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1. Introduction

- 1.1 This Guide provides information to help you in your role as a member of our Governing Body. It forms part of the Induction Pack for new Board members, and it is also a useful reference for more experienced members. There is a list of additional sources of information at the end. You can also access information about us by visiting our website where you will find our Guide to Information which has links to our key planning and policy documents as well as publications, minutes, and accounts.
- 1.2 Your fellow Board members and senior staff will also be happy to provide you with information and answer queries and questions. Being a Board member is a big responsibility and it takes a while to feel confident, so please do not be reluctant to ask for an explanation or more information: **useful contact details** are at the back of this Guide.

We are a housing association. Our aims and objectives are:

Your Future: Our Future

Delivering high quality and affordable housing and support services that meet the needs of our tenants and the wider community.

Our agreed 5 Strategic Objectives over our current 3-year Business Plan are as follows.

- Objective 1 - Strong and sustainable strategic governance
- Objective 2 - Excellent services and performance with strong leadership and people
- Objective 3 - Quality homes in an attractive environment
- Objective 4 - Value for money for the Association and our costumers
- Objective 5 - More than just a great landlord

We work mainly in the Dalmuir area of Clydebank and own and manage:

- 663 social rent, including 70 sheltered housing units and 6 care properties
- 20 shared ownership properties
- 39 commercial properties
- 165 owners receive a factoring service
- DOSGC, our out of school care service for up to 100 young people

Our turnover for the year ended 31 March 2020 was £3.9m

We have a staff establishment of:

- Core housing and support staff – 16

- Care Services staff – 17

2. What do RSLs do?

- 2.1 Housing associations have been active in Scotland for almost fifty years and collectively own and manage nearly 290,000 houses¹. Their formal title is 'Registered Social Landlord' (RSL).
- 2.2 The sector is extremely varied – some housing associations own less than 500 houses whilst others are responsible for more than 15,000 (the biggest Scottish RSL owns and manages around 40,000 houses). All housing associations are independent organisations that are responsible for their own activities, funding and performance. Some are part of a group structure – this means that they have a legal connection with other organisations that might also be landlords or which might provide related services such as repairs and maintenance or training or advice and support.
- 2.3 Housing associations provide housing, mainly for rent, for people across Scotland. We let our houses on **Scottish Secure Tenancies (SST)** and our housing stock is expected to meet the **Scottish Housing Quality Standard (SHQS)** and the **Energy Efficiency Standard for Social Housing (ESSH)**. Housing associations are part of the social rented sector (along with councils) and provide homes for people who are in housing need; they are committed to supporting sustainable communities that people want to live in.
- 2.4 Some housing associations are active in a specific geographical area (e.g. part of a city or town or a rural area) whilst others specialise in providing housing for particular groups of people (such as older people or people with particular needs). Although the majority concentrate on providing good quality rented housing, many also provide low-cost housing for sale and shared equity. Some combine their housing services with the provision of support, either by themselves or in partnership with other organisations. Housing associations do more than just let and maintain houses: they are active in the communities that their tenants live in, providing and supporting a wide range of other activities such as:
- Welfare advice – helping people make sure they are accessing all the financial support they are entitled to; offering support and assistance in making claims for

¹ Scottish Housing Regulator (2020) [Annual Return on the Charter Statistics 2019/20](#)

benefits and support with living costs; promoting financial inclusion through accessible banking and offering advice and support on dealing with debt;

- Energy advice – providing help and assistance to reduce energy costs for tenants and help tackle fuel poverty.
- Employment and training initiatives – for example, offering apprenticeships and training, both independently and in partnership with construction and maintenance companies.
- Care and Repair – helping older and disabled people to remain independent in their own homes by providing schemes that help with repairs, maintenance and adaptations.
- Factoring – providing maintenance and repairs services to owners who live in flats in areas where the housing association is active.
- Green Initiatives – supporting sustainability and re-cycling initiatives within communities, such as community growing projects and allotments; renewable energy initiatives and furniture recycling projects.

- 2.5 Effective partnerships are critical to the success of housing associations – key partners include the local authority, Scottish Government, banks, regulators, other landlords, local charities and, of course, our tenants and the communities in which we are active.
- 2.6 RSLs are ‘registered’ with the **Scottish Housing Regulator** (SHR) which was established by the Housing (Scotland) Act 2010. Its objective is to safeguard and promote the interests of current and future tenants, homeless people and other people who use services provided by social landlords. We are required to meet the SHR’s regulatory requirements (see [section 8](#)).
- 2.7 Housing associations do not trade for profit and all of the income that they generate is used to meet their running costs and invest in their current and future activities. Most housing associations are Registered Societies, although some are companies limited by guarantee; many are also Scottish Charities and those that provide support or care are registered with the Care Inspectorate. Housing associations that provide debt advice are registered with the Financial Conduct Authority. Our sector is very heavily regulated and we must demonstrate compliance with the requirements of all of our regulators as well as our funders.

