Community Counts
Milnbank
Housing Association
53 Ballindalloch Drive, Glasgow G31 3DQ

TO:	The MHA Board
PREPARED BY:	Craig Boyle (Senior Governance & Compliance Officer)
SUBJECT:	REVIEW OF INTERNAL CODE OF GOVERNANCE
DATE OF MEETING:	10 February 2026
APPROVED BY:	Paul Martin (CEO)
Version Number:	1
Date of Latest Version:	10 February 2026

INTERNAL CODE OF GOVERNANCE

If you have difficulty with reading this policy, including any difficulties with sight or hearing, or if you require this document translated into another language, please contact us and we will be happy to provide this information in a format that suits your needs.

CB/FEBRUARY.2026/Ref: S4

Contents

Milnbank Housing Association (MHA) is an organisation registered under the Co-operative & Community Benefit societies Act 2014 and the Housing (Scotland) Act 2010. The Members of the Association, at a Special General Meeting held in September 2023, adopted the recommendation to adopt the new Model Rules (SFHA Charitable Model Rules (Scotland) 2020 (Appendix B). The Model Rules form the basis for the various Code of Governance, which outline how the Association will comply, in practice, with its Regulatory obligations. These will be considered and reviewed by the Board annually. The following Sections of this document detail the Code of Governance that are listed below:

1. The Management Board Page 2
   a) Membership
   b) Duties and Responsibilities
   c) Standing Orders

2. Code of Conduct Page 7
   a) Board members
   b) Staff

3. Control of Payment and Benefits Policy Page 10

4. Regulatory Standards of Governance & Financial Management Page 11

5. Board & Sub-Committee Remits Page 16

6. Delegated Financial Authorities Page 40

7. Annex A – Role of the Office Bearers Page 43
   Annex B - Model Rules Page 47

Code of Governance
Part 1
THE MANAGEMENT BOARD

1. Membership of the Management Committee

The Board operates with a minimum of 7 and a maximum of (including co-optees) 15 Members. Up to 14 Board Members may be elected from the members and up to 1 Appointed Board Member if they meet the eligibility criteria for a Board member in these rules and MHA's policies. A register of Board Members shall be retained and the names of the Board Members with the date when they first became a member, will be published by the Association.

All Board Members are required to agree to abide by the Association's Code of Conduct. Failure to sign the Code of Conduct will result in the Board Member being removed from the Board.

Board members must be aged 16 or over and a Shareholder unless they are a co-optee, Appointed Member or SHR Appointee. An individual filling a Casual Vacancy must also be aged 16 or over and a Shareholder.

All Board Members are required to undertake an annual Skills Audit. Failure to participate will result in the Board Member being removed from the Board. All Board Members who have served on the Board for a continuous period more than 9 years must be able to demonstrate his/her continued effectiveness as a Board Member for MHA.

In accordance with Rule 37.7, all Board Members shall, in exercising his/her role as a Board Member, act in the best interests of MHA, its tenants and other service users and must not place any personal or other interests ahead of his/her primary duty to the Association.

The process for electing Board Members is set out in Rules 39-41. The reasons why Members may be required to leave the Board or the factors affecting eligibility for the Board are contained in Rule 44.

2. Duties and Responsibilities of Management Board Members

The formal powers of the Board are set out in the Rules. (Rules 45-47). The Board is responsible for collectively directing the affairs of MHA and its business. It must act in accordance with the Rules and each individual member must operate within the agreed Code of Conduct. Amongst its most important powers the Board can: -

- Buy, sell or exchange land, build or renovate property, enter contracts and accept responsibility for such transactions
- Employ staff and agree the Terms and Conditions of Employment
- Grant Security over property in connection with the borrowing of private finance to fund development activity
- Agree the Terms and Conditions for the let, management and disposal of

the Association's property

- Agree the Terms and Conditions for the appointment of professional Consultants to assist the Board carry out MHA's business

- Enforce, settle, or resist either in Court or by arbitration any liability or claim made by or against the Association

- Consider applications for Membership of the Association

- Ensure compliance with the requirements of The Scottish Housing Regulator, and the Financial Services Authority with MHA is registered.

- Delegate duties and responsibilities within agreed parameters to sub-committees, staff and Consultants

- Affiliate to organisations that have Objects like MHA (e.g. GWSF).

- Appoint members of the Board or staff to act as authorised signatories for clearly specified functions

3. Standing Orders

Standing Orders regulate the way the Board meetings for MHA are conducted. Board procedures are covered in the Rules (Rules 48-55). The Standing Orders reflect established custom and practice in the way the Board operates, which vary from the minimum standards listed above. The Standing Orders of the Board are as follows: -

A) Frequency, Duration & Membership of Committee Meetings

The Board - The Board will meet 11 times a year on the 2nd Tuesday of each month except July. All Board Members are expected to attend this meeting.

Audit & Risk Sub-Committee shall meet twice a year to discuss financial management, risk Management and internal audit. The Office Bearers will serve on this Sub-Committee with up to 4 other Board members which will be decided on a rotational basis agreed after the AGM.

Governance Sub-Committee – shall meet 4 times a year, generally, on the last Monday of the month. The Office Bearers will serve on this Sub-Committee along with up to 4 other Board members which will be decided on a rotational basis agreed after the AGM.

Renumeration Sub-Committee – shall meet annually. The officer bearers and Audit & Risk Sub-Committee Members will service this sub-committee.

MHA Subsidiary Company, MPS - A minimum of 5 Board Members serve on MHA subsidiary company. They meet twice per year, with an additional short, third meeting to agree the Management Fee.

Health & Safety Sub-Committee – shall meet 4 times a year, generally, on the last Monday of each month. The Office Bearers will serve on this Sub-Committee along with up to 4 other Board members which will be decided on a rotational basis agreed after the AGM.

The meetings are held in MHA's Registered Office at 53 Ballindalloch Drive, Glasgow, unless otherwise agreed by the Board. The Board Members can attend the meetings in person or online. The meetings will begin promptly at 6.30pm and will close no later than 2 hours from the scheduled start time unless a motion to suspend this Standing Order is approved by two-thirds of the members present. This Standing Order may only be suspended twice during a meeting for a period of fifteen minutes on each occasion.

B) Quorum

A quorum of at least four Members must be present for a meeting to take place. If there is less than this number present thirty minutes after the scheduled start time, the meeting will be reconvened seven days later at the same time and place. In the event of a meeting becoming inquorate after the start of business, the meeting shall be adjourned. An adjourned meeting may be reconvened but must only consider outstanding business from the original meeting and will be deemed a continuation of the original meeting. If at any reconvened meeting a quorum is not present within thirty minutes of the start time, the Members present shall form a quorum.

C) Office Bearers

At the conclusion of each AGM, the Board will meet for the sole purpose of electing Office Bearers. The positions to be filled are:

* Chairperson
* Secretary
* Vice-chairperson
* Treasurer

Nominations for these positions will be proposed and seconded by Board members. In situations where there is more than one nomination, Office Bearers will be elected by a majority of Members present. Office Bearers must be elected Board Members and cannot be co-optees or Appointed Members. The duties and responsibilities of the Chairperson and Secretary are set out in the Rules, but generally the Office Bearers will be controlled, supervised, and instructed by the Board. Appendix B provides details of the Role of the Office Bearers. The Office Bearers Meetings will be held prior to the monthly Board meeting. A note of items discussed will be reported to the Board.

D) Notification of Board Meetings

The formal responsibility for issuing the Notice and accompanying papers for Board Meetings rests with the Secretary. Standing Orders reflect custom and practice whereby the CEO in conjunction with the Secretary will issue Notice of ordinary meetings and the relevant Agenda. The Notice will be sent one week before the meeting date allowing Board members the opportunity to request business items to be included in the final agenda. The Notice, Agenda and Reports, including a draft Minute of the previous meeting and a summary of matters discussed by sub-committees and boards, matters not on the agenda may be discussed subject to the agreement of most Members in attendance at a Board Meeting. Where there is doubt, the Chairperson will determine whether a matter is urgent.

E) Role and Responsibilities of the Chairperson

The Chairperson is drawn from the elected Board Members and may only hold office under the criteria covering Board Members set out in the Rules.

The Chairperson is appointed annually by the Board at the meeting immediately after the AGM. This position is held until after the next AGM

(unless he/she resigns). The Chairperson can be required to resign if two-thirds of Board Members agree to this at a special Board Meeting.

In line with the Board Meetings Charter, all speakers at Board Meetings must direct their words to the Chairperson and other Members must remain quiet and maintain order while this is happening. The Chairperson will decide who can speak and for how long and if a point arises that is not covered by the Rules, the Chairperson will give a decision that will be final. The Charter Champion shall support the Chair in ensuring the Committee Meetings Charter is adhered to.

If the Chairperson is absent or unable to act, the Vice-Chairperson will Chair the Board Meeting. Failing this, the Members will elect a chairperson. If the Chairperson arrives after the meeting has started, he/she will take over as Chairperson of the meeting as soon as the current Agenda item is concluded.

In situations where the votes of Board Members are tied for and against an issue, the Chairperson has a second and deciding vote.

