Riverside Scotland

271st Board Meeting of Irvine Housing Association Ltd:
Thursday 5 March 2026 at 5.30 p.m.
At the Riverside Hotel, 46 Annick Road, Irvine, KA11 4LD

AGENDA

		Data Class
1.	Apologies for Absence	
2.	Declarations of Interest	
3.	Previous Minutes – Minutes of the 270th Board Meeting held on Thursday 22 January 2026	Public
4.	Matters Arising	
5.	Substantive Business:	
5.1	Finance Performance Report	Confidential
5.2	Financial Plan	Confidential
5.3	Strategic Risk Register	Confidential
5.4	Scheme of Delegation	Internal
5.5	Capital Investment Programme 2026/27	Internal
5.6	Annual Assurance Statement Questionnaire	Public
5.7	Performance Targets for 2026/27	Internal
5.8	Riverside Group Policy Review	Public
5.9	Riverside Scotland Policy Review	Public
5.10	Board and Committee Member Duties and Responsibilities	Public
5.11	Equality, Diversity and Inclusion Update	Internal
5.12	Managing Director's Report	Confidential
6.	Minutes/Updates: a) Unconfirmed Audit & Risk Committee Minutes – 12 February 2026 b) Unconfirmed Group Customer Experience Committee Minutes – 15 January 2026 c) Group Board Highlights – 29 January 2026	 Confidential Confidential Confidential
7.	Any Other Business	
8.	Date of Next Meeting: 272nd Board Meeting - 5.30 p.m. on Thursday 21 May 2026 at 44-46 Bank Street, Irvine, KA12 0LP	

GN / db
20/2/2026

5. Substantive Business

5.6. Annual Assurance Statement Questionnaire

Title: Annual Assurance Statement - Board Questionnaire Paper - March 2026	**Date:** 05 March 2026
Author: Paul Dillon	**Sponsor:** Gary Naylor
Action: To Note	**Confidential:** No
Appendices: Appendix 1 - Board Questionnaire Results	**Reading Room:**
Reg. Requirement: Standard 1: The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users	**ORP ref:**
Strategic Risk ref: R6 Governance and Regulation	
Consultation: This report is not subject to consultation	

Purpose and Action:
This paper provides an update on the Annual Assurance Board Questionnaire process.

Board are asked to;

- Note the contents of this report.

Executive Summary:
The annual Board questionnaire regarding the Annual Assurance process was issued in December 2025 and the results are attached at Appendix 1. The purpose of this questionnaire is to determine whether any further training or resource is required to enhance Board members' understanding of the Annual Assurance process.

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1. Board Questionnaire

The Board questionnaire was sent out in December 2025 and there were 7 respondents, this indicates a response rate of 63.6% and details are in Appendix 1. The results show positivity in the Boards' understanding and assurance in the process.

The aggregated ratings show consistently high scores across all three quantitative questions, with mean values above 4.5 and medians at 5, indicating strong confidence in risk management, understanding of regulatory requirements, and clarity of the timeline among board members. The open-ended responses reveal that most members feel well-supported and do not see a need for additional training or timeline changes, though one member did suggest a refresher training session may be useful.

The Annual Assurance process and wider housing and charity regulation and law training will be included in training sessions as new Board members join in the coming months.

To ensure that there is an online resource for Board members to refer to at any point, the Project & Planning Team have produced an 'Annual Assurance Process Guide for Board' with further background information, using the process cycle document as its basis, which is published on [redacted]

2. Risk

The risk of not completing an effective regulatory compliance assessment could result in the Board being unable to provide an Annual Assurance Statement to the Regulator.

The current process has been designed to ensure that both Board has a greater involvement in regulatory compliance assessments and monitoring and delivering on the actions resulting from them.

