



# Governance and finance – Assessment Table

## Annual Assurance Statement – Assessment Table – October 2024

The first three columns have been taken directly from the SFHA guidance revised in April 2024. The cross-reference to the Regulatory Standards column has been incorporated from elsewhere in the guidance. The final column contains information on whether we are complying, recommendations will be taken in a separate report and incorporated into a tracker.

At the end of each section there is an evidence box – this contains details of the suggested evidence (taken from the guidance) plus any other piece of evidence that we consider relevant.

There is a separate table at the end which provides additional discussion on the seven Regulatory Standards.

Please remember – **we are trying to assess whether there is any material non-compliance**. Non-material non-compliance and/or anything we need to do are noted as action points but do not, in themselves, lead us to reporting non-compliance.

Ref	SHR Regulatory Requirement/Standard	Self-Assurance Factors	X-ref to SGFM	Do we comply? What's outstanding? Other comments
<b>Assurance and Notification</b>				
AN1	Prepare an Annual Assurance Statement in accordance with SHR published guidance, submit it to us (SHR) between April and the end of October each year, and make it	<p><b>Prior to submission:</b> Has the Committee been involved effectively in assessing compliance with the Regulatory Framework?</p> <p>Have we gathered and reviewed sufficient evidence to provide us with appropriate assurance of the landlord's compliance prior to signing off our assurance statement?</p>	<p><b>2.2</b> <b>2.5</b></p>	<p>Sufficient compliance – <b>Yes</b></p> <p>Self-assurance has been in place at Cernach since 2013. Therefore, assessing our compliance is routinely discussed with staff and committee. The assurance process is a key area of the Assurance sub-Committee and at each main Management Committee meeting we have 'governance standing' items paper which contains updates on entitlements, payments and benefits, notifiable events, regulatory engagement, governance guidance (including</p>

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	<p>available to tenants and other service users.</p>	<p><b>Have we gathered and reviewed sufficient evidence to enable us to confirm, if required, specific assurance in any areas identified by the SHR?</b></p> <p>Have we considered the SHR guidance on Annual Assurance Statements?</p> <p>Have we identified any areas of material non-compliance? If so, have we agreed a realistic and deliverable compliance plan? Have we agreed how implementation will be monitored?</p> <p>Have we identified any areas of non-compliance that are not material? How have we satisfied ourselves the failure is not material? Have we obtained assurance about how the weakness will be resolved? How will that be monitored? Have we notified the SHR?</p> <p>Have we identified improvement actions? Are we clear about the intended benefits/outcomes from improvement? Have</p>		<p>SHR's lessons learned and SFHA/GWSF updates), movements in risks, assurance action plans and trackers and Committee conferences and training.</p> <p>The Committee commissioned an independent external review of our compliance in relation to the Regulatory Standards and the Scottish Social Housing Charter 2022, and followed this with annual independent assessments. This generated some recommendations, all of which are being actioned by staff and updates are provided regularly to the Assurance sub-Committee (ASC).</p> <p>All AAS actions are incorporated into an action tracker, and this is presented to each quarterly Assurance sub-Committee. We also asked our internal auditor to evaluate our whole approach to assurance in 2021 which generated additional recommendations which were incorporated into trackers and reported to the ASC under internal audit. All these recommendations have lead staff assigned and deadlines noted, with covering reports delivered quarterly to inform on completion actions or, where necessary, information on slippage.</p> <p>We used the internal audit assessment template to conduct annual compliance assessments. These are carried out by the Corporate Services &amp; Assurance Manager and require</p>

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Ref	SHR Regulatory Requirement/Standard	Self-Assurance Factors	X-ref to SGFM	Do we comply? What's outstanding? Other comments
		<p>we agreed how will delivery be monitored, measured and reported?</p> <p><b>Post submission:</b> Is our Annual Assurance Statement available to tenants and other service users? Is it published on our website?</p> <p>Have we communicated with tenants about the content of the AAS?</p> <p>Do we have effective arrangements for monitoring the implementation of compliance and improvement actions?</p> <p><i>Do we refer to these when reporting to tenants and when starting to prepare the subsequent AAS?</i></p>		<p>us to gather significant evidence ahead of the AAS submission. Compliance assessments are conducted in house in the interim years of the full external assessment, which take every 4 years, and the next one is due in 2026.</p> <p>To date there has been no areas of material non-compliance, there was therefore no requirement to notify the SHR.</p> <p>For this year's compliance assessments we have identified eight recommendations, all of which we would class as minor improvement actions and were presented to the MC in August 2024. Our compliance assessments prepare the Association well for the annual assurance process. Recommendations from this assessment ensures that any areas of improvement can be more fully assessed and additional assurance gathered where required prior to the submission in October 2024.</p> <p>In September 2024 the MC were presented with the changes to the annual assurance toolkit and taken through the evidence bank that was being refreshed from last year.</p> <p>We publicise our AAS in our newsletter and on our website, we are also on the second year of carrying out a specific assurance survey issued to all tenants, via CX feedback.</p>

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				This survey links to last year's statement and two main assessment tables which are published on our website. <b>We will consult with tenants during 2025/26 to assess the way we involve them in the assurance process.</b>
<b>Evidence bank documents</b>				Ref
		Previous Annual Assurance Statement (AAS) and recommendations		AN1.1
		Historical AAS action plan relating to improvements (tracker) and progress to date		AN1.2
		Self-assurance assessment, compliance assessments and documents considering our compliance (add mins POST-APPROVAL)		AN1.3
		Information to committee/ notes of sub-Committee/Committee discussion on the assurance process		AN1.4
		Internal Audit on AAS process reports		AN1.5
		Notes of discussions/consultation with tenants		AN1.6
		Post-Submission – previous Annual Assurance Statement report to tenants		AN1.7