We are registered under the Industrial and Provident Societies Act 1965, ref number **1917R(S)**.

We are a registered Scottish Charity, ref number **SC033471**.

We are a registered social landlord with the Scottish Housing Regulator, ref number **HAL98**.

We are registered as a Scottish Property Factor, ref no **PF000397**.

We are also registered with the Care Commission for provision of housing support services at our sheltered housing complex and out of school care service

We are regulated by the Scottish Housing Regulator, the Care Inspectorate and the Financial Conduct Authority.

- 2.8 Our primary source of income is from tenants' rents. We aim to provide the highest possible standards of service whilst keeping rents affordable: this means that we are committed to delivering value for money across all of our business activities – keeping costs low through effective procurement and careful performance management and paying staff competitive salaries that attract and retain skilled and experienced people. As an RSL, we are required to manage our resources to ensure "...financial well-being, while maintaining rents at a level that tenants can afford to pay"²
- 2.9 We report our activities to our members and tenants in **regular newsletters**, via our **website** and through our **annual performance report** that is published in October. We are required to report our performance in meeting the Scottish Social Housing Charter to the SHR annually in May and we are required to confirm our compliance with the Regulatory Framework by October each year.

3. What the Governing Body Does?

- 3.1 We refer to our governing body as the Board. Board members are not paid for their contribution, although any out-of-pocket expenses as agreed in the Board Members Expenses policy will be reimbursed. Board members/office bearers receive payment for the duties which they undertake on our behalf in accordance with our agreed policy.
- 3.2 The effectiveness of the contributions made by individual Board members is reviewed annually. We review our policy on payment of Board members at least every three years.
- 3.3 The Board is responsible for leading the organisation: setting policy and strategy, monitoring performance and ensuring legal and regulatory compliance. It operates at a strategic level and delegates responsibility for the day-to-day management and

² SHR Regulatory Standards of Governance and Financial Management Standard 3 (February 2019)

running of the organisation to staff, through the Chief Executive. The Board has agreed a **Scheme of Delegation** that sets out the responsibilities that it retains and those that are delegated either to staff or to sub-committees. The Scheme of Delegation also makes provision for emergency arrangements and establishes a procedure for decision-taking between Board meetings.

- 3.4 Governance is the term used to describe the arrangements that a housing association has to lead the organisation, provide strategic direction and effective control. Good governance ensures that the association's objectives and standards are clear; that the organisation is well run and that performance is good and monitored effectively. It also means that a sensible approach to risk is adopted and that high ethical standards are applied.
- 3.5 Good governance depends on a constructive relationship between the Board and senior staff: each have their own distinct responsibilities that complement the other and the Board is responsible for ensuring that there is an effective relationship in place – the Chair is specifically responsible for maintaining an effective relationship with the Chief Executive. The Board is the employer of our staff.

The Board's main responsibilities are to:

- Lead the association effectively.
 - Define, uphold and promote the organisation's values.
 - Set our strategy and direction.
 - Agree the annual budget and ensure financial viability.
 - Take account of tenants' views in respect of rents and services.
 - Monitor performance.
 - Manage risk.
 - Ensure legal, constitutional and regulatory compliance and submit an Annual Assurance Statement.
 - Promote and demonstrate good governance.
- 3.6 All Board members must accept collective responsibility for the decisions that the Board takes and the actions and policies that it approves.
- 3.7 The Board is also responsible for ensuring that we maintain effective relationships with our partners, although day to day responsibility is delegated to staff. The Board is responsible for ensuring that the requirements of our **Codes of Conduct** for Board members and for staff are upheld. The Board must also ensure that it has the necessary range of skills, knowledge and experience to fulfil its role and that our staff have the skills, qualifications and expertise to deliver what is required of them. From time to time the Board will require external independent and/or professional advice e.g. from accountants, lawyers, surveyors etc.

