



Policy Title: FINANCIAL REGULATIONS

Policy Manual Section: Finance

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1. Introduction

- 1.1 The management of the financial affairs of the Association shall be conducted in accordance with these Financial Regulations, which provide a framework within which a reliable system of internal controls may operate. The Management Committee, supported by the Finance, Audit & Performance Sub-committee, is responsible for all aspects of the financial controls operated by the Association.
- 1.2 The current regulatory and accounting standards expect that Associations shall have a robust policy and procedure framework that complies with legislation, statutory guidance and good practice.
- 1.3 The Association's Financial Regulations are based on the current governance and management structure.
- 1.4 The Association has adopted the SFHA Charitable Model Rules 2013 as the constitution of the organisation.
- 1.5 The Standing Orders of the Association detail how the business of the organisation shall be run and include responsibilities, powers and remits of each committee or sub-committee.
- 1.6 The Financial Regulations detail committee and staff responsibilities together with details of generally accepted best practice, taking account of the Scottish Housing Regulator's Standards of Governance and Financial Management.
 - Standard 3: The RSL will manage its resources to ensure its financial well-being and economic effectiveness;
 - Standard 5: The RSL conducts its affairs with honesty and integrity.
- 1.7 Compliance with the Financial Regulations is compulsory for all staff. It is the responsibility of sectional line managers to ensure that all staff are aware of the existence and content of these regulations.
- 1.8 The Financial Policies and Procedures set out how these regulations shall be implemented.

2. Management Committee Responsibilities

- 2.1 The Management Committee has ultimate responsibility for all aspects of the Association's affairs, including the financial management of the Association.
- 2.2 Statute requires the Management Committee to prepare financial statements for each financial year and it is the Management Committee which is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association.

- 2.3 The Management Committee is responsible for safeguarding the assets of the organisation and for taking reasonable steps to prevent and detect fraud, bribery and other irregularities.
- 2.4 Committee members have a duty towards the Association, its staff, tenants of the Association and the community it serves and must therefore take steps to satisfy themselves that they receive all necessary information to allow reasoned and justifiable bases for decision making.
- 2.5 The Management Committee may delegate aspect of these roles in accordance with the Association's Standing Orders and good governance practice to sub-committees and staff, with ultimate responsibility resting with the Management Committee.

3. Staff Responsibilities

- 3.1 The Director is responsible to the Management Committee for the promotion of the Association and for co-ordinating the activities of sectional line managers. The Director is also responsible for the implementation of policy and procedural decisions taken by the Management Committee. This includes the implementation of the Financial Regulations through the Finance & Corporate Services Manager and appropriate policies and procedures.
- 3.2 All Sectional Managers are responsible for the accountability and control of staff members within their section and for the security and control of all assets, cash and materials relating to that responsibility.
- 3.3 The responsibilities and duties of all staff members shall be contained within a suitable job description
- 3.4 All staff have a responsibility to comply with the Financial Regulations of the Association.
- 3.5 A breach of the Financial Regulations may result in disciplinary action in line with the Association's disciplinary procedures.

4. Accounting

- 4.1 The Management Committee will delegate the determination of the format of the Association's financial records to the Finance & Corporate Services Manager in consultation with the Director and must take account of current accounting standards, audit requirements, good practice and current guidance.
- 4.2 All accounting procedures of the Association shall be determined by the Association's Finance & Corporate Services Manager in consultation with the Director. These procedures must take account of statute, the Statement of

Recommended Practice (SORP), Accounting Standards, best practice and current guidance.

- 4.3 The allocation of accounting duties should, where possible, take account of segregation of duties and records should be regularly updated.
- 4.4 All accounting policies of the Association shall be contained within the annual financial statements and shall be reviewed annually.

5. Audit Requirements

- 5.1 The external and internal audit functions shall be overseen by the Management Committee, who may delegate the role to the Finance, Audit and Performance Committee.

