

ASTER GROUP 'OVERLAP BOARDS' TERMS OF REFERENCE

Incorporating the Terms of Reference for Aster Group Ltd, Aster Communities, Aster Homes Limited, Aster Living, Aster Property Limited and Synergy Housing Limited.

Number of members	Up to 10 members	
Membership	<p>Up to seven non-executive directors, including the chair and senior independent director and up to three executive directors. The chair and the senior independent director are to be selected from the non-executive directors.</p> <p>Aster Communities only Same as Overlap Boards plus three local authority directors, one each from: Test Valley Borough Council; Mendip District Council and Wiltshire Council</p>	
Quorum	Four board directors with the non-executive directors to be in the majority	
Frequency of meetings	<p>Up to 10 per year. Emergency meetings are to be called by the chair or two board directors.</p> <p>The chair will work with the company secretary to set a convenient date within two weeks.</p>	
Reporting	Minutes are submitted to the next Overlap Boards.	
Appointment of members	Members are appointed by the Aster Group Ltd Board upon recommendation from the Remuneration & Nominations Committee to serve for a maximum of three years.	
Chair	The chair is appointed by the Aster Group Ltd Board and serves for a fixed term of one year.	
Employee attendance & deputies (in addition to minute taker)	Employee attendance required	Deputy
	Group development director	Yes
	Group human resources director	Yes
	Group operations and asset director	Yes
	Group strategic change director	Yes
	Finance director	
	Strategic services director	Yes
	Head of governance & assurance	Yes

Aster Group Ltd (G)
C.Delegated to G (CG)
Aster Communities (C)
Synerav Housing Ltd (S)
Aster Living Ltd (L)
Aster Properties Ltd (P)
Aster Homes Ltd (H)

1 **PURPOSE**

Matters reserved for meetings of the whole Aster Communities Board are highlighted

- 1.1 To provide leadership by setting and monitoring Aster's strategic aims, its values and standards.
- 1.2 The Board will demonstrate that it can balance its social objectives with business needs.
- 1.3 Provide Housing and associated facilities in accordance with the Group's Strategic Objectives.
- 1.4 The provision of care services (including residential care, domiciliary care, extra care, supporting living, nursing and end of life care) in accordance with the Group's strategic objectives.
- 1.5 Provision of property management and maintenance services to the Aster Group, its subsidiaries and external agencies to which it has a contractual relationship.
- 1.6 To deliver the Aster Group Development Strategy and the business plan (including the provision of services to external clients).
- 1.7 To ensure that legal and regulatory obligations are understood and met, and that the necessary financial and human resources are in place for Aster to meet its objectives.

	G	C	S	L	P	H
	⊙					
	⊙	⊙	⊙	⊙	⊙	⊙
		⊙	⊙	⊙		
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						⊙
	⊙	⊙	⊙	⊙	⊙	⊙

Main Responsibilities

2 STRATEGY AND MANAGEMENT

		G	C	S	L	P	H
2.1	To ensure no matters reserved as essential functions for the Overlap Boards are dealt with by subsidiary boards.	⊙	⊙	⊙	⊙	⊙	⊙
2.2	To ensure that no matters that are reserved for subsidiary boards are delegated to committees or staff.	⊙	⊙	⊙	⊙	⊙	⊙
2.3	*To provide overall oversight of the Group and its operation.	⊙					
2.4	*Set the mission and strategy and ensuring compliance with objectives and values.	⊙					
2.5	*Approve the annual business plan and budget.	⊙	⊙	⊙	⊙	⊙	⊙
2.6	*Approve amendments to the business plan or budget that applies to all or substantially all of the organisation's business.		⊙				
2.7	*To ensure that the Board regularly reviews and challenges the operational and financial performance of the organisation and its approach to value for money/business efficiency. This includes holding the Executive Board to account to ensure that proper and effective controls and systems are in place and are implemented.	⊙	⊙	⊙	⊙	⊙	⊙
2.8	Approval of any material unbudgeted capital or operating expenditures outside tolerances.	⊙					
2.9	*Agree material expansion or contraction of the business, material partnerships and alliance including expansion of the Group's operations into new activities or geographic areas.	⊙	⊙	⊙	⊙	⊙	⊙
2.10	Approval of, or the giving of any commitment by the organisation to enter into transaction, matter or other thing that present a material risk to the solvency, financial viability, reputation or capacity to operate within budget or to fulfil the business plan.	⊙	⊙	⊙	⊙	⊙	⊙
2.11	The Board will take responsibility for safeguarding the social housing assets.	⊙	⊙	⊙	⊙	⊙	⊙

2.12 To have regard to resident and stakeholder views, ensuring that there is a customer focus at Board level through the consideration of the effectiveness of service delivery to all of Aster's customers. This includes Aster's social impact in local communities. Also includes an update from SID update (and minutes) following CCN meetings.

⊙	⊙		⊙	⊙	⊙	⊙	

3 STRUCTURE AND INVESTMENT

- 3.1 *To approve changes to overall corporate structure, management and control.
- 3.2 To approve the framework for investment governance.
- 3.3 To approve major investments, developments and contracts, and material variations e.g. management of assets or changes to care and support management where not delegated to Aster Homes (Over £10m), Executive Board (up to £10m) or Group Investment Panel (up to £4m).
- 3.4 To approve major investments, developments and contracts, and material variations above £10m e.g. HCA bids, management of assets on behalf of Aster Communities and Synergy Housing where not delegated to the Executive Board (up to £10m) or Group Investment Panel (Up to £4m).
- 3.5 Approve all development decisions relating to properties for out-right sale.