Responses Overview

Active

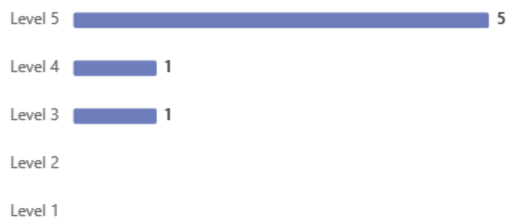
Responses
7

Average Time
01:39

Duration
92 Days

1. Please rate your understanding of the Annual Assurance Statement regulatory requirements placed on you as a Board member.

4.57
Average Rating



2. Please rate whether you feel the system for identifying and managing key risks is effective, and your confidence that all risks are being co
nsidered.

4.57
Average Rating

3. The Annual Assurance Statement timeline is presented clearly and effectively and captures all milestones.

4.57
Average Rating

4. Please indicate if there is anything additional which could be added to the timeline, or amended for further clarity.

4
Responses

Nothing additional required. It is well established within the organisation.
None
Nothing that I can think of.
Not at the moment

5. Overall, please indicate if there are any areas where further information or training would be useful.

4
Responses

None required
None
None.
To go through it again maybe a training session

5.8. Riverside Group Policy Review

Title: Riverside Group Policy Review	**Date:** 05 March 2026
Authors: Paul Dillon	**Sponsor:** Gary Naylor
Action: To Note/Approve	**Confidential:** No
Appendices: n/a	**Reading Room:**
Reg. Requirement: AN3: Each landlord must have assurance and evidence that it is meeting all its legal obligations associated with housing and homelessness services, equality and human rights, and tenant and resident safety.	**ORP ref:** People at our heart
Strategic Risk ref:	
Consultation: N/A	

Purpose and Action:
The purpose of this paper is to request that Board reviews and notes/approves the following updated Riverside Group policies, which are published on Convene for review:

To Note:
- Anti-Bribery and Corruption Policy
- Anti-Money Laundering Policy
- Finance Policy
- Financial Crime Policy
- Intangible Asset and Amortisation Policy
- Tangible Fixed Asset and Depreciation Policy
- Whistleblowing Policy

To Approve:
- Data Classification Policy (new policy)

Board are asked to:
- Review and note/approve the requested policies

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1. Background

Group wide policies/strategies which are developed by Group and cover all subsidiaries, and which do not need to be changed or amended for Riverside Scotland should be taken to RS Board for discussion and noting/approval, after Group Board approval. Relevant Riverside Scotland subject matter experts and customers where required should essentially be consultees to the development of Group wide policy.

2. Context

2.1 As part of the Policy Framework Update process being undertaken by the Projects and Planning Team, the following policies have been identified as requiring noting/approval by Riverside Scotland Board.

To Note:
- Anti-Bribery and Corruption Policy
- Anti-Money Laundering Policy

- Finance Policy
- Financial Crime Policy
- Intangible Asset and Amortisation Policy
- Tangible Fixed Asset and Depreciation Policy
- Whistleblowing Policy

To Approve:

- Data Classification Policy (new policy)

The Policies above are published in [redacted]

3. Risk

Adoption and update of all policies will help to mitigate the following Riverside Scotland strategic risk:

- **Risk 1: Safety First:** The Association has no appetite for a risk of harm to customers, colleagues, or others coming from the provision of its services, and no appetite for a breach of health and safety legislation and regulation in its role as a landlord and employer.
- **Risk 2: Customer Experience:** There are many factors which affect our customers' experience of the services we provide and where these are within our control we will not tolerate the risks which they pose and will react quickly to put in place plans and interventions to improve the service. Where a negative experience for our customers is out with our immediate control we will work with partners to find solutions to mitigate any negative impact.

4. Next Steps

4.1 As part of the Riverside Scotland's review of Delegated Authority, we will incorporate a policy review process, and proposals will be presented to Board in due course.

4.2 Approved and noted policies will be updated on the Riverside Scotland policy schedule, Policy Management System and communicated to all colleagues.

The Project & Planning Analysts will continue to attend the quarterly Policy Forum and follow the monthly checking process in place.

