



Investment Committee Terms of Reference

The **Board** has adopted these Terms of Reference to govern the conduct of its **Committees** and to establish the principles for delegations of authority to the Committee to ensure sound management, efficiency of day to day operations and accountability throughout the **Group**.

1.	Purpose
	<p>The role of the Investment Committee is to oversee current and future assets of Moat by scrutinising (and approving within the Scheme of Delegations) investment/disinvestment and regeneration of existing assets, and overseeing development activity of the Group, all within the parameters set by the Board.</p> <p>The Committee will seek assurance on (in so far as they relate to Development and Asset Management activity) value for money, financial sustainability, carbon neutrality and environmental and social sustainability.</p>
2.	Roles and responsibilities
	<p>The role of the Investment Committee is to provide assurance to the Board on Moat's investment in our existing properties and in the development of new homes, recognising that these investment choices are co-dependent.</p> <p>This includes:</p> <ul style="list-style-type: none">• Monitoring (on behalf of the Board) delivery of the Existing Homes, Sustainability Strategy and New Homes Strategy.• Receiving and scrutinising performance exception reports in relation to development and Asset Management activities as identified and recommended by the Executive Team.• Monitoring bulk disposal, acquisition, regeneration, development, and affordable sales activity including the provision of new affordable housing, housing for market sale and rent, and land banking. This may involve approving new activities or revisions to programmes in line with the financial boundaries set out in the scheme of delegations.• Ensuring the customer voice is included in decision making.• Ensuring the risk and assurance program relating to its area of work, including the accuracy of the data used to make decisions, are within appetite and where relevant reporting exceptions to the Audit and Risk Committee. <p>The Executive Director of Growth and Executive Director of Existing Homes are jointly responsible for this Committee.</p>

3.	Accountabilities
	<p>Strategy and Policy</p> <ol style="list-style-type: none"> 1. Review and recommend to the Board for approval the Growth Strategy, Sustainability Strategy and Existing Homes Strategy ensuring that consultation is undertaken with key stakeholders. 2. Recommend the Disposals Policy for approval by the Board. 3. Recommend the Investment Policy for approval by the Board. <p>Development</p> <ol style="list-style-type: none"> 4. Approve new schemes for the development programme within the financial boundaries set out in the Scheme of Delegations. 5. Review and approve the financial criteria against which new investment projects will be assessed and approved. 6. Monitor the overall development capital commitments in conjunction with Moats' Liquidity Policy and development capacity modelled in the Long-Term Plan 7. Review and approve the Moat Design Standards. 8. Consider exception reports relating to the sales and marketing programme and consider / approve mitigations in the event of under-performance against sales targets. 9. Monitor and assess risks and activities of the non-social aspects of the programme to protect MHLs charitable objects. 10. Inform, review and recommend annually to the Board the development assumptions, hurdle rates, KPI's and parameters within which the organisation manages its development activities. This includes providing assurance to the Board that the costs assumptions and scheme feasibility are robust. 11. Monitor and review financial performance of Moat's development activity against its targets and set investment criteria including funding, cashflow and liquidity and the investment criteria set by the Committee. 12. Scrutinise performance and progress against the New Homes Strategy. 13. Maintain detailed oversight of high-risk schemes escalating any significant risks to the Board and/or other Committees as appropriate. 14. Review and approve the financial criteria against which new investment projects will be assessed and approved. <p>Joint Ventures and Strategic Partnerships</p> <ol style="list-style-type: none"> 15. Review the risks and benefits of all proposals for development Joint Ventures (including any special purchase vehicles and all forms of contractual, legal or quasi-legal partnership) recommending approval to the Board as appropriate. 16. Scrutinise the performance of all Joint Ventures and Strategic Partnerships in the light of agreed financial and performance indicators, escalating any significant risks or under-performance to the Board. <p>Asset Management</p> <ol style="list-style-type: none"> 17. Scrutinise performance and progress against the Existing Homes Strategy including stock condition survey programme, financial assumptions and

investment programmes. This includes providing assurance to the Board that the maintenance costs assumptions in the financial plan are robust.

18. Review the portfolio level performance of homes including approving and monitoring programmes for disposals in accordance with the Scheme of Delegations and seek assurance from the Executive Team that all disposals are policy compliant.
19. Review and scrutinise financial performance and capital expenditure relating to asset management activity, including major works, upgrades and investment in low carbon and green technologies, to track performance of capital expenditure projects.
20. Ensure that plans for capital expenditure are reviewed and updated where necessary to reflect changes to regulation, best practice, legislation, policy and financial plan priorities.

