

## Standing Orders and Delegated Authority Policy

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## **1. Standing Orders**

- 1.1 These Standing Orders apply to Clyde Valley Group (CVG), incorporating Clyde Valley Housing Association (CVHA) as the parent organisation and Clyde Valley Property Services (CVPS) as subsidiaries.
- 1.2 They provide a framework within which staff should undertake their day-to-day duties and should be read in conjunction with the manuals/strategies and instructions issued covering the detailed procedures covering the detailed procedures to be adopted.
- 1.3 All staff should be aware of, and be familiar with, Standing Orders, especially in so far as they affect their own role and the extent of their own authority.
- 1.4 Compliance with Standing Orders is an implied term of an employee's contract of employment for all entities within CVG. Staff are obliged to observe and fully comply with the provisions of Standing Orders and disregard for them may result in disciplinary action being taken.
- 1.5 The Standing Orders are reviewed every two years by the CVHA Board. Minor amendments may be agreed by the Executive Team (EMT), with any changes of substance being agreed by the CVHA Board.
- 1.6 As part of CVG's financial and governance controls this document outlines the levels of delegated authority which are required for decision making and for the committal of the Group's resources.
- 1.7 Appendix 1 details the financial authorities in place and Appendix 2 details the list of authorised signatories for the Group.

## **2. Clyde Valley Group Structure**

- 2.1 Clyde Valley Group (CVG) is a dormant company which currently only exists as a named entity. It is the overarching brand for the various strands of the business.
- 2.2 There are currently 2 principal companies in the Group, namely CVHA and CVPS (for the purposes of this document we will refer to them as Group Members).

### **2.3 Clyde Valley Housing Association**

Established in 1996, Clyde Valley Housing Association is the Group's parent company and also main operating company. It sets the Group's overall strategic direction and growth strategy and oversees Group performance. It delivers housing management services to all residents, as well asset management and responsive repairs services. It also delivers central support services.

### **2.4 Clyde Valley Property Services**

Established in 2006, Clyde Valley Property Services is the Group's subsidiary property company.

## 2.5 Structure



Each Group Member has a constitution (through a set of Rules or Articles) which describes its objects, fundamental principles and how it will be governed. The legal status of each of the companies is as follows:

- **Clyde Valley Group Limited (CVG)** is a company registered under the Companies Act 1985 as a dormant private limited company. It has no current legal activity or status. Its registration number with Companies House is 336233.
- **Clyde Valley Housing Association Limited (CVHA)** is a registered Scottish Charity (Company No. SC037244). It is also a registered society with the FCA under the Co-operative and Community Benefit Societies Act 2014 (No. 2489RS). The Association abides by Model Rules (Scotland) 2013.
- **Clyde Valley Property Services Limited (CVPS)** is a limited company registered at Companies House (Company No. 296739). CVPS is a wholly owned subsidiary of CVHA and as such, CVHA is the sole shareholder.

## 2.6 Definitions

2.6.1 A Registered Society is an organisation conducting an industry, business or trade, either as a co-operative or for the benefit of the community and is registered under the Co-operative and Community Benefit Societies Act 2014. Societies are run for the benefit of the community and provide services for people other than their members.

2.6.2 A Charity is any institution established for charitable purposes. Certain charities are exempt from supervision by the Charity Commission because they are considered to be adequately supervised by, or accountable to, some other body or authority (FCA as a Registered Society). Exempt charities are entitled to exactly the same financial benefits as registered charities. They are entitled to claim:

- Relief from income tax, corporation tax and capital gains tax
- Exemption from inheritance tax; and
- Relief from business or non-domestic rates

## 2.7 Boards

- 2.7.1 Both CVHA and CVPS have a Board which is responsible for overall strategic direction, ensuring that it is properly governed and that it meets the legal and regulatory requirements of Financial Conduct Authority (FCA), Companies House, Office of Scottish Charity Register (OSCR)k and the Scottish Housing Regulator (SHR). The Board's key role is to lead, direct, control, scrutinise and evaluate the work of the company and ensure that it achieves its aims and objectives.
- 2.7.2 CVHA has an Independence Agreement with CVPS. The purpose of this Agreement is to record the relationship between the Parent and the Subsidiary Company, the responsibility of the Parent for setting policies and strategies for the Group and controlling its operation, and the framework within which the Subsidiary Company is to operate. This framework is to include policies and standards in key areas, including equalities and health and safety and an internal audit function in which the Subsidiary Company is to participate.
- 2.7.3 The Boards are made up of non-executive directors and individuals who together have a diverse range of skills, competencies and experience which enable the Boards to be effective in fulfilling their roles. The Remit of Board is detailed at - [Remit of the Board .docx](#)
- 2.7.4 All matters relating to the composition, roles and functions of the Boards and the membership, recruitment, training, appraisal, terms of office etc. of Board Members are set out in the Group's Governance Manual.

## 2.8 Committees

- 2.8.1 Clyde Valley Housing Association has one standing committee which has its own remit and reporting structure:
- Audit Committee
- 2.8.2 Remit of Audit Committee is detailed at [Remit of Audit Committee.docx](#)

## 2.9

### 2.9 Board and Shareholding Membership

- 2.9.1 The composition of the Board, the procedures for election and co-opting, voting, appointment and removal of Board Members and Shareholding Members are set out in the RULES. The process for appointments to CVPS Board is set out in the Memorandum & Articles of Association and Independence Agreement.
- 2.9.2. The Board may appoint any person who is willing to fill a Board vacancy which may arise subject to the rules and the skills requirement of the board.
- 2.9.3. The Chief Executive will ensure all new Board Members are inducted into their roles and the necessary documentation is completed.  
In accordance with the Board Remit, the Board will annually review its collective effectiveness and ensure all Board Members are reviewed annually as part of an appraisal process which will be completed by Chair and an independent consultant.
- 2.9.4. Any Board Member who serves for a period of 9 years or more will be reviewed annually via the appraisal process via the '9 year rule'

## 2.10 Chairs and Office Bearers

- 2.10.1. The Rules require for Chair of CVHA Board and Chair of Audit Committee to be formally elected each year at the next meeting immediately after the Annual General Meeting. The terms of office is 3 years.