- The Projects & Planning Team will interrogate the data from the Policy Management System.
- P&P Team will advise the Riverside Scotland Policy owner of the Policies due for review within the next 6 months, including the TRG Policy owners/reviewers' details.
- RS Policy owner will pro-actively contact TRG reviewers to ensure inclusion in review.
- At the end of the consulting period – which may include customer consultation – the TRG reviewer should provide a draft copy of the Policy, which can go to RS SMT/Board if necessary, for any feedback.
- RS Policy owner can confirm feedback to TRG and publication will proceed.
- Once published, Policy can go to SMT/Board for noting/approval.
- If a TRG Policy is published without Riverside Scotland consultation, it will be taken to SMT/Board and if there are any issues with adoption/approval, a separate Riverside Scotland version can be developed and implemented until the next TRG review.

5.9. Riverside Scotland Policy Review

Title: Riverside Scotland Policy Review	**Date:** 05 March 2026
Authors: Paul Dillon	**Sponsor:** Gary Naylor
Action: Approve	**Confidential:** No
Appendices: n/a	**Reading Room:**
Reg. Requirement: AN3: Each landlord must have assurance and evidence that it is meeting all its legal obligations associated with housing and homelessness services, equality and human rights, and tenant and resident safety.	**ORP ref:** People at our heart
Strategic Risk ref:	
Consultation: N/A	

Purpose and Action:
The purpose of this paper is to request that Board reviews and approves the following updated Riverside Scotland policy, which is published on Convene for review:

- Financial Regulations Policy

Board are asked to:

- Review and approve the requested policy.

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1. Background

Group wide policies which need to be amended specifically for Riverside Scotland (Scottish versions) should be taken to RS Board for discussion and approval, where Scottish legislation or Regulatory Guidance is different (we should be aligning to Group policy as far as possible unless there is specific Scottish legislation or Regulatory Guidance preventing us from doing so).

2. Context

2.1 As part of the Policy Framework Update being undertaken by the Projects and Planning Team, the Financial Regulations Policy has been identified as requiring approval by Riverside Scotland Board.

The policy has been reviewed as part of the Governance Review and aligns to the actions being undertaken as part of the Annual Assurance Action Plan.

2.2 The Financial Regulations Policy makes reference to the updated Riverside Group Finance Policy, which has also been uploaded to Convene as part of the Riverside Group Policy Review paper this month.

The Policies above are published in the document folder on Convene - Document Library > Riverside Scotland Board Paperwork > March 26 Board Meeting Reference Papers

3. Risk

Adoption and update of all policies will help to mitigate the following Riverside Scotland strategic risk:

- **Risk 1: Safety First:** The Association has no appetite for a risk of harm to customers, colleagues, or others coming from the provision of its services, and no appetite for a breach of health and safety legislation and regulation in its role as a landlord and employer.
- **Risk 2: Customer Experience:** There are many factors which affect our customers' experience of the services we provide and where these are within our control we will not tolerate the risks which they pose and will react quickly to put in place plans and interventions to improve the service. Where a negative experience for our customers is out with our immediate control we will work with partners to find solutions to mitigate any negative impact.

4. Next Steps

Approved policies will be updated on the Riverside Scotland policy schedule Policy Management System and communicated to all colleagues. Approved Policy Review extension requests will be updated to the Policy Master List and managed by the monthly process.

- ➢ The Projects & Planning Team will interrogate the data from the Policy Management System.
- ➢ P&P Team will advise the Riverside Scotland Policy owner of the Policies due for review within the next 6 months, including the TRG Policy owners/reviewers' details.
- ➢ RS Policy owner will pro-actively contact TRG reviewers to ensure inclusion in review.
- ➢ At the end of the consulting period – which may include customer consultation – the TRG reviewer should provide a draft copy of the Policy, which can go to RS SMT/Board if necessary, for any feedback.
- ➢ RS Policy owner can confirm feedback to TRG and publication will proceed.
- ➢ Once published, Policy can go to SMT/Board for noting/approval.
- ➢ If a TRG Policy is published without Riverside Scotland consultation, it will be taken to SMT/Board and if there are any issues with adoption/approval, a separate Riverside Scotland version can be developed and implemented until the next TRG review.