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Ref	SHR Regulatory Requirement/Standard	Self-Assurance Factors	X-ref to SGFM	Do we comply? What's outstanding? Other comments
AN2	<p>Notify us (SHR) during the year of any material changes to the assurance in its Annual Assurance Statement.</p>	<p>How do we monitor ongoing compliance with the requirements of the Regulatory Framework?</p> <p>Do we have systems/processes in place to identify any material change? How do we test these systems?</p> <p>Are we assured that any changes in compliance will be communicated to the SHR (and other regulators as required), relevant stakeholders, including lenders and tenants?</p> <p><b>Post submission</b></p> <p>Have there been any material changes since we last submitted the Annual Assurance Statement?</p> <p>Have we notified the SHR?</p>	<p>2.2 2.5</p>	<p>Sufficient compliance – <b>Yes</b></p> <p>We completed independent assessments of the standards in 2022 from our internal auditor and followed this up with in-house assessments in June 2023 and July 2024. The assessment tables generated from this were shared amongst the MT, with action plans being generated and relevant staff assigned to progress work, all of which is reported to the Assurance sub-Committee. Our MC and sub-Committee workplans reflect the SGFM and SSHC and report compliance against key indicators on a quarterly basis.</p> <p>All staff were consulted prior to submission of the 2024 AAS through a dedicated staff meeting and invited to share views on the Association's compliance, particularly in each staff members area of operation. The importance of recognising material changes in compliance has been communicated.</p> <p>We can gain assurance from our positive working relationship with SHR, examples of staff highlighting issues and the Association's proactive response to submitting NEs.</p> <p>There have been no changes to the AAS submitted in October 2023.</p>

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Ref	SHR Regulatory Requirement/Standard	Self-Assurance Factors	X-ref to SGFM	Do we comply? What's outstanding? Other comments
<b>Evidence bank documents</b>				Ref
Most recent Annual Assurance Statement (2023 is most up to date at time of writing)				AN2.1
Compliance Assessment Reports				AN2.2
AN5	Each landlord must make its Engagement Plan easily available and accessible to its tenants and service users, inc. online.	Is our Engagement Plan easily accessible via our website? How do we know?  Have we promoted our Engagement Plan in our newsletter?	<b>Standard 2 2.1</b>	<b>Sufficient compliance – Yes</b>  Yes, our Engagement Plan is on the website and included it in our Annual Performance report, which is posted to each household. It is accessible through the search function on the website and on our 'About Us' section.
<b>Evidence bank documents</b>				Ref
Current Engagement Plan				AN5.1
Word document signposting to dates/places of publication				AN5.2
<b>Whistleblowing</b>				
WB1	Each landlord must have effective arrangements and a policy for whistleblowing by staff and Committee members which it makes easily available and which it promotes.	How have we made staff and Committee members aware of our policy on whistleblowing and the process to be followed where concerns exist?  How are we assured that staff and committee are aware of the policy and process?	<b>Standard 5 5.2 5.6</b>	<b>Sufficient compliance – Yes</b>  Policy in place. Staff and Committee are advised of whistleblowing as part of their (separate) induction programmes. Whistleblowing training was completed in March 2023 for all staff as well as providing a guidance note for reference during new staff induction.

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Ref	SHR Regulatory Requirement/Standard	Self-Assurance Factors	X-ref to SGFM	Do we comply? What's outstanding? Other comments
		<p>Do we promote the whistleblowing policy regularly?</p> <p>Have we ensured the Whistleblowing Policy applies and is promoted throughout our group structure?</p> <p>Have we provided any training to staff and Committee members on whistleblowing?</p>		<p>As part of the compliance assessments in 2023 we identified that refresher training should be provided for the Management Committee. This was delivered in January 2024.</p>
<b>Evidence bank documents</b>				Ref
	Whistleblowing policy			WB1.1
	Reports on any whistleblowing cases that have taken place (n/a as there have been none)			n/a
	Whistleblowing briefing note for staff			WB1.2
<b>Equality and Human Rights</b>				
EH1	Each landlord must have assurance and evidence that it considers equality and human rights issues properly when making all of its decisions, in the design and review of	<p>Do our policies consider and take account of equalities and human rights implications?</p> <p>Do we carry out Equalities Impact Assessments when reviewing and developing policies?</p>	<p><b>All standards</b></p> <p><b>1.3</b></p> <p><b>5.3</b></p>	<p>Sufficient compliance – <b>Yes</b></p> <p>The Association developed its Equality and Human rights policy, and accompanying action plan, in April 2021. All policies include a section on equality, and we carry out EIAs on all policies from 2022/23 onwards. The format of the EIAs were revised in 2021 following the policy revision, and we</p>

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Ref	SHR Regulatory Requirement/Standard	Self-Assurance Factors	X-ref to SGFM	Do we comply? What's outstanding? Other comments
	<p>internal and external policies, and in its day-to-day service delivery.</p>	<p>How are we assured that our policies and practices do not discriminate unlawfully or unfairly?</p> <p><b>How are we assured that our policies and practices do not allow harassment or victimisation? How confident are we that any instances will be identified or reported and addressed quickly and effectively?</b></p> <p>Do the reports that we consider include reference/links to equalities and <b>human rights</b> implications?</p> <p>Do we carry out equalities impact assessments on any proposals relating to service delivery? How do we use these assessments to support our decision-making?</p> <p>How do we monitor our performance in promoting equalities and human rights?</p>		<p>have carried out training for all staff on how to administer these. This provides an assessment that our policies and practices will not intentionally negatively impact any one group.</p> <p>We carried out equalities training in February 2023 with a focus on practical skills for all staff as well as legislative requirements. <b>Our Equalities policy is due for renewal in 2025, and we will administer further staff and committee training following this iteration.</b></p> <p>We are working towards collecting data across all protected characteristics for the five recommended groups, taking account of SHR/SFHA/GWSF guidance issued in April 2022. Data collection has commenced, however not all groups have had their information collected at present and we are working towards collecting the remainder via our large-scale satisfaction survey in late 2024/25.</p> <p>We received sufficient data on staff groups, as well as those that had applied for vacant positions at the Association to be able to carry out some analysis. This did not highlight any particular themes emerging that were cause for concern.</p> <p>It was our intention to carry out analysis following the release of wider population Census data when results become</p>