The Chairperson can be re-elected but must not normally hold office continuously for more than five AGMs**.**

F) Board Decisions

All Board Decisions are clearly recorded in the Minute. Decisions require a proposer and seconder, and the Minute will record whether the vote was unanimous or if Members voted for or against the issue under consideration. Resolutions may be amended and if an amendment is proposed and seconded, the amendment will be voted on first. Votes will normally be made by show of hands with a simple majority sufficient to carry or defeat a resolution. A poll may be requested by two Members or directed by the Chairperson. Voting will take place under the authority of the Chairperson whose ruling on any matter will be final. Once a decision is taken, it will be noted in the Minute as evidence of the decision reached by the Board, and it will stand on record for at least a period of six months.

G) Special Board Meetings

The Chairperson or two Board Members may request a Special Meeting of the Board (SBM). Details of the Business to be discussed must be sent in writing to the Secretary who will send a copy of the request to all Members within three days. SBM Meetings will normally be held between ten and fourteen days of the Secretary receiving the request and at the same location as scheduled Board Meetings. In the event of the Secretary failing to call the Meeting, the Members making the request can do so providing they give seven days written notice to all Board Members**.**

The Chairperson must call a SBM Meeting where a breach by a Board Member of MHA's Code of Conduct, Standing Orders, or the Control of P&B Policy is alleged. Such Special Meetings will be called for the sole purpose of removing a Member from the Board. (Rule 44). SBMs can only discuss the business for which they are called.

H) Minute of Board Meetings

A Minute will be taken of each Board meeting. A draft Minute will be issued with the Notice for the next Scheduled Board meeting where it will be proposed and seconded, and, subject to any amendment, adopted as a true record. The

Minute is not intended to be a verbatim account of discussion. Its purpose is to reflect the nature of what was considered and to record decisions reached. The Minute will be written in a neutral format and will record the names of Members who propose, second or amend resolutions. Individual Members may ask the Chairperson that a comment from them on a particular issue is recorded in the Minute. Any request from a member or resident to view the Minute of a Board Meeting will be processed in accordance with MHA's General Data Protection Regulations (GDPR). A note of the Board meeting will be displayed on our website.

I) Attendance at Board Meetings

The CEO and other relevant staff will attend meetings of the Board to provide support and comment on relevant reports under consideration. Members with an interest in the work of MHA may be invited to attend Board Meetings as an Observer prior to being co-opted or asked to fill a Casual Vacancy. Residents who request attendance at Board Meetings may do so as Observers providing the request is not concerning a complaint. In these circumstances, meeting with Board Members will be in accordance with MHA's Complaints Handling Policy.

In accordance with MHA's Rules, should a Board member miss 4 consecutive Board meetings without leave of absence been granted, then they would be required to stand down from the Board.

Leave of Absence must be requested in writing to the Secretary. MHA shall grant up to 4 months leave of absence, however, extended periods will be considered. All requests shall be recorded in the minutes of the meeting. A continuous leave of absence cannot be more than 1 year.

J) Board Training, Briefing, Workshop & Scrutiny Sessions

To support effective governance, and continuous learning, Board training & development, briefing sessions, workshops and scrutiny sessions are held on an on-going basis. The focus of the sessions is information gathering on operational matters and discussion only; there is no delegated authority for members attending to make business decisions. However, recommendations can be made to the Management Board.

Code of Governance
Part 2
CODE OF CONDUCT

1. **Introduction**

MHA expects all those representing the Association, in whatever capacity, to conduct themselves in a way that enhances our reputation. All Board Members, (as the governing body) therefore, must always act in the best interests of the organisation and operate to the highest possible standards of integrity and probity. As a community-controlled organisation, MHA exists to provide local people with high quality affordable housing and will pursue Objectives aimed at improving the quality of life for people living within our area of operation. Consequently, Board and staff have a duty to always protect the interests of our client groups and must not do anything that will damage the Association image or credibility.

The duties and responsibilities for Board Members are outlined in the Association's Rules and within the Contract of Employment for staff. MHA follows the SFHA Model Code of Conduct (2024 version). This Code of Conduct, however, provides an additional standard aimed at clearly establishing acceptable levels of behaviour for both Board and staff based on the following seven principles of:

1. Selflessness
2. Openness
3. Honesty
4. Objectivity
5. Integrity
6. Accountability
7. Leadership

There is a requirement in the Rules that Board Members must sign the Code of Conduct as failure to do so will result in the member being removed from the Board. Staff are required to sign this document as part of their Contract of Employment. The areas and issues covered by the Code of Conduct for Board and staff respectively are highlighted below:-

2. **Code of Conduct - Board Members**

A) Register of Interest

It is the duty of a Board Member to register any interest or potential conflict of interest either financial or personal over matters being discussed at Board Meetings. A standard item on each Agenda gives Board Members, at the beginning of the meeting, the opportunity to disclose an interest over any matter to be discussed. Where this occurs, Members must leave the meeting while the matter is being discussed.

B) Personal Benefit

In situations where a Board Member has an interest in a business trading for profit with the Association or receives a payment or benefit from the Association other than those listed in the Control of P&Bs Policy, that individuals Membership of the Board will end. If a member fails to disclose an interest, they will be required to leave the Board if a majority of Board

Members vote for this at a Board Meeting specially convened for the purpose. Members Interests are covered in Rule 38 and the Control of Payments & Benefits Policy.

C) Gifts, Donations and Hospitality
All Board Members must agree to abide by the conditions set out in the Anti-Bribery and Gifts, Donations & Hospitality Policies. In essence this obliges Board Members to hand in any gift received for recording in the Gifts and Hospitality Register and to decline offers of hospitality from third parties.

D) Confidentiality
The nature of MHA's work means that often personal and sensitive matters are discussed at Meetings. This places a strict standard on Board Members to ensure confidentiality is a fundamental principle in relation to their role. The Board will, therefore, regard all business discussed at Board meetings together with Reports and Minutes issued in respect of such meetings as strictly confidential. These must not be discussed with members of the public at any time or other Board Members and/or staff outwith the formal Board Cycle. This also extends to speaking inappropriately to staff while they are carrying out their duties in accordance with their Contract of Employment. Failure to adhere to this part of the Code brings MHA into Serious disrepute and breaches will be dealt with as set out in Rule 44.

E) Breach of the Association's Code of Conduct
The Boardcan require that a Board Member who is being investigated for a potential breach of the Association's Code of Conduct for Board Members take leave of absence and not attend any meeting in his or her capacity as Board Member until the Board has completed its consideration of the potential breach. When on such leave of absence, the Board Member will not be entitled to receive minutes and/or documents in his or her capacity as a Board Member relating to the business of the Association.

F) Review
The Code of Conduct will be reviewed annually by the Board. It will subsequently be issued to Board Members immediately following each AGM for signing and must be returned, duly signed, within four weeks.

3. **<u>Code of Conduct - Staff</u>**

A) Disclosure of Interest
All staff must disclose any interest which could lead to the conclusion that a conflict of interest exists in terms of their Contract of Employment and Conditions of Service. Each member of staff is required to make an annual disclosure of interest, relevant to MHA, in any business trading for profit, which either they or a close relative is a principal proprietor or directly concerned with its management.

B) Gifts and Hospitality
All staff will abide by the conditions set out in MHA's Anti-Bribery and Gifts & Hospitality Policies. In essence, any gift received related to a staff member's employment will be handed in and recorded in the Gifts Register and offers of hospitality by third parties will be declined.

C) Confidentiality
Staff are expressly forbidden to discuss MHA business or the nature of their

work with third parties at any time or with colleagues/Board members outwith the formal structures agreed by the Board. The restrictions imposed on MHA under the GDPR, and other relevant legislation means any breach of confidentiality will be regarded as gross misconduct. Such instances will be dealt with in accordance with the Disciplinary Procedure contained within the Conditions of Service document.

E) Review

The Code of Conduct will be reviewed annually by the Board. A signed copy of the Code will be issued to all new employees and retained in the personnel file.

Code of Governance
Part 3
ENTITLEMENTS, PAYMENTS AND BENEFITS POLICY

(Please refer to MHA's separate Control of Payments & Benefits Policy)

Code of Governance
Part 4
REGULATORY STANDARDS OF GOVERNANCE & FINANCIAL MANAGEMENT

1. INTRODUCTION

1.1 This section sets out Scottish Housing Regulators (SHR) Regulatory Standards of Governance and Financial Management and demonstrates MHA's compliance with this guidance.

1.2 Regulatory Standards and the associated guidance meet SHRs duties under Part 3 of the Housing (Scotland) Act 2010. This document refers to SHRs Regulatory Framework and provides a summary of the arrangements MHA has in place following the sequence set out in the Framework.

1.3 Within this context, governance means the arrangements for the leadership, strategic direction and controls that are in place. As a well-governed, community-controlled organisation, MHA will maintain high ethical standards, strive to deliver good tenant outcomes; demonstrate strong and effective leadership; manage and mitigate risk sensibly; maintain a tight control of costs and will be open and accountable.

