



## Standing Orders – Appendices

### Contents

Appendix 1 - Definitions and Interpretation .....	0
Appendix 2a – Chair role description.....	2
Appendix 2b – Vice Chair role description.....	6
Appendix 2c – Board member role description .....	8
Appendix 2d – Chair of Risk and Audit Committee role description .....	14
Appendix 2e – Chair of Operations Committee role description .....	17
Appendix 2f – Chair of Remuneration Committee role description.....	20
Appendix 3 – Governing body recruitment policy.....	22
Appendix 4 – Board evaluation policy.....	24
Appendix 5a – Terms of Reference for Risk and Audit Committee .....	25
Appendix 5b – Terms of Reference for Operations Committee .....	31
Appendix 5c – Terms of Reference for Remuneration Committee.....	36
Appendix 6 – Scheme of Financial Delegation.....	38

### Appendix 1 - Definitions and Interpretation

In these Standing Orders, the following words and expressions have the following meanings unless they are inconsistent with the context:

- “Agenda” means a statement of the business to be transacted at a Board Meeting or a Committee Meeting;
- “Appendix” means an appendix to these Standing Orders;

"Approved Partner Organisation"	means the partner organisations approved and agreed by the Board from time to time;
"Committee Chair"	means the chair of the Committee;
"Committee KPIs"	means those Committee Key Performance Indicators developed by the Association in consultation with the Committee, as may be updated and amended from time to time;
"Committee Vice-Chair"	means the person appointed by the Committee to be the vice chair of the Committee;
"Board"	means those members elected by the Members at a properly convened General Meeting and any members or non-members who are co-opted by the Board in accordance with the Rules of the Association. For the purposes of charity legislation, the Board members are also the charity Board members within the meaning of s106 Charities and Trustee Investment Act 2005.
"Board Co-optee"	means any persons co-opted to a Board in terms of the Rules of the Association;
"Budget"	means the budget of Association from time to time;
"Business Plan"	means the business plan of Association from time to time;
"Chair"	means any person appointed the chair of the Board, any Committee or subsidiary entity of the Association;
"Capital Investment Programme"	means programme of purchase, demolition, construction, or improvement of, or investment in, any fixed assets by the Association, including associated costs of financing and investment contract expenditure;
"Committee"	means any committee of the Board from time to time, and "Committees" will be construed accordingly;
"Committee Chair"	means the person appointed by the Board from time to time to be the Chair of a Committee;
"Committee Co-optees"	means persons co-opted to one or more of the Committees in terms of the Association's constitution;
"Committee Meeting"	means a meeting of a Committee;
"Committee Members"	mean the members of a Committee from time to time;
"Company Secretary"	means the Secretary of the Association from time to time;
"Council"	means City of Edinburgh Council;
"Executive"	means the Executive Team of the Association from time to time;

"Executive Team"	means those individuals reporting from time to time to the Chief Executive in an executive capacity;
"General Meeting"	means a meeting of the members of the Association;
"Code of Conduct"	means the code of conduct of Governing Body Members adopted from time to time by the Board;
"Scheme of Financial Delegation"	means the document that forms Appendix 6 to these Standing Orders as same may be amended from time to time;
"Independent Member"	means a member of a Committee who is neither a Board Member nor a Member;
"Operating Manual"	means the operating manual of the Association as same may be amended from time to time;
"Scottish Housing Regulator"	means the independent Scottish Housing Regulator (SHR) established on 1 April 2012 under the Housing (Scotland) Act 2010;
"Subsidiary"	has the meaning ascribed to it by Section 164 of the Housing (Scotland) Act 2010;
"Tenant Board Member"	means a person appointed to the Board of the Association who is also a tenant or resident of the Association;
"Vice Chair"	means the office bearer appointed by the Board to be the vice chair of the Association;

A reference to a statute or section of statute includes amendments and replacements to that statute and/or section. Reference to an organisation, which has been established by statute, includes a reference to a statutory successor of that organisation.

## Appendix 2a – Chair role description

	Viewpoint Housing Association
	ROLE PROFILE – CHAIR

**General Description of the role**

Overall Purpose

The Chair’s role is to ensure the proper functioning of the VHA Board.

The Chair is a Board member and retains all the responsibilities, obligations and liabilities of an ordinary Board member. In addition, the Chair of the Board is responsible for the following:

**Role Responsibilities**

Leadership

- Lead the Board of Board members.
- Consult with Board members where appropriate and keep them informed of all relevant matters.
- Manage the business of the Board, ensuring that:
  - i) the board operates efficiently and in accordance with the Governance Handbook; ii) the Board agenda focuses on the right issues; iii) board papers meet the Board’s needs iv) the Board maintains and develops an effective interface with the Executive Team
  - v) the views of stakeholders are sought where practicable and taken into account in Board decisions
  - vi) Board members have an adequate opportunity to express their views

**Role Responsibilities**

- vii) Board members are able to have an effective debate and form a collective view/decision.
- Chair the AGM and any other General Meetings.

Stewardship	<p>□ Approve significant variances against plans or budget between Board meetings as set out in the Financial Standing Orders.</p>
Strategy and Policy	<p>□ Approve a policy stance on a controversial or sensitive issue between Board meetings.</p>
Performance Management and Mentoring	<ul style="list-style-type: none"> <li>• Lead in appraising the performance of the Chief Executive Officer (CEO) and Company Secretary in that element of their role;</li> <li>• Hold the CEO to account on behalf of the Board;</li> <li>• Provide mentoring and support to the CEO as required;</li> <li>• Lead in making recommendations on the remuneration of the CEO to the Remuneration Committee.</li> </ul>
Decision Making	<ul style="list-style-type: none"> <li>• Make decisions on urgent and unexpected issues, arising between Board meetings, and where it is impractical to involve other Board members, in collaboration with the Vice Chair and CEO; ensuring such decisions are reported to the Board and minuted at the next Board meeting.</li> <li>• Make decisions, within any parameters set by the Board, on any matter on which the Board is unable to make a decision in a meeting and where specific delegated authority been given by the Board.</li> </ul>
Ambassadorial	<p>□ Work in partnership with the CEO to:</p> <ul style="list-style-type: none"> <li>i) maintain an effective relationship with Members and other key stakeholders</li> <li>ii) represent the organisation internally and externally in accordance with VHA policy.</li> </ul>
Governance Development	<p>□ Lead the review and development of VHA's governance systems and processes including:</p> <ul style="list-style-type: none"> <li>i) annual reviews of the Board's operation and effectiveness</li> </ul>
<b>Role Responsibilities</b>	

	<ul style="list-style-type: none"> <li>ii) skills and competences audits</li> <li>iii) appropriate development activities to build the capacity of the Board to function effectively.</li> </ul>
--	--

### Role Requirements

Board members are required to engage in an appropriate level of scrutiny, constructive debate and challenge, and to provide positive feedback and support to the management team. The skills, knowledge and experience required **collectively** by the Board are noted below.

<b>Chairing skills</b>	Chairing	Ability to manage debate, ensuring all Board members contribute to discussion and decision-making; ability to encourage Board members to question and challenge issues constructively, promoting understanding; ability to lead a board or committee in a collaborative approach to problem solving and decision-making.
	Agenda and meeting management	Ability to set board agendas and manage the annual calendar of business, ensuring Board members receive relevant information in an accurate, clear and timely manner; ability to manage meetings, ensuring all necessary business is completed while allowing time for appropriate discussion of agenda items.
	Mentoring	Ability to guide, support and develop Board colleagues and members of the Management Team.

<b>Experience of</b>	Chairing	Experience of chairing a governing body, committee, subcommittee or other similar body.

