

Code of Governance & Board Conduct



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Version	Date	Changes	Approver

Relevant National Standards or Regulations	• Regulator of Social Housing (RSH) – Governance and Financial Viability Standard • RSH – Governance and Financial Viability Standard Code of Practice • ecoDa – Corporate Governance Guidance and Principles for Unlisted Companies in Europe (2021) • RSH – Transparency, Influence and Accountability Standard • Office of the Regulator of Community Interest Companies – CIC guidance
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Relevant Legislation	• Companies Act 2006 • Companies (Audit, Investigations and Community Enterprise) Act 2004 • Community Interest Company Regulations 2005 • Housing and Regeneration Act 2008
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1. Purpose

This policy sets out the governance framework and standards of conduct for the Board of Harbour Light Assisted Living CIC. As a private registered provider of social housing and a Community Interest Company (CIC), Harbour Light must maintain effective, transparent and accountable governance, comply with its Articles of Association and legal duties, protect social housing assets and remain focused on community benefit.

For the purposes of the Regulator of Social Housing (RSH) Governance and Financial Viability Standard, the Board has adopted the 2021 ecoDa Corporate Governance Guidance and Principles for Unlisted Companies in Europe as Harbour Light's appropriate code of governance. The ecoDa principles are applied proportionately to Harbour Light's size, legal form, operating model and regulatory responsibilities. Mandatory legal and RSH requirements take precedence where they are more specific or demanding than the voluntary ecoDa guidance.

This policy also sets the conduct expected of Board members and explains how Harbour Light applies governance safeguards, including where the Chief Executive also serves as Chair of the Board.

2. Scope

This policy applies to all directors and Board members of Harbour Light Assisted Living CIC, whether executive or non-executive, and to any co-opted committee member or person formally acting in a governance or advisory capacity. It governs Board-level conduct, decision-making, assurance and accountability. Day-to-day staff conduct is addressed through separate employment and staff conduct policies.

3. Responsibilities

The Board collectively – The Board is responsible for Harbour Light's purpose, strategic direction, governance and long-term sustainability. It must ensure compliance with the Articles of Association, Companies Act duties, CIC requirements and RSH regulatory standards; protect social housing assets; maintain effective risk and internal control arrangements; ensure appropriate financial viability and value for money; and remain accountable to tenants, regulators and other relevant stakeholders. The Board must assess the effectiveness of Harbour Light's governance arrangements at least annually and approve the organisation's assessment of compliance with the RSH Governance and Financial Viability Standard.

The Chair – The Chair leads the Board, ensures that meetings are effective and inclusive, promotes constructive challenge, ensures directors receive appropriate information and oversees the Board's governance review. Where the Chair is also the Chief Executive, the Board must apply the safeguards in section 5.3 so that the distinct Board and executive functions remain clear and no individual has unrestricted decision-making powers.

The Chief Executive – The Chief Executive is responsible for the day-to-day management of Harbour Light within the authority delegated by the Board, for implementing Board-approved strategy and decisions, and for providing the Board with timely, accurate and balanced information. Matters reserved to the Board must not be determined unilaterally by the Chief Executive.

Individual Board members – Each director must comply with their statutory duties, exercise independent judgement, prepare for and contribute to meetings, declare and manage conflicts of interest, maintain confidentiality, undertake relevant learning and act in the best interests of Harbour Light and the community it exists to serve.



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Governance administration – Harbour Light does not appoint a formal Company Secretary. The Board will allocate responsibility for meeting administration, statutory and regulatory records, filings, governance registers, policy reviews and other company-secretarial functions. Specialist external advice will be obtained when the Board considers this necessary.

Board committees – The Board may establish committees or working groups where this would improve oversight or provide specialist scrutiny. Any committee must have Board-approved terms of reference. Given Harbour Light's size, standing committees are not required unless the Board considers them proportionate. The full Board retains ultimate responsibility for decisions and regulatory compliance.

4. Legislation and Regulations

This policy is governed by the following legal, regulatory and governance framework:

Companies Act 2006 – Directors must act within the company's constitution, promote the success of the company, exercise independent judgement and reasonable care, skill and diligence, avoid or manage conflicts of interest and comply with the other statutory duties applying to company directors.

