

The
Regenda
Group

GOVERNANCE MANUAL

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1. FOREWORD FROM THE CHAIR AND CHIEF EXECUTIVE

We live in a challenging and changing environment that reminds us to constantly ask those primary questions: what are we doing? why are we doing it? and what impact are we making? - how can we assure ourselves and others that what we are achieving is high quality, good value and meets the needs of our customers and stakeholders.

Governance in this context is no different. This manual has been created following our root and branch review as to how we govern, what we govern and what impact our governance is making. It has been developed with a view to sector norms, expertise and best practice, taking reference from:-

- the Regulator of Social Housing - and the learning we can extract from why they rate some organisations highly in terms of governance and why they have downgraded others.
- The NHF Code of Governance
- The Langlands Code of Good Governance in Public Services
- Nolan , Carver and other experts from whom we can take insights into what makes governance good
- CIPFA, OFSTED, Monitor and other public and private codes

This manual has been built to help Non Executive Directors and Executives to govern and lead to deliver better, faster, safer and more ambitious plans to achieve both commercial and social value in an environment that's publically accountable.

Supporting this document are detailed operational policies and procedures that sit with the Company Secretary who is the key advisor and resource to the Board, that enables us to remain both compliant and entrepreneurial as we work to deliver our vision of being a great quality, innovative housing business, building, managing and maintaining homes

Gerry Gray
Chair

Michael Birkett
Chief Executive

2. GOVERNANCE PRINCIPLES

Our Governance

At the Regenda Group, good governance underpins all that we do to deliver the corporate plan of the organisation. Our governance embeds exemplary governance practices that are right sized and evolving to deliver streamlined and appropriate assurance, strong strategic leadership, and the blue sky thinking that enables us to remain relevant to changing and emerging markets

Our Principles of Good Governance

The principles we embed into all our Governance processes and practices are:

- 1) Driving a positive climate through clarity, performing effectively in clearly defined functions and roles
- 2) Taking informed and transparent decisions, managing risk and advised by expertise available from within and beyond the Group
- 3) Deepening relationships between Executive Directors and Non Executive Directors to grow shared insights that drive collective buy-in
- 4) Varying what and how we do Governance, recognising that one size doesn't fit all, whilst adding value in a cost effective and efficient manner
- 5) Reflecting the values of the Regenda Group and demonstrate good governance through behaviours aligned with ambition
- 6) Using talent to build a high performing board; developing the capacity and capability of the governing body to be effective
- 7) Focusing on the organisations purpose and on outcomes for service users and citizens

Our Corporate Plan

The hallmarks of our Corporate Plan are to deliver the following:

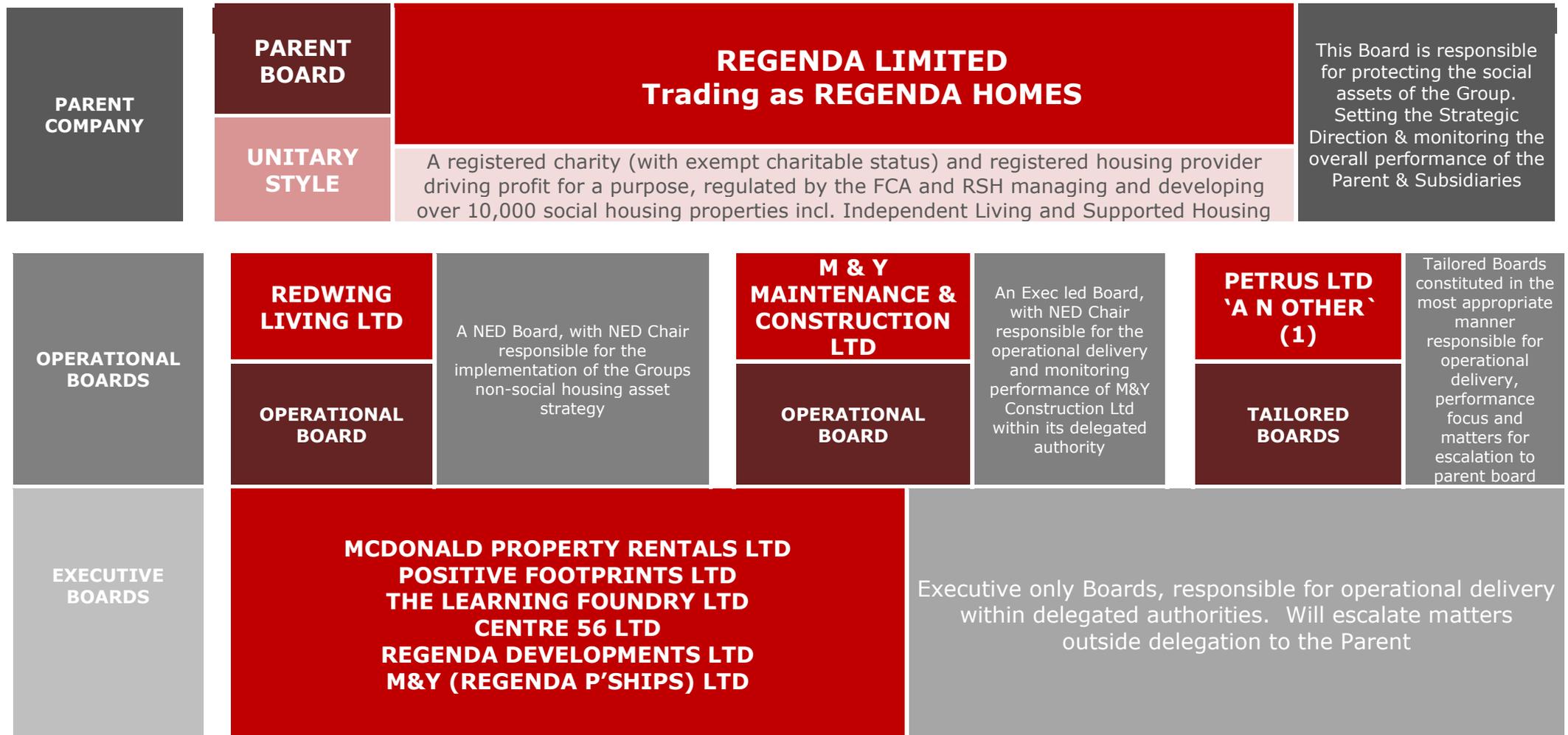
- First class customer service
- Product excellence
- Cost competitiveness

Our Pillars

The delivery of our corporate plan is underpinned by the seven pillars that drive the culture and objectives of our organisation:



3. GROUP LEGAL ENTITY STRUCTURE



Note (1) A N OTHER Ltd represents additional companies and brands that may be acquired to support delivery across the Group and are likely to be governed by Executives but will be flexed to the needs of the Group.

4. GOVERNANCE DEFINITIONS

BOARD TYPE

PARENT BOARD

The main board consisting of a Non-Executive Chair and Directors, the Chief Executive, with Senior Executive Directors in attendance, operating in a unitary style (defined below) with clear accountabilities and shared decision-making rights.

CO- TERMINOUS

Where regulation imposes statutory requirements (such as minimum numbers of NED's) which do not fit with our governance principles, the Parent Board will assume the responsibility of acting as a subsidiary Board. This approach ensures decisions remain clear and the risks associated with duplication are removed.

OPERATIONAL BOARDS

Subsidiary company boards that focus on providing assurance for the implementation of their particular part of the Group Corporate Plan. These consist of members of the Executive Team or Senior Leadership Team, chaired by a NED who is also a member of the Parent Board, providing continuity and assurance as well as a Non-Executive Director route for escalation.

TAILORED BOARDS

These Boards will be tailored to the most appropriate constitution depending on the size, shape and focus of the company. The tailoring enables any new entities to adopt the most appropriate governance. These Boards will focus on the implementation of their part of the Group Corporate Plan.

BOARD STYLE OF OPERATION

UNITARY STYLE

Non Executives Directors (NED) with and Independent NED Chair (Independent = no other NED position is held on subsidiary or operational boards), and the Chief Executive, working with their Executive Team, operating as a singular and interdependent team with clear accountabilities and shared decision-making.