## Appendix 2b – Vice Chair role description

	Viewpoint Housing Association
	ROLE PROFILE – VICE CHAIR

### General Description of the role

#### Overall Purpose

The Vice-Chair’s role is to provide general support to the Chair and to deputise for the Chair in their absence.

The Vice-Chair is a Board member and retains all the responsibilities, obligations and liabilities of an ordinary Board member. When deputising for the Chair, the Vice-Chair has the responsibilities outlined in the Chair Role Profile. In addition, the Vice-Chair is responsible for the following:

### Role Responsibilities

#### Board Chair Support

- Assist in:
  - Manage the business of the Board of trustees.
  - Ensuring appropriate review and development of the VHA’s governance.
  - Managing the Chief Executive Officer (CEO).
  - Maintaining an effective interface with the CEO, executive team and staff.
  - Represent the Board with key stakeholders, as required.
- Deputise for the Board Chair in his or her absence.

Stewardship	<ul style="list-style-type: none"> <li>□ Approve significant variances against plans or budget between Board meetings as set out in the Financial Standing Orders.</li> </ul>
Performance Management	<ul style="list-style-type: none"> <li>□ Jointly appraise the performance of the CEO and Company Secretary with the Board Chair.</li> </ul>
	<ul style="list-style-type: none"> <li>□ Support the Board in ensuring appropriate arrangements are made for the appraisal of the Board Chair's performance.</li> </ul>

**Role Requirements**

The Vice Chair will have the skills, knowledge and experience required to function effectively as a Board member. Additional skills, knowledge and experience required to perform effectively as a Committee Chair are noted below.


<b>Chairing skills</b>	Chairing	Ability to manage debate, ensuring all Board members contribute to discussion and decision-making; ability to encourage Board members to question and challenge issues constructively, promoting understanding; ability to lead a board or committee in a collaborative approach to problem solving and decision-making.
	Agenda and meeting management	Ability to set board agendas and manage the annual calendar of business, ensuring Board members receive relevant information in an accurate, clear and timely manner; ability to manage meetings, ensuring all necessary business is completed while allowing time for appropriate discussion of agenda items.
	Mentoring	Ability to guide, support and develop Board colleagues and members of the Management Team.

	Committee work	Working with, or serving as a member of, a governing body, committee, sub-committee or other similar body; achieving consensus and working in a collegiate framework.
--	----------------	---



<b>Experience of</b>		

## Appendix 2c – Board member role description

	Viewpoint Housing Association
	ROLE PROFILE – BOARD MEMBER

<b>General Description of the role</b>
<p><b>Overall Purpose</b></p> <p>The Board of trustees (the Board) provides leadership for VHA, setting the strategic direction, acting as positive ambassadors, protecting the organisation’s reputation and ensuring the VHA is flexible, responsive and effective as a provider of social housing and care.</p> <p>The Board has collective, corporate responsibility for the direction, management and control of the VHA and is responsible for ensuring that the VHA operates in accordance with the Rules of the Association.</p> <p><b>Accountability</b></p> <p>The Board is accountable to members, the Scottish Housing Regulator and funders for ensuring that the organisation is properly governed, is fit for purpose, uses its resources effectively and maximises its reach and impact. The Board is accountable to regulators and funders for the proper governance of the organisation</p>

<b>Role Responsibilities</b>	
Leadership	<ul style="list-style-type: none"> <li>□ Provide visible and valued leadership to the VHA, ensuring Board competence across all relevant business areas</li> </ul>
Guardianship	<ul style="list-style-type: none"> <li>• Safeguard the VHA’s mission, vision, values and reputation</li> <li>• Protect and promote the organisation’s brand</li> </ul>
Stewardship	<ul style="list-style-type: none"> <li>□ Protect the organisation’s assets</li> </ul>

	<ul style="list-style-type: none"> <li>• Ensure that the organisation is adequately and appropriately resourced to deliver its strategy, policies and plans</li> <li>• Ensure effective governance, risk and internal control frameworks are operational at all times</li> <li>• Ensure efficient business and financial management</li> <li>• Ensure that the organisation operates in the best interests of its members at all times</li> </ul>
Strategy and Policy	<ul style="list-style-type: none"> <li>• Set the organisation’s strategic direction; periodically review the strategic direction and revise as appropriate;</li> <li>• Ensure that the views of appropriate stakeholders are taken into account in developing the organisation’s strategy, priorities and plans;</li> <li>• Approve the organisation’s strategy, priorities and plans in line with the agreed direction; review and revise as appropriate.</li> </ul>

<p>Performance Management</p>	<ul style="list-style-type: none"> <li>• With other Board members collectively appoint the Chief Executive Officer (CEO) and Company Secretary;</li> <li>• Oversee the effective implementation of the organisation’s strategy and plans;</li> <li>• Evaluate the organisation’s overall performance in implementing the strategy and plans, assessing achievement of any performance measures set; carry out reviews at least quarterly.</li> </ul>
<p>Stakeholder Engagement</p>	<ul style="list-style-type: none"> <li>• Build and maintain positive relationships and effective communication channels with all internal and external stakeholders;</li> <li>• Ensure effective communication and consultation with the VHA’s membership;</li> <li>• Ensure effective liaison with the boards of member organisations so that their input informs the VHA’s policy business activities</li> <li>• Participate in the orientation and induction processes for newly elected Board members of VHA</li> </ul>
<p>Governance</p>	<ul style="list-style-type: none"> <li>• Ensure that the VHA’s governance arrangements and standards of corporate social responsibility are fit for purpose and in line with good practice</li> <li>• Ensure compliance with the Rules of the Association, relevant legislation and regulatory requirements</li> <li>• Establish rules, operational policies and procedures for the management, conduct and regulation of the organisation, including:             <ul style="list-style-type: none"> <li>• arrangements for the election of Board members;</li> <li>• establishing Committees and Working Groups;</li> <li>• establishing clear authority for decision-making;</li> <li>• establishing policies to govern the VHA’s operations;</li> </ul> </li> <li>• reviewing governance arrangements and adherence to these, ensuring appropriate development activities to maintain and enhance performance of the board and staff of the organisation.</li> </ul>

Board members will act at all times in the best interests of the VHA, ensuring that their conduct complies with the Code of Conduct.

Each member of the Board of trustees is a Board member within the meaning of prevailing laws and regulations. The Charities and Trustee Investment (Scotland) Act 2005 created general and specific Board members' duties which are:

- act in the interests of the charity;
- seek, in good faith, to ensure that the charity operates in a manner that is consistent with its objects or purposes;
- act with the care and diligence that it is reasonable to expect of a person who is managing the affairs of another person;
- ensure that the charity complies with the provisions of the Act, and other relevant legislation to avoid conflicts of interest;
- not to accept benefits from third parties.

Additionally, there are specific duties of Board members:

- Updating your charity's details.
- Reporting to OSCR is largely covered by the SHR:
  - Annual Monitoring
  - Charity Accounting
  - Making Changes to Your Charity.
- Financial record keeping and reporting. Section 44 of the 2005 Act states that charities must:
  - Keep proper accounting records;
  - Prepare a statement of account, including a report on its activities, at the end of each financial year;
  - Have the statement of account independently examined or audited.
- Accounting records must be kept by the charity for a minimum of 6 years from the end of the financial year in which they were made.
- Board members are responsible for taking control of how their charity fund-raises.
- Providing information to the public.

In addition, Board members are individually responsible for filing statutory documents with the Scottish Housing Regulator.

