

| 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. | | | | | |
|--|---|-------------|--|---|--|
| No. | Guidance | Met? | Compliance Evidence – and what contributes to compliance | Additional Actions Required for Compliance | Further Suggestions for Improvement |
| 3.1 | The RSL has effective financial and treasury management controls and procedures, to achieve the right balance between costs and outcomes, and control costs effectively. The RSL ensures security of assets, the proper use of public and private funds, and access to sufficient liquidity at all times. | Yes | <p>Treasury management policy and processes – quarterly committee reporting & annual policy review.</p> <p>Covenant compliance checklist.</p> <p>Operational and capital liquidity checks within quarterly treasury management report</p> <p>Loan portfolio with quarterly reconciliation.</p> <p>Good relationships with lenders and deposit takers.</p> <p>Maximising returns on deposits while managing the security of these funds.</p> <p>Quarterly reporting of loans and bank balances.</p> <p>Balance of instant cash and investments according to operational needs.</p> <p>Financial regulations and procedures, which are regularly reviewed.</p> <p>Budgets – annual, five yearly, 30 years.</p> <p>Budgets reviewed annually.</p> <p>Quarterly management accounts.</p> <p>Independent review of LTPs.</p> <p>Planned maintenance programmes to maintain stock asset.</p> <p>Monitoring of expenditure relative to budget quarterly with variance explanations</p> <p>External audit.</p> <p>Audited financial statements published.</p> <p>Management accounts published.</p> <p>Internal audit.</p> <p>Rent consultations processes and decision making.</p> <p>Rent comparability.</p> <p>Rent setting and affordability testing.</p> <p>Rent collection.</p> <p>Tender processes – quality and price.</p> | | Consider Scottish Housing Net Zero Standard and its Impact and How to Achieve, when finalised by Scottish Government – not currently budgeted for. |

| 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. | | | | | |
|--|---|-------------|--|---|--|
| No. | Guidance | Met? | Compliance Evidence – and what contributes to compliance | Additional Actions Required for Compliance | Further Suggestions for Improvement |
| | | | Value for Money Statement agreed with Resident and Customer Forum & reviewed annually. Example - ToE work regarding cash balances and loan repayments. | | |
| 3.2 | The governing body fully understands the implications of the treasury management strategy it adopts, ensures this is in the best interests of the RSL and that it understands the associated risks. | Yes | Treasury management policy and processes – quarterly committee reporting & annual review. Covenant compliance checklist & quarterly reporting to Committee. Operational and capital liquidity check s within quarterly treasury management report Loan portfolio with quarterly reconciliation. Treasury management policy – creates boundaries and sets strategy. Policy regularly reviewed. Treasury Management operational delegated authority within approved strategy with quarterly update and planning reporting. Risk management reviews with quarterly matrix updates and reporting of changes and high level risks to Committee for approval. Market comparisons. Balance of instant cash and investments according to operational needs. Diversification of investments across deposit takers. External advice and training. Internal audit. Annual, five year and 30 year budgets. Periodic independent review of LTPs. Financial regulations and procedures. Committee Training on Finance. Expert Advice purchased as required. FMD Support. | | As per 3.1 |

| 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. | | | | | |
|--|--|-------------|--|---|--|
| No. | Guidance | Met? | Compliance Evidence – and what contributes to compliance | Additional Actions Required for Compliance | Further Suggestions for Improvement |
| 3.3 | The RSL has a robust business planning and control framework and effective systems to monitor and accurately report delivery of its plans. Risks to the delivery of financial plans are identified and managed effectively. The RSL considers sufficiently the financial implications of risks to the delivery of plans. | Yes | <p>“Live” Business Plan and update planner.</p> <p>Risk management policy, processes and register.</p> <p>Ongoing business planning and timelines.</p> <p>Business Planning strategy sessions – committee and staff, with external facilitation.</p> <p>Continuous review on business plan sections with reporting updates at each CoM.</p> <p>Reporting framework and timelines.</p> <p>Financial regulations and procedures.</p> <p>Annual, five year and 30 year budgets.</p> <p>Reporting against budgets and forecasting.</p> <p>External advice and training.</p> <p>Internal audit.</p> <p>External audit.</p> <p>Quarterly KPI/PI reporting.</p> <p>Quarterly strategic objectives delivery reporting.</p> <p>Quarterly management accounts.</p> <p>Notifiable events policy and register.</p> <p>Annual review of LTPs and periodic independent review.</p> <p>Rent Affordability reviews.</p> <p>Benchmarking.</p> <p>Committee Reports.</p> <p>Overview of Financial Implications to committee members for decision making.</p> <p>Decisions tracker report to CoM meeting.</p> | | As per 3.1 |
| 3.4 | The governing body ensures financial forecasts are based on appropriate and reasonable assumptions and information, including information about what | Yes | <p>Team effort – everyone involved in budget setting.</p> <p>Independent external expertise, for example, stock condition survey and resultant life cycle cost planning.</p> <p>Committee and staff events give assurance of effective working together.</p> | | <p>As per 3.1</p> <p>Utilise SHN rent comparison and bench marking tools</p> |

