



"Offering our community more than a home"

Clydebank Housing Association Ltd.

Governing Body MembersqGuide

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This document can be made available on request in a variety of different formats, such as on tape, in large print and translated into other languages.



Acknowledgement

SFHA published this model Guide as the result of a suggestion from the Federation of Local Housing Associations in Renfrewshire and East Renfrewshire (FLAIR) who have contributed to its content. It has been customised to suit Clydebank Housing Association. The Guide will be updated annually to ensure that references to levels of regulatory engagement, performance etc. remains up to date.

Introduction

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 Management Committee 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 . and by asking your fellow Management Committee members and senior staff. Being a Management Committee member is a big responsibility and it takes a while to feel confident, so please don't be reluctant to ask for an explanation or more information: **useful contact details** are at the back of this Guide.

Clydebank Housing Association

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

Clydebank Housing Association was established by local residents in 1984 and working in partnership with the Housing Corporation (latterly Scottish Homes) and with the Local Authority, set out to improve housing and regenerate the central and east areas of the town. The Association was registered with the Housing Corporation in January 1985.

In the earlier years, our development work concentrated on the modernisation of the tenements in the town centre. When this work was finished, we embarked on a programme of new building to provide more new houses and flats for rent and for shared ownership.

In 1999, we acquired over 750 houses in Clydebank from the previous landlord, Scottish Homes, increasing our stock to over 1100 houses and flats, catering for all types of people including the elderly, disabled people and those with special needs.

As at 31 March 2018, our housing stock totalled 1,141 units including 44 for Shared Ownership. In terms of our stock, we are currently the largest of eight, community based Housing Associations in West Dunbartonshire and we employ 35 permanent and temporary members of staff (FTE 31.07) including 3 caretakers who service our multi-story flats at Radnor Park, 5 members of staff who service our Centre81 Wider Role Project and 2 office cleaners.

In recent years, as a result of the recession, our focus shifted away from new-build development and closer to the maintenance and improvement of our existing stock, ensuring that all properties were SHQS compliant by 2011, well in advance of the 2015 deadline. We continue to monitor compliance going forward through stock condition surveys and regular visual inspections.

During the same period, we continued to expand the range of our wider roleq activities. Our wider role is where we aim to improve the social, economic and environmental circumstances of the community in which we operate. This strategy allowed us to ensure that our tenants continued to enjoy good quality homes and services and were protected from large rent increases during years of austerity.

Recently, our development activity has rekindled as a result of both availability and increased levels of HAG as a direct result of the Scottish Government's commitment to build 50,000 homes in its parliamentary term, 30,000 of which will be affordable. The Association has recently completed 44 units at the former La Scala site at Graham Avenue and continues to explore development opportunities which present themselves, including driving forward involvement in the proposed Queens Quay development and recent approaches from developers in regards to Stanford Street, Radnor Park Hotel and Playdrome car park sites. This new build programme, together with the end of the Right to Buy, will ensure our stock increases and we will achieve growth for the foreseeable future.

As we grow, our role as an employer becomes more significant. We are committed to [equal opportunities](#), WDC's %disability confident+and our track record in staff training and development earned us %[Investor in People Gold](#)+accreditation in April 2015 and reaccreditation in July 2018 as well as Investors in Young People Gold in September 2016. Clydebank Housing Association was first accredited by Investors in People in October 1996 and has now maintained commitment to the standard longer than any other Housing Association.

What do RSLs do?

Housing associations have been active in Scotland for almost fifty years and collectively own and manage over 270,000 houses¹. Their formal title is Registered Social Landlord(RSL).

The sector is very 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 over 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.

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. 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

¹ 2013 Housing Statistics

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; 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
- Employment and training initiatives . for example, offering apprenticeships and training 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

Effective partnerships are critical to the success of housing associations . key partners include the local authority, Scottish Government, banks, regulators, other landlords and, of course, our tenants and the communities in which we are active.

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 for governance and financial management (see section 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. So 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 a community based not for profit organisation and a registered Scottish Charity (Charity no SC033962). We are committed to community control. Our policy is to encourage tenants and other customers to become members of the Management Committee and to take an active part in the running of the Association.

CHA is a Registered Society registered under the Co-operative and Community Benefit Societies Act 2014 (registered number 2191 RS) and the Housing (Scotland) Act. This means that it cannot distribute any profits and all surpluses are set aside for future major repairs. It is also registered with the Scottish Housing Regulator (formerly Communities Scotland), No. HAL86 and as a result, CHA is subject to supervision and inspection by this agency. The Association is a registered property factor under the provisions of the Property Factors (Scotland) Act 2011, Registration No PF00023.