### Role Requirements

Board members are required to engage in an appropriate level of scrutiny, constructive debate and challenge, and to provide positive feedback and support to the management team. The skills, knowledge and experience required **collectively** by the Board are noted below.

Core skills	Leadership	Ability to create confidence in the leading role of the organisation; ability to represent the VHA at events and conferences; ability to deliver relevant presentations in a clear, succinct and engaging manner on behalf of the VHA when required. The ability to inspire and empower VHA staff to achieve the VHA's mission and objectives.
	Direction-setting	Ability to contribute to the strategic direction of the VHA and the sector; ability to advise on and assess the VHA's business strategy; ability to synthesise information and provide guidance to inform VHA policy or position statements on key sectoral issues.
	Performance management	Ability to scrutinise and evaluate the performance of management in achieving organisational objectives and to oversee the operation of a control framework that enables risk to be assessed and managed.
	Communication	Ability to express views and opinions in a clear, concise and constructive manner using an appropriate medium, and to provide balanced, impartial advice when required;
		Ability to probe and question appropriately and to demonstrate active listening to colleagues and stakeholders.
	Analysis, judgement and decision-making	Ability to demonstrate clarity of thought, to analyse complex and/or conflicting information and to identify the validity, relevance and limitations of different sources of evidence; ability to debate and express reasoned judgement; ability to assess the strategic implication of decisions and to reach appropriate, timely decisions consistent with VHA strategy, policy and governance framework.
	Equalities championing	Ability to translate an understanding of equality into support for a wide range of under-represented or marginalised individuals and groups.

<b>Specialist skills</b>	Finance	Ability to satisfy self that accounting records are adequate, that financial statements represent a true and fair view of the organisation’s financial position and that internal systems and controls are robust. Ability to evaluate budget, financial performance and support financial decision making. Understand treasury policy and the implications of treasury decisions.
	Legal and regulatory	Skills in interpreting and applying laws and regulations relevant to the work of the VHA, for example property or employment law. Understand and apply the SHR Regulatory Code of Governance and Financial Management. Review, challenge and evaluate the Annual Assurance Statement.
	Personnel	Ability to interpret current employment and equalities legislation, and to apply consistent, fair and equitable employment terms, conditions and policies to the VHA.
	Marketing	Skills in promoting and selling products or services, including market research and advertising.
	Diversity	Ability to interpret and apply detailed knowledge of equalities legislation and to guide VHA policies and approaches so that they are fair, flexible and inclusive; ability to advise on ways in which the VHA may encompass the needs all categories of service users in their activities.
	Public relations	Skills in building and/or maintaining a favourable public image of an organisation through positive information flow.

<b>Chairing skills</b>	Chairing	
	Agenda and meeting management	
	Mentoring	

	Social housing	The social housing and care sectors and an understanding of the role of the VHA delivering social housing and care services within the two different regulatory environments.
--	----------------	---

<b>Knowledge of</b>	Tenant participation	The statutory framework for tenant participation and the needs of service users; an understanding of best practice and methods and mechanisms to encourage participation.
	Welfare framework	A working knowledge of the UK welfare framework, the agenda for change and the impact of the framework on the lives of tenants, and the repercussions for social housing organisations.
	Corporate governance	Governance frameworks necessary for the proper conduct of VHA business and that of its member bodies; knowledge necessary to ensure that the VHA complies with its Rules.
	Regulation	The role of regulators and the requirements they place on VHA members.

<b>Experience of</b>	Committee work	Working with, or serving as a member of, a governing body, committee, sub-committee or other similar body; achieving consensus and working in a collegiate framework.
	Public policy	Working in an area directly relevant to the social housing or care sectors in Scotland and/or a working knowledge of policy and practice affecting the sector.
	Community involvement	Active community engagement, for example through working with a Community Partnership or in Wider Action.
	Broad business experience	How businesses operate, gleaned from working in or with a commercial or third sector operation, or from an entrepreneurial role.

## Appendix 2d – Chair of Finance, Risk and Audit Committee role description

	Viewpoint Housing Association
	ROLE PROFILE – CHAIR OF Finance RISK AND AUDIT COMMITTEE

**General Description of the role**

**Overall Purpose**

The Chair of the Finance, Risk and Audit Committee’s (FRAC) role is to lead the Committee in ensuring that the VHA has in place effective systems of internal control (financial and non-financial), risk management, financial reporting and audit (internal and external) in order to assure probity and transparency, compliance with legal and regulatory requirements, and sound practice.

The Chair of the FRAC Committee is a Board member and retains all the responsibilities, obligations and liabilities of an ordinary Board member. The Chair of the FRAC is accountable to the Board for the following in addition to those of a Board member:

**Role Responsibilities**

**Leadership**

- Lead the Committee, chair meetings and support the Committee in carrying out the duties and responsibilities assigned to it.
- Manage the business of the Committee, ensuring that:
  - i) the Committee operates efficiently and in accordance with the Committee Terms of Reference;
  - ii) the Committee’s annual work plan reflects the VHA’s annual business cycle, ensuring recommendations on matters such as external



	<p>audit are presented to the Board at the appropriate juncture;</p> <p>iii) the Committee reviews and makes recommendations to the Board regarding systems of internal control (financial and non-financial), risk management, financial reporting, external audit and the investigation of matters of concern; iv) the Committee manages the relationships between the VHA and its assurance providers.</p>
<p>Policy development and monitoring</p>	<p>□ Report to the VHA Board on:</p> <ul style="list-style-type: none"> <li>i) the Committee’s review and recommendations on internal policies, Standing Orders and Financial Regulations.</li> <li>ii) the Committee’s view on the implementation of the above.</li> </ul>

**Role Requirements**

The Chair of the Board cannot chair the Finance, Risk and Audit Committee.

The FRAC Chair will have the skills, knowledge and experience required to function effectively as a Board member. Additional skills, knowledge and experience required to perform effectively as a Committee Chair are noted below.

<p><b>Chairing skills</b></p>	<p>Chairing</p>	<p>Ability to manage debate, ensuring all Board members contribute to discussion and decision-making; ability to encourage Board members to question and challenge issues constructively, promoting understanding; ability to lead a board or committee in a collaborative approach to problem solving and decision-making.</p>
	<p>Agenda and meeting management</p>	<p>Ability to set board agendas and manage the annual calendar of business, ensuring Board members receive relevant information in an accurate, clear and timely manner; ability to manage meetings, ensuring all necessary business is completed while allowing time for appropriate discussion of agenda items.</p>

	Mentoring	Ability to guide, support and develop Board colleagues and members of the senior management team.
--	-----------	---

<b>Knowledge of</b>	Financial reporting	Working knowledge of the financial reporting framework under which the VHA has to operate and the control framework necessary to safeguard and facilitate the production of financial statements, which present a true and fair view of the VHA’s financial affairs.
	Risk management	Working knowledge of practical risk management and how it integrates to strategic management, internal control frameworks and the organisation’s governance framework.
	Assurance & compliance	Add definition

<b>Experience of</b>	Committee work	Working with, or serving as a member of, a governing body, committee, sub-committee or other similar body; achieving consensus and working in a collegiate framework.

## Appendix 2e – Chair of Operations Committee role description

	Viewpoint Housing Association
	ROLE PROFILE – CHAIR OF THE OPERATIONS COMMITTEE

**General Description of the role**

### Overall Purpose

The Chair of the Operations Committee’s role is to lead the Committee in ensuring that the VHA has in place effective oversight of key operational functions, risk management within those functions and operational performance reporting in order to assure the effective, efficient and economically sustainable operation of the business.

