

# **Board Organisational Performance and Development Committee**

## **Terms of Reference**

### **1. The composition of Organisational Performance and Development Committee (the Committee)**

The Committee shall have a joint Board/Management composition and that its Terms of Reference should be drawn so as to support the CEO's lead role in organisation leadership and related human resources management.

The Chairperson of the Organisational Performance and Development Committee will rotate between members of the Committee if a chairperson is not appointed by the Board.

The quorum for meetings of the Committee shall be four members thereof, present in person/remotely via Microsoft Teams. There should be two non-Executive Directors and one member of Management present at meetings.

### **2. Frequency of meetings**

It is recommended that a minimum of two meetings of the Committee should be held each year.

### **3. Authority**

The Committee is authorised by the Board to consider any activity within its terms of reference. The detailed duties of the Committee are set out in paragraph 4 below.

Individual members of the Committee must pay particular attention to the avoidance of conflicts (or potential conflicts) of interests in carrying out their duties. Should potential conflict arise, the Committee should be informed.

The Committee, with Board approval, can obtain outside independent professional advice and secure the attendance of consultants with relevant experience and expertise, if it considers this to be necessary.

No resolution shall be deemed passed at any meeting of the Committee unless each member thereof present at such meeting shall have voted in favour of such resolutions.

The provisions of Article 95 of the HFA Constitution (relating to resolutions in writing) shall apply mutatis mutandis.

### **4. Duties**

The duties of the Committee shall be to:

- i. Ensure that the agenda of the Committee is directed by Strategy *HFA 2026* and focused on organisational performance and development.
- ii. Overseeing organisational change management, (Board and Senior Management team) by ensuring the Board and staff are adequately resourced, well-trained, competent and capable of meeting organisational needs.
- iii. To certify that succession processes are in place to ensure smooth transitions for the Board and Senior Management team, and other key roles.
- iv. To undertake an annual assessment evaluation of the Board's own performance and that of its committees (process to be devised and agreed)
- v. Reviewing the remuneration and performance of the Senior Management team (suggest CEO, Head of Lending, Head of Risk and Compliance and Head of Finance)
- vi. Establishing and implementing a process for the evaluation of CEO Performance (process to be devised and agreed)
- vii. Leading an external evaluation of the HFA at least every 3 years in compliance with the Code of Practice for the Governance of State Bodies.
- viii. Consider and report, to the Board, on such related matters as may be referred to it by the Board from time to time.
- ix. Report to the Board on how it has discharged its responsibilities.
- x. Review its own effectiveness on an annual basis.

## 5. Reporting procedures

The Secretary of the Committee should circulate the minutes of meetings to all members of the Committee and the Board, at the next Board meeting. The Board publishes the names of the members of the Organisational Performance and Development Committee in the HFA's Annual Report and Accounts.

Approved by HFA Board,

25 April 2024