## 2.11 Servicing of Board and Audit Committee

- 2.11.1 The following Executive Management Team members are delegated to formulate agendas in consultation with the Chairs for each meeting. All papers will be circulated seven days prior to meetings via an online platform,

CVHA Board – Chief Executive Officer  
Audit Committee – Chief Executive/Director of Finance & Corporate Services  
CVPS Board - Chief Executive Officer

- 2.11.2. Board meeting calendars are developed annually and shared with Board, with 18 months in advance notice post AGM. In accordance with rules meetings can be held in person and/or hybrid.
- 2.11.3. All members of Executive Management Team (EMT) should ensure that Board reports are prepared 2 weeks prior to meeting and on correct report template. Reports should be clear and concise.
- 2.11.4. The Chair of each Board is responsible for ensuring the meeting is conducted in accordance with CVHA Rules.

## 2.12 Group Chief Executive and Directors

- 2.12.1 The Clyde Valley Housing Association Board delegates the day-to-day running of the Group through the Group Chief Executive and the Directors, who have specific responsibility for recommending, advising on, implementing and reviewing Board policy and to whom individually and collectively the Clyde Valley Housing Association Board and Clyde Valley Property Services Board has delegated various powers.
- 2.12.2 The Group Chief Executive shall be appointed by a 'Selection Panel' of three Board Members including the Group Chair, in line with requirements of the Scottish Housing Regulator.
- 2.12.3 The Group Chief Executive may be dismissed by the Group Chair (acting with the Chair of Audit Committee or another Board Member) who may also invoke any appropriate disciplinary action as set out in the Group's Terms and Conditions of Employment for staff.
- 2.12.4 The Group Chief Executive may appeal against any disciplinary action invoked by the Group Chair to a Panel of three Group Board Members (which shall exclude the Group Chair and the original members involved in 2.10.3).
- 2.12.5 In the absence of the Group Chief Executive, the Customer Services Director will undertake the functions and roles of the Group Chief Executive as detailed.

## 2.13 Group Chief Executive's Role and Functions

The role and functions of the Group Chief Executive are as follows:

- i) To manage the affairs of the Group in accordance with the values, strategic objectives, Business Plan and the general policies and specific decisions of the Clyde Valley Housing Association Board. This includes ensuring that the cultural integrity of the Group is understood and adhere to and good employment practices are achieved.
- ii) To help the Clyde Valley Housing Association Board determine the Group's policies and strategy.
- iii) To draw the Clyde Valley Housing Association Board's attention to matters that it should consider and decide.
- iv) To advise the Clyde Valley Housing Association Board on matters relating to the governance of the Group.
- v) To ensure that the Clyde Valley Housing Association Board is given the information necessary to perform its duties and in particular that the Clyde Valley Housing Association Board receives advice on matters concerning compliance with its Registered Rules, the law and the need to remain solvent.
- vi) To ensure that proper systems of control are established and maintained.
- vii) To supervise and pre-consider with the Executive Management Team the preparation of reports and documentation for consideration by the Clyde Valley Housing Association Board.
- viii) To lead and to manage the Group's staff and ensure their performance is appraised and wellbeing is supported.
- ix) To represent the Group at the highest levels and through membership of appropriate professional and housing bodies and organisations.
- x) To approve nonmaterial changes to Group Standing Orders.
  - Signing all contracts for the purchase of land or related assets and executing building contracts not required under seal in accordance with delegated authorities.

## 2.14 Delegation

2.14.1 The Group Chief Executive and Directors shall have delegated authority for the following, for all Group Members. Specific provisions outlined for CVPS at (vi), however, also includes all other detailed provisions for CVPS from (i) to (v):

- i) Fully implementing the Group's risk management strategy.
- ii) Provide assurance that the Equality, Diversity and Inclusion Strategy and action plan embedded with the Association.
- iii) Finance and Administration:

- Making payments for revenue expenditure within the limits approved in the Annual Budget and subject to delegated authority.
- Investing surplus cash balances and administering the Group's borrowings in accordance with the Treasury Management Policy of the Group.
- Ensuring adequate security and insurance cover for all the Group's assets.
- Appointing staff within the approved budget limits for posts up to Manager level. Appointments at Executive Team level shall be made in conjunction with the Group Chief Executive and the appropriate Chair.
- Carrying out the Group's statutory functions as an employer and ensuring a proper level of training for staff.
- Convening meetings of the Audit Committee.
- Complying with all the requirements of Companies House, the (FCA) and the (SHR) in relation to the Rules of the Members of the Group and the conduct of its affairs.
- Preparing, issuing and updating Standing Orders, Health & Safety, Financial, IT, Development, Operations, Audit etc. policies and procedural manuals and, covering all areas of the Group's work, to which staff should adhere in the performance of their duties.
- Appointing contractors and consultants in accordance with the Group's Manual and Procurement Strategy approved by CVHA Board.
- Ensuring an effective internal audit of all the Group's systems and taking steps to remedy weaknesses identified.

#### iv) Development

- Signing all contracts for the purchase of land or related assets and executing building contracts not required under seal in accordance with delegated authorities.
- Proposing projects in accordance with the policies of the Clyde Valley Housing Association Board.
- Appointing consultants in accordance with the Group's Procurement Manual and Strategy approved by CVHA Board
- Appointing contractors in accordance with the Group's Manual and Procurement Strategy approved by CVHA Board
- Fulfilling the requirements of the SHR in relation to new developments.
- Delivering projects in line with Group Procedures and Development Board
- Periodically updating the Development manuals and policy.