The Chair of the Operations Committee is a Board member and retains all the responsibilities, obligations and liabilities of an ordinary Board member. The Chair of the Operations Committee is accountable to the Board for the following in addition to those of a Board member:

<b>Role Responsibilities</b>	
Leadership	<ul style="list-style-type: none"> <li>• Lead the Committee, chair meetings and support the Committee in carrying out the duties and responsibilities assigned to it.</li> <li>• Manage the business of the Committee, ensuring that:                             <ul style="list-style-type: none"> <li>v) the Committee operates efficiently and in accordance with the Committee Terms of Reference;</li> <li>vi) the Committee’s annual work plan reflects the VHA’s annual business cycle, ensuring recommendations on matters such as performance reporting are presented to the Board at the appropriate juncture;</li> <li>vii) the Committee reviews and makes recommendations to the Board regarding systems of internal control (financial and non-financial), risk</li> </ul> </li> </ul>
	management, financial reporting, external audit and the investigation of matters of concern as they relate to Operations.
Policy development and monitoring	<ul style="list-style-type: none"> <li>iii) the Committee’s review and recommendations on internal policies relating to:</li> </ul>

	<ul style="list-style-type: none"> <li>a. Housing operations;</li> <li>b. Care operations;</li> <li>c. Asset management;</li> <li>d. General staffing matters;</li> <li>e. Business planning;</li> <li>f. Health &amp; Safety operations;</li> <li>g. Safeguarding operations; and</li> <li>h. IT and system matters.</li> </ul> <p>iv) the Committee’s views and recommendations on the implementation of the above.</p>
--	---

**Role Requirements**

The Operations Committee Chair will have the skills, knowledge and experience required to function effectively as a Board member. Additional skills, knowledge and experience required to perform effectively as a Committee Chair are noted below.

<b>Chairing skills</b>	Chairing	Ability to manage debate, ensuring all Board members contribute to discussion and decision-making; ability to encourage Board members to question and challenge issues constructively, promoting understanding; ability to lead a board or committee in a collaborative approach to problem solving and decision-making.
	Agenda and meeting management	Ability to set board agendas and manage the annual calendar of business, ensuring Board members receive relevant information in an accurate, clear and timely manner; ability to manage meetings, ensuring all necessary business is completed while allowing time for appropriate discussion of agenda items.
	Mentoring	Ability to guide, support and develop Board colleagues and members of the senior management team.

<b>Knowledge</b>	Operational management	Working knowledge of how the operational aspects of the business integrate quality assurance across the business and performance management of the organisation.
	Housing management	Working knowledge of the operation of a housing management function. Understanding of regulatory obligations, Annual Return on Charter (ARC) and Tenant Participation ( TP).
	Care services	Working knowledge of the operation of a care function. Understanding of regulatory obligations, ARC and TP.
	Asset management	Working knowledge of asset management Understanding of regulatory obligations, ARC and maintenance.
	Human resources	Working knowledge of the management of staff teams. Working knowledge of current employment practices. Working knowledge of current employment laws and regulations.
	Safeguarding	Understanding of the principles of safeguarding and the practical implications for VHA.
	Risk management	Working knowledge of practical risk management and how it integrates to strategic management, internal control frameworks and the organisation’s governance framework.
<b>Experience</b>	Committee work	Working with, or serving as a member of, a governing body, committee, sub-committee or other similar body; achieving consensus and working in a collegiate framework.

## Appendix 2f – Chair of Remuneration Committee role description

This Committee will meet annually to review salary increase for Executive Team and CEO. It can also convene at any other time if required to review a salary related matter. The Chair of the Board will chair the Remuneration Committee, which will comprise the Chair of the Board; Chair of Finance, Risk & Audit and Chair of Operations Committee. If required the Remuneration Committee can ask other Board/Committee members to join the meeting.

## Appendix 3 – Governing body recruitment policy

### Introduction

This document sets out the Association's policy on the recruitment of Board members. There are two routes to appointment as a Board member: election, co-option to fill a vacancy or co-option on a skills basis.

### Policy

#### *Stages of appointment process*

The process may be summarised:

1. Identification of new Board members;
2. Receipt of application;
3. Pre-appointment due diligence;
4. Co-option and/or election;
5. Post-appointment due diligence.

#### *Identification of new Board members*

Any member of the Association as defined in the Rules and who meets the criteria for eligibility may stand for election as a Board member. In advance of the AGM, the Company Secretary will advise all members that nominations are being sought for election to any vacancies. This requires to take place in sufficient time to permit due diligence checks.

Any Board member at any time may make a recommendation of an individual for potential co-option as a Board member to fill a skills gap on the Board. Recommendations should be made

- Via the Company Secretary, or
- Directly to the Chair or Vice Chair copied to the Company Secretary.
- Any member of the Association may express an interest in becoming a Board member.

There is nothing inherent in this policy to preclude the use of advertising or a recruitment agency for the purpose of identification of Board members.

Board members may wish, following due diligence checks, to consider co-opting prospective Board members, in the first instance with election proposed at the next AGM.

#### *Documentation*

On receipt of a recommendation, the Company Secretary will, if not already received, invite the individual to prepare and submit either a Curriculum vitae or a Life's Experiences Statement. Concurrently, the individual will also be provided with a copy of the skills matrix and asked to complete it.

The CV/LES and skills matrix will be reviewed by the Company Secretary against the Board skills matrix and simultaneously the Officers (Chair, Vice Chair and Treasurer) will consider the individual's experience as set out in their CV/LES.

#### *Pre-appointment meeting*

At the request of the Chair or Vice Chair, the Company Secretary will write to the individual inviting them to meet with the Chief Executive and then not more than three Board members one of whom must be either the Chair or Vice Chair.

Where an individual is being considered for co-option, if considered appropriate, the individual may be invited to join a working party/group or committee in the first instance.

#### *Co-opting a Board member, observer at Board*

Once it is established that the individual is able to make a suitable contribution and that the individual is comfortable with the Association and what is required, the Company Secretary will, at the request of the Chair or Vice Chair, invite the individual to attend a Board meeting as an observer.

If all parties are comfortable, then the individual will be co-opted to the Board via a resolution of the Board and the individual, where not already a member of the Association, shall make an application for Membership of the Association. The Company Secretary shall then make entries to the Register of Members and the Register of Directors.

#### *Election*

At the next available General Meeting, the individual, if all remain satisfied, will stand for election to the Board of Board members.

#### *Due diligence*

Due diligence on Board members' takes place in two stages:

- Pre-appointment:
  - CV/LES;
  - Meeting with CEO and 2 Board members;
  - Observer at Board – where possible.
- Post-appointment:
  - Verification of identity;
  - Disclosure Scotland Basics check.

#### **Compliance**

Failure to comply with the policy could lead to a breach of the Rules of the Association. Therefore, all Board member recruitment activity must involve the Company Secretary to ensure that compliance is managed appropriately.



## Appendix 4 – Board evaluation policy

### Introduction

The Board provides leadership for Viewpoint, setting the strategic direction, acting as positive ambassadors, protecting the organisation's reputation and ensuring that Viewpoint is flexible, responsive and effective as a housing and care provider in the national context.

The legal and regulatory responsibilities of a Board member are significant. Effective governance requires Board members to ensure that Viewpoint operates in a manner consistent with its Rules and with prevailing legislation and regulation; in particular the SHR Regulatory Code of Governance and Financial Management. Board members must ensure that risks to the organisation's reputation, strategy and delivery are identified and managed.

### Purpose

To ensure the proper stewardship of Viewpoint the balance of skills round the Board table, are important for an effective Board. The balance of skills is a function of three matters:

- Appropriate recruitment;
- Maintaining and developing skills;

### Policy

Each member of the Board will be asked to complete a self-evaluation questionnaire each year, usually in the final quarter of the financial year.

