

A meeting of the Management Committee will take place on **Thursday 24 August 2023 at 7.00pm at ELHA Head Office, Haddington**

Please advise staff if you are unable to attend.

External Auditors will be attending

Joyce Bolan
Secretary

B U S I N E S S

1.0 GENERAL

- 1.1 Apologies
- 1.2 Declaration of Interest by Management Committee Members
- 1.3 Minutes of 25 May 2023 – **for approval**
- 1.4 Action List – for information
- 1.5 Matters Arising

2.0 GOVERNANCE

- 2.1 Secretary's Report – **for approval**
- 2.2 Key Performance Indicators 2022/23 – for information
- 2.3 Annual General Meeting: Management Committee Membership – **for approval**

3.0 PRIORITY ITEMS

- 3.1 Update to Annual Return on the Charter – **for homologation**

4.0 POLICIES

- 4.1 Alcohol and Substance Misuse Policy Review – **for approval**
- 4.2 Equality & Diversity Policy Review – **for approval**
- 4.3 Equality & Human Rights Strategy – **for approval**
- 4.4 Authorisations and Standard Charges and Allowances Policy Amendments – **for approval**
- 4.5 Procurement & Value for Money Strategy 2023/26 – **for approval**

5.0 BUSINESS MANAGEMENT

- 5.1 Equality and Diversity Action Plan – **for approval**

6.0 ANY OTHER BUSINESS

DATE OF NEXT MANAGEMENT COMMITTEE MEETING

AGM: Thursday 28 September 2023 at Maitlandfield House Hotel, Haddington, at 2.30pm
Meeting: Thursday 28 September 2023 at Maitlandfield House Hotel, Haddington, at 4.00pm

Action List

Report by Martin Pollhammer, Chief Executive – for information

The table below sets out the required actions agreed at the last meeting of the Management Committee on 25 May 2023, and confirms the actions taken as a result.

Minute Ref	Action Required	Action By	Action Taken
3.1	Submit the Annual Return on the Charter (ARC) to the Scottish Housing Regulator (SHR)	MP	Complete
4.1	Update the Privacy Policy on the ELHA file structure and elha.com; update the Policy Review Calendar	ES	Complete
4.1	Update the Openness and Confidentiality Policy Policy on the ELHA file structure and elha.com	ES	Complete
4.2	Update the Chargeable Repair Service Policy on the ELHA File Structure and on elha.com; update the Policy Review Calendar	ES	Complete
4.3	Update the Payroll Policy on the ELHA File Structure and in the Committee area of elha.com; update the Policy Review Calendar	ES	Complete
4.4	Update the Fixed Asset Depreciation / Grant Amortisation Policy on the ELHA File Structure and in the Committee area of elha.com; update the Policy Review Calendar	ES	Complete
6.0	Record the Association's appreciation to Eamonn Connolly at EVH	DR	Complete, Eamonn is expected to visit the Association before he retires

Secretary's Report – for approval

1.0 Membership

One new membership application received, [REDACTED], Innerwick, Dunbar EH42 1EF.

2.0 Use of Seal for Homologation

East Lothian Council Grant 28-06-23 Dirleton, Castlemains.

Scottish Government – Offer of Grant for Castlemains Farm, Dirleton, HARP reference number T36755.

Recommendation

The Management Committee is asked to:

- (a) Approve the application for Membership; and
- (b) Homologate the use of the Seal.

Key Performance Indicators 2023/24

Report by Martin Pollhammer, Chief Executive – for Information

1.0 Introduction

The Association's Key Performance Indicators (KPI's) for the first quarter of 2023/24 and full year are attached as **Appendix 1** to this report.

2.0 ELHA Performance

The Association has missed the following targets:

2.1 Non-Technical Arrears as a Percentage of Rental Income

Rent arrears have risen slightly above target to 2.84%. All appropriate action is being taken to control arrears and there has been an increase in cases progressing towards legal action. Whilst there have been some issues with tenants transitioning from Direct Debit to Rent Collector, and a reduction in some Rent Discounts being paid, the cost of living is having an impact and staff are working to support struggling tenants with fuel debt and food vouchers to enable them to make rent payments.

2.2 Unit Reactive Maintenance Costs

This KPI actually represents an overspend of £10k in Q1, which is 3.6% of budgeted void and reactive maintenance costs. Therefore, this will continue to be monitored, but is not of significant concern at this point in the financial year.

2.3 Bronze Key Tenants

Bronze Key Tenants have increased and sit well ahead of target at 48%. The increase can be partially attributed to tenants dropping from Platinum Key Tenant Status to Bronze Key Tenant status having downloaded the Rent Collector App, had their Direct Debit cancelled, but did not make their rent payment through Rent Collector. Staff continue to encourage those at Bronze Key Tenant level to upgrade to Gold Key Tenant status at every opportunity, and a new process has been introduced for making contacting with those that have recently downgraded but not reapplied to move back to Gold or Platinum Key Tenant status.

2.4 Gold Key Tenants

The percentage of Gold Key Tenants continues to remain well under target, but the figure has increased by 4% on the previous quarter. A new strategy for encouraging take up is planned for later in 2023/24 now the transition to Rent Collector has been completed for Platinum Key Tenants.

2.5 Management Committee Attendance

This is slightly below target, but the figure is based on only one meeting (four of the thirteen Management Committee members gave apologies for the meeting held on 25 May 2023). Good attendance levels in August and September 2023 should ensure this figure returns above target again.

2.6 Percentage of Tenants Paper Free

The number of paper free tenants has increased by 1% and sits just below target. It is anticipated that this target will be achieved during the year.

2.7 Percentage of Connected Rent Collector Accounts

This is a new target and figures are sitting just 1% below target. It should be noted that achieving 29% in the first quarter following the introduction of Rent Collector is remarkable.

2.8 Percentage of Complaints Responded to within Target

An administrative error resulted in this figure being below target. Two related complaints from adjacent households were recorded as Stage One complaints, however on reviewing the complaints, it was agreed that the complaints should be considered at Stage Two. Both Stage One complaints were then closed on the system using a code "Escalated to Stage Two". Both complaints were then reopened as Stage Two complaints, and were responded to within the Stage Two timescales.

Unfortunately, the SPSO guidance states that when a complaint is escalated to Stage Two, the date of the original complaint should be used to determine the response timescale. This issue was only discovered when the monthly complaints report data was being collected. This meant that although the staff members involved believed they had responded within the timescales, both complaints ended up with a late response.

The complaints records should have been updated to change them to Stage Two complaints, keeping the original record open and therefore using the original recording date, and the software does allow this. However, the closure code made this misleading. This closure code has now been removed from the system to prevent any recurrence.

Nonetheless it is frustrating for the staff involved to have missed the response target for these complaints on an important service indicator that staff have been working hard on in recent years to improve ELHA performance, particularly when those responding to the complaint believed they had responded on time.

Key Performance Indicators 2023/24

Performance Indicator	Quarterly Target	Q1	Q2	Q3	Q4	2023/24 Target	2022/23 Actual	Year to Date	Status
Rental Income									
Non-technical arrears as % of rental income	2.8%	2.84%				2.8%	2.78%	2.84%	⊗
Bad debts written off as % rental income	1.50%	1.18%				1.50%	1.35%	1.18%	😊
Voids as % of rental income	0.75%	0.67%				0.75%	0.63%	0.67%	😊
Finance/Treasury									
Interest cover (loan covenants)	110%	236%				110%	262%	236%	😊
Gearing (loan covenants FRS102 definition)	<37%	23%				<37%	22%	23%	😊
Maximum annual new borrowing	<£3m	£800k				<£3m	£280k	£800k	😊
Maximum borrowing per unit	<£26,000	£16.2k				<£26,000	£15.8k	£16.2k	😊
Current assets as a % of current liabilities	100%	146%				100%	126%	146%	😊
Cash as a % of net rental and service charge income	>20%	29%				>20%	34%	29%	😊
Unit management costs	£2,006	£1,882				£2,006	£1,701	£1,882	😊
Unit reactive maintenance costs	£823	£843				£823	£938	£843	😐
Asset Management									
Stock condition inspections completed	cumulative	30%				30%	30%	30%	😊
Gas services completed within timescale	cumulative	100%				100%	100%	100%	😊
Planned maintenance contracts with >5% overspend	0	0				0	0	0	😊
Average length of time taken to complete emergency repairs	<2 hours	01:18:30				<2 hours	01:15:12	01:18:30	😊
Average length of time taken to complete non-emergency repairs	< 6 days	5.26				< 6 days	4.73	5.26	😊
Repairs completed right first time	85%	96%				85%	94%	96%	😊
Repair appointments kept	93%	97%				93%	98%	97%	😊
Housing Management									
Properties allocated after 3 or more refusals	0	0				0	0	0	😊
Number of evictions carried out	no target	0				no target	0	0	😊
Bronze Key Tenants	40%	48%				40%	46%	48%	⊗
Gold Key Tenants	27%	19%				27%	15.0%	19%	⊗
Platinum Key Tenants	20%	19%				20%	23.4%	19%	😊
Corporate									
Number of accidents reportable to HSE	0	0				0	1	0	😊
Network Availability	99%	99%				99%	99%	99%	😊
% working days lost through long term sick leave	5%	0.0%				5%	1.7%	0.0%	😊
% working days lost through short term sick leave	2%	1.1%				2%	1.9%	1.1%	😊
Management Committee Attendance	75%	69%				75%	87%	69%	😐
Audit & Assurance Committee attendance	75%	88%				75%	73%	88%	😊
% of tenants using their My Home account	90%	89%				80%	88%	89%	😊
% of tenants paper-free	87%	85%				70%	85%	85%	😐
% of tenants with a connected Rent Collector account	30%	29%				30%	n/a	29%	😐
% of complaints responded to within target	100%	94%				100%	99%	94%	😐