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3.1	⊙					
3.2	⊙	⊙		⊙	⊙	⊙
3.3	⊙				⊙	⊙
3.4						⊙
3.5						⊙

4 FINANCIAL REPORTING AND CONTROLS

- 4.1 *Approval of the annual report and accounts, and statements concerning value for money, risk management and internal control and present and recommend to the shareholders at the AGM as required by the Constitution.
- 4.2 *To approve significant changes in accounting policies or practices following recommendations from the Audit Committee.

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4.1	⊙				⊙	⊙
4.2	⊙	⊙		⊙	⊙	⊙

4.3 *To approve the treasury strategy and policies following recommendations from the Treasury Committee.

⊙							
⊙	⊙		⊙	⊙	⊙	⊙	

4.4 To receive quarterly management accounts.

5 INTERNAL CONTROLS AND RISK MANAGEMENT

5.1 *To ensure maintenance of a sound system of delegations, contract, financial and other internal control and risk management including matters reserved by the Board.

G	C	C	S	L	P	H
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⊙						
⊙	⊙		⊙	⊙	⊙	⊙
⊙	⊙		⊙	⊙	⊙	⊙
⊙	⊙		⊙	⊙	⊙	⊙
⊙	⊙		⊙	⊙	⊙	⊙
⊙						

5.2 *Approve the Group's Risk, Compliance and Performance Management Frameworks and any material changes to those frameworks.

5.3 *Oversee the risk management framework to ensure that the assets of the organisation are safeguarded

5.4 Receive reports on and review the effectiveness of risk and internal control processes and assess these processes annually.

5.5 With advice and information from the Risk and Compliance Committee, assess business risks and ensure that strategies are in place to address them.

5.6 *To ensure that legal and regulatory obligations are understood and met.

5.7 Review and agree responses to consultations from regulatory bodies on behalf of Aster Group following consideration by the Executive Board.

6 CORPORATE GOVERNANCE

6.1 To carry out a formal and rigorous review of Board, committees and individual performance annually and ensure Aster has excellent governance and performance.

6.2 *Periodically review the overall corporate governance arrangements for Aster Group.

6.3 Appoint and remove the company secretary.

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⊙						
⊙						

6.4	To approve changes to all Group member rules, articles, registrations or charitable status.	●							
6.5	*To approve resolutions to be put forward by the Board at a general meeting.	●	●		●	●	●	●	
6.6	*To approve changes to the structure, size and composition of the Board and committees.	●							
6.7	*Note and act on any conflicts of interest arising for individual NEDs.	●	●	●	●	●	●	●	●
6.8	*Agree the terms of any delegations to the Aster Group Ltd Board.			●					
6.9	Provide reassurance to any Group member boards on any matters delegated to the Group Board.	●							
6.10	Receive updates on material matters delegated to other Group member boards			●					
6.11	*Approve the Terms of Reference of committees and the Executive Board.	●	●		●	●	●	●	
6.12	Receive reports and minutes from committees and reports and material updates from the Executive Board.	●	●		●	●	●	●	
6.13	*Agree the division of responsibilities between the chair and chief executive.	●	●		●	●	●	●	
6.14	*Approval of any changes to the matters reserved for Boards.	●							

7 BOARD MEMBERSHIP AND OTHER APPOINTMENTS

		G	C	C	S	L	P	H
7.1	*Make decisions on the appointment (and removal) of directors of the Overlap Boards (including executive directors) and subsidiary boards and exercise step-in rights to remove directors of subsidiary boards.	●						
7.2	*Make appointments to the committees, following recommendations by the Remuneration and Nominations Committee.	●						
7.3	*Carry out regular appraisals of the effectiveness of NEDs, boards and committees.	●						
7.4	To be responsible for selecting the Board chair.	●						
7.5	To appoint the senior independent director and chairs to committees.	●						

iii *Corporate social responsibility policy.

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iv Securities Dealing Policy

10.2 *Risk policy, following recommendation from the Risk and Compliance Committee.

11 **OTHER**

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11.1	<input checked="" type="radio"/>					
11.2	<input checked="" type="radio"/>					
11.3	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
11.4	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
11.5	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
11.6	<input checked="" type="radio"/>					

11.1 Approve the prosecution, defence or settlement of litigation material to the interests of the Aster Group.

11.2 Following confirmation from the Remuneration and Nominations Committee, note and act on any disclosures made on the Board's activities that are not fair, balanced or understandable.

11.3 *Approve the schedule of matters reserved for Board decision.

11.4 Approve overall levels of insurance including directors' and officers' liability insurance.

11.5 *Approve material change in the pension policies.

11.6 *Approve governance@aster, a schedule of delegated authorities, financial regulations and limits on those authorities, including for cheque signatories.

12 **URGENT MATTERS**

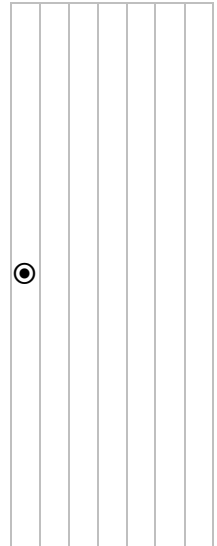
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	G					
12.1	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>

12.1 *Make arrangements for dealing with urgent matters between formal meetings

13 **PERFORMANCE STANDARDS**

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	G					

- 13.1 The performance standards of the Overlap Boards are:
- i The HCA is satisfied with the governance of the Group.
 - ii Satisfactory outcomes from the Board effectiveness and individual member appraisals.
 - iii Recruitment and training ensure that sufficient skills and experience are retained within each Board to meet the current and future demands of the business.
 - iv All NEDs keep their skills up to date by attending appropriate training events and conferences.
 - v The composition of each Board reflects the diversity of the communities within which it works.



*Matters reserved for Board decision based on ICSA Guidance on the UK Governance Code.