



PATTERDALE DEVELOPMENTS LIMITED TERMS OF REFERENCE

Purpose of the Board

1. Patterdale Developments Ltd is the primary design and build contractor for Community Gateway Association (CGA).
2. Patterdale Developments Ltd will aim to improve the effectiveness of the procurement stage of the development process by enabling irrecoverable VAT on professional fees to be recovered. Patterdale Developments Ltd is registered separately for VAT outside of CGA's VAT Group.

Membership

3. The Board will be comprised of a minimum of three and a maximum of five members. For the time being, the Board will comprise the Chief Executive and two Executive Directors of CGA.

Secretary

4. The Company Secretary, or his or her nominee, shall act as the Secretary of the Board and will ensure that the Board receives information and papers in a timely manner, to enable full and proper consideration to be given to the issues.

Quorum

5. The quorum necessary for the transaction of business shall be two.

Meetings

6. The Board shall meet at least twice a year and otherwise as required. Meetings may be in any format or use any mode or media.
7. Meetings of the Board shall be called by the Secretary at the request of the Board's Chair.
8. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Board, and any other person required to attend, no later

than five working days before the date of the meeting. Supporting papers shall be sent to the Board and to other attendees, as appropriate, at the same time.

9. The Secretary will ensure that meetings are minuted and these minutes are circulated to the next appropriate Parent Board meeting.

Responsibilities of the Board

10. The responsibilities of Patterdale Developments Ltd are as follows:
 - To ensure that Patterdale Developments Ltd acts in accordance with the Association's values, vision and strategic objectives, to help ensure the long-term success of both Patterdale Developments Ltd and the Group.
 - To establish policies and plans to achieve the objectives of Patterdale Developments Ltd and the Group.
 - To examine the strategic fit of any opportunities within the scope of Patterdale Developments Ltd activity in the light of the Association's aims and objectives. It will make recommendations which may refine, amend or add value to the business transacted to deliver these objectives.
 - To contribute to the implementation of the Group's Development and Regeneration Strategy within its approved Business Plan and Budget.
 - To procure third party services for development projects on behalf of the parent company.
 - To monitor the delivery of any contracts or documentation it enters into with contractors.
 - To take all necessary steps to enforce contractual terms where requested by the Parent Board.
 - To ensure Patterdale Developments Ltd operates effectively, efficiently and economically, approving Patterdale Development Ltd's budget each year and monitoring performance in relation to this budget.
 - Monitor Patterdale Development Ltd's financial position during the year, satisfying itself of the integrity of financial information and ensuring that its financial performance is consistent with the approved Budget and longer-term plans. In doing so, ensure any remedial action is taken to maintain liquidity and financial viability and advising the Parent Board of any adverse variances.
 - The Board will establish, oversee and review appropriate systems of internal control and risk management in order to safeguard the assets and reputation of Patterdale Developments and the Group.

Reporting responsibilities

11. The Board Chair shall report to the Parent Board, on its proceedings after each meeting, on all matters within its duties and responsibilities.
12. The Board shall make whatever recommendations to the Parent Board it deems appropriate on any area within its remit where action or improvement is needed.
13. The Board shall ensure the Group complies with all legislative and regulatory requirements in terms of its activities and any disclosure requirements.

Authority

14. The Parent Board will always retain overall responsibility for all aspects of financial management, development and investment decisions.
15. The Board shall arrange for periodic reviews of its own performance and regularly review its constitution and terms of reference to ensure it is operating at maximum effectiveness, recommending any changes it considers necessary to the Parent Board for approval.