Our primary source of income is from tenantsqrents. 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.

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.

What the Governing Body Does

We refer to our governing body as the Management Committee. Management Committee members are not paid for their contribution, although out of pocket expenses are reimbursed.

The Management Committee operates at a strategic level and delegates responsibility for the day to day management and running of the organisation to staff, through the Chief Executive. The Management Committee 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 Management Committee meetings.

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 associations 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. Good governance depends on a constructive relationship between the Management Committee and senior staff: each have their own distinct responsibilities that complement the other and the Management Committee 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 Management Committee is the employer of our staff.

The Management Committee's main responsibilities are to:

- Lead the association
- Promote and uphold our values
- Set our strategy and direction
- Agree the annual budget and ensure financial viability
- Take account of tenantsqviews in respect of rents and services
- Monitor performance
- Manage risk
- Ensure legal, constitutional and regulatory compliance
- Promoting and demonstrating good governance

The Management Committee is also responsible for ensuring that we maintain effective relationships with our partners, although day to day responsibility is delegated to staff. The Management Committee is responsible for ensuring that the requirements of our **Codes of Conduct** for Management Committee members and for staff are upheld. The Management Committee 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 Management Committee will require external independent and/or professional advice e.g. from accountants, lawyers, surveyors etc.

Staff support the Management Committee by providing professional advice and expertise: they are responsible for providing the Management Committee with high quality information and advice to make decisions and for implementing the Management Committee'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 panel and focus groups and by supporting our registered tenantsqorganisations.

Our **Rules** set out the requirements of the Management Committee and the duties of the Chair and Secretary. Our Management Committee should not have less than 7 members and not more than 15. We review the range of skills, knowledge and experience that the Management Committee 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.

Our Management Committee meets eleven times a year and a meeting schedule is issued in advance of the new Committee year which commences in August. Papers are issued 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 Management Committee members have the opportunity to discuss the papers with their mentor in advance of the meeting.

In order to ensure that the Management Committee operates as efficiently as possible, we have established 3 sub-committees. These are the Housing Services, Finance and Corporate Services and Development and Wider role sub-committees and they are able to consider issues in more detail than is possible at Management Committee 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. Sub-committees can only act in accordance with the responsibilities that are delegated to them by the Management Committee and their remits form part of the Scheme of Delegation. Sub-committee decisions must be reported to the next Management Committee meeting. The Management Committee may also establish working or task groups to progress specific issues such as new initiatives or a review of service delivery.

The Role of a Management Committee Member

Management Committee members are usually appointed for a three year term following elections at the AGM. Management Committee members appointed 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.

Up to one third of the number of elected members can be co-opted to the Management Committee (from a maximum of 15): co-opted Management Committee 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.

As a member of the Management Committee you must always act in the best interests of Clydebank Housing Association 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 order to be a member of the Management Committee, you must sign and agree to uphold our **Code of Conduct**. You must also accept collective responsibility for decisions that the Management

Committee has taken (provided the decision has been taken properly and is in accordance with our rules, policies and procedures).

All Management Committee members are expected to use their skills, knowledge and experience for the benefit of the association. Some members will offer life experience and/or local knowledge whilst others will bring professional expertise: it is essential that our Management Committee has an appropriate range of skills, knowledge and experience.

Every Management Committee member shares the same level of responsibility regardless of their background: a Management Committee 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**.

Management Committee members are expected to:

- Attend and be well prepared for meetings
- Contribute effectively to discussions and decision making
- Contribute to annual reviews of Clydebank Housing Association's 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 appraisal review of your individual contribution to our governance
- Maintain and develop your knowledge of relevant issues and the wider housing sector
- Represent Clydebank Housing Association positively and effectively
- Respect and maintain confidentiality of information
- Treat colleagues with respect and foster effective working relationships within the Management Committee and between the Management Committee 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**

To support you in your role, new Management Committee 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 Management Committee who will act as your mentor for at least the first six months (if desired).

