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## Entitlements, Payments and Benefits Board Remuneration Policy

Policy Number – G01

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<b>Prepared By</b>	Corporate Services
<b>Policy Created</b>	Entitlements, Payments and Benefits Board Remuneration Policy
<b>Effective Date</b>	October 2020
<b>Review Date</b>	October 2023
<b>Posted on Website</b>	Yes

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## 1. Introduction

1.1 Who the Policy Affects

1.2 This policy is aimed at:

- All members of our Governing Body at Clyde Valley Housing Association (CVG) and of the Governing Body of any of our subsidiary Clyde Valley Property Services (CVPS).
- Everyone who works for us or any of our subsidiaries of the Clyde Valley Group. (CVG)

1.3 For the remainder of this policy the above will be referred to as “our people.”

1.4 CVG’s Board Remuneration Policy forms part of this Policy as Annex 1.

## 2. About This Policy

2.1 We are a Registered Social Landlord (RSL) and a Scottish Charity. We are part of a sector that has a strong reputation for integrity and accountability to the people we exist to help and to our Regulators, partners and funders. We must ensure that the organisation upholds its reputation and that of the sector. Our people cannot benefit inappropriately from their connection with CVG.

2.2 This policy describes the entitlements, payments or benefits that our people are able to receive. It also describes what is not permitted and the arrangements that we have in place to ensure that the requirements of this policy are observed.

2.3 Our Rules require that we have a policy dealing with payments and benefits<sup>1</sup>. The Scottish Housing Regulator (SHR) requires us to have a policy that sets out what payments and benefits we permit and to ensure that these arrangements demonstrate transparency, honesty and propriety<sup>2</sup>. We must ensure there is no justifiable public perception of impropriety. This policy is based on the SFHA’s Model Entitlements Payments and Benefits Policy, which the SHR have confirmed meets their regulatory requirements.

2.3 As we are a Scottish Charity, all of our Governing Body Members must also ensure that they comply with the Office of the Scottish Charity Regulator (OSCR) guidance to Charity Trustees<sup>3</sup> and charity legislation. The Association must and will comply with the Charities and Trustee Investment (Scotland) Act 2005 and any associated guidance from the Office of the Scottish Charity Regulator when considering and reviewing payment or benefits to the charity trustees. If a person serves on the Board or Committee, he/she will not receive any payment or benefit unless it is permitted by the Charities and Trustee Investment (Scotland) Act 2005 and as set out in the Association’s Board Remuneration Policy

2.4 CVHA will ensure that payments to Board Members are disclosed in the audited accounts of the Association. Where the Association has one or more subsidiaries it must and will ensure that any payments and benefits to the subsidiary governing body

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<sup>1</sup> SFHA (2020) [Charitable Model Rules, Rule 38](#)

<sup>2</sup> Scottish Housing Regulator (February 2019) [Regulatory Framework Standard 5.4](#)

<sup>3</sup> Office of the Scottish Charity Regulator (Aug 2013) Guidance For Charity Trustees section 3 available <https://www.oscr.org.uk/>

members are included in the policy. This is a Group Policy that applies to our subsidiary Clyde Valley Property Services.

- 2.5 This Policy is intended to be a practical document that supports us in meeting all of the above requirements, ensuring that none of our people benefits improperly or inappropriately from their involvement with us, but also that they are not unfairly disadvantaged. We expect our people to act in good faith, and in applying the terms of the policy we will always take this into account.
- 2.6 As someone who is affected by this policy, you are personally responsible for ensuring that you are familiar with and comply with its terms.
- 2.7 At all times, we expect a common-sense approach to be applied to the interpretation and application of this policy. If you are unsure about anything relating to benefits, payments or entitlements you should consult with the Chairperson or Chief Executive.

### **3. What this Policy Covers**

3.1 This policy covers:

- Managing Your Interests
- Registering and Declaring Interests
- Entitlements, Payments & Benefits
- People Connected to You
- Who Else You Should Consider When Declaring Interests
- What You Should Consider
- Use of Our Contractors/Suppliers by Our People

### **4. Other Relevant Policies**

- 4.1 The Code of Conduct is linked to this policy. Failure to comply with the terms of this policy may be regarded as a breach of the Code of Conduct.
- 4.2 You are also required to be familiar with and observe the terms of our Anti-Bribery and Fraud policy. We prohibit any attempt to induce the organisation or our people to offer preferential services or business terms and we will at all times comply with the Bribery Act 2010.
- 4.3 Our policies relating to the following are also relevant to this document and must be complied with at all times:
  - Allocations
  - Repairs and Improvements
  - Adaptations
  - Procurement
  - Learning and Development
  - Expenses
  - Recruitment and selection
  - Sale of our Property
  - Decoration Allowances/Prizes
- 4.5 Please note that this list is not exhaustive and you are required to comply with all of our policies and procedures.

## 5. Managing Your Interests

### Registering and Declaring Interests

- 5.1 In order to protect our reputation and demonstrate that we conduct our affairs with openness, honesty and integrity, we maintain a Register of Interests. You must record in this register any interests that you or someone connected to you (see Section 6) has which are relevant to our business and/o. You will be required to maintain the accuracy of the interests you declare and to confirm annually that your entry is accurate and up to date.
- 5.2 Where you have an interest in any matter that is being discussed or considered, including at a meeting, you must declare your interest and play no part in the consideration, discussion and decision-making; you must withdraw from any part of a meeting where the interest arises. and play no part in the discussion. Our Rules require that any board member who has an interest in a matter that is being considered withdraws from all discussions and plays no part in decision-making<sup>4</sup>
- 5.3 The Code of Conduct which our Board and staff are required to uphold contains requirements on Declaring Interests that you should comply with at all times.
- 5.4 An annual report will be made to our Governing Body on the entitlements, payments, benefits that have been recorded in the Register.
- 5.5 The following are examples of the kind of interest that you must declare. Please note that this list is not exhaustive, and there may be other interests that you should also declare.
- Tenancy of a property of which we are the landlord, this includes our subsidiary company CVLets.
  - Occupancy or ownership of a property which is factored or receives property related services from us.
  - Receipt of care or support services from us.
  - Membership of a community or other voluntary organisation that is active in the area(s) we serve.
  - Voluntary work with another RSL or with an organisation that does, or is likely to do, business with us.
  - Membership of the governing body of another RSL.
  - Being an elected member of any local authority where we are active.
  - If you purchase goods or services from us.

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<sup>4</sup> SFHA (2020) [Charitable Model Rules 2020 Rule 38](#)

- If you purchase goods or services from one of our contractors or suppliers (see section 4).
- Significant shareholding in a company that we do business with (or are considering doing business with).
- Membership of any other body whose interests and/or activities may directly affect our work or activities..
- Ownership of land or property in our areas of operation. This excludes property for the purpose of your own residential use (i.e., there is no requirement for you to declare any house in which you currently live).
- Unresolved dispute relating to the provision of services in connection with a tenancy or occupancy agreement or a contractual dispute over the provision of goods or services with us.

5.6 You should note that in some circumstances, declaration of an interest may not be sufficient, and that it may be necessary for the organisation to take additional measures to deal satisfactorily with the situation so as to protect the probity and reputations of both yourself and the organisation

## **6. Entitlements, Payments and Benefits**

6.1 Many of the interests you will be required to declare can be classed as entitlements, payments or benefits.

6.2 As one of our people, you potentially could be offered benefits over and above that to which you are contractually entitled, such as gifts or hospitality from external parties. Such offers would be as a direct result of you being one of our people and cannot always be accepted. We require that any such offers are managed and recorded very carefully to ensure the highest levels of probity in our organisation. Our people should not benefit – or be seen to benefit – inappropriately from their involvement with us.

6.3 Apart from payments that our people are entitled to by contract, statute, policy or other agreement (e.g., salary, expenses), we will only make a payment to, or accept a payment from, someone affected by this policy in exceptional circumstances. Appendix A explains the payments we can and cannot make in more detail.

6.4 As we contribute to the economy of the area we work in and we have commercial and business relationships with many different companies, contractors, suppliers and service providers, you must ensure that we are fully aware of any connection that you or someone you are close to (see Section 7) has with any of these businesses or organisations.

6.5 Some entitlements, payments and benefits we can never permit, and others we have additional requirements or conditions that must be met before we can

permit.

6.6 **Appendix A** lists the entitlements, payments and benefits that fall under this policy, and states:

- Which could be permitted by the CVG
- Which will never be permitted by the CVG
- Which you require to declare in the register of interests
- Any other further requirements CVG has before permitting

## 7. People connected to you

7.1 Who else you should consider when declaring interests?

- Someone ‘closely connected’ to you includes members of your household, family members and other relatives and your friends.
- As well as considering your own actions, you must be aware of the potential risk created by the actions of people to whom you are closely connected. Who you should consider, and our expectations of you to identify and declare such actions are outlined in Table A. If you are in any doubt about whether or not a declaration is required, you should consult the Chair, CEO or, for staff, your line manager

**Table A**

Group	Required Response
<p><b>Members of your household</b></p> <p>This includes:            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>	<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><b>Partner, Relatives and friends</b></p> <p>This includes:            Your partner (if not part of household)            Your relatives and their partners            Your partner’s close relatives (i.e., parent, child, brother or sister)            Your friends            Anyone you are dependent upon or who is dependent upon you</p>	<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</p>

	should be declared and managed as soon as possible.
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## **8. What You Need to Consider**

- 8.1 The following are the relevant actions /involvement by those to whom you are closely connected that you should consider, declare and manage as per our expectations outlined in Table A: (please be aware that this list is not exhaustive or exclusive)
- 8.2 A significant interest in a company or supplier that we do business with. A significant interest means ownership (whole or part) or a substantial shareholding in a business that distributes profits but does not include where an individual has shares in large companies such as banks, utility companies or national corporations, i.e., where owning shares would not give the individual any significant influence over the activities of that organisation.
- 8.3 Where the individual may benefit financially from a company with which we do business.
- 8.4 Involvement in the management of any company or supplier with which we do business
- 8.5 Involvement in tendering for or the management of any contract for the provision of goods or services to us.
- 8.6 Or any of the following:
- Application for employment with us
  - Application to join our Board or any of its subsidiaries
  - Application to be a tenant or service user of the organisation
  - If they are an existing tenant or service user of the organisation

## **9. Use of Our Contractors & Suppliers**

- 9.1 In order to help us maintain our excellent reputation, where possible you should avoid using CVG's contractors/suppliers for your own personal purposes. We have made a list available to all of our people which outlines the contractors and suppliers that fall under the terms of this policy. This list will be kept up to date and available to you on request.
- 9.2 We recognise that there could be certain circumstances where it might not be possible for you to avoid the use of all the contractors/suppliers on this list, such as where market conditions in your local area make it difficult to obtain a reasonable selection of potential contractors or suppliers. Under such circumstances you could be permitted to use our listed contractors/suppliers, provided you are able to demonstrate that you received no preferential treatment in terms of price, quality or any other aspect of service delivery due to your involvement with us.
- 9.3 Approval to use those contractors listed is at the discretion of the approving officer. In the first instance you should contact the Corporate Services Team. In order to be granted approval, you will be required to demonstrate that there is no reasonable alternative contractor/supplier providing the service required in your local area, and that you will receive no preferential treatment in terms of service or cost (which you



will be required to demonstrate through quotations and receipts).

9.4 If you are looking to purchase goods or services from any contractor/supplier on this list then you must make a declaration of interests in the Register outlining:

- That you have received approval from the appropriate approving officer prior to the commencement of works
- That you received no preferential treatment in terms of service or cost (which you will be required to demonstrate through quotations and receipts).
- Where you inadvertently use a contractor on the list in an emergency situation, you must notify the approving officer as quickly as possible thereafter and enter an appropriate declaration in the Register.

9.5 Any contractor/supplier not included on the list can be used without the need for any declaration/further action. The list represents the majority of the contractors/suppliers that we use, but does not include any of our contractors/suppliers that:

- Only provide services of a small value (e.g., local window cleaners or sandwich shops) or
- Have such a large national or local standing that no favour could ever realistically be gained (e.g., utilities, BT, banks or national chains)

## 10.

10.1 The approving officer will have an appropriate level of seniority, in accordance with our scheme of delegation. In making their decision the approving officer will consider the level of potential reputational risk or any potential conflicts of interest that may arise by granting approval and, if granting approval, consider the steps required to mitigate against future conflicts of interest. This ensuring that the individual is not involved in any transactions with or decisions about the contractor/supplier in question on behalf of the organisation. You should maintain a clear audit trail of every approval to use any of our contractors listed. The total number of our people to use contractors and suppliers, including the reasons for approval, and confirmation that no advantage was gained due to an individual's role within the organisation will be formally reported annually to our Governing Body.

- a. Our Rules require the Governing Body to set our policy on payments and benefits and keep it under review. This policy has been approved by our Governing Body and is consistent with the requirements of our Codes of Conduct for Governing Body Members and for Employees. These Codes have been confirmed by the Scottish Housing Regulator as meeting their regulatory requirements.
- b. This policy was adopted by our Governing Body of Clyde Valley Housing Association on 5 October 2020 It will be reviewed not later than October 2021.