Statutory Audit

- 5.2 Audited financial statements require approval by the Management Committee and must be submitted to the Scottish Housing Regulator within 6 months of the financial year end, along with a copy of the auditor's management letter and the Management Committees' response to the management letter. The financial statements must be in the required format and contain the report of the external auditors. In addition, the financial statements must contain a report from the Management Committee, to include comment on past and future developments, together with a separate Management Committee report on the systems of internal financial control.
- 5.3 A year end timetable should be completed by the Association's Finance & Corporate Services Manager and be agreed with the external auditors prior to commencement of the year end statutory audit.
- 5.4 The role of the external auditors must be clearly detailed in an Engagement Letter that shall be reviewed every three years in accordance with good practice. Preparation of the financial statements shall be undertaken by the Association's Finance & Corporate Services Manager and a Management Letter must be received annually by the Management Committee for consideration and response.
- 5.5 The appointment of the Auditors is a decision for the Annual General Meeting. It is expected that subject to satisfactory performance, an auditor will be appointed for a minimum period of 3 years and a maximum period of 5 years when the appointment will be reviewed according to the Association's Procurement Policy.
- 5.6 The Association's Director or Finance & Corporate Services Manager have authority to access all records, documents, correspondence and cash sums for verification purposes. Any event involving or thought to involve fraud or irregularities, or malpractice shall be notified to the Director, Chairperson or Secretary of the Association immediately for further investigation and action.

Internal Audit

- 5.7 To assist the Management Committee in reviewing the adequacy and effectiveness of the Association's internal control systems the Association shall procure internal audit services from an external provider. It is expected that subject to satisfactory performance, an auditor will be appointed for a minimum period of 3 years and a maximum period of 5 years, when the appointment will be reviewed according to the Association's Procurement Policy.
- 5.8 The internal auditors will prepare a three year annual plan setting out the areas and levels of testing to be undertaken in each financial year, selected on a risk based assessment and designed to ensure that all areas of the Associations operations and controls are reviewed at least once in a three year cycle. The identification of the risk areas to be audited will be informed by the Finance, Audit and Performance Sub-committee and the Senior Staff Team. The audit plan will be approved by the Finance, Audit and performance Sub-committee. The plan may be subject to an annual review to ensure the areas being audited match the Association's Business Plan and key areas of risk.
- 5.9 The internal auditor will attend the Finance, Audit and Performance Sub-committee meeting to present their reports detailing the findings of the internal audit process. The meeting will include private discussion with the Finance, Audit and Performance Sub-committee without staff present.
- 5.10 The internal auditors will have the right to meet with the Chairperson of the Finance, Audit and Performance Sub-committee and its members without officers present at any time to discuss any matters they deem appropriate.
- 5.11 The internal auditor will review existing systems, controls and procedures to ensure that they are efficient and effective, that they are amended in accordance with changing circumstances and that they are adhered to in practice. The internal auditor will also recommend improvements in the event that any weaknesses have been identified.
- 5.12 The internal auditor may be asked to participate in discussions relating to the formulation and installation of new systems, controls and procedures.
- 5.13 The internal auditor may assist in the protection of the assets of the Association by carrying out regular reviews of operations in order to detect system weaknesses, inefficiencies, fraud, misappropriation and losses due to waste or maladministration.
- 5.14 When reviewing any area or system, the internal auditor will have authority to enter, at all reasonable times, the Association's premises and have access to, with power to remove if necessary, all records, documents and correspondence relative to any subject being examined.

- 5.15 The internal auditor will require and receive any explanations as necessary concerning any matter being investigated and obtain the co-operation of any employee of the Association in such investigations.
- 5.16 The internal auditor will require any employee of the Association to produce cash or any other property belonging to the Association upon demand.
- 5.17 The Management Committee may appoint auditors or consultants to undertake one off pieces of works to comply with the good governance of the Association and meet its internal control requirements. The appointee may be an existing auditor or other suitably qualified individual to undertake the work.

