



TREASURY MANAGEMENT POLICY

Purpose:	To establish the Association's responsibility for sound treasury management
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1. INTRODUCTION & PRINCIPLES

- 1.1 This document sets out the Treasury Management Policy Statement of Spire View Housing Association ("Spire View" or "the Association"), together with the Treasury Management Practices and Procedures it adopts and operates.
- 1.2 Spire View recognises the organisation is exposed to risk from a wide range of factors, and these risks can impact on the achievement of Spire View's business objectives. Spire View undertakes risk mapping to identify and quantify these risks and has established and maintains systems and procedures to manage, monitor and limit the impact of all such risks.
- 1.3 Also, Spire View recognises that treasury management activities themselves, including cash flow management, borrowing, investing, and hedging can potentially expose the organisation to specific risks that require close attention and careful management.
- 1.4 To this end, Spire View has established, and maintains, specific treasury policies and practices, which are set out in the following Treasury Management Policy and Practices document.
- 1.5 This Treasury Management Policy is based upon the recommendations of the Code of Practice on Treasury in the Public Services issued by CIPFA. The three key principles identifies:
 - a) The Association should put in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of its treasury management activities.
 - b) The policies and practices should make clear that the effective management and control of risk are prime objectives of the Association's treasury management activities and that responsibility for these lies clearly within the organisation. The appetite for risk should form a part of the annual strategy including any use of financial instruments for the prudent management of those risks; and should ensure that priority is given to security and liquidity when investing funds.
 - c) The Association should acknowledge that the pursuit of value for money in treasury management, and the use of suitable performance measures, are valid and important tools for responsible organisations to employ in support of their business and service objectives, and that, within the context of effective risk management, the treasury management policies and practices should reflect this.
- 1.6 Spire View also recognises the Scottish Housing Regulator expects registered social landlords (RSLs) to comply with the CIPFA Treasury Management Code (2022) as contained in the Recommended Practice publication.

2. TREASURY MANAGEMENT POLICY STATEMENT

- 2.1 CIPFA recommends that all public service organisations (including Registered Social Landlords) adopt, as part of their standing orders, financial regulations, or other formal policy documents appropriate to their circumstances, the following core statements relating to treasury management:
- 2.1.1 The organisation will create and maintain as the cornerstones for effective treasury management:
- A treasury management policy statement, (this document), stating the policies, objectives, and approach to risk management of its treasury management activities; and
 - Suitable Treasury Management Practices (TMPs), setting out the way the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
- 2.2 The content of the policy statement and TMPs follow the recommendations of the CIPFA Code, subject only to amendment where necessary to reflect the circumstances of Spire View. Such amendments will not result in the Association materially deviating from the CIPFA Code's key principles.
- 2.3 The Management Committee will receive reports on its treasury management policies, practices, and activities, including, as a minimum, an annual strategy and report after the close of the financial year in the form prescribed in its TMPs. Where any material change occurs mid-year, this will be reported to Management Committee in a timely manner.
- 2.4 The Management Committee has responsibility for the implementation and regular monitoring of its treasury management policies and practices. Execution and administration of treasury management decisions is delegated to the Finance Manager, who will act in accordance with the organisation's policy statement and TMPs.
- 2.5 Spire View defines its treasury management activities as the management of the Association's cash flows, its banking, money market and capital market transactions and the effective control of the risks associated with these activities and the pursuit of optimum performance consistent with such risks.
- 2.6 The Association regards the successful identification, monitoring, and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for Spire View and any financial instruments entered to manage these risks.
- 2.7 Spire View acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management,

and to employing suitable, comprehensive performance measurement techniques within the context of effective risk management.