😊 Performance Excellent 😐 Performance Satisfactory ⊗ Performance Poor

Annual General Meeting: Management Committee Membership

Report by Brian Logan, Chair – for approval

1.0 Background

Under the Association's Rules, the Association must give notice to all Members of the intention to hold an Annual General Meeting (and include nomination papers for the Management Committee) at least 28 days before the date of the meeting. Regulatory Standards require the Association to identify any specific priorities for recruitment following the annual assessment of what skills the Management Committee needs to meet ELHA's Strategic Objectives.

2.0 Elections to the Management Committee for 2023/24

The Management Committee of East Lothian Housing Association may consist of up to fifteen members, however the Association's Standing Orders aim for between ten and twelve places to be filled at any one time. Following last year's Annual General Meeting, the Association had thirteen elected members.

Under Rule 39.1, at least one third of the members of the Management Committee must retire (if no other members, or an insufficient number of members have indicated their intention to retire to fulfil this requirement, those with the longest period since their last election should retire). Peter Hayman has indicated his intention to retire from the Management Committee at the AGM at the end of his current term. The other four members required to retire are Iain Atkinson, Peter Ewart, Alan Forsyth and David Rose.

Under Rule 37.6, the Management Committee must satisfy itself that any Management Committee member seeking re-election after a period of continuous service of nine or more years can demonstrate their continued effectiveness. Rule 37.6 applies to Peter Ewart, Alan Forsyth, and David Rose.

3.0 Management Committee Succession Plan and the "Nine Year Rule"

The Management Committee has developed its Succession Plan to ensure the right balance of experience, renewal and refreshment of the Management Committee going forwards. This includes ensuring that the proportion of Management Committee members with nine or more years' service does not normally exceed 50%. Of the current Management Committee, by the date of the 2023 AGM, eight members will have served more than nine years, or 62%.

With the retirement of Peter Hayman, seven members from a Management Committee of twelve will have served more than nine years, so the percentage will drop to 58%.

The recent recruitment exercise is likely to result in one nomination to this year's AGM, which would reduce the percentage to 54%, so would still not satisfy the target (unless a second Management Committee member with nine or more years were to retire now), therefore a further recruitment exercise is likely to ensure the target is met in the 2023/24 Management Committee year.

This situation was discussed with the Scottish Housing Regulator, and the Regulator made it clear that this target should be achieved in the medium term, and then maintained, rather than acting immediately in order to hit a target. Nonetheless, I am keen to meet the 50% target as soon as practically possible, but without forcing any unnecessary retirements.

As noted in Section 2.0, ELHA's Standing Orders aim to see between ten and twelve places filled on the Management Committee, however they also note that the "spare" places may be used as part of Succession Planning, for example by appointing an additional member ahead of a planned departure of an existing member, keeping experienced members on the Management Committee to ensure continuity as new members are appointed, or appointing an additional member while the Association transitions to a point where there are fewer members with nine or more years' service.

Iain Atkinson, Peter Ewart, Alan Forsyth, and David Rose have all confirmed they wish to stand for election. In accordance with Rule 39.4, Iain Atkinson may stand for re-election without being nominated. As Alan Forsyth, Peter Ewart and David Rose have served for more than nine years, under Rule 37.6, the Management Committee must satisfy itself that any Management Committee member seeking re-election after a period of continuous service of nine or more years can demonstrate their continued effectiveness, and in order to stand, their nominations require to be endorsed by the Management Committee.

Peter Ewart has been on the Management Committee for eleven years and was Chair of the Management Committee for five years. In addition, Peter serves on the R3 Board, and is leading the Management Committee recruitment exercise. He is a qualified Chartered Tax Adviser, and has experience of providing financial advice to a wide range of public sector clients on estate management and larger infrastructure projects. Peter is also knowledgeable in identifying and mitigating commercial, financial and operational risks.

Alan Forsyth has been a member of the Management Committee for nine years and is currently Chair of the R3 Board. Alan is a Fellow of the Royal Institution of Chartered Surveyors with 46 years' experience in Local Government. In 2002 he assumed responsibility for the overall management of Community Housing for East Lothian Council as Head of Community Housing and Property Management (approximately 8,000 Council houses) together with the operation of the Council's Property Maintenance Service and the Homelessness Team. Alan is now Chief Executive officer of SCQS, the Society of Construction and Quantity Surveyors, a national organisation which represents senior Quantity Surveyors working in Local Government.

David Rose joined the Management Committee in 2010, and also serves on the Health & Safety Committee, the Joint Consultative Committee and the Governance Standards Working Group. In addition, David is the Secretary of the East Lothian Care & Repair Charitable Trust, and is a Board member of Homes for Life Housing Partnership. He has been a member of Longniddry Community Council for 25 years and has been their Chair for 17 years. David is a Committee Member on the Association of Community Councils who he represents on the Strategic Development Planning Authority for Edinburgh and South-East Scotland, and is also Vice-Chair of Employers in Voluntary Housing (EVH).

In my view, Peter, Alan and David continue to make a valuable contribution to the Management Committee's discussions and activities and having discussed this ongoing commitment to ELHA during my annual meetings with Management Committee members, I recommend that the Management Committee endorse the nominations of Peter Ewart, Alan Forsyth and David Rose for re-election at the forthcoming 2023 AGM.

It should be noted that no other members will reach nine years' service by the 2023 AGM, and that this point will not be reached until 2025. The Annual Reviews that I undertake each year now formalise a review of the contribution of all members with nine or more years' service on an annual basis (rather than just at the point of re-appointment), and I am content that the experience and contribution to the Management Committee of those members who already have nine or more years' service continues to be extremely valuable to the Association's overall governance.

4.0 Nominations to the Management Committee

At the time of writing this report, no Nominations have been received, however I intend to nominate one new member once nomination forms are issued.

In our recent recruitment exercise, we considered what particular skills we are looking for in new members. In particular, we identified the following areas where we could strengthen the Management Committee's overall skillset:

- Digital and Information Systems
- Customer consultation, marketing and communications
- Provision of Housing and Support Services to Older People

The following skills would also be desirable for potential Committee Members:

- Social Housing and Development
- Finance

There are currently seven vacancies on the Management Committee; four members are eligible for nomination, and I expect to make one further nomination. There are a further two vacancies for which nominations can be made.

If more nominations are received than there are places available on the Management Committee before Thursday 7 September 2023, a ballot at the AGM will be required, otherwise all nominees will be automatically appointed.

Recommendations

The Management Committee is asked to endorse the nominations for Peter Ewart, Alan Forsyth and David Rose for re-election to the Management Committee at the 2023 AGM, having been satisfied that their contribution continues to be effective and valuable.

Update to Annual Return on the Charter

Report by Gary Alison, Director of Finance & Corporate Services – for Homologation

1.0 Introduction

The Scottish Housing Regulator (SHR) is responsible for monitoring social landlords' progress towards achieving the standards and outcomes set out in the Scottish Social Housing Charter. The Annual Return on the Charter (ARC) provides contextual information and performance information against Charter Indicators and must normally be submitted to the SHR by 31 May each year.

Following the submission of ELHA's return for 2022/23 (return submitted 25 May 2023), the SHR undertook their data integrity checks on the submission. The SHR emailed the Chief Executive on 14 June 2023 with two queries on ELHA's return. These were as follows:

1. Indicator 18.2 (rent loss through empty properties) – the void loss reported by ELHA appeared to be high compared to the reported time taken to relet the properties.
2. Indicator 26 (percentage of rent collected) – the figure reported by ELHA was flagged due to our figure being an outlier when compared to other landlords of a similar size.

