

TERMS OF REFERENCE FOR THE GROUP DEVELOPMENT COMMITTEE

To be read in conjunction with the SHGL Rules', The Group Financial Regulations, The UK Corporate Governance Code and where appropriate with the Rules/Articles of all subsidiary companies

Role

The Group Development Committee has delegated authority from the Boards of Southern Housing Group Ltd (SHGL) and its subsidiaries to oversee the development and sales activity of the Group and its subsidiaries.

All acts and proceedings of the Committee shall be reported to the Board of SHGL

Membership

- The Committee shall have a minimum of three members.
- The Committee may co-opt further members if required.
- The membership of the Committee must include at least one board member or co-optee of the SHGL Board
- The Chair of the Committee shall be a member of the SHGL Board.

Quorum

At least three members of the Group Development Committee are present; and of those persons present:

- one is the SHGL member;
- one is an SSL member;
- one is an SHO member.

Secretary

The Company Secretary or his or her nominee shall act as the secretary of the Committee.

Frequency of Meetings

The Committee shall meet at least four times a year. Additional meetings may be held if required.

Responsibilities

Development Strategy	Reviewing and recommending a proposed Development Strategy to SHGL Board. Ensuring that this reflects: policy objectives in the Group's long-term plans; an appropriate balance of regional, tenure and housing needs; an appropriate bidding strategy to secure the target programmes; the Group's financial plans; and, the context within which the Group works
Strategy and Policy	Reviewing and approving strategy and policy relevant to the development function, and where necessary recommending to the Group board for approval.
Scheme approval	Approving schemes with total costs cost in excess of £10m.
Contract Payment	Recommend to the Group Board for approval the payment of contractual claims, which are not certified by

	consultants, over £500,000.
Unplanned Development Activity and New Initiatives	Approving development activity not contained within the Group Business plans and recommending to the relevant Board new initiatives which are fundamentally different from those currently being pursued, or which could substantially change the nature of the Group's operation.
Joint Venture Schemes/Partnerships	Consider and recommend to the Group Board and any relevant Subsidiary Board scheme or partnership with organisations outside the Group,
Development Risk	<p>Ensuring the establishment of, and reviewing periodically, procedures for assessing development risk. Monitoring regularly the effectiveness of the procedures. Assessing and monitoring risk on new development projects, where not delegated to officers.</p> <p>Approving schemes where the Group is required to make a binding commitment to land purchase or a building contract, where there is no firm allocation of funds. (Cross reference – Land Banking Policy)</p>
Land Bank Policy	Monitoring the use of the Group's land-banking policy, subject to maximum limits set by the SHGL Board.
Internal Audits	Reviewing the internal audit process.
Performance Indicators	Agreeing development performance indicators, including the performance of grant funded programmes and reviewing these on a regular basis. Considering an annual performance report on key development activity.
Property Sales	Regularly monitoring and reviewing the sales programme.
Land/Property Disposal	Approving the disposal of all land or property assets with a value of £10m and above, unless the property has been developed with the intention to transfer to another Registered Social Landlord or is part of an approved stock rationalisation programme.
Settlement of Contract Disputes	Approving settlement of contractual claims (where not certified by consultants), over £100,000.
Litigation	Overseeing the prosecution, defence or settlement of litigation relating to development schemes.
Board Membership	Approving appointments to the SHL Board as recommended by the Remuneration and Nominations Committee
Changes to Terms of Reference for the	Recommending to the SHGL Board changes to the Terms of Reference

Committee	
Complaints	Monitoring complaints made in respect of the work of the Committee and the Group's development function.