6. Fraud, Bribery and Errors

- 6.1 The primary responsibility for the prevention and detection of fraud, bribery and errors rest with the Management Committee. This will be managed in line with the Association's Bribery Policy, Fraud Policy and Financial Regulations.
- 6.2 The external auditor may plan their audit in order to have a reasonable expectation of detecting material misstatements in the financial statements, whether caused by fraud, bribery or errors.
- 6.3 To assist in discharging its responsibilities in this area the Management Committee should receive reports from the internal auditor on all cases of actual or attempted fraud or bribery and consider whether internal controls require to be reviewed.
- 6.4 Any matters arising which involve material irregularities, as defined in the Financial Procedures, concerning cash, property or the operations of the Association shall be investigated thoroughly by one or more of the Senior Staff Team or auditors. Involvement of Police Scotland shall be decided upon by the Director or Chairperson. The Association will encourage any staff member to report any irregularities to the Director or Chairperson as outlined in the Association's Whistleblowing policy. When any such situation involves the Director, the matter should be reported to the Chairperson.
- 6.5 The Association will maintain a register of all incidents of actual or attempted fraud or bribery. The register will be annually reviewed by and signed by the Chairperson. It will be open at all times to Scottish Housing Regulator's and to the internal and external auditors.
- 6.6 The Director or Chairperson will report any issue involving irregularities in the Association's activities to the Management Committee and to Scottish Housing Regulator's as a notifiable event, as appropriate.

7. Budgeting

- 7.1 An annual budget must be approved by the Management Committee of the Association prior to the start of the financial year to which it relates. This budget must be accompanied by:
- a statement of main assumptions,
 - projected Statement of Comprehensive Income,
 - projected Statement of Financial Position;
 - cash flow projections;
 - appropriate ratio analysis;
 - loan covenant performance;
 - a summary commentary.
- 7.2 The budget shall be regarded as the basis for authority to incur expenditure. It should be recognised that changes in circumstances may result in changes to budgeted expenditure. Such changes must be approved by the Management Committee.
- 7.3 On a quarterly basis the Association shall prepare Management Accounts which shall compare actual results to date (from the books of account) with the estimates contained within the budget. Material variances must be clearly explained within the narrative supporting the Management Accounts. In addition, the effect of likely future events on the financial position should be contained within the quarterly management accounts. The management accounts will be provided to lenders or other external bodies as required.
- 7.4 In circumstances of an emergency, expenditure may be incurred beyond authorisation levels by obtaining the prior approval of the most senior member of staff on duty and the Chairperson of the Association, who will consult the Finance & Corporate Services Manager, if possible, before agreeing to any request. Any such expenditure must be reported retrospectively by the Director to the Management Committee.
- 7.5 Where circumstances are such that expenditure is required beyond what has been approved in the budget such expenditure can be approved by the Director up to the value of £25,000. Where the value of any such expenditure is greater than £25,000, the approval of the Management Committee must be sought prior to the expenditure being incurred.
- 7.6 Officers shall not exceed their overall budget allocation. However, it is recognised that situations may arise where savings under one budget heading may be required to fund additional costs under another (virement). The details of any virement will be reported retrospectively to the Management Committee. In such situations:
- Senior Staff Team can authorise virement of up to £10,000;
 - the Director can authorise virement of up to £25,000

- 7.7 Officers should ensure that when reports are issued to the Management Committee, the financial implications of any course of action should be fully detailed. The Finance & Corporate Services Manager should be consulted prior to any report that has financial implications going to the Management Committee.
- 7.8 The Association will prepare and submit 5 Year Financial Projections to the Scottish Housing Regulator in the prescribed format and within the relevant timescales all in accordance with the guidance from the Scottish Housing Regulator's.
- 7.9 The Association shall undertake a review of its long-term projections on an annual basis in order to ensure that the projected annual position remains on target with the 30 year cashflow projections. The review will take account of the Scottish Housing Regulator's Business Planning Recommended Practice guide and other best practice. A full and detailed business plan review shall be undertaken every three years unless circumstances dictate that an earlier review is necessary e.g. a significant property development. Appropriate sensitivity analysis must be applied to the long-term projections with details being incorporated into the business plan document. Consideration will be given to obtaining an external review of the long-term business plans, when such review is deemed appropriate.

8. Bank & Cash Controls

- 8.1 The banking arrangements will be approved by the Management Committee and may include separate financial institutions for different parts of the Association's requirements. Bank accounts held by the Association, details of authorised signatories and cheque signing details are contained within the Association's detailed Financial Procedures.
- 8.2 Procedures for the receipt of funds are detailed in the Financial Procedures.
- 8.3 A petty cash float is maintained by the Association to facilitate the payment of incidental items in the furtherance of its activities. Petty cash procedures are detailed in the Association's Financial Procedures.
- 8.4 The Association operates Corporate Credit Cards for the making of payments in relation to its operating activities. The credit cards are issued to authorised members of staff, with limits not exceeding their approved authorisation levels. Procedures for the use of company credit cards are detailed in the Association's Financial Procedures.
- 8.5 All bank accounts must be reconciled to the relevant books of account by the Finance Assistant on a monthly basis. These reconciliations shall be reviewed and certified as accurate by the Finance & Corporate Services Manager.

