

## **Investment Committee**

### **Terms of Reference**

#### **1.0 Purpose**

1.1 The Investment Committee (the **Committee**) is an operating Committee of the Board of Community Housing Group Limited (the **Board**) (**Community Housing**), responsible for providing oversight and assurance in relation to the organisation's development, sales and asset management strategies and programmes, approval of annual planned maintenance plans in line with the budget approved by the Board and more specifically:

- Delivery of the agreed Development, Asset Management and Regeneration strategy set by the Board
- Ensuring strategies and programmes are delivered in line with the targets, timescales and financial parameters in the Business Plan
- Providing assurance that an appropriate level and quality of customer consultation has been completed where required.
- Approving acquisitions and sales of properties, following assurance of satisfactory due diligence and in line with an annual framework for such matters (i.e. sales and acquisitions of stock) approved by the Board
- Ensuring delivery of our development and asset management plans reflect our offer to customers
- Compliance with Contractual, Regulatory and Legal requirements related to any construction, development, property and building compliance activities of Community Housing
- Contributing to Community Housing's efficiency and Value for Money targets
- Reviewing the results of any audits or quality assessments and agreeing where necessary, plans to improve performance and mitigate risk
- Ensuring cumulative risk in relation to Development, Asset Management and Sales activity is understood and managed
- Informing and helping to shape the strategic direction on Development and Asset Management for approval by the Board



- Overseeing the development of a zero carbon plan for approval by the Board, and that this is based on a broader housing sector view of how to address zero carbon.

## **2.0 Responsibilities and Powers**

### **2.1 Specific**

- Oversee the delivery of agreed Development, Sales and Asst Management targets and outcomes (number of homes, financial indicators, sales, stock investment, building safety, regeneration, customer satisfaction, efficiency, quality, and asset performance and sustainability).

## **3.0 Development**

- Approve development proposals in accordance with the business plan and appraisal criteria.
- Consider and approve scheme cost variations of more than 5% and any changes necessary to ensure scheme viability
- Review performance and lessons learned on new developments after 12 months including resident feedback.
- Complete annual review of the standard development appraisal criteria, including financial assumptions.
- Review the pipeline of new development opportunities
- Monitor overall progress in delivering the Development strategy, including in year and multi-year completions and quality targets and progress made in identifying suitable sites, obtaining planning permission, getting them into contract and then starting on site.

## **4.0 Acquisitions and Sales**

- Approve acquisitions and sale of assets within the financial parameters of the business plan, ensuring that key risks are appropriately considered in the transaction.
- Monitor all aspects of sales performance and make risk mitigation decisions to improve financial performance.

## **5.0 Asset Management and Stock Investment**

- Monitor delivery of the Asset Management strategy and associated programmes.
- Review stock condition survey data and inform business plan assumptions with the results to ensure that the stock investment profile is fit for purpose and informs investment delivery operations.



- Review Community Housing’s compliance with and application of the Decent Homes Standard and the delivery of future major repairs, cyclical maintenance and monitor outcomes in terms of performance, quality and customer satisfaction.
- Make investment decisions required to achieve the energy strategy and national net zero carbon targets.
- Receive assurance that customer insight and operational impact has been fully considered in the process of stock acquisitions, sales, modernisation, development and regeneration
- Receive investment recommendations from the Operations Committee, which in the Operations Committee’s view are required to achieve the organisation’s strategy and desired service outcomes.

## **6.0 Customer Consultation**

- Receive assurance that the voice of the customer has been heard within the process of stock acquisitions, sales, modernisation, development and regeneration.
- Ensure that the wider community impact is appropriately sought and considered in all Committee work and decisions.
- Maintain processes that put the voice of the customer at the centre of our business.

## **7.0 Financial Performance and Value for Money**

- Ensure that all legal and regulatory requirements are fully complied with and seek assurance that new developments are fully chargeable at completion.
- Ensure that commercial hurdle rates are achieved and measure the financial contribution of new developments.
- Ensure value for money in relation to Development and Asset Management activity.

## **8.0 Appointment of Advisers**

- Appoint independent advisers as necessary to assist in the delivery of any duties within the Terms of Reference.

## **9.0 General**

- The Committee has delegated authority in respect of the matters within these terms (except where otherwise specified). However, in the case of dispute, the Board’s decision will override that of the Committee.



- The Committee will liaise as necessary with the other Committees of the Board and where applicable as instructed by the Board.
- The Chair of the Committee will report to the Board after each meeting of the Committee on the activities of the Committee and any emerging risks.
- The Committee will review its performance against these Terms of Reference and report to the Board annually in a format prescribed by the Board.
- The Committee will contribute to the Annual Report on the Community Housing's activities.
- The Committee has the right of access to any information it considers necessary for the proper performance of its functions.
- The Committee Members will be provided with appropriate and timely training and development as necessary for the proper performance of their duties.

