



REIDVALE HOUSING ASSOCIATION ANNUAL ASSURANCE STATEMENT

The Management Committee of Reidvale Housing Association confirms that we have reviewed and assessed a comprehensive bank of evidence to support this statement covering each of the following areas —

- Regulatory Standards of Governance and Financial Management
- Assurance & Notification
- Scottish Social Housing Charter Performance
- Tenant and service users redress
- Whistleblowing
- Equalities
- Statutory Guidance
- Organisational details and constitution.

The Association commissioned an independent Governance and Financial Compliance Review which reported in September 2019 and an independent Compliance Review in September/October 2020 and has been working on a governance improvement plan over the last two years to address weaknesses identified at that time. The Association has made improvements in a number of areas relating to governance, however, whilst undertaking the Strategic Option Appraisal for the Business Plan further complex weaknesses were identified relating to the organisational structure, pensions, commercial assets and investment requirements. As a result, in April 2022, the outcome of the Strategic Option Appraisal was to seek a transfer of engagements to another RSL. Work is now progressing to seek formal proposals from other RSLs for review by Management Committee.

The progress which has been made in all areas identified for improvement has been captured in the Evidence Bank prepared to support this Annual Assurance Statement and the conclusion based on the review of the Evidence Bank is that whilst we have made significant improvements, the additional weaknesses identified as part of the Strategic Option Appraisal have highlighted areas of partial compliance and non-compliance.

We are able to provide strong assurance that we are compliant with the following Regulatory Standards:

- Regulatory Standard 2: The RSL is open and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.
- Regulatory Standard 4: The Governing Body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose
- Regulatory Standard 7: Where an RSL is considering organisational or constitutional change, acquisition or disposal of land or assets: The RSL ensures that any organisational changes or disposals it makes safeguard the interest of, and benefit, current and future tenants.

Whilst we are partially compliant with Regulatory Standard 1: The Governing Body leads and directs the RSL to achieve good outcomes for its tenants and other service users.

We do not have an up to date Business Plan or three year investment programme in place, and we are unable to meet our investment requirements at present which represents an area of non-compliance in relation to:



- The governing body sets the RSL's strategic direction. It agrees and oversees the organisation's strategic and financial plans to achieve its purpose and intended outcomes for its tenants and other service users.

We are partially compliant with Regulatory Standard 3: The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay. The area of non-compliance within this standard relates to:

- The governing body ensures that employee salaries, benefits and its pension offerings are at a level that is sufficient to ensure the appropriate quality of staff to run the organisation successfully, but which is affordable and not more than is necessary for this purpose.

Management Committee is aware of the significance of the Scottish Government's recent legislation to freeze or set a cap for rent increases from April 2023. It also acknowledges that the decision of the Scottish Government in January 2023 is likely to have negative implications on service delivery for our customers and investment in our housing stock going forward.

We are partially compliant with Regulatory Standard 5: The RSL conducts its affairs with honesty and integrity. The area of partial compliance relates to the quality of our Terms and Conditions of employment and the absence of a suite of HR policies tailored to RHA.

We are partially compliant with Regulatory Standard 6: The Governing Body and senior officers have the skills and knowledge they need to be effective.

The areas of partial compliance relate to

- The RSL has a formal, rigorous and transparent process for the election, appointment and recruitment of governing body members. The RSL formally and actively plans to ensure orderly succession to governing body places to maintain an appropriate and effective composition of governing body members and to ensure sustainability of the governing body.
- The RSL ensures that all governing body members are subject to annual performance reviews to assess their contribution and effectiveness. The governing body takes account of these annual performance reviews and its skills needs in its succession planning and learning and development plans. The governing body ensures that any non-executive member seeking re-election after nine years' continuous service demonstrates continued effectiveness

Both of these relate to succession planning within the Governing Body.

We are continuing to work to resolve these areas of partial or non-compliance and continue to work pro-actively with the Scottish Housing Regulator. We share all Management Committee papers and our Governance Improvement Plan with the Scottish Housing Regulator and Management Committee monitors progress against this quarterly. The work to seek a partner for transfer of engagement is part of the Association's plan to resolve the key weaknesses. Should this not progress then the areas of partial and non-compliance become urgent material issues to resolve.



We confirm that this Assurance Statement is being published on our website on the same date that it is being submitted to the Scottish Housing Regulator.

As Chair, I was authorised by the Management Committee at a meeting held on 26th October 2022 to sign and submit this Assurance Statement to the Scottish Housing Regulator.

Signed.....Date.....