## Appendix A

### Entitlements, Payments and Benefits

	CAN THIS BE PERMITTED?	FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?
<b>HUMAN RESOURCES AND RECRUITMENT</b>		
<p>All entitlements arising from your contract of employment with us or one of our subsidiaries, including (but not restricted to):</p> <ul style="list-style-type: none"> <li>• Payment of salary to staff</li> <li>• Access to car or travel loans or salary advances where specified in the employment contract.</li> <li>• Pension and/or private health care provided as part of the remuneration package.</li> <li>• Performance related pay or bonus awarded in accordance with contractual terms.</li> <li>• Books and equipment in connection with employment or training in accordance with agreed policies and/or contractual terms</li> <li>• Reimbursement of professional fees</li> </ul>	Yes	Any entitlement in the terms of your contract is always permitted without the need to record in the register of interests. There are Human Resource processes in place for this purpose.
<p>Payment to a member of the governing body for their role as a governing body member, in accordance with the terms of their letter of appointment</p>	Yes	<p>Such payments will only be permitted if they are in accordance with the conditions set out in Section 67(3) of the Charities and Trustees Investment (Scotland) Act 2005<sup>5</sup> and in accordance with the CVG Board Remuneration Policy.</p> <p>The payment must be recorded in the register of interests within five days of the appointment being confirmed and the register must be kept up to date.</p>

<sup>5</sup> Legislation.Gov.Uk (2005) Charities and Trustees Investment (Scotland) Act 2005 Section 67 (3) available [here](#)

	<b>CAN THIS BE PERMITTED?</b>	<b>FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?</b>
All payments made in accordance with the terms of our expenses policy including: <ul style="list-style-type: none"> <li>• payment of permitted out of pocket expenses</li> <li>• reimbursement of travel costs</li> </ul>	Yes	Entitlements in connection with your role as one of our people are set out in our expenses policy are always permitted and do not need to be declared provided claims are made in accordance with our procedures.
Provision of a loan by the organisation to one of our people	No	This is not permitted unless in connection with the contractual terms of employment. We cannot make any other loans to individuals.
Redundancy or severance payment to an employee	Yes	We can make redundancy payments to an employee in line with terms their contract or We can make a severance payment to an employee which is outside the terms of their contract of employment provided: <ul style="list-style-type: none"> <li>• It arises directly from a decision to terminate the employee's contract of employment</li> <li>• Payment is approved by the Governing Body and submitted as a Notifiable Event to the Scottish Housing Regulator</li> <li>• That the total sum of the non-contractual payment and benefit does not exceed, in the opinion of our employment adviser, the total cost of a successful application by the employee to a Court or Tribunal (including the likely level of compensation that might be awarded by a court or tribunal and associated costs to the organisation to participate in the tribunal)</li> <li>• Payment does not exceed the equivalent of one year's salary for the employee</li> <li>• That this payment is instead of (rather than additional to) any redundancy entitlement</li> </ul>

	CAN THIS BE PERMITTED?	FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?
An offer of employment (temporary or permanent) to someone who is closely connected to a member of staff	Yes	This is permitted as long as: <ul style="list-style-type: none"> <li>• There has been an open recruitment exercise in accordance with our policy that you have not played any part in and</li> <li>• You have no direct or indirect line management or supervision responsibility for the post and</li> <li>• The offer of employment complies with our recruitment and selection policy and</li> <li>• You record your connection to the successful applicant in the register within five days of their acceptance of the offer.</li> </ul>
The offer of employment or contract for the provision (e.g., specialist advise to someone who is, or has been in the last twelve months, a member of our Governing Body or to anyone who is related to a member of the Governing Body	No	This cannot be permitted.
Appointment of one of our staff members to the Board	No	This cannot be permitted in accordance with the Rules of the organisation.
Nominations to join the Governing Body from people who are connected to a serving member.	No	This cannot be permitted in accordance with the Rules of the organisation.
<b>OUR PEOPLE AS TENANTS OR SERVICE USERS</b>		
The offer of a tenancy or lease in one of our or any of our subsidiaries' properties to one of our people or to someone closely connected to them.	Yes	This is permitted as long as <ul style="list-style-type: none"> <li>• it is in accordance with our published allocations policies <b>and</b></li> <li>• Neither the applicant or anyone connected to the applicant is involved in any way or in any part of the allocation process <b>and</b></li> <li>• The offer is approved by the Governing Body in advance <b>and</b></li> <li>• The tenancy is recorded as an interest in the appropriate register within five days of the tenancy commencing</li> </ul>

	<b>CAN THIS BE PERMITTED?</b>	<b>FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?</b>
Where one of our people (or someone connected to one of our people) is a tenant and receives a repair, improvement or adaptation to their home	Yes	<p><b>Repairs</b> carried out in accordance with our policy do not need to be recorded.</p> <p><b>Adaptations</b> must comply with our policy and be approved. The adaptation should be recorded in the register of interests within five days of approval.</p> <p><b>Improvements</b> must be carried out as part of an approved programme and in accordance with our policy. The person affected should declare their interest if/when the programme is being discussed and the improvement recorded in the register of interests within five days of completion</p>
<b>TRAINING AND EVENTS</b>		
Attendance at training events or seminars (e.g., SFHA Conferences) or openings/similar events hosted by other RSLs	Yes	There is no requirement to declare and record in the register of interests.
The organisation paying for accommodation in connection with attendance at relevant conferences or events that you are attending on behalf of or in connection with your role with us or our subsidiaries	Yes	<p>Accommodation that is part of a conference or training package does not need to be recorded in the register, but attendance will be recorded on the relevant individual training plan.</p> <p>Residential conferences are important in ensuring that our people have the necessary skills, knowledge and experience to make an effective contribution to our activities.</p>
Attendance by you at events to mark awards, achievements or other significant milestones relevant to our business.	Yes (where total does not exceed £500)	<p>The Governing Body must approve attendance prior, and will only do so if:</p> <ul style="list-style-type: none"> <li>• The organisation or one of our people (because of their role with us) has been nominated for an award; or</li> <li>• Attendance is in recognition of achievement of or in pursuit of appropriate business development; or</li> <li>• We can demonstrate that attendance or participation is directly related to furthering our aims and objectives.</li> </ul> <p>Where we ask you to represent us at such an event, this should be recorded</p>

	CAN THIS BE PERMITTED?	FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?
		<p>in the register along with any associated costs (including <b>travel</b>, accommodation and the costs of attendance at the event) within five days of attendance. <b>The total cost should not exceed £500 per person and we will make all arrangements in advance.</b></p> <p>Where costs would exceed £500, you will not be permitted to attend unless there is a clear, viable business case for attending. In such a case, specific approval of the Governing Body would be required.</p>
<b>GIFTS AND HOSPITALITY</b>		
<p>Gifts received from tenants and external sources</p>	<p>Yes (not exceeding a value of £60)</p>	<p><b>Small gifts (e.g., a box of chocolates, pens, folders, paperweights, flowers) can be accepted if:</b></p> <ul style="list-style-type: none"> <li>• the cumulative value of gifts received from the same source in a 12 month period does not exceed £60</li> <li>• you do not receive more than two such gifts from the same source in a 12 month period</li> <li>• you record receipt of the gift(s) in the register</li> </ul> <p>You should not normally accept other gifts and should decline any gifts with a value of more than £60 unless to do so would cause offence or otherwise damage our reputation. In these cases, you must:</p> <ul style="list-style-type: none"> <li>• Advise the donor that the gift will be donated to charity or will form part of our annual charity fund raising activities</li> <li>• Record the gift and the action taken in the register within five days</li> </ul> <p>You should not regularly accept gifts from the same source and never</p>

	CAN THIS BE PERMITTED?	FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?
		<p>more than twice from the same source within a 12 month period. The total cumulative value of gifts received from the same source over the course of a year must never exceed £60.</p> <p>You should also record any offers that you decline and the reasons for this, in the register within five days.</p>
<p>Gifts given from us to one of our people or received by one of our people from external sources to mark special occasions.</p>	<p>Yes (not exceeding a value of £100 )</p>	<p>Gifts from the organisation to our people can be permitted in cases where it is to mark a special occasion or significant event including:</p> <ul style="list-style-type: none"> <li>• Family events (e.g., marriage, milestone birthday, birth of a child),</li> <li>• Retirement</li> <li>• Leaving the organisation</li> </ul> <p>These must be recorded in the relevant register and the value of such gifts will not normally exceed £100 .</p> <p>Please note, that this does not include collections by our people using their own personal funds to mark special occasions. These are always permitted with no requirement to declare. . For staff, contractual terms may be in place that dictate the value of any gift upon retirement/long service.</p>
<p>Hospitality associated with our business and that of its partners</p>	<p>Yes (when not exceeding a value of £60)</p>	<p>Modest hospitality, such as a sandwich lunch or networking event, is permitted and does not need to be recorded</p> <p>All other hospitality up to a value of £50 is permitted but must be recorded in the register, along with an estimation of the value of hospitality received, within five days of attendance.</p> <p><b>You should not accept invitations with a value that is greater than £60, unless you have prior approval from the Governing Body. The type of hospitality offered will also be taken into consideration, e.g., we will not normally accept invitations to</b></p>

	<b>CAN THIS BE PERMITTED?</b>	<b>FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?</b>
		<p><b>sporting events, concerts, golf tournaments etc.</b></p> <p>In this case, the reason for acceptance must also be included in the register and countersigned by Finance &amp; Corporate Services Director</p>
Our people seeking donations from our contractors/suppliers when fundraising for charity	Yes	<p>This is permitted provided:</p> <ul style="list-style-type: none"> <li>• Approval is gained prior to making any approach</li> <li>• Any donations received are recorded in the register</li> </ul> <p>We recognise our social responsibility and promote charity fundraising by the organisation and our people. We have a separate policy that sets out our approach to supporting other charities.</p>
<b>PROCURING GOODS/SERVICES</b>		
Sale of our interest (whole or part) in a property to someone affected by this policy via LIFT, HomeBuy; Help to Buy or other LCHO scheme	Yes	<p>This is permitted, provided:</p> <ul style="list-style-type: none"> <li>• Our policy and procedures are followed</li> <li>• The prospective purchaser should play no part in the processing of the transaction by the organisation</li> <li>• It is declared and recorded in the register within five days of the missives being concluded confirming the process followed.</li> </ul>
The organisation entering into a contract with an organisation where one of our people, or someone connected to them, has significant control.	No (in almost all cases)	<p>This is not permitted in almost all circumstances. We could only consider this where:</p> <ul style="list-style-type: none"> <li>• The person affected by this policy is not involved in any part of the procurement process or decision</li> <li>• The appointment is approved by the Governing Body which is satisfied that the appointment is reasonable in the circumstances</li> <li>• There is no reasonable alternative (e.g., because of geography or the specialist nature of the goods/services)</li> </ul>



	<b>CAN THIS BE PERMITTED?</b>	<b>FURTHER ACTION NECESSARY BEFORE THIS WILL BE PERMITTED?</b>
		In such rare circumstances, the appointment would be recorded in the register along with details of the process followed.
The purchase of land or other assets from anyone who is, or has been in the last twelve months, one of our people or who is connected to one of our people	No (in almost all cases)	<p>This cannot be permitted in almost all cases.</p> <p>The only exception would be if you were referred to us under the Scottish Government's Mortgage to Rent scheme, where this would be permitted provided:</p> <ul style="list-style-type: none"> <li>• Our policy and procedures are followed</li> <li>• The prospective seller plays no part in the decision to purchase the property or the processing of the transaction by the organisation</li> <li>• It is declared and recorded in the register within five days upon conclusion</li> </ul>
The purchase of goods/services from our suppliers/contractors by one of our people	Yes	This should normally be avoided, and will only be potentially permitted if the procedure identified in Section 4 is followed

## **Annex 1 Board Remuneration Policy**

**Policy Number – G01(a)**

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<b>Prepared By</b>	Corporate Services
<b>Policy Created</b>	Entitlements, Payments and Benefits Policy Annex – Board Remuneration Policy
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1.1 This policy is aimed at people who are:

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- Everyone who works for us or any of our subsidiaries of the Clyde Valley Group (CVG)

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2.2 The Board Remuneration policy is an annex of CVG’s Entitlements, Payments and Benefits policy. The entitlement, payments and benefits policy includes the arrangements that we have in place to ensure that the requirements of this policy are observed.

2.3 The Scottish Housing Regulator (SHR) requires us to have a policy that sets out what payments and benefits we permit and to ensure that these arrangements demonstrate transparency, honesty and propriety. We must ensure there is no justifiable public perception of impropriety.

2.4 As we are a Scottish Charity, all of our Governing Body Members must also ensure that they comply with the Office of the Scottish Charity Regulator (OSCR) guidance to Charity Trustees and charity legislation.

2.5 The Payments and Benefits Policy is intended to be a practical document that supports us in meeting all of the above requirements, ensuring that none of our people benefits improperly or inappropriately from their involvement with us, but also that they are not unfairly disadvantaged.

2.6 Board Members who are affected by this policy, are personally responsible for ensuring that they are familiar with and comply with its terms.

2.7 At all times, we expect a common-sense approach to be applied to the interpretation and application of the payments and benefits policy. If someone is eligible for and/or receive remuneration as a Board Member and they are unsure about anything relating to this Board Remuneration Policy, they must consult with the Company Secretary.

## **3. What this Policy Covers**

3.1 This policy covers:

- Managing Interests
- Ensuring Regulatory Compliance and Transparency
- Eligibility and Policy criteria for Board Member Remuneration
- Remuneration Payments, determination and review

- Management of performance

#### **4. Other Relevant Policies**

- 4.1 The Code of Conduct is linked to this policy. Failure to comply with the terms of this policy will be regarded as a breach of the Code of Conduct.
- 4.2 Our policies relating to the following are of particular relevance to this policy and must be complied with at all times:
- Anti-fraud and bribery
  - Board composition and recruitment
  - Board Appraisal
  - Expenses
  - Recruitment of Board Members

Please note that this list is not exhaustive and you are required to comply with all of our policies and procedures.

#### **5. Managing Your Interests**

##### **Registering and Declaring Interests**

- 5.1 In order to protect our reputation and demonstrate that we conduct our affairs with openness, honesty and integrity, we maintain a Register of Interests. All Board Remuneration Payments must be recorded as an interest in this register and people in receipt of payment will be required to confirm annually that their entry is accurate and up to date.