## **10.0 Membership**

10.1 The Committee membership will comprise of:

- Maximum of 4 Board Members, appointed by the Board.
- Maximum of 2 co-optees.
- The Chair of the Committee will be a Board Member appointed by the Board.

10.2 The following Members/ Officers may attend by invitation:

- The Chair of the Board
- Any Members of the Community Housing Board who may be required to attend from time-to-time
- The Chief Executive of Community Housing
- Any Executive Directors of Community Housing
- Any Heads of Service of Community Housing
- Any other officers whose attendance may be required by the Committee from time to time.

## **11.0 Meetings**

- There will be a minimum of 4 Committee meetings a year.
- Additional meetings may be called by the Chair, the Secretary or any two Committee members writing to the Secretary detailing the business to be transacted.



- Meetings shall be convened by written notice together with the agenda for the meeting sent by post or e-mail to all Committee Members not less than 7 working days before the date of the meeting. Only Committee members and others who have been specifically invited have the right to attend Committee meetings.
- Agendas and associated papers will be circulated to all Committee Members electronically unless they have a medical exemption.
- The quorum for Committee meetings will be a minimum of 2 Members.
- Meetings will be serviced by the Secretary.
- Draft Minutes will be produced by the designated minute secretary and agreed by the Committee Chair within 7 working days of the meeting.
- Apologies for absence should be notified to the Secretary in advance of the meeting. In the event of a Committee Member being absent for two consecutive meetings, without prior agreement with the Chair, they will be deemed to have vacated their office and will be notified in writing by the Secretary.
- Any Committee Member may request special leave of absence, not exceeding three meetings over a two-year period. Special leave of absence may be agreed by the Chair and reported to the next meeting of the Committee. Member's attendance at meetings will be reported annually to the Board as part of the annual review of the Committee's effectiveness.
- The business of the meeting shall be limited to items on the agenda and any items accepted by the Chair under any other business.
- In the absence of the Chair of any particular meeting, the role of the Chair will be taken by any other Member elected from those present excluding the Chair of the Board and officers of the organisation. The proceedings of each Committee shall be reported to the Board.
- The Chair of the Committee will attend the Community Housing's AGM to answer any questions that may be raised by shareholders on matters within the Committee's areas of responsibility.

## **12.0 Urgency Procedures**

- Where urgent decisions are needed between scheduled meetings, these will be dealt with by an Urgency Committee comprising of the Chair and at least two Members of the Committee, on the basis of a written report from the Secretary or, in their absence, an Executive Directors. Only matters within the remit of the Investment Committee can be dealt with under this procedure.
- The business of the Urgency Committee may be dealt with at a meeting or electronically.



- The report should clearly state, amongst other things, why the item concerned could not be brought to a scheduled Committee meeting.
- Any Urgency Committee business should be reported to the Committee at the next meeting and any consequent decision should be minuted accordingly.

### **13.0 Chair's Action**

- Where it is essential for the effective operation of the Committee, the Chair will have delegated authority to make decisions and commit expenditure on urgent matters between Committee meetings and outside of the Urgency Procedures (**Chair's Action**). The following process will apply when making decisions under the Chair's Action.
- The Lead Director or most senior Executive available, will alert the Chair, or in their absence the Acting Chair, that an urgent matter has arisen on which a decision under Chair's Action must be taken. They will decide whether the matter requires an urgent decision under Chair's Action, or whether the Urgency Procedures should be used or whether a full Committee Meeting should be called.
  - The Chair, or in their absence the acting Chair, in consultation with the Lead Director or most senior Executive available will take all necessary decisions under the Chair's Action to fulfil the Committee's responsibilities.
- The business conducted under Chair's Action may be conducted by way of meetings or electronically.
- Matters to be decided by Chair's Action will be set out in writing, with a clear recommendation, to be signed as approved and dated by the Chair or Acting Chair and be added to the Chair's Action register.
- All decisions made under Chair's Action must be reported at the next meeting of the Committee. The report should clearly state, amongst other things, why the item concerned could not be brought to a scheduled Committee-meeting or dealt with under the Urgency Procedures. Any consequent decision of the Committee should be minuted accordingly. The use of Chair's Actions procedure should be reported by the Chair to the next Board Meeting.

### **14.0 Terms of Reference Review**

The Terms of Reference will be reviewed at least annually as part of the annual Board self-evaluation or as and when amendments are required.

#### **Approved by:**

The Investment Committee on 15<sup>th</sup> June 2023

The Community Housing Board on 21<sup>st</sup> June 2023