2. REGULATORY STANDARDS

2.2 MHA adheres to the SHRs 7 Regulatory Standards within the Regulation of Social Housing in Scotland Framework, (SHR, April 2024). The measures adopted by the Board to meet these standards as well as its obligations to Members, tenants, and other service users, is to evidence MHA's compliance with the Regulatory Standards on an on-going basis and report to the Governance Sub-Committee and ultimately the Board.

	REGULATORY STANDARDS The 7 Regulatory Standards are listed below. Within each Standard, guidance is included. MHA has documented how it meets the standards.
1	The Management Board leads and directs the Association to achieve good outcomes for its tenants and other service users.
2	The Association is open about and accountable for what it does. It understands and takes account of the needs and priorities of tenants, service users and stakeholders and its primary focus is the sustainable achievement of these.
3	The Association manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford.
4	The Management Board bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.
5	The Association conducts its affairs with honesty and integrity.
6	The Management Board and senior officers have the skills and knowledge they need to be effective.
7	The Association ensures that any organisational changes or disposals it makes safeguard the interests of, and benefit, current and future tenants.

3. CONSTITUTIONAL REQUIREMENTS

MHA is a Scottish Charity and is registered under the Co-operative and Community Benefit Societies Act 2014 (formerly the Industrial and Provident Societies Act 1965) and the Housing (Scotland) Act 2010. The Association has adopted the SFHA Charitable Model Rules (Scotland) 2013.

4. ENTITLEMENTS, PAYMENTS & BENEFITS

The Association has an Entitlements, Payment & Benefits Policy in place which provides a framework to make sure that MHA acts with transparency, honesty, and propriety to avoid any public perception of improper conduct when any payments and benefits are made to governing body members.

5. THE MANAGEMENT BOARD

5.1 MHA is aware that Board Members, as a collective group, should have the skills, experience, and knowledge to give effective strategic direction and deliver good tenant outcomes.

5.2 Members of the Boardare all volunteers and are elected from among the Membership of MHA. Those who stand for election are themselves tenants or owner occupiers, resident in areas across MHA area of operation and share the financial, social and health issues common to the locality. This puts them in the best possible position to determine if policies and working practices agreed are working for tenants and other residents. As a CBHA, MHA strongly values this commitment in conjunction with other skills and attributes.

5.3 The composition of the Board is representative of the community served by MHA, including people in work, unemployed and in receipt of benefits as well as retired or elderly residents. The Board is fully conversant with the circumstances that prevail within the community, as they all form part of an extended network of friends, associates, and work colleagues. Members serve without reward with the general motivation to 'improve the quality of life within the community'.

5.4 Members of the Board bring to MHA work and home life experiences to inform their thinking. They attend an annual Business Planning Review Day with the senior managers to develop the strategic direction for the business. In the practical matters of running a business they are more than adequately qualified. This is demonstrated by the following examples:

- MHA holds several accreditations including from organisations like the CIH, Investors in People and Working Families Awards.

- As a group, there is a sound understanding of all the business elements, in terms of legal, regulation frameworks, accountability, strategy, supervision & control and employers' role. There is also a passion for MHA facilitating the wide range of wider action activities and the range of non-contractual services.

- Collectively, there is over 200+ years of length of service on the Board which, individually, ranges from 1 year to 40 years+. Most years there is an election at the AGM for places on the Board which helps sustain a mix of membership, tenure, ages, male and females and the attendance level at Board meetings is consistently high.

●There is a wide and vast range of skills within MHA's Board, including: a retired head and a schoolteacher, a range of posts within the care sector, a retired manager in a technical environment, working in the financial sector, members of school boards and PTA, positions within local churches and other voluntary groups, and a great many more attributes.

5.6 Through its Succession Planning Strategy, MHA formally and actively plans to ensure orderly succession to Board places to maintain an appropriate balance of skills and experience and to ensure progressive refreshing of the Board. The democratic election process is set out MHA's Constitution. MHA aims to maximize the opportunities for accountability that this process offers by encouraging a diverse and strong Membership. The composition of the Board is, however, ultimately determined by the Membership.

5.7 To ensure a continuity of good governance, the Board will assess annually the skills, knowledge, diversity, and objectivity that MHA needs for its decision-making, what is contributed by continuing Board members, and identify what gaps may exist. Based on this assessment MHA openly publicises to all shareholders and to others who may wish to become Board members, what skills and values are needed and what vacancy opportunities there are. This active participation in the democratic process aims to work towards ensuring MHA governance is as strong and effective as necessary.

5.8 All Board members undertake an annual performance review to assess their contribution and effectiveness. The Board takes account of these annual performance reviews in its succession planning. Members identify for themselves the areas of knowledge and understanding about which they feel least confident. Supplementary training is offered as required.

5.9 MHA has developed a culture for promoting continuous learning for Board members. This is supported in several ways ranging from formal Board training, attendance at seminars and conferences, participating in recruitment to in-house briefing sessions, workshops, and scrutiny groups. On an annual basis, all Board members participate in a skills audit which is used to evidence that members can demonstrate a sound understanding of all the business elements required to run MHA, in terms of legal, regulation frameworks, accountability, strategy, supervision & control and employers' role. There is also a passion for MHA facilitating the wide range of wider action activities and the range of non-contractual services.

5.10 In addition to the skills audit, Learning Logs are in place for every Board member that link in with the organisational Training Needs Analysis and annual Training & Development Plan. MHA Board members have previously won number of SHARE's Committee Learner of the Year Award. Several Board members have a professional qualification (e.g., many members have a governance qualification like a SQA in Governance for Board Members). The Chairman holds an accredited Chairperson Qualification which is facilitated by SHARE.

5.11 Having a mix of established and new members on the Board is key to achieving good governance as MHA benefits from both experience and new ideas. The in-depth knowledge and understanding of experienced members are vital. However, new members bring a fresh perspective, new ideas and

can question existing practices and thinking.

5.12 To ensure that Board Members can exercise their role effectively in the interests of tenants and other service users and to protect public investment, they may be required to gain, or refresh, skills, and expertise. All new Board members undertake an induction programme to ensure that they are equipped with the necessary information and support to understand their role, powers, and duties as non-executive members of the Board. MHA ensures that existing Board Members are supported to undertake training to sustain their continued effectiveness.

An annual Training Needs Analysis is undertaken; this informs the updated Organisational Training & Development Strategy. The primary purpose of this is to ensure that Board Members and staff have the required skills and knowledge necessary for the effective running of the organisation in order that MHA's Aims & Objectives are achieved.

6. GOVERNANCE & FINANCIAL MANAGEMENT TARGETS

MHA is aware that Section 37 of the Housing (Scotland) Act 2010 states that the SHR may set financial management and governance targets specifying standards of financial management and governance for the Association. As a well governed organisation MHA doesn't anticipate being subject to Section 37 of the Housing (Scotland) Act 2010.

7. UPHOLDING REGULATORY STANDARDS

7.1 MHA recognises that the SHR will act and may, if necessary, use regulatory intervention powers to safeguard the interests of tenants and other service users where a failure to achieve the Regulatory Standards or there is evidence which indicates poor governance or financial management.

7.2 MHA will notify the SHR immediately if there is, or is likely to be, a failure to comply with the Regulatory Standards and guidance or a breach of the Code of Governance. In this circumstance, MHA would take its own actions to deal effectively with this to satisfy the Board, tenants, service users and SHR that our actions protect the interests of the Association and its tenants and comply with Regulatory Standards. Our auditors are also obliged to highlight any significant breach of MHA's own code of governance.

7.3 Audit Guidance - MHA understands the importance of having a clear focus and defined approach to the management of risk. The Audit and Risk Sub-Committee looks at risk management and internal control systems; carries out internal scrutiny and gives the necessary assurance to the Board that compliance is achieved. MHA has an internal audit framework, working to a 3-year rolling programme, which has the necessary arrangements in place for the committee members to monitor and review the quality and effectiveness of this activity.

7.4 Annual Assurance Statement (AAS) - MHA will submit an ASS in accordance with SHR published guidance and make it available to tenants and other service users. The Governance Sub-Committee will review the on-going evidence bank to support MHA's compliance. MHA will notify the SHR of any material changes to the Assurance Statement during the year.

Code of Governance
Part 5
BOARD REMITS

Each area of activity reporting to the Board operates within a formal remit and is reported to either the Board or Sub-Committee Meeting.

- Management Board
- Housing & Wider Role
- Asset & Maintenance
- Governance
- Audit & Risk
- Health & Safety
- Remuneration
- Subsidiary Company
  -Milnbank Property Services (MPS)

Milnbank Housing Association

Board of Management

The Board, as the governing body, makes strategic, policy and major governance and financial decisions affecting the Association. The Board is the ultimate authority based on the Rules, but it can delegate to MHA's subsidiary companies, sub-committee, and staff as appropriate.

The Board must ensure that there are clear arrangements for delegation and effective reporting arrangements in place to ensure MHA operates to high standards of governance and demonstrates compliance with the SHR Regulatory Standards 1.2 and 1.5, these are:

Standard 1.2 - The RSL's governance policies and arrangements set out the respective roles, responsibilities and accountabilities of the governing body and senior officers, and the governing body exercises overall responsibility and control of the strategic leadership of the RSL.