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				<p>available during the course of 2023/24, and this was a recommendation from the 2023 AAS, however the release of data has been delayed. We will be complete this as soon as it is available and retain this recommendation.</p> <p>We are able to take steps to make our services and publications as accessible as possible, for example transport, translation and office accessibility. We operate a Job Guarantee Scheme whereby we will automatically interview any disabled applicant who meets all of the essential criteria (if they chose to participate in this scheme).</p> <p>Despite everything we have done, we still believe that more is required. We know, for example, that we're likely to be missing customers with particular communication needs (this may have been exacerbated by the pandemic) and our staff team is not representative across all areas.</p> <p>We are confident that our policies do not intentionally lead to any victimisation or harassment and have developed a specific policy setting out our approach to harassment. By having a written policy for dealing with incidents of harassment the Association can ensure that a uniform and professional approach is adopted throughout the organisation and the service delivered is compliant with law, best practice and internal policy.</p>

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				<p>Internal audit is the main way we monitor our performance, we had an internal audit carried out in November 2022 focusing on equalities. This audit resulted in a score of 'full assurance', and we received no recommendations for improvement.</p> <p>We also have specific recording criteria within our complaint management software to capture whether a complaint has any equality implications. This is reported to our ASC quarterly and the Management Committee annually.</p>
<b>Evidence bank documents</b>				Ref
Equalities and diversity policy and action plan				EH1.1
Aids and adaptations policy (relevant section from maintenance policy)				EH1.2
Recruitment policy				EH1.3
Neighbour disputes and Anti-Social Behaviour policy				EH1.4
Provision of policies and information in alternative formats and languages – statement of commitment and examples				EH1.5
Availability of interpreting services – Word document outlining approach				EH1.6
Accessible offices/venues – Word document with short statement on this				EH1.7
Equalities monitoring data collection plan and forms				EH1.8

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Ref	SHR Regulatory Requirement/Standard	Self-Assurance Factors	X-ref to SGFM	Do we comply? What's outstanding? Other comments
Equalities data analysis report				EH1.9
Internal Audit report on equalities				EH1.10
Harassment policy				EH1.11
EH2	To comply with these duties, landlords must collect data relating to each of the protected characteristics for their existing tenants, new tenants, people on waiting lists, Committee members and staff.	<p>Have we established systems and processes for collecting, storing and monitoring equalities data? Have we taken account of good practice advice in respect of complying with regulatory requirements? Are we assured that our processes comply with GDPR?</p> <p>Do we carry out – and take account of - Equalities Impact Assessments on all plans, policies and proposals?</p>	<b>1.3</b>	<p><b>Sufficient compliance – In part</b></p> <p>We have established our own internal guidance for how we will be collecting and storing information. This information is not linked to persons and therefore not subject to UK GDPR. This has taken account of the good practice guidance from SHR/SFHA/GWSF (most recently revised in April 2022).</p> <p>We are also represented in a small working group as part of the Quality, Efficiency Forum (QEF) to discuss the implementation of key guidance.</p> <p>We conduct equality impact assessments when reviewing policies, and our equalities action plan included performing EIAs on non-policy documents such as our business plan, key procedures and action plans which we have now commenced.</p>
<b>Evidence bank documents</b>				Ref
Equalities monitoring data collection plan and forms				EH2.1

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Ref	SHR Regulatory Requirement/Standard	Self-Assurance Factors	X-ref to SGFM	Do we comply? What's outstanding? Other comments
		Monitoring reports		EH2.2
		Collated equalities data from applications		EH2.3
<b>Statutory Guidance</b>				
SG1	Comply with, and submit information to us (SHR) in accordance with, our guidance on <u>notifiable events (NE)</u>	<p>Are we satisfied that the requirements of the NE guidance are well understood by staff and Committee members? <b>Have we reviewed our policies and updated practices to reflect the 2024 statutory guidance?</b></p> <p>Are we satisfied that relevant policies and processes highlight the potential for NE to arise? Do we include consideration of NE on Committee agendas?</p> <p>Does our scheme of delegation specify where responsibility lies for submitting NE to the SHR?</p> <p>Do we have a reliable system for recording, monitoring and reporting notifiable events? Does the governing body review the notifiable events register (or equivalent) annually? How do we gain assurance that we have dealt with NEs effectively?</p>	<b>Standard 7</b> <b>1.3</b> <b>2.5</b>	<p style="color: purple;">Sufficient compliance – <b>Yes</b></p> <p>We have a notifiable events policy, which was reviewed in August 2024 to reflect the 2024 statutory guidance.</p> <p>We understand when/who/how in relation to reporting. The Director will mainly report NEs via the SHR's portal. However, in some circumstances, this may be the Chair. The Depute Director and CSAM can also report NEs via the portal should the Director be unavailable, or their reporting of an NE be inappropriate.</p> <p>We have a standing item on the agenda for all MC meetings, called 'Governance Standing items' which highlights SHR correspondence and notifiable events.</p> <p>We have an NE register which was put in place in April 2022 and the Committee review this annually. We will continue to maintain electronic folders for each NE where this is helpful</p>