- 8.6 The Finance Assistant shall make arrangements for the safe custody of all banking documents including cheques.
- 8.7 A cash float will be maintained within the Community Centre to provide a float for operational activities. The details for the management of the cash and the processing of cash receipts are set out in the Financial Procedures.
- 8.8 The banking procedures for the deposit of cash are set out in the Financial Procedures of the Association.

9. Debtors Controls

- 9.1 The Association acknowledges the requirement to collect all amounts due promptly and to ensure rents, management and services charges are reviewed annually taking into account the needs of the business and regulatory requirements.
- 9.2 Where external funding for projects is made available to the Association all grant claims must be submitted timeously in order to ensure receipt of funds prior to payment, wherever possible.
- 9.3 Rental income payments are the main source of revenue income for the Association and operational procedures shall be reviewed regularly in order to monitor their effectiveness. A quarterly report on rental information shall be prepared by the Customer Services Manager and submitted to the Finance, Audit and Performance Sub-Committee.
- 9.4 Factoring accounts shall be issued timeously in accordance with the Factoring Policy, Factoring Agreements and Written Statement of Services. A quarterly report on factoring information, to be determined by the Customer Services Manager, shall be presented to the Finance, Audit and Performance Committee.
- 9.5 All other sums due and outstanding to the Association shall be summarised within the quarterly management accounts. Such sums shall include; insurance claims outstanding, chargeable repairs, improvement works for owners, sums due to the Community Centre and any other outstanding money.
- 9.6 Procedures relating to rents, factoring and other income generating areas etc shall incorporate information on debtor control, including the basis for monitoring and reporting sums due.
- 9.7 All amounts written off as irrecoverable must be formally reported on and approved by Management Committee.
- 9.8 Responsibility for Debtors control within the Association is as follows: -
 - (i) Rent Arrears –Customer Services Manager

- (ii) Factoring Arrears – Customer Services Manager
- (iii) Insurance Claims outstanding – Maintenance Manager
- (iv) Chargeable Repairs – Maintenance Manager
- (v) Improvements Works for Owners – Customer Services Manager
- (vi) Wider Action Claims outstanding – Director & Finance & Corporate Services Manager
- (vii) All other sums due – Director & Finance & Corporate Services Manager

9.9 Quarterly Management Accounts shall detail separately, within the Debtors analysis, relevant sums due under each category.

10. Asset Controls

10.1 All documents (title deeds, share certificates etc.) when not held by a funder or as security for borrowing, must be stored in a secure location, with solicitors as approved by the Director.

10.2 Property information will be maintained, recording an adequate description for each house owned in terms of address, location, number of rooms, number of persons.

10.3 This information will be held within the housing and maintenance software packages and on various spreadsheets.

10.4 For each property owned, the property information will include the following:

- current rent being charged
- details of any service charges being included within the rent
- the size and type of property
- a history of all repairs and maintenance carried out
- a plan of all future maintenance required

10.5 The format in which the property information is kept will be determined by the Finance & Corporate Services Manager in conjunction with the Senior Staff Team.

10.6 The Association shall maintain a fixed asset register detailing all furniture, fittings and equipment owned by the Association. The register should detail acquisition date, disposal date, estimated useful life for depreciation purposes and cost. In addition, copies of invoices relating to each asset purchased shall be contained within the register, which may be held in electronic format.

10.7 The Association shall undertake quarterly reviews of the register to verify continued ownership and existence of these fixed assets. This task shall be undertaken by the Finance & Corporate Services Manager.

10.8 Equipment maintenance contracts and leasing contracts shall be entered into for such fixed assets as appropriate and a separate register shall be held by

the Association. Details to be inserted on these registers include; service provider, start date, termination date, and asset being maintained/leased and cost. This register shall be updated on a quarterly basis by the Finance & Corporate Services Manager and may be held in an electronic format.