The self-evaluation response will collect your assessment of:

- Whole of Board performance;
- One's own performance;
- Motivation and commitment;
- Skills analysis; and
- Training and development.

Having completed the self-evaluation each Board member will be invited to meet confidentially with the Chair to discuss your response. In accordance with good practice, from time to time and at the Chair's discretion, the meeting with the Chair may be externally facilitated.

Results aggregating all responses will be fed back to the next available Board meeting.

### Compliance

Failure to complete a self-evaluation and/or meet with the Chair to discuss your response could lead to non-compliance with one or more elements of Regulatory Standards. It also makes the development of a Board Training and Development Programme very difficult and can interrupt Board recruitment.

## Appendix 5a – Terms of Reference for Finance, Risk and Audit Committee

### Scope

The Finance, Risk and Audit sub-Committee (FRAC) is created by the Association's Board to fulfil its oversight responsibilities relating to:

- Risk management;
- the Internal control framework;
- Financial planning;
- Financial management;
- Treasury management;
- Regulatory and Financial reporting; and
- Relationships with assurance providers.

The Finance, Risk and Audit Committee's scope of interest shall extend to all of the Association's activities, subsidiary companies, joint ventures, partnerships, etc.

### Objectives

The Finance, Risk and Audit Committee provides advice to give assurance to the Board and the Chief Executive Officer that:

- a) Overall Corporate Governance arrangements are appropriate and operating effectively;
- b) Risk assessment and mitigation is embedded into financial and non-financial management processes;
- c) The internal control framework is effective and supported by an appropriate compliance culture;
- d) Financial plans are prepared so to ensure the sustainability of the Association and that all plans reconcile;
- e) Prudent financial management is observed so to ensure the sustainability of the Association;
- f) Financial policies and procedures enable the timely and accurate management and reporting of financial performance to stakeholders, including but not limited to the Board, management, lenders and regulators;
- g) Statutory reporting is prudent, accurate, appropriate and consistent with accounting policies;
- h) Internal financial and management reporting is timely, prudent, appropriate and consistent with the external financial reports; and

- i) Assurance services provide an appropriate level of comfort to the Board and Chief Executive.

**Membership**

The Committee shall comprise a minimum of three members of the Board, one of whom is appointed Committee Chair. The Finance, Risk and Audit Committee may appoint, or co-opt, not more than one independent member. The Board will be responsible for the appointment and removal of members of the Finance, Risk and Audit Committee. The Chair of the Board is ex officio a member of the Committee.

One member of the Finance, Risk and Audit Committee should have senior experience in a finance related employment or professional role.

Members of the Committee will act with independence and objectivity in the conduct of their responsibilities. In addition, each member should have a sound understanding of the objectives and priorities of the Association and of their role as a Committee member.

A Committee member or attendee who becomes aware of a potential conflict of interest relating to matters being discussed by the Committee should give prior notification to the Chair or, if this is not possible, declare this at the meeting and, where necessary, withdraw during discussion of the relevant agenda item.

The member of the Executive team responsible for the operation of the Committee shall be the Chief Executive. The Committee will be serviced by the four Directors; Director of Business Support; Director Of Housing & Support; ,Director of Finance; and Director of Assets (three directors from 1 April 2023; Director of Housing & Care, Director of Assets and Director of Finance and Business Support). Members of the Executive shall consider inviting appropriate next tier managers to meetings subject to the agenda.

**Quorum**

The quorum necessary to carry out Association business is three board members. In the absence of the Chair, the meeting may be chaired by another Committee member.

**Frequency of meetings**

The Finance, Risk and Audit Committee will meet at least four times a year at appropriate times in the Association’s financial reporting cycle. The programme of activity is likely to adopt the following pattern and core items of business:

Meeting	Core business
Winter	Risk management policy review Risk appetite review Risk register Health & Safety report Internal audit reports

Q3 Management Accounts and Reforecast  
 Second Draft of Budget for next financial year  
 Treasury Management Report

Spring

- Risk register
- Internal audit plan
- Internal audit reports
- Review of Annual Return on Charter submission
- Q4 Management Accounts
- External audit plan
- Five Year Financial Plan for submission to SHR
- Treasury Management Report

Summer

- Risk register
- Internal audit follow-up report
- Internal audit annual report
- Statutory financial statements
- Internal audit reports
- Safeguarding report
- External audit management letter
- Q1 Management Accounts and Reforecast
- Statutory Financial Statements
- External Audit Summary Report
- Audit Letter of Representation
- Treasury Management Report (Portfolio Manager Annual Presentation)

Autumn

- Review of annual assurance statement submission process
- Q2 Management Accounts and Reforecast
- First Draft of Budget for the next financial year
- Treasury Management Report

At least once a year the Finance, Risk and Audit Committee should meet the internal (if appointed) and external auditors without Staff members present.

Written agendas and supporting papers will, except with the Chair's prior agreement, be produced and distributed to members and attendees at least one week (7 calendar days) before meetings.

### Corporate governance

To review and advise on the adequacy of the Association's corporate governance arrangements. This shall include other governance framework matters referred to within this policy also, but not limited to:

- Management of the annual assurance statement;
- Anti-bribery policy and procedures;
- Anti-fraud policies; and
- whistle-blowing processes.

Whistle-blowing processes should include ensuring that appropriate arrangements are in place for staff, in confidence, to raise concerns about possible improprieties (e.g. in financial reporting or re possible fraud), and ensuring that adequate arrangements are in place for proportionate and independent investigation of such matters and for appropriate follow-up action.

### Risk Management

To independently monitor and assess the effectiveness of systems established by management to identify, assess and manage risk. Particular focus is given to assessing:

- The risk management strategy adopted for the management of the Association's key risks and processes. This should encompass all kinds of risks (e.g. strategic, operational, financial, reputation, compliance-related);
- Management's ownership and accountability in relation to these risks;
- The level of assurance provided relating to the management of the key risks including those identified by the Association in business plans and risk registers;
- To review and approve the statements included within the Association's annual accounts concerning risk management.

### Internal control framework

The Finance, Risk and Audit Committee shall maintain under review the Association's financial control framework, including delegated authorities, reserved matters, management accountabilities and internal controls relating to the key financial and operational processes.

### Regulatory and Financial Reporting

The Finance, Risk and Audit Committee will review and discuss with management, internal auditor, the external auditor, and others as the Finance, Risk and Audit Committee deems appropriate:

- The integrity of financial statements and related disclosures required under relevant accounting regulations and guidance;
- Any significant financial reporting issues, judgments, and use of estimates made in connection with the preparation of the Association's financial statements, including any significant changes in the Association's selection or application of accounting principles;
- The critical accounting policies and practices of the Association;
- Regulatory and accounting initiatives or actions applicable to the Association (including and regulatory investigations or proceedings);

The Finance, Risk and Audit Committee shall review, in conjunction with management, the Association's policies generally with respect to the Association's press releases, notices to members, annual reports and other publications with respect to financial information.

The Finance, Risk and Audit Committee shall review in conjunction with the Chief Executive, its internal and disclosure controls and procedures over financial reporting, including whether there are deficiencies, material weaknesses, potential fraud opportunities, or any other corrective actions to be taken with regard to controls and procedures.

The Finance, Risk and Audit Committee shall have sole authority over the resolution of any disagreements between management and the External Auditor regarding the Association's financial reporting, subject to approval of the Board.