3. RISK MANAGEMENT

3.1 *General Statement of Risk Management*

- 3.1.1 The Finance Manager will prepare and present to the Management Committee a Treasury Management Strategy (TMS) annually, and the Finance Manager will prepare and present a report when/if required for any material change in treasury activity throughout the year.
- 3.1.2 The TMS will include a summary of treasury management activity in the preceding financial year and the current financial year, covering:
- Summary of actual and projected cashflow, and commentary on significant variances.
 - Loan drawdowns in the preceding 12 months.
 - Loan repayments in the preceding 12 months.
 - A summary of the hedging position between fixed and floating rate debt in the current loan portfolio, and any changes to interest rate structure on existing loans, such as maturing or new loan fixes.
 - Statement of actual and projected covenant compliance and headroom for all covenants for all lenders.
 - Summary of loan security position.
 - Summary of cash deposit position and activity since the previous TMS.
 - Summary of investment portfolio position and activity since the previous TMS.
 - The current treasury management risk map.
- 3.1.3 The TMS will include forecast cashflows for at least three financial years, as well as:
- Analysis of current prevailing short and long-term interest rates, comparison with historical trends and projected trend movements over the next financial year. This data will be supported with externally gathered expert opinion.
 - A statement of borrowing requirements for at least the next three years together with a strategy for funding this requirement.
 - A statement of anticipated cash surpluses and the strategy to be adopted for investment thereof during the next 12 months.
 - A recommendation as to the mix of fixed, variable and index linked interest rates to apply across Spire View's debt portfolio at the end of the next financial year.
 - Any proposals for amendments to this Treasury Management Policy Statement will require Management Committee approval.
- 3.1.4 The Finance Manager will prepare long term cashflow forecasts and treasury management strategy will be included in the annual business plan prepared for Management Committee approval.

- 3.1.5 Significant variations to cash flow forecasts will be reported to the Senior Management Team and Management Committee as part of Spire View's quarterly management accounts reporting, highlighting any significant variations from the financial plan, and any impact on projected borrowing requirements, loan repayments, fixed rate maturities or surplus cash balances.
- 3.1.6 The annual reporting timetable is set out in section 8.0 (Reporting requirements and management information arrangements) below.
- 3.1.7 Spire View has adopted a detailed risk management statement set out below for each of the treasury management risks identified in the CIPFA Code as referred to as TMPs.

3.2 Lending and Deposit Counterparties

Lending Counterparties

- 3.2.1 Spire View will maintain lists of approved Lending and Deposit Counterparties. Institutions may only be added to either list with the prior approval of Management Committee. Spire View may borrow from:
- a) Banks and building societies; authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority, or their EU equivalent for European banks.
 - b) Financial institutions (pension funds, insurance companies etc.) through public bond issues, private placements, or bilateral loans.
 - c) Specialist bond aggregators operating in the social housing sector.
 - d) Scottish Government supported and underwritten initiatives such as the Scottish Charitable Bond programme.
- 3.2.2 Loan facilities will be arranged only with organisations that are judged to have sufficient financial strength to ensure the funds committed under the facilities will be available as and when they are required by Spire View in accordance with the terms of the loan agreement.
- 3.2.3 Loan facilities will be arranged only with organisations that are judged to have sufficient financial strength to ensure that the funds committed under the facilities will be available as and when they are required by Spire View in accordance with the terms of the loan agreement. This will normally mean that lending organisations are at least investment grade and are able to demonstrate a long-term commitment to the Scottish social housing sector and unless otherwise approved by Management Committee, lenders must have minimum credit ratings of:

Credit Rating Agency	Minimum Short-Term Rating	Minimum Long-Term Rating
Moody's	P-1	A3
Standard & Poor's	A-1	A-
Fitch Ratings	F1	A-

Investment and Deposit Counterparties

- 3.2.4 The overriding principle guiding the investment of surplus cash balances is the preservation of the capital value of Spire View's resources.
- 3.2.5 The Director / Finance Manager is authorised to deposit or invest funds only with institutions approved by the Management Committee as part of the Policy.

Exposure

- 3.2.6 The Management Committee will set a limit for the amount that may be invested in any one institution at any point. If balances exceed £2m, no more than 60% may be invested in any one institution or banking group, and if balances exceed £5m, no more than 40% may be invested in any one institution or banking group. All deposits will have a maturity not exceeding 365 days.
- 3.2.7 This excludes the value of funds that may be held in day-to-day banking accounts with the institutions providing a basic banking service and funds invested with local authorities.
- 3.2.8 The sole exception to the rule above will apply where Spire View receives funds unexpectedly in which case deposits may be made with Spire View day-to-day bank for periods of up to 7 days, and promptly reported to the Director and Management Committee.