5.10. Board and Committee Member Duties & Responsibilities

Title: Board and Committee Member Duties & Responsibilities	**Date:** 5 March 2026
Author: Donna Boyle Governance & Company Secretarial Assistant [redacted]	**Sponsor:** Gary Naylor Managing Director [redacted]
Action: For noting	**Confidential:** No
Appendices: Appendix 1: Schedule of Duties & Responsibilities of Board Members	**Reading Room:**
Reg. Standard: Standard 6 – The governing body and senior officers have the skills and knowledge they need to be effective.	**ORP ref:**
Strategic Risk ref: R6 Governance and Regulation	
Consultation: This report is not subject to consultation	

Purpose and Action:
This report is presented to Board to provide information on the duties and responsibilities of a Board Member and Committee Member of Irvine Housing Association Ltd (Riverside Scotland).

The Board is asked TO NOTE the Schedule of Duties and Responsibilities of Board Members and Committee Members of Irvine Housing Association Ltd (Riverside Scotland) attached at Appendix 1.

Executive Summary:
Board members have a number of important duties and responsibilities, and failure to comply with these not only places the Association and Group at risk but may also result in personal liability. It is therefore vital that Board Members are aware of their obligations and, in case of doubt, should seek advice from the Chair or the Company Secretary.

In Riverside, there are a number of differently constituted organisations, each with different legal duties and responsibilities. Irvine Housing Association Ltd (Riverside Scotland) is constituted as a:

- Registered Society
  Societies registered under the Co-operative and Community Benefit Societies Act 2014 which were formerly called 'Industrial and Provident Societies'.

- Registered Scottish Charity
  Trustees must comply with charities legislation, primarily the Charities and Trustee Investment (Scotland) Act 2005.

The responsibilities and duties of Board Members are presented annually to the Board for information. Any Board Member who feels that they would benefit from developing a better understanding of their duties and liabilities should contact the Chair or the Company Secretary, who can assist in identifying further information resources/training opportunities.

Group's Director of Governance, Matt Hayday, undertook a review of Riverside's schedule of duties and liabilities and made amendments to reflect the new requirements of the Economic Crime and Corporate Transparency Act 2023 (ECCTA). The Association's solicitors, TC Young, have reviewed the Group schedule and updated the Association's schedule incorporating the changes, where appropriate, taking account of "Scots Law" to ensure its applicability to Riverside Scotland Board Members and Committee Members. The updated schedule is attached at Appendix 1 for information.

