsibilities to the organisation in their capacity as Committee members which are set out at:

**The Role of Board or  
Committee Member**

2.11

- 1.4.2 Minutes of the Audit Committee are reported to the Home Group Board;

- 1.4.3 The Audit Committee shall report to the Home Group Board on how it has discharged its responsibilities, including:

- The significant issues that it has considered in relation to the financial statements and how these issues were addressed;
- the assessment of the effectiveness of the external audit process and its recommendation on the appointment or re-appointment of the external auditor;
- the assessment of the effectiveness of the internal audit and risk management processes and the internal control environment;

- any other issues on which the Home Group Board has requested the Audit Committee's opinion.

1.4.4 The Audit Committee should review annually its terms of reference and its own effectiveness and recommend any necessary changes to the Home Group Board. The Home Group Board should also review the Audit Committee's effectiveness annually.

## 1.5 **Authority**

1.5.1 The Audit Committee has the authority to:

- Require any information to be provided to it by any part of Home Group which is reasonably necessary for the discharge of its responsibilities; and,
- Instruct the Head of Audit in consultation with the Chief Financial Officer as their line manager to take forward any tasks or actions prescribed by the Committee towards the fulfilment of the Committee's Terms of Reference.

## 2.5 Governance Committee

### 1. ROLE

1.1 The purpose of the Governance Committee is to support the Home Group Board in maximising the effectiveness of Home Group's governance arrangements in order to deliver Home Group's Mission and Strategy. Its role encompasses:

- The review of Home Group's Rules, [Governance Framework](#) and [Governance Standards](#) by reference to Home Group's Mission and Strategy, best practice and regulatory requirements.
- Board and Committee membership, performance and succession planning.
- Executive appointments and remuneration framework.

### 2. CONSTITUTION

2.1 The Governance Committee comprises:

- One non-executive member of the Home Group Board appointed by the Home Group Board to be the chair of the Committee (not being the Home Group Chair or the chair of the board of a subsidiary).
- The Chair of Home Group.
- Two or more non-executive members appointed by the Home Group Board each of whom may be appointed from the membership of the Home Group Board or may be independent of the Home Group Board.

2.2 Appointments should be for a period of two terms of 3 years, reviewed after the first 3 year term. Where the Home Board agrees that it is in the organisation's best interests, this may be extended up to a maximum of 9 years overall.

2.3 Two non-executive Committee members, one of whom must also be a member of the Home Group Board, are required in order to achieve a quorum. In the absence of the chair members of the Committee must appoint a Committee member, not being the Chair of Home Group or the Chair of Home Group or the Chair of the Board of subsidiary, to act as Chair.

2.4 The Committee meets in person or virtually 3 times each year and otherwise as and when required. Meetings are called with or without written notice at the request of the chair of the Committee, the Chief Executive or the Company Secretary.

2.5 The business of the Committee may be conducted by correspondence. In this regard, a resolution approved in writing (including approval notified by e-mail) by two members of the Committee who would together form a quorum is as valid and effective as if it had been passed at a meeting of the Committee.

2.6 The Committee may obtain independent advice in relation to any matter falling within its terms of reference, and for this purpose may invite an independent advisor to attend meetings of the Committee. Additionally, meetings are attended by the Chief Executive and the Company Secretary, save where this would involve any conflict of interest, and by other members of the executive if required by the Committee.

### 3. TERMS OF REFERENCE

The specific responsibilities of the Governance Committee are defined below:

3.1 Review of Rules, [Governance Framework](#) & Standards.

3.1.1 The Committee monitors developments in best practice in governance, assessing their relevance to Home Group, and monitors changes in regulatory expectations and requirements in the context of governance.

3.1.2 The Committee oversees reviews of Home Group's Rules, [Governance Framework](#) and [Governance Standards](#) which are conducted annually or in response to developments in Home Group's strategy, developments in best practice or regulatory requirements.

3.1.3 The Committee recommends to the Home Group Board any changes that it considers should be made to Home Group's Rules, [Governance Framework](#) or [Governance Standards](#), for decision by the Home Group Board or, if a shareholder resolution is required, for onward recommendation to shareholders. Those areas of Home Group's [Governance Standards](#) that fall explicitly within the terms of reference of the Audit Committee are excluded from the remit of the Governance Committee.

3.2 Board & Committee Membership and Performance.

3.2.1 The Committee is responsible for establishing and reviewing annually a succession planning process, to be implemented in relation to each board and Committee of Home Group by the chair of the board or Committee. The Committee is required to monitor implementation and to report to the Home Group Board annually on the effectiveness of Home Group's board & Committee succession planning arrangements.

3.2.2 The Committee is responsible for non-executive recruitment within Home Group, in particular:

- The Committee approves the approach to be taken to any recruitment exercise, including due diligence requirements.
- The Committee recommends to the Home Group Board the appointment of any successful candidate to the Home Group Board and supporting Committees.
- In the context of Home in Scotland, the Committee exercises a right of approval to the admission of any new 'National Shareholding Member', such



membership giving rise automatically to membership of the Home in Scotland Board.

- the Committee approves any appointment to the Rayners Lane Estate where Home Group has a right of approval under the terms of the Transfer Agreement.

3.2.3 The Committee exercises a right of approval on behalf of the Home Group Board to the appointment by the Home in Scotland board of their chair.

3.2.4 The Committee sets any policy requirements around the provision by chairs to new board and Committee members of full, formal and tailored induction arrangements and monitors the implementation by chairs of induction arrangements.

3.2.5 The Committee sets any policy requirements around the arrangements chairs are required to ensure are made to enhance the skills, experience and knowledge of board and Committee members on an ongoing basis, and monitors non-executive learning and development within Home Group.

3.2.6 The Committee recommends to the Home Group Board Home Group's framework on board evaluation and non-executive appraisal, establishes the processes to implement the framework and monitors its implementation.

3.2.7 The Committee's role in the context of non-executive remuneration is limited to one of noting any developments in best practice or regulation in this area and referring any such developments to the executive.

3.2.8 The Committee recommends to the Home Group Board such action as it may deem appropriate in relation to board/Committee member conduct/performance under the Board Member Conduct, Disputes and Grievance Policy.

3.3 Executive appointments and remuneration framework.

3.3.1 The Committee supports the Home Group Board in ensuring adequate succession planning for the executive, making recommendations to the Home Group Board in this respect.