Standard1.5: All governing body members and senior officers understand their respective roles, and working relationships are constructive, professional, and effective.

TERMS OF REFERENCE AND DELEGATED AUTHORITY

● Approval for strategy, policy, performance, implementation, and variation

● Agree the Mission, Vision, Values

● Organisational Culture (e.g**.** defining expectations how the values will be exhibited in areas like service delivery, communication, employment)

● Strategic Business Planning (Approve and monitor long/medium-term strategic plans, Business plans, Strategy and Development Funding Plan (SDFP)

● Risk (Identification & review of key strategic/operational risks, approval of risk management framework).

● Ensuring Constitutional Compliance (e.g. Acts covering Co-operative and Community Benefits and Companies. Approving Model Rules, Conduct AGM, and Board meetings in accordance with rules etc.)

● Ensuring regulatory guidance and compliance (e.g. adhere to statutory guidance on Notifiable Events)

Milnbank Housing Association

Housing & Wider Role

TERMS OF REFERENCE AND DELEGATED AUTHORITY

The Board specifically reviews the performance of the Housing and Wider Role activities; this includes (but is not limited to):

- Ensuring that MHA has effective systems for management, control, assurance and risk management, and monitoring the effectiveness of these systems.

- Monitoring and ensuring that all Housing Management & Wider Role services are delivered in line with providing excellence and a positive outcome for our community.

- Deliver's a Housing Management & Wider Role service that provides VFM, is open and transparent, complies with Regulation and meets the requirements within the Scottish Housing Charter.

- Ensuring the Housing & Wider Role Policies and Procedures are reviewed and finalised in line with the timescales set out in the review schedule and are updated to reflect current legislation and operating environment.

Management and Control Systems

- Assess the effectiveness of MHA's management and control systems for services relating to Estate Management, Void Control, Allocations, Tenancy Sustainment, rent arrears management, community halls cost centres budgets, tenancy support service and the requirement of our volunteers. This will also ensure, regularity, competence, VFM, and accountability.

- To provide assurancethrough the internal and external validation of the key information underpinning reports of strategic, statutory in line with the Scottish Social Housing Charter (ARC).

- To review how the service is delivered in line with a robust Performance management strategy, and to obtain assurance regarding the accuracy and adequacy of the information provided as part of the ARC by officers.

- To assess the resourcing, training and support required to ensure that the Housing & Wider Role function can discharge their duties competently, including our commitment to our role as a community anchor.

- To conduct a review to update and finalise the following key documents:
    - Allocation Policy
    - Tenancy Agreement
    - Rent Setting Strategy
    - Housing Work Plan
    - Dealing with Anti-Social Behaviour Policy
    - Tenant Participation Strategy
    - Housing Services Procedures
    - Tenants Handbook
    - Estate Management Policy.

- Tenancy Sustainment Strategy
- Volunteering Strategy
- Welfare Fund Policy

Internal and External Audit

- To obtain assurances regarding the data presented by Officers on all key areas of Housing & Wider Role Services reported to the Board; and any other areas required, to ensure a high quality, VFM service is delivered and can be easily demonstrated.
- To review all audit recommendations (external and internal) and monitor the implementation of agreed recommendations relating to internal audit reports and external audit reports and management letters.

Risk management

- To monitor the implementation of MHA's strategy for managing risk, as approved by the Board.
- To review the Strategic Risk Register as required, reporting material changes or risk events to the Board.

Reports and investigations

- To initiate reports and investigations as necessary.

The Board (or MHA officers and/or external advisers authorised by the Board) will have the right to access all documents and records maintained by MHA.

Review of Remit
A review of the Housing & Wider Role Remit shall be undertaken annually as part of the MHA Code of Governance review.

Delegated to Management (Housing & Wider Role)

1. Commitment/authorisation of budgeted expenditure, within the limits set out in Financial Regulations (See section on Delegated Financial Authority)
2. Administration of insurance claims, as per the Financial Regulations limits
3. Implementation of effective operational practices to deliver effective Housing Management & Wider Role Services, that can demonstrate VFM, to the Community
4. To review, update and present all Housing & Wider Role related Strategies, Policies and Procedures to the Board for discussion and formal approval.
5. To provide the information necessary to assure the Board that the Housing & Wider Role Function is compliant with relevant statutory and legislative matters.
6. All other operational activities directly related to the Housing & Wider Role Function

MAINTENANCE & DEVELOPMENT

TERMS OF REFERENCE AND DELEGATED AUTHORITY

The Management Board specifically reviews the performance of the Maintenance & Development functions; this includes (but is not limited to):

- Ensuring that MHA has effective systems for management, control, assurance, and risk management, and monitoring the effectiveness of these systems.
- Monitoring and ensuring the good performance and delivery of all key community services delivered by the Maintenance & Development Function.
- Monitoring and demonstrating the VFM derived from the procurement of Asset Management goods, works and services and compliance with best practice procurement methods.
- Monitoring budgets spend in line with annual budgets and the 5 & 30-year business plans.
- Ensuring that matters within its remit are conducted in accordance with the law, regulatory requirements, and other good practice guidance. With a particular focus on health & safety and other statutory compliance matters, related to good practice Maintenance, Asset Management and Development.
- Ensuring the delivery of accurate annual reporting to the SHR (e.g. ARC) for the SHQS, Repairs Performance, Tenant Safety and EESSH etc.
- Ensuring the Maintenance, Asset Management & Development Strategies, Policies and Procedures are reviewed and finalised in line with the timescales set out in the review schedule and are updated to reflect current legislation and operating environment.

Management and Control Systems

- To monitor and take action to ensure the effectiveness of MHA's management and control systems for ensuring propriety, regularity, competence, VFM, and accountability.
- To provide assurance through the internal and external validation of the key information underpinning reports of strategic, statutory, or material financial consequence.
- To review the performance reports provided by Officers and obtain assurance regarding the accuracy and adequacy of the information provided.
- To monitor and ensure the Maintenance Function are delivering services to a high standard of safety, quality, VFM and within timescales.
- To advise on the resourcing, training and support required ensuring the Maintenance & Development function can discharge their duties competently.
- To conduct a review to update and finalise the following key documents:
    - Void Policy
    - Right to Repair Policy

- Alterations & Improvements Policy
- SHQS Strategic Plan
- Maintenance & Development Work Plan
- Asset Management Strategy
- Asbestos Management Strategy
- Maintenance Procedures
- Repairs and Maintenance Handbook
- Gas Safety Management

Internal and External Audit

- To obtain assurances of the data presented by Officers on all key areas of Maintenance & Development reported the Management Board; and any other areas required, to ensure a high quality, VFM service delivery and can be easily demonstrated.
- To review all audit recommendations (external and internal) and monitor the implementation and effectiveness of agreed recommendations relating to internal audit reports and external audit reports and management letters.

Risk management

- To monitor the implementation of MHA's strategy for managing risk, as approved by the Board.
- To review the Risk Register regularly, reporting material changes or risk events to the Board.

Reports and investigations

- To initiate reports and investigations as necessary. The Board (or MHA officers and/or external advisers authorised by the Board) will have the right to access all documents and records maintained by MHA. The Board and those it authorises to investigate matters may also require employees and Board members to supply information, either written or verbal, on any matter relating to the financial or general management of MHA. All employees and Board members are required to co-operate fully with any such request. If the Board considers it necessary, it has express authority to obtain such external professional advice as it considers necessary.

Review of Remit

A review of the Maintenance & Development Remit shall be undertaken annually as part of the MHA Code of Governance review.

Delegated to Management (Maintenance & Development)

1. Commitment/authorisation of budgeted expenditure, within the limits set out in Financial Regulations (See section on Delegated Financial Authority)
2. Signature of invoices and electronic transfer of funds, as per the Financial Regulations. When amounts exceed the limits set out in the Financial Regulations, the relevant delegation levels will be sought from the Board.
3. Administration of insurance claims, as per the Financial Regulations limits
4. Implementation of effective operational practices to deliver effective maintenance & development services, that can demonstrate VFM, to the Community
5. To review, update and present all maintenance & development strategies, policies, and procedures to the Board for discussion and formal approval.
6. To provide the information necessary to assure the Board that the Maintenance Function is compliant with all relevant statutory and legislative matters.
7. All other operational activities directly related to the Maintenance Function

Milnbank Housing Association

GOVERNANCE SUB-COMMITTEE - REMIT

The Governance Sub-committee exists to discuss issues of importance related to the effective governance of Milnbank HA as delegated by the Board.

It meets four times each year and comprises MHA's four Office Bearers and up to four other Board Members. Both the remit and composition of the Governance Sub-committee will be agreed annually by the Board.

The primary aim of the Governance Sub-committee is to allow for sufficient and detailed discussion to take place on important matters of governance and to make recommendations to the full Management Board as appropriate.