2.0 Changes Made

2.1 Indicator 18.2 – Higher Than Expected Void Loss

The figure for amount of rent lost through voids during the year at 18.2 needed to be changed to £35,490 (this was from £45,871). In the original calculation, the Finance Manager had included the total lost rent for all properties recognised in ELHA's Financial Statements, but did not deduct those that do not fall under the classification of void loss as per the ARC.

This was an error on ELHA's part, and this was acknowledged to the SHR. The Finance Manager has now made appropriate procedural changes to ensure this does not occur next year.

2.2 Indicator 26 – Percentage of Rent Collected Due

Following a review the following figures were revised:

- 26.1 – the total amount of rent collected in the reported year – this was changed to £7,216,304 (from £6,955,906)

- 26.2 – the total amount of rent due to be collected in the reporting year – this was changed to £7,222,494 (from £7,212,113)

Following this review, it then highlighted the need to change indicator C6 – which is the number of households for which landlords are paid housing costs directly and the total value of payments received in the reporting year. The figures revised were:

- C6.1 – The number of households the landlord received housing costs directly for during the reporting year - changed to 471 (from 477)
- C6.2 – The value of direct housing cost payments received during the reporting year – changed to £2,038,627 (from £2,186,462)

When the Finance Manager investigated the report that produces these figures, some of the tenancy types that were allocated to tenants (which drive the rent collected figure) had not pulled through for new tenancies in the year, which impacted on the reports. This led to some cash payments not being pulled through onto the report and some tenants not on the correct tenancy type (the reason for change at C6).

The report that generates the data was set up correctly but needed a data table refresh in the background to update the tenancy types for new tenancies, but this had not been noticed. A data table refresh has been noted in the procedure for future returns.

2.3 Updates and Lessons Learnt

These changes were emailed to the SHR. The Chief Executive informed the Chair of the issue and gave Chair’s Consent to make these changes to ELHA’s Return. The return was updated by the SHR on 27 June 2023.

The Finance Manager will attend an ARC update course prior to completing the 2023/24 return as a refresher to ensure the technical guidance is fully understood.

Management Committee should note that this type of analytics is an emerging trend in the sector in the use of software to do data integrity checks. This is a reminder to ELHA staff to make sure the SHR guidance is clearly understood, along with internal procedures, when putting the ARC data together.

3.0 Previous Reports to the Management Committee

Previous reports relevant to this topic are as follows:

Report	Agenda Item	Date
Annual Return on the Charter (ARC)	3.1	25 May 2023

Recommendation

The Management Committee is asked to Homologate the changes to the Annual Return on the Charter for submission to the Scottish Housing Regulator.

Alcohol & Substance Misuse Policy

Report by Martin Pollhammer, Chief Executive – for approval

1.0 Introduction

The Alcohol & Substance Misuse Policy is due its periodic review. The policy has been reviewed by the JCC.

2.0 Policy Review

A desktop review of the Alcohol & Substance Misuse Policy was carried out by the Executive Support Officer (HR) in line with EVH's model policy. The following changes to the existing information within the policy were recommended to and agreed by the JCC. These included:

- Wording that could be perceived as negative (e.g. "issues", "problems", "abuse") has been removed and replaced throughout with more neutral words
- At Section 3.0, the definition of "Alcohol Misuse" has been updated
- At Section 14.0, the "Confidentiality" wording (originally at section 4.0) has been added to this section and the wording regarding the "General Data Protection Regulation" has been updated
- At Section 16.0 the "Supporting Agencies" information has been updated accordingly

Recommendation

The Management Committee is asked to approve the revised Alcohol & Substance Misuse Policy.

Group Policy

Date Issued	August 2013
Review date	August 2023
Department	Corporate
Title	Alcohol and Substance Misuse Policy
Objective	We want to protect the health and welfare of our staff and act to prevent and eliminate, in so far as is reasonably possible, substance or alcohol misuse which will increase the potential for ill health, accidents, absence and poor performance
Responsible	Chief Executive
Next Review Date	August 2028

1.0 INTRODUCTION

This policy has been devised to assist the Group in the management of alcohol and substance misuse ~~problems~~ affecting the ~~working environment~~ employee's ability to carry out their duties. We have a duty to provide high standards of customer care at all times and it is acknowledged that alcohol and substance misuse is likely to have an adverse effect on this.

This policy will set out our standards and expectations in relation to alcohol and substance abuse and the level of support that will be offered ~~required or provided~~ when problems a situation arises.

Appendix 1 shows the Roles and Responsibilities of both Staff and Managers

2.0 POLICY AIMS:

- Clarify our position on ~~drinking~~ ongoing alcohol and/or substance ~~abuse~~ misuse at work whilst on duty
- Explain our position on illegal activity concerning alcohol and substance misuse ~~drugs and/or alcohol~~

- Provide guidance and boundaries on appropriate assistance and support to employees ~~with issues relating to~~ by alcohol or substance misuse
- Adhere to the legal obligations of the Group as set out under Health & Safety legislation
- Clarify the circumstances in which disciplinary procedures will be instigated
- Provide guidance for managers to manage alcohol and substance misuse ~~issues~~
- Clarify the distinction between dependent and non-dependent misuse of alcohol or substances

3.0 DEFINITIONS

For the purposes of this policy the following definitions apply:

Alcohol Abuse: ~~when a person drinks in a way that is harmful, or they are dependent on alcohol. (www.nhs.uk) where a person feels that they are unable to function without alcohol, and the consumption of alcohol becomes an important, or sometimes the most important, factor in their life (see www.nhs.co.uk for further details).~~

Substance Abuse: Intoxication by/or regular excessive consumption of and/or dependence on psychoactive substances, leading to social, psychological, physical or legal problems. It includes problematic use of both legal and illegal drugs (including alcohol when used in combination with other substances) see www.nice.org.uk for further details.

~~4.0 CONFIDENTIALITY~~

~~Employees with alcohol or substance abuse problems who are referred for treatment, whether voluntarily or mandatory will be dealt with in the strictest confidence.~~

4.0 DISCIPLINARY PROCEDURES

In circumstances where **our** disciplinary procedures are instigated in relation to this policy, the outcome may include dismissal.

5.0 LEGAL FRAMEWORK

- Health & Safety at Work Act 1974

- Misuse of Drugs Act 1971

6.0 HEALTH & SAFETY

The Group recognises its duty under the Health and Safety at Work Act 1974 to ensure, as far as is reasonably practical, the physical and psychological health and safety and wellbeing of all employees.

If it is felt that an individual poses a risk to the health, ~~and~~ safety or wellbeing of themselves or anyone else as a result of alcohol or substances, immediate action will be taken to remove the individual from the environment, most likely by sending the individual home, or seeking emergency medical assistance. If it is not safe for the individual to make their own way home alternative travel arrangements must be made.

All employees have a responsibility to ensure the health, ~~and~~ safety and wellbeing of others is not put at risk. If an employee has reason to believe that a colleague is misusing alcohol or ~~drugs~~ substances, they must inform their line manager immediately.

7.0 ILLEGAL ACTIVITY

We respect an individual's right to a private life, however we work within the community with a purpose of improving the lives of those who live there. As a result we will not tolerate any instances of illegal activity concerning drugs or associated with illegal substances. Any employee found to be involved or connected to illegal activity will be managed under our disciplinary procedure which will likely result in dismissal.

8.0 ~~DRINKING AT WORK~~ ALCOHOL AND THE WORKPLACE

The consumption of alcohol at work is not normally permitted. However, at special events where the employee is not driving and only with the approval of the Senior Management Team, alcohol consumption may be permitted.

9.0 DRIVING AT WORK

Drinking alcohol can affect people in different ways. ~~As a result, we take the view that the only safe level of alcohol is no alcohol.~~ Should an employee drink alcohol or take a substance (legal or illegal) which impairs their ability to drive and then undertake any occupational driving, this will be deemed as breach of conduct and will be dealt with under our Disciplinary Policy. This will also be reported to the police.

Before any driving at work takes place, a dynamic risk assessment should be conducted. This should be completed by the driver and should include any alcohol or substance consumption-intake. This is particularly relevant 'the morning after the night before'. If an employee is in any doubt as to whether they are safe to drive they should not do it.

If an employee suspects another staff member has consumed alcohol or they have reason to believe the person may not be safe to drive, the morning after, they have a responsibility to report this immediately to a manager. The manager will deal with the situation appropriately which will include informing the police. Should malicious allegations be made this will be treated very seriously and will be subject to formal disciplinary action.