- 3.8 Staff support the Board by providing professional advice and expertise: they are responsible for providing the Board with high quality information and advice to make decisions and for implementing the Board's decisions effectively. Staff are responsible for the day-to-day management and operation of the association – for implementing policies, making decisions, managing our relationship with tenants and service users, dealing with complaints and queries, liaison with partners, funders and regulators. Staff are also responsible for consulting with tenants e.g. through our tenant groups.
- 3.9 Our **Rules** set out the requirements of the Board and the duties of the Chair and Secretary. Our Board should not have less than 7 members and not more than 15. We review the range of skills, knowledge and experience that the Board requires on an annual basis to ensure that we have access to the necessary expertise and experience to meet our objectives. Where gaps are identified, we try to address them through training and/or recruitment. We publicise the particular **skills** we need in advance of the AGM.
- 3.10 Our Board meets at least 6 times a year as per the Rules. Papers are issued not less than a week in advance by email and you are encouraged to raise any queries you might have in advance with the relevant officer to ensure that any additional information is available. New Board members have the opportunity to discuss the papers with their mentor in advance of the meeting.
- 3.11 In order to ensure that the Board operates as efficiently as possible, we have established 3 committees. These are audit and risk, staffing and Policy Review Working Group, they are able to consider issues in more detail than is possible at Board meetings. The **remits** for these sub-committees describe their role and responsibilities and set out any powers they have to make decisions and commit expenditure.
- 3.12 Committees can only act in accordance with the responsibilities that are delegated to them by the Board and their remits form part of the Scheme of Delegation. Sub-committee decisions must be reported to the next Board meeting. The Board may also establish working or task groups to progress specific issues such as new initiatives or a review of service delivery: their role is to advise the Board which must approve their remit and oversee their activities.

4. The Role of a Member

- 4.1 Board members are usually elected for a three-year term following elections at the AGM. Board members elected in this way must be **members** of the association.

Members of the association are people who are interested in and support our activities; they may be tenants or residents in our communities. Our Rules specify our membership criteria and our **Membership Policy** – which is approved by the Board - describes how we apply these criteria to applications from prospective members. Up to one third of the number of elected members can be co-opted to the Board (up to the maximum of 15): co-opted Board members do not need to be members of the association and can only serve until the next AGM; then they must stand down but may, if they are a member, stand for election.

- 4.2 Our Rules enable the Board to appoint 5 members: appointed members cannot make up a majority of the Board and serve for the term that the Board specifies (which may be more or less than three years). Appointed members have the same status as elected members, but cannot hold an office bearer position.
- 4.3 As a member of the Board you must always act in the best interests of DPHA and you must not be influenced by any personal, business, financial or other interests. You are required to declare any such interests and manage them appropriately, in accordance with our Entitlements, Payments and Benefits Policy and our policy on declaring and managing Conflicts of Interest. In order to be a member of the Board, you must sign and agree to uphold our **Code of Conduct**. You must also accept collective responsibility for decisions that the Board has taken (provided the decision has been taken properly and is in accordance with our rules, policies and procedures).
- 4.4 All Board members are expected to use their skills, knowledge and experience for the benefit of the association. Members will offer a variety of experience, knowledge and backgrounds: it is essential that our Board has an appropriate range of skills, knowledge and experience to support the organisation to achieve its aims: this is described in our **Board Role Profile**.
- 4.5 Every Board member shares the same level of responsibility regardless of their background or of their position as an elected or co-opted or appointed member: a Board member who is a lawyer or accountant, for example, has the same level of responsibility as someone who has no professional qualifications or who is not in employment. These responsibilities are set out in a **Role Description**.
- 4.6 Board members are expected to:
- Attend and be well prepared for meetings.
 - Contribute effectively to discussions and decision making.
 - Use their experience and expertise effectively to inform the work of the Board.
 - Contribute to annual reviews of our performance, activities and progress.

- Take part in training and other learning opportunities.
 - Take part in an annual review of the effectiveness of our governance.
 - Participate in an annual review of your individual contribution to our governance.
 - Maintain and develop your knowledge of relevant issues and the wider housing sector.
 - Represent DPHA positively and effectively.
 - Respect and maintain confidentiality of information.
 - Treat colleagues with respect and foster effective working relationships within the Board and between the Board and staff.
 - Be aware of and comply with the restrictions on payments and benefits.
 - Register any relevant interests as soon as they arise and comply with our policy on **managing conflicts of interest**.
- 4.7 To support you in your role, new Board members are expected to take part in an Induction Programme which offers opportunities to meet staff and find out more about what we do as well as identifying an experienced member of the Board who will act as your mentor for the first six months.
- 4.8 All Board members are expected to participate in training to keep their knowledge up to date: this might take the form of:
- Briefings provided by staff
 - In-house training from an external source
 - Attendance at conferences and events
 - Reading publications and journals
 - On-line research
- 4.9 Members of the Board elect the Chair of the association (who must be an elected Board member). The Chair has additional responsibilities which are described in the **Chair's Role Description** and which include:
- Leading the Board and sub-committees constructively, providing direction and managing meetings effectively.
 - Developing and maintaining a constructive and positive working relationship between the Chair and Chief Executive and between sub-committee convenors and senior staff.
 - Upholding the Code of Conduct and promoting good governance; ensuring that any breaches are investigated appropriately.