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Ref	SHR Regulatory Requirement/Standard	Self-Assurance Factors	X-ref to SGFM	Do we comply? What's outstanding? Other comments
		<p>Are we satisfied that all required notifications have been made during the last year? How have we gained this assurance?</p> <p>Are we satisfied that, where a notifiable event arises, all other notifications are/have been made (e.g. to funders and/or other regulators?) How do we gain that assurance?</p>		<p>and, of course, they will be recorded in the Committee papers.</p> <p>We have also carried out staff training of NEs in 2023 and provided staff with a briefing note for reference. This was followed up by the same training delivered for Management Committee in 2024.</p>
<b>Evidence bank documents</b>				Ref
Notifiable events policy				SG1.1
Notifiable events register				SG1.2
Report to Management Committee with update on NE and minutes				SG1.3
Scheme of delegation (Standing Orders)				SG1.4
Staff briefing note on NEs				SG1.5
SG2 and SG3 do not apply to Cernach.				
SG4	Comply with, and submit information to us (SHR) in accordance with, our	Are we assured that all financial returns are submitted to the SHR on time? How do we gain that assurance?	1.3 1.7	Sufficient compliance – Yes

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Ref	SHR Regulatory Requirement/Standard	Self-Assurance Factors	X-ref to SGFM	Do we comply? What's outstanding? Other comments
	<u>guidance on financial viability of RSLs: information requirements</u>	Are we aware of any significant additional information requirements that the SHR has specified and how these are met?		<p>All returns are included in the Committee workplan – this is agreed in March each year and all members retain a copy throughout the year. This ensures committee know when to expect papers and when items should be submitted. These are all noted in our internal organisational management system, Monday.com, which generates reminders and notifications around project timescales.</p> <p>To date there have been no incidents of late or missing submissions.</p>
<b>Evidence bank documents</b>				Ref
Five Year Financial Projections (FYFP)				SG4.1
Audited accounts				SG4.2
Auditor's Management Letter				SG4.3
Response to the management letter				SG4.4
Audited financial statement return				SG4.5
Loan Portfolio Return (and in-year updates/amendments)				SG4.6
SG5	Comply with, and submit information to us (SHR) in accordance with, our guidance on	How are we assured that financial statements and reports comply with legal and regulatory requirements?	<b>1.3</b> <b>3.7</b>	<p><b>Sufficient compliance – Yes</b></p> <p>As above. We also comply with Constitutional Standard #3.</p>

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Ref	SHR Regulatory Requirement/Standard	Self-Assurance Factors	X-ref to SGFM	Do we comply? What's outstanding? Other comments
	<u>determination of accounting requirements</u>	Has the GB given due consideration to the financial statements before approving them for presentation to the membership?		Our financial accounts were presented by the auditor at the AGM. We were quorate and were able to fulfil our obligations in relation to the accounts. Our accounts are prepared by our external finance agents (FMD) and are routinely presented to the management committee, where they are able to ask any questions directly to FMD. The internal auditor also routinely checks financial processes generally as part of the audit programme.
<b>Evidence bank documents</b>				Ref
Financial statements and audited accounts				SG5.1
Auditor's management letter				SG5.2
Management Committee reports				SG5.3
Minutes Management Committee meeting				SG5.4
SG6	Comply with, and submit information to us (SHR) in accordance with, our guidance on <u>preparation of financial statements.</u>	How are we assured that the preparation of financial statements accords with current statutory, regulatory and accounting practice?  How have we gained assurance that the RSL remains a 'going concern'?	<b>1.3</b> <b>3.7</b>	<b>Sufficient compliance – Yes</b>  As above. We also comply with Constitutional Standard #3

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Ref	SHR Regulatory Requirement/Standard	Self-Assurance Factors	X-ref to SGFM	Do we comply? What's outstanding? Other comments
<b>Evidence bank documents</b>				
<b>As above</b>				
<b>Organisational Details and Constitution</b>				
OC1	<p>Make publicly available, including online, up-to-date details of:</p> <ul style="list-style-type: none"> <li>Who is on the Committee, the date they first became a member/office bearer</li> <li>How to become a member of the RSL and of the Committee and</li> <li>Minutes of Committee meetings</li> </ul>	<p>Do we have the names of our current Committee members on our website, along with the date they first became a Committee member?</p> <p>Have we published on our website and in relevant publications the names of our office bearers and the date they became an office bearer?</p> <p>Is the information about our Committee members and office-bearers easily accessed via our website? Is the information up to date?</p> <p>Are there details on our website of how to become a Committee member?</p> <p>Do we publish information about joining the Management committee, including the</p>	<p>1.3 2.1 6.4</p>	<p>Sufficient compliance – Yes</p> <p>The website has been updated following the AGM on 2 September – this now shows the relevant Committee members and reflects the change in Chairperson. We have historically kept the website up to date with the remainder of the noted information, and this has been checked in advance of submission of the 2024 AAS.</p> <p>We routinely publish Committee minutes as soon as these are approved.</p> <p>We regularly publish information for residents to become involved in the Management Committee.</p> <p>A recommendation from the Assurance statement 2023 was to consider how to attract new committee members. Our Succession planning policy states that we are primarily focused on attracting residents, however through the</p>