3.3.2 The Committee is responsible for the recruitment process in respect of appointments to the executive, whether internal or external. In particular:

- The Committee approves the approach to be taken in respect of any internal or external recruitment exercise.
- The Committee oversees any recruitment process - members of the Committee and any other person appointed by the Committee work with the Chief Executive (save where a Chief Executive is to be recruited) to undertake any longlisting or shortlisting exercise and to act as an interview panel.
- The Committee recommends to the Home Group Board the appointment of the successful candidate.

3.3.3 The Committee sets any policy requirements around the provision to new members of the executive of full, formal and tailored induction arrangements and monitors the implementation of induction arrangements.

3.3.4 The Committee recommends to the Home Group Board the remuneration package offered to the Chief Executive and any change to such remuneration package, following a review by the Committee of the Chair of Home Group's annual appraisal of the Chief Executive.

3.3.5 The Committee's endorsement is required to the remuneration packages offered by the Chief Executive to other members of the executive and to any changes to such remuneration packages recommended by the Chief Executive following each annual appraisal.

3.4 Payments & Benefits Policy.

3.4.1 The Committee's approval is required to any Permitted Payment or Benefit involving a board/Committee member or a member of the Executive Team and also to any proposed payment or benefit which does not fall within Permitted Payments or Benefits (ie Special Approvals under Home Group's Payments and Benefits Policy).

#### **4. ACCOUNTABILITY**

4.1 The Governance Committee is accountable to the Home Group Board for the fulfilment of its Terms of Reference. Committee members have responsibilities to the organisation in their capacity as Committee members which are set out at:



**The Role of Board or  
Committee Member**

2.11

4.2 Minutes of the Governance Committee are reported to the Home Group Board.

4.3 The Governance Committee shall report to the Home Group Board on how it has discharged its responsibilities, including:

- The significant issues that it has considered in relation to governance and how those issues were addressed;
- any other issues on which the Home Group Board has requested the Committee's opinion.

4.4 The Governance Committee should review annually its terms of reference and its own effectiveness and recommend any necessary changes to the Home Board.

#### **5. AUTHORITY**

- 5.1 The Committee is authorised by the Home Group Board to do all things necessary or expedient for the fulfilment of the specific responsibilities defined within its Terms of Reference. Various policies relevant to the Committee's role are set out within Home Group's [Governance Standards](#). Whilst it is within the Committee's remit to review these and recommend changes to the Home Group Board, the Committee must also adhere to those policies currently in place in fulfilling its responsibilities, for example in relation to board recruitment, evaluation and appraisal.

## 2.6 Health & Safety Governance Committee

### 1. ROLE

The role of the Health & Safety Governance Committee ('the Committee') encompasses:

- Health and Safety Policy and objectives.
- Internal Health and Safety governance and performance.
- Wellbeing strategy and performance.

### 2. CONSTITUTION

2.1 The Committee comprises:

- One member of the Home Group Board appointed by the Home Group Board to be the Chair of the Committee, and
- three or more members appointed by the Home Group Board each of whom may be appointed from the membership of the Home Group Board or from the membership of the Home in Scotland Board or who may be independent of either Board but who has the relevant skills and experience which the Committee requires. (for the avoidance of doubt it is usual practice to include one member of the Home in Scotland Board in the Committee membership).

2.2 In making appointments to the Committee the Home Group Board seeks to ensure that there is a cross-section of experience of the business of Home Group.

2.3 Appointments should be for a period of two terms of 3 years, reviewed after the each 3 year terms. Where the Home Board agrees that it is in the organisation's best interests, this may be extended up to a maximum of 9 years overall.

2.4 In making appointments to the Committee the Home Board seeks to ensure that there is an appropriate balance between experience of the business of Home Group and wider professional skills, knowledge and experience. To ensure this balance is maintained the Home Board may appoint to membership of the Committee from time to time persons who are not members of the Home Board or of the board of a subsidiary, but whom the

Home Board considers to have relevant skills or experience which the Committee requires.

- 2.5 The Committee meetings are attended by the Chief Executive, Executive Director of Repairs and Maintenance, Director of Legal Services, Head of Safety and Compliance and the Head of Health and Safety. Other members of the Executive and Home Group's Senior Management Team may be required to attend meetings in full or for particular agenda items at the request of the Committee. Any person in attendance at a meeting may be required to leave by the Committee Chair if necessary in relation to one or more agenda items.
- 2.6 The Committee normally meets in person or virtually four times a year and otherwise as and when required, the cycle of meetings being approved by the Committee having regard to internal and external HSE operating cycles. Meetings are called with or without notice at the request of the Chair. In the absence of the Chair, members of the Committee must appoint a Committee member to act as chair.
- 2.7 The Committee's quorum is two non-executive members, one of whom must also be a member of the Home Group Board.
- 2.8 The business of the Committee may be conducted by correspondence. In this regard, a resolution approved in writing (including approval notified by email) by two members of the Committee who would together form a quorum is as valid and effective as if it had been passed at a meeting of the Committee.

### **3. TERMS OF REFERENCE**

- 3.1 The responsibilities of the Health and Safety Governance Committee in relation to each aspect of its role are defined below:
  - Health and Safety Strategy –  
to review and recommend to the Home Group Board for approval the Health and Safety Strategy;
  - Health and Safety Policy –
    - To review and, if appropriate, recommend to the Home Group Board that it approves the Health and Safety Policy, focusing particularly on:
    - any significant changes in Policy or related practice;
    - the objectives of the Policy; and

- the guiding principles/standards included within the Policy.
- Internal governance and performance –
  - To advise the Home Group Board on the extent to which there is an appropriate culture of Health and Safety throughout Home Group;
  - to ensure that any significant weaknesses identified in Health and Safety performance are dealt with in a timely manner and reported to the Home Group Board;
  - to review and approve the annual Health and Safety Objectives and Implementation plan to ensure their appropriateness in relation to the business, including the significant risks faced by Home Group and to monitor the implementation of the plan;
  - to consider the issues and action plans presented within Health and Safety audit reports and monitor progress against agreed actions, to ensure that management react appropriately and timely to implement any recommendations arising from the reports;
  - to monitor health and safety risks within Home Group and to ensure that appropriate action is being taken to deal with significant risks identified.
- Colleague Wellbeing strategy and performance –
  - To review the Wellbeing strategy/plan to ensure it is appropriate in relation to the business and consider the key action plans in place to further promote wellbeing at Home Group;
  - to monitor colleague wellbeing risks within Home Group and to ensure that appropriate action is being taken to deal with significant risks identified.