Though not presently required under the constitution, the Finance, Risk and Audit Committee shall recommend the adoption of the annual accounts to the Board. The Finance, Risk and Audit Committee shall report to the Board on the completeness, accuracy and timely submission by the management team of regulatory and any relevant tax returns.

### Assurance providers

To manage the Association's relationships with the Association's assurance providers, including but not limited to internal audit and external audit:

- Making recommendations to the Board in relation to the appointment, reappointment and removal of external auditors and internal auditors;
- Reviewing the annual audit plan and progress reports from the external auditor representative on work that they are performing including, any interim audit reports, final audits and other reviews;
- Consideration of the adequacy of management responses to recommendations raised by assurance providers;

- Consideration of the adequacy of the annual and medium-term work plans of internal audit, if appointed, and ensure it links appropriately to that of the external auditors;
- Advise the Chief Executive and Board on the adequacy of assurance providers' resource application;
- Discussing with assurance providers representatives as appropriate any issue relating to their reports without the presence of senior management;
- Overseeing the relationship with the assurance providers including the approval of the terms of engagement and remuneration.

The Finance, Risk and Audit Committee shall consider progress reports from assurance providers and to discuss as appropriate any issue relating to that report, in the absence of management where necessary. The Finance, Risk and Audit Committee may also direct assurance providers to carry out work in any area where they believe further/additional assurance is required.

#### Business planning and annual budget

The Finance, Risk and Audit Committee shall review the effectiveness of processes supporting the preparation of strategic business plans, of the annual budget and long-term financial projections.

#### Minutes and reporting

A minute of each meeting shall be prepared within 14 calendar days of the meeting and then reviewed and approved at the next meeting of the Committee. The minute will be circulated with papers for the next Board meeting even if that minute is in draft.

The Committee Chair will have the opportunity to highlight any issues or clarify matters to the Board.

Additionally, the Finance, Risk and Audit Committee shall provide an update to the Board about Committee activities:

- After each meeting, identifying matters in respect of which it considers that action or improvement is needed, including where the Committee is not satisfied with any aspect of risk management and internal control, financial reporting or audit related activities; including the independence and performance of the external auditors, or any other matters the Committee deems appropriate while making recommendations as to the steps to be taken;
- Bring to attention of the Board material issues, as well as complaints or concerns regarding accounting, internal accounting controls, auditing or other matters, and, at least annually, review with the Board the Company's report regarding compliance with internal controls and regulatory matters;
- Provide at least annually to the Board, a written report regarding the Finance, Risk and Audit Committee's discharge of its responsibilities, overall performance,

recommendations for improvement in the design and effectiveness of the Finance, Risk and Audit Committee and any areas of material concern affecting the governance, risk profile, financial sustainability or reputation of the Association within the scope of its activities.

### Annual review of performance and remit

The Committee will assess its effectiveness, and will review its Terms of Reference, annually. It will submit recommendations for any proposed changes to the board for approval.

### Authority

The Finance, Risk and Audit Committee has the sole authority to seek information it requires from employees, officers, documents, and external parties; and to investigate, engage advisors, or otherwise obtain independent legal, accounting, or other professional services it requires at the expense of the Association in discussion with the Chair of the Board.

The Finance, Risk and Audit Committee may, as appropriate, seek independent external advice on relevant technical issues within the remit of the Committee on prior approval of the Chair of the Association.

Except as provided above, the Committee has no decision-making powers but, with regards to its business, shall make such recommendations for decisions to the Board as it sees fit.

## Appendix 5b – Terms of Reference for Operations Committee

### Scope

The Operations sub-Committee (OPS or Operations Committee) is created by the Association's Board to fulfil its oversight responsibilities relating to:

- Housing operations; and
- Care operations;
- Asset Management;
- IT and system matters;
- General staffing matters;
- Business planning;
- Safeguarding and Health & Safety in operations.



The Operations Committee's scope of interest shall extend to all of the Association's activities, subsidiary companies, joint ventures, partnerships, etc..

## Objectives

The Operations Committee provides advice to give assurance to the Board and the Chief Executive Officer that:

- j) Strategic plans are converted into effective sets of goals, objectives and KPIs and that these are appropriately cascaded through the organisation and staff development plans;
- k) Resource levels are sufficient to facilitate the delivery of all plans and programmes and where constraints operate to ensure that plans and programmes are realistic in their delivery ambitions;
- l) Overall delivery of Housing and Care services are:
  - a) In line with core business objectives; and
  - b) Operating within the performance indicator limits set by the Board or can explain reasonably performance variances; and
  - c) Working in accordance with delegated authorities, policies and procedures;
- m) The property assets of the Association are sufficiently maintained so as to provide a reasonable standard of accommodation such that the Association meets its commitments to tenants, residents and service users under laws and regulations, and the social housing charter; and the Operations Committee will make recommendations to the Board following review of the Asset Management Strategy;
- n) Physical and technical infrastructure supports and facilitates the efficient and effective operation of the business in a sustainable, highly secure manner so as to protect the vulnerable, operations, physical infrastructure, data and reputation of the Association;
- o) Staffing matters and oversight are:
  - a) Being managed in a professional manner with the objective of protecting the charity as an employer;
  - b) Managed to promote a satisfied, committed and focussed staff team insofar as it does not conflict with any other objective.

## Membership

The Committee shall comprise a minimum of four members of the Board, one of whom is appointed Committee Chair. The Operations Committee may appoint, or co-opt, not more than two independent members. The Board will be responsible for the appointment and removal of members of the Operations Committee. The Chair of the Board is ex officio a member of the Committee.

The Operations Committee should seek to have the skills required to deliver its role, in particular it will be desirable to have members with experience of:

- Social Housing;
- Assets;
- Care;
- IT Resources

Members of the Committee will act with independence and objectivity in the conduct of their responsibilities. In addition, each member should have a sound understanding of the objectives and priorities of the Association and of their role as a Committee member.

A Committee member or attendee who becomes aware of a potential conflict of interest relating to matters being discussed by the Committee should give prior notification to the Chair or, if this is not possible, declare this at the meeting and, where necessary, withdraw during discussion of the relevant agenda item.

The Committee will be serviced by the four Directors; Director of Business Support; Director Of Housing & Support; Director of Finance & Director of Assets. (Three directors from 1 April 2023; Director of Housing & Care, Director of Finance & Business Support and Director of Assets). The Chief Executive will also attend as appropriate. Members of the Executive shall consider inviting appropriate next tier managers to meetings subject to the agenda.

### Quorum

The quorum necessary to carry out Association business is three board members. In the absence of the Chair, the meeting may be chaired by another Committee member.

### Frequency of meetings

The Operations Committee will meet at least four times a year at appropriate times in the Association's business reporting cycle.

Written agendas and supporting papers will, except with the Chair's prior agreement, be produced and distributed to members and attendees at least one week (7 calendar days) before meetings.

### Risk Management

The Operations Committee shall oversee those risks which it has been delegated responsibility for in respect of its scope and shall be undertaken in accordance with the Risk Management Policy using the Viewpoint model risk register

### Assurance providers

The Committee may be required to ensure that adequate information is provided to any independent assurance providers or to HMRC sufficient to meet their needs.

### Minutes and reporting

A minute of each meeting shall be prepared within 14 calendar days of the meeting and then reviewed and approved at the next meeting of the Committee. The minute will be circulated with papers for the next Board meeting even if that minute is in draft.

The Committee Chair will have the opportunity to highlight any issues or clarify matters to the Board.