EX CO STYLE

An Executive Director led Board, chaired by an Independent NED, who is also a member of the Parent Board, providing continuity and assurance as well as a NED route for escalation. These boards oversee the implementation of the Group Corporate Plan in their area of accountability, provide assurance and make recommendations to parent board for any significant tactical changes to plans.

EXECUTIVE ONLY

Where companies exist within the group, which only exist as brands to take services to market or represents a small delivery element of the groups. If required by Companies House as part of their registration as independent companies, an Executive team will act as the Company's Board for statutory purposes.

5. PRINCIPLES THAT UNDERPIN & INFORM CHANGES TO GOVERNANCE FRAMEWORK

OBSERVING CHARITABLE LAW AND NON CHARITABLE COMPANIES WITHIN A GROUP STRUCTURE

As a charity, Regenda will always be mindful to ensure the charitable objectives are first and foremost protected, as charitable law takes precedent above company law.

The group board operates on a coterminous basis in representing other registered providers e.g. Redwing, and in order to observe absolute independence when observing charity law, there will always be a minimum of three members present who will act as completely independent of any subsidiary board.

They will assume absolute independence of any interest that would compromise the charitable objects or their ability to demonstrate the highest levels of concern for duty of care.

In such circumstances where only two members have been designated as truly independent and the needs of the Group to assert the requirements of governing a charity take precedence over the needs of any constituted company or registered provider, then a third Board member will resign any membership that compromises this designation

CONFLICTS OF INTEREST

NEDs must take all reasonable steps to ensure that no undeclared conflict arises, or could reasonably be perceived to arise, between their duties and their personal interests, financial or otherwise.

A conflict of interest is any circumstance where NEDs or their close relatives could receive a personal or business benefit (other than remuneration or expenses) as a consequence of the Group's activities. NEDs must make sure that their private and personal interests do not influence their decisions. They must not use their position for personal gain either for themselves or directly for their family, friends, partners or associates. Any such interests must be disclosed to the Group Company Secretary as and when the conflict arises. The Group Company Secretary will conduct an annual exercise whereby all NED's will complete a declaration of interest form.

If a NED is present at a Board or Committee meeting where an item is discussed which creates a conflict of interest for them, they should declare this even if this has been previously declared. Every meeting starts with a "declaration of interest" item and therefore, this is when they should make their actual or potential conflict known. If this is a clear and substantial conflict then they should not take part in the discussion and offer to leave the meeting.

If the conflict is considered to be material or of an on-going nature, the board must consider whether or not the individual concerned should cease to be a board member. The final recommendation will be made by the Nominations & Remuneration Committee

DUTY OF CARE

The Trustee Act 2001 sets out the standard of care and skill required of trustees and states when it applies. Trustees need to be aware that they have a duty of care for tenants. This requires them to exercise their judgement in assessing and mitigating risk. For example, balancing the need to respect the privacy and wishes of tenants with the importance of ensuring that the tenants have the capacity to live independently. If a tenant is placing themselves or others at risk due to increased frailty, trustees might be failing in their duty of care if they do not intervene.

ADVANCING CHARITABLE OBJECTIVES

The board is responsible as Regenda Group for advancing and protecting the charitable objectives of the those charitable elements of the group to maintain focus to ensure these challenging objective are fully realised

JVC's

From time to time the group may enter into Joint Venture Companies or single purpose vehicles with another organisation. Each JVC will, within the Group framework, need to develop or agree appropriate governance in keeping with the nature of its activities and these must be approved within the parameters of this governance framework

INTRA GROUP AGREEMENTS AND SERVICE LEVEL AGREEMENTS

The regulated entities within the Group (Regenda Homes and Redwing Living) have an Intra Group Agreement and the non-regulated entities have a Service Level Agreement in place which is a legal agreement entered into by the subsidiary bodies.

These documents provide an operational framework for the group, committing all parties to performing certain functions to a required standard and timetable in order for the Group to operate effectively. The governing principles of the documents are to share overheads and adhere to a common budgeting and business plan process.