#### 4. **ACCOUNTABILITY**

- 4.1 The Committee is accountable to the Home Group Board for the fulfilment of its Terms of Reference. Committee members have responsibilities to the organisation in their capacity as Committee members which are set out at:

**The role of board or  
committee member  
2.11**

- 4.2 Minutes of the Committee are reported to the Home Group Board and to Home Group's subsidiary boards.
- 4.3 The Committee shall report annually to the Home Group Board on how it has discharged its responsibilities, including:
- The significant issues that it has considered in relation to Health, Safety and Environmental and how these issues were addressed;
  - any other issues on which the Home Group Board has requested the Committee's opinion.
- 4.4 The Committee should review annually its terms of reference and its own effectiveness and recommend any necessary changes to the Home Group Board. The Home Group Board should also review the Committee's effectiveness annually.

## **5. AUTHORITY**

- 5.1 The Committee has the authority to:
- Require any information to be provided to it by any part of Home Group which is reasonably necessary for the discharge of its responsibilities.
- 5.2 The Committee is authorised by the Home Group Board to do all things necessary or expedient for the fulfilment of the specific responsibilities defined within its Terms of Reference.

## 2.7 Clinical Governance Committee

### 1. ROLE

The role of the Clinical Governance Committee ('the Committee') is to give Board and the organisation assurance on the quality and safety of care for our customers, encompassing:

- Governance and internal monitoring.
- Organisational policies and procedures.
- Safety and excellence in customer care.
- Quality Assurance.
- Learning to improve practice.

### 2. CONSTITUTION

2.1 The Committee comprises:

- One member of the Home Group Board appointed by the Home Group Board to be the Chair of the Committee, and
- three or more members appointed by the Home Group Board each of whom may be appointed from the membership of the Home Group Board or who may be independent of the board but who has the relevant skills and experience which the Committee requires.

2.2 In making appointments to the Committee the Home Group Board seeks to ensure that there is a cross-section of experience of the business of Home Group and an appropriate balance between the experience of Home Group and wider professional skills, knowledge and experience.

2.3 Appointments should be for a period of two terms of 3 years, reviewed after the each 3 year terms. Where the Home Board agrees that it is in the



organisations best interest, this may be extended up to a maximum of 9 years overall.

- 2.4 In making appointments to the Committee the Home Board seeks to ensure that there is an appropriate balance between experience of the business of Home Group and wider professional skills, knowledge and experience. To ensure this balance is maintained the Home Board may appoint to membership of the Committee from time to time persons who are not members of the Home Board or of the board of a subsidiary, but whom the Home Board considers to have relevant
- 2.5 The Committee meetings are attended by the Executive Director of New Models of Care, the Director of Housing and Support, Director of Service Delivery and the Director of Care. Other members of the Executive and Home Group's Senior Management Team may be required to attend meetings in full or for particular agenda items at the request of the Committee. Any person in attendance at a meeting may be required to leave by the Committee Chair if necessary in relation to one or more agenda items.
- 2.6 The Committee normally meets in person or virtually four times a year and otherwise as and when required, the cycle of meetings being approved by the Committee. Meetings are called with or without notice at the request of the Chair. In the absence of the Chair, members of the Committee must appoint a Committee member to act as chair.
- 2.7 The Committee's quorum is two non-executive members, one of whom must also be a member of the Home Group Board.
- 2.8 The business of the Committee may be conducted by correspondence. In this regard, a resolution approved in writing (including approval notified by email) by two members of the Committee who would together form a quorum is as valid and effective as if it had been passed at a meeting of the Committee.

### **3. TERMS OF REFERENCE**

3.1 The responsibilities of the Committee are defined below:

3.2 The Committee shall have the following functions and accountabilities:

#### **Governance and internal monitoring**

- To ensure that all statutory elements of clinical governance are adhered to within the organisation.

- To agree organisation-wide clinical governance priorities and give direction to the clinical governance activities of the care services.
- To approve the Terms of Reference and membership of any reporting groups (as may be required from time to time at the discretion of the Clinical Governance Committee) and oversee the work of those groups, receiving reports from them as specified for consideration and action as necessary.
- To review the NMC roadmap to provide the Clinical Governance Committee with an overview of the growth plans for NMC.
- To consider matters referred to the Clinical Governance Committee by the Board.

### **Organisational policies and procedures**

#### Home Group Board

- To review and recommend to the Home Group Board for approval Home Group's Safeguarding policy and processes.
- To ensure the most up to date legislation and external good practice is reflected and implemented in Home Group.
- To review and approve Home Group clinical related policies applicable to the delivery of direct support and care of customers.

### **Safety and excellence in customer care**

- To have overview responsibility for the fundamental standards of care as described by the Care Quality Commission and ensure that a mechanism exists for these standards to be monitored.
- To promote within the organisation a culture of open and honest reporting of any situation that may threaten the quality of customer care.
- To monitor the organisation's compliance with the Care Quality Commission, in order to provide relevant assurance to the full Board.
- To direct operational services and/or Corporate functions to take specific corrective actions to ensure safety and quality is maintained.
- To ensure that where practice is of high quality, that practice is recognised and propagated across the organisation to ensure that Home Group is outward-looking and incorporates the recommendations from external bodies.

### **Quality Assurance**

- To scrutinise and review the systems in place to measure, audit and improve the quality of care delivered to customers and that relevant risks or shortfalls are identified, understood and mitigated.

- To promote learning from incidents to improve practice.
- To review and monitor clinical risk activity within Home Group and to ensure that appropriate action is being taken to deal with risks identified.

#### **4. ACCOUNTABILITY**

- 4.1 The Committee is accountable to the Home Group Board for the fulfilment of its Terms of Reference. Committee members have responsibilities to the organisation in their capacity as committee members which are set out at The Role of Board or Committee Member.
- 4.2 Minutes of the Committee are reported to the Home Group Board and to Home Group's subsidiary boards.
- 4.3 The Committee shall report to the Home Group Board on how it has discharged its responsibilities, including:
- The significant issues that it has considered in relation to clinical governance and how these issues were addressed;
  - Any other issues on which the Home Group Board has requested the Committee's opinion.
- 4.4 The Committee should review annually its terms of reference and its own effectiveness and recommend any necessary changes to the Home Group Board. The Home Group Board should also review the Committee's effectiveness annually.