- Ensuring that DPHA business is conducted effectively between meetings and that emergency decisions are taken appropriately when required.
- Ensuring that the Board has access to the range of skills, knowledge and experience necessary for the achievement of DPHA's aims and objectives and for the fulfilment of the Board's responsibilities.
- Ensuring that the Board has access to the necessary advice, information and support to fulfil its responsibilities and that, where appropriate, external and/or specialist advice is sought.
- Providing support to new and experienced Board members by promoting access to relevant induction, training and development opportunities.

4.10 All Board members are expected to contribute positively to our governance by being well prepared for meetings, willing to contribute your views and opinions and ensuring that we are seen to operate to the highest standards of governance, integrity and probity.

4.11 Each year, every Board member is required to take part in a [review/appraisal] of your individual contribution to our governance. This is carried out by the Chair in June annually and is used to inform the development of annual training and development programmes for the Board and its members. Our Rules and Code of Conduct require Board members to participate in this process, which is a regulatory requirement. We also use this process to help us plan for the future by identifying the skills, knowledge and experience that the Board has and those areas that we might want to strengthen, for example because experienced Board members are planning to end their involvement with us.

5. The Responsibilities of Being a Board member

5.1 Being a Board member is a voluntary role which carries legal responsibilities that are the same as those of a company director. These include:

- Using your skills, experience and judgement to help make the business (i.e. the housing association) successful.
- Following the company's rules and ensuring it meets its legal obligations.
- Making decisions for the benefit of the company, not yourself.
- Declaring any personal interests.
- Ensuring that the company keeps accurate records.
- Making sure the accounts present and 'true and fair view' of the company's finances.

- Complying with the law (e.g. health and safety; employer responsibilities; data protection).

5.2 These responsibilities are reflected in the **role description** and in the **Code of Conduct** that you must sign annually.

5.3 We are also a Scottish Charity: this means that Board members are **Charity Trustees** with legal responsibilities which include:

- Acting in the charity's best interests at all times.
- Ensuring that the charity's activities comply with its aims and objectives.
- Acting with the same care and diligence that you would in managing your own, or someone else's affairs.
- Complying with all relevant legislation.
- Ensuring that the charity fulfils its reporting obligations to the Office of the Scottish Charity Regulator (OSCR), including the submission of an annual return and accounts.

5.4 Our **Code of Conduct** is the framework that reflects these duties. It contains seven principles:

Selflessness: You must act in our best interests at all times and must take decisions that support and promote our strategic plan, aims and objectives. Members of the governing body should not promote the interests of a particular group or body of opinion to the exclusion of others

Openness: You must be transparent in all of your actions; you must declare and record all relevant personal and business interests and must be able to explain your actions

Honesty: You must ensure that you always act in the best interests of the organisation and that all activities are transparent and accountable

Objectivity: You must consider all matters on their merits; you must base your decisions on the information and advice available and reach your decision independently

Integrity: You must actively support and promote our values; you must not be influenced by personal interest in exercising your role and responsibilities

Accountability: You must take responsibility for and be able to explain your actions, and demonstrate that your contribution to our governance is effective

Leadership: you must uphold our principles and commitment to delivering good outcomes for tenants and other service users and lead the organisation by example

- 5.6 It is a condition of being a Board member that you sign and uphold the terms of the **Code of Conduct**. You must be able to demonstrate that you receive no inappropriate benefit or preferential treatment because of your involvement with us; this applies to our staff too.
- 5.7 This restriction does not mean that you should be unfairly disadvantaged, however we apply specific procedures to any decision or transaction that a reasonable and objective person might think you have a personal interest in, but to which you are entitled. So, if you or someone you are close to has applied for one of our houses and you meet our allocations criteria, you will not be prevented from accepting a tenancy, as long as the allocations policy and procedures have been followed and you have played no part in any of the consideration. You should be aware, however, that we cannot offer employment to anyone who is closely associated with a current or recent Board member.
- 5.8 If you, or someone you are close to, have any personal, financial or business interests that are relevant to our activities, you must declare them and record them in our Register of Interests. If you or someone you are close to have any such interests that conflict with ours, you will be required to manage them appropriately – in some circumstances, this may mean that you cannot continue to be a Board member.
- 5.9 In the event of a matter being discussed by the Board in which you have declared an interest, you must leave the meeting whilst the discussion is taking place and you must not play any part – or seek to play any part – in making the decision.
- 5.10 Table A below describes the people who are or might be considered to be closely associated with you, and our expectations in terms of declaring interests:

Table A

Group	Required Response
<p>1. Members of your household This includes:</p> <ul style="list-style-type: none"> • Anyone who normally lives as part of your household (whether related to you or otherwise) • Those who are part of your household but work or study away from home 	<p>We expect you to be aware of and declare any relevant actions of all people in your household. You must take steps to identify, declare and manage these.</p>
<p>2. Partner, Relatives and friends This includes:</p> <ul style="list-style-type: none"> • Your partner (if not part of household) • Your relatives and their partners • Your partner's close relatives (i.e. parent, child, brother or sister) • Your close friends • Anyone you are dependent upon or who is dependent upon you • Acquaintances (such as neighbours, someone you know socially or business contacts/associates) 	<p>Where you have a close connection and are in regular contact with anyone within this group, we expect you to be aware of and declare any relevant actions. Under these circumstances, you must take steps to identify, declare and manage these actions.</p> <p>Where you do not have a close connection and regular contact with someone in this group, we do not expect you to be aware of or to go to unreasonable lengths to identify any relevant actions. However, if you happen to become aware of relevant actions by such individuals, then these should be declared and managed as soon as possible.</p>

5.11 The following are the relevant actions/involvement by those to whom you are closely connected that you should consider, declare and manage as per our expectations outlined in Table A:

- A significant interest in a company or supplier that we do business with. A significant interest means ownership (whole or part) or a substantial shareholding in a business that distributes profits, but does not include where an individual has shares in large companies such as banks, utility companies or

national corporations, i.e. where owning shares would not give the individual any significant influence over the activities of that organisation and how it engages with us.

- Where the individual may benefit financially from a company with which we do business.
- Involvement in the management of any company or supplier with which we do business.
- Involvement in tendering for or the management of any contract for the provision of goods or services to us.
- Application for employment with us.
- Application to join our Board or any of its subsidiaries.
- Application to be a tenant or service user of the organisation.
- If they are an existing tenant or service user of the organisation.

5.12 We have a policy that describes how you should respond to any offers of **gifts or hospitality**: you should decline any hospitality or gifts that exceed the value permitted in our policy and you should record all offers – whether accepted or not – in the appropriate register. Examples of hospitality that is permitted include attending events associated with our business activities, conferences and training events, events hosted by our partners that are relevant to our business (in some cases, the [Board's prior approval is required]). Examples of hospitality that should be declined include invitations to sporting events, social or other occasions that have no relevance to our business. Where we receive gifts from suppliers or other partners (e.g. at Christmas) we place them in a raffle that staff and Board members are invited to purchase tickets for and the proceeds are donated to selected charities.

6. Engaging with Tenants and Other Customers

6.1 The [Regulatory Framework](#) requires the Board to lead and direct the housing association to achieve good outcomes for tenants and other service users and to seek out and take account of the needs, aspirations, views and priorities of tenants and other customers in reaching decisions and agreeing strategy. We are required to make information widely available about our services, performance and plans: the information that we publish is set out in our **Guide to Information**.

6.2 Our performance in respect of complying with these requirements is measured, in part by our performance in meeting the expectations of the **Tenants' Charter**. The Scottish Social Housing Charter is a statement by Scottish Ministers of the standards that tenants and other service users can expect from their social landlords. It is used

by the SHR to assess and report on social landlords' performance in providing housing services.

6.3 All RSLs are required to meet the requirements of the Charter, which was introduced by the Housing (Scotland) Act 2010. Landlords are required to monitor and report on their performance against the Charter. All RSLs must submit an Annual Return on the Charter (ARC) to the SHR by 31 May each year. The ARC contains statistical and performance information about the standards and outcomes that the Charter contains. These fall into seven categories:

- **Equalities:** making sure that all customers' needs are met and that people are treated fairly
- **Customer and Landlord Relationship:** ensuring that customers find it easy to communicate with us and to participate in decisions about services
- **Housing Quality and Maintenance:** our compliance with the Scottish housing Quality standard (SHQS) and other standards (such as EESSH and fire safety), ensuring that our houses are in good condition when allocated and that repairs are carried out well at times that suit customers
- **Neighbourhood and Community:** ensuring that neighbourhoods are well maintained and tenants feel safe living in them
- **Access to Housing and Support:** the availability of information about housing options, allocations and progress of applications; the ease of applying for a house and the availability of information and support to sustain tenancies; the role of councils in meeting the needs of homeless people
- **Getting Good Value from Rent and Service Charges:** providing services that customers believe deliver continually improving value for money; affordability and the provision of information about how rent is spent
- **Services to Other Customers** (this applies mainly to local authorities and their services to gypsy travellers)

6.4 The SHR publishes information on individual landlords' performance against the Charter in August each year; landlords are required to publish reports for tenants that show their performance by October. We consulted with tenants on the format of our **annual performance report** on the Charter and took account of their views in developing its style and content (which must meet regulatory requirements too). Our **annual performance report** to tenants is published on our website. The SHR publishes individual Landlord Reports for every RSL on its website which also has a tool which can be used to compare performance with a small number of others.

6.5 A key expectation of the Charter is that landlords compare their performance with that of other landlords: consequently, many housing associations carry out benchmarking either by being members of a formal benchmarking club or through

less formal groups of similar organisations which share information. All RSLs are expected to carry out **regular tenant satisfaction surveys** which include specific questions relating to the landlord's performance against the Charter. These surveys are carried out at least every three years.