6. PARENT BOARD & COMMITTEE STRUCTURE

PARENT BOARD	REGENDA GROUP PARENT BOARD		
	TERMS OF REFERENCE (TOR)	MEMBERS	
	<ul style="list-style-type: none"> To set the Group Strategy and to determine the framework through which it will be realised To ensure that risk and compound risk is identified, mitigated or managed to protect the social assets and both charitable and commercial interests To ensure that customers and stakeholder relationships both influence and are influenced by the Group's strategic direction and that accountability is made real Deepen relationships between Non Executives and Executive Directors and others in support, to drive clarity at board Receive assurance from Sub Committees and Subsidiary Boards as delegated 	<p>*Majority Non Exec Directors including the Chair</p> <p>+ Chief Executive</p> <p>+ Executive Directors in attendance</p> <p>*Rules permit 5-12</p>	
SUB COMMITTEES	RISK & AUDIT COMMITTEE		NOMINATIONS & REMUNERATION COMMITTEE
	TORs	MEMBERS	TORs
	<ul style="list-style-type: none"> To assure Board that relevant RISKS are identified and addressed through elimination, mitigation or escalation To review the effectiveness and recommend appointment of Internal & External AUDITORS To provide scrutiny and transparency over all INTERNAL CONTROLS and legal/regulatory COMPLIANCE To ensure the group remains focussed on the delivery of CUSTOMER EXCELLENCE 	<p>Independent NED Chair + additional NEDs as may be determined.</p> <p>Also attended by CEO & other Executive Directors as appropriate</p>	<ul style="list-style-type: none"> To NOMINATE, for approval by the Board, NEDs, Co-optees, Committee Members & Advisors to optimise Governance To agree REMUNERATION policy for NEDs & CEO and to approve substantial changes to the senior Executive team To oversee, develop and embed PERFORMANCE EVALUATION for the Board
SUB GROUPS	CUSTOMER EXCELLENCE PANEL	FIXED LIFE	ADVISORS & ADVISORY PANELS
	<p>A resource to the Parent Board & Group Incl. NED involvement and reporting through R&A Committee driving delivery of the Customer Focus Strategy through the following:</p> <ul style="list-style-type: none"> Customer Focus Groups Resident Scrutiny Panel Mystery Shoppers Tenant Inspectors 	<p>Selected Panel of defined individuals put in place who can be called upon at different periods in time to provide detailed review and report recommendations to the establishing body.</p>	<p>Consultative groups including externals, brought together to act as an advisory panel and sounding board to progress specific initiatives with no fixed term.</p>

7. REGENDA GROUP PARENT BOARD

PURPOSE & ACCOUNTABILITY

This Parent Board is accountable for approving the Group's strategic direction and ensuring effective delivery of such, whilst ensuring the charitable aims and social assets of the Group are delivered and protected. Receive assurance from sub committees and operational boards as delegated

RESPONSIBILITIES & DUTIES

STRATEGY

- Setting the Vision, Mission and Values alongside the corporate strategies and plan, seeking evidence that the Group's strategy is being realised
- Monitoring and driving the organisations overall performance
- Approve the framework and any changes to the size and composition of the Group Structure and Board

LEADERSHIP

- Develops the culture and climate of the Group, ensuring its long-term success and sustainability by ensuring barriers are addressed, opportunities are realised and plans are adapted
- Steer Governance through the N&R Committee in an interactive and bespoke manner to support strategic delivery and flex and use talent for the benefit of the Group
- Deepen relationships between Non Executives and Executive Directors and others in support to drive clarity at board
- To ensure that stakeholder relationships both influence and are influenced by the Group Strategy and that accountability is made real
- Setting a strong customer centric focus and culture, ensuring local engagement and scrutiny through the Customer Excellence Panel

FINANCIAL, COMPLIANCE AND CONTROL FRAMEWORK

- Establish and oversee framework of delegation
- Delegate and seek assurance of integrity of financial and performance indicators
- Approving business plans, budgets and annual accounts
- Overseeing Risk Management & Control Framework as delegated to R&A Committee, for the purpose to safeguarding the assets of the Group and to seek assurance of effective Risk, Compliance and Control processes

REPORTING

The ultimate accountable body receiving assurance and reports from all to whom it has delegated, as per the scheme of delegation

AUTHORITY

Assumes all legal and governance accountabilities for strategy and delegates authority through subsidiaries and committees to seek assurance of implementation, risk management and escalation.