#### **5. AUTHORITY**

- 5.1 The Committee has the authority to require any information to be provided to it by any part of Home Group which is reasonably necessary for the discharge of its responsibilities.
- 5.2 The Committee is authorised by the Home Group Board to do all things necessary or expedient for the fulfilment of the specific responsibilities defined within its Terms of Reference.

## 2.8 Development Committee

### 1. ROLE

- 1.1 The role of the Development Committee ('the Committee') is to oversee and provide assurance to the Home Group Board in discharging its responsibilities for Home Group's development activity.

### 2. CONSTITUTION

- 2.1 The Committee comprises:

- One member of the Home Group Board appointed by the Home Group Board to be the Chair of the Committee, and
- Two or more members appointed by the Home Group Board each of whom may be appointed from the membership of the Home Group Board or from the membership of the Home in Scotland Board or who may be independent of either board but who has the relevant skills and experience which the Committee requires.

- 2.2 In making appointments to the Committee the Home Group Board seeks to ensure that there is a cross-section of experience of the business of Home Group and an appropriate balance between the experience of Home Group and wider professional skills, knowledge and experience.

- 2.3 Appointments should be for a period of two terms of 3 years, reviewed after each of the 3 year term. Where the Home Board agrees that it is in the

organisation's best interests, this may be extended, up to a maximum of 9 years overall.

- 2.4 Additionally, Committee meetings are attended by the Chief Financial Officer, the Executive Director – Development and the Director of Development. Other members of the Executive and Home Group's Senior Management Team may be required to attend meetings in full or for particular agenda items at the request of the Committee. Any person in attendance at a meeting may be required to leave by the Committee Chair if necessary in relation to one or more agenda items.
- 2.5 The Committee normally meets in person or virtually six times a year and otherwise as and when required, the cycle of meetings being approved by the Committee. Meetings are called with or without notice at the request of the Chair. In the absence of the Chair, members of the Committee must appoint a Committee member to act as chair.
- 2.6 The Committee's quorum is two non-executive members, one of whom must also be a member of the Home Group Board.
- 2.7 The business of the Committee may be conducted by correspondence. In this regard, a resolution approved in writing (including approval notified by fax or email) by 2 members of the Committee who would together form a quorum is as valid and effective as if it had been passed at a meeting of the Committee.

### **3. TERMS OF REFERENCE**

- 3.1 The responsibilities of the Committee are defined below:
- 3.2 The Committee shall have the following functions and accountabilities:
  - To consider and debate development approvals in advance of Home Group Board, following all internal governance processes;
  - To establish a set of performance measures aligned to development 'golden rules' and monitor programme against Business Plan and the development strategy;
  - To review pipeline development opportunities considering risk and fit with strategic objectives at both programme level and scheme level;

- To review performance of development schemes against commercial and strategic objectives- derive lessons learned and feed back into business to drive continuous improvement.

#### **4. ACCOUNTABILITY**

- 4.1 The Committee is accountable to the Home Group Board for the fulfilment of its Terms of Reference. Committee members have responsibilities to the organisation in their capacity as Committee members which are set out in the [Governance Framework](#).
- 4.2 Minutes of the Committee are reported to the Home Group Board and to Home Group's subsidiary boards.
- 4.3 The Committee shall report to the Home Group Board on how it has discharged its responsibilities, including:
- The significant issues that it has considered in relation to development and how these issues were addressed;
  - Any other issues on which the Home Group Board has requested the Committee's opinion.
- 4.4 The Committee should review annually its terms of reference and its own effectiveness and recommend any necessary changes to the Home Group Board. The Home Group Board should also review the Committee's effectiveness annually.

#### **5. AUTHORITY**

- 5.1 The Committee is authorised by the Home Group Board to do all things necessary or expedient for the fulfilment of the specific responsibilities defined within its Terms of Reference.

## **2.9 Action Committee – Home Group Board**

### **1. Role**

- 1.1 The role of the Home Group Board's Action Committee is to act on the Home Group Board's behalf in relation to matters requiring an express authorisation of the Home Group Board which are not otherwise covered by delegated authority in the event that a decision of the board is required between scheduled board meetings and the decision cannot reasonably await the next scheduled board meeting.

### **2. Constitution**

- 2.1 An Action Committee of the Home Group Board is normally made up of three Home Group Board members. The Home Chair and the Senior Independent Member should ordinarily be included in the composition of the Committee if they are available, but the unavailability of the Home Group Chair and Senior Independent Member would not preclude an Action Committee being constituted. The other members of the Committee are selected having regard to the nature of the business to be conducted and their availability, save in the circumstances described in paragraph 2.3 below.
- 2.2 The business of the Committee is handled principally through correspondence with issues or questions being raised via email, in writing or by telephone, save in the circumstances described in paragraph 2.3 below.
- 2.3 The person convening a Committee meeting or any member of Home Group Board, if they consider that the business to be conducted by the Committee is of exceptional significance, is entitled to require that:

- All available members of the Home Group Board are invited to join the Committee, the minimum Committee membership being three;
- Papers regarding the business to be conducted are circulated to all members of the Home Group Board, and
- A meeting in person and/or videoconference and/or a telephone conference is offered to members of the Committee.

2.4 All members of the Home Group Board are given as much advance notice as is practicable of the likely need to convene a Committee. The initial notification of the likely need to convene a Committee includes a brief summary of the nature of the business to be conducted and an indication of whether the person convening the meeting is treating the business to be conducted as being of exceptional significance in accordance with paragraph 2.3 above.

2.5 A Committee may then be convened with or without written notice. The Home Group Chair or any member of the Executive may give the advanced notice referred to above and proceed to convene a Committee meeting.