CIC legislation and guidance – Harbour Light must continue to satisfy the community interest test, protect the asset lock and prepare the required annual Community Interest Company report. The Board must ensure that director remuneration, transfers of assets and stakeholder engagement remain consistent with CIC requirements.

RSH Governance and Financial Viability Standard – Harbour Light must have effective governance arrangements, adopt and comply with an appropriate governance code, establish clear roles and accountabilities for the Board, Chair and Chief Executive, maintain appropriate probity arrangements, manage risk and internal controls, protect social housing assets, communicate material regulatory issues and assess governance effectiveness and compliance at least annually.

ecoDa 2021 – The Board has selected ecoDa's Corporate Governance Guidance and Principles for Unlisted Companies in Europe as Harbour Light's governance code. The framework recognises that governance arrangements should be proportionate to an unlisted company's size, complexity and maturity. Harbour Light applies the principles as set out in section 5.1 and records any areas that are not applicable or are applied proportionately.

RSH Transparency, Influence and Accountability Standard – The Board must have appropriate assurance that tenants are treated fairly and respectfully, can access information and complaints processes, can influence relevant decisions and can hold Harbour Light to account. Detailed tenant engagement arrangements are set out in Harbour Light's Tenant Involvement, Empowerment and Engagement Policy.

Articles of Association – Nothing in this policy overrides Harbour Light's Articles of Association. Where there is any inconsistency, the Articles, applicable legislation and mandatory regulatory standards take precedence.

5. Procedures

5.1 Adoption and Proportionate Application of ecoDa

Harbour Light will apply ecoDa's governance principles in a manner proportionate to its role as a small unlisted CIC and registered provider. The Board's approach is:



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- Principles 1 to 8 are treated as the core governance framework: appropriate constitutional arrangements; an effective Board; proportionate Board composition; sufficiently regular meetings and appropriate information; appropriate remuneration arrangements; risk oversight and internal control; stakeholder dialogue; and Board induction and continuing development.
- Principle 9, which concerns family-controlled companies, will be treated as not applicable unless Harbour Light's ownership or control structure changes so that the principle becomes relevant.
- Principles 10 to 14 are considered at least annually and applied where relevant and proportionate. Harbour Light specifically applies the principles concerning separation of Board and executive responsibilities, an appropriate mix of skills and independent challenge, Board evaluation, and transparent stakeholder reporting. The use of separate Board committees is determined by need rather than assumed.
- The Board will maintain a short annual governance compliance record showing how the ecoDa principles have been applied, identifying any principle that is not applicable, any proportionate departure, and any improvement action required.
- Any area of non-compliance with Harbour Light's chosen governance code that is material to RSH assurance will be recorded and explained through the appropriate governance and regulatory reporting arrangements.

5.2 Board Composition, Skills and Succession

Board structure – The Board comprises directors appointed in accordance with Harbour Light's Articles of Association. The Board's size and composition must be proportionate to the scale and complexity of Harbour Light's activities and should provide an appropriate mix of housing, finance, governance, property and building safety, legal/regulatory, tenant and community insight, supported-housing knowledge and other relevant skills. The Board will avoid arrangements in which one person or a small group can dominate decision-making.

Skills and diversity – The Board will maintain a proportionate record of its collective skills and experience and use this to identify development or recruitment needs. Recruitment and succession decisions should also consider diversity of background, perspective and lived experience relevant to the communities Harbour Light serves.

Appointment and reappointment – Directors are appointed and removed in accordance with the Articles of Association and applicable company law. ecoDa does not impose a fixed maximum tenure. Harbour Light will therefore base reappointment decisions on continuing effectiveness, required skills, independence of judgement, succession needs, time commitment and the interests of the organisation, rather than an automatic six- or nine-year limit.

Succession planning – The Board will review succession needs at least annually, taking account of foreseeable departures, continuity of knowledge, skills gaps, diversity and the need for effective independent challenge.

5.3 Combined Chief Executive and Chair Arrangement

Harbour Light currently operates with the Chief Executive also serving as Chair of the Board. ecoDa recognises that smaller unlisted companies may not always have the resources or scale to appoint a separate Chair, but it emphasises that the two roles are distinct and that no individual should have unrestricted decision-making powers.

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The Board will therefore review the combined arrangement at least annually and whenever there is a material change in Harbour Light's size, complexity, risk profile, financing or regulatory position. The review and the Board's reasons for retaining or changing the arrangement will be minuted.