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Ref	SHR Regulatory Requirement/Standard	Self-Assurance Factors	X-ref to SGFM	Do we comply? What's outstanding? Other comments
		<p>specific skills and knowledge we have identified we need, in advance of our Annual General Meeting (AGM)?</p> <p>Is our process for recruiting Committee recruitment clear and transparent?</p> <p>Are the minutes of Committee meetings available on our website?</p>		<p>committee appraisal process some members indicated that seek to stand down in the next few years.</p> <p>We are always open to attracting new committee members and anyone who is interested and approaches us invited to have a conversation with the Corporate Services team and observe a meeting.</p> <p>In March 2024 we advertised for new committee members and whilst we are keen to welcome all interests, we advertised that we would be particularly interested to hear from people who live within Cernach's area of operation, or with skills, knowledge, or experience in:</p> <ul style="list-style-type: none"> <li>• Finance</li> <li>• Tenant Safety</li> <li>• Homelessness</li> <li>• Asset Management</li> <li>• Procurement</li> <li>• Community Engagement and Tenant Voice</li> <li>• Wider role or other third sector services</li> </ul> <p>One new 'sector professional' stood for election at the AGM in September and we are currently engaging with three others with the aim to co-opt them on to the Management</p>

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Ref	SHR Regulatory Requirement/Standard	Self-Assurance Factors	X-ref to SGFM	Do we comply? What's outstanding? Other comments
				Committee. We evaluate interested parties by use of a short application form.
<b>Evidence bank documents</b>				Ref
	Website (Word document with appropriate hyperlinks)			OC1.1
	Newsletter announcing new committee members			OC1.2
	Annual report			OC1.3
	Succession plan policy			OC1.4
OC2	Keep up-to-date organisational details in the Register of Social Landlords, by maintaining the information provided through the Landlord Portal.	Do we regularly update our entry on the Register of Social Landlords as and when required?  Where is responsibility for updating our entry on the register located?	1.3 2.5	<b>Sufficient compliance – Yes</b>  The portal was updated following the AGM on 2 September 2024. This responsibility rests with the Director, who may ask the Corporate Services & Assurance Manager to carry this out.
<b>Evidence bank documents</b>				Ref
	Scheme of delegation (Standing Orders and Delegated Authorities)			OC2.1
	Staff role descriptions (Director has overall responsibility)			OC2.2

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Ref	SHR Regulatory Requirement/Standard	Self-Assurance Factors	X-ref to SGFM	Do we comply? What's outstanding? Other comments
OC3	The constitution of the RSL must comply with all legislative requirements under the 2010 Act and the SHR Constitutional Standards	<p>Are our rules based on the SFHA model or an alternative?</p> <p>Are we satisfied that any amendments to the model comply with the Constitutional Standards?</p> <p>Are we satisfied that the composition of our GB and any sub-committees is consistent with our constitution?</p> <p><b>Are we satisfied that our GB is kept up to date about the requirements contained in our Rules?</b></p> <p>How have we gained this assurance?</p>	1.3	<p style="color: purple;">Sufficient compliance – Yes</p> <p>We held an SGM on 30 August 2021 to approve the new (2020) Rules based on the SFHA model. Our solicitor attended to present the Rules and have them registered.</p> <p>The Management Committee are required to sign declarations and a code of conduct each year, which contain most of the provisions within the Rules, at the first full meeting following the AGM. At the meeting we recap on the requirements, this ensures members are reminded of the contents on an annual basis and that they sign to say that they meet and understand the requirements. These declarations were presented at the Management Committee meeting on 19 September after the meeting by those in attendance.</p>
<b>Evidence bank documents</b>				Ref
Rules				OC3.1
Legal advice				OC3.2
Committee minutes				OC3.3
Blank COC and declaration of interest form				OC3.4

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SHR Regulatory Requirement/Standard	Self-Assurance Factors	Do we comply? What's outstanding? Other comments
<p>Comply with the Standards of Governance and Financial Management and associated guidance</p>	<p>Are we satisfied that we have assessed our compliance with the regulatory standards effectively?</p> <p><b>Are we assured/satisfied that effective mechanisms are in operation to ensure ongoing compliance between periodic reviews?</b></p> <p>Have we considered the materiality of any areas of non-compliance and are our conclusions supported by the evidence we have reviewed?</p> <p>Have we accurately disclosed any areas of material non-compliance and are we satisfied that there is a deliverable action plan in place to address these areas?</p> <p>Do we have an effective framework for monitoring achievement and for notifying the SHR when complete?</p>	<p><b>Sufficient compliance – Yes</b></p> <p>The Association’s approach is to conduct ongoing assessments in-house, with periodic external validation (every four years unless there are concerns and Committee wishes to do this more frequently). The most recent external assessments were conducted in-house following the 2022 assessments being completed externally by the Association’s internal auditor. This assessment identified no areas of material non-compliance. The recommendations from this have been incorporated into an action plan which is reported quarterly to the ASC. This ensures that compliance is being monitored regularly.</p> <p>There are also cross-references to the Standards within internal audit reports and the annual external audit takes account of relevant Standards.</p> <p>As part of the annual audit plan, there is a review of the completion and progress against the previous years’ audit recommendations. This has not highlighted any concerns in follow-through of recommendations.</p>

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SHR Regulatory Requirement/Standard		Self-Assurance Factors	Do we comply? What's outstanding? Other comments
			Substantial assurance was provided over the effectiveness of the controls in place relating to the completion of internal audit recommendations.
<b>Evidence bank documents</b>			Ref
Records of compliance assessment process			SGFM1
Action plan(s)			SGFM2
Internal audit follow up report			SGFM3
Assurance and Compliance trackers			SGFM4
<b>Regulatory Standard #7 – relates to disposals/acquisitions, and organisational or constitutional change</b>			
7.1	The Committee discusses and scrutinises any proposal for organisational change and ensures that the proposal will benefit current and future tenants.	If the GB has considered (or been considering) any proposals for organisational change during the last year, is it Is the GB clear about the objectives of the proposal? What are the implications for current and future tenants? How have these been assessed? Were alternative proposals considered? How was the preferred option selected? Was specialist, independent advice obtained to support consideration of the options and proposals?	<p><b>Sufficient compliance - Yes</b></p> <p>The Association has been preparing for the planned retirement of the senior officer for some time, albeit without an exact date. The Director moved to part-time hours in November 2022 which gave an opportunity to review the Depute Director post and to clearly set out contingency plans should the Director be absent for a longer period or to leave the Association. This was reflected in Committee reports at the time which specified the Depute Director to assume an acting Director role in this scenario.</p>