2.6 A Resolution approved in writing (including approvals notified by e-mail) by all of the members of the Committee is as valid and effective as if it had been passed at a meeting of the Committee. The decision of the Committee shall not be invalidated if:

- The business is treated as being of exceptional significance in accordance with paragraph 2.3 above and a board member who was unavailable to participate in the Committee becomes available after the decision is reached, or;
- The business is not treated as being of exceptional significance in the context of paragraph 2.3 and, after the decision is reached, notice is received by the person convening the meeting that a board member required it to be treated as exceptional.
  - a. In relation to property development projects, the Action Committee procedure is limited to those projects where the total spend, including grant does not exceed £10m. All significant property development projects exceeding this £10m threshold will require a full discussion of the whole Board, either in person and/or videoconference and/or telephone conference, unless the Home Group Chair or Senior Independent Member agrees that the business can be handled through correspondence, including email or telephone.

### **3. Terms of Reference**

3.1 The responsibilities of a properly constituted Action Committee of the Home Group Board, acting in accordance with its defined role, are equivalent to the responsibilities of the Home Group Board.

### **4. Accountability**



- 4.1 An Action Committee of the Home Group Board is accountable to the Home Group Board for the fulfilment of its Terms of Reference. Committee members have responsibilities to the organisation in their capacity as Committee members which are set out at:

### **The Role of Board or Committee Member**

2.11

- 4.2 All decisions of the Home Group Board's Action Committee are reported to the Home Group Board.

## **5. Authority**

- 5.1 The authority delegated by the Home Group Board to a duly constituted Action Committee of the Home Group Board acting in accordance with its defined role and Terms of Reference is equivalent to the authority of the Home Group Board itself.

## **2.10 The Role of Chair & Senior Independent Member**

### **1. HOME GROUP CHAIR**

- 1.1 One of the non-executive members of the Home Group Board is appointed by the shareholding membership at each Annual General Meeting to the position of Home Group Chair. The Home Group Chair holds office until the next Annual General Meeting and, subject to remaining a member of the Home Group Board, may stand for re-election at that time. If a Home Group Chair stands down part way through his or her year of service the Home Group Board may appoint another member of the Home Group Board to serve until the next Annual General Meeting.
- 1.2 It is Home Group's policy that Home Group Board members who serve within Home Group as the Chair of a subsidiary are ineligible for appointment as Home Group Chair. Similarly the Chair of the Audit Committee may not serve as Home Group Chair.
- 1.3 The Home Group Chair is responsible for ensuring that the business of the Home Group Board is conducted in an efficient and effective manner. This includes chairing all Home Group Board meetings in an orderly manner and, with the support of the Company Secretary, ensuring that:
- Resolutions and amendments are put according to established procedures,
  - All rules are adhered to,
  - Sufficient time is allocated to each item of business, and

- All Home Group Board members are given an opportunity to express their views before any decision is made.
- 1.4 The Home Group Chair is expected to develop a constructive relationship with and between Home Group Board members. In practice, this means ensuring that the workload of the Home Group Board is evenly distributed between its members and that sufficient authority is delegated by the Home Group Board to carry out business effectively. Where authority is delegated, arrangements exist to ensure that material decisions are reported and monitored.
  - 1.5 The Home Group Chair is responsible for ensuring that the Home Group Board obtains professional advice when it is needed and must review the composition of the Home Group Board in relation to skills and experience and the need for new members.
  - 1.6 The Home Group Chair is expected to conduct three yearly reviews of the appointments of those non-executive Home Group Board members whose appointments to the Home Group Board do not arise by virtue of their election to the Chairship of the Home in Scotland board.
  - 1.7 The Home Group Chair is responsible for ensuring that appropriate role profiles and competency frameworks are provided for all board members.
  - 1.8 The Home Group Chair should maintain direct lines of communication with the Company Secretary in order to maintain impartiality and to ensure that issues of concern are brought directly to the Home Group Chair.
  - 1.9 As the main link between the Home Group Board and the Executive, the Home Group Chair is expected to establish a constructive working relationship with the Chief Executive. This includes providing advice and support to the Chief Executive. The relationship between the Home Group Chair and the Chief Executive is crucial and each should be aware of the requirements of the different roles.
  - 1.10 The Home Group Chair is responsible for the annual appraisal of the Chief Executive and, in accordance with Home Group's framework on board member appraisal, for the appraisal of other members of the Home Group Board. The appraisal framework is set out within the [Governance Standards](#) document.
  - 1.11 The Home Group Chair chairs:
    - Home Group's Annual General Meeting and any Special General Meeting,
    - Ordinarily the Action Committee of the Home Group Board.
  - 1.12 The Home Group Chair acts as the lead when carrying out initial investigations in relation to concerns raised under the Board Member Conduct, Disputes and Grievance Policy, unless the concern relates to the Home Group Chair.
  - 1.13 The Home Group Chair is a representative of Home Group. This includes representing Home Group at meetings with key business partners, representatives of Regulators and Members of Parliament.

- 1.14 The role and responsibilities of the Home Group Chair are additional to the responsibilities fulfilled by them in their capacity as a board member, set out in:

**The Role of Board or  
Committee Member**

2.12

## **2. SENIOR INDEPENDENT MEMBER**

- 2.1 One of the non-executive members of the Home Group Board is appointed by the shareholding membership at each Annual General Meeting to the position of Senior Independent Member. The Senior Independent Member holds office until the next Annual General Meeting and, subject to remaining a member of the Home Group Board, may stand for re-election at that time. If a Senior Independent Member stands down part way through their year of service the Home Group Board may appoint another member of the Home Group Board to serve until the next Annual General Meeting.
- 2.2 It is Home Group's policy that Home Group Board members who serve within Home Group as the Chair of a subsidiary are ineligible for appointment as Senior Independent Member.
- 2.3 The Senior Independent Member is required to meet the independence criteria set out in the UK Corporate Governance Code.
- 2.4 The principal responsibilities of the Senior Independent Member are to:
- Act as a sounding board for the Chair, providing support for the Chair in the delivery of their objectives;
  - Act as Chair of the Home Group Board when matters concerning the Chair are considered;
  - Have the authority to call a meeting of the non-executive directors if, in their opinion, it is necessary;
  - Act as a conduit to the Home Group Board for the communication of concerns when other channels of communication are inappropriate;
  - Act as the designated Whistleblowing point of contact in relation to serious concerns that cannot appropriately be raised through other channels;
  - Act as support for the lead (and lead where the concern relates to the lead) when carrying out initial investigations in relation to concerns raised under the Board Member Conduct, Disputes and Grievance Policy, unless the concern relates to the Senior Independent Member;
  - Ensure that the views of the other non-executive directors are given due consideration;

- Lead a meeting of the non-executive directors without the Chair being present at least annually to appraise the Chair's performance (taking into account the views of the executive directors) and on such other occasions as are deemed appropriate. The appraisal policy is set out within the [Governance Standards](#) document;
- To work with the Chair and other directors to resolve significant issues and to interfere in order to maintain board stability in the following circumstances:
  - Where there is a dispute between the Chair and the Chief Executive;
  - Where non-executive directors have expressed concerns that are not being addressed by the Chair or the Chief Executive;
  - Where the strategy being followed by the Chair and the Chief Executive is not supported by the entire board;
  - Where the relationship between the Chair and the Chief Executive is particularly close and decisions are being made without the approval of the full board;
  - Where succession planning is being ignored.

