

| | |
|-------------------------------|--|
| Committee | Board |
| Effective Date: | October 2017 |
| Date Last Reviewed: | July 2017 |
| Scheduled Review Date: | July 2019 or when new Codes of Governance are published by the NHF |
| Supersedes: | |
| Author: | Richard Renwick, CEO |
| Approved by: | Board, July 2017 |

1. Constitution and Membership

- 12 members including 2 co-optees (Rule D2), with one-third retiring at each AGM.
- Members have the right to stand for re-election up to a maximum of 3 times.
- As agreed by the Board, quorum will be 5 members excluding co-optees (Rule D15).
- Any vacancies on the Board will be filled by election by the Board from approved candidates in line with its Rules.
- The Chief Executive and other Executives will normally be in attendance at meetings.
- Other officers can be requested to attend by the Chief Executive.
- The Board shall formally meet at least six times per year.
- In addition, the Board shall meet at least once annually to plan the future business of the Association.

2. Responsibilities

The board shall have the following responsibilities:

- Define and ensure compliance with the values, mission and strategic objectives of the Association, ensuring its long-term success.
- Establish a framework for approving strategies, policies and plans to achieve those objectives including the delegation of authorities to Committees and the Chief Executive.
- Approve the annual budget, business and corporate plans including annual KPI targets and development strategy.
- Establish and oversee systems of internal control, which are reviewed annually.
- Monitor the Association's performance in relation to these strategies, plans, budget, controls, KPIs and decisions.
- Ensure compliance with the HCA Governance and Viability Standards.

- Satisfy itself as to the integrity of financial information and approve each year's accounts prior to publication.
- Establish and oversee a framework for the identification, management and reporting of risk, in order to safeguard the assets of the Association.
- Agree or ratify policies and decisions on all matters that might create significant financial or other risk to the Association or which raise material issues of principle.
- Establish and monitor a mechanism for communicating and receiving feedback from the Association's stakeholders and shareholders.
- Establish a strong working relationship with the Chief Executive and other senior staff.
- Appoint (and, if necessary, dismiss) the Chief Executive following agreed procedures, and approve his or her salary, benefits and terms and employment.
- Satisfy itself that the Association's affairs are conducted lawfully and in accordance with generally accepted standards of performance, probity, good practice and HCA regulatory requirements and standards.
- Satisfy itself that the Association is following the recommendations of the NHF Code of Governance and state compliance and non-compliance in its review and accounts.
- Follow the Association's Rules in appointing (and, if necessary, removing) the Chair of the board.
- Establish a code of conduct and monitor the behavior for the board in compliance with the code.
- Review the membership, performance and effectiveness of the Board and Committees on an annual basis.
- Approve applications for the membership of the Association.
- Establish ad hoc, time-limited Working Parties to examine in more detail matters which it considers warrant such attention.
- Receive and review minutes of each Committee meeting

Receive annual verbal reports from Committee Chairs on the work of their Committee.
- Take appropriate professional advice.

3. Reserved Powers

In addition to the above, the Board will have the following reserved powers which will not be delegated to Executive staff or Committees:

- Expansion of the Association's operations into new activities or geographic areas.
 - Cessation of any material part of the Association's operation.

- Approval of major capital projects.
- Ensuring compliance with the HCA Governance and Viability Standards.
- Changes to corporate structure, including the setting up of subsidiaries.
- Appointments to the Boards of subsidiaries
- Changes to the structure, size and composition of the Board.
- Appointment or removal of any member of the Board including the company secretary.
- Ensuring adequate succession planning for Board and senior management appointments.
- Changes to the schedule of matters reserved for Board decision.
- Approval of identified key policies, including a code of conduct for Board members.
- Approval of resolutions to be put forward by the Board at a general meeting.
- Any decision regarding conflicts of interest arising for individual board members.
- Approval of the terms of reference, membership and Chairs of Committees and working parties.

4. The Committee Structure

The strategic governance activities of the Board will be supported by a Committee structure comprising:

- Audit and Risk Committee;
- Operations Committee;
- Governance and Remuneration Committee.