Additionally, the Operations Committee shall provide an update to the Board about Committee activities:

- After each meeting, identifying matters in respect of which it considers that action or improvement is needed, including where the Committee is not satisfied with any aspect of risk management and internal control, performance reporting, safeguarding or health & safety related activities, or any other matters the Committee deems appropriate while making recommendations as to the steps to be taken;
- Bring to attention of the Board material issues, as well as complaints or concerns regarding care or housing services, safeguarding, health & safety or other matters, and, at least annually, review with the Board the Company's report regarding compliance with safeguarding and health & safety regulations;
- Provide at least annually to the Board, a written report regarding the Operations Committee's discharge of its responsibilities, overall performance, recommendations for improvement in the design and effectiveness of the Operations Committee and any areas of material concern affecting the governance, risk profile or reputation of the Association within the scope of its activities.

#### Annual review of performance and remit

The Committee will assess its effectiveness, and will review its Terms of Reference, annually. It will submit recommendations for any proposed changes to the board for approval.

#### Authority

The Operations Committee has the sole authority to seek information it requires from employees, officers, documents, and external parties; and to investigate, engage advisors, or otherwise obtain independent legal, accounting, or other professional services it requires at the expense of the Association in discussion with the Chair of the Board.

The Operations Committee may, as appropriate, seek independent external advice on relevant technical issues within the remit of the Committee on prior approval of the Chair of the Association.

Except as provided above, the Committee has no decision-making powers but, with regards to its business, shall make such recommendations for decisions to the Board as it sees fit.

Revision 2      Approved by the Operations Committee on: 8<sup>th</sup> October 2020 Ratified  
by the Board on: 10<sup>th</sup> November 2020



## Appendix 5c – Terms of Reference for Remuneration Committee

### 1. Scope

The Remuneration sub-Committee (REM or Remuneration Committee) is created by the Association's Board to support its responsibilities relating to:

- Recruitment of the Chief Executive;
- Executive recruitment oversight;
- Executive remuneration;
- Executive contract terms and conditions; and
- Executive performance;
- Organisational salary review and changes to pay and benefits; and
- Oversight of HR policy design and implementation as it affects the executive team

The Remuneration Committee's scope of interest shall extend to all of the Association's activities, joint ventures, partnerships, etc.

### 2. Objectives

The Remuneration Committee provides advice to give assurance to the Board that:

- a) That overall Human Resource arrangements in respect of the Executive team are appropriate and operating effectively;
- b) To advise the Board and make recommendations on senior staff salaries and any rates of salary increase from time to time;
- c) To ensure that risk assessment and mitigation is embedded into Executive HR processes;
- d) To ensure there is an effective HR policy framework so far as it affects the Executive;
- e) To seek assurance on behalf of, and report to, the Board, on compliance matters and compliance with HR policies;
- f) The internal control framework concerning Executive HR and remuneration matters is effective and supported by an appropriate compliance culture;
- g) Statutory reporting is prudent, accurate, appropriate and consistent with accounting policies; and
- h) To investigate and hear grievances and disciplinary of staff at Director level and above.

### 3. Membership

The Committee shall comprise a minimum Chair of the Board and Chairs of all formal sub-Committees of the Board. The Chair of the Board shall act as Committee Chair. The

Remuneration Committee may appoint, or co-opt, no more than one independent member. The Board will be responsible for the appointment and removal of members of the Remuneration Committee.

Members of the Committee will act with independence and objectivity in the conduct of their responsibilities. In addition, each member should have a sound understanding of the objectives and priorities of the Association and of their role as a Committee member.

A Committee member or attendee who becomes aware of a potential conflict of interest relating to matters being discussed by the Committee should give prior notification to the Chair or, if this is not possible, declare this at the meeting and, where necessary, withdraw during discussion of the relevant agenda item.

The member of the Executive team responsible for the operation of the Committee shall be the Chief Executive. During discussion of Executive salary arrangement or Committee discussions relating to the Chief Executive's performance, the Chief Executive shall withdraw from the meeting.

#### 4. Quorum

The quorum necessary to carry out Association business is three board members. In the absence of the Chair, another Committee member may chair the meeting.

#### 5. Frequency of meetings

The Remuneration Committee will meet at least annually at an appropriate time in the Association's business reporting cycle.

Written agendas and supporting papers will, except with the Chair's prior agreement, be produced and distributed to members and attendees at least one week (7 calendar days) before meetings.

#### 6. Risk Management

The Remuneration Committee shall oversee those risks, which it has been delegated responsibility for in respect of its scope and shall be undertaken in accordance with the Risk Management Policy using the Viewpoint model risk register.

#### 7. Assurance providers

The Committee may be required to ensure that adequate information is provided to any independent assurance providers or to HM Treasury sufficient to meet their needs.

#### 8. Minutes and reporting

A minute of each meeting shall be prepared within 14 calendar days of the meeting and then reviewed and approved at the next meeting of the Committee. The minute will be circulated with papers for the next Board meeting even if that minute is in draft.

The Committee Chair will have the opportunity to highlight any issues or clarify matters to the Board.

Additionally, the Remuneration Committee shall provide an update to the Board about Committee activities:

- After each meeting, identifying matters in respect of which it considers that action or improvement is needed, including where the Committee is not satisfied with any aspect within its remit, or any other matters the Committee deems appropriate while making recommendations as to the steps to be taken;
- Bring to attention of the Board material issues, as well as complaints or concerns about, or raised by, any member of the Executive team;
- Provide at least annually to the Board, a written report regarding the Remuneration Committee's discharge of its responsibilities, overall performance, recommendations for improvement in the design and effectiveness of the Remuneration Committee and any areas of material concern affecting the governance, risk profile, financial sustainability or reputation of the Association within the scope of its activities.

### 9. Annual review of performance and remit

The Committee will assess its effectiveness, and will review its Terms of Reference, annually. It will submit recommendations for any proposed changes to the board for approval.

### 10. Authority

The Remuneration Committee has the sole authority to seek information it requires from employees, officers, documents, and external parties; and to investigate, engage advisors, or otherwise obtain independent legal, accounting, or other professional services it requires at the expense of the Association in discussion with the Chair of the Board.

The Remuneration Committee may, as appropriate, seek independent external advice on relevant technical issues within the remit of the Committee on prior approval of the Chair of the Association.

Except as provided above, the Committee has no decision-making powers but, with regards to its business, shall make such recommendations for decisions to the Board as it sees fit.

## Appendix 6 – Scheme of Financial Delegation

### Introduction

This document sets out the Scheme of Financial Delegation ("the Scheme") for the Association. The key principles of the scheme are to provide best in class governance, effective scrutiny, and the implementation of our agreed business plan, legal compliance, oversight and clarity. It outlines the level of financial delegations to the Chief Executive. It details the financial limits on commitments and payments that can be made and describes the associated permissions and responsibilities related to disbursing the Association's financial business and specifies the limits and ranges of delegation given within the organisation.

This Scheme defines the delegated financial authority levels for the Chief Executive and Executive Team. No member of staff shall be delegated authority at the same or a higher level than the Chief Executive.

All delegated limits should be considered to be inclusive of Value Added Tax (VAT).

Decisions should be made in full consideration of the directions, principles, and guidance specified within these corporate business control framework documents.

Breaches of this policy will be disciplinary matters. All staff will receive training and will be expected to understand and adhere to the contents of this document.

## Responsibilities

### Board responsibilities

The Board has overall responsibility for the governance of the Association. The Board, or a nominated Committee, with assistance from the Director of Finance and Business Support (from 1 April 2023) and Company Secretary, will review the Scheme on an annual basis, ensuring that it is consistent with the needs of the Association and provides a mechanism for best in class governance, oversight and clarity.