~~Alternatively, a call can be made directly to the police.~~

10.0 MANAGING ALCOHOL MISUSE

We will manage alcohol misuse depending on its nature. Alcohol misuse will be dealt with under the following categories:

1) Alcohol overindulgence

~~1)2)~~ Alcohol dependence

Where an issue concern arises concerning-regarding alcohol overindulgence that results in socially unacceptable or dangerous behaviour but which is not related to a physical or psychological dependence, this will be treated as a conduct issue and will be dealt with under our disciplinary procedures.

Where an issue concern arises concerning-regarding alcohol dependency and interferes with an employee's workability to carry out their duties, this will initially be considered as an ill-health issue and managed in accordance with the appropriate procedures. However, where there is no improvement, support is not accepted, programme not completed or no dependence is diagnosed we will instigate the disciplinary procedure.

11.0 MANAGING SUBSTANCE MISUSE

11.1 Legal Substances

Where concern an issue arises concerning the recreational use of-regarding overindulgence in legally obtained legal substances (this also relates to prescription medication, whether required short or long term) which results in socially unacceptable

or dangerous behaviour, this will be treated as a conduct issue and will be dealt with under our disciplinary procedures.

Where an issue arises concerning legal substance dependency which ~~has been obtained legally and~~ interferes with an employee's work, this will initially be managed as an ill-health issue and managed in accordance with the appropriate procedures. However, where there is no improvement, support is not accepted, programme completed or no dependence is diagnosed we will instigate the disciplinary procedure.

-11.2 Illegal Substance Misuse

We will not tolerate the consumption or possession of illegal ~~drugs substances~~ in any circumstances. This will always be considered to represent gross misconduct.

11.3 Illegally Obtained Legal Substances

We will not tolerate illegal activity concerning legal substances. Any employee who is suspected of being involved in any such activity will be dealt with in accordance with our disciplinary procedures as gross misconduct.

12.0 GENERAL ILLEGAL ACTIVITY

Any employee suspected to be involved in illegal activity concerning substances will also be reported the police.

12.1 Police Involvement

In circumstances where the police are involved in an investigation concerning any employee, we will continue with our own investigation and act on this accordingly regardless.

13.0 MANAGING DEPENDANCY PROBLEMS

In circumstances where an employee is suspected of having an alcohol or legal substance dependency we will provide reasonable support. In the first instance the line manager will have a meeting with the employee and make a management referral to the Employee Counselling Service (or other employee support organisation). The manager will then have follow up meetings on an appropriate and regular timescale to determine the progress the individual is making.

Where there are performance issues relating to the dependence, appropriate performance plans will be put in place in accordance with our under performance procedures as detailed in the disciplinary procedures. Where the improvement is not adequate or support via the Employee Counselling Service (or other employee support

organisation) is not adhered to, normal disciplinary procedures will be instigated which may result in dismissal.

14.0 CONFIDENTIALITY & GENERAL DATA PROTECTION REGULATION

Employees with alcohol or substance misuse problems who are referred for support, whether voluntarily or mandatory will be dealt with in the strictest confidence.

This information will be handled in line with our obligations under the current data protection regulations and our own fair processing notice for staff. Information regarding how your data will be stored can be obtained by contacting your line manager.

~~We will treat your personal data in line with our obligations under the current data protection regulations. Information regarding how your data will be used and the basis for processing your data is provided in our fair processing notice for staff.~~

15.0 MONITORING AND REVIEW

The Policy will be reviewed by the Chief Executive at least every 5 years, with any changes approved by the Management Committee.

16.0 SUPPORTING AGENCIES

Edinburgh & Lothian Council on Alcohol

Tel: 0131 337 8188

web: <http://elcaalcohol.co.uk/>

~~6 Clifton Terrace~~91 Rose Street, Edinburgh, ~~EH12 5DR~~EH2 3DT

Rowan Consultancy (Employee Counselling Service)

Tel: 01738 562005

2nd Floor, 4 Kinnoull Street, Perth, PH1 5EN

web: <http://www.rowan-consultancy.co.uk/>

National Drugs Helpline (Frank Drugs Helpline)

Tel: 0300 123 6600 ~~0800 77 66 00~~ (Freephone number)

Appendix 1

Alcohol and Substance Misuse Policy
Roles and Responsibilities

Management

- To be familiar with policy relating to alcohol & substance misuse
- To ensure that all staff understand the policy and their own responsibilities
- To monitor changes in work performance, attendance, sickness and accident patterns
- To take an objective and non-judgemental approach when interviewing staff
- To refer a member of staff for assistance when appropriate
- To identify any aspects of the working environment which could impact on alcohol or substance abuse ~~problems~~ situations and, if possible, change them
- To intervene early when there are signs of ~~problems~~ alcohol and substance misuse
- To refer to our disciplinary procedure where appropriate
- To be responsible for maintaining a safe and healthy workplace
- To act properly on appropriate information

Staff

- To be aware of alcohol and harmful substances and the social, health and employment effects
- To work at all times free from the effects of alcohol and harmful substances
- To avoid covering up or colluding with colleagues
- To urge colleagues to seek help if they ~~have problems arising from~~ are struggling with alcohol or substance misuse
- To seek help where they themselves ~~have problems from~~ are struggling with alcohol or substance misuse
- To not use illegal substances
- To be responsible for maintaining a safe and healthy workplace
- To report any incidence of alcohol and substances misuse which affects a member of staff's ability to carry out their duties

Equality & Diversity Policy Review

Report by Martin Pollhammer, Chief Executive – for approval

1.0 Introduction

The Equality & Diversity Policy review is overdue, and was delayed firstly in waiting for new Regulatory Guidance to be published, then for SFHA Guidance (which was published and re-published several times whilst the details of the new regulatory requirements were established and fully understood), and finally in waiting for the development of new Equality Data Collection software to be completed.

The review has now been completed, with significant input from the Director of Housing, and should be read in conjunction with the Equality & Human Rights Strategy (see **Agenda Item 4.3**, and the Equality & Diversity Action Plan (see **Agenda Item 5.1**).

2.0 Policy Review

The changes to the original Policy are significant, and therefore tracking has not been used to highlight the changes in the **Policy Document** attached to this report. Instead, the document should essentially be reviewed as a new Policy.

3.0 Future Role for the Governance Standards Working Group

Our Policy and Practice in relation to Equalities and Human Rights is a core part of compliance with the Governance Standards and therefore in terms of preparing the Association's Annual Assurance Statement to the Scottish Housing Regulator. Many of these requirements are new, and practice across the sector, including ELHA's, is evolving. This will be reflected in Assurance Statements this year as the Scottish Housing Regulator seeks specific assurance in this area (this will be discussed in more detail when ELHA's Assurance Statement is considered at the next Management Committee meeting in September 2023).

Therefore, rather than setting up a separate monitoring mechanism, given the Regulatory Framework and Evidence Bank that supports ELHA's self-assessment against it is reviewed by the Governance Standards Working Group, the Policy contains references to the future role of the Working Group in ensuring the standards and commitments in this Policy are met.

4.0 Equality Impact Assessments

The Revised Policy includes specific reference to Equality Impact Assessments in Section 13.0. Generally these will be undertaken as part of relevant Policy Reviews (for example for policies relating to service provision or HR), but some key policies will be subject to earlier Equality Impact Assessments. These are set out in the Equality & Diversity Action Plan (see **Agenda Item 5.1**).

5.0 Assurance Statement Action Plan

The introduction of this Revised Policy, along with the Equality & Human Rights Strategy (see **Agenda Item 4.3**) and Equality Action Plan (see **Agenda Item 5.1**) will result in a new assessment of compliance with the Regulatory Standards (the Governance Standards Working Group meets on 22 August 2023, and will report to the next Management Committee meeting in September 2023).

This is likely to result in some minor changes to the Assurance Statement Action Plan which the Management Committee approved in May 2023.

Recommendation

The Management Committee is asked to approve the revised Equality & Diversity Policy.

GROUP POLICY

Date Issued	October 2006
Last Reviewed	August 2023
Department	Corporate
Title	Equality & Diversity Policy
Objective	To describe our arrangements for making sure that we apply the principles of Equality & Diversity in all our activities.
Responsible	Chief Executive
Next Review Date	August 2028

1.0 Introduction

- 1.1 We are committed to promoting an environment of respect, understanding, encouraging diversity, and eliminating discrimination by providing equality of opportunity for all. We have a consistent approach to promoting equality and diversity across all areas of our work and will ensure that the same principles are also embedded in all areas of work undertaken by those working on behalf of the Association.
- 1.2 Equality means making sure people are treated fairly and given fair chances. It is not about treating everyone in the same way but recognising that different needs may have to be met in different ways.
- 1.3 Diversity means valuing individual differences. We are committed to valuing and managing people's differences to enable all our employees, Management Committee and Board members to contribute and realise their full potential. We recognise that people with different backgrounds, skills, attitudes and experiences, can bring fresh ideas and views that will enhance our organisation and services.
- 1.4 We have an Equality & Human Rights Strategy which outlines our commitment to ensuring we deliver housing services in a way that every tenant and other customer has their individual needs recognised, is treated fairly and with respect and receives fair access to housing and housing services.
- 1.5 This Policy sets out our aims, how we will implement equality and diversity and how we will monitor performance.