2.5 The Senior Independent Member is a representative of Home Group. This includes representing Home Group at meetings with key business partners, representatives of Regulators and Members of Parliament.

2.6 The role of the Senior Independent Member is to deputise for the Home Group Chair from time to time at his/her invitation in relation to some or all of the Home Group Chair's responsibilities.

2.7 The role and responsibilities of the Senior Independent Member described above are additional to the responsibilities fulfilled by them in their capacity as a board member, as set out in:

**The Role of Board or  
Committee Member**  
2.11

### **3. CHAIR OF THE AUDIT COMMITTEE**

3.1 The Chair of the Audit Committee is appointed by the Home Group Board. Further detail on the Audit Committee's constitution is set out at:

**Audit Committee**  
2.4

They are responsible for ensuring that the business of the Committee is conducted in an efficient and effective manner. This includes chairing all meetings in an orderly manner and ensuring that:

- Resolutions and amendments are put according to agreed procedures.
- All rules are adhered to,
- Sufficient time is allocated to each item of business, and
- All Committee members are given an opportunity to express their views before any decision is taken.

3.3 The Chair should develop a constructive relationship with and between Committee members, ensure that the Committee obtains professional advice when it is needed, and review whether the Committee has the requisite skills and experience.

3.4 The Chair is expected to establish a constructive working relationship with the Head of Audit.

#### **4. CHAIRMEN OF OTHER BOARDS & COMMITTEES**

4.1 The Home Group Chair ordinarily chairs the Action Committee of the Home Group Board as part of his/her responsibilities.

4.2 Responsibilities of the Chair and any Vice Chair of the boards and Committees listed below are described within the governance arrangements for the board/Committee, referred to within the respective Operational/Governance Documents:

- Home in Scotland.
- Home Group Repairs Partnership Limited.
- Home Group Developments.
- North Housing.

## 2.11 The Role of Board or Committee Member

1. Non-Executive members of the Home Group Board are required to sign, upon their appointment, a service agreement in a form approved by the Home Group Board from time to time.
2. The responsibilities of Home Group Board members are set out below and also within individual service agreements:
  - 2.1 **Leadership:** you should share with executive directors accountability for both the direction and control of Home Group. This includes sharing in setting the Mission and Values of Home Group and ensuring that obligations to stakeholders are understood and reflected in strategies and policies.
  - 2.2 **Strategy:** you should constructively challenge and participate in the development of the strategy of Home Group;
  - 2.3 **Performance:** you should scrutinise the performance of the Executive in meeting agreed goals and objectives and monitor Home Group's performance on key performance indicators;
  - 2.4 **Risk:** you should satisfy yourself that information is accurate and that controls and systems of risk management are robust and defensible;
  - 2.5 **People:** you should ensure in conjunction with the Executive that the human resources (capacity and capability) are in place for Home Group to meet its objectives.
  - 2.6 **Legal:** you should satisfy yourself that Home Group's overall arrangements to provide assurance of compliance with legal and regulatory requirements are adequate. You should take personal responsibility for demonstrating high standards of governance, complying with Home Group's requirements concerning conduct and probity set out in the [Governance Standards](#), and contribute to the development and maintenance of high standards within Home Group.
  - 2.7 **Personal Development & Personal Skills:** you should prepare for, attend and participate in board meetings. You should keep yourself up to date about the key challenges and risks faced by Home Group, particularly in areas where you are able to contribute specialist expertise and experience. You should also participate in board development activities, board self-evaluation and your individual appraisal.
  - 2.8 **Representation:** you should work to enhance the reputation and image of Home Group at both internal and external events.

- 2.9 **Standard of Care:** you should act reasonably and prudently in all matters relating to Home Group, always bearing in mind its interest and exercising the same degree of care as a prudent business person would exercise in managing their own affairs or those of someone for whom they were responsible.
3. Members of the Audit Committee, the Governance Committee, the Health & Safety Governance Committee, the Clinical Governance Committee, the Development Committee and the Action Committee of the Home Group Board are required, in addition to fulfilling their responsibilities as a board member to:
- 3.1 Be committed to fulfilling the Committee/panel's terms of reference and to collective responsibility for decisions and recommendations of the Committee/panel;
- 3.2 Prepare for, attend and participate in Committee/panel meetings, keeping up to date in areas relevant to the Committee/panel, particularly those areas in which the member can contribute specialist expertise and experience;
- 3.3 Comply in the context of the Committee/panel with Home Group's requirements concerning conduct and probity as set out in the [Governance Standards](#); and
- 3.4 Act reasonably and prudently always bearing in mind the interest of Home Group and exercising the same degree of care as a prudent business person would exercise in managing their own affairs or the affairs of someone for whom they were responsible.
4. The responsibilities of members of the boards and Committees listed below are described as part of the governance arrangements for the board/Committee, referred to within the relevant Operational/Governance document:
- Home in Scotland.
  - Home Group Repairs Partnership Limited.
  - Home Group Developments.
  - North Housing.