Issues for consideration are listed below:

- Regulatory issues related to engagement with the Scottish Housing Regulator (SHR) and Office of the Scottish Charity Regulator (OSCR).
- Consideration of the implications arising out of new or revised legislation
- Employment related matters including Health & Safety, Recruitment, MHAs relationship with Trades Unions and Avensure (Employer Advisor)
- Act as the primary Disciplinary and Grievance Committee in relation to MHAs Contract of Employment and Conditions of Service
- Provide scrutiny of key policies relating to Health & Safety, employment matters etc. and make recommendations to the Management Board
- Approve remits and tenders for governance related activity such as tenant surveys or compliance reviews as delegated by the Board.
- Develop and explore the potential for new initiatives identified by the Management Board.

Note - these are not exhaustive of matters that could be delegated for the sub-committee's consideration by the Management Board.

LEVEL 1
Reserved to MHA Management Board

1. Approval of the recommendations from the Governance Sub-Committee on governance and staffing related policy and procedure, including terms and conditions of service.

2. Approval of regulatory issues (e.g. signing off the Annual Assurance Statement)

3. Approval of implementing any recommendations made by relevant external advisors as required (e.g. Avensure Employment Advisors)

4. The recruitment and appraising the CEO performance.

LEVEL 2
Delegated to the Governance Sub-Committee

1. Undertake an annual review of the Annual Staffing Report, including the approval of salary grade within EVH guidance and present to the Board.

2. Monitor and discuss the progress of the Succession Planning Strategy for both staff and Board Members

3. Ensure all relevant guidelines and employment legislation has been followed in regulatory matters relating to the SHR, Health & Safety legislation etc. This includes notifiable event reporting and monitoring compliance against Regulatory Standards of Governance and Financial Management.

4. Leading on staffing disciplinary and grievance appeal hearings in line with MHA policy and practice and adhering to employment advice. Including defending/pursuing employment related litigation (e.g. Employment Tribunal)

5. Monitor the progress of the governance related work plans (Governance, Corporate Services and Compliance).

6. Recruitment of staff at Officer Level plus in line with MHA's Staff Recruitment Selection Policy.

LEVEL 3
Delegated to Management

1. Manage the day-to-day business of the Association to ensure MHA's Mission Statement is achieved. This includes managing the staff to ensure a quality service is delivered to all residents and other customers, ensuring policy and procedures are followed as instructed by the Board and communicate on an an-going basis with the Board members.

Milnbank Housing Association

AUDIT AND RISK SUB-COMMITTEE - REMIT

TERMS OF REFERENCE AND DELEGATED AUTHORITY

The Management Board has approved the following role and remit for the Audit and Risk (A&R) Sub-Committee:

- Ensuring that MHA has effective systems for management, control, assurance, and risk management, and monitoring the effectiveness of these systems.
- Monitoring the implementation of approved recommendations contained in internal audit reports, external audit reports and management letters.
- Initiating reports and investigations into any aspect of MHA's activities, if required.
- Ensuring that matters within its remit are conducted in accordance with the law, regulatory requirements, and other good practice guidance.

In support of this remit, MHA's Scheme of Delegated Authority sets out in detail the specific matters for which the Board has delegated authority to the A&R Sub-Committee, and those matters that have been further delegated to management.

CHAIRPERSON AND OFFICER SUPPORT

The chair of the A&R Sub-Committee shall be elected by the other members of the A&R Sub-Committee, to serve until the following year's AGM. MHA's chairperson of the Board but will not be eligible to serve as the chair of the A&R Sub-Committee. The Director of Finance and/or CEO will normally attend meetings of the Sub-Committee.

MEETINGS FREQUENCY

As a financial report is presented monthly to the Management Board, the A&R Sub-Committee will normally meet twice yearly, plus one short meeting to agree the annual management fee.

COMMITTEE SIZE AND QUORUM FOR MEETINGS

The Board shall decide the size of the Sub-Committee annually when it is considering membership of all MHA's sub-committees. The quorum for meetings of the Sub-Committee is three committee members.

SUB-COMMITTEE ROLE

The role of the A&R Sub-Committee is as follows:

Management and Control Systems

- To advise the Board on the effectiveness of MHA's management and control systems for ensuring propriety, regularity, competence, VFM and accountability. This also extends to the management and control systems of MHA's subsidiary companies.
- To provide assurance to the Board through the internal and external validation

of the key information underpinning reports of strategic, statutory, or material financial consequence provided to the Board.

- To review the statement of internal controls prepared for the Board as part of MHA's annual accounts, and to obtain assurance regarding the accuracy and adequacy of the information provided.

- To advise the Board on the resourcing, training and support required to ensure that the A&R Sub-Committee and other Sub-Committees can discharge their duties competently.

Internal and External Audit

- To advise the Board on the appointment and remuneration of the Group's external auditors and the scope of their work.
- To approve the external auditor's Letter of Engagement.
- To communicate with the external auditors on audit approach and scope, reporting, timetables, and findings.
- To receive, and report to the Board, the external audit management letter.
- To advise the Board on the scope and appointment (or required resourcing) of the internal audit service.
- To review the long-term plan for internal audit and assurance, and to approve the annual audit plan.
- To review all audit recommendations (external and internal) and monitor the implementation of agreed recommendations relating to internal audit reports and external audit reports and management letters.
- To monitor the effectiveness of the external and internal audit services.

Internal Audit: Key Areas for external scrutiny and independent validation

- Obtain assurance about the data on which MHA's financial reporting and controls are based:
  - Budget and Business Plan assumptions and supporting data.
  - Cashflow inputs and outcomes
  - Treasury Management Strategy, Objectives and Outcomes

- Compliance with legal and SHR's requirements, including:
  - SHR Regulatory Standards and Guidance
  - Procurement
  - Gas safety and other tenant safety issues

Risk management

- To monitor the implementation of MHA's strategy for managing risk, as approved by the Board.

- To review the Risk Register regularly, reporting material changes or risk events to the Board.

Reports and investigations

To initiate reports and investigations as the A&R Sub-Committee or Board consider necessary.

The Sub-Committee (or MHA officers and/or external advisers authorised by the

Board) will have the right to access all documents and records maintained by MHA.

The Sub-Committee and those it authorise to investigate matters may also require employees and Board members to supply information, either written or verbal, on any matter relating to the financial or general management of MHA. All employees and Board members are required to co-operate fully with any such request. If the Sub-Committee considers it necessary, it has express authority to obtain such external professional advice as it considers necessary.

The external and internal auditors shall always have direct access to the A&R Sub-Committee and upon a request by the auditors, the Chairperson of the Committee will convene meetings of the Committee for this purpose.

The A&R Sub-Committee will have the right to meet in closed session, without employees being present, if it deems this to be necessary. The Committee will meet in such a closed session with the Auditor and the Internal Auditor at least annually.

REVIEW OF REMIT

A review of the A&R Sub-Committee Remit shall be undertaken annually as part of the MHA Code of Governance review.

LEVEL 1
Reserved to MHA Management Committee

1. Commitment of expenditure, without limit (Note 1)
2. Approval of expenditure above the limits delegated to sub-committees or outside the planned cycle of sub-committee meetings
3. Approval of annual rent review
4. Approval of MHA's annual budget, cash flows and financial projections
5. Approval of all loans, overdrafts or granting of security and of any on-lending to subsidiaries
6. Monitoring compliance with loan covenants & submitting loan portfolio returns.
7. Approval of management accounts
8. Approval of financial regulations
9. Approval to dispose of any of MHA's property assets (excluding LCHO sales which are delegated to management)
10. Approval of CEO's expenses (Chairperson – Remuneration Committee)
11. Approval of authorised signatories (staff & committee) as per Financial Regulations

NOTE 1 - CEO and Chairperson also have authority to commit expenditure in emergency situations and/or more than approved budget (to be reported to the Board)

LEVEL 2
Delegated to Audit & Risk Sub-Committee

1. Scrutiny of all items 4 to 7 listed under Level 1, prior to presentation for Board approval.
2. Approval of treasury investments (Note 2)
3. Commitment of budgeted expenditure, up to £50,000 for all matters within the sub-committee's remit
4. Contract approvals from Housing Services more than £50,000
5. Approval of office/business insurances when the policy is re-tendered.
6. Writing off bad debts above the value of £600
7. Approval to open or close bank accounts.

NOTE 2 - Delegated Director of Finance between meetings. The Director of Finance must consult with the CEO and Chairperson if a new or non-approved source is involved.

LEVEL 3
Delegated to Management

1. Commitment/authorisation of budgeted expenditure, within the limits set out in Financial Regulations (See section on Delegated Financial Authority)
2. Administration of all insurance claims
3. Signature of electronic transfer of funds, per the Financial Regulations
4. Maintenance & control of MHA's bank accounts (including payments and the moving of monies b electronic means)
5. Treasury management transactions and executive decisions relating to investments & cash management, in accordance with the Financial Regulations
6. Payroll administration, control of payment of expenses to MHA's employees & Board members.
7. Administration of taxation payments, including those relating to VAT, PAYE, and NI.
8. Ensuring timely submission of all required regulatory financial related returns.