- It shall be the responsibility of the Group Member Directors at all times to ensure that the requirements of the Group in respect of capacity, financial standing, insurance cover and taxation are complied with by the firms involved.

v) Asset Management

- Proposing planned maintenance programmes in accordance with the Group's asset management strategy and plans.
- Appointing consultants in accordance with the Group's Manual and Procurement Strategy approved by CVHA Board
- It shall be the responsibility of the Group Member Directors at all times to ensure that the requirements of the Group in respect of capacity, financial standing, insurance cover and taxation are complied with by the firms involved.

vi) Housing Management and Maintenance

- Allocation of tenancies in accordance with the Group Member's published policies and statutory requirements.
- Ensuring compliance with landlord and tenant responsibilities set out with tenancy agreements and all relevant statutory requirements, including repairs responsibilities.
- Setting and collecting rents and service charges.
- Pursuing arrears and credit balances and initiating write-offs within the limits specified in Group Standing Orders.
- Appointing contractors and consultants in accordance with the Group's Manual and Procurement Strategy approved by CVHA Board.
- Consulting tenants and representative groups in accordance with statutory requirements, policies on customer engagement and the Scottish Social Housing Charter.

vii) CVPS

- Management of tenancies in accordance with the Group Member's published policies and statutory requirements.
- Ensuring compliance with landlord and tenant responsibilities set out with tenancy agreements and all relevant statutory requirements, including repairs responsibilities.
- Setting and collecting rents and service charges.
- Setting and collecting management fee for factoring service.

Pursuing arrears and credit balances and initiating write-offs within the limits specified in Group Standing Orders.

- Appointing consultants in accordance with the Group's Manual and Procurement Strategy approved by CVHA Board
- Appointing contractors in accordance with the Group's Manual and Procurement Strategy approved by CVHA Board.
- Consulting owners and representative groups in accordance with statutory requirements, policies on customer engagement and the Scottish Social Housing Charter.
- Adhering to compliance of the Property Factors Scotland Act 2011 and the Private Landlord Registration (Scotland) Regulation 2019.

## 2.15 Company Secretary

2.15.1 Both CVHA and CVPS are required by Rules and Articles (constitution) to have a Company Secretary. The role of the Company Secretary is laid down in the respective constitutions and includes:

- Summoning and attending all meetings of the Group member and its Board and keeping minutes of those meetings
- keeping registers and other books as determined by the Board
- making any regulatory returns on behalf of the Legal Entity
- having charge of the seal (if any)
- Approve Board Meeting schedule and calling meetings in accordance with rules
- being responsible for ensuring the compliance of the Legal Entity member with its Constitution
- Make time for Chairs and Board/Audit Committee to meet with principal advisors or equivalent at agreed meetings.
- Annual Board Secretary Report presented to Board
- Establish short life working groups comprising of Board Members and staff when required

2.15.2 The Clyde Valley Housing Association Board, together with senior management, will ensure that all Group members are operating within the permitted boundaries as laid down in their Constitutions, Rules and/or Articles.

2.15.3 All Group Members are required to provide all information requested by the relevant Company Secretary within the required timescales.

## 2.16 Signing and/or Sealing of Documents

2.16.1 The Group Company Secretary will periodically review the Authorised Signatory Lists for signing and sealing documents on behalf of the Boards of the Group members. Any changes will be agreed by the Executive Team and the relevant Board.

## 2.17 Code of Conduct

- 2.17.1 CVHA Board has adopted a Code of Conduct for Board Members and approved a Code of Conduct for staff annually.. They have also adopted an Entitlements Payments and Benefits Policy for staff and Board members. The key principle of the Policy is to ensure that all of the Group's staff and Board Members exhibit the highest standards of conduct in everything that they do, maintaining the reputation of the sector and of CVG.
- 2.17.2 Each year all staff and Board members will complete a Declaration of Interest Form and a summary of any potential conflicts will be reported to the Board and recorded in the relevant declaration of interest (DOI) register. The Board DOI register is published on CVHA website annually as part of Guide to Information.
- 2.17.3 The Corporate Services Officer will maintain the Gifts and Hospitality register for both board and staff which will be presented to Board annually for approval.
- 2.17.4 The People Director will maintain the Staff DOI register which will be presented to Board annually.
- 2.17.5 The Chair will investigate an alleged breach of code of conduct of Board Members in accordance with policy.

## 3. **Financial Regulations**

### 3.1 Introduction

- 3.1.1 The Group will operate to high business standards and best practices. Exemplary standards of probity and conduct are expected of all Board Members and staff.
- 3.1.2 Clyde Valley Housing Association Board is responsible for regulating and controlling the overall finances of the Group. The relevant General Member Boards are responsible for controlling the finances of the relevant company and for finances delegated by the Parent member.
- 3.1.3 The Group Chief Executive will co-ordinate the financial activities through the Director of Finance & Corporate Services and identified staff to ensure that the Financial Regulations and detailed financial procedures are observed at all times.
- 3.1.4 All members of staff are required to be familiar with the Financial Regulations and Standing Orders and comply with them.

### 3.2 Accounting Policies and Procedures

- 3.2.1 The Director of Finance & Corporate Services will ensure that all financial and management accounts are produced and are prepared in accordance with Group accounting policies.
- 3.2.2 Group accounting policies are determined and set by the Director of Finance & Corporate Services subject to approval by CVHA Board. Any accounting treatment required but not specified in Group accounting policies should be discussed with the Director of Finance & Corporate Services.

- 3.2.3 Accounts and accounting practices will comply with the relevant accounting requirements of the Regulator, accounting standards and other relevant statutory authorities or legislation.
- 3.2.4 All accounting procedures and records of the Group shall be determined by the Director of Finance & Corporate Services who will be responsible for ensuring that accounting records are kept up to date and in accordance with approved Standing Orders, regulations and procedures and in accordance with accepted accounting practices.
- 3.2.5 Each Group Member will approve its audited annual financial statements, prepared in accordance with relevant legislation and best accounting practice, as soon as possible after the financial year end.
- 3.2.6 The Director of Finance & Corporate Services will submit the Group's audited annual financial statements, to the Board for recommendation to members at the Annual General Meeting. The Director of Finance & Corporate Services will make arrangements to ensure that such financial statements are lodged with the relevant Regulatory Bodies.