#### **6. Ensuring Regulatory Compliance and Transparency**

- 6.1 This Policy complies with:
- The Scottish Housing Regulatory Framework (Standards of Governance and Financial Management Standard 6.6): which state 'if the governing body decides to pay any of its non- executive members then it has a policy framework to demonstrate clearly how paying its members will enhance decision-making, strengthen accountability and ownership of decisions, improve overall quality of good governance and financial management and deliver value for money' and
  - Requirements of CVHA as a charity by the Office of the Scottish Charity Regulator for trustee remuneration. Any personal benefit to a charity trustee, whether direct or indirect, whether payment or benefit in kind, and whether received by a charity trustee or a person, institution, firm or company connected to a charity trustee, has to comply with the conditions set out in Section 67 of the Charities and Trustee Investment (Scotland) Act 2005.

The conditions are:

- 6.1.1 A maximum amount of any benefit must be set in writing – a written agreement as to the benefit (and the amount paid for it) requires to be put in place on each occasion a Board member or a “connected” person or company benefits.

- 6.1.2 The amount of the benefit must be reasonable – the amount of benefit (whether to a Board member or a “connected” person or company) should never be more than would be paid to a non-connected person or company.
- 6.1.3 When the trustees agree to the benefit, less than half of the trustees receive any remuneration / benefit – this is a matter of fact to be checked on each occasion a decision is made to permit remuneration / benefit.
- 6.1.4 The benefit should be the charity’s best interest – this is for the trustees to decide.
- 6.1.5 There is nothing in the charity’s constitution to prohibit the benefit being offered. CVHA’s Rule 38.4 provides for Board Remuneration.
- 6.2 CVG will publish this policy on its website and make a copy available upon request. CVG has sought the views of its customers upon this policy and will do so at each review.

## **7. Eligibility and Policy Criteria for Board Member Remuneration**

- 7.1 The following CVG Board Roles are eligible for remuneration:
- Chairperson of Clyde Valley Housing Association
  - Audit Committee Chairperson of Clyde Valley Housing Association
  - Chairperson of Clyde Valley Property Services

The number of remunerated roles satisfies OSCR requirements in that this means less than half of the trustees received remuneration or benefit.

- 7.2 The policy criteria for CVG in making these positions eligible for payment are:
- To recognise the amount of work and time involved
  - To recognise the level of responsibility, ownership and accountability being taken
  - To attract and retain the right people with the right skills and commitment required to lead CVG’s business and financial strategy, ensure legislative and regulatory compliance and enhance decision making by the governing body

## **8. Remuneration Payments, determination and review**

- 8.1 The level of payment awarded is modest to reflect the policy criteria in 7.2 above and is not based upon the amount of time and commitment involved, which may vary and will require flexibility. The level of payment is also intended to provide good value for money.
- 8.2 The annual level of remuneration is as follows:
- Chairperson of Clyde Valley Group - £5400
  - Audit Committee Chairperson of Clyde Valley Group £4000
  - Chairperson of Clyde Valley Property Services £4000

Payments will be subject to tax and those people receiving payment will be required to seek personal tax advice as required.

- 8.3 The level of payment will be fixed for 3 years and reviewed in October 2023. At that point there will be a benchmark review against industry norms. If there is a material change in CVG’s business requirements prior to this date, such a review can be brought forward.

## **9. Management of Performance**

- 9.1 The performance appraisal arrangements for paid non-executive members will be different from other non-executive members in that appraisals will be conducted by non-paid members.
- 9.2 There are Job Roles and Person Specifications for paid roles included in this policy (Appendix 1-4) and contractual letters of appointment (Appendix 5) which will be signed by non-executives eligible for payment prior to receipt of first payment. These documents take account of the requirements of office bearers set out in CVHA's Rules and the Scottish Housing Regulatory Framework.

## **10. Review**

- 10.1 Our Rules require the Governing Body to set our policy on Board Remuneration and keep it under review. This policy has been approved by our Governing Body and is consistent with the requirements of our Code of Conduct for Governing Body Members.
- 10.2 This policy was adopted by our Governing Body of Clyde Valley Housing Association on 5 October 2020. It will be reviewed no later than October 2023.



## **CVHA Chairperson Role Description**

**Role Description for Chairperson of Clyde Valley Housing Association**  
**Annual Remuneration £5,400 per annum plus expenses (this may be taxable and the Chairperson must take their own tax and pension advice)**

**1. Introduction**

- 1.1. This role description sets out the particular duties and responsibilities of the Chair of CVHA. The responsibilities described here are additional to those set out in the Governing Body Members' (GBM) role description. The role requirements comply with Regulatory requirements and CVHA's Rules and Standing Orders.
- 1.2. This role description will be used as the basis for performance assessment as part of the annual appraisal exercise and any review of Board Members' effectiveness. It will be used to appoint the Chair annually after each AGM as well as being used as a basis to recruit a Chairperson to CVHA Board.
- 1.3. In the event that the CVHA Chairperson is unable to fulfil their responsibilities e.g., Chair a meeting, the Chairperson of the Audit Committee will carry out the duties of the CVHA Chair.
- 1.4. As set out in the Standing Orders, the Chairperson of CVHA cannot serve as the Chairperson of any Committee.
- 1.5. The Chairperson is responsible for the leadership of the Governing Body and ensuring its effectiveness in all aspects of its role and to ensure that the Board properly discharges its responsibilities as required by law, the Rules and the Standing Orders of the Association. The Chairperson will be delegated such powers as are required to allow them to properly discharge the responsibilities of the office. The key collective responsibilities of the Governing Body, on which the Chairperson will lead are that:
  - The Board works effectively with the senior staff
  - The overview of business of the Association is maintained
  - The Agenda for each meeting is set
  - Meetings are conducted effectively
  - Minutes are approved and decisions and actions arising from meetings are implemented
- 1.6. The Chairperson must be elected from Board Members (excluding co-optees) each year at the first Board meeting following the AGM and must be prepared to act as Chairperson until the date of the next AGM unless s/he resigns their post. Whilst the Chairperson of CVHA can be re-elected, they cannot serve a continuous term of more than five years. There is no expectation that the Chairperson must serve the full five-year maximum term.
- 1.7. In the spirit of CVHA's Rules, if an individual has served five years as Chairperson, they should not be subsequently re-elected as Chairperson at any point.
- 1.8. The Chairperson can be required to resign if they fail to fulfil the requirements of the role, and the Rules of the Association set out how this would need to be carried out.



## **2. Key Responsibilities**

2.1. The Chairperson must act, and be seen to act, at all times on behalf of the Board Members. The Chairperson's key responsibilities are:

- To lead the Board Members constructively, provide direction and manage meetings and decision making effectively.
- To develop and maintain a constructive and positive working relationship with the Chairs of Audit Committee, Clyde Valley Property Services, the Chief Executive and Executive Directors.
- To uphold CVHA's Code of Conduct and promote good governance.
- To ensure that CVHA's business is conducted effectively between meetings and that emergency decisions are taken appropriately when required.

## **3. Leadership and Direction**

3.1. The Chairperson must:

- Represent CVHA positively and effectively as an ambassador for Clyde Valley Group including at public and other events and with the media.
- Represent Clyde Valley Group at meetings with Regulators and Funders as required.
- Undertake relevant training and development and keep up to date with knowledge and understanding of issues and risks affecting the business and housing sector as a whole.
- Set the style and tone of Board Meetings to ensure effective and participative decision making.
- Promote and uphold the Code of Conduct for CVHA's and CVPS's Board Members.
- Ensure that the necessary arrangements are in place to enable CVHA to honour its obligations, achieve its objectives and meet agreed targets.
- Demonstrate and support the principles of good governance at all times.
- Conduct Annual Appraisals for CVHA Governing Body Members and CVPS Chairperson.
- Ensure that Board Members have the range of skills, knowledge and experience necessary for the achievement of CVHA's aims and objectives and for the fulfilment of the Governing Body Members' responsibilities. This includes review of succession plans and participation in Board Member recruitment.
- Ensure Governing Body Members have access to the necessary advice, information and support to fulfil its responsibilities and that, where appropriate, external and/or specialist advice is sought.
- Provide support to new and experienced Governing Body Members by promoting access to relevant induction, training and development opportunities.

#### **4. Working with the Chief Executive**

##### **4.1 The Chairperson must:**

- Establish a constructive relationship with the Chief Executive and ensure that their respective roles of leading and managing are recognised and promoted effectively.
- Ensure that the conduct of CVHA's business continues effectively between Board Meetings and act under delegated or emergency authority when necessary.
- In the event of a vacancy, ensure that effective arrangements are implemented for the recruitment and appointment of a Chief Executive, in accordance with CVHA's agreed recruitment practices.
- Carry out, with at least one Board Member, the Chief Executive's annual appraisal and report to the Board.
- Ensure that appropriate arrangements are in place and implemented effectively for the support, personal development and remuneration of the Chief Executive.
- In the event that it is necessary, be responsible for dealing with a grievance or disciplinary action in respect of the Chief Executive, in accordance with CVHA's agreed procedures.
- Support the Chief Executive in undertaking recruitment of Executive Directors as required.

#### **5. Promoting Good Governance**

##### **5.1. The Chairperson is required to:**

- Promote and demonstrate the highest standards of ethical conduct and integrity.
- Initiate any investigation under the terms of CVHA's Code of Conduct.
- Chair all general meetings of CVHA in accordance with the Rules.
- Chair all Board Meetings of CVHA, in accordance with the Rules and Standing Orders.
- Ensure that all Board Members have access to appropriate information and have an opportunity to contribute to discussion and consideration of all matters requiring their attention.
- Prepare for and manage meetings effectively to ensure that there is sufficient time for the consideration of all relevant issues; for performance to be monitored effectively and for risk to be assessed realistically.
- Ensure that all delegated authorities are appropriate, monitored and reporting arrangements are implemented effectively.

## **6. Conduct of Clyde Valley Housing Association's Business**

6.1. The Chairperson is expected to:

- Ensure that CVHA's business is efficiently and accountably conducted between Board Meetings.
- Sign bank transfers and documents requiring the Board or the Chairperson's authorisation, in accordance with CVHA's standing orders.
- Authorise submission of the Annual Assurance Statement for the Association and Annual Return on the Charter.
- Take decisions on behalf of the Association in the event of emergencies that occur outside the regular meeting cycle and report these back to the Board for ratification.
- Ensure that the skills, knowledge and support available to Board Members are kept under periodic review.

## **7. Indicative Annual Commitments**

7.1 As a minimum, the Chairperson each year is expected to:

- Attend and Chair 6-8 Board meetings per annum
- Attend and participate in 1 Regulatory meeting and 1 Funders' meeting
- Represent CVG at 2 Public/external events
- Conduct c12 annual appraisals
- Conduct mid-year and annual appraisal for the CEO and monthly 1 to 1 discussions
- Attend all mandatory training courses
- Serving on occasional/ad hoc short life working groups, recruitment panels and preparation (if required)

## **8. Monitoring and Review**

8.1. This role description was approved by the Board on Monday 5 October 2020 and performance in fulfilling these requirements will be reviewed annually as part of the Chairperson's appraisal which includes feedback on performance of the Chairperson from all Governing Body Members.



## **Audit Committee Chairperson Role Description**

**Role Description for Chairperson of Audit Committee for CVHA**  
**Annual Remuneration £4,000 per annum (this may be taxable and the Chairperson must take their own tax and pension advice)**

**1. Introduction**

- 1.1. This role description sets out the particular duties and responsibilities of the Chair of Audit Committee. The responsibilities described here are additional to those set out in the Governing Body Members' (GBM) role description. The role requirements comply with Regulatory requirements and CVHA's Rules and Standing Orders.
- 1.2. This role description will be used as the basis for performance assessment as part of the annual appraisal exercise and any review of Board Members' effectiveness. It will be used to appoint the Chair annually after each AGM as well as being used as a basis to recruit a Chairperson Audit Committee.
- 1.3. The Chairperson cannot serve a continuous term of more than three years. There is no expectation that the Chair must serve the full three-year maximum term.

**2. Role of Chairperson of Audit Committee**

- 2.1. The Chairperson of the Audit Committee is responsible for the leadership of the Committee and ensuring its effectiveness in all aspects of the Committee's role and to ensure that the Committee properly discharges its responsibilities as required by law, the Rules and the standing orders of the Association. The Chairperson of the Audit Committee will be delegated such powers as are required to allow them to properly discharge the responsibilities of the office. Among the collective responsibilities of the Committee, on which the Chairperson will lead are:
  - The Committee works effectively with the Executive Team
  - The Agenda for each meeting is set
  - Meetings are conducted effectively
  - Minutes are approved and decisions and actions arising from meetings are implemented
  - All responsibilities set out in the Remit of Audit Committee which may be reviewed by CVHA Board from time to time,
- 2.2. The role of the Chairperson of Audit Committee will deputise, support and (where required) stand in for the Chairperson of CVHA. **Therefore, this role description must be read in conjunction with the Role Description for the Chairperson of CVHA.**
- 2.3. When known in advance, the Chairperson of Audit Committee should ensure that they are available for all Board Meeting that the Chairperson is unable to attend – e.g., where the Chairperson has booked a holiday. A constructive and positive working relationship and close liaison with the Chairperson and Chairperson for Clyde Valley Property Services is a key requirement of the role.

### **3. Key Responsibilities**

3.1. The Chairperson must act, and be seen to act, at all times on behalf of the Committee Members. The Chairperson's key responsibilities are:

- To lead the Audit Committee constructively, provide direction and manage meetings and decision making effectively.
- To develop and maintain a constructive and positive working relationship with the Chair of CVHA and Chair of Clyde Valley Property Services, and Chief Executive and Executive Directors.
- Report and make recommendations to CVHA Board in relation to Audit Committee activity.
- To maintain a constructive and positive relationship with internal and external auditors and other independent advisors.
- To uphold CVHA's Code of Conduct and promote good governance.
- In the event that the Chair of CVHA is unable to fulfil their responsibilities, the Chair of the Audit Committee will carry out these duties.