- 6.6 We are making increasing use of digital communication methods to engage with our tenants, and we aim to ensure that we adopt different approaches to suit the needs and preferences of all our tenants. We seek feedback from tenants about their experience of the range of services that we provide, including repairs and maintenance services – their satisfaction with the process for reporting a repair and the availability of information about what would happen as well as satisfaction with the quality of work carried out and the courtesy of tradespeople. This information is reported to the Board quarterly.
- 6.7 We have tenants' groups who we consult with about specific matters relating to service delivery and to provide them with administrative and other support.
- 6.8 We maintain a comprehensive **website** which we promote as the first point of contact with anyone who wants to find out about us or the services we offer. Our website includes information about our policies and procedures and is where we publish the minutes of Board meetings.
- 6.9 We publish a tenants' newsletter three times per year which is available to download from the website and is also delivered to every tenant and service user. Feedback from our customers has told us that this is their preferred way of communicating with us. We use the newsletters to tell customers how their views have influenced our services and how we provide them.
- 6.10 Anyone who is dissatisfied about any aspect of our service can make a complaint – our **complaints policy** meets the requirements of the model produced by the Scottish Public Services Ombudsman (SPSO). The Board receives reports about complaints and their outcomes quarterly

7. Funding

- 7.1 The Board is responsible for ensuring that the housing association is financially viable and that our financial affairs are conducted in accordance with the law and regulatory requirements. To carry out this responsibility, the Board receives regular reports and has established an **Audit and Risk committee** to oversee and monitor our financial affairs and our performance and risk management activities. Amongst other responsibilities, the Audit and Risk committee reviews the auditors' reports,

monitors internal financial controls and risk assessment, oversees the internal audit programme and makes recommendations to the Board.

- 7.2 The main source of income for housing associations is the rent paid by tenants. 80% of our annual budget is met by rent. The remainder comes from factoring services that we provide to owners and from grants that we receive for specific projects and initiatives.
- 7.3 We review our rents annually and are required to consult with tenants on the proposed increase: our **rent policy** and budget planning processes anticipate that rents will rise by CPI + 1%. Our 2021/22 rent increase was October CPI 0.7% + 1.3% = 2% increase. The Regulatory Standards of Governance and Financial Management require us to ensure that we manage the association's financial affairs effectively while maintaining rents at a level that tenants can afford to pay. This means that we must pay careful attention to rent affordability when setting budgets and strategy and plans and that we take account of the feedback from our annual rent consultation exercises with our tenants.
- 7.4 As of 31 March 2021, 102 of our tenants receive support towards the payment of their housing costs to help with their rent payments; 54.92% receive support to cover all of their rent.
- 7.5 In order to support tenants as they move to universal credit, we have extended the range of advice services that we offer to ensure that tenants have access to comprehensive information and support to enable them to make their claims.
- 7.6 The move to universal credit and, perhaps more significantly, the ending of direct payments from the council to landlords, has had an impact on our ability to collect the all the rent that is payable. We aim to support tenants by providing **information** and advice as well as practical assistance in an effort to make sure that paying rent is regarded as a priority. We are making information available to tenants' groups about the impact that rising arrears caused by non-payment will have on our ability to maintain services at their current level.
- 7.7 We have worked in partnership with local RSL's to access government funding to make information available to tenants both through the development of services and by employing our own benefits adviser.
- 7.8 We have obtained Big Lottery funding to support tenant digital inclusion.
- 7.9 As of 31 March 2021, we provide factoring services to 165 owners who live in neighbourhoods where we are landlords. We generate sufficient income to cover the costs of providing this service which contributes to maintaining neighbourhoods as places where our tenants feel safe and want to live.

7.10 As well as funding our annual programme of repairs, cyclical and planned maintenance, we have to repay loans that we took out to fund the building and improvement of our housing stock. We have a loan portfolio which identifies our total borrowings and the lenders and we report to the Board on our compliance with the terms of these loans on a quarterly basis. We are required to make an annual loan portfolio return to the SHR. It is essential that we meet the terms of these loans to avoid any penalties or breaches that could have a serious impact on our financial strength. These conditions are known as 'loan covenants' and our compliance is monitored on an ongoing basis by our finance team who report to the Board and to our funders.

8. Regulatory Requirements

8.1 We are required to comply with Scottish Housing Regulator's (SHR's) Regulatory Framework. This Framework outlines all of the SHR's regulatory requirements, and this is an essential document for you to read.