- 1.6 All employees are required to abide by this policy which also covers discrimination by and towards members of the public, Management Committee / Board Members, contractors and staff from other agencies. We oppose all forms of unlawful discrimination.

2.0 Legal, Regulatory and Good Practice Framework

2.1 Legislation

- 2.1.1 This policy is compliant with the Equalities Act 2010 and promotes a culture of dignity and respect for all. The Act specifies nine protected characteristics which are the grounds on which discrimination is prohibited by law. Claims of discrimination cannot be made on any grounds other than:

- Age
- Disability
- Gender reassignment
- Marriage & civil partnership
- Pregnancy & maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

- 2.1.2 We also comply with the:

- Housing (Scotland) Act 2010
- Human Rights Act 1998
- Data Protection Act 2018 and the UK General Data Protection Regulation

2.2 Scottish Social Housing Charter and Regulatory Framework

We comply with the requirements of the Scottish Social Housing Charter, Outcome 1 which states: 'Social Landlords perform all aspects of their housing services so that:

- They support the right to adequate housing
- Every tenant and other customer has their individual needs and rights recognised, is treated fairly and with respect, and receive is fair access to housing and housing services

2.2.1 The Scottish Housing Regulator has published regulatory standards that every social landlord must: *'Have assurance and evidence that it is meeting all of its legal obligations associated with housing and homelessness services, equality and human rights ...'*

2.2.2 The Regulatory Framework specifies that this requires social landlords to collect equality information in respect of the protected characteristics for their new and existing tenants, applicants, staff and Management Committee members. Each social landlord must: *'Have assurance and evidence that it considers equality and human rights issues properly when making all of its decisions, in the design and review of internal and external policies, and in its day-to-day service delivery.'*

2.2.3 Currently we do not need report on equalities and human rights through the Annual Return on the Charter, however we report that we meet the Regulatory Framework through the submission of an Annual Assurance Statement each year.

2.2.4 We also comply with the Regulatory Standards of Governance and Financial Management which states: *the RSL pays due regard to the need to eliminate discrimination, advanced equality and human rights, and fostered good relations across the range of protected characteristics in all areas of its work, including its governance.*

2.3 Equality Data Collection: National Guidance for Scottish Social Landlords

2.3.1 Equality Data Collection Guidance was produced in 2021 (and updated June 2022) by the SFHA, GWSF, ALACHO and the Scottish Housing Regulator to support social landlords in Scotland to implement legal and regulatory requirements relating to equality data collection. We meet the requirements of this guidance through the software we developed to collect this data.

3.0 Types of Discrimination

There are eight types of discrimination we need to be aware of:

- **Direct Discrimination**
This means treating someone less favourably than others based on a protected characteristic.
- **Indirect Discrimination**
This can occur where a policy, procedure or practice applies to everyone in the same way, but might disadvantage a particular protected group, and cannot be objectively justified.
- **Associated Discrimination:**
This is discriminating against a person because they have an association with someone with a protected characteristic. For example, a non disabled person is discriminated against because of the action they need to take to care for a disabled dependent.
- **Perceptive Discrimination**
This is when a person is discriminated against because the discriminator **thinks** the person possess a protected characteristic. For example, a person is not shortlisted for a job because the recruiter assumes that they don't have the correct Visa to work in the UK as they have a foreign looking name on their application form.
- **Harassment**
This is conduct that violates a person's dignity or creates an intimidating, hostile degrading, humiliating or offensive environment. The intention of the perpetrator is irrelevant; it is the impact on the individual which determines whether harassment has taken place.
- **Victimisation**
This is treating someone less favourably and discriminating against them because they have pursued or intend to pursue their rights relating to alleged discrimination, complained about the behaviour of someone harassing them or given evidence in someone else's discrimination complaint.
- **Positive Action**
This means addressing imbalances, for example in the workforce by encouraging members of under-represented groups to apply for jobs. Positive action may be applicable in setting equality targets.

4.0 Policy Principles

- 4.1 This Equality and Diversity policy aims to:
- 4.2 Ensure that all employees, Management Committee members, tenants, stakeholders and other customers are treated with fairness and respect and are not discriminated against or disadvantaged by any conditions or requirements which cannot be shown to be relevant.
- 4.3 Ensure integration of equality and diversity practices into everything we do and ensure that everyone we deal with is treated with fairness and respect by everyone else with whom we have a connection.
- 4.4 Provide an environment appropriate to the needs of those from all walks of life and offer a culture that respects and values each other's differences and promotes dignity, equality and diversity.
- 4.5 Ensure that we take positive steps to remove any barriers by making reasonable adjustments, so that someone with a disability is able to receive the same services as far as possible as someone who is not disabled.
- 4.6 Set out our commitment to Equality Impact Assessments and data gathering.
- 4.7 Set out how we will publish statistics on protected characteristics and complaints related to equality issues.

5.0 Implementation of the Policy

- 5.1 All staff are responsible for the policy's day to day implementation and are expected to abide by our Code of Conduct at all times.
- 5.2 We will ensure that all new employees, Management Committee and Board members receive induction on this policy. Thereafter, regular refresher training will be provided. The policy will be widely promoted and integrated into all our policies and procedures. A copy of the policy will be available on elha.com.
- 5.3 We will make sure that existing staff receive appropriate training and guidance to promote equality and diversity, and that this is repeated at regular intervals.
- 5.4 As part of our commitment to equality and diversity, we have adopted a Disability Policy Statement, which has been approved by the Employment Service as a Disability Symbol User (see our HR Equalities & Diversity Policy for more information).

- 5.5 We have produced an Equalities & Human Rights Strategy and an Equalities Action Plan and, if required, will set a budget for its implementation. The Action Plan will be regularly reviewed by the Governance Standards Working Group and an annual report will be submitted to the Management Committee as part of the development of the Annual Assurance Statement.
- 5.6 Our Governance Standards Working Group, which normally meets three times a year, will oversee the implementation of our Equality & Human Rights Strategy and Equalities Action Plan and ensure compliance with regulatory standards.
- 5.7 All of our staff, Management Committee and Board members have a responsibility to be alert to discriminatory behaviours and practices if they occur. Unacceptable behaviour and practices should not occur, however if a situation arises it will be dealt with immediately. Breaches of the Equality and Diversity policy will be regarded as misconduct which could lead to disciplinary action which may include dismissal, or removal from the Management Committee / Board.

6.0 Access to Services

- 6.1 We will, as far as practical, make sure that everyone has equal access to our premises, and that our homes comply with the provisions of the Equality Act 2010.
- 6.2 We will take positive action to make sure that all members of the community are aware of the services we provide and how to access them.

7.0 Provision of Services

- 7.1 In providing and managing housing and delivering services to customers, we will ensure equality of opportunity in relation to the quality of housing, access to housing, policies relating to harassment and nuisance, provision of services and complaints. We will tailor services to individuals' needs and treat them with respect.
- 7.2 In developing new houses, we will provide housing wherever possible that complies with the basic criteria of Housing for Varying Needs. We will continue to support positive action to address identified housing needs within equality groups and to provide housing opportunities reflecting the diversity of the local population.
- 7.3 We will ensure that all written material we produce is clear, simple and jargon-free. In preparing written material we will ensure that the content is open and inclusive and does not discriminate against any group or individual.
- 7.4 We will ensure that the content of elha.com is easily accessible to all our service users and stakeholders.

7.5 On request, we will provide alternative communication methods where reasonable to do so, such as arranging interpreting and translation services (we are members of Happy to Translate), or considering other accessibility requirements, where this is required.

7.6 We recognise that harassment is a serious breach of tenancy and if it occurs we will make sure that it is dealt with appropriately in accordance with our Antisocial Behaviour policy.

7.7 We will engage in regular consultation with service users and encourage tenants to be involved in our activities.

8.0 Contracting Role

8.1 We will ensure that all contractors we use comply with relevant Health & Safety, employment and Equality & Diversity legislation. More detail is given in our Procurement Policy.

8.2 When we receive an application to our list of contractors or consultants, we will ask the applicant to provide a copy of their Equality & Diversity policy or confirm that they will abide by our policy.