### **4. Leadership and Direction**

4.1. The Chairperson of Audit Committee is expected to:

- Represent CVHA positively and effectively.
- Undertake relevant training and development and keep up to date with knowledge and understanding of issues and risks affecting the business and housing sector as a whole
- Set the style and tone of Audit Committee meetings to ensure effective and participative decision making.
- In liaison with the CVHA Chairperson, ensure that Committee Members have the range of skills, knowledge and experience necessary for the achievement of CVHA's aims and objectives and for the fulfilment of the Governing Body Members' responsibilities.
- Promote and uphold the Code of Conduct for Audit Committee Members.
- Demonstrate and support the principles of good governance at all times.
- Ensure Audit Committee Members have access to the necessary advice, information and support to fulfil its responsibilities and that, where appropriate, external and/or specialist advice is sought.
- Make up part of the panel to conduct the Annual Appraisals for CVHA's Chairperson.
- Provide feedback to the Chairperson of CVHA on the performance of Audit Committee members to feed into the Annual Appraisal process.

## **5. Promoting Good Governance**

5.1. The Chairperson is required to:

- Promote and demonstrate the highest standards of ethical conduct and integrity
- Chair all meetings of Audit Committee in accordance with the CVHA Rules, Standing Orders and Audit Committee Remit
- Ensure that all Board Members have access to appropriate information and have an opportunity to contribute to discussion and consideration of all matters requiring their attention
- Prepare for and manage meetings effectively to ensure that there is sufficient time for the consideration of all relevant issues; for performance to be monitored effectively and for risk to be assessed realistically

## **6. Indicative Annual Commitments**

6.1 As a minimum, the Chairperson each year is expected to:

- Attend and Chair 4 Audit Committee meetings per annum
- Attend CVHA Board meetings to remain eligible as a CVHA Board Member
- Attend the Annual Group Strategy Day
- Meet external and internal auditors once each year
- Represent CVG at 2 Public/external events
- Conduct as part of a panel 1 annual appraisal
- Attend all mandatory training courses

## **7. Monitoring and Review**

7.1 This role description was approved by the Board on Monday 5 October 2020 and performance in fulfilling these requirements will be reviewed annually as part of the Chairperson's appraisal



## **CVPS Chairperson Role Description**



**Role Description for Chairperson of Clyde Valley Property Services (CVPS)**  
**Annual Remuneration £4,000 per annum plus expenses (this may be taxable and the Chairperson must take their own tax and pension advice)**

**1. Introduction**

- 1.1 This role description sets out the particular duties and responsibilities of the Chairperson of CVPS. CVPS is a wholly owned subsidiary of Clyde Valley Housing Association and part of Clyde Valley Group. The relationship is governed by an Independence Agreement and a financial On Lending Agreement between CVPS and CVHA as Parent. CVPS has its own Company Articles as a Private Company Limited by Shares.
- 1.2 This role description will be used as the basis for recruiting the Chairperson and performance assessment as part of the annual appraisal exercise and any review of effectiveness.
- 1.3 In the event that the CVPS Chairperson is unable to fulfil their responsibilities, another Director will temporarily step into the role of the Chair until such time that the Chairperson is replaced.
- 1.4 The Chairperson is responsible for the leadership of CVPS Board and ensuring its effectiveness in all aspects of its role and to ensure that the Board properly discharges its responsibilities as required by law, regulation and Group policies as set out in the Independence Agreement. The Chairperson will be delegated such powers as are required to allow them to properly discharge the responsibilities of the office. The key collective responsibilities of CVPS Board, on which the Chairperson will lead are that:
- i. The Board works effectively with the Executive Team
  - ii. An understanding and overview of business of Clyde Valley Housing Association is maintained
  - iii. The Agenda for each meeting is set
  - iv. Meetings are conducted effectively
  - v. Minutes are approved and decisions and actions arising from meetings are implemented

**2. Key Responsibilities**

- 2.1 The Chairperson must act, and be seen to act, at all times on behalf of the Board Members. The Chairperson's key responsibilities are:
- To lead the Board Members constructively, provide direction and manage meetings and decision making effectively.
  - To develop and maintain a constructive and positive working relationship with the Chairs of Clyde Valley Housing Association, Chair of Audit Committee, CVHA representative on CVPS Board, the Chief Executive and Executive Directors.
  - To attend CVHA meetings twice yearly to provide CVPS performance information including strategic, policy and financial matters in accordance with the Independence Agreement.
  - To uphold the Group's Code of Conduct and promote good governance.
  - To ensure that CVPS's business is conducted effectively between meetings and that emergency decisions are taken appropriately when required.

### **3. Leadership and Direction**

#### **3.1 The Chairperson must:**

- Represent CVPS positively and effectively as an ambassador for Clyde Valley Group including at public and other events and with the media.
- Undertake relevant training and development and keep up to date with knowledge and understanding of issues and risks affecting the business and housing sector as a whole.
- Set the style and tone of Board Meetings to ensure effective and participative decision making.
- Promote and uphold the Code of Conduct for CVPS's Board Members.
- Ensure that the necessary arrangements are in place to enable CVPS to meet its financial and other obligations, achieve its objectives and meet agreed targets.
- Demonstrate and support the principles of good governance at all times.
- Prepare for and participate in an Annual Appraisal with CVHA's Chairperson.
- Conduct Annual Appraisals for CVPS Board Members.
- Ensure that Board Members have the range of skills, knowledge and experience necessary for the achievement of CVPS's aims and objectives and for the fulfilment of the Board Members' responsibilities. This includes review of succession plans and participation in Board Member recruitment.
- Ensure CVPS Board Members have access to the necessary advice, information and support to fulfil its responsibilities and that, where appropriate, external and/or specialist advice is sought.
- Provide support to new and experienced Board Members by promoting access to relevant induction, training and development opportunities.

### **4. Working with the Chief Executive**

#### **4.1 The Chairperson must:**

- Establish a constructive relationship with the Chief Executive and ensure that their respective roles of leading and managing are recognised and promoted effectively.
- Ensure that the conduct of CVPS's business continues effectively between Board Meetings and act under delegated or emergency authority when necessary.
- Support the recruitment of the Chief Executive and Executive Directors as required.

### **5. Promoting Good Governance**

#### **5.1 The Chairperson is required to:**

- Promote and demonstrate the highest standards of ethical conduct and integrity.
- Initiate any investigation under the terms of CVHA's Code of Conduct.
- Chair all general meetings of CVPS in accordance with the Company Articles.
- Ensure that all Board Members have access to appropriate information and have an opportunity to contribute to discussion and consideration of all matters requiring their attention.
- Prepare for and manage meetings effectively to ensure that there is sufficient time for the consideration of all relevant issues; for performance to be monitored effectively and for risk to be assessed realistically.

## **6. Conduct of Clyde Valley Property Services Business**

6.1 The Chairperson is expected to:

- Ensure that CVPS's business is efficiently and accountably conducted between Board Meetings.
- Sign documents requiring the Board or the Chairperson's authorisation, in accordance with regulatory and legal requirements.
- Take decisions on behalf of CVPS in the event of emergencies that occur outside the regular meeting cycle and report these back to the Board for ratification.
- Ensure that the skills, knowledge and support available to Board Members are kept under periodic review.

## **7. Indicative Annual Commitments**

7.1 As a minimum, the Chairperson each year is expected to:

- Attend and Chair 4 Board meetings per annum
- Attend 1 CVG Strategy Day per annum
- Attend CVHA's AGM and 1 other meeting per year to present CVPS's strategic priorities and business plan performance results
- Represent CVG at 2 Public/external events
- Attend own annual appraisal with the Chairperson of CVHA
- Conduct around 5 annual appraisals of CVPS Board Members
- Attend all mandatory training courses

## **8. Monitoring and Review**

8.1 This role description was approved by the Board on Monday 5 October 2020 and performance in fulfilling these requirements will be reviewed annually as part of the Chairperson's appraisal which may include feedback on performance of the Chairperson from all Governing Body Members.



## **CVG Chairs' Person Specification**

Requirement	Essential	Desirable	Role Specific
An understanding of a commitment to, and a passion for social housing, its purpose and its work and our values.	✓		
Objectivity, fairness, independence of mind, integrity, wisdom, discretion and good judgement.	✓		
Commitment to equality and social justice.	✓		
Strategic vision and leadership to drive the Board's contribution to Corporate Strategy development.	✓		
A commitment to act solely in the best interest of the Clyde Valley Group, and of the community it serves, without regard to personal interest or benefit.	✓		
Readiness to take and be accountable for decisions.	✓		
A lively awareness of how the world is changing politically, economically and socially.	✓		
The necessary time to be an effective Chairperson.	✓		
A good team player.	✓		
Self-aware and self-managing.	✓		
No significant potential conflicts of interest.	✓		
Resident, community and neighbourhood involvement.		✓	
Experience in Chairing and leading Board and/or Committee level decision making.	✓		
Experience in recruiting, managing and reviewing the performance of Executive level staff	✓		
Experience of organisations with stakeholders.		✓	
Experience of social housing and community issues.		✓	
Experience of strong and effective governance in business.	✓		
Experience of managing significant strategic and financial risks	✓		
Commercial business acumen to generate surpluses for re-investment	✓		CVPS Chair
An understanding of the functions and requirements of an Audit Committee	✓		Chair of Audit
An understanding of corporate governance, housing and charity regulation and legislation	✓		CVHA Chairs
An understanding of the requirements of the Companies Act	✓		CVPS Chair

## Core Competencies

Requirement	Essential	Desirable	Role Specific
Ability to lead and provide scrutiny and constructive challenge	✓		
Ability to establish and sustain an environment that encourages, supports and reinforces the contributions of Board Members	✓		
Ability to Chair to ensure meetings are well run and there is enough time for discussion and performance scrutiny	✓		
Analytical skills	✓		
Ability to lead and work collaboratively to reach consensus	✓		
Ability to communicate with confidence and deliver presentations across a range of audiences e.g., regulators, funders, customers	✓		
Ability to act as an ambassador for the organisation	✓		
Ability to be creative and logical	✓		
Ability to interpret complex financial information and other data	✓		
Ability to maintain a customer focus	✓		
Ability to appraise performance and provide feedback	✓		

- (i) Draft Contract: CVHA Chairperson

**[ON HEADED NOTEPAPER OF CVHA]**

**PRIVATE AND CONFIDENTIAL**

[INDIVIDUAL'S NAME]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [INDIVIDUAL'S NAME],

**Letter of appointment**

The board of management (**Board**) of Clyde Valley Housing Association Limited (**CVHA**) has appointed you as the Chair of the Board of CVHA, which appointment is contingent on your continued appointment as a Board member by the members of CVHA. CVHA is a Registered Society, registered under the Co-operative and Community Benefit Societies Act 2014, a Registered Social Landlord (**RSL**) registered with the Scottish Housing Regulator (**SHR**) and a charity registered under the Charities and Trustee Investment (Scotland) Act 2005. CVHA is the parent body of the CVHA Group of comprised of CVHA and a number of CVHA subsidiary companies (**CVHA Group**).

This letter sets out the main terms of your appointment as Chair of the Board of CVHA. If you are unhappy with any of the terms, or need any more information, please let me know.

By accepting this appointment, you agree that this letter is a contract for services and is not a contract of employment and you confirm that you are not subject to any restrictions which prevent you from holding office as a Board member.

**1. Appointment**

- 1.1 Subject to the remaining provisions of this letter, your appointment as Chair of the Board of CVHA shall be for a term of two years commencing on **[DATE]** until the conclusion of CVHA's annual general meeting (**AGM**) occurring approximately two years from that date unless terminated earlier by either party giving to the other one month's prior written notice.
- 1.2 Your appointment is subject to CVHA's Rules, as amended from time to time (**Rules**). Nothing in this letter shall be taken to exclude or vary the terms of the Rules as they apply to you as a Board member of CVHA. The Rules require one third of the Board members to retire by rotation and seek re-election at each AGM. Further the Rules

require that the appointment of the Chair of the Board of CVHA is confirmed annually, at the first meeting of the Board after the AGM each year.

- 1.3 Continuation of your appointment is contingent on your continued satisfactory performance, re-election by the members to the Board, and appointment to the role of Chair of the Board of CVHA annually, and any relevant statutory provisions relating to removal of a Board member. If the members do not re-elect you as a Board member, or you are retired from office under the Rules, your appointment shall terminate automatically, with immediate effect and without compensation.
- 1.4 The Chair of the Board of CVHA is appointed to serve one two-year term but may continue to serve as a Board member for an additional period after stepping down as Chair. Any renewal is subject to Board review and AGM re-election. There is no right to re-nomination by the Board, either annually or otherwise.
- 1.5 You may be required to serve on one or more Board sub-committees. You will be provided with the relevant terms of reference on your appointment to such a sub-committee.
- 1.6 Despite paragraph 1.1 to paragraph 1.5, CVHA may terminate your appointment with immediate effect if you no longer meet the eligibility requirements set out in Rules 43 to 44 of CVHA's Rules (set out in Attachment 1) or if:
  - (a) you are not reappointed as a Board member at any AGM at which you have been required by the Rules to retire and/or you are not reappointed as the Chair of the Board of CVHA at the first Board meeting after the AGM.
  - (b) you have committed a material breach of your obligations under this letter of appointment; or
  - (c) you have committed any serious or repeated breach or non-observance of your obligations to CVHA (which includes an obligation not to breach your statutory, fiduciary or common-law duties).

By signing this letter, you confirm that you are eligible for appointment to the Board and that none of the exclusions in Rules 43 to 44 (set out in Attachment 1) applies to you at this time.