Creditworthiness

- 3.2.9 Spire View will only invest in counterparties that meet one of the following criteria:
- a) UK banks and building societies that meet the credit ratings set out below and which are authorised by the Bank of England.
 - b) AAA-rated Low Volatility Net Asset Value money market funds.
 - c) UK and devolved governments and local authorities with credit ratings no lower than the UK Government's.
 - d) Any other institutions that may be specifically approved by the Management Committee on the basis of professional advice.
- 3.2.10 The Finance Manager is responsible for monitoring investment counterparties and ensuring that they meet these criteria.
- 3.2.11 Spire View will only invest with or lend to institutions authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (or the appropriate supervisory body in the European Economic Area in which they are incorporated or formed), and subject to the minimum credit rating criteria:

Credit Rating Agency	Minimum Short-Term Rating
Moody's	P-1
Standard & Poor's	A-1
Fitch Ratings	F1

3.2.12 Spire View will also have regard to other information, such as stock market, regulator, and other public announcements; credit default swap prices; and stock market trends and fluctuations in assessing the credit risk of counterparties.

3.2.13 Should Spire View have money invested with an institution which is subsequently downgraded by the credit agencies or where the credit default swap spread indicates that the market has concerns about the creditworthiness of the institution, so that it no longer achieves Spire View minimum creditworthiness criteria, the investment should be withdrawn from the institution upon maturity unless otherwise approved by the Management Committee as an exception to policy.

3.3 Liquidity Risk Management

3.3.1 Spire View will ensure that it is able to meet its liabilities at all times. The Finance Manager will ensure that sufficient cash balances and available facilities exist for this purpose.

3.3.2 Spire View will consider and manage liquidity in two ways:

- **Short-term Operational Liquidity**, which will ensure that sufficient liquidity is maintained to meet short term funding needs.
- **Capital Funding Liquidity**, which will ensure that sufficient liquidity is maintained to fund projected commitments for 24 months from the current date.

3.3.3 The principal factor governing the exposure of surplus funds is Spire View's liquidity forecast. Where surplus funds are required to meet possible cash outflows in the near future, they will necessarily be deposited for short periods which will ensure that funds are available when required.

3.3.4 Operational Liquidity required is measured as one month's operational expenditure, including unavoidable:

- a) Staff and overhead costs.
- b) Revenue, void, and major repair (including component replacement) costs.
- c) Loan interest and repayments.

3.3.5 The measurement excludes all cash receipts except maturing bank deposits. The calculation should assume that grant and sales income does not occur when planned. The calculation will be reviewed and updated at least monthly. Operational liquidity must be equal to the forecast cash outflow for the next calendar month, plus a contingency (or 'buffer') of 25%.

- 3.3.6 Spire View defines operational liquidity as including:
- a) Cash at bank.
 - b) Cash on deposit which is available at no more than three days' notice.
 - c) Confirmed but undrawn overdraft facilities.
 - d) Where held, cash that can be realised from investment portfolios.
- 3.3.7 Capital Funding Liquidity required is measured as:
- a) All cash flow projected in the 24 months from the projection date, with the exception of any sales income and capital grant income, on the assumption that patterns of receipts and expenditure occur as projected.
- 3.3.8 Spire View regards Capital Funding liquidity as including:
- a) Cash at bank.
 - b) Cash on deposit which is available at no more than three days' notice.
 - c) Confirmed but undrawn overdraft facilities.
 - d) Housing Association Grant ("HAG") as part of committed project.
 - e) Where held, cash that can be realised from investment portfolios.
- 3.3.9 In considering availability of committed facilities, any forecast event which may influence Spire View's ability to drawdown must be taken into account.
- 3.3.10 Management Committee will approve a minimum liquidity requirement as part of the annual financial strategy but will not approve a requirement which falls below the following minimum levels.
- 3.3.11 Regardless of the levels of operational liquidity calculated, Spire View will maintain a minimum cash balance (excluding all deposits and overdrafts) of £350,000 in instantly available bank accounts.
- 3.3.12 The TMS will consider the sensitivity of Spire View's loan portfolio to interest rate changes in order to determine the proportion of debt to be secured on a variable basis. When drafting the TMS, The Finance Manager will consider the current levels of short-term and long-term interest rates and independent forecasts of future changes in interest rates and prepare a recommendation for approval by the Management Committee on the maximum proportion of Spire View's total borrowing which is subject to variable rates of interest. Unless otherwise approved by Management Committee, Spire View will ensure that the proportion of total outstanding debt, which is exposed to variable costs of funds, including bank and building society base, SONIA and index linked rates, is no higher than 40% at any one time. Debt which is on a fixed rate arrangement that expires in less than 12 months must be regarded as variable for this purpose. If the variable to fixed debt levels exceeds 40%, the Finance Manager will report to the Management Committee the level of exposure and headroom the Association faces in the TMS and present a strategy to reduce variable debt levels to the 40% target.