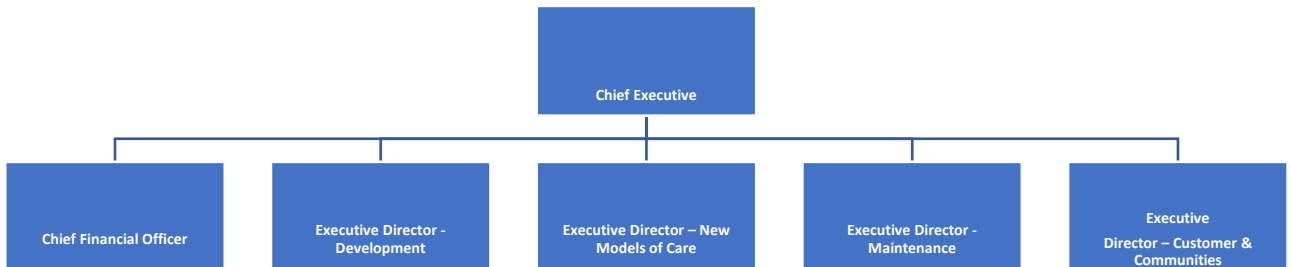
## 2.12 The Role of the Company Secretary

1. The Company Secretary is appointed by the Home Group Board and has the following responsibilities:
  - 1.1 Supporting the Chair in ensuring the boards and Committees of Home Group function efficiently and effectively.
  - 1.2 Monitoring the operation of meetings of the boards/Committees to ensure that Home Group operates within its Rules and in accordance with relevant legal, regulatory and constitutional requirements.
  - 1.3 Scheduling meetings of the boards/Committees, assisting with the preparation of agendas, providing guidance on board paper content, ensuring timely delivery of papers, recording board/Committee decisions clearly and accurately, pursuing follow up actions and reporting on matters arising.
  - 1.4 Drawing the attention of the board/Committee to matters it should consider and decide and supporting the relevant chair to ensure that the business of the board/Committee is properly conducted.
  - 1.5 Ensuring that the board/Committee receives the information necessary to perform its duties and in particular, that the board/Committee receives advice on matters covering compliance with its Rules, the law, regulation and the need to remain solvent.
  - 1.6 Keeping and maintaining registers of shareholders, directors and secretaries and declarations of interest.
  - 1.7 Responsibility for custody of the Home Group Company Seal.
  - 1.8 Responsibility for submitting the Annual Return to the Financial Conduct Authority or any statutory successor within prescribed time limits.
  - 1.9 Ensuring that all relevant filings are made to Companies House or any statutory successor within prescribed time limits.
  - 1.10 Assisting with board/Committee succession planning and recruitment.
  - 1.11 Building board/Committee member induction and training programmes and helping to develop and support board/Committee performance evaluations.



### 3. EXECUTIVE STRUCTURE

The executive structure of the Group is shown in the following illustration:



The Chief Executive and the five Executive Directors identified in the illustration are referred to collectively as the Executive. The role and operating parameters of the Executive are set out in:

**The Executive**  
3.1

The role of the Senior Management Team is set out in:

**Senior Management Team**  
3.2

The authority exercisable by members of the Executive is defined in Delegated Authorities.

The Executive is additionally supported by the Customer Forum. The role and responsibility of the Customer Forum is set out in:

**Customer Forum**  
3.3

## 3.1 The Executive

### 1. The role of the Executive is:

- 1.1 To drive forward the business of Home Group,
  - Recommending to the Home Group Board a single strategy for Home Group and any supporting sub-strategies,
  - Engaging in strategic issues material to Home Group as a whole;
  - Recommending to the Home Group Board Home Group's 5 year business plan and annual operational plan and any mid-year change.
- 1.2 To oversee the performance of Home Group as a whole, developing and monitoring performance against KPIs;
- 1.3 To consider aggregated levels of risk and to make strategic recommendations on risk appetite and risk actions to the Home Group Board;
- 1.4 To oversee Home Group's overall relationships with regulatory bodies;
- 1.5 To determine issues falling within the individual responsibilities of members of the Executive which are material to Home Group as a whole;
- 1.6 To determine any pay awards applicable to the whole or any part of Home Group in accordance with the reward strategy approved by the Home Group Board;
- 1.7 To review non-executive remuneration by reference to best practice and relevant guidance, and to make a clear recommendation, supported by benchmarking and independent advice as required, for resolution by shareholders (in relation to the Home Group Board) and Home Group Board (in relation to other Committees and boards);
- 1.8 To oversee the recruitment of any Group Company Secretary, in conjunction with the Chair of the Home Group Board, the Chair of the Home in Scotland board and the Chair of the Governance Committee and to make a clear recommendation to the Home Group Board and the Home in Scotland board for approval;
- 1.9 To establish appropriate Executive sponsorship and reporting arrangements for forums, project boards, steering and working groups which are required on a permanent basis or in connection with a particular initiative to address issues appertaining to a relevant area of the business;
- 1.10 To act as an appraisal panel for business initiatives exceeding a risk threshold defined by the Executive.

## 2. The Executive is required to fulfil its role....

- 2.1 Having regard to the specific roles and responsibilities of boards and Committees of Home Group and the matters reserved by the Home Group Board to itself – all of which are described at:

**BOARD & COMMITTEE  
STRUCTURE**

2

- 2.2 Within the parameters of the authority delegated by the Home Group Board to the Executive as set out in the Delegated Authorities.

3. The Executive operates on a consensus basis. In the absence of a consensus the Chief Executive is required to take a view on the way forward or on the issue itself. The Chief Executive also determines from time to time the extent to which the Executive can act in their absence and in the absence of other members.

## 4. General responsibilities of members of the Executive

- 4.1 **Reporting lines:** the reporting line of the Chief Executive is to the Home Group Chair and to the Home Group Board. Reporting lines for other members of the Executive are to the Chief Executive and to the Home Group Board.