- 1.7 On termination of your appointment, you shall, at CVHA's request, resign from your office as Board member of CVHA and any offices you hold in any of other CVHA Group companies.

## **2. Time commitment**

- 2.1 You will be expected to devote such time as is necessary for the proper performance of your duties. This will include preparation for and attendance at all Board meetings (there are at least 6 Board meetings a year), and all other meetings and tasks set out in more detail in the role profile (set out in Attachment 2 as at the date of this letter, and otherwise as agreed by the Board from time to time). You will be required to



consider all relevant papers before each meeting and take appropriate steps in relation to any action points following meetings. Unless urgent and unavoidable circumstances prevent you from doing so, it is expected that you will attend the meetings outlined in this paragraph. In addition, you may be required to undertake tasks, whether by phone calls, by correspondence, or otherwise in support of the role of Chair of the Board of CVHA.

- 2.2 The nature of the role makes it impossible to be specific about the maximum time commitment. You may be required to devote additional time to CVHA in respect of preparation time and ad hoc matters which may arise and particularly when CVHA is undergoing a period of increased activity. At certain times it may be necessary to convene additional Board, sub-committee or members' meetings.
- 2.3 The overall time commitment will increase if you become a sub-committee member, or if you are given additional responsibilities, such as being appointed as a non-executive director on the boards of any of CVHA's subsidiaries. Details of the expected increase in time commitment will be covered in any relevant communication confirming the additional responsibility.
- 2.4 By accepting this appointment, you confirm that, taking into account all of your other commitments, you are able to, and shall, allocate sufficient time to CVHA to discharge your responsibilities effectively.

### **3. Role and duties**

- 3.1 You will perform those tasks normally associated with the office of a Board Member including, without limitation, those tasks set out in this letter of appointment, and in any role profile other guidance as issued to you from time to time. You are expected to work with and through the Board, and you are not permitted to undertake executive duties or to assume executive responsibilities.
- 3.2 As a paid Board member, you have the same general legal responsibilities to CVHA as any other Board member. You are expected to perform your duties (whether statutory, fiduciary or common law) faithfully, diligently and to a standard commensurate with the functions of your role and your knowledge, skills and experience.
- 3.3 You shall exercise your powers in your role as a Board member having regard to relevant obligations under prevailing law and regulation, including the Co-operative and Community Benefit Societies Act 2014 and the Charities and Trustee Investment (Scotland) Act 2005.
- 3.4 You are expected to perform your duties with reasonable skill and care, ensure that the activities of the organisation fall within CVHA's permitted objects and are exercised in accordance with its powers, and use your powers solely for the purpose for which they are conferred to you. You shall have particular regard to the general duties of charity trustees in the Charities and Trustee Investment (Scotland) Act 2005, including the

duty to act in the interests of CVHA. In doing so, as a Board member and charity trustee, you must:

- (a) seek, in good faith, to ensure that CVHA acts in a manner which is consistent with its purposes.
- (b) act with the care and diligence that it is reasonable to expect of a person who is managing the affairs of another person.
- (c) in circumstances capable of giving rise to a conflict of interest between CVHA and a third party, put the interests of CVHA before that third party.
- (d) ensure that CVHA complies with any direction, requirement, notice or duty imposed on it by virtue of charity law; and
- (e) ensure that any breach of these general charity law duties is corrected and not repeated and that any trustee who has been in serious or persistent breach of those duties is removed as a trustee.

3.5 You shall have particular regard to, and will uphold and comply with, the CVHA Group's Code of Conduct and its Entitlements, Payments and Benefits Policy from time to time approved by the Board, and any other applicable codes of conduct, standards, probity and other similar policies.

3.6 In your role as a Board member and Chair of the Board of CVHA, you shall also be required to:

- (a) carry out the specific duties listed in your Board Member role profile, spending the appropriate amount of time, as set out in Attachment 2 as at the date of this letter, and otherwise as agreed by the Board from time to time.
- (b) uphold and comply with all CVHA and CVHA Group policies, procedures and standing orders as set and amended from time to time by the Board.
- (c) act within and fully comply with the Rules and any applicable standing orders, delegated authorities, terms of reference and the terms of your role profile.
- (d) uphold and promote the core policies, purpose, values and objectives of CVHA (or the wider CVHA Group) (including its commitment to anti-corruption and to diversity and equal opportunities) and to avoid doing anything which might bring CVHA (or the wider CVHA Group) into disrepute.
- (e) contribute to and share responsibility for decisions of the Board and/or any Sub-committee of which you are, from time to time, a member.
- (f) attend induction, training and performance review sessions and other such sessions or events as are reasonably required by CVHA.
- (g) undergo appraisal of your performance as the Board may require from time to time, and to take any actions agreed arising from that appraisal.
- (h) read Board and/or Sub-committee papers (as applicable) before meetings, sufficiently so as to contribute at meetings; and
- (i) represent CVHA when requested.

- 3.7 In addition, as a Board Member, you must collectively, as appropriate:
- (a) provide leadership of CVHA.
  - (b) set CVHA's strategic aims, ensure that the necessary financial and human resources are in place for CVHA to meet its objectives, providing constructive challenge, strategic guidance and holding management to account.
  - (c) set CVHA's values and standards and ensure that its legal and regulatory obligations are understood and met; and
  - (d) scrutinise and hold to account the performance of management and individual senior officers against agreed performance objectives.
  - (e) determine appropriate levels of remuneration of senior officers and have a prime role in appointing and, where necessary, removing senior officers and in succession planning.
  - (f) satisfy yourself on the integrity of financial and narrative statements and CVHA's risk management and internal control systems.
  - (g) devote time to developing and refreshing your knowledge and skills.
  - (h) uphold the highest standards of integrity and instil the appropriate values, behaviours and culture in the boardroom and beyond.
  - (i) take into account the views of shareholders, workforce and other stakeholders where appropriate.
  - (j) immediately report your own wrongdoing or the wrongdoing or proposed wrongdoing of any employee or other Board member of CVHA (or the wider CVHA Group) of which you become aware to the Chief Executive; and
  - (k) not do anything that would cause you to be disqualified from acting as a Board member, a company director or a charity trustee.
- 3.8 Unless the Board specifically authorises you to do so, you shall not enter into any legal or other commitment or contract on behalf of CVHA.
- 3.9 You shall be entitled to request all relevant information about CVHA's affairs as is reasonably necessary to enable you to discharge your responsibilities as a Board member and Chair of the Board of CVHA.

#### **4. Fees and expenses**

- 4.1 You shall be paid an annual fee of £5,400 (five thousand, four hundred pounds) gross (current at the date of this letter), which shall be paid in equal instalments and without deduction of any taxes (**the Fee**), upon receipt of invoices, which can be submitted **[monthly OR quarterly] [in arrears]**, which Fee shall be subject to **[annual OR periodic]** review by the Board. This Fee covers all duties of the Chair, including service on any Board sub-committee. You will be responsible for all tax liabilities that arise in respect of the fee. You have no entitlement to join or be automatically enrolled in any pension scheme that may be offered by CVPS from time to time.

- 4.2 You will be a member of CVHA. If you are not a member prior to appointment as a Board member, you will require to pay the £1 fee for a member's share on appointment.
- 4.3 The Fee will be subject to review from time to time by CVHA and is payable subject always to compliance by CVHA and by you with any regulations or guidance issued by the SHR or any other regulatory body.
- 4.4 CVHA shall reimburse you for all reasonable and properly documented expenses that you incur in performing the duties of your office. The procedure and other guidance in respect of expense claims is set out in CVHA Group Expenses Policy and is available on request.
- 4.5 On termination of your appointment, you shall only be entitled to such Fee as may have accrued to the date of termination, together with reimbursement in the normal way of any expenses properly incurred before that date.

## **5. Outside interests and independence**

- 5.1 It is accepted and acknowledged that you have business and other interests other than those of CVHA. You agree that you have declared any actual or potential conflicts that are apparent at present.
- 5.2 You undertake that you will declare, as soon as they become apparent, all and any relevant interests, whether actual or potential, direct or indirect, as required by the Rules, the Code of Conduct, or any other relevant codes of conduct, standards, probity or similar or policies on payments and benefits or similar as soon as they become apparent.
- 5.3 You also agree that you will not (except where permitted by the Rules and with the prior sanction of a resolution of the Board) be directly or indirectly employed, engaged, concerned or interested in, or hold any office in, any business which is a customer or supplier of services to CVHA, save that this clause 5.3 shall not apply in respect of your membership of, or membership of the board of management or any committee of any member of the wider CVHA Group.

## **6. Confidentiality**

- 6.1 You acknowledge that all information acquired during your appointment is confidential to CVHA and should not be released, communicated or disclosed to third parties or used for any reason other than in the interests of CVHA, either during your appointment or following termination (by whatever means), without prior clearance in terms of CVHA's policies from time to time. This restriction shall cease to apply to any confidential information which may (other than by reason of your breach) become available to the public generally.
- 6.2 You acknowledge the need to hold and retain CVHA information (in whatever format you may receive it) under appropriately secure conditions.

6.3 Nothing in this paragraph 6 shall prevent you from disclosing information which you are entitled to disclose under the Public Interest Disclosure Act 1998, provided that the disclosure is made in accordance with the provisions of that Act and you have complied with CVHA's policy from time to time in force regarding such disclosures.

6.4 For the avoidance of doubt, this clause 6 shall continue in force following the termination of your appointment for whatever reason.

## **7. Induction**

After the commencement of your appointment, CVHA will provide a comprehensive, formal and tailored induction. We will arrange for meetings with senior and middle management, managers and non-managerial members of the workforce, other stakeholders and CVHA's auditors. We will also give the members the opportunity to meet you. The Chief Executive will contact you with further details.

## **8. Training**

On an ongoing basis, and further to the annual evaluation process, CVHA will arrange for you to develop and refresh your skills, knowledge and familiarity with CVHA in areas which are mutually identified as being likely to be required, or of benefit to you, in carrying out your duties effectively. You should try to make yourself available for any relevant training sessions which may be organised for you or the Board.

## **9. Review process**

9.1 Your performance as an individual Board Member and the performance of the whole Board and its Sub-committees will be appraised annually. You are required to attend and participate in all appraisals and reviews related to your individual performance as a Board Member and the performance of the Board as a whole.

9.2 If at any time there are any matters which cause you concern about your role you should discuss them with the Chief Executive as soon as is appropriate. If you have any concerns which cannot be resolved, and you choose to resign for that, or any other, reason, you should provide an appropriate written statement to the Chief Executive for circulation to the Board.

## **10. Insurance and indemnity**

10.1 CVHA has officers' liability insurance and it intends to maintain such cover for the full term of your appointment. The indemnity limit is £2 million (current at the date of this letter). A copy of the policy document is available on request.

## **11. Changes to personal details**

You shall advise CVHA's secretary promptly of any change in your address or other personal contact details.

## **12. Return of property**

- 12.1 On termination of your appointment with CVHA, however arising, or at any time at the Board's request, you shall immediately:
- (a) return to CVHA all documents, records, papers or other property belonging to CVHA (or the CVHA Group) which may be in your possession or under your control, and which relate in any way to CVHA Group's business affairs and (for the avoidance of doubt) you shall not retain any copies thereof; and
  - (b) delete, irretrievably, any information stored on any magnetic or optical disk or memory, including personal computer networks, personal email accounts or personal accounts on websites, and all matter derived from such sources, which is in your possession or under your control outside CVHA's premises, and (for the avoidance of doubt) you shall not retain any copies thereof.
- 12.2 For the avoidance of doubt, this clause 12 shall continue in force following the termination of your appointment for whatever reason.

## **13. Data protection**

- 13.1 CVHA will collect and process information relating to you in accordance with the privacy notice which is on the intranet OR available from [POSITION]. You are required to sign and date the privacy notice and return it to [NAME OR POSITION].
- 13.2 When handling personal data in connection with your appointment by CVHA on the terms of this letter, you shall comply with CVHA's Data Protection Policy (a copy of which is available on request).

## **14. Status**

- 14.1 It is agreed and recognised between the parties that:
- (a) you are and will remain at all times during the period of your appointment a member of the Board and nothing contained in this letter of appointment shall be construed or have effect as constituting any relationship of employer and employee between CVHA and you; and
  - (b) there is no one working for CVHA who has a comparable full time position.
- 14.2 This letter of appointment shall not be construed so as to create a partnership or joint venture between the parties. Nothing in this appointment shall be construed so as to constitute either party as the agent of the other party or the agent of any third party.

## **15. Third party rights**

No one other than you and CVHA shall have any rights to enforce the terms of this letter.

**16. Entire agreement**

- 16.1 This letter and any document referred to in it constitutes the entire terms and conditions of your appointment and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between you and CVHA, whether written or oral, relating to its subject matter.
- 16.2 You agree that you shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this letter and you shall not have any claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in this letter.

**17. Variation**

No variation of this letter shall be effective unless it is in writing and signed by you and CVHA (or respective authorised representatives).

**18. Governing law and jurisdiction**

Your appointment with CVHA and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of Scotland and you and CVHA irrevocably agree that the courts of Scotland shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) that arises out of or in connection with this appointment or its subject matter or formation.

Please indicate your acceptance of these terms by signing and returning the attached copy of this letter to **[NAME AND POSITION]**.

Yours sincerely

.....

For and on behalf of CVHA

**[POSITION]**

I confirm and agree to the terms of my appointment as a paid Board member of CVHA as set out in this letter.

Signed on **[DATE]** by **[Name of Chair]**

.....