### 3.3 Business Planning

- 3.3.1 The Group Chief Executive is responsible for ensuring that the annual Business Planning process is executed each year. CVHA Board is responsible for setting financial targets which must be achieved by the Group and/or other Group members.
- 3.3.2 Each Group Member will consider its own five-year Financial Plan each year which will be extended to a thirty year forecast where necessary to comply with funding and SHR requirements. This will then be recommended to CVHA Board for approval. This will include identification of the implications of key sensitivities.
- 3.3.3 Financial Plans and budgets for each Group Member will be prepared in line with annual Budget Setting Process. These will be considered by the Boards of all General Members and approved by the CVHA Board. Quarterly management accounts in respect of the Group will be reviewed by Audit Committee of CVHA and in respect of the subsidiary by Board of CVPS.
- 3.3.4 The Director of Finance & Corporate Services will be responsible for the production each year of a five-year Viability Statement as required by SHR which will be presented to CVHA Board.
- 3.3.5 In order to ensure that all relevant risks are addressed by Business Plans, the Business Plan process will take account of the quarterly updated Group and relevant Group Members risk registers.
- 3.3.6 The Financial Plan will be updated at least quarterly by the Finance Manager and signed off by the Director of Finance & Corporate Services. This will include review by CEO. The Business Plan will generally only be presented to annually to Board for approval. The Group Chief Executive and Director of Finance & Corporate Services will determine whether further updates are required depending on the materiality of the changes to the plan. Any updates must be submitted to the Boards of the relevant Group Member, as part of the request for approval of any revised budget.

- 3.3.7 Staff shall consult with the Director of Finance & Corporate Services on any matter which is liable to materially affect the finances of the Group before any commitment is incurred or before reporting the matter to any Committee or the Board.

#### 3.4 Budget Setting, Reporting and Control

- 3.4.1 The CVHA Board will consider the overall Group budget before the start of each financial year. This budget will detail for the year ahead financial consequences of projected activity and highlight sources of income to meet both revenue and capital expenditure. Quarterly management accounts will be reviewed by Audit Committee of CVHA and Board of CVPS.
- 3.4.2 The financial provisions of the budget will be within the financial parameters set down in the Business Plan and will comply with financial covenants set down by Funders in long-term loan agreements entered into by the Association and any budget assumptions and financial targets set by the Executive Management Team and CVHA Board.
- 3.4.3 The financial provisions of the budget will be prepared, taking into account accepted accounting practices and guidelines issued by the regulator as appropriate.
- 3.4.4 The Director of Finance & Corporate Services will present the consolidated budget to CVHA Board after review by Audit Committee.
- 3.4.5 Directors and staff are responsible for providing such information as is required by the Director of Finance & Corporate Services for compilation of the annual budgets.
- 3.4.6 The Director of Finance & Corporate Services must ensure that adequate budgetary control and monitoring mechanisms are in place across all areas of the Group's business. This will include a secure framework for budget delegation and regular variance reporting to the relevant staff, management and Board.
- 3.4.7 Budget holders must be approved and identified by a member of the relevant Executive for each budget head and are responsible for the financial control of that revenue or capital budget. Although the budget holder has overall authority, they may delegate this responsibility to other officers who must be made fully aware of their authority levels and limits. No expenditure should be committed unless:
- The individual concerned has authority to incur such expenditure, and
  - Any other regulation (e.g. Procurement Strategy and Manual) concerning the type of expenditure involved has been complied with.
- 3.4.8 The inclusion of any item in the approved budget confers authority to the approved budget holder to raise income and incur such expenditure, subject to compliance with relevant standing orders and financial procedures and following approved procedures.
- 3.4.9 Audit Committee and CVPS Board will receive a Management Account report including comparisons against budget each quarter.

- 3.4.10 Provided that the overall Business Plan and annual budget for the Group Members for the year or subsequent years will not be exceeded, the process for approval for variations to the budget is as follows:
- (1) The Group Chief Executive or each relevant Group Member Director may approve the virement of expenditure between budget headings.
  - (2) Any Director may approve any action which incurs additional expenditure if specific additional income or reduction in other expenditure of at least equal value has become available.
  - (3) Virement from certain budget headings may be prohibited as notified by the Executive Management Team.
- 3.4.11 If at any time during the financial year it becomes apparent that there will be a material adverse variance on the overall Group Member budget (i.e. compensatory savings cannot be found elsewhere), the matter must be reported to the relevant Group Member Director and highlighted to the Director of Finance & Corporate Services who must establish the impact on covenant compliance for immediate approval and highlighted at the next available Board meeting for retrospective approval. Where the adverse variance identified exceeds 1% of the Group Member turnover, the matter must be reported to the relevant Group Member Chair and the Group Member Director or Group Chief Executive for approval and highlighted at the next available Board meeting.
- 3.4.12 Where one Group Member within the Group manages stock for another Group Member, all budgetary, monitoring and control responsibilities for the stock in management will pass to the managing association. The managing Group Board will receive quarterly financial reports for the stock in management although the owning Group Member will continue to receive reports on their overall position.

### 3.5 Orders for Work, Goods and Services

*This section should be read in conjunction with the Procurement Strategy and Manual.*

*Orders should only be placed after relevant quotations/tenders have been sought in accordance with the regulations set out in this document.*

- 3.5.1 Official orders shall be issued for all work, goods or services to be supplied except where an annual contract or agreement overrides the requirement for an individual order to be placed, or for expenditure that the Director of Finance & Corporate Services may approve otherwise (see Finance Regulations). Such orders must be authorised by officers approved on the Group's list of authorised signatories.
- 3.5.2 Orders shall not be given for work, goods or services unless the cost is covered in the approved budget or by any special financial provision in accordance with these regulations.
- 3.5.3 If relevant, each order shall conform with the Group's policies with respect to central purchasing and the standardisation of supplies and materials.
- 3.5.4 Telephone or verbal orders should only be used in exceptional circumstances and must be confirmed within 48 hours using an official order form.