Appendix 1

SCHEDULE OF DUTIES AND RESPONSIBILITIES OF RIVERSIDE SCOTLAND BOARD MEMBERS AND COMMITTEE MEMBERS

1. **Duties of all Board Members**
There are legal duties which apply to all directors/board and committee members. These duties have developed through caselaw over time and are known as 'fiduciary' duties. They apply because of the position of high trust which directors/board and committee members occupy and due to the obligations which they owe to the association and its members/shareholders as a result of the office they occupy. Whilst the duties under the Companies Act 2006 (see below) do not strictly apply to board and committee members of registered societies, such as Riverside Scotland, these fiduciary duties, which have developed through caselaw over time, do apply and are similar to those set out in company law (see below). Therefore, board members of registered societies are also advised (on the basis that it is good practice) to comply with the requirements for directors of companies (further details below). Further, the Law Commission has launched a consultation on reform of the Co-Operative and Community Benefit Societies Act 2014 which proposes that the directors' duties under the Companies Act 2006 be extended to board members of a registered society Fiduciary duties referred to above include an obligation to exercise a reasonable degree of skill and care in carrying out duties, and also: 1.1 To act in good faith and in the best interests of the association – this includes ensuring that: 1.1.1 Their duty as a board member does not conflict with their personal interests; 1.1.2 They must only use the association's property for the benefit of the association and not for personal benefit; 1.1.3 They do not make a personal profit from their office as a board member; 1.1.4 They do not compete with the association; and 1.1.5 Information provided remains confidential and is not used for improper purposes – this includes not using such information for personal gain; 1.2 To exercise powers for their proper purpose; 1.3 To act independently and exercise full discretion – this does not prevent you from taking advice where required, and advice should be sought where appropriate; 1.4 To always act in accordance with the constitution of the association (i.e. the Rules); 1.5 To deal fairly as between shareholders; and 1.6 To ensure the association's property is secured and to only use such property for purposes authorised by the association's Rules. Board/committee members must exercise the degree of skill and care when carrying out their duties which might be reasonably expected of someone of their ability and experience, using any specialist skill and experience for the benefit of the association. The assessment of the appropriate standard of skill and care is a mixture of the objective (what it is reasonable to expect) and the subjective (having regard to the particular skill and experience of the board member concerned). For example, all board/committee members

must prepare fully for meetings, but where a board member has a professional qualification (e.g. in accountancy) they would be expected to have a higher level of skill in relation to issues linked to that area.

Any co-optees and executive board members shall also be subject to the duties and expectations of board members set out in this schedule.

It should be noted that even where decision-making is delegated (e.g. to staff and committees), responsibility for ensuring compliance will remain with the directors/Board.

2. Duties of Board Members of an RSL

2.1 In addition to the general legal duties applicable to board members, board members of registered social landlords are of course also required to ensure that they, and the organisation, comply with the requirements of various regulators and, in particular, of the Scottish Housing Regulator. The Scottish Housing Regulator emphasises that it is the responsibility of boards of registered social landlords to ensure that their organisation complies with the Regulatory Standards of Governance and Financial Management:

2.1.1 Regulatory standard 1: The Board leads and directs the RSL to achieve good outcomes for its tenants and other service users.

2.1.2 Regulatory Standard 2: The RSL is open about and accountable for what it does. It understands and takes account of needs and priorities of its tenants, service users and other stakeholders. And its primary focus is the sustainable achievement of these priorities.

2.1.3 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.

2.1.4 Regulatory Standard 4: The Board bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.

2.1.5 Regulatory Standard 5: The RSL conducts its affairs with honesty and integrity.

2.1.6 Regulatory Standard 6: The Board and senior staff have the skills and knowledge they need to be effective.

2.1.7 Regulatory Standard 7: The RSL ensures that any organisational changes or disposals it makes safeguard the interests of, and benefit current and future tenants.

In addition:

2.2 Board members must also comply with the organisation's governing document, and the rules of Riverside Scotland provide that the board is responsible for:

2.2.1 the leadership, strategic direction and control of the association with the aim of achieving good outcomes for tenants in accordance with the regulatory standards and guidance issued by the Scottish Housing Regulator; and

2.2.2 ensuring that the association can demonstrate its governance and financial arrangements are such as to allow the Scottish Housing Regulator to regulate effectively and exercise its full regulatory powers.

2.3 Board members must also:

2.3.1 ensure that they are and remain eligible to sit on the board in accordance with the association's rules, which include the requirements on charitable trustees set out at section 3. The rules further require that board members declare any personal or external interests on an annual basis. If any matter arises in respect of which a board member has a conflict of interest, that board member must tell the board and leave the meeting while the matter is discussed.

2.3.2 comply with the organisation's Governance Framework Document, including the Board and Committee Member Code of Conduct, which all board members must sign, and the Entitlements, Payments & Benefits Policy.

2.3.3 Board members are required to ensure that records and returns are filed on time – for example with Companies House, the FCA, OSCR, the Scottish Housing Regulator etc. For example, board members should be informed of notifiable events and ensure that the RSL is appropriately notifying these to the Scottish Housing Regulator. This is a function which has been delegated to the Governance Team to undertake.

