

Board Terms of Reference

Approved by Board on 23.12.2021



1. Membership and Meetings

- 1.1 Subject to the limitations set out in the Rules and appropriate legislation the Board have the authority to exercise all the powers of Heylo Housing Group Limited (“HHGL”). The Board has ultimate responsibility for the conduct and control of HHGL’s affairs and for everything done in its name. It recognises the need to distinguish between governance and management and the Board will not usually seek involvement in the day-to-day running of the business.
- 1.2 The Board shall consist of a maximum of 8 members. The quorum shall be two. In the event of a tied vote, the Chair shall have a second, casting, vote. A non-executive from the Board of HHRP shall be entitled to attend the Board as an observer.
- 1.3 HHGL expects its Board members to declare other Board Memberships which they may have to be declared and that any conflicts of interest which may arise will be dealt with in an appropriate manner. Any CEO of HHGL will automatically be a full member (not a co-optee) of the Board during his/her term of office.
- 1.4 Any officer of the Executive who is a member of the Board may not belong to any Remuneration & Nomination Committee or Risk & Audit Committee of HHGL, nor may they vote on who will be members of, or chair, either of those Committees.
- 1.5 The Board shall meet at least quarterly.

2. Board Functions

- 2.1 Defining and ensuring compliance with the values and objectives of HHGL.
- 2.2 Establishing a strategic plan in order to achieve the objectives contained within the strategic and operational business plans. Approve an annual delivery plan for delivering the Strategic plan objectives.
- 2.3 Performance Monitoring - on at least a quarterly basis, the Board will monitor performance against the annual budget, and will review key performance indicators.
- 2.4 Approve the policy framework within which HHGL conducts its affairs. Once every 2 years it will review a full list of all policies and procedures and decide which need review by the Board and which can be reviewed by the Executive.
- 2.5 Monitoring risk management activities to ensure that strategic business objectives and plans are clearly linked to the groups risk management framework. Approving the Strategic Risk Register and the HHGL's Risk Appetite Statement.
- 2.6 Approve and regularly review HHGL's system of internal control, so as to ensure that HHGL's assets are suitably safeguarded and risks are managed effectively.
- 2.7 Review the annual work programme of HHGL's internal and external auditors, including ensuring that the internal audit needs of HHRP (as a regulated entity) are met.
- 2.8 Receive internal audit reports and management responses and determine if management are proposing to respond to audit findings in an appropriate way.
- 2.9 The Board will approve the annual budget and the assumptions used therein and will keep up-to-date HHGL's business plan containing long term financial forecasts.
- 2.10 The Board will review the external auditor's management letter, approve the annual accounts and approve the appointment of any auditors.
- 2.11 The Board has responsibility for treasury policy and strategy, but may delegate the ongoing monitoring of this to the Executive.
- 2.12 Control Structure. The Board will establish and oversee a framework of delegation of its powers to any committees it establishes and to employees, with proper systems of control and with formally approved terms of reference for committees. It will also approve the terms of reference of delegations to management of HHGL. The delegation of authority will be specific and in writing and will be reviewed at least once every year. It will review terms of reference of any committees at least every 2 years. It will ensure that HHGL's Standing Orders and financial regulations are reviewed every year.
- 2.13 Taking decisions on all matters that will or might create significant strategic or operational risk to the group or which may affect material issues of principle or represent a major departure from the Corporate Strategy or from the values of the business.

- 2.14 Take responsibility for the appointment and dismissal of the Executive and for any future staff recruitment, although recruitment may be delegated to a sub-committee specifically established for the purpose.
- 2.15 Supervise the recruitment of new Board members, within a formalised policy addressing the requirements of the Board in relation to Board recruitment and which shall reflect the requirements for Board recruitment set out in the Company's adopted Code of Governance.
- 2.16 Review pay for the Executive team and the Board, having regard to appropriate market comparators.
- 2.17 Ensuring that the affairs of HHGL are conducted in accordance with generally accepted standards of performance and integrity, particularly in relation to financial management.
- 2.18 Taking appropriate advice on matters of legal compliance and financial viability.
- 2.19 Receiving the CEO's Annual Report on the adequacy of the Group's systems of internal control.
- 2.20 Approving any value for money strategy of HHGL.
- 2.21 Ensure oversight of the delivery of improvements approved by the Board to the governance of HHGL from time to time.
- 2.22 Ensure it provides the necessary resources and corporate support required by HHRP (and as may be requested by the Board of HHRP), for HHRP to maintain its compliance with the Regulatory Standards of the Regulator of Social Housing.
- 2.23 Carry out other ad hoc governance work from time to time, whether required to improve the overall governance of HHGL.

3. Administrative Arrangements

- 3.1 Ordinary meetings of the Board will take place in accordance with a timetable agreed by the Board annually in advance. Special meetings may be called by the Chair or by other members of the HHGL Board in accordance with the Articles of Association.
- 3.2 The Board will follow the regulations for the calling and management of its meetings as set out in the registered Articles of HHGL. Board meetings will be attended by the members of the Executive and a representative of the HHRP Board, and others if invited by the Chair. The Board may exclude observers.
- 3.3 The Chair of any Committee established by the Board shall report on their Committee's business to the Board with such recommendations as their Committee members may deem appropriate.
- 3.4 The Board will have access to sufficient resources and shall be entitled to receive any information it requires from any employee in order to carry out its duties.
- 3.5 At least once a year, the Board will review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and agree any changes it considers necessary. This will include a review of the composition of the Board and any changes which may be required. The Board will also undertake a review every 3 years of the composition of HHGL's shareholding membership.
- 3.6 The Board will have the power to obtain outside legal or other professional advice on any matter within its terms of reference, and this shall be arranged through the Company Secretary.
- 3.7 The Board will be provided with such appropriate and timely training as it shall consider necessary.
- 3.8 The Company Secretary shall provide all necessary administrative support to the Chair and other members of the Board.



heylo and heylo housing are trading names of heylo housing group limited (registered in England and Wales with company number 1104403) and its subsidiary companies.

The Registered Office of each of the group companies is 6 Wellington Place, 4th Floor (Ref: CSU), Leeds, LS1 4AP