### 3.6 Payments for Goods and Services

- 3.6.1 The normal method of payment of money due is by BACS/electronic transfer/cheque drawn on one of the Group's bank accounts and signed or approved by signatories authorised by CVHA Board. Standing Orders or Direct Debits can also be used where required, e.g. utilities etc.
- 3.6.2 The Director of Finance & Corporate Services can also authorise the use of credit cards where deemed appropriate. The limits on these will be set by the Director of Finance & Corporate Services and use of these cards must always comply with the procurement card procedures/guidelines.
- 3.6.3 Automated payments must conform to the requirements of the Group's Financial Procedures.
- 3.6.4 Under no circumstances must any payment request be authorised by the payee or by an officer not on the authorisation list.
- 3.6.5 Levels of authority are listed on each Group's authorised signatories list which is periodically reviewed and approved by the Director of Finance & Corporate Services.
- 3.6.6 Invoices and Cheque requisitions:
- Finance will maintain a list of authorised signatories and must be notified immediately of any changes.
  - Payments for goods and services shall only be made where a purchase order, invoice or payment requisition has been approved by one of the authorised officers of the Group. In the absence of the "authorised officer", their nominated deputy or immediate superior/manager as appropriate is empowered to certify orders and invoices for payment.
  - The Director of Finance & Corporate Services will maintain a schedule of invoice and payments authorisation limits which will be reviewed annually.

### 3.7 Fixed Assets Including Acquisition and Disposal

- 3.7.1 This section covers capital expenditure which is defined as any single asset with a useful life of more than one year above a limit set by the Director of Finance & Corporate Services. The Finance directorate will maintain formal asset registers for these items for each Group member.
- 3.7.2 In all cases authority to incur capital expenditure is subject to the associated annual revenue costs being contained within the approved budget.
- 3.7.3 Where the transaction comprises a number of individual components or is part of a planned programme of work, any value limits should be construed as applying to the total cost. (For example, reactive repairs would include several items of expenditure, but the authority level should be based on the total cost).

- 3.7.4 All acquisition of assets must be in accordance with the Group procurement protocols, the development scheme appraisal procedure, the system of delegated authority and the annual budget provision.
- 3.7.5 The Director of Finance & Corporate Services will ensure that a property register of all assets held or managed by the Group is maintained.
- 3.7.6 Company Secretaries will ensure that all disposals of land comply with regulators guidance.
- 3.7.7 The CVHA Board must approve all major disposals and any disposals that require the regulators individual sealed consent and for, prior to contracts being exchanged.

### 3.8 Scheme Approvals and Delegated Authorities

- 3.8.1 To ensure the financial viability of the Group and to demonstrate excellent risk management and governance there must be a clear and transparent audit trail for capital investment decisions made by each Group member.
- 3.8.2 The annual Business Plan and Budget will contain a list of capital investments for consideration for both CVHA and CVPS. Any social housing investments will be subject to core criteria including:
  - Comply with Group's viability model,
  - That it's meets CVG's Corporate Strategy and overall growth strategy;
  - That it fits within the local authority Local Housing Strategies and Strategy Housing Investment Plans (SHIP).
- 3.8.3 If during the year sites are not progressed for a number of factors then the Development and Property Services Director can substitute these for alternative sites, which meet the above criteria and fall within previously approved overall budget figures for the year.
- 3.8.4 CVPS Board will consider ad-hoc business cases for any capital investment; however, they should also be able to demonstrate compliance with the Group's viability model.
- 3.8.5 Any projects outside approved Budget must be submitted to the Clyde Valley Housing Association Board for consideration.

### 3.9 Bad Debts and Write Offs

- 3.9.1 The review, and where necessary, writing-off of arrears, credit balances and sundry debts shall be undertaken on a quarterly basis in line with the Bad Debt Policy.

Audit Committee will receive a regular report summarising those bad debts write-offs made under delegated authority and requesting approval to those write-offs over the agreed limit. Subsidiary Board have authority for write-offs for their respective bad debts, in line with the Bad Debt Policy.

### 3.10 Income

- 3.10.1 The Director of Finance & Corporate Services will ensure that suitable controls are in place for the proper recording and accounting for all income receivable, and its collection and banking. Examples of these include contracts, leases and other arrangements and agreements entered into which involve the receipt of money to the Group
- 3.10.2 No employee or Member of the Group shall cause charges to be made or receive income on behalf of the Group unless:
- It has been approved by CVHA Board.
  - It is charged or received in the name of the Group or solicitors or other person specifically appointed to act in that capacity on the Group's behalf.
  - The individual concerned has specific authority to raise such charges or receive such income.
- 3.10.3 All cash and cheques received by employees of the Group must be banked in accordance with procedures within the Finance Regulations, which will be the responsibility of the Director of Finance & Corporate Services.
- 3.10.4 Only official receipts should be used.

### 3.11 Stock

- 3.11.1 Records shall be maintained of housing property stock and work in progress, banked land, and other goods and materials (if appropriate depending on value).
- 3.11.2 Each Director will be responsible for the care and custody of other stock and stores in their directorates. Stock shall not be in excess of reasonable requirements except in special circumstances approved by the Directors.

### 3.12 Insurance

- 3.12.1 Directors have the responsibility for identifying and ensuring that the assets of the Group are adequately insured and for ensuring that there is appropriate indemnity cover against the risks arising from the business of the Group. Where elements of self-insurance are in place these will be reviewed regularly to ensure they are still appropriate.
- 3.12.2 The Director of Finance & Corporate Services will ensure that all insurance policies are in force and risk measures are in place.
- 3.12.3 Directors should give prompt notification, in writing, to the Director of Finance & Corporate Services of:
- The extent and nature of any new potential risk or any alteration to property or services which may affect existing or necessitate additional covers.
  - Any incident which may subsequently be the subject of a liability claim against the Group.