3.4 Interest Rate Management

- 3.4.1 Spire View will manage its exposure to interest rate fluctuation with a view to containing its interest costs within the amounts provided in its business plan and annual budget as approved by Management Committee.
- 3.4.2 Spire View will achieve this by the prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest and retaining the ability to adapt its borrowings and investments to changing circumstances.

3.5 Exchange Rate Management Strategy

- 3.5.1 Spire View will not invest or borrow in any currency except UK Pounds Sterling. This will eliminate any exchange rate risk.

3.6 Inflation

- 3.6.1 Inflation risk is the risk that arises from the decline in value of cashflows due to inflation. Spire View will keep under review the sensitivity of its loans and deposits to inflation and will seek to manage the risk accordingly in the context of the whole business's inflation exposures.

3.7 Exposure to Refinancing Risk

- 3.7.1 Spire View's current loan portfolio is structured so as to ensure that it will be able to meet all repayments of principal under the loans as required under the relevant loan documentation, Spire View complies with loan covenants and Spire View is not exposed to significant refinancing risk, which is defined as no more than 25% of debt falling due for refinancing (including fixed rate arrangements maturing) in any 12 month period.
- 3.7.2 Finance Manager will ensure that proposals from lenders to provide appropriate loan facilities to meet these identified requirements are brought before Management Committee in sufficient time to enable due consideration to be given to them, and to ensure that loan facilities are put into place before additional funds need to be drawn. In doing so, at least 18 months should be allowed for completion of a new loan agreement and security with a new lender.
- 3.7.3 Spire View will not enter into development or other commitments without having sufficient committed loan facilities in place to cover the resulting borrowing requirement.

3.8 Legal & Regulatory Framework

- 3.8.1 Finance Manager is responsible for ensuring that any borrowing or investment transaction is permitted by Spire View's Rules and Financial Regulations and is not in breach of any applicable statutory or regulatory requirements, including but not

limited to charity law, SHR requirements and FCA requirements. The Finance Manager is empowered to take appropriate external advice as required to satisfy this. Spire View maintains a robust system of internal controls, which operates where possible by the 'three lines of assurance' methodology. Staff involved in treasury management activity will be appropriately qualified and experienced, and qualifications and professional memberships of new staff will be confirmed prior to appointment. Appropriate training and development will also be offered to relevant staff. Appropriate insurance, based on professional advice, will be maintained at all times.

- 3.8.2 The Finance Manager is responsible for ensuring that any accounting issues or concerns arising from a potential transaction (including but not limited to fair value accounting) are fully understood and explained to Management Committee prior to approval of the transaction.

3.9 Operational Risk

- 3.9.1 Spire View will ensure that it has identified the circumstances that may expose it to the risk of loss through inadequate or failed internal processes, people and systems or from external events. Accordingly, it will employ suitable systems and procedures and will maintain effective contingency management arrangements to these ends.
- 3.9.2 As a minimum, these will include proper documentation of procedures and controls; segregation of duties wherever possible; regular independent audit of systems, controls and records; and appropriate qualification, training and development of staff.

3.10 Price Risk Management Risk

- 3.10.1 Price risk is defined as the risk that movements in the market price of investments will impact adversely on the value of Spire View's investments. Spire View will only make investments subject to price risk with the prior approval of the Management Committee, and after professional advice has been reported to and discussed by Management Committee.

4. PERFORMANCE MEASUREMENT

4.1 *Existing Borrowing*

- 4.1.1 The TMS will also consider whether current loan arrangements continue to provide best value, or whether advantage might be taken from alternative sources or methods of finance. This review will take account of prevailing market conditions and the business circumstances of Spire View. Comment on the findings will be made in the annual financial strategy.