Assurance & Risk

21. Regularly consider market, economic and political risk and the potential impact on the Group's development and asset functions, recommending mitigation strategies where appropriate.
22. Scrutinise aggregate risk, value for money and internal controls across the development and sales programme.
23. Consider reports relating to 'lessons learned' and whether they have been appropriately embedded in processes and practices.
24. Ensure that any areas of risk within the Committee's scope of responsibility are regularly reviewed. This may include carrying out deep dives in relation to specific risks aligned to the risk registers and areas of concern escalated to Audit and Risk Committee.

Delegation and Decision Making

25. Approve development schemes, contracts and property acquisitions/ disposals in line with the Scheme of Delegations and seek assurance that all disposals are completed in line with the Housing Act and Regulator of Social Housing (RSH) requirements.
26. Recommend to the Board approval for bids for Homes England or other grant funding.

Sustainability

27. Recommend strategies or targets relating to sustainability and/or decarbonisation to Board for approval.
28. Consider the Group's performance against Environmental, Social and Governance (ESG) criteria and carbon emission reduction targets to inform the annual review.
29. Oversee delivery of the sustainability framework and decarbonisation elements and any associated delivery plans.
30. Approve and monitor the delivery of ESG goals through an internal or external sustainable financing frameworks.

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	<p>Monitoring</p> <p>32. Monitor the delivery of bid submissions and the associated contracts.</p> <p>33. Oversee Homes England and GLA investment contracts considering the associated requirements from a risk perspective</p> <p>34. Ensure that Homes England are provided with information as required in order to monitor performance.</p> <p>35. Consider the findings of any internal, external or regulatory audits on development and asset management activities, ensuring recommendations are delivered as appropriate.</p> <p>36. Monitor and support work with partner organisations in joint development programmes.</p> <p>37. Consider the Committee's effectiveness annually.</p>
4.	Membership, frequency, chairing and administration
Membership	<p>Up to five Independent Non-Executive Directors can be appointed by the Board The Committee may appoint Independent Committee Members to supplement the skills on the Committee.</p> <p>At least one Non-Executive Board member shall have current and relevant experience in development and / or Asset Management.</p> <p>Only members of the committee have the right to attend committee meetings. However, other individuals such as the Chief Executive, the Executive Directors, Directors and Heads of Service and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.</p> <p>No members of the Executive Team shall be members of the Committee.</p>
Chair	The Chair is appointed by the Board from amongst the Non-Executive Board members.
Secretary	<p>The Company Secretariat shall act as the secretary of the committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.</p> <p>The Company Secretariat shall ensure that draft minutes are shared with the Chair within 10 days after the meeting. The minutes will be uploaded onto Board Effect within a further seven working days.</p>
Frequency	The Committee shall meet quarterly or more often as required.
Quorum	Three members shall form a quorum.
Reporting	The Committee chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities, and the Committee shall make whatever recommendations to the Board it deems appropriate.
Review	Annually. This document will be reviewed more frequently if changes in legislation, regulation or the service requires it.

Target Audience	Board and Committee members
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Document Number	MHL-TOR-IC
Document Owner	Company Secretary
Authorised by	Moat Homes Limited Board
Review Frequency	Annually
Next Review Date	July 2027
Definitions	<p>“Board” shall apply to the Board of Moat Homes Limited</p> <p>“Moat” means Moat Homes Limited</p> <p>“Group” means Moat Homes Limited and its Subsidiaries</p> <p>“Committees” means the committees established in accordance with the Rules and Code of Governance as follows: Investment Committee, Audit & Risk Committee, Governance & People Committee, and Customer & Communities Committee.</p> <p>“Company Secretary” means the person appointed by the Board to be the Secretary of Moat, including any deputy appointed to act as Secretary.</p> <p>“Subsidiaries” and “Subsidiary” means future and existing wholly controlled subsidiary organisations including Moat Housing Group Limited (MHG), Moat Development Limited, Moat Homes Finance plc, Moat Construction Services Limited, Mariner Facilities Management Limited. The Subsidiaries have independent legal and financial status, but operate within Moat’s Corporate Plan, Policies and these Standing Orders under the management of Moat’s Chief Executive and Executive Team as agreed by the Board.</p> <p>Defined terms are shown in bold the first time that they are used.</p>