**[CHAIR's SIGNATURE]**

## Attachment 1: CVHA Rules 43 to 44 (Eligibility)

### **Eligibility for the Board**

- 43.1 A person will not be eligible to be a Board Member and cannot be appointed or elected as such if:-
- 43.1.1 he/she is an undischarged bankrupt, has granted a trust deed which has not been discharged or is in a current Debt Payment Plan under the Debt Arrangement Scheme (in terms of the Debt Arrangement Scheme (Scotland) Regulations 2011); or
  - 43.1.2 he/she has been convicted of an offence involving dishonesty which is not spent by virtue of the Rehabilitation of Offenders Act 1974 or an offence under the Charities and Trustee Investment (Scotland) Act 2005; or
  - 43.1.3 he/she is a party to any legal proceedings in any Court of Law by or against the Association; or
  - 43.1.4 he/she is or will be unable to attend the Board Meetings for a period of 12 months; or
  - 43.1.5 he/she has been removed from the Board of another registered social landlord within the previous five years; or
  - 43.1.6 he/she has resigned from the Board in the previous five years in circumstances where the resignation was submitted after the date of his/her receipt of notice of a special Board meeting convened to consider a resolution for his/her removal from the Board in terms of Rule 44.5; or
  - 43.1.7 he/she has been removed from the Board in terms of Rules 44.4 or 44.5 within the previous five years; or
  - 43.1.8 he/she has been removed, disqualified or suspended from a position of management or control of a charity under the provisions of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 or the Charities and Trustee Investment (Scotland) Act 2005; or
  - 43.1.9 he/she has been removed from the office of charity trustee or trustee for a charity by an order made by the Charity Commissioners for England and Wales or by Her Majesty's High Court of Justice in England on the grounds of any misconduct in the administration of the charity for which he/she were responsible or to which he/she were privy, or which his/her conduct contributed to or facilitated; or
  - 43.1.10 a disqualification order or disqualification undertaking has been made against that person under the Company Directors Disqualification Act 1986 or the Company Directors Disqualification (Northern Ireland) Order 2002 (which relate to the power of a Court to prevent someone from being a director, liquidator or administrator of a company or a receiver or manager of company property or being involved in the promotion, formation or management of a company); or
  - 43.1.11 his/her nomination for election to the Board has been rejected in accordance with Rule 40.3 during the period between the return of the completed nomination form and the commencement of the relevant Annual General Meeting.
- 43.2 A person cannot be re-elected as a Board Member if the Board is not satisfied under Rule 37.6 of the individual's continued effectiveness as a Board Member. In these circumstances the Board must not allow the individual to stand for re-election.
- 44 A Board Member will cease to be a Board Member if:
- 44.1 he/she resigns his/her position as a Board Member in writing; or



- 44.2 he/she ceases to be a Member unless he/she is a co-optee in terms of Rule 42.1 or an appointee of The Scottish Housing Regulator; or
- 44.3 he/she misses four Board meetings in a row without special leave of absence previously being granted by the Board either at his/her request or by exercise of the Board's discretion: or
- 44.4 the majority of Members voting at a general meeting decide this. (The Members at the meeting may then elect someone to take his/her place. If a replacement is not elected at the meeting, the Board may appoint a Board Member in terms of Rule 41); or.
- 44.5 the majority of those remaining Board Members present and voting at a special meeting of the Board convened for the purpose decide to remove him/her as a Board Member. The resolution to remove him/her as a Board Member must relate to one of the following issues:
  - 44.5.1 failure to perform to the published standards laid down by the Scottish Federation of Housing Associations and/or The Scottish Housing Regulator adopted and operated by the Association;
  - 44.5.2 failure to sign or failure to comply with the Association's Code of Conduct for Board Members; or
  - 44.5.3 a breach of the Association's Rules, standing orders or other policy requirements;
- 44.6 he/she becomes ineligible as a Board Member in terms of Rule 43; or
- 44.7 he/she is a co-optee or was appointed to fill a casual vacancy and whose period of office is ended in accordance with Rules 39.1 or 42.1; or
- 44.8 he/she is a Board Member retiring in accordance with Rule 39.1.

Attachment 2: Role of Chair of the Board of CVHA

[CVHA to attach]

- (ii) Draft Contract: Audit Committee Chairperson

**[ON HEADED NOTEPAPER OF CVHA]**

**PRIVATE AND CONFIDENTIAL**

[INDIVIDUAL'S NAME]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [INDIVIDUAL'S NAME],

**Clyde Valley Housing Association Limited**

**Letter of appointment: Chair of the Audit Sub-committee**

The board of management (**Board**) of Clyde Valley Housing Association Limited (**CVHA**) has appointed you as the Chair of the Audit Sub-committee of CVHA, which appointment is contingent on your continued appointment as a Board member by the members of CVHA. CVHA is a Registered Society, registered under the Co-operative and Community Benefit Societies Act 2014, a Registered Social Landlord (**RSL**) registered with the Scottish Housing Regulator (**SHR**) and a charity registered under the Charities and Trustee Investment (Scotland) Act 2005. CVHA is the parent body of the CVHA Group of comprised of CVHA and a number of CVHA subsidiary companies (**CVHA Group**).

This letter sets out the main terms of your appointment as Chair of the Audit Sub-committee of CVHA. If you are unhappy with any of the terms, or need any more information, please let me know.

By accepting this appointment, you agree that this letter is a contract for services and is not a contract of employment and you confirm that you are not subject to any restrictions which prevent you from holding office as a Board member.

**19. Appointment**

- 19.1 Subject to the remaining provisions of this letter, your appointment as Chair of the Audit Sub-committee of CVHA shall be for a term of three years commencing on **[DATE]** until the conclusion of CVHA's annual general meeting (**AGM**) occurring approximately three years from that date unless terminated earlier by either party giving to the other one month's prior written notice.
- 19.2 Your appointment is subject to CVHA's Rules, as amended from time to time (**Rules**). Nothing in this letter shall be taken to exclude or vary the terms of the Rules as they apply to you as a Board member of CVHA. The Rules require one third of the Board members to retire by rotation and seek re-election at each AGM. Further the Rules

require that the appointment of the Chair of the Audit Sub-committee of CVHA is confirmed annually, at the first meeting of the Board after the AGM each year.

- 19.3 Continuation of your appointment is contingent on your continued satisfactory performance, re-election by the members to the Board, and appointment to the role of Chair of the Audit Sub-committee of CVHA annually, and any relevant statutory provisions relating to removal of a Board member. If the members do not re-elect you as a Board member, or you are retired from office under the Rules, your appointment shall terminate automatically, with immediate effect and without compensation.
- 19.4 The Chair of the Audit Sub-committee of CVHA is appointed to serve one three-year term but may continue to serve as a Board member for an additional period after stepping down as Chair. Any renewal is subject to Board review and AGM re-election. There is no right to re-nomination by the Board, either annually or otherwise.
- 19.5 You may be required to serve on one or more Board sub-committees. You will be provided with the relevant terms of reference on your appointment to such a sub-committee.
- 19.6 Despite paragraph 1.1 to paragraph 1.5, CVHA may terminate your appointment with immediate effect if you no longer meet the eligibility requirements set out in Rules 43 to 44 of CVHA's Rules (set out in Attachment 1) or if:
- (a) you are not reappointed as a Board member at any AGM at which you have been required by the Rules to retire and/or you are not reappointed as the Chair of the Audit Sub-committee of CVHA at the first Board meeting after the AGM.
  - (b) you have committed a material breach of your obligations under this letter of appointment; or
  - (c) you have committed any serious or repeated breach or non-observance of your obligations to CVHA (which includes an obligation not to breach your statutory, fiduciary or common-law duties).

By signing this letter, you confirm that you are eligible for appointment to the Board and that none of the exclusions in Rules 43 to 44 (set out in Attachment 1) applies to you at this time.

- 19.7 On termination of your appointment, you shall, at CVHA's request, resign from your office as Board member of CVHA and any offices you hold in any of other CVHA Group companies.

## **20. Time commitment**

- 20.1 You will be expected to devote such time as is necessary for the proper performance of your duties. This will include preparation for and attendance at all Board and Audit Sub-committee meetings (there are at least 6 Board meetings and at least 4 Audit meetings a year)], and all other meetings and tasks set out in more detail in the role

profile (set out in Attachment 2 as at the date of this letter, and otherwise as agreed by the Board from time to time). You will be required to consider all relevant papers before each meeting and take appropriate steps in relation to any action points following meetings. Unless urgent and unavoidable circumstances prevent you from doing so, it is expected that you will attend the meetings outlined in this paragraph. In addition, you may be required to undertake tasks, whether by phone calls, by correspondence, or otherwise in support of the role of Chair of the Audit Sub-committee of CVHA.

- 20.2 The nature of the role makes it impossible to be specific about the maximum time commitment. You may be required to devote additional time to CVHA in respect of preparation time and ad hoc matters which may arise and particularly when CVHA is undergoing a period of increased activity. At certain times it may be necessary to convene additional Board, sub-committee or members' meetings.
- 20.3 The overall time commitment will increase if you become a sub-committee member, or if you are given additional responsibilities, such as being appointed as a non-executive director on the boards of any of CVHA's subsidiaries. Details of the expected increase in time commitment will be covered in any relevant communication confirming the additional responsibility.
- 20.4 By accepting this appointment, you confirm that, taking into account all of your other commitments, you are able to, and shall, allocate sufficient time to CVHA to discharge your responsibilities effectively.

## **21. Role and duties**

- 21.1 You will perform those tasks normally associated with the office of a Board Member including, without limitation, those tasks set out in this letter of appointment, and in any role profile other guidance as issued to you from time to time. You are expected to work with and through the Board, and you are not permitted to undertake executive duties or to assume executive responsibilities.
- 21.2 As a paid Board member, you have the same general legal responsibilities to CVHA as any other Board member. You are expected to perform your duties (whether statutory, fiduciary or common law) faithfully, diligently and to a standard commensurate with the functions of your role and your knowledge, skills and experience.
- 21.3 You shall exercise your powers in your role as a Board member having regard to relevant obligations under prevailing law and regulation, including the Co-operative and Community Benefit Societies Act 2014 and the Charities and Trustee Investment (Scotland) Act 2005.
- 21.4 You are expected to perform your duties with reasonable skill and care, ensure that the activities of the organisation fall within CVHA's permitted objects and are exercised in accordance with its powers, and use your powers solely for the purpose for which they are conferred to you. You shall have particular regard to the general duties of charity

trustees in the Charities and Trustee Investment (Scotland) Act 2005, including the duty to act in the interests of CVHA. In doing so, as a Board member and charity trustee, you must:

- (a) seek, in good faith, to ensure that CVHA acts in a manner which is consistent with its purposes.
- (b) act with the care and diligence that it is reasonable to expect of a person who is managing the affairs of another person.
- (c) in circumstances capable of giving rise to a conflict of interest between CVHA and a third party, put the interests of CVHA before that third party.
- (d) ensure that CVHA complies with any direction, requirement, notice or duty imposed on it by virtue of charity law; and
- (e) ensure that any breach of these general charity law duties is corrected and not repeated and that any trustee who has been in serious or persistent breach of those duties is removed as a trustee.

21.5 You shall have particular regard to, and will uphold and comply with, the CVHA Group's Code of Conduct and its Entitlements, Payments and Benefits Policy from time to time approved by the Board, and any other applicable codes of conduct, standards, probity and other similar policies.

21.6 In your role as a Board member and Chair of the Audit Sub-committee of CVHA, you shall also be required to:

- (a) carry out the specific duties listed in your Board Member role profile, spending the appropriate amount of time, as set out in Attachment 2 as at the date of this letter, and otherwise as agreed by the Board from time to time.
- (b) uphold and comply with all CVHA and CVHA Group policies, procedures and standing orders as set and amended from time to time by the Board.
- (c) act within and fully comply with the Rules and any applicable standing orders, delegated authorities, terms of reference and the terms of your role profile.
- (d) uphold and promote the core policies, purpose, values and objectives of CVHA (or the wider CVHA Group) (including its commitment to anti-corruption and to diversity and equal opportunities) and to avoid doing anything which might bring CVHA (or the wider CVHA Group) into disrepute.
- (e) contribute to and share responsibility for decisions of the Board and/or any Sub-committee of which you are, from time to time, a member.
- (f) attend induction, training and performance review sessions and other such sessions or events as are reasonably required by CVHA.
- (g) undergo appraisal of your performance as the Board may require from time to time, and to take any actions agreed arising from that appraisal.
- (h) read Board and/or Sub-committee papers (as applicable) before meetings, sufficiently so as to contribute at meetings; and

- (i) represent CVHA when requested.
- 21.7 In addition, as a Board Member, you must collectively, as appropriate:
- (a) provide leadership of CVHA.
  - (b) set CVHA's strategic aims, ensure that the necessary financial and human resources are in place for CVHA to meet its objectives, providing constructive challenge, strategic guidance and holding management to account.
  - (c) set CVHA's values and standards and ensure that its legal and regulatory obligations are understood and met; and
  - (d) scrutinise and hold to account the performance of management and individual senior officers against agreed performance objectives.
  - (e) determine appropriate levels of remuneration of senior officers and have a prime role in appointing and, where necessary, removing senior officers and in succession planning.
  - (f) satisfy yourself on the integrity of financial and narrative statements and CVHA's risk management and internal control systems.
  - (g) devote time to developing and refreshing your knowledge and skills.
  - (h) uphold the highest standards of integrity and instil the appropriate values, behaviours and culture in the boardroom and beyond.
  - (i) take into account the views of shareholders, workforce and other stakeholders where appropriate.
  - (j) immediately report your own wrongdoing or the wrongdoing or proposed wrongdoing of any employee or other Board member of CVHA (or the wider CVHA Group) of which you become aware to the Chair of CVHA and/or the Chief Executive; and
  - (k) not do anything that would cause you to be disqualified from acting as a Board member, a company director or a charity trustee.
- 21.8 Unless the Board specifically authorises you to do so, you shall not enter into any legal or other commitment or contract on behalf of CVHA.
- 21.9 You shall be entitled to request all relevant information about CVHA's affairs as is reasonably necessary to enable you to discharge your responsibilities as a Board member and Chair of the Audit Sub-committee of CVHA.