HEALTH & SAFETY SUB-COMMITTEE – REMIT

TERMS OF REFERENCE AND DELEGATED AUTHORITY

The Health & Safety (H&S) Sub-Committee specifically reviews the performance of the Associations legal and compliance requirements for H&S and wellbeing. This includes (but is not limited to):

- Ensuring that MHA has effective systems for management, control, assurance, and risk management, and monitoring the effectiveness of these systems.
- Monitoring and ensuring the good performance and delivery of all key community services delivered by the Maintenance Function who led on this area.
- Implement & review the model ACS H&S system control manuals.
- Ensuring that matters within its remit are conducted in accordance with the law, regulatory requirements, and other good practice guidance. With a particular focus on health & safety and other statutory compliance matters, related to this e.g. wellbeing.
- Ensuring the H&S Strategy, Policy and Procedures are reviewed and finalised in line with the timescales set out in the review schedule and are updated to reflect current legislation and operating environment.

CHAIRPERSON AND OFFICER SUPPORT

The H&S Sub-Committee elects a Chair at the first meeting following the AGM. The Director of Asset Management is the lead officer servicing this sub-committee.

MEETINGS FREQUENCY

The H&S Sub-Committee will normally meet four times per year.

COMMITTEE SIZE AND QUORUM FOR MEETINGS

The H&S Sub-Committee is serviced by the 4 office bearers and up to 4 other Management Board Members who are elected on a rotational basis after each AGM.

H&S SUB-COMMITTEE ROLE

The role of the H&S Sub-Committee is as follows:

Management and Control Systems

- The H&S Sub-Committee will provide an open forum for the discussion of all HS&W and risk compliance issues which come under the scope of MHA's duties as a landlord.
- Administer H&S involving liaison with the EVH/ACS Support Service and the communication of correspondence between parties.
- Responsible for approving the Competency Framework, including any additions or deletions.

- Identify and appoint competent trainers/instructors to carry out the required training.

- Review the LFHS&W performance of MHA, analysing findings from technical assessments, reports on compliance issues, common challenges and data from other information gathering exercises. Recommendations on options to improve LFHS&W performance will be made to the CEO.

Internal and External Audit

- To review all audit recommendations (external and internal) made to the H&S Sub-Committee and monitor the implementation of agreed recommendations as required.

Internal Audit: Key Areas for external scrutiny and independent validation

- Obtain assurance on that decisions made by the H&S Sub-Committee meet the terms outlining in section 1 above. Compliance with legal and regulatory requirements, including Good Practice Guidance, H&S legislation.

Risk management

- To monitor the implementation of decisions made by the H&R Sub- Committee in terms of MHA's strategy for managing risk, as approved by the Board. This includes Higher and Lower tier emergency situations.

Reports and investigations

- To initiate reports and investigations as the Board consider necessary.

6. REVIEW OF REMIT

A review of the H&S Sub-Committee Remit shall be undertaken annually as part of the MHA Code of Governance review.

LEVEL 1
Reserved to MHA Management Board

1. Approval of the annual H&S Plan.

2. Approve precis of H&S business.

3. Breach of any H&S legislation, regulation or good practice.

LEVEL 2
Delegated to H&S Sub-Committee

1. Scrutiny of all H&S Annual Plan, prior to presentation for Board approval.
2. Suggest solutions and initiatives for issues arising and presented to the CEO following each meeting, without undue delay.
3. Present H&S policies for Board approval.
4. Review the LFHS&W performance of MHA, analysing findings from technical assessments, reports on compliance issues, common challenges and data from other information gathering exercises. Recommendations on options to improve LFHS&W performance will be made to the CEO without undue delay.
5. Develop its own suitable and realistic Agenda covering a range of typical topics for inclusion.
6. Consider & comment on Incident Investigations Reports made by the Director of Asset, which shall be filed, and a copy submitted to the CEO for review and comment.
7. Where the investigation and subsequent review highlights the need for policy or procedural changes, or any other corrective action, the H&S Sub-Committee shall be responsible for managing the change process.

LEVEL 3
Delegated to Management

1. Implement the KPI's in the H&S Annual Plan.
2. Provide the H&S Sub-Committee with scheduled reports on the following:

- incident events and statistics
- reported breaches of policy and Procedures.
- enforcement actions & enforcement Actions.
- Statutory compliance programmes, risk assessments, facilities safety programmes.
- audit & inspection reports.
- currently liability issues (from EVH, legal changes etc).
- management, staff, tenant and contractor enquiries or comments on safety/environmental issues
- recommendations on options to improve facilities risk performance

Milnbank Housing Association

RENUMERATION COMMITTEE - REMIT

TERMS OF REFERENCE AND DELEGATED AUTHORITY

The Management Board has approved the following role and remit for the Remuneration Committee:

- Ensuring that MHA has effective systems for management, control, assurance, and risk management, and monitoring the effectiveness of the remuneration package for the Association's most Senior Officer.

- Ensuring that matters within its remit are conducted in accordance with the law, regulatory requirements, and other good practice guidance.

In support of this remit, MHA's Scheme of Delegated Authority sets out in detail the specific matters for which the Board has delegated authority to the Remuneration Committee.

CHAIRPERSON AND OFFICER SUPPORT

The chair shall be elected by the other members of the Committee, to serve until the following year's AGM. MHA's chairperson of the Board will not be eligible to serve as the chair of the Remuneration Committee. Depending on the business to be considered, others attending (e.g., auditors, employment advisor) will be instructed by the Remuneration Committee.

MEETINGS FREQUENCY

The Remuneration Committee will normally meet once per year.

COMMITTEE SIZE AND QUORUM FOR MEETINGS

The Board shall decide the size of the Remuneration Committee annually when it is considering membership of all MHA's sub-committees and Boards. The Audit & Risk Sub-Committee Members shall serve on the Remuneration Committee with the quorum for this meeting being three members.

RENUMERATION COMMITTEE ROLE

The role of the Remuneration Committee is as follows:

Management and Control Systems

- To advise the Board on the effectiveness of MHA's management and control systems for ensuring propriety, regularity, competence, VFM, and accountability when setting the remuneration package for the Association's most senior officer.

- To provide assurance to the Board validation of the key information underpinning reports and recommendations.

- To advise the Board on the resourcing, training and support required to ensure that the Remuneration Committee can discharge their duties competently.

Internal and External Audit

- To review all audit recommendations (external and internal) made to the Remuneration Committee and monitor the implementation of agreed recommendations as required.

Internal Audit: Key Areas for external scrutiny and independent validation

- Obtain assurance on that decisions made by the Remuneration Committee meet the terms outlining in section 1 above.

- Compliance with legal and SHR's requirements, including:
  - SHR Regulatory Standards and Guidance 'RSL Senior Officer Remuneration'
  - Relevant employment legislation, including pension provisions.

Risk management

- To monitor the implementation of decisions made by the Remuneration Committee in terms of MHA's strategy for managing risk, as approved by the Board.

Reports and investigations

- To initiate reports and investigations as the Board consider necessary.

Review of Remit

A review of the Remuneration Committee Remit shall be undertaken annually as part of the MHA Code of Governance review.

LEVEL 1
Reserved to MHA Management Board

1. Approval of the recommendations from the Remuneration Committee on the remuneration Package for the Association's most Senior Officer.

2. With the relevant support, the Chair of the Board undertakes an annual staff appraisal with the CEO.

3. Approval of implementing any recommendations made by relevant external advisors as required.

LEVEL 2
Delegated to the Remuneration Committee

7. Undertake an annual review of the remuneration package of the Association's most Senior
   Officer and present to the Board.

8. Ensure all relevant guidelines and employment legislation has been followed.

9. All recommendations should be based upon evidence using comparisons within the wider housing sector on factors like: Senior Officer's salaries, housing stock managed, management costs.
   MHA's Budget should also be taken into consideration.

MILNBANK PROPERTY SERVICES – BOARD REMIT

TERMS OF REFERENCE AND DELEGATED AUTHORITY

The MHA Board has approved the following role and remit for Milnbank Property Services (MPS):

- Approving MPS strategy including annual Business Plan, written statement of services and procedures, monitoring performance, financial management and governance arrangements.

- Monitoring the compliance by MPS with the provisions of the Subsidiary Group Agreement and in the event of non-compliance taking such action as is appropriate.

In support of this remit, MHA's Scheme of Delegated Authority sets out in detail the specific matters for which the Board has delegated authority to the MPS Board, and those matters that have been further delegated to management.

CHAIRPERSON AND OFFICER SUPPORT

The chair of the MPS Board shall be elected by the other members of the MPS Board, to serve until the following year's AGM. The Director of Finance will normally attend Board meetings. Other members of staff and the internal and/or external auditors will attend, as required, or as instructed by the Board Members, depending on the business to be considered.

MEETINGS FREQUENCY

The MPS Board will normally meet twice a year.

BOARD SIZE AND QUORUM FOR MEETINGS

The minimum number of Board Members for MPS is 5, there is no upper limit. The quorum for meetings of the MPS Board is 3 members.

MPS BOARD ROLE

The role of the MPS Board is as follows:

- Carry out all acts necessary or desirable to ensure that MPS business is carried out in accordance with the Subsidiary Constitution, and the requirements of any Competent Authority, and ensuring that the business objectives are furthered in such manner as the MPS Board considers most appropriate, subject to the provisions of the Subsidiary Group Agreement.