### 3.13 Banking Arrangements

- 3.13.1 Accounts will be maintained with institutions as contained within the Treasury Management Policy as authorised by the CVHA Board. The Chief Executive and Director of Finance & Corporate Services will be responsible for arrangements made with financial institutions, and these will be reviewed annually.
- 3.13.2 Any substantive changes proposed must be approved by CVHA Board.
- 3.13.3 All cheques shall be ordered on the authority of the Director of Finance & Corporate Services who shall make arrangements for their safe custody. The Director of Finance & Corporate Services will also make arrangements for the security of BACS passwords and BACS security devices.
- 3.13.4 Bank accounts must not become overdrawn unless pre-arranged overdraft facilities agreed by the Director of Finance & Corporate Services, are in place.
- 3.13.5 The Director of Finance & Corporate Services will be responsible for a central treasury function which will ensure the effective management of cash and loan resources across the Group.
- 3.13.6 No payment is to be made from a bank account unless in accordance with the system of delegated authority.
- 3.13.7 The Group's Bank is appointed to honour cheques, telegraphic transfers, drawn, signed, accepted or made on behalf of the Group and instructions given in accordance with the authorised payments schedule. This Standing Order also applies to any of the Group's accounts and other investments.
- 3.13.8 The BACS facility covering the purchase ledger looks at the total payments being processed rather than individual supplier amounts. The Director of Finance & Corporate Services is responsible for authorisation procedures and limits which will be reviewed annually.
- 3.13.9 Procedures laid down by the Director of Finance & Corporate Services for the operation and control of bank accounts are published in the Treasury Management Policy as approved by the Group Board annually.

### 3.14 Treasury Management

- 3.14.1 The Director of Finance & Corporate Services will prepare a treasury strategy for approval annually by the CVHA Board. The Director of Finance & Corporate Services will review statutory and regulatory requirements, together with those imposed by specific loan and treasury instruments to ensure that the Group is operating within its defined boundaries and limitations.
- 3.14.2 Treasury Policies and practices are the responsibility of the Director of Finance & Corporate Services.
- 3.14.3 The Director of Finance & Corporate Services will ensure that all policies and practices comply in full with the CIPFA Treasury Code of Practice and with best practice in Treasury Management.

- 3.14.4 The Director of Finance & Corporate Services will ensure that treasury systems and procedures are developed by the Group to manage the key risks of cost, liquidity, refinancing, and maximisation of investment returns, whilst reducing risk to an acceptable level.
- 3.14.5 The Director of Finance & Corporate Services will specify the criteria to be met by counter parties to its financing, investment and financial derivative operations.
- 3.14.6 The Director of Finance & Corporate Services will ensure that a comprehensive system of internal controls and internal financial controls are maintained to ensure that the Treasury Management Policy is met. This will be backed up by a comprehensive system of reporting.
- 3.14.7 The Director of Finance & Corporate Services will ensure that a system of delegated authority is maintained to ensure that all treasury transactions are approved at the appropriate level.

### 3.15 Taxes

- 3.15.1 The Director of Finance & Corporate Services will ensure that arrangements are in place to account for taxes correctly, and to make taxation returns, payments and claims within statutory timetables. This includes all aspects relating to Value Added Tax (VAT), Corporation Tax, Capital Gains Tax, Income Tax (PAYE), National Insurance, and the Subcontractors tax scheme (CIS).
- 3.15.2 Stamp Duty Land Tax is the responsibility of the Directorate undertaking the relevant transactions.

### 3.16 Audit Requirements

- 3.16.1 The Director of Finance & Corporate Services is responsible for ensuring that appropriate External and Internal Audit arrangements are in place and that the function is undertaken in accordance with the professional practice of Internal Auditing and requirements of the regulator.
- 3.16.2 The Director of Finance & Corporate Services will report to the Group Chief Executive and have direct access to the Audit Committee.
- 3.16.3 The Director of Finance & Corporate Services will ensure that the Group members systems of Internal Control are reviewed in accordance with the approved External and Internal Audit Plan and findings are reported to relevant staff and management action is agreed to resolve the issues identified.
- 3.16.4 The Director of Finance & Corporate Services will be responsible for maintaining the risk management strategy by advising of relevant developments and presenting any changes to the Executive Team and the strategic risks to Audit Committee quarterly, CVHA Board bi-annually and CVPS Board quarterly.
- 3.16.5 The Director of Finance & Corporate Services will be responsible for facilitating and co-ordinating the implementation of the risk management strategy.
- 3.16.6 The Director of Finance & Corporate Services will provide a report to each meeting of the Audit Committee providing information on such matters as the

Committee wishes and include as a minimum, progress against the Internal Audit Plan, significant findings from internal audit reviews and progress against the strategic risk register.

3.16.7 The Director of Finance & Corporate Services will provide support to the Audit Committee in assisting members in fulfilling their responsibilities under the terms of reference of the Committee.

3.16.8 The Director of Finance and Corporate Services and the External and Internal Audit Team (externally appointed consultant) are authorised to:

- Have unrestricted access to all functions, records, property and personnel within the Group.
- Remove any documents or other material which may be required as evidence.
- Have full and free access to the Audit Committee.
- Allocate resources, set frequencies, select subjects, determine scopes of work and apply techniques required to accomplish audit objectives.
- Obtain information and explanations they consider necessary to fulfil their objectives and responsibilities.
- Require a timely written response to any findings and recommendations contained within their reports.

The Director of Finance and Corporate Services and the I Auditors must ensure that they access information and people and use information within applicable laws and regulations, which include the General Data Protection Regulation (EU) 2016/679 (the “**GDPR**”); the Data Protection Act 2018; the Privacy and Electronic Communications (EC Directive) Regulations 2003; the Regulation of Investigatory Powers Act 2000 and the Human Rights Act.

3.16.9 The Director of Finance & Corporate Services will be responsible for facilitating the process, in accordance with the Audit Committee and other Group members’ terms of reference, to ensure that arrangements are in place for the external audit of the Financial Statements in accordance with the regulators requirements.

3.16.10 The Director of Finance & Corporate Services will ensure that the process for the work of the External Auditors is appropriately managed and their performance is appraised and reported to the Audit Committee on an annual basis.