| 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. | | | | | |
|--|--|-------------|--|---|---|
| No. | Guidance | Met? | Compliance Evidence – and what contributes to compliance | Additional Actions Required for Compliance | Further Suggestions for Improvement |
| | tenants can afford to pay and feedback from consultation with tenants on rent increases. | | <p>Constantly keeping aware of changes and possible implications.</p> <p>Use of FMD – experience within sector and what is happening elsewhere.</p> <p>Internal audit & External audit.</p> <p>Benchmarking.</p> <p>Annual, five year and 30 year budgets, with annual review.</p> <p>Use of sensitivity analysis to measure the impact of assumptions and the tolerances around these assumptions that we can accept.</p> <p>Quarterly Management Accounts against budget with variance explanations.</p> <p>Quarterly treasury management reporting.</p> <p>Tendering process.</p> <p>Drumcog joint work.</p> <p>Rent Comparisons.</p> <p>Rent affordability using SFHA Affordability Tool.</p> <p>Rent Increase Consultation process and decision making.</p> <p>Tenant Satisfaction Survey.</p> <p>Annual SWOT (SCOT) & PEST analysis.</p> <p>Quarterly risk register reviews aligned to strategic goals.</p> <p>Anticipation of Economic Events.</p> <p>Example of work internally and with independent advice on ToE work regarding cash balances, loan repayments, rent promises etc.</p> | | for 2025 rent review onwards. |
| 3.5 | The RSL monitors, reports on and complies with any covenants it has agreed with funders. The | Yes | Treasury management policy and processes – quarterly committee reporting & annual policy review. | | Include quarterly covenant compliance checklist |

| 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. | | | | | |
|--|---|-------------|--|---|--|
| No. | Guidance | Met? | Compliance Evidence – and what contributes to compliance | Additional Actions Required for Compliance | Further Suggestions for Improvement |
| | governing body assesses the risks of these not being complied with and takes appropriate action to mitigate and manage them. | | <p>Covenant compliance checklist and timetable with quarterly reporting to Committee.</p> <p>Register of returns – monthly reporting.</p> <p>Operational and capital liquidity checks within quarterly treasury management report</p> <p>Loan portfolio with quarterly reconciliation.</p> <p>Quarterly management accounts reporting.</p> <p>Internal audit and External audit.</p> <p>Committee finance training.</p> <p>Positive relationship with lenders and banks.</p> <p>Covenant obligations current and up to date as revisited as part of ToE consent process.</p> <p>Financial covenant compliance monitored quarterly, reported to lenders within management accounts.</p> | | update in committee portal for reference. |
| 3.6 | 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. | Yes | <p>Full membership of EVH – terms and conditions, pay scales and union recognition.</p> <p>Recruitment processes and reviews.</p> <p>EVH job evaluation reviews as required.</p> <p>Networking.</p> <p>Benchmarking.</p> <p>Independent Pension Advice & Options for Staff.</p> <p>Membership of EVH SHAPS Support Group.</p> <p>Peer Comparison.</p> <p>Annual Report on Pension Funding.</p> <p>Staff appraisals process.</p> | | Committee to continue the review of Defined benefit pension for Pineview and affected staff members. |

| 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. | | | | | |
|--|--|------|--|--|-------------------------------------|
| No. | Guidance | Met? | Compliance Evidence – and what contributes to compliance | Additional Actions Required for Compliance | Further Suggestions for Improvement |
| 3.7 | The governing body ensures the RSL provides accurate and timely statutory and regulatory financial returns to the Scottish Housing Regulator. The governing body assures itself that it has evidence the data is accurate before signing it off. | Yes | Business plan timeline. Returns timetable and monthly reporting. External audit and Internal audit. Follow SHR guidance. FMD financial services support. Positive relationship with SHR regulation manager. Committee ongoing review and revision of committee reporting to support proportionate assurance. Development of committee portal database of resources for ongoing assurance. Regulatory status and engagement plan with SHR – no additional requirements. | | |