While the roles remain combined, the following safeguards apply:

- matters reserved to the Board and matters delegated to management will be clearly distinguished through Board decisions, policies or delegated authorities;
- the Chief Executive/Chair will not determine their own remuneration, appraisal, terms of appointment or any matter in which they have a material personal conflict of interest;
- a non-executive director, another suitably independent Board member or, where appropriate, an external adviser will lead consideration of the Chief Executive/Chair's performance, remuneration, conflicts and any matter requiring independent challenge;
- the Chief Executive/Chair will withdraw from discussion or decision-making where required by the Articles, law or the Board's conflict-of-interest arrangements;
- Board papers and minutes will provide a clear record of significant challenge, decisions, declared interests and the rationale for material decisions; and
- the Board may obtain independent legal, financial, governance or regulatory advice where this is necessary to protect Harbour Light or provide assurance.

5.4 Board Recruitment, Induction and Development

Recruitment – When a Board vacancy arises, the Board will use a transparent and merit-based process proportionate to the role and circumstances. Recruitment may be open, targeted or supported by appropriate networks, but the selection criteria and decision must be objective, documented and consistent with the Articles of Association and equality obligations.

Induction – New directors and co-optees will receive an induction proportionate to their role. It should cover Harbour Light's Articles, statutory director duties, CIC responsibilities, RSH standards, the ecoDa framework, strategic and financial position, key risks, tenant profile and landlord responsibilities, property and building-safety assurance, complaints and tenant engagement.

Continuing development – Board members are expected to keep their knowledge current. Development needs will be considered through governance review, appraisal, regulatory change and identified skills gaps. Training should be targeted and proportionate rather than undertaken solely to meet a fixed programme.

5.5 Board Meetings, Information and Decision-Making

Meeting frequency – The Board normally meets quarterly under an annual meeting calendar, with additional meetings where urgent or significant matters require Board consideration. The frequency will be reviewed if the organisation's risk, complexity or workload changes.

Board information – Directors must receive information that is timely, accurate, sufficiently detailed and understandable to support effective oversight and challenge. Regular information should include, as appropriate, finance, performance, risk, compliance, tenant outcomes, complaints, property and building safety, legal matters and significant operational issues.

Conduct of meetings – The Chair will encourage constructive challenge and ensure that all directors can contribute. Conflicts of interest must be declared and managed before or during consideration of the relevant item. Minutes will record material decisions, key reasons, significant challenge, conflicts and agreed actions.

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Reserved matters and delegation – The Board will determine which significant matters are reserved for Board approval and which may be delegated to the Chief Executive or staff. Delegation does not remove the Board's collective responsibility for governance and regulatory compliance.

Collective responsibility – Directors must exercise independent judgement during deliberation. Once a lawful Board decision has been made, directors are collectively responsible for the decision, while any formal dissent may be recorded in the minutes.

5.6 Strategy, Risk, Financial Viability and Assurance

The Board will approve and oversee Harbour Light's strategic direction, business planning, annual budget and material commitments. It will ensure that plans are consistent with Harbour Light's community purpose, landlord responsibilities and the protection of social housing assets.

The Board will maintain oversight of a robust and prudent risk and control framework. The risk register and material controls will normally be reviewed at least quarterly. The Board will consider financial, operational, property and building-safety, regulatory, legal, data, safeguarding, reputational and other material risks, including combinations of risks where relevant.

The Board will ensure that Harbour Light maintains appropriate records of its assets and liabilities, considers the effect of significant new liabilities, monitors liquidity and financial commitments, and undertakes stress testing or scenario analysis proportionate to the risks facing the organisation.

At least annually, the Board will assess Harbour Light's compliance with the RSH Governance and Financial Viability Standard and the effectiveness of its governance, risk and control arrangements. The Board will ensure the required statement or certification is included in the annual accounts and that material non-compliance or potential non-compliance is communicated to the RSH accurately and promptly.

5.7 Board Conduct, Integrity and Conflicts of Interest

Board Code of Conduct – The standards in this section form Harbour Light's Code of Conduct for Board members and others acting in a formal governance role. Board members are expected to confirm their commitment to these standards on appointment and through the periodic governance review.

Integrity and probity – Board members must act honestly, lawfully and in Harbour Light's interests, must not use their position for improper personal benefit and must comply with Harbour Light's anti-fraud, anti-bribery, gifts and hospitality and related governance controls.

