



Role Description for a Board Director

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1. Introduction

Scottish Universities Community Bank is a credit union operating in the further and higher education sector of Scotland.

It is a community-based financial co-operative, owned by and run for the benefit its members. It aims to help members achieve financial health, encouraging them to save money when they can, and lending to them at affordable rates when they need to borrow. As a credit union it is authorised and regulated by the Bank of England.

This document is designed to help new board members understand the objectives and ethos of the organisation and quickly contribute to the credit union, fulfilling the roles assigned to them.

2. Key Responsibilities

As board members, directors oversee, constructively challenge and hold management to account in their implementation of strategy within the organisation's principles of governance and the risk appetite set by the SUCB Board.

Essentially, their role is to provide a creative contribution to the Board and protect members' interests by providing independent oversight and constructive challenge to the management on issues of strategy, performance and resources. They monitor business performance against agreed objectives, verify the accuracy and integrity of financial information, ensure that risk management systems, controls and processes are robust and effective. They appoint the community bank's senior manager.

Directors bring independence, impartiality, wide experience, specialist knowledge and personal qualities.

The key responsibilities include the following:

- **Strategic direction** - provide a creative and informed contribution and to act as a constructive critic in looking at the objectives and plans devised by the management team.
- **Monitoring performance** - monitor the performance of management team, especially with regard to the progress made towards achieving the determined company strategy and objectives. Appoint, and where necessary remove management and participate in succession planning.
- **Remuneration** - determine appropriate levels of remuneration of management.
- **Communication** - help connect the business and board with networks of potentially useful people and organisations, representing the organisation externally.
- **Risk** – ensure the integrity of financial information and that financial controls and systems of risk management are robust and defensible.
- **Audit** - ensure the business reports properly to its members by presenting a true and fair reflection of its actions and financial performance and that the necessary internal control systems are in place and monitored regularly and rigorously.

3. Accountability

Directors are accountable to:

- Chair of Scottish Universities Community Bank for the tasks they undertake as part of their role.
- To the Financial Conduct Authority (FCA) if registered under the Senior Managers' Regime.
- To the membership of the credit union.

If not formally registered as an FCA Senior Manager their conduct rules apply wherever relevant to your role as a director:

1. You must take reasonable steps to ensure that the business of the firm for which you are responsible is controlled effectively.
2. You must take reasonable steps to ensure that the business of the firm for which you are responsible complies with the relevant requirements and standards of the regulatory system.
3. You must take reasonable steps to ensure that any delegation of your responsibilities is to an appropriate person and that you oversee the discharge of the delegated responsibility effectively.
4. You must disclose appropriately any information of which the FCA or PRA would reasonably expect notice.

4. Eligibility

Directors of Scottish Universities Community Bank:

- May not be involved, as an individual and/or in an ownership capacity with any group or company, in any legal action or dispute with the credit union or any other financial institution.
- May not be involved in any private or business activity which causes a conflict of interest with the ethos or activities of the credit union.
- Must successfully complete a period of induction (see section 6) and show an ongoing commitment to the credit union (see section 5).

In addition SUCB has a policy on conflicts of interest, which directors should read and follow.

At least one of the two references supplied on application will be checked by the Chair or the Governance Committee.

5. Commitment

Although not a formal requirement, directors are encouraged to be members of and invest in the credit union, where eligible under the rules of our common bond.

Whilst it's recognised that volunteers will have other commitments, an individual applying for a Board position must be able to dedicate sufficient time to the role. To ensure that each director contributes, keeps abreast of Board affairs, and displays an adequate commitment to the Board, it is the policy that a director cannot have more than three unexcused absences from meetings within any financial year. The expected minimum commitment from a Board Director is as follows:

- Attend regular board meetings of the credit union, with a minimum annual expectation of attendance at two-thirds of the board meetings, unless the director has provided advance notice with good cause.
- The credit union holds an attendance policy outlining the expectation of directors.
 - Any director who misses more than three scheduled Board meetings in a financial year without reason, shall be deemed to be in violation of credit union policy. They will be subject to immediate disqualification and removal from the Board of Directors unless the director provides written justification for the reason(s) for missing the meetings. Any justification(s) must be accepted by a majority of the Board. An exception to the policy will be for medical reasons that require hospital stay, surgery or otherwise incapacitating illness where attendance was not possible.
 - Leave of absence can be agreed to handle longer periods of absence for personal or other work reasons.

- Board meetings are generally scheduled monthly and tend to alternate between virtual and face-to-face with online available at the face-to-face meetings.
- Carry out duties for his/her role, as agreed with the Chair, for example:
 - Chairing or participating in a sub-team or committee of the Board, attending meetings on a regular basis.
 - The initiation of business development in a defined geographic area or sector, including approaching prospective partner organisations to develop new business relationships (e.g. Payroll Deduction schemes) and/or create awareness of SUCB products and services amongst target customer groups.
 - Drafting or updating policies or procedures in conjunction with the CEO.
- Undertake and complete actions agreed at Board meetings, according to the timeline agreed.
- Complete the required training (see section 7).
- Participate in the life of the credit union, adding value according to their skills and remit.

Candidates who have specific skills to offer but are unable to meet this level of consistent commitment, may be invited to work as a Board Advisor, and called on for guidance on an *ad hoc* basis.

<u>Item</u>	<u>Amount of Commitment</u>
Regular Board Meetings	10 x 1 Hour Monthly Meetings
Regular Board Meeting Prep	10 x 1 Hour Per Meeting
Annual General Meeting	1 Annual Meeting
Annual General Meeting Prep	1 x 1 Hour Per Meeting
Strategy Day	1 Day Annually
Training	On Going Annually
Conference Attendance	Optional

6. Induction

Induction to the Board will normally take three months, during which time the candidate will be expected to fulfil the following:

- Attend two board meetings as an observer.
- Commence the tasks described in this document relevant to his/her role, as agreed with the Chair.
- Complete the first section of the training plan detailed below.

If a candidate does not complete these tasks within the three-month period, the period of induction may be extended with the consent of the Chair.

If it is geographically convenient directors are encouraged to visit the office or a collection point and continue to do so when confirmed as a director.

Induction is a 'free-trial' period. After attending 2 board meetings and completing the basic training, the appointment of the new director is confirmed (or not) by email, rather than a board meeting vote, unless they choose to withdraw.

After appointment, a DBS check will be made, and appointment is conditional on a satisfactory DBS vetting being obtained.

7. Training & CPD

As part of their induction, a candidate is expected to complete the initial modules from the ABCUL Academy, which should take 5-6 hours in total:

- Introduction to ABCUL Academy Pathway
- Introduction to Credit Unions Pathway
- Directors Learning Pathway 1

Once confirmed as a director (if not before) a new director is expected to complete the ABCUL Academy Directors Learning Pathway parts 2 and 3, which should take about 5-6 hours each. This should be done within 6 months.

Depending on their role, or to develop a particular interest, it may be helpful to complete other modules. Directors are expected to keep up to date with developments in credit union legislation and regulatory changes, for example in such areas as GDPR, data security, money laundering, fraud prevention etc. This may be through ABCUL Academy courses, attending the ABCUL conference, or other activities.

8. Data privacy considerations

The applicant's application forms, CV, any other documentation provided on application, and later, proof of their DBS vetting status will be filed in Teams and kept until at least one year after their resignation.

9. Review & Validation

This document will be reviewed annually and validated by the Board, whether changed or not.

10. Document History

Version:	1
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