

Shropshire Rural Housing Association



**SHROPSHIRE
RURAL HOUSING**
ASSOCIATION

TERMS OF REFERENCE

DEVELOPMENT & FINANCE COMMITTEE



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DEVELOPMENT & FINANCE COMMITTEE

1. GENERAL

- 1.1 The principal purpose of the Development & Finance Committee is to oversee the Association's development activity and the management of its Financial Resources including Budgets and Business Planning.
- 1.2 The principal functions of the Development & Finance Committee are listed in Section 5 of these terms of reference, which cover the following areas of the Association's activity, which it will submit to the Board for approval:
 - Financial Resources including Budgets, Business Plans, Development Plan assumptions and examination of annual accounts and report and discussion with auditors.
 - All aspects of development schemes including grants, appointment of contractors and scheme approval.
 - Other projects as instructed by the Board.
- 1.3 The Development & Finance Committee shall have the responsibility for policy formation for these areas of activity which it will submit to the Board for approval by the Board.
- 1.4 The Development & Finance Committee is responsible for conducting its business within the rules of the Association and in accordance with any written instructions imposed by the Board.

2. MEMBERSHIP

- 2.1 Membership of the Development & Finance Committee shall consist of: the Chair who shall be appointed by the Board, a Vice-Chair, and such other persons as shall from time to time determined by the Board. These members shall be bound by the provisions contained in the rules of the Association.

- 2.2 Membership of the Development & Finance Committee shall comprise not less than six members appointed by the Board
- 2.3 Each member shall be a member of Shropshire Rural Housing Association Ltd
- 2.4 Membership of the Development & Finance Committee shall be confirmed each year by the Board at its first meeting following the Annual General Meeting or in case of mid-year vacancy at the next Board meeting.
- 2.5 All new appointments to the Development & Finance Committee shall be recommended through the Development & Finance Committee and shall be approved by the Board.
- 2.6 Members shall be bound by the provisions contained in the rules of the Association and the NHF Code of Governance 2015, or any future Code of Governance adopted by the Association, including any provisions relating to the length of term of committee and Board members.
- 2.7 Any member of Development & Finance Committee absent for three consecutive meeting without special leave of absence will automatically lose his/her place on the Development & Finance Committee.
- 2.8 All Committee members are expected to annually sign a Declaration of Interest and comply with the Code of Conduct.
- 2.9 All Committee members are expected to annually sign a declaration confirming they do not place the Association in breach of the Rules.
- 2.10 All Committee members are expected to participate positively and constructively in an annual appraisal.
- 2.11 Each member shall have one vote on a motion. In the case of a tied vote the Chair of the Committee may cast the deciding vote. All issues shall be decided by a straight majority.
- 2.12 The Board retains the power to terminate the appointment of any member of the Development & Finance Committee after consultation with other members of the Development & Finance Committee.
- 2.13 The Committee has the power to Co-Opt members as required, subject to Board approval, on terms as it wishes to decide and that no more than two Co- Optees to be on the Committee at any one time.

3. CHAIR AND VICE-CHAIR

- 3.1 The Chair of Development & Finance Committee shall be appointed by the Board at its first meeting following the Annual General Meeting. The Chair will be responsible for leading the Committee and ensuring its effectiveness.

- 3.2 The Vice-Chair will be appointed by the Development & Finance Committee from within its membership. The Vice-Chair will be responsible for leading the Committee and ensuring its effectiveness in the Chair's absence.
- 3.3 These positions will be appointed for a term of three years and each position can only be held by the same person for two terms (6 years). The three year terms do not need to be consecutive. After two terms they must retire and new appointments must be made. The retiring Chair and Vice-Chair can continue to sit on the Committee as an ordinary voting member.
- 3.4 The Chair will also be a member of the Board but cannot be the Chair of the Association.
- 3.5 In the event of a vacancy arising prior to an Annual General Meeting the Board shall appoint a Committee member to the Chair as an interim arrangement until the first Board meeting after the Annual General Meeting.

4. MEETINGS

- 4.1 Three members of the Development & Finance Committee who are present and voting shall constitute a quorum for meetings.
- 4.2 In addition to committee members the Chief Executive and the Finance Director will be in attendance, should one be unable to attend, the other will deputise. The Administration Officer (Minute Taker) will be also be in attendance.
- 4.3 The Agenda for each meeting will be agreed between the Chair of the Committee and the Chief Executive or Finance Director in advance and papers sent to all Committee members and relevant staff, 1 week before the meeting.
- 4.4 The Development & Finance Committee shall normally meet not less than four times a year or at such intervals as may be determined to undertake necessary business.
- 4.5 A report of the Committee shall be submitted to the Board at the following Board meeting.
- 4.6 Minutes shall be formally approved by the Committee at its next meeting.
- 4.7 Committee members are required to declare any potential conflicts of interest at the start of each meeting, and will be expected to withdraw from the discussion and decisions on any relevant matters.
- 4.8 Urgent decisions between meetings can be made by electronic communication to all Committee members by majority vote.

5. PRINCIPAL FUNCTIONS

- Proposals for partnering arrangements with other RSL's, Local Authorities, developers and other appropriate organisations.

- Bids to Homes England and Local Authorities for development funding
- Allocations from Homes England and Local Authorities for development funding.
- Progress on the commitment of allocations
- Recommendations on the utilisation of the Association's own resources for future growth and diversification

5.1 Report to Board on the exercise of the following delegated powers:

- The approval of new development projects
- The appointment of consultants, agents and contractors
- The execution of contracts for land, property and works
- The review and approval of the Association's mixed funded scheme total commitments.
- The approval of design brief for both new build and rehabilitation schemes.
- The approval of scheme progress reports

FINANCE

5.2 To submit to the Board for approval:

- Annual budgets and annual cash flow forecasts
- The Associations Business Plan
- Recommendations for the appointment of auditors
- The list of the Association's authorised signatories and Standing Orders
- Responses to the Auditor's Management Letters
- Recommendations on the providers of private finance and the terms and conditions under which private finance is obtained.
- Approval of the audited Annual Accounts and Annual Report of the Association.
- Approval of the quarterly management accounts and variance analyses for the Association
- Consideration of reports on matters affecting the Associations finances and the approval or otherwise of recommended expenditure.
- Review of the Association's Treasury Management Policy including liquidity and cash flow forecasts including Strategy and Policy.
- Review of the Association's information technology requirements.
- Other projects as instructed by the Board.

6. REPORTING TO BOARD

6.1 Report to Board on the exercise of delegated powers and make recommendations to Board on matters of policy in its area of interest.

7. POWERS DELEGATED TO OFFICERS

The exercise by officers of the following delegated powers is to be reported in retrospect to the Committee.

- The approval of scheme contract tender lists
- The approval of tender reports
- The approval of contract variations
- The authorisation and commitment of expenditure in accordance with the approved budget and the financial regulations of the Association.