Conflicts of interest – Directors must declare actual, potential or perceived conflicts of interest and any relevant changes in circumstances. Harbour Light will maintain a register of directors' interests. A conflicted director must not participate in a decision where the Articles, law or Board procedure requires withdrawal or non-participation.

Remuneration and benefits – Any remuneration or benefit provided to a director must be lawful, reasonable, transparent, affordable and properly authorised. No director may determine their own remuneration or terms. The Board will have regard to CIC asset-lock and community-benefit requirements when considering director remuneration or benefits.

Objectivity and respect – Board members must make evidence-based decisions, treat colleagues, staff, tenants and stakeholders with respect, and support an inclusive environment in which challenge can be made without bullying, discrimination or harassment.

Confidentiality – Board members must protect confidential, commercially sensitive and personal information obtained through their role. Information may only be disclosed where authorised,

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necessary for proper governance or required by law. This duty continues after a director leaves the Board.

Concerns and breaches – Concerns about Board conduct will be considered by the Board using a fair process that avoids involvement by anyone with a material conflict. Where the Chair is implicated, another director or an appropriate independent person will lead the process. Any action affecting a director's office must comply with the Articles of Association and company law.

5.8 Tenant, Stakeholder and Regulatory Accountability

Tenant accountability – The Board will receive proportionate assurance about tenant views, complaints, service outcomes and engagement activity. It will consider how tenant experience and feedback have informed service and strategic decisions and will ensure that tenants have meaningful opportunities to influence matters that affect them.

CIC stakeholder engagement – As a CIC, Harbour Light will have regard to the community it exists to benefit and will maintain appropriate engagement with key stakeholders. The annual CIC report will explain community-benefit activity and stakeholder engagement as required.

Regulatory relationships – Harbour Light will maintain open and co-operative relationships with the RSH, CIC Regulator, Housing Ombudsman and other relevant bodies. Required returns, notifications and information will be accurate and timely. Material issues that may indicate actual or potential non-compliance with RSH standards will be escalated to the Board and regulator as appropriate.

Transparency – Harbour Light will make appropriate governance information available so that tenants and stakeholders can understand how the organisation is governed. This may include the adopted governance code, Board roles, relevant policies, annual reporting and information about how tenants can raise concerns, while protecting confidential and personal information.

5.9 Board Evaluation and Governance Review

Annual governance effectiveness review – The Board will assess the effectiveness of Harbour Light's governance arrangements at least once each year. Given Harbour Light's size, this may be a structured and minuted Board review rather than a separate external exercise.

The annual review will consider, as appropriate:

- application of the ecoDa principles and any proportionate departures or non-applicable provisions;
- the effectiveness of the combined Chief Executive/Chair arrangement and its safeguards;
- Board composition, skills, diversity, succession and independent challenge;
- the quality of Board information, meetings and decision-making;
- risk management, internal controls, financial viability and protection of social housing assets;
- compliance with RSH standards, CIC obligations, the Articles and other material legal duties;
- tenant influence, complaints learning, transparency and stakeholder accountability; and
- actions arising from previous governance reviews.

Individual contribution – The contribution, time commitment, conduct and development needs of individual Board members will be considered periodically and whenever a director is considered for reappointment. The Chair's own effectiveness must be considered without the Chair determining the outcome; where the Chief Executive and Chair roles are combined, independent input will be used as set out in section 5.3.

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Independent review – External governance advice or an independently facilitated review may be commissioned where the Board considers this proportionate, where a material governance concern arises, or where significant organisational growth or structural change makes additional assurance desirable.

Actions and continuous improvement – Governance review findings and agreed actions will be recorded, assigned and monitored to completion. The Board will update this policy or related governance documents where changes are needed.

6. Review and Updates

This policy will be reviewed at least every three years and sooner where there is a material change in legislation, RSH standards, ecoDa guidance, Harbour Light's Articles of Association, organisational structure or governance arrangements. The next scheduled review date is 17 September 2029.

Material amendments must be approved by the Harbour Light Board. Minor administrative changes that do not alter the policy's substantive governance requirements may be made between formal reviews, with an appropriate version record. The Board will reconsider whether ecoDa remains an appropriate governance code whenever this policy is formally reviewed or if Harbour Light's scale or complexity changes materially.