KEY SKILLS & COMPETENCIES

- Work as part of the board team with a common aim
- Having a non-executive mind-set
- Strategically engaged but operationally distant
- An ability to listen
- Balancing risk and exercising judgement
- Developing creativity – using tools and techniques to support generative thinking
- Questioning skills
- Having productive and challenging conversations
- Analyse and question strategy proposals and performance data
- Ability to commit the necessary time and energy to the role
- Ability to express oneself clearly
- Ability to understand and analyse sometimes complex information
- Persuading, influencing and communication skills

8. RISK & AUDIT COMMITTEE

PURPOSE & ACCOUNTABILITY

Provides scrutiny to assure the parent board that its strategy is achieving the intended impact whilst operating within defined control frameworks. Identifies risk and advises on elimination, management or escalation to the parent board to ensure compliance with all statutory and regulatory requirements including co-regulation

RESPONSIBILITIES & DUTIES

RISK MANAGEMENT

- Recommend and review the Group's risk management framework in light of the group's risk appetite
- To assure Board that relevant risks are identified and addressed through elimination, mitigation or escalation

FINANCIAL, COMPLIANCE & CONTROL FRAMEWORK

- To assure the board that relevant internal controls are in place and effective
- Review and approve changes to the Group's financial regulations
- Provide scrutiny and transparency over legal and regulatory compliance
- Oversee key property compliance matters to provide assurance that assets are being managed for the short and long term
- To review Health & Safety arrangements across the Group and seek assurance of general legislative compliance

CUSTOMER EXCELLENCE PANEL

- Monitor the implementation and impacts of the Customer Excellence Panel to drive a customer centric focus

AUDITORS

- To review the effectiveness and recommend appointment and remuneration of internal & external auditors

REPORTING

The committee shall report to the Parent Board on matters considered and its recommendations through copies of minutes, relevant reports or dashboards and the Chair of the Committee drawing the Board's attention to matters of importance

AUTHORITY

To keep the business safe within the delegated authority framework and to escalate matters beyond these parameters or where concerns are raised

KEY SKILLS & COMPETENCIES REQUIRED

- Balancing risk and exercising judgement
- Questioning skills
- Having productive and challenging conversations
- Analyse and question strategy proposals and performance data
- Ability to understand and analyse sometimes complex information

9. NOMINATIONS & REMUNERATIONS COMMITTEE

PURPOSE & ACCOUNTABILITY

To provide assurance to the board that all boards, committees and advisors are in place to strengthen the strategic delivery for the group and to oversee framework for individual and collective performance evaluation and remuneration for NEDs and CEO and to approve substantial changes to the senior Executive team

RESPONSIBILITIES & DUTIES

NOMINATION & SELECTION PROCESS

- Review and make recommendations in respect of size, structure and composition of boards, committees, sub-groups and advisors

BOARD ASSESSMENT

- Annually review the progress of each board and committee along with outcomes of appraisals
- Commission development programmes and activities to strengthen governance performance
- Review all committee and board terms of reference every 2 years

CONDUCT & PROBITY:

- Establish code of conduct and probity for NEDs
- To review and consider any conflicts of interest and impact

REMUNERATION

- Agree policy for NED remuneration and oversee review of CEO remuneration

COMPLIANCE

- Ensure compliance with adopted codes of governance, monitor breaches and review and approve changes

EXECUTIVE STAFF

- Approve significant changes to Executive Team, agree CEO remuneration package and approve significant severance arrangements

REPORTING

The committee shall report to the Parent Board on matters considered and its recommendations through copies of minutes, relevant reports or dashboards and the Chair of the Committee drawing the Board's attention to matters of importance

AUTHORITY

To manage governance, remuneration and board performance within delegated parameters

KEY SKILLS & COMPETENCIES REQUIRED

- Developing creativity – using tools and techniques to support generative thinking
- An ability to listen
- Having productive and challenging conversations
- Questioning skills
- Ability to express oneself clearly
- Persuading, influencing and communication skills