9.0 Governance

9.1 We aim to ensure that membership and participation in our affairs is open to everyone.

9.2 We will provide training to our Management Committee and Board members on equality and diversity awareness and practice as required by the Management Committee Training Plan (informed by the annual Training Needs Assessment).

10.0 Our Role as an Employer

10.1 We are Full Members of Employers in Voluntary Housing (EVH). We have a separate Equality and Diversity Policy in relation to HR, which is based on the EVH Model.

10.2 Given the comprehensive nature of this separate HR Policy, and that significant areas of it relate specifically to HR, we have not set out a summary within this Policy Document, other than to note that we are committed to ensure we uphold the values of our general Equality and Diversity Policy in all aspects of our role as employer.

11.0 Discrimination, Harassment and Victimisation

- 11.1 The right to be treated equally with dignity and respect extends to everyone with whom we work, including our tenants, applicants, employees, outside contractors, Management Committee / Board members and other agencies whilst at work. We have a clear, open and accessible Complaints Handling Policy, as well as a Dignity at Work Policy.
- 11.2 We will deal with complaints of harassment, victimisation or discrimination of tenants either through our Anti-Social Behaviour Policy or our Complaints Handling Procedure.
- 11.3 We will deal with complaints of victimisation, harassment or discrimination sensitively and effectively aiming to ensure a satisfactory outcome for the complainant and that appropriate corrective action is taken to avoid the behaviour giving rise to the complaint is not repeated.

12.0 Employee and Management Committee Responsibilities

- 12.1 Whilst we aim to maintain high standards in equality and diversity, we recognise that the existence of a policy in itself does not guarantee or provide equality in access, opportunity or outcome, and that the success of the policy depends on the degree of commitment in practice of all Management Committee / Board Members and staff.
- 12.2 The Management Committee / Board has the overall responsibility for ensuring that this policy is implemented across all areas of our activities.
- 12.3 The Chief Executive is responsible for the day-to-day implementation of this policy and is responsible for ensuring that all staff implement the policy. Staff are also responsible for ensuring that our policies, procedures, publications, information material, advertisements and application forms do not contain any statements or conditions which would breach this policy.
- 12.4 We expect all Management Committee/Board Members and staff to:
- Apply the policy in their activities and work for the Group
 - Challenge any discriminating behaviour they become aware of
 - Report to a manager or to the Chief Executive, any instances of actual discrimination

13.0 Equality Impact Assessments

13.1 Under the Equality Act 2010, Public Bodies are required to carry out Equality Impact Assessments (EIAs), and the Scottish Housing Regulator has stated that it would expect Registered Social landlords to do so. We will carry out Equality Impact Assessments when we review relevant policies and practices, taking account of the equality data that we collect.

14.0 Data collection and Evidence

14.1 Equality data collection lies at the heart of quality services. The benefits of collecting such data can include:

- Promoting positive customer care strategies
- Enhancing tenant participation opportunities
- Meeting specific business objectives

14.2 To ensure we are delivering services which meet the outcomes of the Social Housing Charter and comply with regulatory requirements we need to understand our tenants, applicants, staff and Management Committee characteristics and any needs they may have. This will allow us to provide better services to our customers and promote diversity.

14.3 We collect and analyse information in following ways:

14.3.1 Every three years we carry out an independent Tenant Satisfaction Survey with face to face surveys of around 50% of tenants. As part of this, we ask equalities monitoring questions. This information is anonymised, i.e., it is not held against individuals.

14.3.2 We have developed Gold Standard digital software to collect equalities information about our tenants through their My Home account. Those tenants not signed up to paper free services receive an annual letter and anonymised survey form. Tenants can waive their anonymity and advise us of any specific personal needs or characteristics which will help us to ensure they have appropriate access to our services.

14.3.3 We have also developed Gold Standard equalities data collection software for our Digital Lettings Service, These Homes, which is shared by a number of landlords throughout Scotland (known as The Collective). All information collected from applicants is also anonymised. The development of this software was overseen by a Data Protection Consultant. A Data Protection Impact Assessment was carried out and a joint Appropriate Policy for processing of special categories of personal data was developed.

- 14.3.4 On an annual basis, we will collect equalities information from staff and Management Committee members. Any staff or Management Committee member can waive their anonymity and advise us of any specific personal needs or characteristics which will help us to ensure they have the correct support in place to carry out their role
- 14.4 These information sources also inform our Equality Impact Assessments which then impact on policy development. Our Management Committee will review the outcomes from such assessments when considering policy reviews, to identify any inconsistencies and analyse the data to identify any service gaps or areas of concern or discrimination.

15.0 Monitoring and Reporting

- 15.1 The Chief Executive is responsible for monitoring the application of this policy.
- 15.2 We will monitor information relating to protected characteristics in relation to:
- Recruitment and employment of staff
 - Housing applicants
 - New and existing Tenants
 - Management Committee / Board membership
- 15.3 We will publish statistics on the nine protected characteristics on our P365 microsite and in our Housing Management Annual Review.
- 15.4 We collect equalities information when we recruit and this will be reported to the Management Committee as and when required.
- 15.5 The Chief Executive will provide an Equality & Diversity Action Plan report to the Management Committee on an annual basis.
- 15.6 **Appendix 1** is a Summary Statement of our Policy which we publish on elha.com.

16.0 Policy Review

- 16.1 The Chief Executive will ensure that this policy is reviewed every five years and any recommended changes must be approved by the Management Committee. The absence of such a review will not cause it to lapse.

Equality & Diversity Policy

Summary for Issue as a Public Statement

We are committed to promoting an environment of respect and understanding; encouraging diversity and eliminating discrimination by providing equality of opportunity for all in the following activities:

- Admission to the housing register
- Allocating housing
- Provision of all services to tenants and other customers
- Appointment of Consultants and Contractors
- Handling of comments and complaints
- Recruitment of Association members
- Recruitment of Management Committee / Board Members
- Employment of staff, and all aspects of their Terms and Conditions of Employment

We are committed to complying with all current anti-discrimination law, regulation and good practice.

We aim to ensure that in all our policies, procedures and management decisions there is no discrimination on the grounds of age, disability, gender reassignment, marriage & civil partnership, pregnancy & maternity, race, religion or belief, sex and sexual orientation or on any other grounds.

We will provide information in alternative forms for those requiring it, for example translation into other languages where required.

As part of our commitment to Equality & Diversity, and in compliance with the Equality Act 2010, we have adopted a Disability Policy Statement and have been recognised by the Employment Service as a Disability Symbol User.

A full copy of our Equality & Diversity Policy may be obtained from the Association's offices at the address above.

(Brian Logan, Chair)

(Martin Pollhammer, Chief Executive)

Equality & Human Rights Strategy

Report by Martin Pollhammer, Chief Executive – for approval

1.0 Introduction

Unlike the Equality & Diversity Policy, which has existed for many years, albeit with significant changes made this year (see **Agenda Item 4.2**), the requirement for an Equality & Human Rights Strategy is new, but is also a key document in terms of compliance with the new requirements within the Governance Standards.

For this reason, a normal five-year review period has been set for the Equality & Diversity Policy, since the practice and key principles are all understood by staff and Management Committee, and only refresher training in these areas are required. This Strategy is different though, and ELHA's practice in this area continues to evolve, whilst further guidance materials are expected to be published shortly. Therefore, this Strategy will initially be reviewed in a year's time. It is possible that annual review will continue for a period of time after that, until such time as this is no longer felt necessary.

2.0 Equality & Human Rights Strategy

The Association's approach is set out in the attached **Strategy Document**, which in many ways should be self-explanatory. The current annual nature of the Strategy means there are specific references to tasks that will be undertaken in the current year, and the **Strategy Document** should be read in conjunction with the Equality & Diversity Action Plan (see **Agenda Item 5.1**).

3.0 Future Role for the Governance Standards Working Group

For the reasons set out in the Equality & Diversity Policy Review Report (see **Agenda Item 4.2**), the Governance Standards Working Group will now have a role in reviewing progress in relation to the Strategy as part of its overall role to assure the Management Committee in relation to compliance with the Governance Standards. References to this role are made where appropriate throughout the Strategy.

4.0 Equality Data Collection

It should be noted that in Section 6.0, there is an assumption that Equality Data will be collected from staff and Management Committee members on an annual basis. Whilst data collection for tenants and housing applicants is in place and in use, the software for collecting staff and Management Committee data is still in development. This should be in testing by the time of the next Management Committee meeting in September 2023, and therefore an update will be given in advance of approving the Annual Assurance Statement.

It would be possible to collect and store this data now, for example by using a questionnaire and storing the data on an Excel spreadsheet, but given the particular importance of collecting this data anonymously and storing it securely, and given that the revised timescale for the delivery of this software is relatively short, no further action is being taken at this time.