## **22. Fees and expenses**

- 22.1 You shall be paid an annual fee of £4,000 (four thousand pounds) gross (current at the date of this letter), which shall be paid in equal instalments and without deduction of any taxes (**the Fee**), upon receipt of invoices, which can be submitted **[monthly OR quarterly] [in arrears]**, which Fee shall be subject to **[annual OR periodic]** review by the Board. This Fee covers all duties of the Chair, including service on any Board sub-committee. You will be responsible for all tax liabilities that arise in respect of the fee.

You have no entitlement to join or be automatically enrolled in any pension scheme that may be offered by CVPS from time to time.

- 22.2 You will be a member of CVHA. If you are not a member prior to appointment as a Board member, you will require to pay the £1 fee for a member's share on appointment.
- 22.3 The Fee will be subject to review from time to time by CVHA and is payable subject always to compliance by CVHA and by you with any regulations or guidance issued by the SHR or any other regulatory body.
- 22.4 CVHA shall reimburse you for all reasonable and properly documented expenses that you incur in performing the duties of your office. The procedure and other guidance in respect of expense claims is set out in CVHA Group Expenses Policy and is available on request.
- 22.5 On termination of your appointment, you shall only be entitled to such Fee as may have accrued to the date of termination, together with reimbursement in the normal way of any expenses properly incurred before that date.

### **23. Outside interests and independence**

- 23.1 It is accepted and acknowledged that you have business and other interests other than those of CVHA. You agree that you have declared any actual or potential conflicts that are apparent at present.
- 23.2 You undertake that you will declare, as soon as they become apparent, all and any relevant interests, whether actual or potential, direct or indirect, as required by the Rules, the Code of Conduct, or any other relevant codes of conduct, standards, probity or similar or policies on payments and benefits or similar as soon as they become apparent.
- 23.3 You also agree that you will not (except where permitted by the Rules and with the prior sanction of a resolution of the Board) be directly or indirectly employed, engaged, concerned or interested in, or hold any office in, any business which is a customer or supplier of services to CVHA, save that this clause 5.3 shall not apply in respect of your membership of, or membership of the board of management or any committee of any member of the wider CVHA Group.

### **24. Confidentiality**

- 24.1 You acknowledge that all information acquired during your appointment is confidential to CVHA and should not be released, communicated or disclosed to third parties or used for any reason other than in the interests of CVHA, either during your appointment or following termination (by whatever means), without prior clearance in terms of CVHA's policies from time to time. This restriction shall cease to apply to any confidential information which may (other than by reason of your breach) become available to the public generally.



- 24.2 You acknowledge the need to hold and retain CVHA information (in whatever format you may receive it) under appropriately secure conditions.
- 24.3 Nothing in this paragraph 6 shall prevent you from disclosing information which you are entitled to disclose under the Public Interest Disclosure Act 1998, provided that the disclosure is made in accordance with the provisions of that Act and you have complied with CVHA's policy from time to time in force regarding such disclosures.
- 24.4 For the avoidance of doubt, this clause 6 shall continue in force following the termination of your appointment for whatever reason.

## **25. Induction**

After the commencement of your appointment, CVHA will provide a comprehensive, formal and tailored induction. We will arrange for meetings with senior and middle management, managers and non-managerial members of the workforce, other stakeholders and CVHA's auditors. We will also give the members the opportunity to meet you. The Chief Executive will contact you with further details.

## **26. Training**

On an ongoing basis, and further to the annual evaluation process, CVHA will arrange for you to develop and refresh your skills, knowledge and familiarity with CVHA in areas which are mutually identified as being likely to be required, or of benefit to you, in carrying out your duties effectively. You should try to make yourself available for any relevant training sessions which may be organised for you or the Board.

## **27. Review process**

- 27.1 Your performance as an individual Board Member and the performance of the whole Board and its Sub-committees will be appraised annually. You are required to attend and participate in all appraisals and reviews related to your individual performance as a Board Member and the performance of the Board as a whole.
- 27.2 If at any time there are any matters which cause you concern about your role you should discuss them with the Chief Executive or the Chair of the Board as soon as is appropriate. If you have any concerns which cannot be resolved, and you choose to resign for that, or any other, reason, you should provide an appropriate written statement to the Chief Executive or the Chair of the Board for circulation to the Board.

## **28. Insurance and indemnity**

- 28.1 CVHA has officers' liability insurance and it intends to maintain such cover for the full term of your appointment. The indemnity limit is £2 million (current at the date of this letter). A copy of the policy document is available on request.

## **29. Changes to personal details**

You shall advise CVHA's secretary promptly of any change in your address or other personal contact details.

## **30. Return of property**

30.1 On termination of your appointment with CVHA, however arising, or at any time at the Board's request, you shall immediately:

- (a) return to CVHA all documents, records, papers or other property belonging to CVHA (or the CVHA Group) which may be in your possession or under your control, and which relate in any way to CVHA Group's business affairs and (for the avoidance of doubt) you shall not retain any copies thereof; and
- (b) delete, irretrievably, any information stored on any magnetic or optical disk or memory, including personal computer networks, personal email accounts or personal accounts on websites, and all matter derived from such sources, which is in your possession or under your control outside CVHA's premises, and (for the avoidance of doubt) you shall not retain any copies thereof.

30.2 For the avoidance of doubt, this clause 12 shall continue in force following the termination of your appointment for whatever reason.

## **31. Data protection**

31.1 CVHA will collect and process information relating to you in accordance with the privacy notice which is on the intranet OR available from [POSITION]. You are required to sign and date the privacy notice and return it to [NAME OR POSITION].

31.2 When handling personal data in connection with your appointment by CVHA on the terms of this letter, you shall comply with CVHA's Data Protection Policy (a copy of which is available on request).

## **32. Status**

32.1 It is agreed and recognised between the parties that:

- (a) you are and will remain at all times during the period of your appointment a member of the Board and nothing contained in this letter of appointment shall be construed or have effect as constituting any relationship of employer and employee between CVHA and you; and
- (b) there is no one working for CVHA who has a comparable full time position.

32.2 This letter of appointment shall not be construed so as to create a partnership or joint venture between the parties. Nothing in this appointment shall be construed so as to constitute either party as the agent of the other party or the agent of any third party.

**33. Third party rights**

No one other than you and CVHA shall have any rights to enforce the terms of this letter.

**34. Entire agreement**

34.1 This letter and any document referred to in it constitutes the entire terms and conditions of your appointment and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between you and CVHA, whether written or oral, relating to its subject matter.

34.2 You agree that you shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this letter and you shall not have any claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in this letter.

**35. Variation**

No variation of this letter shall be effective unless it is in writing and signed by you and CVHA (or respective authorised representatives).

**36. Governing law and jurisdiction**

Your appointment with CVHA and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of Scotland and you and CVHA irrevocably agree that the courts of Scotland shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) that arises out of or in connection with this appointment or its subject matter or formation.

Please indicate your acceptance of these terms by signing and returning the attached copy of this letter to [NAME AND POSITION].

Yours sincerely

.....

For and on behalf of CVHA

[POSITION]

I confirm and agree to the terms of my appointment as a paid Board member of CVHA as set out in this letter.

Signed on [DATE] by [Name of Chair]

.....

[CHAIR'S SIGNATURE]

## Attachment 1: CVHA Rules 43 to 44 (Eligibility)

### **Eligibility for the Board**

- 43.1 A person will not be eligible to be a Board Member and cannot be appointed or elected as such if:-
- 43.1.1 he/she is an undischarged bankrupt, has granted a trust deed which has not been discharged or is in a current Debt Payment Plan under the Debt Arrangement Scheme (in terms of the Debt Arrangement Scheme (Scotland) Regulations 2011); or
  - 43.1.2 he/she has been convicted of an offence involving dishonesty which is not spent by virtue of the Rehabilitation of Offenders Act 1974 or an offence under the Charities and Trustee Investment (Scotland) Act 2005; or
  - 43.1.3 he/she is a party to any legal proceedings in any Court of Law by or against the Association; or
  - 43.1.4 he/she is or will be unable to attend the Board Meetings for a period of 12 months; or
  - 43.1.5 he/she has been removed from the Board of another registered social landlord within the previous five years; or
  - 43.1.6 he/she has resigned from the Board in the previous five years in circumstances where the resignation was submitted after the date of his/her receipt of notice of a special Board meeting convened to consider a resolution for his/her removal from the Board in terms of Rule 44.5; or
  - 43.1.7 he/she has been removed from the Board in terms of Rules 44.4 or 44.5 within the previous five years; or
  - 43.1.8 he/she has been removed, disqualified or suspended from a position of management or control of a charity under the provisions of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 or the Charities and Trustee Investment (Scotland) Act 2005; or
  - 43.1.9 he/she has been removed from the office of charity trustee or trustee for a charity by an order made by the Charity Commissioners for England and Wales or by Her Majesty's High Court of Justice in England on the grounds of any misconduct in the administration of the charity for which he/she were responsible or to which he/she were privy, or which his/her conduct contributed to or facilitated; or
  - 43.1.10 a disqualification order or disqualification undertaking has been made against that person under the Company Directors Disqualification Act 1986 or the Company Directors Disqualification (Northern Ireland) Order 2002 (which relate to the power of a Court to prevent someone from being a director, liquidator or administrator of a company or a receiver or manager of company property or being involved in the promotion, formation or management of a company); or
  - 43.1.11 his/her nomination for election to the Board has been rejected in accordance with Rule 40.3 during the period between the return of the completed nomination form and the commencement of the relevant Annual General Meeting.
- 43.2 A person cannot be re-elected as a Board Member if the Board is not satisfied under Rule 37.6 of the individual's continued effectiveness as a Board Member. In these circumstances the Board must not allow the individual to stand for re-election.
- 44 A Board Member will cease to be a Board Member if:
- 44.1 he/she resigns his/her position as a Board Member in writing; or

- 44.2 he/she ceases to be a Member unless he/she is a co-optee in terms of Rule 42.1 or an appointee of The Scottish Housing Regulator; or
- 44.3 he/she misses four Board meetings in a row without special leave of absence previously being granted by the Board either at his/her request or by exercise of the Board's discretion: or
- 44.4 the majority of Members voting at a general meeting decide this. (The Members at the meeting may then elect someone to take his/her place. If a replacement is not elected at the meeting, the Board may appoint a Board Member in terms of Rule 41); or.
- 44.5 the majority of those remaining Board Members present and voting at a special meeting of the Board convened for the purpose decide to remove him/her as a Board Member. The resolution to remove him/her as a Board Member must relate to one of the following issues:
  - 44.5.1 failure to perform to the published standards laid down by the Scottish Federation of Housing Associations and/or The Scottish Housing Regulator adopted and operated by the Association;
  - 44.5.2 failure to sign or failure to comply with the Association's Code of Conduct for Board Members; or
  - 44.5.3 a breach of the Association's Rules, standing orders or other policy requirements;
- 44.6 he/she becomes ineligible as a Board Member in terms of Rule 43; or
- 44.7 he/she is a co-optee or was appointed to fill a casual vacancy and whose period of office is ended in accordance with Rules 39.1 or 42.1; or
- 44.8 he/she is a Board Member retiring in accordance with Rule 39.1.

Attachment 2: Role of Chair of the Audit Sub-committee of CVHA

[CVHA to attach]

(iii) Draft Contract: CVPS Chairperson

**[ON HEADED NOTEPAPER OF CVPS]**

**PRIVATE AND CONFIDENTIAL**

[INDIVIDUAL'S NAME]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

[POSTCODE]

[DATE]

Dear [INDIVIDUAL'S NAME],

**Clyde Valley Property Services Limited  
Letter of appointment: Chair of the CVPS Board**

The board of directors (**Board**) of Clyde Valley Property Services Limited (**CVPS**) has appointed you as the Chair of the CVPS Board, which appointment is contingent on your continued appointment as a Board member of CVPS.

Clyde Valley Housing Association Limited (**CVHA**) is the parent body of the CVPS, and CVHA and CVPS form part of the CVHA Group, comprised of CVHA and a number of CVHA subsidiary companies including CVPS (**CVHA Group**).

This letter sets out the main terms of your appointment as Chair of CVPS. If you are unhappy with any of the terms, or need any more information, please let me know.

By accepting this appointment, you agree that this letter is a contract for services and is not a contract of employment and you confirm that you are not subject to any restrictions which prevent you from holding office as a CVPS Board member.

**37. Appointment**

- 37.1 Subject to the remaining provisions of this letter, your appointment as Chair of CVPS shall be for a term of five years commencing on 8 December 2020 until five years from that date unless terminated earlier by either party giving to the other one month's prior written notice.
- 37.2 Your appointment is subject to CVPS's Articles of Association, as amended from time to time (**Articles**). Nothing in this letter shall be taken to exclude or vary the terms of the Articles as they apply to you as a Board member of CVPS.
- 37.3 Continuation of your appointment is contingent on your continued satisfactory performance, and any relevant statutory provisions relating to removal of a Board member. If you are retired from office under the Articles, your appointment shall terminate automatically, with immediate effect and without compensation.

- 37.4 The Chair of CVPS is appointed to serve one five-year term but may continue to serve as a Board member for an additional period after stepping down as Chair. Any renewal is subject to CVHA and Board review.
- 37.5 You may be required to serve on one or more CVPS sub-committees. You will be provided with the relevant terms of reference on your appointment to such a sub-committee.
- 37.6 Despite paragraph 1.1 to paragraph 1.5, your appointment will be terminated with immediate effect if one of the conditions in Article 18 (set out in Attachment 1) applies to you or if:
- (a) you are not reappointed as the Chair of CVPS by the CVPS Board.
  - (b) you have failed to sign or comply with the Code of Conduct and either the majority of the remaining CVPS Board members, or CVHA, has resolved to remove you from the CVPS Board.
  - (c) you have committed a material breach of your obligations under this letter of appointment; or
  - (d) you have committed any serious or repeated breach or non-observance of your obligations to CVPS (which includes an obligation not to breach your statutory, fiduciary or common-law duties).