2.4 Where a board member is appointed to the boards of multiple group organisations, the board member must ensure that they act in a way that is in the best interests of the organisation they are making the decision on behalf of, meaning the interests of that organisation (and its members) should not be sacrificed for those of another group entity. However, the duty to act in the best interests of a company is in regard to the interests of its shareholders – quite often this will mean acting in the interests of Riverside Scotland or another Group entity, as the shareholder of a subsidiary within the Group. There is also no law requiring directors to 'ignore' the interests of the wider group, and indirect benefits should be reviewed when making decisions. However:

- If an organisation is in financial difficulty, there will be a duty to act to minimise losses to creditors (see comments above in relation to wrongful and fraudulent trading); and
- In relation to a charity, the trustees/board members must ensure they act in furtherance of the charity's objects.

2.6 Board members appointed to multiple group organisations should also be aware of the Scottish Housing Regulator's Guidance on Group Structures and Constitutional Partnerships.

2.7 Such Board members should also be aware of conflict of interest provisions in Riverside Scotland's Rules and in the Code of Conduct for Governing Body Members .

3. Charities – Duties of Trustees

3.1 Riverside Scotland is a registered Scottish Charity. The board of Riverside Scotland are charitable trustees and must comply with charities legislation, primarily the

Charities and Trustee Investment (Scotland) Act 2005. This provides that charitable trustees must:

3.1.1 Act honestly, in good faith and in the best interests of the charity.

3.1.2 Ensure that the charity acts in accordance with its purposes, ensure that the charity complies with its governing document and remains true to the charitable purpose and objects set out there, so that the association's activities and assets are used for the charitable purpose and for the public benefit.

3.1.3 Act with the care and diligence that it is reasonable to expect from someone managing the affairs of another person - This requires trustees to act as custodians of the charity's assets and to act responsibly, reasonably, honestly and with sound judgement and considering both long and short term implications of decisions.

3.1.4 If a conflict of interest arises, put the charity's interests first, disclose the conflict and refrain from participating in any decision-making relative to the matter.

3.1.5 Ensure the charity complies with legislation - ensure compliance with charity law, and regulatory requirements; in particular, ensure that the charity prepares the reports, annual returns and accounts required by law.

3.2 In addition, although not specifically stated in the 2005 Act, charitable trustees have over-riding duties in relation to matters such as: acting with integrity; seeking to ensure that the charity is and will remain solvent; ensuring the charity is accountable to its members and beneficiaries as well as the Office of the Scottish Charities Regulator and avoiding undertaking activities that might place the charity's funds, assets or reputation at undue risk, and take special care when investing the charity's funds or borrowing funds for it to use for its charitable purposes.

3.3 Where Riverside Scotland is acting as a corporate trustee of a charitable trust, board members of Riverside Scotland must ensure that Riverside Scotland also complies with its duties as a charitable trustee and fulfils its legal and fiduciary obligations accordingly as Riverside Scotland has ultimate responsibility for the affairs of that charitable trust. For example, the Riverside Scotland board members must ensure that no decisions taken would cause that charitable trust to use its assets in a way not permitted by the trust's charitable objects.

3.4 The 2005 Act has recently been amended by the Charities (Regulation and Administration)(Scotland) Act 2023, which provides that:-

- from June 2025, charities must submit details of their trustees to OSCR
- from March 2026, OSCR will publish charity trustees' first and last names on its website
- from August 2025, grounds for disqualification as a charity trustee are extended
- from 1 October 2024, OSCR maintains a publicly searchable record of individuals who have been permanently disqualified by the courts from being charity trustees

4. Statutory Liabilities

In addition to the above duties, the law lays down certain statutory responsibilities of directors/board members including:

4.1 Environmental liabilities - Directors are under a duty to comply with legislation relating to carrying out commercial activities which may cause pollution, and not to obstruct or give incorrect information to inspectors in the exercise of their duties. Where an offence is found to have been committed by the company, and a director, officer or manager has consented, connived, or been negligent, then the person can also be found guilty of the offence, and proceedings may be taken against him or her.