- 10.9 Disposal of land and buildings must only take place with the authorization of the Management Committee and subject to regulatory consent.
- 10.10 Details of any asset/equipment disposals, including details of sums received, if applicable, shall be reported in the year end financial statements. The disposal will be managed in line with the Association's Financial Procedures.

11. Development Contracts and Tendering

- 11.1 Prior to committing the Association to any new projects or activities a full options appraisal and financial assessment, including viability and risk management, shall be carried out and reported to the Management Committee for consideration and approval.
- 11.2 In the event that the new project or activity results in a net financial cost to the Association then the overall impact on the Association's long term financial projections requires to be considered and reported on as part of the overall assessment report.
- 11.3 External specialist and legal advice shall be taken where appropriate, for contracts and development projects.
- 11.4 All partnership agreements shall be reviewed by the Management Committee and approved by them.
- 11.5 Should the Association's agents or partners advise of any variation to a contract which has a financial implication then this shall be reported to the Finance & Corporate Services Manager as soon as is practicable by the Director (or other identified officer). It will be the responsibility of the Finance & Corporate Services Manager to arrange for adequate funding for such a variation. Any material variation to development contracts requires the approval of the Management Committee.
- 11.6 The Director shall have authority to approve expenditure within the approved contract sums.
- 11.7 The Director and Senior Staff shall have authority to approve changes up to their authorisation limit as set out in section 22. With any changes being reported retrospectively to the Management Committee in the next finance or development report.
- 11.8 The level of material variations, will be defined in relation to the specifics of each development contract. Variations above this limit will require the approval of the Management Committee.

- 11.9 All officers and consultants shall have regard to the requirements of the Scottish Government and the Scottish Housing Regulator in respect of matters relating to development contracts.
- 11.10 Where it is anticipated that the contract sum of works identified, or contract required is likely to exceed £25,000, the Association's Procurement Policy must be followed.
- 11.11 The Association shall take account of EU and Scottish Government Procurement legislation and the Association's Procurement Policy.

12. Books, Registers and Computer Data

- 12.1 As a minimum requirement the following books and registers must be maintained by the Association: -

Books and Registers	Responsible Member	Staff
(a) Cashbook	Finance & CS Manager	
(b) Petty Cash Book	Finance & CS Manager	
(c) Nominal Ledger	Finance & CS Manager	
(d) Sales Ledger	Finance & CS Manager	
(e) Purchase ledger	Finance & CS Manager	
(f) Fixed Assets Register	Finance & CS Manager	
(g) Office Inventory	Finance & CS Manager	
(h) Register of Disposals	Director & Finance & CS Manager	
(i) Register of Frauds and Bribery	Finance & CS Manager	
(j) Register of Payments, Benefits	Director	
(k) Register of Interests	Director	
(l) Register of Members	Director	
(m) Register of Gifts & Hospitality	Director	
(n) Complaints register	Director	
(o) Tender Register/Receipt Book	Finance & CS Manager	
(p) Seal Register	Finance & CS Manager	
(q) Rent Ledger	Customer Services Manager	
(r) Equip Maint/Leasing Contract Register	Finance & CS Manager	

- 12.2 Responsible staff member refers to the individual having responsibility for maintenance of the register.
- 12.3 All such books and registers together with other relevant papers or information may, where appropriate, be kept in an electronic format and must be securely stored when not in use.

- 12.4 All information held on computer must be backed up daily in accordance with the Association's IT Policy
- 12.5 Access to computer systems must be restricted and in accordance with the Association's IT Policy.
- 12.6 In conducting its operations the Association must comply with all aspects of the Data Protection Act 1998, or subsequent legislation as updated. All such matters are the responsibility of the Director.
- 12.7 The Association's ICT system and relationships with ICT service providers will be managed by the Finance & Corporate Services Manager.