Recommendation

The Management Committee is asked to approve the Equality & Human Rights Strategy.

GROUP STRATEGY

Date Issued August 2023

Last Reviewed

Department Corporate

Title **Equality & Human Rights Strategy**

Objective To ensure we meet the expectations of our tenants, other service users and stakeholders in our approach to Equality & Human Rights

Responsible Chief Executive

Next Review Date August 2024

1.0 Introduction

This is our first published Equality & Human Rights Strategy, which sets out how we will promote an environment of respect, understanding, encouraging diversity, and eliminating discrimination by providing equality of opportunity for all.

This document outlines our commitment to ensuring we deliver housing services in a way that every tenant and other customer has their individual needs recognised, is treated fairly and with respect, and receives fair access to housing and housing services.

This strategy should be read in conjunction with our Equality & Diversity Policy and compliance is expected from all staff, Committee Members, tenants and others that we work with.

2.0 Legal & Regulatory Context

2.1 Scottish Social Housing Charter & Regulatory Requirements

The Scottish Social Housing Charter help to improve the quality and value of services provided by social landlords in Scotland. It sets the standards and outcomes that all social landlords should aim to achieve when performing their housing activities.

Outcome One of the Scottish Social Housing Charter states:

'Social Landlords perform all aspects of their housing services so that:

- They support the right to adequate housing
- Every tenant and other customer has their individual needs and rights recognised, is treated fairly and with respect, and receives fair access to housing and housing services'

This outcome describes what social landlords, by complying with equalities legislation, should achieve for all tenants and other customers regardless of the nine protected characteristics set out by the Equality Act 2010. It includes landlord's responsibility for finding ways of understanding the rights and needs of different customers and delivering services that recognise and meet these.

There are currently no reporting requirements for Equality & Human Rights as part of the Annual Return on the Charter.

Landlord self-assurance is at the heart of the Scottish Housing Regulators approach to regulation and an important part of this is landlords making an Annual Assurance Statement. Our starting point was set out by our Management Committee in our 2022 Annual Assurance Statement, confirming that we were working towards having appropriate systems in place for the secure collection, storage and use of Equality Data, and were also assured that we were working towards using this data to take account of Equality and Human Rights issues in our decisions, policy making and day to day service delivery. Through our 2023 Annual Assurance Statement, we expect to report that we are fully compliant with regulatory requirements on data collection, and that we will consider Equality and Human Rights issues properly when making our decisions, in the design and review of our internal and external policies, and in our day-to-day service delivery.

We are also compliant with Standard 5.3 of the Regulatory Standards of Governance and Financial Management which states:

'The RSL pays due regard to the need to eliminate discrimination, advance equality and human rights, and foster good relations across the range of protected characteristics in all areas of its work, including its governance'.

2.2 Equality Data Collection: National Guidance for Scottish Social Landlords

Equality Data Collection Guidance was produced in 2021 (and updated most recently in June 2022) by the SFHA, GWSF, ALACHO and the Scottish Housing Regulator, to support social landlords in Scotland to implement legal and regulatory requirements relating to equality data collection. The Guidance has helped to shape this strategy.

2.3 Equality Act 2010

The Equality Act of 2010 sets out nine protected characteristics on which discrimination is prohibited by law. They are:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex and sexual orientation

2.4 Public Sector Equality Duty

The Equality Act 2010 replaced previous duties in respect of race, disability and sex by the duty known as the Public Sector Equality Duty.

The Duty requires specified public bodies (or those that carry out public functions) to:

- Eliminate conduct prohibited in law
- Advance equality of opportunity between people who share a protected characteristic and those who do not
- Foster good relations between people who share a protected characteristic and those who do not

Registered social landlords are not included in the list of designated bodies covered by the Duties but many of the specific functions that we carry out are likely to be of a public nature, and so the duty applies to those functions.

2.5 Housing as a Human Right

At the time of writing this Strategy, the Scottish Government has committed to introducing a Human Rights Bill during the current parliamentary term. The Bill will create a legal framework to embed internationally recognised Human Rights within Scottish Law. It is expected that it will recognise the right to a healthy environment and provide a clear set of duties for public bodies. It is suggested that the duties set out in the Bill would apply to bodies carrying out functions of a public nature.

The United Nations (UN) sets out seven standards of adequate housing:

- **Security of Tenure** - legal protection from forced eviction, harassment by landlords and other threats to having a settled home
- **Habitability** - a dwelling in a decent state of repair that provides a dry, warm home and adequate living space
- **Availability of Services** – a dwelling has the facilities that makes it habitable, such as sanitation and waste disposal facilities, cooking facilities, storage heating and lighting
- **Affordability** - housing costs are not so high that people struggle to pay for food, fuel and other basics
- **Accessibility** - suitable housing is available to those who require it, including housing that maximises the capacity of individuals with a disability or limiting illness to live independently
- **Location** - housing is situated areas that allow access to services (such as education, health, shops), paid work and participation in civic society; housing should not be in an environment that is hazardous to health
- **Cultural Adequacy** - housing and its allocation should allow people to live in ways that express their cultural identity and does not disrupt their cultural affiliations

From 2023, the Scottish Housing Regulator expects assurance from our Management Committee that we are considering how we can adopt a Human Rights based approach in our work through the 2023 Annual Assurance Statement.

Whilst some of the standards above are already covered by legislation our Governance Standards Working Group (See Section 5.0) will consider what the 'right to adequate housing' could look like in practice in East Lothian, and what challenges need to be overcome to achieve this, whilst we await more formal guidance in this area.

2.6 Data Protection Legislation

When we are collecting or holding data from tenants, applicants, staff and committee members, we ensure we are processing it in a way which complies with the General Data Protection Regulations 2018. If data is anonymous and is in no way linked to an individual, then it is no longer regarded as personal data and the data protection considerations would no longer apply. Our approach is anonymous, therefore we do not collect personal data in this respect. Further information can be found in our Data Protection Policy.

3.0 Equality & Diversity Policy

Our Equality & Diversity Policy outlines how we will implement and promote Equality and Diversity across the Association and our services, whilst considering Human Rights. It also outlines the way in which we will work to reduce and prevent discrimination.

This strategy and our Equality & Diversity Policy are supported by Equality Impact Assessments (which we undertake when reviewing relevant policies and services), and our Equality & Diversity Action Plan, which we review annually.

4.0 Equality Impact Assessments & Action Plan

When we review all of our relevant policies and practices, we will carry out an Equality Impact Assessment. Equality Impact Assessment training will be provided for our Management Team this year and a procedure will be developed which will outline our approach to completing assessments as we move forward. We will also carry out retrospective Equality Impact Assessments of several key policies recently reviewed such as our Tenant Participation Strategy, Complaints Policy and Tenancy Sustainment Policy.

5.0 Governance Standards Working Group

Our Governance Standards Working Group meets three times a year to review our overall compliance with the Governance Standards. It also reviews our self-assessment against the Standards, and our Evidence Bank which underpins our self-assessment. Given Equality & Diversity are now a key section within the overall Governance Standards, it makes sense for our Governance Standards Working Group to review our compliance in this specific area, to ensure the Working Group can give assurance to the Management Committee in relation to our compliance with the Standards overall.

This means that the Governance Standards Working Group will now oversee and report to the Management Committee on:

- The annual review of this Strategy
- Our performance against our Equalities Action Plan, ensuring the Plan is presented to the Management Committee annually
- Compliance with the Regulatory Standards relating to Equality & Human Rights to provide Assurance to the Management Committee as part of the preparation of the Annual Assurance Statement
- Review Equality Impact Assessments to identify inconsistencies and develop good practice, and incorporate them into the Evidence Bank and self-assessment

- Consider the Equality Data collected about our tenants, applicants, staff and Management Committee members, as well through our Information & Advice Service and the three-yearly tenant satisfaction survey, and ensure we are complying fully with our regulatory requirements in these areas

6.0 Data Collection and Evidence

To ensure we are delivering services which meet the outcomes of the Social Housing Charter, that we comply with regulatory requirements, and meet the Public Sector Equalities Duty, we need to collect data and understand our tenants, applicants, staff and Management Committee member characteristics and any needs they may have. This will allow us to provide better services to our customers and promote diversity. We use this data to measure whether we are meeting the aims of this strategy and our Equality & Diversity policy.