- 4.2 **Non-executive responsibilities:** Members of the Executive are required to fulfil their individual roles having regard to the specific roles and responsibilities of boards and Committees of Home Group and the matters reserved by the Home Group Board to itself – all of which are described at:

**BOARD & COMMITTEE  
STRUCTURE**

2

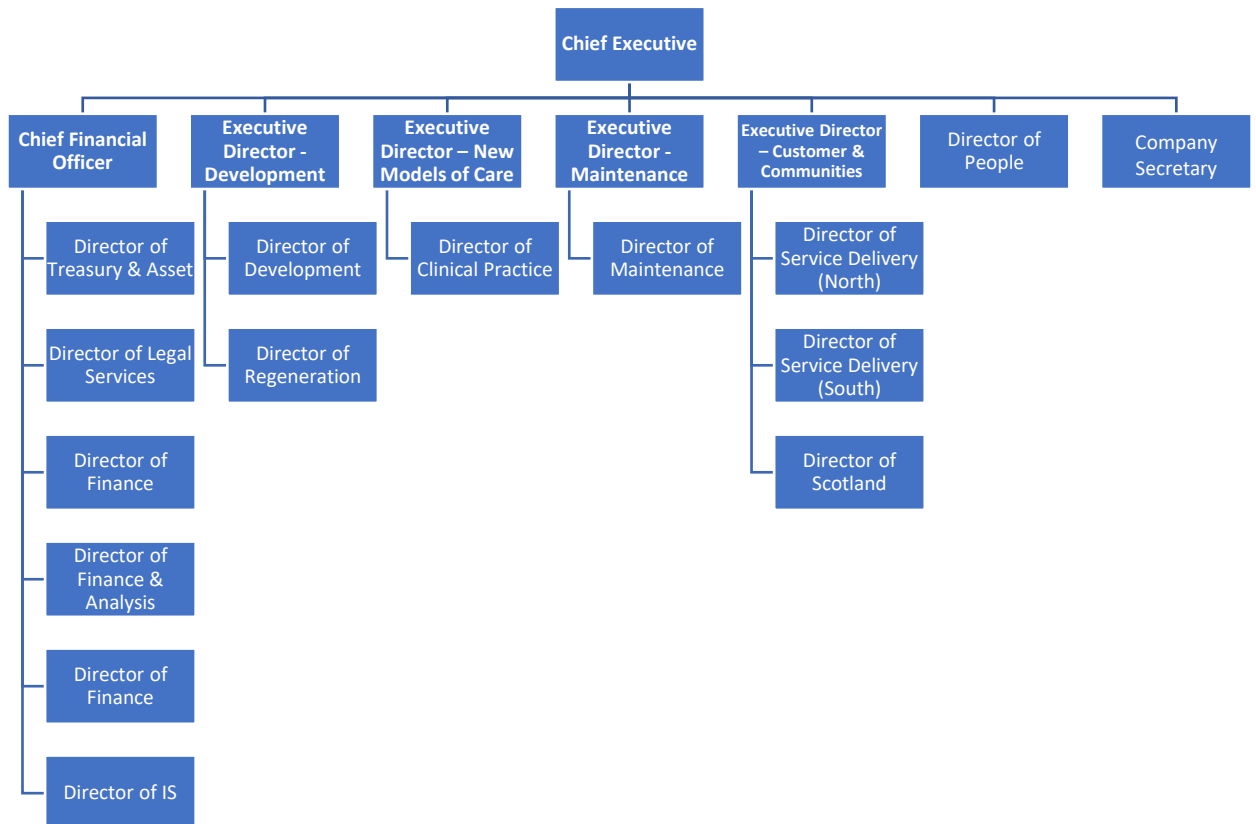
- 4.3 **Responsibilities:** All members of the Executive are responsible for:

- Contributing to the executive management of Home Group;
- Promoting Home Group externally; and
- Seeking to influence the external environment in which Home Group operates.

The more specific responsibilities of individual members of the Executive can be found within their job descriptions.

## 3.2 Senior Management Team

### 1. Senior Management Team Structure



### 2. The Role of the Senior Management Team is:

2.1 To drive forward the business conducted within Home Group

- Contributing to the single strategy for Home Group and the establishment of Home Group's overall objectives,
- Engaging in strategic issues facing Home Group, and
- Developing the business plan and operational plan;

2.2 To oversee the performance of Home Group as a whole, developing and monitoring performance against KPIs;

2.3 To consider and engage with the views of customers pursuant to the Customer involvement strategy;

- 2.4 To analyse external evidence of Home Group's performance, including customer and/or stakeholder surveys, benchmarking data, any reviews by funding bodies;
- 2.5 To develop the approach to risk for Home Group and monitor the management of risks which are material to Home Group;
- 2.6 To oversee relationships with registration and regulatory authorities specific to their area of the business;
- 2.7 To determine issues falling within the individual responsibility of Senior Management Team members which are material to Home Group as a whole;
- 2.8 To establish and set terms of reference for forums, project boards, steering and working groups where these are required on a permanent basis or in connection with a particular initiative to address issues which are specific to the business stream.

**3. Senior Management Teams are required to fulfil their role...**

- 3.1 Having regard to the specific roles and responsibilities of boards and Committees of Home Group and the matters reserved by the Home Group Board to itself all of which are described at:

**BOARD & COMMITTEE  
STRUCTURE**

2

- 3.2 Within the parameters of the authority delegated by the Home Group Board to respective members of the Senior Management Team defined in the Delegated Authorities.
- 4.** Senior Management Teams operate on a consensus basis. In the absence of a consensus the Executive Director is required to take a view on the way forward or on the issue itself. The Executive Director also determines from time to time the extent to which the Senior Management Team can act in his/her absence and in the absence of other members.

## 3.3 Customer Forum

### TERMS OF REFERENCE

#### Objectives

The Customer Forum is responsible for representing the views and interests of all customers (supported, rented and leasehold) at a national level and for providing a focal point for involving customers in decision making and challenging Home Group. It provides a link between regional and national involvement. Specifically, its role is to:

- Agree, review and hold Home Group to account on the development and delivery of the Customer Promise.
- Review the progress of the Involvement Plan on an annual basis.
- Review the development of the Independent Complaint Panel and Complaints.
- Scrutiny Group to ensure recommendations are implemented.
- Help set business priorities.

#### Meetings

The Customer Forum will meet four times a year and will tie in with business and operational planning to ensure customers shape and drive priorities in business planning.

The Engagement Team will co-ordinate and facilitate meetings.

Customers will have the opportunity to decide and agree agenda items.

The Board and Executive Team will call extra meetings of the Customer Forum via the Engagement Team if they wish to consult customers on a particular matter.

#### Membership

The Customer Forum will bring together representatives from

- All the regional Viewpoint teams with a national perspective.
- Customer assessors (rented, supported and leasehold).
- Home Group Board.
- Senior Managers.

## VERSION CONTROL

Version Number	Effective Date	Amendment made by (name and Job title)	Version approved by	Description of changes
12	28 July 2022	Russ Hall (Company Secretary)	Board	Annual governance review - no changes.
13	08 June 2023	Megan Hume	Board	Annual governance review.