### 3.17 Fraud and Corruption

3.17.1 For all instances of suspicion of fraud, theft or misappropriation, regardless of value, a member of the relevant Executive Team (EMT) should be notified immediately. Where a member of EMT comes under suspicion then the report will go to another relevant EMT member or the Chief Executive. Before taking any action to investigate, the EMT member should inform the Audit Committee Chair.

3.17.2 The Director of Finance and Corporate Services and relevant Director will agree whether the case needs to be investigated by Internal Audit to maintain independence, or by Managers themselves.

- 3.17.3 Where Managers undertake investigations, a written report will be prepared on the outcome and forwarded to the relevant Director and Finance and Corporate Services Manager. Where the investigation is undertaken by Internal Audit, a formal report will be issued and copied to the appropriate Director.
- 3.17.4 In both cases, the report will be upon the investigation and findings. Any subsequent disciplinary action to be taken will be a management decision based upon the findings and in accordance with the disciplinary procedure.
- 3.17.5 Where an investigation relates to a sum of £5,000 or more, the Director of Finance & Corporate Services will notify the Chief Executive and relevant Director. The Group Chair will also be informed and the Director of Finance & Corporate Services will inform the Regulator. The relevant Director will inform the relevant Group Member Board and Chair. If the investigation involves a senior manager or member, the above procedure will be followed regardless of the value involved.
- 3.17.6 Findings on matters over £1,000 will be reported to the relevant Group Member Board or CVHA Board at the conclusion of the investigation.
- 3.17.7 All cases will be summarised and reported by the Director of Finance & Corporate Services to the Audit Committee. The Director of Finance & Corporate Services will maintain a fraud register on behalf of all Group members.

### 3.18 Security

- 3.18.1 Each Director is responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture and equipment, data, cash etc. under his/her control, and must consult the Director of Property & Development in any case where security is thought to be defective or where special arrangements may be needed whilst in the office and removed from the premises when unattended.
- 3.18.2 Appropriate limits for holding cash must be set by the line manager within the limits set by the Group's insurers and must not be exceeded without the Group Chief Executive's permission.
- 3.18.3 Keys to safes or similar containers are to be carried on the person of those responsible at all times while in the office and stored safely off the premises when the office is closed/unoccupied. The loss of such keys must be reported immediately to a member of the relevant EMT as soon as practicable.

#### Data Protection

- 3.18.4 The Group Chief Executive and Director of Finance & Corporate Services are responsible for maintaining proper security and privacy of information held in a computer installation and for ensuring that information is not improperly disclosed. Members of staff should be responsible to ensure the data they are dealing with remains secure and are required to comply with the "**Data Protection Law**" which includes:
  - the General Data Protection Regulation (EU) 2016/679 (the "**GDPR**");
  - the Data Protection Act 2018;

- the Privacy and Electronic Communications (EC Directive) Regulations 2003;
- all other applicable EU and UK data protection laws, including those that are made as a consequence of the UK leaving the EU; and
- any legislation or laws that amend the above.
- and the ICT Security Policy and
- Privacy Policy.

3.18.5 The Director of Finance & Corporate Services is responsible for ensuring that regular copies of computer data are made and that these are stored in a safe, secure and remote location.

3.18.6 The Director of Finance & Corporate Services must ensure that arrangements are in place for back-up of computer facilities in the event of serious malfunction.

3.18.7 All Directors are responsible for the safe storing and managing of data within their own Directorate and ensure that robust processes and procedures are in place and where required adequate training if provided.

### 3.19 Document Retention and Crisis Management

3.19.1 Generally, records need to be kept for legal, statutory and "personal" reasons. Statutory requirements are that records are kept, and are retrievable for six years after the accounting period, or financial year. This applies to financial and contractual documents, personnel and tax records.

3.19.2 Personal requirements relate to the extent to which the Group members need files and documents for reference, historical or evidencing purposes. Most occurrences where such reference is needed will take place within twelve months of an event although certain documents of historical importance may be required much longer after the event. The extent to which such records are to be kept, their format (i.e., manual, electronic etc.) and how long they can be kept etc., will be governed by the provisions of the Data Protection Act 2018.

3.19.3 All staff should adhere to the Group's Retention Policy.

3.19.4 Each part of the business will need to ensure they comply with the Group's Crisis Management Plan with Leadership Team and all members of Crisis Response Team (CRT) having easy access to the policy at all times

### 3.20 Other

3.20.1 The Director of Finance & Corporate Services and Customer Services Director will make arrangements to ensure that regulatory returns are prepared and submitted according to required timetables.

3.20.2 Any financial information to be published externally by any Group Member should be approved by the Director of Finance & Corporate Services or Finance Manager before publication. For the avoidance of doubt, this excludes all communications concerning individual tenancies and leases and service charges.

#### **4. Procurement**

- 4.1 Procurement is the combination of processes undertaken to acquire Goods, Services and Works whether by purchase, lease, rental or any other means.
- 4.2 All procurement should be carried out in accordance with the Group's Procurement Strategy and Manual.

## Financial Authority Levels

The following tables detail the delegated financial authority levels for each function of the Group.

Approval of commitment to spend (all figures to include fees and VAT. Limits stated relate to expenditure within the annual budget approved by the Board.

In all cases segregation of duties apply and 2 signatures are required at each threshold level.