# Governance and finance – Assessment Table



SHR Regulatory Requirement/Standard	Self-Assurance Factors	Do we comply? What's outstanding? Other comments
	<p><b>How will the proposed changes deliver improvement? How will success be measured? How will tenants and service users be involved in assessing success and monitoring performance?</b></p> <p>How has the GB been involved in developing the proposals? Has there been consultation with tenants? <b>Have tenants had access to independent advice?</b></p> <p><b>Were the proposals subject to an Equality Impact Assessment?</b></p> <p><b>Were the proposals amended to reflect tenant feedback and / or the EIA?</b></p> <p>Was the SHR (and any other regulator) notified in accordance with regulatory requirements?</p> <p><b><u>Links to other Regulatory Requirements/Standards</u></b> Requirements: SG1 Standards: 1, 2, 3 and 4</p>	<p>As the Director moved towards an estimated retirement date, the Management Committee commissioned Quinn Internal Audit to conduct an options appraisal to examine the future of the Association as a whole. This was conducted in line with current best-practice guidance from Linda Ewart on behalf of SFHA.</p> <p>As part of this report, Quinn IA interviewed Management Committee members, the Director and other senior staff, as well as having a whole organisation discussion at the Association's strategy away day in February 2024.</p> <p>The options considered were;</p> <ol style="list-style-type: none"> <li>1. Remain independent</li> <li>2. Remain independent (but with Service Sharing)</li> <li>3. Join a larger RSL as a subsidiary</li> <li>4. Undertake a transfer of engagements to another RSL</li> </ol> <p>As part of forming the report and recommendations, Quinn IA examined:</p> <ul style="list-style-type: none"> <li>• Legal and regulatory compliance</li> <li>• Governance structure robustness</li> <li>• Organisational structure and senior team competencies</li> <li>• Financial viability and strength</li> </ul>

# Governance and finance – Assessment Table



SHR Regulatory Requirement/Standard		Self-Assurance Factors	Do we comply? What's outstanding? Other comments
			<ul style="list-style-type: none"> <li>• Customer service levels and KPI performance</li> <li>• Tenant safety strategies</li> <li>• Asset management capabilities</li> </ul> <p>The results of this report, including from all stakeholders that took part in discussion, is for the Association to remain independent (Option 1).</p> <p>This result, essentially continuing as planned, is the anticipated result given the organisations strong performance, plans and financial position. The Management Committee therefore did not see the value in commencing with any period of resident engagement to make the decision to follow the outcome of the report and recruit a full-time Director in anticipation of the current post-holder retiring within 2024/25.</p> <p>A notifiable event was raised with SHR in line with their guidance when the Director submitted her resignation. The notifiable event remains ongoing as the Association work on recruitment. The Association are using EVH to support the Management Committee with this exercise.</p>
<b>Evidence bank documents</b>			Ref
Options appraisal report			SGFM7.1.1
Strategic Plan			SGFM7.1.2

# Governance and finance – Assessment Table



	SHR Regulatory Requirement/Standard	Self-Assurance Factors	Do we comply? What's outstanding? Other comments
7.2	<p>The RSL ensures that its governance structures are as simple as possible, clear and allow it to meet the Standards of Governance and Financial Management, Constitutional Requirements, and Group Structures guidance.</p>	<p>Has the GB considered how the proposed organisational change will affect the strength and effectiveness of its governance?  <b>Will the organisational change alter the status of the RSL (e.g. through merger or by becoming a subsidiary of another RSL)? How will this impact the GB (e.g. if establishing a subsidiary or joining a group will there be increased reporting requirements / additional skills / increased time required)?</b></p> <p>Is the GB satisfied that the proposed governance structure will deliver effective governance? Are remits and reporting and delegation arrangements clear? <b>How will our assurance processes be impacted: what changes will be required?</b></p> <p>Does the proposed change have implications for shareholding members? <b>Have these been communicated clearly?</b></p> <p><b><u>Links to other Regulatory Requirements/Standards</u></b>            Requirements: SG2 and OC3            Standards: 1, 4, 5 and 6</p>	<p>Compliance – not applicable (no recent examples)</p> <p>The last constitutional change was at the 2021 AGM (via an SGM on the same evening). We took appropriate legal advice, and the Committee opted not to amend the SFHA model.</p> <p>The Association operates a simple governance structure.</p>