4.2 *New Borrowing*

- 4.2.1 The Finance Manager will record the interest rate secured and other costs payable by Spire View on any new borrowing that it takes from time-to-time in comparison with the general level of interest rates prevailing at the time that such loans are taken. This will include details of non-utilisation fees, management fees and legal costs. This will be reported to the Management Committee in the annual TMS.

4.2 *Treasury Investments*

- 4.2.1 Where applicable, the Finance Manager will, at least annually, review the level of returns being made on any investments held by Spire View, with a view to assessing whether the current methods and instruments being utilised continue to represent good value for Spire View. This will be reported in the TMS.
- 4.2.2 Consideration will be given in the review to alternative methods of investment and investment instruments, and whether they might be used to increase the level of return on investments within the policy set by Spire View in section 3.2. The assessment undertaken will include a comparison of the returns achieved by Spire View with appropriate market comparators (including bank deposit rates) and will take into account other relevant factors, including management, dealing and transaction costs. Comment on the findings will be made in the TMS.

4.3 *Externally Managed Investments*

- 4.3.1 Performance reports for the externally managed funds are received at least annually and considered by the Management Committee.

4.4 *External Services*

- 4.4.1 The TMS will report on external services provided in the previous year and contracted for in the forthcoming year. The Finance Manager is responsible for recommending any changes in the scope of service procured.
- 4.4.2 Best value in treasury management services will be ensured by tendering for these services on a periodic basis, in line with Spire View's procurement obligations. In assessing the value added by the providers of external services, account will be taken of all relevant factors, including the cost, quality, reliability, and scope of service to be provided.

5. DECISION MAKING PROCESSES

- 5.1 All treasury management decisions made during the year will be in accordance with the most recent TMS, unless specifically approved by Management Committee, and in compliance with the Rules, Standing Orders and Financial Regulations. In making key decisions regarding its treasury management activities, Spire View will ensure that proper consideration is given to all relevant factors.
- 5.1.1 These will include:
- The powers of Spire View and regulatory requirements.
 - Budgetary constraints and business plan projections.
 - Financial covenants.
 - Prevailing and forecast economic conditions.
 - Available funding and treasury management options.
- 5.2 Any key decision will be informed by an appropriately detailed written report, covering as appropriate, the areas identified above. Such reports will be compiled by the Finance Manager for consideration and decision by the Management Committee.
- 5.3 In compiling such reports, the officers will exercise appropriate levels of care and professional expertise, and where they consider it necessary, may seek advice in specialist areas from suitably qualified external advisers.
- 5.4 The treasury management decisions made, following consideration of such reports, will be properly minuted and recorded as required by Spire View's standing orders. The Finance Manager will be responsible for ensuring that the outcome of such decisions is effectively communicated to any officer of Spire View who may be involved in implementing those decisions.

6. APPROVED INSTRUMENTS, METHODS & TECHNIQUES

6.1 Borrowings

- 6.1.1 The Finance Manager will maintain accurate, complete, and up to date data on all treasury management instruments in an appropriate format. This will be presented to the Management Committee annually, with the TMS.
- 6.1.2 In entering into any new loans, Spire View will ensure that these are documented under clear and binding legal documentation that:
- Accurately reflects the terms and conditions agreed with lenders.
 - Complies with applicable legislative and regulatory requirements.
 - Has been compiled by suitably qualified advisors.
- 6.1.3 Any new loan documentation must be approved by the Management Committee with the benefit of appropriate advice from officers of Spire View, Spire View's solicitors or other legal advisers, and other such specialist advice as the Management Committee may require. This power can be delegated, if need be, to an identified sub-group of the Management Committee, but only for reasons of efficiency and speed. Any such sub-group must include at least three Management Committee members, and their authority must be minuted and limited.
- 6.1.4 The Finance Manager will prepare a report to the Management Committee for approval which will include but not be limited to the following:
- a) The name of the proposed lender or arranger with brief details of their perceived experience and understanding of housing associations, and their credit rating (where applicable).
 - b) Interest rate margin, fixed rate or underlying fixed or variable reference rate.
 - c) Arrangement and other fees.
 - d) Covenant requirements - including limits set for financial covenants and an analysis of Spire View's ability to meet those limits.
 - e) Security requirements - basis of valuation and level of cover and assets to be charged.
 - f) Purpose (with cashflows if applicable).
 - g) Comparison with alternatives.
 - h) Compliance with TMS, Rules and regulatory and statutory requirements.
 - i) Arrangements for draw downs.
 - j) Details of independent professional financial and legal advice, including confirmation of powers to enter into transaction.
 - k) Any other matters which might assist the Management Committee in considering the proposal, or are required by the lender, any advisor or any regulator to be brought to the Management Committee's attention.
- 6.1.5 Spire View will endeavour to ensure that no new funding arrangement is entered into which binds Spire View to meeting financial covenants and security arrangements which are deemed to be more onerous than those on its existing loans.