All Management Committee 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

Members of the Management Committee elect the Chair of the association (who must be an elected Management Committee member). The Chair has additional responsibilities which are described in the **Chair's Role Description** and which include:

- Leading the Management Committee and sub-committees constructively, providing direction and managing meetings effectively
- Developing and maintaining a constructive and positive working relationship between the Chair and Director/Depute 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 Clydebank Housing Association business is conducted effectively between meetings and that emergency decisions are taken appropriately when required
- Ensuring that the Management Committee has access to the range of skills, knowledge and experience necessary for the achievement of Clydebank Housing Association aims and objectives and for the fulfilment of the Management Committee's responsibilities
- Ensuring that the Management Committee 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 Management Committee members by promoting access to relevant induction, training and development opportunities

All Management Committee 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.

Each year, every Management Committee member is expected to take part in an appraisal review of your individual contribution to our governance. This is carried out

by the Chair between April and June and is used to inform the development of annual training and development programmes for the Management Committee and its members. Our rules and Code of Conduct require Management Committee members to participate in this process, which is also a regulatory requirement. We also use this process to help us plan for the future by identifying the skills, knowledge and experience that the Management Committee has and those areas that we might want to strengthen, for example because experienced Management Committee members are planning to end their involvement with us.

The Responsibilities of Being a Management Committee Member

Being a Management Committee 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 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 a true and fair view of the company's finances
- Complying with the law (e.g. health and safety; employer responsibilities)

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

We are also a Scottish Charity: this means that Management Committee 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 care and diligence
- 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

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

It is a condition of being a Management Committee member that you sign and uphold the terms of the **Code of Conduct**. You must be able to demonstrate that you receive no benefit or preferential treatment because of your involvement with us; this applies to our staff too.

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 Management Committee member.

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 Management Committee member.

You must declare any interests as soon as you are aware of them and you should keep your register entries up to date at all times. The table below describes the people who are or might be considered to be closely associated with you:

Group	Required Response
<p>1. Members of your household</p> <p>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</p> <p>This includes:</p> <p>Your partner (if not part of household)</p> <ul style="list-style-type: none"> • 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>

If you become aware of any action or interest involving any of the people in the table above that are relevant to our activities, we expect you to declare and manage it appropriately as soon as possible. Who you should consider, and our expectations of you to identify and declare such actions are outlined in the table above.

In the event of a matter being discussed by the Management Committee 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.

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. Examples of hospitality that should be declined include invitations to sporting events or social 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 and staff will receive one ticket or together with Management Committee members will be invited to purchase tickets for and the proceeds are donated to selected charities. For the avoidance of doubt, we do permit the acceptance of small gifts as gestures of thanks or appreciation provided these are recorded in the register; we normally expect these to be shared with colleagues.

Engaging with Tenants and Other Customers

The Regulatory Framework requires the Management Committee 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.

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 landlordsqperformance in providing housing services.

All RSLs are required to meet the requirements of the Charter, which was introduced by the Housing (Scotland) Act 2010. Landlords have been required to monitor and report on their performance against the Charter since April 2013. 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 customersqneeds 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, ensuring that are 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)

The SHR publishes information on individual landlordsqperformance 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).

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 landlordsq performance against the Charter. These surveys are carried out at least every three years.

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 Management Committee annually.

We have one registered tenantsqorganisations (**RTOs**) and no other tenantsqgroups. We are required to consult with RTOs about specific matters relating to service delivery and to provide them with administrative and other support. We provide similar support to our tenantsqgroups which are not registered.

We have a **Tenant Panel** which is made up of a cross-section of our customers. Their role is to monitor our performance and to influence service development and delivery. We will consult the Tenant Panel and our tenantsqgroups about specific proposals. The Management Committee will receive reports from the Tenant Panel and Management Committee members may be invited to attend meetings of the Panel and tenantsqgroups.

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 there is a separate section for Management Committee members which you can access using your password (Intranet).

We publish a tenantsqnewsletter every three months 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.

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. The Management Committee receives reports about complaints and their outcomes four times a year.

Funding

The Management Committee 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 Management Committee receives regular reports.

The main source of income for housing associations is the rent paid by tenants. 79% (as at 2018) 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.

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 around inflation plus 1%. Our last increase was 3.5 % (2017/18). The SHR has recently emphasised the importance of ensuring that rents are affordable to our tenants and has indicated that it may seek to take regulatory action if rents increase beyond a level that is regarded as affordable.

We receive 48% (as at 2018) of our tenants housing benefit/universal credit directly to us to help with their rent payments; 30% (as at 2018) receive full housing benefit to cover all of their rent.