4.2 Wrongful or fraudulent trading - Directors who know, or ought to know, that the company is unlikely to avoid insolvent liquidation must take steps to minimise losses to the company's creditors and must not act with the intent to defraud creditors. A conviction for wrongful or fraudulent trading can have serious consequences, including disqualification as a director or (in respect of fraudulent trading) criminal prosecution.

4.3 Health & Safety at work - Directors have a duty to ensure that the organisation complies with health & safety legislation. Companies and their directors can incur liability for activities that lead to injury or death of a member of the public, an employee or someone who is self-employed. Where a company commits an offence under some health & safety legislation and the court finds a director or officer of a company to have consented, or connived (i.e. allowed without actually encouraging, or "shut their eyes" to an offence being committed), or been negligent in relation to an offence, then the director or officer can be found guilty of the offence and proceedings may be taken against them. Under the Health and Safety at Work etc. Act 1974 both an individual director and a company can be found liable in respect of manslaughter in relation to a work-related death.

4.4 Data Protection Act (DPA) including General Data Protection Regulation (GDPR) - There are several offences under the DPA in relation to obtaining, disclosing, altering, falsifying, maintaining and destroying data and records. In addition, a director may be personally liable to criminal prosecution where an offence is committed by the corporate body (of which they are a director) and it is proven to have been committed with the consent or connivance of or be attributable to neglect on the part of that director.

4.5 Bribery Act - The Bribery Act introduced criminal offences for companies which fail to prevent their employees or associates from committing bribery. A bribe is 'a gift or reward given, offered or received to gain any business, commercial or personal advantage.' Companies have a defence of showing that 'adequate procedures' are in place to prevent bribery. Directors can be personally convicted of an offence where they have been involved in the giving or receiving of a bribe. Importantly, it is possible that an organisation omitting to act might be regarded as sufficient for liability to be found, and lead to prosecutions, fines and/or imprisonment.

4.6 Equality Act 2010 – A director many be personally responsible or jointly and severally liable with the company where discrimination (direct or indirect), harassment or victimisation takes place because of a person's age, disability, gender, sexual orientation, marital/civil partnership status, pregnancy, maternity, race, religion or belief, even if it takes place in the ordinary course of business or where authorised by the company.

4.7 Economic Crime and Corporate Transparency Act 2023 (ECCTA) – All directors of UK companies (those registered with Companies House) must verify their identity with Companies House. The identity verification requirements under ECCTA are aimed at improving the accuracy of information at Companies House, reducing anonymous and fraudulent filings and increasing transparency. Failure to comply can lead to significant penalties, including criminal charges, fines and potential imprisonment. Verification is a simple process that can be completed online and Companies House must be notified of new Directors within 14 days of appointment. Similarly, any changes of individual directors' details must be communicated to Companies House within 14 days.

5. Subsidiaries, Joint Venture Companies & LLP's

5.1 The duties owed by a director of a subsidiary company within the Group, or a joint venture company (JVC) are essentially the same as the duties owed by the director of any other company, however the application can be more complex where there may be loyalties to both the appointing shareholder (e.g. Riverside Scotland or another Group member) and the subsidiary company/JVC itself. Directors must also be aware of any constraints imposed by the company/JVC's articles of association and/or a separate shareholders' agreement.

5.2 The duty of confidentiality means that a director must not, without the authority of the company, disclose to any third party (including Riverside Scotland or another Group member) any confidential information relating to the company which has been gained as a director of that company. However, this is permitted where this has been authorised by a resolution of the other directors, or the articles of association or shareholders' agreement.

5.3 Where there is a clear conflict of interests between the subsidiary/JVC and the appointing shareholder, parties should consider whether it is appropriate for the director to be counted in the quorum and authorised to vote.