- 6.1.6 Spire View may undertake interest rate management through the medium of its loan documents, and, unless expressly approved by Management Committee, will be limited to fixed and variable interest rates. Variable rates may be set against SONIA or Bank of England Bank Rate (also known as 'Base Rate').

6.2 Treasury Management Investments

- 6.2.1 The Finance Manager has delegated authority to invest the surplus cash funds of Spire View in accordance with the TMS and in accordance with the terms of this Policy.
- 6.2.2 The following are approved investment instruments:
- a) Deposits with UK banks and building societies.
 - b) Certificates of deposit issued by banks and building societies.
 - c) Loans to local authorities with credit ratings no lower than the UK governments.
 - d) UK and devolved government and local authority securities (treasury bills and gilts)
 - e) [AAA rated Low Volatility Net Asset Value money market funds]
- 6.2.3 Any investments will only be made with organisations that meet the criteria set out at section 3.2 above (Lending and deposit counterparties).
- 6.2.4 Tradable instruments (b and d above) will only be used where the intention is to hold them to maturity, except in the case of funds held in investment funds, which are managed by external fund managers.
- 6.2.5 Spire View will only use money brokers if approved by Management Committee.
- 6.2.6 Transactions must be documented showing details of the counterparty, credit rating, trade date, settlement date, maturity date, and interest rate. The record of transactions will be reviewed periodically by the Finance Manager to ensure compliance with this policy and made available to auditors on demand.
- 6.2.7 Officers have a responsibility to keep abreast of market movements and developments. They may seek professional advice or subscribe to market information services for this purpose.

7. RESPONSIBILITY FOR TREASURY MANAGEMENT

- 7.1 Spire View has drawn up and approved a scheme of delegation for the operation of the treasury policy, set out below:

Delegated Power	Exercised by
Approval & Amendment of Treasury Policy	Management Committee
Approval of TMS	Management Committee
Application of Approved Strategy	Director and Finance Manager
Acceptance of loan offers, approval of loan agreements and granting of security	Management Committee
Acceptance of loan offers and arrangements for approved schemes, which cannot wait until the next Management Committee meeting, and within delegated authority from Management Committee	Chair of Management Committee 'In accordance with Section 3.18 (Urgent Decisions) of the Association's Standing Orders'
Drawdown of approved loan facilities in accordance with the TMS	Senior Management Team
Investment of surplus funds	Senior Management Team
Hedging and other interest rate management	Senior Management Team
Approval of bankers	Management Committee

- 7.2 The Finance Manager will be responsible for the provision of an adequate system of internal control. Where possible this will include segregation of duties between those placing deposits and those responsible for recording, checking, and confirming them. Where such segregation of duties is not possible, the Finance Manager will be responsible for the regular review of records and procedures to ensure compliance with this procedure (and corresponding policy).

8. REPORTING REQUIREMENTS & MANAGEMENT INFORMATION REQUIREMENTS

8.1 The Finance Manager reports to Management Committee on treasury activities as shown below:

Item	Frequency
Updated cashflow forecasts for the 12 months from the report date.	As and when required
Covenant calculation report.	Quarterly
Management accounts.	Quarterly
Cash and Deposit management report including details of deposits placed and interest earned	As and when required
Loan summary report covering all existing and committed funding and including details of lender, interest basis and financial covenants.	Annually
TMS incorporating five-to-ten-year cashflow forecasts, with associated borrowing and interest rate strategy; projected liquidity and funding needs; covenant projections; business plan assumptions; and funding market and options	Annually, by 30 th June
Annual treasury management report, summarising loan and deposit movements in the preceding financial year, and confirming: <ul style="list-style-type: none">• Covenant compliance at the financial year end.• Compliance with the treasury management policy.• Submission of all required reports and returns to SHR and lenders.• Any relevant internal audit reports.	Annually, by 30 th June, or before Management Committee consideration of the Statement of Internal Financial Control and SHR Assurance Statement. This may be included within the TMS.