Area	Limits	Who
Cheque Signatories	Up to £20,000	For CVHA and CVPS  Chief Executive and Directors
	Over £20,000	For CVHA, the following Board Members will be permitted to sign cheques in addition to any of the staff members above:  Chairperson Chair of Audit Committee  For cheques greater than £20,000 at least one Board Member's signature will be required.
	Over £20,000	For CVPS, the following are permitted to sign cheques in addition to any of the staff members above:  Chief Executive Chairperson  For cheques greater than £20,000 at least one Board Member's signature will be required.
Trade Creditors (suppliers)	Up to £1,000,000	Chief Executive and Directors
	Up to £100,000	Budget Holder
Development/land acquisitions		<b>Board approval</b> <b>All contracts and expenditure authorised in line with financial authority levels</b>
Payroll, pension, and taxation payments	Up to £350,000	Chief Executive and Directors
Orders/Standing Orders/Direct Debits	Up to £1,000,000	Chief Executive and Directors
	Up to £100,000	Budget Holder
Invoice Approvals including works valuations (payments)	Up to £1,000,000	Chief Executive and Directors
	Up to £100,000	Budget Holder
Interest and Loan Payments	£1m + Up to £1,000,000	Chief Executive and Director Finance & Corporate Services Director

<b>Area</b>	<b>Limits</b>	<b>Who</b>
<b>Abortive project costs</b>	Up to £15,000	Director of Development & Property and reported to Board
	Over £15,000	Board
<b>Authorise variations to contract values</b>	Up to 10%	Director of Development & Property and reported to Board
	Over 10%	CEO and reported to Board
<b>Approving property purchases or disposals ('one offs') within budgets and policies</b>	>£120,000 <£120,000	Board CEO and one Director
<b>Contract approvals and Issue of works orders aligned to an already approved tender award</b>	Over £250,000	Chief Executive
	Up to £250,000	Director
	up to £100k	Manager
	up to £10,000	Budget Holder
<b>Contract approvals and Issue of works orders</b>	Over £250,000 Up to £250,000 Up to £50,000 Up to £5,000	Chief Executive Director Manager Budget Holder
<b>Petty Cash Floats</b>	£500	Finance & Corporate Services Director
<b>Petty Cash Issue</b>	Over £100 Up to £100	Finance Manager Finance Assistant
<b>Virement</b>	£1k for all corporate spend £5K all other disciplines £5k for corporate spend; £50k for all other;	Budget holder  Director  Finance and Corporate Services Director
	5k to £10k for corporate spend < £100k	Chief Executive  Chairperson and Chief Executive
	>100k.	
<b>Emergency</b>	<£10,000	Finance and Corporate Services Director Chief Executive
	>£10,000	Chairperson and Chief Executive

Authorisation must be carried out in accordance with the Group's Procurement Policy and Financial Regulations and any advice on these can be sought from the Finance & Corporate Services Director or Finance Manager.

## **Authorised Signatory List**

As part of the Group's financial controls, the following authorised signatories are required for grant and funding offers, private finance agreements, annual accounts, legal documents, and other important contracts relating to the Group's business.

It is the responsibility of the individual signing a document on behalf of the Group to have fully understood the document being signed.

It is the duty of the relevant staff member to present a report (written or oral) to Board/Committee for any document etc. requiring authorised signatories where appropriate, and where required, a formal Minute should be taken.

### Authorised Staff Members (CVHA and CVPS)

Chief Executive  
Finance & Corporate Services Director  
Director of Development & Property  
Customer Services Director  
People Director

### Authorised Board Members (CVHA)

Chairperson  
Chairs of Committees

### Authorised Signatories (CVPS)

Chairperson CVPS Board Directors

## Standing Order Roles

Delegation	CEO	F&CSD	CSD	D&PD	PD
Formulation of Board Agendas & Papers					
Servicing of Board					
Servicing of CVPS Board					
Servicing of Audit Committee					
Manage group affairs in line with value, strategy and objectives, business plan and general policies					
Draw board attention to matters it should consider and decide					
Determine Groups policy and strategy					
CVHA Board is given necessary information to perform duties in matters of compliance, with rules to remain solvent					
To lead and manage staff and ensure their performance is appraised,					
Membership of professional bodies					
Approve SO nonmaterial changes					
Sign contracts for land, and related assets in accordance with SOD					
Fully implement the groups Risk Management Strategy					
Provide assurance that the EDI Strategy and action plan is embedded within the association					
Making payments for revenue expenditure within the limits approved in the annual budget and SOD					
Investing surplus cash balances and administering the Groups borrowing in accordance with Treasury Management Policy					
Ensuring adequate security & insurance for group					
Appointment of staff to Manager level					
Carry out statutory functions and ensuring staff training					
Complying with all the requirements of Companies House, the (FCA) and the (SHR)					
Preparing, issuing and updating Standing Orders, Health & Safety, Financial, IT, Development, Operations, Audit etc. policies					
Appointing contractors and consultants in accordance with the Group's Manual and Procurement Strategy approved by CVHA Board					
Ensuring an effective internal audit of group systems and taking steps to remedy weaknesses identified					
Proposing projects in accordance with policies to CVHA Board					
Fulfilling the requirements of SHR in relation to new developments					
Delivering projects in line with group procedures and development board					
Updating Policies and procedures in Directorate					
Proposing planned maintenance programmes					
Ensure the requirement of group in respect of capacity, financial standing, insurance cover and taxation for all firms involved					

<b>Delegation</b>	<b>CEO</b>	<b>F&amp;CSD</b>	<b>CSD</b>	<b>D&amp;PD</b>	<b>PD</b>
Allocation of tenancies in accordance with group policies and statutory requirements					
Ensuring compliance with landlord and tenant responsibilities set out in tenancy agreement and all relevant statutory responsibilities					
Setting and collection rents and service charges					
Pursuing arrears and credit balances and initiating write-offs within the limits of SO					
Consulting tenants and representative groups in accordance with statutory requirements, policies on customer engagement and SSHC					
CVPS Management of tenancies in line with published policies					
CVPS compliance with landlord & tenant to statutory requirements					
CVPS setting rents and service charges					
CVPS pursuing arrears and credit balances for factoring fees and write offs					
CVPS setting and collecting management fees					
Adhering to compliance of Property Factors Scotland Act 2011 and Private Landlord Registration (Scotland) Regulation 2019					

## Policy Change History

<b>Version</b>	<b>Substantive Change</b>	<b>Author of Change</b>	<b>Approval</b>	<b>Date</b>	<b>Website</b>
1.0	New front cover & version history applied	A Cavinue		17/02/23	Y
2.0	Full Review – minor changes to align to other relevant governance documents	C Garmory	Board June 2023	April 2023	Y
3.0	Full Review in line with SFHA guidance	C Garmory		March 2024	