8.2 We are required to comply with all of the SHR's Regulatory Requirements, which include the Regulatory Standards of Governance and Financial Management. There are seven regulatory standards:

- The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.
- The RSL is open and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.
- The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay .
- The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.
- The RSL conducts its affairs with honesty and integrity.
- The governing body and senior officer have the skills and knowledge they need to be effective.
- The RSL ensures that any organisational changes or disposals it makes safeguard the interests of, and benefit, current and future tenants.

8.3 In addition to these standards of governance and financial management, the SHR has established constitutional standards: these set out what must be included in our Rules. Amongst other things, they describe the duties of the Chair and eligibility for

membership; establish requirements to have a Code of Conduct in place and specify that Board members must participate in annual reviews of their individual effectiveness. Additionally, the SHR's standards require that any Board member who is seeking to continue as a member having already been a Board member for nine years or more must have the Board's approval to do so. Our Chair cannot hold office for more than five years. All of these requirements are reflected in our **Rules**.

- 8.4 In addition to the statistical, performance and financial returns which RSLs are required to submit, the Board must also prepare and submit an Annual Assurance Statement (AAS) to the SHR. This Statement must confirm the Board's assurance, on the basis of evidence, that DPHA complies with all of the requirements of the Regulatory Framework. The AAS must either confirm compliance or identify any issues of non-compliance which are material to the RSL's ability to meet statutory and/or regulatory requirements. The Evidence Bank which supports the Board's assurance is maintained throughout the year and includes reports, plans, policies, performance information, advice and other documents. The Annual Assurance Statement is published on our website and by the SHR.
- 8.5 The SHR uses the AAS, statistical and performance information that all RSLs are required to submit annually to determine the Regulatory Status for each individual RSL. This is shown in the annual Engagement Plan which is published annually by the SHR: for the first time in March 2021.
- 8.6 Individual RSL Engagement Plans set out the information the SHR requires from each landlord; the reasons the SHR is engaging with the landlord; and how the SHR will engage with the landlord. Escalations in the level of regulatory engagement can constitute a breach of a RSL loan covenant.
- 8.7 Our regulatory status is Compliant. - Where an issue of regulatory non-compliance is identified (either in the AAS or by the SHR), an Improvement Plan is required, which the SHR will monitor the RSL's progress in achieving its outcomes and targets. All Engagement Plans can be accessed on the SHR website.
- 8.8 All RSLs are required to notify the SHR about specific events that may involve some risk to tenants and/or its financial well-being and/or its reputation or that of the wider sector. These **notifiable events** include:
- Breach of the Code of Conduct
 - Resignation of the Chair/CEO or other senior staff
 - Fraud or attempted fraud
 - Serious complaint, allegation or investigation
 - Serious incidents (such as a fire)
 - Major organisational change

- Breach of legislation (e.g. health and safety) or regulatory standards
- Breach of financial covenants
- Failure of governance

8.9 The SHR requires to be notified at the earliest opportunity of any notifiable events; those involving governance or organisational issues must be notified with the authority of the Chair. All notifiable events must be reported to the Board. The SHR has published guidance on [Notifiable Events](#) on its website.

8.10 The SHR can take action in the event of a RSL failing to meet required standards or where it believes there is a threat or risk to the interests of tenants and service users. Intervention can take several forms, including:

- Requiring a Performance Improvement Plan.
- Serving an Enforcement Notice.
- Requirement to appoint individuals to the Board.
- Requirement to appoint a statutory manager.
- Suspension or removal of Board members or agents.
- Restrictions on the activities of a RSL pending or following inquiries.
- Direction to transfer of assets to another RSL.

9. Policies

9.1 As a member of the Board, you are responsible for approving the policies and procedures that we work to. Some of these policies are specifically importance to our governance. These are:

- Rules
- Corporate Management Plan
- Risk Management Policy
- Treasury Management Policy
- Standing Orders and Scheme of Delegation
- Formal statements of the roles and responsibilities of Board members and office bearers
- Remits for the [Board], sub-committees and working groups
- Code(s) of Conduct for Board and Staff
- Entitlements, Payments and Benefits Policy
- Induction and support policy for new Board members
- Framework for annual review of the Board's collective skills, knowledge, experience etc

- Formal process for the annual review of individual Board members' contributions to RSL's governance
- Formal process for the appraisal of the Chief Executive
- Annual statement of recruitment priorities for elections at AGM
- Policy for recruitment, training, support and development of Board members
- Complaints policy and process
- Whistleblowing policy

9.2 These policies will be provided as part of the induction process.

10. Key Facts about DPHA

As of 31 March 2021:

Constitutional status	Registered Society and Registered Charity
Regulatory Status	Compliant
Number of properties owned and managed	848
Geographical area(s) of operation	West Dunbartonshire
Tenures	663
Main activities	Housing, Care, Factoring
Development plans	None
Number of GBMs	13
Number of staff	33

11. Further Information

If there is anything that you want to know more about, please ask:

Anne Marie Brown, Chief Executive – 0141 435 6536

Dougie Wilson, Customer Services Team Leader – 0141 435 6527

Lesley Gillespie, Snr Corporate Services Officer – 0141 435 6522

Carla Cameron, Snr Finance Officer – 0141 435 6521

Arlen Dickson, Care Services Manager – 0141 435 6527

Graeme Bruce, Finance Agent – 0141 435 6526

12. Useful Resources

www.scottishhousingregulator.gov.uk

www.sfha.co.uk

www.share.org.uk

www.scottishhousingnews.com

www.insidehousing.co.uk

gwsf.org.uk

www.evh.org.uk

www.careinspectorate.com

www.sssc.uk.com

www.west-dunbarton.gov.uk

www.gov.scot/housing

www.pmas.org.uk

www.spsa.org.uk

ico.org.uk

www.oscr.org.uk

www.fsa.gov.uk

http://www.cih.org/

Register for daily/weekly/monthly e-newsletters with:

CIH

SFHA

Scottish Housing News

SHR

Appendix 1

Board Charter

Purpose³: Board make the key decisions about the Association and provide challenge and oversight over the staff team to ensure that all activity is in the best interests of our tenants.	
Responsibilities⁴:	
<ul style="list-style-type: none"> • Lead the association • Define, Promote and uphold our values • Set our strategy and direction • Agree the annual budget and ensure financial viability • Take account of tenants' views in respect of rents and services • Monitor performance • Manage risk • Ensure legal, constitutional and regulatory compliance • Promote and demonstrate good governance 	
Key Objectives⁵:	
<ul style="list-style-type: none"> • Achieve good outcome for customers 	<ul style="list-style-type: none"> • Mitigates Risk
<ul style="list-style-type: none"> • Set Affordable rents 	<ul style="list-style-type: none"> • Act with Honesty and Integrity
<ul style="list-style-type: none"> • Be Open and Accountable 	<ul style="list-style-type: none"> • Make decisions with customers needs and priorities taken into account
<ul style="list-style-type: none"> • Make decisions based on good information and advice 	<ul style="list-style-type: none"> • Achieve priorities
<ul style="list-style-type: none"> • Manage resources and finances 	<ul style="list-style-type: none"> • Have the skills and knowledge to be effective
<ul style="list-style-type: none"> • Ensure any changes or disposals are in interests of tenants 	<ul style="list-style-type: none"> • Lead and Direct
Behaviors⁶:	
take personal responsibility for actions and decisions	have a strong sense of self-esteem and confidence
interact with others and make decisions with integrity and honesty	committed to self-development and keep up to date with relevant issues
have a helpful, productive and constructive attitude	champion Board decisions, whether originally in favor or not
consistently demonstrate discretion, confidentiality, unity and responsibility	consistently challenge management, in a way that is constructive and respectful
be trustworthy and reliable	show commitment and enthusiasm

³ DPHA Business Plan 2021-24

⁴ SFHA Governing Body Member Guide (2021)

⁵ SHR Standards of Governance and Financial Management Standards (2019)

⁶ <https://www.governancesolutions.ca/governance-solutions/publications/pdfs/Behaviour%20and%20Governance.pdf>

Appendix 2

Suggested Meeting Prompts
Have we provided this in the past?
Does this fit in with our Business Plan and objectives?
How will this benefit our customers?
How much will this cost the Association?
Has this been included in this year's budget?
How will we consult about this?
How will this affect customers?
Have we considered the needs, views and expectations of customers?
Is there a plan for this and can we share this with customers?
How many staff will be working on this?
How does this compare to other HA's or similar organisations?
How do we know this is right for our customers, why is ours better?
How will we advertise this?
Who else needs to know about this?
Is there a way member can be involved with this?
Do we need to check our rules about this?
Is this a notifiable event?
How can I find out more information about this?
Can this please be explained in more detail?
Does XX /or do we have the authority to approve this?
Do we need to advise the Regulator about this?
Have we published information on this?
How will this demonstrate value for money?
Will this require additional borrowing?
Why did this go over budget?
Why was the budget for this not spent?
What are the risks with this?
How will we manage the risk?
What are the financial implications of this?
Is this affordable to our customers?
Does this provide best value for money?
What was the calculation for this based on?
How can we be sure this is accurate?
How are we monitoring this?
Is this reasonable against the industry normal?
How can we be assured this is accurate?
What guidance or best practice has been used to base this information?
Do we need, or have we asked for external or expert advice on this?
Is this recorded in the minutes?
Why did we not achieve our target?
Why was this not completed on time?
What are/have we reviewed our internal controls for this?
Do we need this area to be audited?
Why have these objectives/actions not been progressed?

How will action these objectives?

How frequently will this be monitored?
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How will this affect our reputation?