8.2 Separately, the Finance Manager will report to Management Committee on submission of any required reports (including but not limited to management accounts; audited accounts and associated audit reports; Business Plan and forecasts; covenant compliance certificates; valuation reports) to lenders.

9. BUDGETING, ACCOUNTING & AUDIT REQUIREMENTS

- 9.1 Treasury management activity will be subject to internal audit review at agreed intervals, with the Management Committee receiving a report from the internal auditors.

10. CASHFLOW MANAGEMENT

- 10.1 Spire View annually prepares a 30-year business plan, covering all the activities of the Association. This includes a 30-year cashflow forecast, incorporating current borrowing arrangements, and identifying projected borrowing needs and investment opportunities.
- 10.2 Cash flow projections will be prepared on a regular and timely basis and the Finance Manager will ensure these are adequate for the purposes of monitoring compliance with section 3, "Risk Management".

11. MONEY LAUNDERING

- 11.1 Spire View is alert to the possibility it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it maintains appropriate procedures for verifying and recording the identity of counterparties and reporting suspicions and will ensure that staff involved in this are properly trained. In addition, the Treasury Management Policy imposes the requirements set out below.
- 11.2 No loan shall be taken from, nor any deposit made with, any organisation or individual without the prior written approval of the Director or Finance Manager, or which does not comply with Spire View's lending or investment criteria at section 3.1 above. In granting consent to a loan to, or deposit from a new organisation or individual, the Finance Manager will ensure that the identity and credentials of such individual or organisation have been appropriately ascertained and verified. The Finance Manager will maintain a written record of such verification and the details provided by the organisation or individual.
- 11.3 Details of any proposal in relation to a loan from or deposit to any organisation or individual other than in the normal course of RSL business will be reported as soon as possible to the Finance Manager.
- 11.4 The Finance Manager is responsible for taking reasonable steps to ensure that all staff dealing with any element of Spire View's cash flow are appropriately alert to the possibility of attempts being made to use Spire View for money laundering purposes. Such staff will also be made aware of the requirement to report suspicions of money laundering to the Director or other member of the Senior Management Team.
- 11.5 Where the Director or member of the Senior Management Team is satisfied that a suspicion of money laundering does exist, these will be reported to the appropriate authorities in the form they require.

12. TRAINING & QUALIFICATIONS

- 12.1 Spire View recognises the importance of ensuring that all staff involved in the treasury management function has the skills required to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge, and skills.
- 12.2 Officers involved in treasury operations will receive adequate training to provide them with the necessary skills and knowledge to keep them up to date with treasury management best practice. Training may include studying for recognised qualifications, external courses and conferences and internal courses and seminars. Each year the Finance Manager will assess training needs and make appropriate provision for costs.
- 12.3 The Management Committee will receive regular training and development sessions to ensure they have the necessary skills to understand and approve treasury reports. This will be by means of in-house training sessions undertaken by both employees and external specialists. Where considered appropriate, Management Committee members may also attend external training courses.

13. USE OF EXTERNAL SERVICE PROVIDERS

13.1 *Bankers*

13.1.1 Spire View's lead banking provider is Virgin Money plc. Performance and value for money of banking services will be reviewed at least every five years, and, if Management Committee considers it appropriate, retendered.

13.1.2 Approval to appoint new bankers is reserved to Management Committee.

13.2 *Treasury Management Advisers*

13.2.1 Spire View's may appoint external professional advisors on an ongoing and / or one-off basis. Any appointment must be in line with Spire View's procurement policy. Any procurement exercise would be overseen by the Finance Manager.

14. CORPORATE GOVERNANCE

- 14.1 Spire View is constituted as a not-for-profit body. It is registered with the Financial Conduct Authority as a Co-operative and Community Benefit Society (No. 2295) under the Cooperative and Community Benefit Societies Act 2014, the Scottish Housing Regulator as a Registered Social Landlord (No. 323) under the Housing (Scotland) Act 2010 and as a registered Scottish Charity with the charity number SC033266. It is governed by an independent Board elected by its membership, referred to as Management Committee.
- 14.2 The Management Committee is responsible for all decision-making powers regarding treasury management.