13. Security

- 13.1 All staff are responsible for maintaining proper and adequate security, at all times for furniture, equipment, stores, cash and records etc. under their control, together with general responsibility and awareness of the security and data protection interests of the Association and the IT Policy. The Director is responsible for overall security and any risks to the Association must be notified to the Director immediately.
- 13.2 Current office staff members (excluding trainees and apprentices) are all office key holders. Keys for properties used for estate management are retained by all full-time members of the estate management team. The Association's contractors may be issued with keys to the properties, if essential for the performance of their services.
- 13.3 Key holder for the Community Centre will be decided upon based on the business needs of the Association and the requirements to open the centre to allow the use of the facility. The Association's contractors may be issued with keys to the properties, if essential for the performance of their services.
- 13.4 A register of key holders will be maintained by the Corporate Services Officer. All keys must be returned on ending employment or termination of contracts with the Association. The Out of Hours Emergency Policy will detail the key holders to be contacted in emergency situations.
- 13.5 The Finance Assistant has day to day responsibility for petty cash payments. The Finance Assistant will reconcile the petty cash on a monthly basis. In the absence of the Finance Assistant, the Finance & Corporate Services Manager will assume responsibility for petty cash payments.
- 13.6 The petty cash box will be kept in a secure, locked location. The keys will be held by the Finance & Corporate Services Manager and the Finance Assistant in line with Financial Procedures.
- 13.7 The safe key holders are the Finance Assistant and the Finance & Corporate Services Manager and in the event of planned leave of both members the

safe keys shall be passed to the Director or Customer Services Manager (in that order) who shall then assume responsibility for access to the safe. The members of staff handing over and receiving the keys to the safe shall sign and date an analysis to this effect. Access to the safe is restricted to the aforementioned staff members and in all cases safe keys must be retained in the possession of the authorised staff member who, under no circumstances, should leave keys unattended.

- 13.8 All staff with access to the safe are required to ensure that the safe is locked and that the combination dial is moved from the access position when the relevant transactions have been completed.
- 13.9 The loss of office, property, safe or petty cash keys must be notified to the Director immediately.

14. Insurances

- 14.1 The Finance & Corporate Services Manager shall put in place all insurance cover on behalf of the Association subject to the Senior Staff Team confirming cover requirements.
- 14.2 All staff shall give prompt notification, in writing, to the Finance & Corporate Services Manager of all new risks, properties or vehicles that require to be insured and of any alterations affecting existing insurance policies.
- 14.3 The Finance & Corporate Services Manager, in consultation with the Senior Staff Team, shall review all insurances during the year and report to the Management Committee, or the Finance, Audit and Performance Subcommittee if delegated, thereon.
- 14.4 Maintenance and housing related claims are the responsibility of the Customer Services Manager with all other insurance claims being the responsibility of the Finance & Corporate Services Manager.
- 14.5 Claims should be fully documented in writing, with photographic evidence retained where appropriate and passed to the insurance broker as soon as possible after the incident.
- 14.6 The Employer's Liability Insurance Certificate will be displayed in the public reception area for each place of business.
- 14.7 All staff using their own vehicles on behalf of the Association shall maintain appropriate insurance cover for business purposes and provide evidence to the Finance & Corporate Services Manager of the said cover.
- 14.8 The Association's Insurance Broker and Insurance Providers shall be reviewed and appointed in line with the Association's Procurement Policy.

15. Risk Management

- 15.1 The Association's approach to managing risk is detailed within the Risk Management Policy and Strategy.
- 15.2 The Director is responsible for the implementation of the Risk Management Policy and co-ordinating the management of the risk register. The Director will provide a quarterly report to the Finance, Audit and Performance Committee on progress against the controls to mitigate the corporate risks to the Association.

16. Value for Money

- 16.1 The Association shall seek to obtain value for money in terms of its fixed asset investments, its contractual commitments and in its day-to-day operational activities in line with the Scottish Social Housing Charter Standard 13 Value for Money.
- 16.2 The selection of an appropriate method of procurement, the use of tendering procedures, the selection of appropriate financing options, a balancing of quality and cost or other appropriate cost benefit analysis shall be undertaken by the Association in its decision making process, in line with the Procurement Policy.

17. Treasury Management

- 17.1 The Association has a separate Treasury Management Policy to govern its Treasury Management activities.

18. Travel, Subsistence & Other Allowances

- 18.1 The payment of expenses to Committee members will be governed by the Association's Payment of Expenses to Committee Policy.
- 18.2 All claims for payment by staff of car allowances, subsistence allowances, travelling and incidental expenses shall be authorised and paid in accordance with the Association's policies and procedures and the terms & conditions of employment.