5.4 Please note we may also have limited liability partnerships (LLPs) of which Riverside Scotland and/or other Group members are members (or partners). While the member of the LLP (i.e. Riverside Scotland or another Group member) may (where it has direct control over the LLP's property or affairs) owe duties to the LLP similar to those owed by a company director, those duties do not usually apply to individual appointees to the LLP "board". Such appointees are there to act as the representatives of Riverside Scotland and/or the relevant Group member.

5.5 Mandatory identity verification for directors is being introduced under the Economic Crime and Corporate Transparency Act 2023. New directors must have their identities verified prior to Companies House being notified of their appointment.

6. Companies Act 2006 - Duties of Directors

6.1 As stated above, the directors' duties set out in the Companies Act do not strictly apply to board members of a registered society, but do apply to directors of any company within the Group. However, as stated in section 1 above, board members of registered societies are also advised to comply with the requirements for directors of companies

6.2 Board members of companies are company directors and company law makes no distinction between non-executives and executives. In the Companies Act 2006 (the Act), an officer is defined as "including a director, manager or secretary". Board members should therefore consider themselves as directors and officers.

6.3 The Act introduced a statutory set of duties for directors of companies. Board members as directors of companies within the Group have the following general duties under the Act and as set out in Section 1. Board members of registered societies are advised to comply with the requirements for directors of companies:

i). To act within powers (i.e. in accordance with the company constitution (Articles of Association) or other remits of authority e.g. the Governance Framework or any delegated authority) and to only exercise powers for the purposes for which they are conferred;

ii). To promote the success of the company for the benefit of its members having consideration to:

- the likely consequences of any decision in the long term;

- the interests of employees;
- the need to foster good business relationships with suppliers, customers and others;
- the impact of operations on the community and the environment;
- the maintenance of high standards of business conduct; and
- the need to act fairly as between members of the company.

iii). To exercise independent judgement;
iv). To exercise reasonable care, skill and diligence;
v). To avoid conflicts of interest;
vi). Not to accept benefits from third parties; and
vii). To declare any interest (direct or indirect) in any current or proposed transaction or arrangement – it should be noted that it is a criminal offence to fail to declare interests in current or ongoing transactions, where the director is or ought reasonably to have been aware of the interest.

7. Directors' and Officers' Liability Insurance Cover

7.1 All board members, directors, committee members, trustees, officers and employees are covered against liability incurred in their role under the Directors' and Officers' Liability Insurance Policy maintained by the Group. This cover is in place to protect both the Group and board, committee and staff members as individuals in the event that legal action is taken against them by third parties, resulting from "wrongful acts".

7.2 "Wrongful acts" are breach of duty or trust, neglect, error, misstatement, omission, breach of warranty of authority, defamation, or any other wrongful act (but not dishonest or fraudulent acts) committed in the course of activities carried out for the Group and its subsidiaries.

7.3 The policy covers outside directorships, where relevant, appropriate and necessary, for any individual acting as a director or officer within a third-party organisation with the agreement, and at the specific request of Riverside Scotland. The policy does not cover claims made against Riverside, only those made against directors for alleged wrongful acts carried out in their capacity as directors or officers.

7.4 An important requirement of the policy is that immediate notice should be given in writing of any claim against any board, committee or staff member, or the receipt of notice from any person of an intention to make such a claim. In order to ensure that they are covered by the policy, board and committee members should therefore inform the Company Secretary of any potential claim without delay.

7.5 A copy of the policy is available from the Governance Team.

7.6 As a member of SFHA, Riverside Scotland has the benefit of an umbrella Directors and Officers' liability cover policy which provides directors and officers liability cover for claims brought against member organisations, and individual directors and officers, for alleged wrongful acts. This would only cover Riverside Scotland as a member of SFHA, and would not provide cover for subsidiaries.

8. Date of Next Meeting - 272nd Board Meeting: 5.30 p.m. on Thursday 21 May 2026 at 44-46 Bank Street, Irvine, KA12 0LP