- Running all operational, management and day to day aspects of the MPS business, within the context of the Group Strategy, Business Plan, Budget and Group Policies and Group Standing Orders.

- Reporting to MHA Management Board as required in terms of the Subsidiary Groups Agreement and acting on internal and external audit findings.

•MPS Board shall have the right to manage its business in accordance with the objects set out in the Subsidiary Group Constitution and in MPS's best interests, subject always to MPS Board acting in accordance with MHA Policies, the

provisions of the Subsidiary Group Agreement, the Business Plan and Budget, legal and regulatory requirement.

Internal Audit: Key Areas for external scrutiny and independent validation

- Obtain assurance about the data on which MPS's financial reporting and controls are based for Budget, Business Plan assumptions and cashflows.

- Compliance with legal and statutory requirements for the Code of Conduct for Property Factors, the SHR and any other relevant organisation.

Risk management

1. To monitor the implementation of MPS's strategy for managing risk, as approved by the Board.
2. To review the Risk Register at least quarterly, reporting material changes or risk events to the Board.

Reports and investigations

To initiate reports and investigations as the MPS Board or Board consider necessary. The Board (or MHA officers and/or external advisers authorised by the Board) will have the right to access all documents and records.

The MPS Board and those it authorises to investigate matters may also require employees and Board Members to supply information, either written or verbal, on any matter relating to the general management of MPS. All employees and Board Members are required to co-operate fully with any such request. If the Board considers it necessary, it has express authority to obtain such external professional advice as it considers necessary.

The external and internal auditors shall always have direct access to MPS and upon a request by the auditors, the Chairperson of the MPS Board will convene meetings of the Board for this purpose.

Review of Remit

A review of the MPS Board Remit shall be undertaken annually as part of the MHA Code of Governance review.

LEVEL 1
Reserved to MHA Management Board

1. Approval of the annual MPS Business Plan.
2. Approval of MPS's annual budget, annual accounts, and financial projections.
3. Approval of management accounts.
4. Approve precis of MPS business.

LEVEL 2
Delegated to MPS Board

7. Scrutiny of all MPS Business Plan, prior to presentation for Board approval.
8. Ensure all aspects of MPS service delivery achieve VFM.
9. Ensure MPS meets the requirements of the Group Service Level Agreement including annually reviewing the SLA Price Schedule.
10. Reviewing the Management Fee and Environmental Service Fees.
11. Review the Building Insurance premium.
12. Arrange the AGM for MPS.

LEVEL 3
Delegated to Management

1. Implement the KPI's in the MPS Business Plan.
2. Operational HR issues specifically related to staff related to MPS delivering MPS activities.
3. Service the Owners Forum and report to the MPS Board

Milnbank Housing Association

STONEWORK WORKING GROUP – REMIT

1. PURPOSE

The purpose of the Stonework Program Working Group is to oversee the stonework repairs to Milnbank's pre-1919 tenement stock. The group will review how stone repair work is prioritised, ensure that any health and safety concerns are being correctly met, and that the SHR regulatory expectations of MHA are adhered to.

The working group will also support continued development of a long/short-term approach for managing and investing in the pre-1919 tenement stock. Regular reports will be provided to the Management Board so they can be assured that progress is being made and that any risks or issues are clearly highlighted.

2. REMIT

The Stonework Working Group will:

- Review the full programme of categorised stonework repairs and monitor progress against agreed timescales.
- Review any health and safety risks that have been identified, including any that relate to notifiable events
- Consider factoring matters relating to mixed-tenure/fully owned blocks
- Identify and report any risks that may delay the program of works
- Review how the stonework programme is inline with the MHA Asset Management Strategy and the MHA Business Plans strategic objectives.
- Provide updates, recommendations and assurance to the Management Board after each meeting.
- Review any internal audits/reports that relate to the management of the pre 1919 stonework repairs

3. MEMBERSHIP

- CEO
- Director of Asset Management (Lead Officer)
- Director of Finance
- Appointed Management Board Members
- External consultants (Advisor role)

4. MEETINGS

- The Sub-Committee will meet at least six times per year, with additional meetings as and when required.
- A quorum will consist of no less than three members
- Agendas and papers will be circulated in advance, and minutes will be submitted to the Management Board

5. REPORTING

- The Sub-Committee will report to the Management Board after each meeting, summarising progress, risks, financial implications, and required decisions.

• Any significant concerns, delays or emerging issues must be reported immediately to the CEO and Management Board.

6. **REVIEW OF TERMS OF REFERENCE**

These Terms of Reference will be reviewed annually to ensure they remain aligned to the Asset Management Strategy, regulatory requirements and the evolving stonework programme.

Code of Governance
Part 6
DELEGATED FINANCIAL AUTHORITY

1. INTRODUCTION

This procedure note outlines the delegated financial limits set down by the Board. The Board is responsible for approving the budget and the financial projections on an annual basis. When MHA's financial arrangements are in place, the day-to-day financial matters are delegated to staff. MHA has an Audit & Risk Sub-Committee who operate to a clear remit as outlined in section 5 of the Code of Governance. This procedure note also takes account of MHA's Procurement Policy.

The Delegated Authority levels listed below are for staff to procure services, supplies and works. The same level of authority applies to each staff member for approving invoices for payment, except for Assistants, who do not have authority to approve invoices.

2. DELEGATED AUTHORITY TO STAFF

a) Capital Expenditure (this is something physical like a building or equipment)
(excluding properties, including IT, motor vehicles, copiers etc.)

EXPENDITURE	AUTHORISED BY
Under £5,000	Manager
Capital expenditure within agreed contract sums – between £5,000 & £10,000	Director of Asset
Capital expenditure within agreed contract sums – between £10,000 & £50,000	CEO's
Capital expenditure within agreed contract sums – over £50,000	Management Board

b) Capital Expenditure (Properties – Maintenance, Asset & Development Related)

EXPENDITURE	AUTHORISED BY
Purchase of a property	CEO
Asset/Component/Development expenditure within agreed contract sums – under £5,000	Maintenance Co-ord. Asset Co-ordinator
Asset/Component/Development expenditure – between £5,000 & £10,000	Director of Asset
Asset/Component/Development expenditure – between £10,000 & £50,000	CEO's
Asset/Component/Development expenditure within agreed contract sums – over £50,000	Management Board

(The above delegated authorities should be read in conjunction with MHA's Procurement Policy & Procedures)

c**) Housing Services, Factoring & Office Administration Costs**

EXPENDITURE	AUTHORISED BY
Housing Services, Property Maintenance & Office Admin costs up to £500	Assistant
Housing Services, Property Maintenance & Office Admin costs up to £3,000	Officer
Housing Services, Property Maintenance & Office Admin costs up to £4,000	Senior Officer
Housing Services, Property Maintenance & Office Admin costs up to £5,000	Manager
Housing Services, Property Maintenance & Office Admin costs between £5,000 & £10,000	Head of Function
Housing Services, Property Maintenance & Office Admin costs between £10,000 & £50,000	CEO's
Housing Services, Property Maintenance & Office Admin costs over £50,000	Management Board

Re-occurring expenditure more than £50,000 which have been previously approved by the Board (e.g. stair cleaning contract or an IT service) can be signed off by a member of the Leadership team).

4. Staff Appointments, Salaries & Staff Costs

EXPENDITURE	AUTHORISED BY
Staff appointments	Management Board/CEO's
Temporary Staff	CEO's
Annual Salary Reviews	Management Board
Staff Expenses	Line Managers
Board Expenses	CEO
CEO Expenses	Deputy CEO
Overtime	CEO's
Redundancies, settlements etc.	Management Board

5. Valuations - The CEO is authorised to instruct valuations of sites and/or property, which offers potential consistent with the Development Strategy.

6. Payment Runs - All invoices are processed and paid electronically. The invoices are Interim Approved by the employee who authorised the work and Final Approved by either a manager or other relevant staff member (as per Delegated Authority levels above). Payments are approved as per Section 3, below. This double scrutiny procedure is reported to the Management Board through financial reporting and is tested via sampling during the external audit by the Association's auditors. The staff member responsible for approving the Home Master Payments for Approval list, should also be sampling invoices from every supplier to ensure proper double scrutiny has taken place.

7. Investment Funds - The CEO and Director of Finance are authorised to maximise the Association's return on investments, as set out in the Treasury Management Policy.

8. **Financial Conduct Authority** – The Director of Finance is authorised the sign off the above annual return, this will be subsequently reported to the Board.

9. **Compensation** - MHA does not have a Compensation Policy. However, in situations where tenants or other customers have suffered loss and inconvenience, such matters are delegated to the CEO for attention. As a guide, the CEO will assess each potential case on its own merit and will take account of the following when deciding:
   1) The nature of the claim
   2) The dates/ages of damaged goods (where relevant)
   3) Financial loss awarded up to the value of £5,000 (receipts provided where relevant)
   4) Good will gestures.

   The Director of Finance will counter sign all compensation awards as a double scrutiny. A written record will be recorded with an update provided to the Officer Bearers.