By signing this letter, you confirm that you are eligible for appointment to the Board and that none of the conditions in Article 18 (set out in Attachment 1) applies to you at this time.

- 37.7 On termination of your appointment as CVPS Chair, you shall, at CVHA's request, resign from your office as Board member of CVPS and any offices you hold in any of other CVHA Group companies.

### **38. Time commitment**

- 38.1 You will be expected to devote such time as is necessary for the proper performance of your duties. This will include preparation for and attendance at all Board meetings (there are at least 4 Board meetings a year), and all other meetings and tasks set out in more detail in the role profile (set out in Attachment 2 as at the date of this letter, and otherwise as agreed by the Board from time to time). You will be required to consider all relevant papers before each meeting and take appropriate steps in relation to any action points following meetings. Unless urgent and unavoidable circumstances prevent you from doing so, it is expected that you will attend the meetings outlined in this paragraph. In addition, you may be required to undertake tasks, whether by phone calls, by correspondence, or otherwise in support of the role of Chair of the CVPS Board.
- 38.2 The nature of the role makes it impossible to be specific about the maximum time commitment. You may be required to devote additional time to CVPS in respect of preparation time and ad hoc matters which may arise and particularly when CVPS is



undergoing a period of increased activity. At certain times it may be necessary to convene additional Board, sub-committee or members' meetings.

- 38.3 The overall time commitment will increase if you become a sub-committee member, or if you are given additional responsibilities, such as being appointed as a non-executive director on the boards of any of CVHA's other subsidiaries. Details of the expected increase in time commitment will be covered in any relevant communication confirming the additional responsibility.
- 38.4 By accepting this appointment, you confirm that, taking into account all of your other commitments, you are able to, and shall, allocate sufficient time to CVPS to discharge your responsibilities effectively.

### **39. Role and duties**

- 39.1 You will perform those tasks normally associated with the office of a Board Member including, without limitation, those tasks set out in this letter of appointment, and in any role profile or other guidance as issued to you from time to time. You are expected to work with and through the Board, and you are not permitted to undertake executive duties or to assume executive responsibilities.
- 39.2 As a paid Board member, you have the same general legal responsibilities to CVPS as any other Board member. You are expected to perform your duties (whether statutory, fiduciary or common law) faithfully, diligently and to a standard commensurate with the functions of your role and your knowledge, skills and experience.
- 39.3 You shall exercise your powers in your role as a Board member having regard to relevant obligations under prevailing law and regulation, including the Companies Act 2006.
- 39.4 You shall have particular regard to the general duties of directors in Part 10 of the Companies Act 2006, including the duty to promote the success of CVPS under which a director must act in the way he or she considers, in good faith, would be most likely to promote the success of CVPS for the benefit of its members as a whole (where the only CVPS member is CVHA). In doing so, as a director, you must have regard (among other matters) to:
- (a) the likely consequences of any decision in the long term.
  - (b) the interests of CVPS's employees.
  - (c) the need to foster CVPS's business relationships with suppliers, customers and others.
  - (d) the impact of CVPS's operations on the community and the environment; and
  - (e) the desirability of CVPS maintaining a reputation for high standards of business conduct.

39.5 You shall have particular regard to, and will uphold and comply with, the CVHA Group's Code of Conduct and its Entitlements, Payments and Benefits Policy from time to time approved by the CVHA Board, and any other applicable codes of conduct, standards, probity and other similar policies.

39.6 In your role as a Board member and Chair of CVPS, you shall also be required to:

- (a) carry out the specific duties listed in your Board Member role profile, spending the appropriate amount of time, as set out in Attachment 2 as at the date of this letter, and otherwise as agreed by the Board from time to time).
- (b) uphold and comply with all CVPS and CVHA Group policies, procedures and standing orders as set and amended from time to time by the Board.
- (c) act within and fully comply with the Articles and any applicable standing orders, delegated authorities, terms of reference and the terms of your role profile.
- (d) uphold and promote the core policies, purpose, values and objectives of CVPS (or the wider CVHA Group) (including its commitment to anti-corruption and to diversity and equal opportunities) and to avoid doing anything which might bring CVPS (or the wider CVHA Group) into disrepute.
- (e) contribute to and share responsibility for decisions of the Board and/or any Sub-committee of which you are, from time to time, a member.
- (f) attend induction, training and performance review sessions and other such sessions or events as are reasonably required by CVPS.
- (g) undergo appraisal of your performance as the Board may require from time to time, and to take any actions agreed arising from that appraisal.
- (h) read Board and/or Sub-committee papers (as applicable) before meetings, sufficiently so as to contribute at meetings; and
- (i) represent CVPS when requested.

39.7 In addition, as a Board Member, you must collectively, as appropriate:

- (a) provide leadership of CVPS.
- (b) set CVPS's strategic aims, in line with those of the wider CVHA Group, ensure that the necessary financial and human resources are in place for CVPS to meet its objectives, providing constructive challenge, strategic guidance and holding management to account.
- (c) set CVPS's values and standards, in line with those of the wider CVHA Group, and ensure that its legal and regulatory obligations are understood and met; and
- (d) scrutinise and hold to account the performance of management and individual senior officers against agreed performance objectives.
- (e) determine appropriate levels of remuneration of senior officers and have a prime role in appointing and, where necessary, removing senior officers and in succession planning.

- (f) satisfy yourself on the integrity of financial and narrative statements and CVPS's risk management and internal control systems.
  - (g) devote time to developing and refreshing your knowledge and skills.
  - (h) uphold the highest standards of integrity and instil the appropriate values, behaviours and culture in the boardroom and beyond.
  - (i) take into account the views of shareholders, workforce and other stakeholders where appropriate.
  - (j) immediately report your own wrongdoing or the wrongdoing or proposed wrongdoing of any employee or other Board member of CVPS (or the wider CVHA Group) of which you become aware to the Chair of CVHA and/or the Chief Executive; and
  - (k) not do anything that would cause you to be disqualified from acting as a Board member or company director.
- 39.8 Unless the Board specifically authorises you to do so, you shall not enter into any legal or other commitment or contract on behalf of CVPS.
- 39.9 You shall be entitled to request all relevant information about CVPS's affairs as is reasonably necessary to enable you to discharge your responsibilities as a Board member and Chair of CVPS.

#### **40. Fees and expenses**

- 40.1 You shall be paid an annual fee of £4,000 (four thousand pounds) gross (current at the date of this letter), which shall be paid in equal instalments and without deduction of any taxes (**the Fee**) upon receipt of invoices, which can be submitted **monthly OR quarterly** **[in arrears]**, which Fee shall be subject to **annual OR periodic** review by the Board. This Fee covers all duties of the Chair of CVPS, including service on any Board sub-committee. You will be responsible for all tax liabilities that arise in respect of the Fee. You have no entitlement to join or be automatically enrolled in any pension scheme that may be offered by CVPS from time to time.
- 40.2 The Fee will be subject to review from time to time by CVPS and is payable subject always to compliance by CVPS and by you with any regulations or guidance issued by CVHA or any regulatory body.
- 40.3 CVPS shall reimburse you for all reasonable and properly documented expenses that you incur in performing the duties of your office. The procedure and other guidance in respect of expense claims is set out in CVHA Group Expenses Policy and is available on request.
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- 41.1 It is accepted and acknowledged that you have business and other interests other than those of CVPS. You agree that you have declared any actual or potential conflicts that are apparent at present.
- 41.2 You undertake that you will declare, as soon as they become apparent, all and any relevant interests, whether actual or potential, direct or indirect, as required by the Articles, the Code of Conduct, or any other relevant codes of conduct, standards, probity or similar or policies on payments and benefits or similar as soon as they become apparent.
- 41.3 You also agree that you will not (except where permitted by the Articles and with the prior sanction of a resolution of the Board) be directly or indirectly employed, engaged, concerned or interested in, or hold any office in, any business which is a customer or supplier of services to CVPS, save that this clause 5.3 shall not apply in respect of your membership of, or membership of the board of management or any committee of any member of the wider CVHA Group.

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- 42.1 You acknowledge that all information acquired during your appointment is confidential to CVPS and should not be released, communicated or disclosed to third parties or used for any reason other than in the interests of CVPS, either during your appointment or following termination (by whatever means), without prior clearance in terms of CVPS's policies from time to time. This restriction shall cease to apply to any confidential information which may (other than by reason of your breach) become available to the public generally.
- 42.2 You acknowledge the need to hold and retain CVPS information (in whatever format you may receive it) under appropriately secure conditions.
- 42.3 Nothing in this paragraph 6 shall prevent you from disclosing information which you are entitled to disclose under the Public Interest Disclosure Act 1998, provided that the disclosure is made in accordance with the provisions of that Act and you have complied with CVPS's policy from time to time in force regarding such disclosures.
- 42.4 For the avoidance of doubt, this clause 6 shall continue in force following the termination of your appointment for whatever reason.

## **43. Induction**

After the commencement of your appointment, CVPS will provide a comprehensive, formal and tailored induction. We will arrange for meetings with senior and middle management, managers and non-managerial members of the workforce, other stakeholders and CVPS's auditors. We will also give the members the opportunity to meet you. The Chief Executive will contact you with further details.

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On an ongoing basis, and further to the annual evaluation process, CVPS will arrange for you to develop and refresh your skills, knowledge and familiarity with CVPS in areas which are mutually identified as being likely to be required, or of benefit to you, in carrying out your duties effectively. You should try to make yourself available for any relevant training sessions which may be organised for you or the Board.

#### **45. Review process**

45.1 Your performance as an individual Board Member and the performance of the whole Board and its Sub-committees will be appraised annually. You are required to attend and participate in all appraisals and reviews related to your individual performance as a Board Member and the performance of the Board as a whole.

45.2 If at any time there are any matters which cause you concern about your role you should discuss them with the Chief Executive as soon as is appropriate. If you have any concerns which cannot be resolved, and you choose to resign for that, or any other, reason, you should provide an appropriate written statement to the Chief Executive for circulation to the Board.

#### **46. Insurance and indemnity**

46.1 CVPS has officers' liability insurance and it intends to maintain such cover for the full term of your appointment. The indemnity limit is £2 million (current at the date of this letter). A copy of the policy document is available on request.

#### **47. Changes to personal details**

You shall advise CVPS's secretary promptly of any change in your address or other personal contact details.

#### **48. Return of property**

48.1 On termination of your appointment with CVPS, however arising, or at any time at the Board's request, you shall immediately:

- (a) return to CVPS all documents, records, papers or other property belonging to CVPS (or the CVHA Group) which may be in your possession or under your control, and which relate in any way to CVHA Group's business affairs and (for the avoidance of doubt) you shall not retain any copies thereof; and
- (b) delete, irretrievably, any information stored on any magnetic or optical disk or memory, including personal computer networks, personal email accounts or personal accounts on websites, and all matter derived from such sources, which is in your possession or under your control outside CVPS's premises, and (for the avoidance of doubt) you shall not retain any copies thereof.

48.2 For the avoidance of doubt, this clause 12 shall continue in force following the termination of your appointment for whatever reason.

#### **49. Data protection**

49.1 CVPS will collect and process information relating to you in accordance with the privacy notice which is on the intranet OR available from [POSITION]. You are required to sign and date the privacy notice and return it to [NAME OR POSITION].

49.2 When handling personal data in connection with your appointment by CVPS on the terms of this letter, you shall comply with CVHA's Data Protection Policy (a copy of which is available on request).

#### **50. Status**

50.1 It is agreed and recognised between the parties that:

- (a) you are and will remain at all times during the period of your appointment a member of the Board and nothing contained in this letter of appointment shall be construed or have effect as constituting any relationship of employer and employee between CVPS and you; and
- (b) there is no one working for CVPS who has a comparable full time position.

50.2 This letter of appointment shall not be construed so as to create a partnership or joint venture between the parties. Nothing in this appointment shall be construed so as to constitute either party as the agent of the other party or the agent of any third party.

#### **51. Third party rights**

No one other than you and CVPS shall have any rights to enforce the terms of this letter.

#### **52. Entire agreement**

52.1 This letter and any document referred to in it constitutes the entire terms and conditions of your appointment and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between you and CVPS, whether written or oral, relating to its subject matter.

52.2 You agree that you shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this letter and you shall not have any claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in this letter.

#### **53. Variation**

No variation of this letter shall be effective unless it is in writing and signed by you and CVPS (or respective authorised representatives).

**54. Governing law and jurisdiction**

Your appointment with CVPS and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of Scotland and you and CVPS irrevocably agree that the courts of Scotland shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) that arises out of or in connection with this appointment or its subject matter or formation.

Please indicate your acceptance of these terms by signing and returning the attached copy of this letter to **[NAME AND POSITION]**.

Yours sincerely

.....

For and on behalf of CVPS

**[POSITION]**

I confirm and agree to the terms of my appointment as a paid Board member of CVPS as set out in this letter.

Signed on **[DATE]** by **[Name of Chair]**

.....

**[CHAIR'S SIGNATURE]**

Attachment 1: CVPS Article 18 (termination of appointment)

**18 Termination of director's appointment**

18.1 A person ceases to be a director as soon as

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law.
- (b) a bankruptcy order is made against that person.
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts.
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months.
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have.
- (f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.
- (g) that person is removed from office in terms of Article 17 [Note: Article 17 empowers both the CVPS Board, subject to CVHA approval, and CVHA to remove any director of CVPS from office].



Attachment 2: Role of Chair of the CVPS

[CVPS to attach]