# Governance and finance – Assessment Table



SHR Regulatory Requirement/Standard		Self-Assurance Factors	Do we comply? What's outstanding? Other comments
<b>Evidence bank documents</b>			Ref
Standing orders, Committee remits and delegated authorities			SGFM7.2.1
Staffing structure			SGFM7.2.2
7.3	The RSL ensures adequate consultation with, and support from, key stakeholders including tenants, members, funders (who may need to give specific approval) and local authorities as well as other regulators.	<p>Is there a schedule or implementation plan that identifies key milestones; engagement with stakeholders and provides a framework for monitoring?</p> <p>How has the RSL engaged with funders? Are the conditions proposed by funders consistent with the objectives of the proposal?</p> <p>What is the impact of the lender's conditions on the proposal? Has independent advice been procured to support tenants? Were tenants involved in the selection of the adviser?</p> <p>How will/were all necessary approvals secured? How will/was the approval of members be obtained?</p> <p><b><u>Links to Other Regulatory Requirements/Standards</u></b></p>	<p><b>Compliance – Yes</b></p> <p>The Resident Engagement Policy sets out the ways the Association ensures that tenants and other customers are consulted and involved in the decision making of the Association.</p> <p>All tenants are provided with opportunities annually to provide feedback and comments on the annual rent increase.</p> <p>The complaints handling procedure makes it easy for tenants and other customers to provide feedback.</p> <p>A tenant satisfaction survey is carried out. Satisfaction with opportunities to participate in the decision-making process, an Annual Return on the Charter (ARC) indicator is high.</p> <p>The Association promotes a shareholding membership. Members play an active role in electing Governing Body membership at the AGM.</p> <p>The Director maintains a relationship with key funders, particularly in relation to existing loan covenants and possible impacts upon them from other loans or funding streams if applicable.</p>

# Governance and finance – Assessment Table



SHR Regulatory Requirement/Standard		Self-Assurance Factors	Do we comply? What's outstanding? Other comments
		Requirements: SG3 Standards: 1,2,3,4	Given the overall position of the Association, and following the recommendation from the Options Appraisal, there has been no need to consult residents or other stakeholders.
<b>Evidence Bank Documents</b>			<b>Ref</b>
Resident Engagement Policy and action plan			SGFM7.3.1
Strategic Plan			SGFM7.3.2
Tenant survey			SGFM7.3.3
ARC – Charter compliance			SGFM7.3.4
Rent increase consultation			SGFM7.3.5
7.4	The Committee is satisfied that the new (or changed) organisation will be financially viable, efficient and will provide good outcomes for tenants.	<p>How has the GB gained assurance that the new/changed organisation will be financially viable?</p> <p>Is the GB satisfied that the assumptions used in the financial planning are realistic and robust? How has this assurance been gained?</p> <p>What will be the benefits for tenants? <b>Have these been communicated clearly?</b></p> <p><b><u>Links to Other Regulatory Standards</u></b> Standards 1, 2, 3 and 4</p>	<p><b>Compliance – not applicable (no recent examples)</b></p> <p>Performance against a range of key service indicators is reported at each meeting of the Operations sub-Committee.</p> <p>The Annual Return on the Scottish Social Housing Charter (ARC) is presented for approval by Management Committee at the May meeting each year before it is submitted to the SHR.</p> <p>Performance against the ARC indicators is also benchmarked against other RSL's and reported to</p>

# Governance and finance – Assessment Table



SHR Regulatory Requirement/Standard	Self-Assurance Factors	Do we comply? What's outstanding? Other comments
		<p>Management Committee with areas for improvement clearly identified.</p> <p>The Association also carry out comprehensive customer satisfaction surveys with tenants of the Association. Continuous feedback surveys are also carried out over a range of Association activities. Performance information is widely publicised to tenants and other customers through quarterly newsletters and an Annual Report, which are also available on the Association website.</p> <p>In terms of operating costs, these are monitored by budget holders and Senior Management Team and reported via Management Accounts to the Management Committee (detailed maintenance costs reported to the Operations sub-Committee) with minutes of the meeting approved by the Management Committee.</p> <p>In-house budget monitoring is done through a spend tracker which is used by the corporate services &amp; finance team as well as the management team. Financial golden-rule triggers have been identified for discussion at management team meetings and these will be analysed quarterly following the Management Accounts.</p> <p>As the options appraisal report essentially recommended a 'business as usual' approach with no constitutional changes, the Association does not anticipate requiring any sort of formal performance review following a change in Senior Officer. However, there are sufficient overall</p>

# Governance and finance – Assessment Table



	SHR Regulatory Requirement/Standard	Self-Assurance Factors	Do we comply? What's outstanding? Other comments
			processes in place that any drop in performance or other service issue would be identified, discussed and managed in any scenario.
7.5	The RSL establishes robust monitoring systems to ensure that delivery of the objective of the change and of commitments made to tenants are achieved (for example in relation to service standards, operating costs and investment levels).	Is the GB clear about the outcomes the change is intended to deliver? Are there effective systems and processes to monitor implementation? <b>How will tenants be involved in monitoring performance?</b> How is progress reported to the GB? Is information provided to tenants on the achievement of key goals?	<p>Compliance – not applicable (no recent examples)</p> <p>Performance against a range of key service indicators is reported at each meeting of the Operations sub-Committee.</p> <p>The Annual Return on the Scottish Social Housing Charter (ARC) is presented for approval by Management Committee at the May meeting each year before it is submitted to the SHR.</p> <p>Performance against the ARC indicators is also benchmarked against other RSL's and reported to Management Committee with areas for improvement clearly identified.</p> <p>The Association also carry out comprehensive customer satisfaction surveys with tenants of the Association. Continuous feedback surveys are also carried out over a range of Association activities. Performance information is widely publicised to tenants and other customers through quarterly newsletters and an Annual Report, which are also available on the Association website.</p> <p>In terms of operating costs, these are monitored by budget holders and Senior Management Team and reported via</p>

# Governance and finance – Assessment Table



SHR Regulatory Requirement/Standard		Self-Assurance Factors	Do we comply? What's outstanding? Other comments
			<p>Management Accounts to the Management Committee (detailed maintenance costs reported to the Operations sub-Committee) with minutes of the meeting approved by the Management Committee.</p> <p>In-house budget monitoring is done through a spend tracker which is used by the corporate services &amp; finance team as well as the management team. Financial golden-rule triggers have been identified for discussion at management team meetings and these will be analysed quarterly following the Management Accounts.</p> <p>As the options appraisal report essentially recommended a 'business as usual' approach with no constitutional changes, the Association does not anticipate requiring any sort of formal performance review following a change in Senior Officer. However, there are sufficient overall processes in place that any drop in performance or other service issue would be identified, discussed and managed in any scenario.</p>
<b>Evidence Bank Documents</b>			<b>Ref</b>
Mid-year KPI performance report			SGFM7.5.1
ARC submission			SGFM7.5.2
Management Accounts sample			SGFM7.5.3