10. **Non charging of works** – All works carried out by MHA's inhouse team and external contractors will be recharged to owners. Any exemptions to this must be authorised by the CEO.

11. **Lease Agreements** – No employee is authorised to enter, or amend, a lease agreement without prior consent of the CEO's.

12. AUTHORISED SIGNATORIES

Payments for Approval List (Home Master)	
Prepared by	Finance Assistant
Authorised by	Finance Officer/Director of Finance / CEO's
BACS Payment (Online Submission)	
Prepared/Uploaded by	Finance Assistant
Authorised/Payment Sent by	Finance Officer/Director of Finance / CEO's
Grant Offers – Stage 3 Adaptations	
Authorised by	Office Bearers/CEO's
Grant Claims	Finance Officer/Director of Finance
Signing legal documents on behalf of MHA	
CEO	Subsequently reported to the Management Board
Deputy CEO (in the absence of the CEO)	Subsequently reported to the Management Board

APPENDIX A

THE ROLE OF OFFICE BEARERS – MILNBANK HOUSING ASSOCIATION

1) OFFICE BEARERS

The Management Board will elect a chairperson and other Office Bearers, on an annual basis at the next scheduled Board Meeting held after each AGM. The Secretary and the other Office Bearers will be controlled, supervised, and instructed by the Board. The positions to be filled are:

- Chairperson
- Secretary
- Vice-Chairperson
- Treasurer

Nominations for these positions are proposed and seconded by the Board members. In situations where there is more than one nomination, Office Bearers will be elected by a majority of members present. Office Bearers must be elected Board Members and cannot be Appointed Members. The duties and responsibilities of the Chairperson and Secretary are set out in the Rules, but generally the Office Bearers will be controlled, supervised, and instructed by the Board.

2) ROLE OF THE CHAIR

The Chairperson is responsible for the leadership of the Board and ensuring its effectiveness in all aspects of the Board's role and to ensure that the Board properly discharges its responsibilities as required by law, the Rules, and the standing orders of MHA. The Chairperson will be delegated such powers as is required to allow the Chairperson to properly discharge the responsibilities of the office. Among the collective responsibilities of the Board, on which the Chairperson will lead are that: -

●The Board works effectively with the CEO and other senior staff.
●An overview of business of MHA is maintained.
●The agenda for each meeting is set and time constraints are adhered to
● Meetings are conducted effectively.
● Minutes are approved and decisions and actions arising from meetings are implemented.
● The Chairperson has a casting vote in the event of a ballot being equal, normally in this case, the chairperson remains within the status quo.
● The Standing Orders, Code of Conduct and other relevant policies and procedures affecting the governance of MHA are complied with.
● Where necessary, decisions are made under delegated authority for the effective operation of MHA between meetings.
● The Board monitors the use of delegated powers.
● The Board receives professional advice when it is needed.
● MHA is represented at external events appropriately.
●To undertake appraisal of the performance of Board Members, and that the CEO's appraisal is carried out in accordance with the agreed policies and procedures of MHA.
●The training requirements of Board Members, and the recruitment and induction of new Board Members is undertaken.
Establish a constructive relationship with the CEO and ensure that their respective roles of leadership and managing are recognised and promoted

effectively. Promote and demonstrate the highest standards of good governance.

3) THE ROLE OF THE SECRETARY

The Secretary is the named person as the association's main contact and is responsible
for ensuring that MHA's business is conducted in the correct fashion. Among the responsibilities of the Secretary are: -

- Calling and going to all meetings of MHA and all the Board Meetings.
- Keeping the minutes for all meetings of the Association and Board.
- Sending out letters, notices calling meetings and relevant documents to Members before a meeting.
- Preparing and sending all the necessary reports to the Financial Conduct Authority and the SHR.
- Ensuring compliance with these Rules.
- Keeping the Register of Members and other registers required under these Rules.
- Supervision of the Association's seal.

4) THE ROLE OF THE VICE CHAIR

The Vice Chairperson is there to support the Chairperson and deputise in his/her absence, take their duties of chairing the Board meeting in accordance with the above role description.

5) THE ROLE OF THE TREASURER

The Treasurer is responsible for ensuring that MHA's finances are in order and that the organisation remains viable.

6) THE ROLE OF MANAGEMENT BOARD MEMBERS

Standard 1, SHR Governance & Financial Regulations states that "the governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users".

a) SUMMARY OF THE KEY RESPONSBILITIES

- Ensuring that Milnbank HA maintains its clear vision, mission, and strategic direction
and is focused on achieving these.
- Being responsible for performance and for corporate behaviour.
- Ensuring compliance with all legal and regulatory requirements.
- Acting as guardians of MHA's assets, both tangible and intangible taking all due
care over their security, deployment, and proper application.
- Ensuring that MHA's governance is of the highest possible standard.

b) MAIN COLLECTIVE DUTIES

Working as part of the collective Board, it is the duty of all Board members to:

- To ensure that MHA complies with all legal, regulatory and statutory requirements, abides by its Rules and meets standards laid down by the SHR and other relevant bodies.

- To provide collective leadership with the CEO and other senior staff to ensure that MHA has a clear vision, mission and strategic plan, and that there is a common understanding of these by Board members and staff.

●To ensure the business, operational and other plans and policies support the vision, mission and strategic priorities and are regularly reviewed.

●To ensure there are effective mechanisms for listening to tenants and other service users and gathering their views, and that these are considered regularly by the Board.

●To review and agree methods for measuring progress in achieving the organisation's vision, mission, objectives and plans, and receive regular reports of performance against agreed targets across all areas on a regular basis.

●To exercise effective overall control of MHA's financial affairs and to ensure that the way in which the finance is administered is not open to abuse by unscrupulous associates, employees or volunteers; and that the systems of control are rigorous and constantly maintained through regular evaluation and improvement in the light of experience.

●To ensure that the major risks to which MHA is exposed are reviewed annually and that systems have been established to mitigate or minimise these risks.

●To appoint the CEO, agree his/her terms and conditions and hold the CEO to account for MHA's management and administration and ensure he/she receives regular constructive feedback on performance in managing the organisation and achieving targets or objectives.

●To ensure that MHA has a governance structure that is appropriate to a charity of its size/complexity, stage of development, and its charitable objects, and that enables Board members to fulfil their responsibilities.

●To ensure that the Board maintains the balance of skills; experience and diversity to govern Milnbank well, and has access to relevant external professional advice and expertise.

●To reflect annually on the Board's performance and your own performance as a trustee.

●To ensure that there is a systematic, open and fair procedure for the recruitment or co-option of Board members.

●To ensure that there are succession plans for the Chair and the CEO.

●To ensure that major decisions and board policies are made by the trustees acting collectively.

●To act reasonably, prudently and collectively in all matters relating to Milnbank HA and always to act in the interests of the Association.

c) MAIN DUTIES AS AN INDIVIDUAL BOARD MEMBER

●To act with personal integrity at all times, declaring any interests, abiding by the Code of Governance for Governing Body Members, and MHA's own rules and standing orders, and maintaining the interests and good name of Milnbank.

●To treat all information gained by virtue of being a Board member in strictest confidence while promoting an ethos of openness and accountability.

●To abide by and promote MHA's commitment to equality and diversity.

●To attend Board meetings, participating in discussions and decision-making and abiding by the decisions made.

●To read all reports and papers in advance of meetings and to raise questions about any areas which require clarification or further information.

●To participate in individual and collective development and training of Board members and to otherwise keep abreast of general policy developments related to MHA's work.

●To promote MHA's objectives, work and good name.

●To support all decisions taken by the Board.

● To reflect annually on your own performance as a Board member.

●To abide by the code of conduct for Board members.

d) SKILLS, EXPERIENCE AND COMPETENCIES

There is a range of skills, experience and competencies that Board members bring, both collectively and as individuals. Through working together, MHA's Board aims to bring the following:

- Strategic thinking (financial, housing, business issues etc.)
- Good verbal communication
- Problem solving and reasoning.
- Ability to challenge objectively and constructively.
- Self-awareness
- Commitment to equality and diversity (disability & inclusion)
- Understanding of and commitment to MHA's purpose and values
- Ability to make the time commitment to attend and contribute to meetings (including reading & preparation for meetings, training etc.)

e) COMMITMENT

An estimate of the annual time commitment that is expected from a Management Board member is:

ACTIVITY	**TIME**
Attendance at up to 11 evening meetings of the Management Board	25 hours
Reading and preparation for Management Board meetings	20 hours
Attendance at up to 4 Sub-Committee Meetings	10 hours
Reading and preparation for Sub-Committee meetings	8 hours
Attendance at the Annual General Meeting	3 hours
Attendance at annual planning day and review events	6 hours
Board Skills Audit	2 hours
Training, briefing sessions, Board workshops	12 hours
Attendance at openings and site visits	Optional
Conference attendance (may include overnight stay or weekend)	Optional
TOTAL	**85 HOURS**

APPENDIX B

MODEL RULES

(Please refer to our website for the Model Rules implemented following a Special General Meeting in September 2023)