### Chief Executive Responsibilities

The Chief Executive has overall responsibility for the Association's executive management and is personally accountable to the Board in exercising that responsibility.

The Chief Executive undertakes the day-to-day direction of the Association in relation to his/her specific responsibilities consistent with the authorities delegated to him/her by the Board.

The financial limits within this Scheme will meet the requirements of the Board to enable the Chief Executive to implement the Association's Strategic Plan that has been set and approved by the Board.

The Chief Executive, via his or her Executive Team, is responsible for the implementation of the Scheme in any Subsidiaries that may exist and for setting delegation, levels, which are appropriate for staff and that, allow the business to operate and transact in a manner that allows business efficiency.

### Director of Finance responsibilities

The Director of Finance (and Business Support from 1 April 2023) has overall responsibility for ensuring that financial plans, reports and accounts are prepared and presented in line with statutory and regulatory requirements.

The Director of Finance (and Business Support from 1 April 2023) is responsible for:

- Presenting financial policies to the Board. The Board, or the delegated Committee, has the overall responsibility for reviewing and updating finance policies;
- Ensuring compliance with Financial Regulations and finance policies;



- With the Company Secretary, defining, reviewing and ensuring compliance with financial procedures including such as are necessary to apply this Scheme;
- Ensuring compliance with financial management in line with recommended best practice for companies, charities and RSLs;
- Presenting information, analyses and reports to the Board on the financial performance and financial results.

### Company Secretary Responsibilities

The Company Secretary has the responsibility to the Board for the overall governance of the organisation. Interpretation of this Scheme falls to the Company Secretary, as does escalation to the Board of any matters of concern. The Company Secretary shall provide advice to the Board on the interpretation of the Scheme where required and provide advice, on request, on the application of this Scheme, so far as it relates to financial matters and transactions. The Company Secretary shall make recommendations jointly with the Director of Finance on revisions to the Scheme.

### Executive Management responsibilities

Each Executive is responsible for the financial delegation within his/her area of responsibility and granting permission to give delegated authority. Each member of staff within the Association, with financial delegation, is responsible for ensuring that funds are available, committed and spent on the purpose for which it was intended and in accordance with the requirements of this Scheme and the Association's contract, procurement and other policies and procedures. This includes ensuring that appropriate communication, contract progress monitoring, verification and management processes are undertaken.

### Procurement

All staff must always comply with the procedures set out in this document and the Procurement Policy. Staff who are uncertain as to the procedures, as set out in this document or the Procurement Policy, must seek comprehensive and timely advice from the Company Secretary, Chief executive or the procurement team.

The guidance contained in the Procurement Policy complements the Standing Orders, Financial Regulations, this Scheme of Financial Delegation and other related policies of the Association. Failure to comply with procurement law could result in significant financial and reputational liability for the Association.

Those members of staff who have delegated financial authority are responsible for ensuring that purchase orders and expenditure are approved after an appropriate tendering process has been followed. This includes Scottish procurement regulations as well as the Association's own internal procedures. In addition, all financial authorisations should only be applied after all appropriate checks and balances have been carried out in line with the policies and procedures.

Delegated Officers' personal responsibility does not detract from the responsibility of the Executives in ensuring that appropriate controls are working in their areas and that any

contentious or unusual payments or transactions are brought to the attention of the their line manager or Internal Audit prior to the commitment or payment being made.

**Role of Internal Audit**

The role of Internal Audit is to review the adequacy and effectiveness of this Scheme as part of their corporate wide assessment on the control framework. Internal Audit will additionally provide an objective assessment of the level of compliance within the organisation in relation to implementing the Scheme.

**Review of Financial Limits in Delegations**

The Board, or a delegated Committee, will review the financial limits in this Scheme on an annual basis on the recommendation of the Company Secretary and Director of Finance (and Business Support from 1 April 2023), and determine any amendments as necessary, taking advice from the Chief Executive, Director of Finance (and Business Support from 1 April 2023) and Company Secretary. The appropriate Executive Team will review compliance with the Scheme annually.

**Absence of Delegated Individual**

In the absence of a member of staff to whom financial authority has been delegated, that authority shall be exercised by a member of staff superior in the line of authority to the officer concerned, within the same operational section, unless temporary alternative arrangements have been approved in advance in writing by the absent member of staff

**Financial Delegation levels.**

Board	Unlimited
<b>Within budget</b>	
Chair or Vice Chair and Chief Executive	Unlimited
Chief Executive	Up to £250,000, except Payroll within the approved establishment
Executive	Up to £100,000

Other levels per Financial Regulations

**Emergency and/or unbudgeted**

Chief Executive and Director of Finance (and Business Support from 1 April 2023) £50,000  
This must be reported to the next Board meeting.

In absence of CEO/ Director of Finance (and Business Support from 1 April 2023)then emergency spend will be delegated to member of the Exec Team

The maximum levels for the Chief Executive represent the maximum expenditure by any member of staff on behalf of the Association. The Chief Executive shall delegate authority to the Executive at a level he or she deems appropriate to allow for the ongoing operation of the business.

### Granting of delegated authority

Where delegated authority exists, the appropriate form must be completed with a specimen signature of the officer and authorised by the manager for entry into the delegated authority register, which will be maintained by the Company Secretary.

### Disaggregation of expenditure

When considering planned or actual expenditure against the financial limit, expenditure must be considered in aggregate for transactions of a similar type, timing purpose and supplier. Disaggregation of transactions to avoid a financial limit is not permitted.

### Revenue Expenditure (including business running costs)

Revenue expenditure is expenditure incurred in the transacting of normal business operations. This excludes capital expenditure linked to any capital investment and new build programmes.

Revenue expenditure is all costs, including business-running costs and not specifically referred to in any other category, which are required in the business of the Association and have been approved by the Board as part of the annual budget.

### Capital Expenditure

This category of contract expenditure relates primarily to the Investment programme which is delivered and managed through the Asset Management and includes Capital investment programme projects.

The authority to approve financial commitment refers to projects that have been included within the approved Investment programme, or in the Budget as applicable, which have been previously approved by the Board. Financial payments are only permissible within the financial year to which the annual Budget applies. Financial commitments should only be incurred under the terms of a contract, which has been previously entered into under the procurement and contract policy and procedures.

A range of suppliers operating under a properly procured contract agreement delivers the investment programme.

During the year the Executive Team, or delegated Senior Manager, shall have authority (within overall agreed budgets) to vary the volume and associated financial commitments between suppliers, taking account of their performance on delivery Quality of output and any material variations must be reported to the Board.

The Board in line with the annual Budget and Business Plan must have approved investment projects in advance of any commitment.

### Procurement Commitments

Any award of contracts must be consistent with the guidelines set out in the Procurement Policy. The award of a contract and commitment level should be considered as the cumulative spend incurred for the contract (i.e. aggregate). Approval to award a contract shall, once given, be valid for the life of the contract, including any contractually enshrined option to extend.

### Treasury

In addition to the financial levels of authority granted to him/her, the Director of Finance (and Business Support from 1 April 2023), or an authorised delegated deputy in his/her absence, shall also have delegated authority to:

1. make loan drawdowns within limits approved by the Board, or nominated Committee, in consultation with the Chief Executive;
2. select interest basis for private loan funding in accordance with loan agreements and approved Treasury Management Policy;
3. authorise use of any authorised overdraft facility as part of overall cash management;
4. authorise loan interest and other associated funding costs in relation to Board approved loan facilities; and
5. invest funds in accordance with the approved Treasury Management Policy.

Compliance with the relevant limits and policies shall be monitored as part of assessing compliance with the Scheme.