## Governance and finance – Assessment Table



SHR Regulatory Requirement/Standard		Self-Assurance Factors	Do we comply? What's outstanding? Other comments
Covenant/Treasury Management reporting			SGFM7.5.4
Satisfaction surveys			SGFM7.5.5
7.6	Charitable RSLs seek consent/notify OSCR of changes to their constitution and other changes as appropriate.	<p>Is/was the GB effectively informed about the implications of the proposals on its charitable status?</p> <p><b>Was specialist advice obtained and shared with the GB?</b></p> <p><b>Is the GB assured that the necessary consent was obtained within the required timescale(s)?</b></p> <p><b><u>Links to other Regulatory Requirements/Standards</u></b> Standards 1, 2</p>	Compliance – not applicable (no recent examples)
7.7	The Committee ensures that disposals, acquisitions and investments fit with the RSL's objectives and business plan, and that its strategy is sustainable. It considers these taking account of appropriate professional advice and value for money - whether as part of	<p>Has the Committee considered proposed disposals/acquisitions/ investments in the context of the business plan and financial projections?</p> <p><b>Are we confident that there is a good level of understanding about the implications of any disposals and acquisitions? Are we assured that all of the RSL's investments comply with our</b></p>	<p style="color: purple;">Sufficient compliance – Yes</p> <p>We reviewed our policy in relation to Mortgage to Rent in 2023/24 to ensure this was up to date, but this did not result in any significant changes. We also recently review our disposals policy, which was approved by the Management committee in August 2024, with no significant changes.</p>

# Governance and finance – Assessment Table



SHR Regulatory Requirement/Standard		Self-Assurance Factors	Do we comply? What's outstanding? Other comments
	a broader strategy or on a case-by-case basis.	<p><b>strategic objectives and the Treasury Management Strategy?</b></p> <p>Has specialist advice been considered/obtained?</p> <p>Is the GB satisfied that it has the legal and constitutional capacity to make the disposal/investment? <b>Is the GB satisfied that any acquisition complies with the RSL's constitution?</b></p> <p><u>Links to other Regulatory Requirements/Standards</u> Requirements: SG1 Standards: 1,3,2</p>	<p>Discussions at our most recent business planning day in February 2024 which aided the development of our 3-year business plan focused on improving our homes and ensuring affordability in the long-term for our tenants. We therefore do not have current plans to develop any more new build housing or acquiring additional stock in the short to medium term as we see our top priority being the maintenance and improvement of our existing assets. We would look to evaluate any development opportunities on a case-by-case basis through a robust risk assessment and feasibility study process.</p> <p><b>During the Assurance Statement process, it was highlighted that it may be useful to have a dedicated space to discuss progress from previous business plans at each Strategy Away Day. In practice, this is done informally, however this will be formally scheduled from 2025 onwards.</b></p>
7.8	The RSL complies with regulatory guidance on tenant consultation, ballots and authorisation.	<p>How has the GB overseen the process of engaging and consulting with tenants?</p> <p>Has the GB considered and approved the proposals that are/were made to tenants?</p>	Compliance – not applicable (no recent examples)

# Governance and finance – Assessment Table



SHR Regulatory Requirement/Standard		Self-Assurance Factors	Do we comply? What's outstanding? Other comments
		<p><b>Were the proposals discussed at an early stage with tenants and how did their views inform the final proposal?</b></p> <p><b>Have tenants been provided with independent advice?</b></p> <p><b>If a ballot was required, are we satisfied that it was conducted in accordance with regulatory requirements?</b></p> <p>How has the GB gained assurance that all regulatory requirements are observed?</p> <p><b><u>Links to other Regulatory Requirements/Standards</u></b> Requirements: SG3</p>	
7.9	The RSL notifies the Regulator of disposals in accordance with regulatory guidance.	<p><b>Does the RSL have a policy to support disposals and acquisitions?</b></p> <p><b>Does the Scheme of Delegation make adequate provision for authorising disposals, (including by way of lease) and acquisitions?</b></p> <p>Has the GB been notified of any disposal that have been completed?</p>	<p>Sufficient compliance – <b>Yes</b></p> <p>Please see comments in relation to 7.1 above.</p>



## Governance and finance – Assessment Table



SHR Regulatory Requirement/Standard		Self-Assurance Factors	Do we comply? What's outstanding? Other comments
		<p>How does the GB ensure that regulatory requirements on disposals are well understood throughout the organisation?</p> <p>How has the GB been assured that the organisation is compliant with requirements about disposals?</p> <p><b><u>Links to other Regulatory Requirements/Standards</u></b> Requirements: SG1 Standard 1</p>	
7.10	The RSL only agrees fixed or floating charges where the assets are used to support core activities. This should exclude providing security in relation to staff pensions.	<p>How is the GB informed about the terms of loans being negotiated?</p> <p>Do reports consider regulatory and constitutional implications to support informed decision-making?</p>	<p>Compliance – not applicable</p> <p>The Association has only ever had a standard security. Any floating charges, cross-collateralisation or other instruments/products would not be permitted by our disposals policy.</p> <p>Disposals policy expressly prohibits providing security in relation to staff pensions.</p>
Evidence bank documents			Ref
Disposals policy			SGFM7.1