19. Gifts, Hospitality & Interest

- 19.1 The giving and receiving of gifts and hospitality shall be in accordance with Association's Donations, Gifts & Hospitality Policy and the Entitlements, Payments and Benefits Policy.

19.2 All Committee members and staff shall ensure that they declare any interest with regards to any aspect of the Association's activities as required by the Association's rules and regulatory requirements.

20. Donations

20.1 The Association has a separate Donations, Gifts & Hospitality Policy to govern the management of donations.

20.2 The development of the Community Centre and Wider Role activities will involve actively pursuing grants and donations to fund these activities. The Association will comply with the appropriate terms and conditions associated with funding sources received.

21. Benchmarking and Performance Analysis

21.1 The Association's Director shall ensure that reports will be submitted to the Management Committee, or Finance, Audit and Performance Sub-committee, as appropriate, on the following areas: -

- (a) Analysis of Internal Management Plan targets achieved
- (b) Comparison of results with Scottish Housing Regulator's published ratios
- (c) Comparison of results with Association's annual budget
- (d) Comparison of actual and estimated loan covenant results.
- (e) Annual Return on the Charter (ARC)

21.2 The Association's Management Committee or Finance, Audit and Performance Committee may consider issues arising from the above in greater detail.

22. Expenditure Authorisation Levels

22.1 The Management Committee approve budgets prior to the beginning of the financial year and staff have delegated authority to spend within these budgets.

22.2 There are three levels of procedures involved in authorising expenditure.

- a) Taking on the commitment to spend
- b) Certification that the expenditure is arithmetically correct
- c) Approving the invoice after goods or services received

b) & c) are covered within the Financial Procedures.

22.3 Staff are also required to comply fully with the Association's Procurement Policy and apply the Procurement Policy in conjunction with these expenditure authorisation limits.

22.4 Approval of Commitment to Spend

i) Capital Expenditure (other than properties, including IT, motor vehicles, copiers etc)

a)	Over £25,000	Management Committee
b)	Under £25,000	Director

ii) Capital Expenditure (properties)

a)	Purchase of a property	Management Committee
b)	Consultants Fees/ Works Costs within approved contract sums	Director

iii) Staff Appointments, Salaries & Staff Costs

a)	Staff appointments above the approved staffing establishment	Management Committee (Staffing Sub Committee)
b)	Staff appointments within the approved staffing establishment	Management Committee (Staffing Sub Committee)/ Director/ Senior Staff Team
c)	Temporary and fixed term project funded staff	Director
d)	Salary Reviews	Management Committee (Staffing Sub Committee)
e)	Staff Expenses	Director / Senior Staff Team (Line Manager)
f)	Committee Expenses	Director
g)	Director Expenses	Chairperson
h)	Overtime – Director	Management Committee /Chairperson
i)	Overtime - Staff	Director / Senior Staff Team

iv) Property Management Costs

a)	Repairs & Maintenance up to £100	Trade Team Staff
b)	Repairs & Maintenance up to £250	Repair Admin
c)	Repair & Maintenance up to £1,000	Repairs Co-ordinator
d)	Repair & Maintenance up to £500	Chargehand Estate Caretaker
e)	Repairs & Maintenance up to £3,000	Technical Services Officer
f)	Repair & Maintenance up to £5,000	Maintenance Manager
g)	Repair & Maintenance up to £10,000	Customer Services Manager
h)	Repair & Maintenance up to £25,000	Director

v) Office Administration & Other General Expenses

a)	Up to £100	Receptionist
b)	Up to £250	Finance Assistant
c)	Up to £1,000	Corporate Service Officer
d)	Up to £10,000	Finance & Corporate Services Manager
e)	Up to £25,000	Director

vi) Customer Services

a)	Up to £250	Customer Service Admin
b)	All costs up to £500	Customer Service Co-ordinator
c)	All costs up to £1,000	Customer Service Officer
d)	All costs up to £3,000	Customer Service Team Leader
e)	All costs up to £10,000	Customer Service Manager
f)	All costs up to £25,000	Director

v) Community Centre

a)	Up to £1,000	Community Centre Team Leader
b)	Up to £3,000	Regeneration Manager
c)	Up to £10,000	Finance & Corporate Services Manager
d)	Up to £25,000	Director