Recent changes to the welfare benefit system have not adversely affected our tenants as a result of discretionary housing benefit being awarded however, if this were to stop , the proportion of our tenants having to pay some of their rent themselves has increased by c. 10%. In order to address these changes including the move to universal credit for some of our tenants (and imminent full roll out potentially exacerbating the issue), we have extended the range of advice services

that we offer to our tenants to ensure that they have access to comprehensive information and support to enable them to make their claims.

The move to universal credit and, perhaps more significantly, the ending of automatic direct payments from the council to landlords, has begun to adversely affect our income stream and increase the work that we have to do to ensure that we 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.

We have worked in partnership with other local housing associations and advice agencies to access funding (lottery and government) to make information available to tenants both through the development of their services and by employing our own benefits advisers, Clydebank Independent Resource Centre.

We have been successful in accessing other sources of funding for specific projects to improve the quality of our houses and their neighbourhoods. In order to address fuel poverty and improve energy efficiency, we have been successful in obtaining Energy Savings Trust and ECO funding from energy providers to insulate homes and modernise fuel and heating systems. Furthermore, we have accessed HEEPS interest free loan funding from the Scottish Government to accelerate our Major Repairs Investment programme to externally and internally insulate some of our properties.

We have obtained Big Lottery and Scottish Government People and Communities, Aspiring Communities and Climate Challenge funding to support the development of our Regeneration Centre, Centre81 to deliver allotments, community facilities, education and training as well as the provision of gym facilities to address health issues in our community.

We provide factoring services to over 600 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.

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 Management Committee 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~~ loan covenantsq

and our compliance is monitored on an ongoing basis by our finance team who report to the Management Committee and to our funders.

Regulatory Requirements

We are required to comply with the SHR's Regulatory Standards of Governance and Financial Management². There are six 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 and economic effectiveness
- 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

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 Management Committee members must participate in annual reviews of their individual effectiveness. Additionally, the SHR's standards require that any Management Committee member who is seeking to continue as a member having already been a Management Committee member for nine years or more must have their nomination for re-election approved by the Management Committee. Our Chair cannot hold office for more than five years. All of these requirements are reflected in our **Rules**.

The SHR uses the statistical and performance information that all RSLs are required to submit annually to determine the level of engagement that it has with each individual organisation. Where it determines that medium or high engagement is appropriate, the SHR publishes a Regulation Plan which sets out the reasons for their engagement, describes any issues that they are specifically interested in or concerned about and identifies the additional reporting requirements on the landlord. Escalations in the level of regulatory engagement can constitute a breach of a RSL loan covenant.

² Regulatory Standards of Governance and Financial Management 2012
www.scottishhousingregulator.gov.uk

Our regulatory engagement level is low. As a result of the publication of a Regulation Plan (for medium and high risk organisations), some landlords may be required to produce and implement an action plan and the SHR will monitor their progress in achieving its outcomes and targets. All Regulation Plans can be accessed on the SHR website.

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

The SHR requires to be notified at the earliest opportunity of any notifiable events; those involving governance or organisational issues must be notified by the Chair. All notifiable events must be reported to the Management Committee.

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:

- Increased regulatory engagement
- Requirement to prepare and implement an agreed Action Plan
- Formal Improvement Notice
- Requirement to co-opt Management Committee members with the approval of the SHR
- Requirement to appoint a Special Manager with the approval of the SHR
- Suspension or removal of Management Committee Members or agents
- Restrictions on the activities of a RSL pending or following Inquiries
- Inquiries
- Direction to transfer of assets to another RSL

Policies

As a member of the Management Committee, 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/Business Plan
- Risk Management Policy
- Treasury Management Policy
- Standing Orders and Scheme of Delegation
- Formal statements of the roles and responsibilities of Management Committee members and office bearers
- Remits for the Management Committee, sub-committees and working groups
- Code(s) of Conduct for Management Committee and Staff
- Policy on payments and benefits
- Induction and support policy for new Management Committee members
- Framework for annual review of the Management Committees collective skills, knowledge, experience etc.
- Formal process for the annual review of individual Management Committee membersqcontributions to RSLq governance
- Formal process for the appraisal of the Chief Executive/Director
- Annual statement of recruitment priorities for elections at AGM
- Policy for recruitment, training, support and development of Management Committee members
- Complaints policy and process
- Whistleblowing policy

These policies can be found on the Associationsq Intranet which is accessible to all Management Committee members.

More Information

If there is anything that you want to know more about, please ask Sharon Keenan, Clydebank HAq Chief Executive or Kimberley Tennant, the Associationsq Chairperson.