We collect and analyse information in following ways:

- Every three years we carry out an independent Tenant Satisfaction Survey with face to face surveys of around 50% of tenants, and as part of this, we ask equalities monitoring questions (although this part of the data set is collected by an external consultant and reported to us anonymously)
- We have developed Gold Standard digital software to collect Equality Data about our tenants through their My Home account so that our tenants can advise us of any specific needs or characteristics which will help us to ensure they have the best access to our services (those tenants not signed up to paper-free services receive an annual letter and anonymised paper survey form which they can return by post)
- We also collect Gold Standard Equality Data about our applicants through our Digital Lettings Service, These Homes (all information collected from tenants and applicants is anonymised)
- On an annual basis, we will carry out a survey of staff and Management Committee members to compile equality information. This will be collected anonymously, but any staff or Management Committee member who has specific individual requirements can advise our Executive Support Officer (HR) who will ensure the appropriate support is in place to meet their needs.

These information sources inform our Equality Impact Assessments which then impact on policy development and service delivery. Our Governance Standards Working Group will review the outcomes from such assessments to identify any inconsistencies and analyse the data to identify any service gaps or areas of concern or discrimination.

Equalities information is currently reported through on our P365 microsite, as well as in a number of key reports to our Audit & Assurance and Management Committees. We are reviewing how we can improve these reporting mechanisms during 2023/24.

7.0 Feedback & Consultation

We ensure that our tenants know how to complain about our services and the delivery of them. We provide information to our tenants and customers in a variety of ways that enables them to complain.

We monitor complaints and praise and provide quarterly and annual reports to our Management Committee and publish these on elha.com. We use this information to improve our services.

We consult tenants via a range of methods outlined in our Communication and Tenant Participation strategies and take their views into account when shaping and delivering services. We will use the Equality Data we collect to inform our engagement with tenants and ensure there are effective arrangements to support tenants with specific needs to enable them to participate in our scrutiny and engagement activities.

We also carry out a range of regular surveys to ensure that tenants views are collected and taken into account when delivering services.

8.0 Training

We provide Equality & Human Rights training to all staff in a range of ways. We currently provide bite sized training through the initial induction process for new staff and the ongoing induction programme. All staff will attend formal training in 2023/24.

9.0 Monitoring & Review

The Governance Standards Working Group will monitor the progress of this Strategy through their normal work in gaining assurance in relation to the Association's compliance with the Governance Standards.

The Chief Executive is responsible for the review of this Strategy after its first year of operation.

Authorisations and Standard Charges / Allowances Policy Amendment

Report by Gary Alison, Director of Finance & Corporate Services – for Approval

1.0 Introduction

The Authorisations and Standard Charges / Allowances Policy outlines the responsibilities for authorising expenditure and signing documents throughout the organisation, it also sets out the standard charges and allowances used within the Group for the coming year.

The Policy is reviewed annually to ensure that it is kept up to date for changes in personnel, and that responsibility levels and charges / allowances remain appropriate. This was reviewed in March 2023, and the changes approved by the Management Committee at the March meeting.

Since this approval, additional authorisations have been identified that were previously not included within the policy. As this is an amendment to the policy rather than a full review, only a **Policy Document Extract** is attached to this report, showing the proposed changes.

2.0 Proposed Changes

2.1 Place for People Approvals

From discussions with the Association's Development Agents, Places for People (PfP), it was identified that there were approvals required to allow them to sign and/or submit documents to the Scottish Government around new build development projects.

These approvals will allow for a more streamlined process in progressing the development programme. The approvals required do not place any material risk on the Association.

The approvals required are;

- Programme Agreements – this is submitting the Association development programme (the programme submitted will be in agreement with ELHA Senior Management Team and as approved by the Management Committee)
- Acquisition Applications – this is submitting an application for grant funding to acquire a piece of land (this will only be done following instruction from ELHA Senior Management Team and in line with the Association's policies)

- Tender Applications including Housing Tender Returns – this is submitting an application for grant funding with the costings of the proposed project following a tender exercise or negotiated contract for example a developer package deal (the grant funding amount will have been agreed with ELHA Senior Management Team prior to submission, whilst the practical completion application will be the same)
- Housing Association Grant (HAG) / Practical Completion (PC) Applications – this is submitting requests to draw down the grant funding for the project (the grant claims will be backed up with invoices that ELHA are due to pay or have paid, and upon completion of the homes, this involves submitting the completion information to the Scottish Government based on a projects final out-turn position and costs, which in turn will have been agreed with the ELHA Senior Management Team prior to submission)
- Offers of Grant Funding – following submission of an acquisition or tender application seeking grant funding, the Scottish Government will issue an offer of grant setting out the terms of the grant funding (the offer of grant requires to be signed by the Association to confirm it accepts the grant offer, and conditions attached, but PfP will be authorised to sign this after having agreed this with ELHA's Senior Management Team)

The changes in relation to the above are at Section 3.2.

2.2 Changes to Grant Provider

For some new build projects, the Scottish Government are now issuing the grant through a charitable bond programme with their lending partner Allia. ELHA applies for grant in the same way, but the offer of grant is issued in the name of the company providing the charitable bond (Allia), rather than as an offer from the Scottish Government directly. The policy has been updated at Section 3.1 to include Delegated Authority for SMT, the Secretary and the Chair to sign this type of offer.

2.3 Conditions of Grant

There are several Schedules within the new style offer of grant from the Scottish Government for new build projects, that need to be signed at the appropriate time for a project. These are;

- Schedule 2 – Statement of Compliance with Conditions of Grant – this confirms the Association has complied with the conditions set out in the original grant offer which was signed before the start of the new build construction phase
- Schedule 4 – Procurement Improvement Programme: Statement of Compliance – under this condition ELHA must complete a procurement improvement assessment that highlights strengths and improvements in ELHA's procurement function (the first assessment is planned for 2024/25)

- Schedule 5 - Project Completion – this includes Fair Work First Survey Completion and stating name of provider to undertake the Value for Money Assessment (an interim ELHA Fair Work First statement has been prepared and is attached for information at **Appendix 1**, the Statement will be reviewed once Employers in Voluntary Housing (EVH) have published their model document)
- Schedule 6 - Value for Money in New Build Affordable Housing; Statement of Compliance – ELHA now needs to undertake an assessment to ensure the new build programme delivers value for money (this involves ensuring the costs of the project are competitive and that it delivers high satisfaction from the tenants; ELHA will be working with the Scottish Housing Network in developing this)

The proposed changes in the Authorisations and Standard Charges and Allowances Policy for the above are in line with the other Scottish Government authorisations (Section 3.1) being, SMT, the Secretary and the Chair can sign these off, with Places for People allowed to submit these on ELHA’s behalf. These proposed changes are included in Section 3.3 of the policy.

3.0 Previous Reports to the Management Committee

Previous reports relevant to this topic are as follows:

Report	Agenda Item	Date
Authorisations and Standard Charges and Allowances Policy Review	4.1	23 March 23

Recommendation

The Management Committee is asked to approve the amendments to the Authorisations and Standard Charges / Allowances Policy.

ELHA POLICY

Date Issued	August 1996
Last Reviewed	March 2023
Department	Finance
Title	Authorisations and Standard Charges / Allowances
Objective	To describe the authorisation processes, responsibilities and authority levels and standard charges / allowances to be used within the Group.
Responsible	Director of Finance/Director of Finance & Corporate Services
Next Review Date	March 2024

Contents

1. Authorisation of Legal / Administrative Documentation (Unspecified)
2. Authorisation of Taxation Documentation
3. Authorisation of Scottish Housing Regulator / Scottish Government Documentation
4. Authorisation of Expenditure
5. Authorisation / Signing of Cheques, Standing Orders, Direct Debits and BACs Payments
6. Authorisation of Ex Gratia Payments
7. Authorisation of Write Offs
8. Authorisation of Credit Refunds
9. Procurement Policy – Quotation / Tender Requirements
10. Administration Fees
11. Chargeable Repairs
12. Decoration Allowances for Tenants
13. Decant/Disturbance Allowances
14. Tenancy Sustainment
15. Staff Allowances
16. Staff Call-Out Rates
17. Management Committee / Board Member Allowances
18. Capitalisation of Expenditure
19. Rental Income
20. Review of Policy

Appendices

- Appendix 1 – Table of ELHA Expenditure Authorisation Responsibilities
- Appendix 2 – Table of ELHA Expenditure Authorisation Levels
- Appendix 3 – Table of R3 Repairs Expenditure Authorisation Responsibilities
- Appendix 4 – Table of R3 Repairs Expenditure Authorisation Levels
- Appendix 5 – List of Chargeable Items

1.0 AUTHORISATION OF LEGAL / ADMINISTRATIVE DOCUMENTATION (Unspecified)

- 1.1 The Secretary or any Management Committee Member is authorised to sign Deeds and documents on behalf of the Group, and any R3 Board member is authorised to sign Deeds and Documents on behalf of R3, in accordance with our Requirements of Writing Policy.
- 1.2 Senior Management Team Members are authorised to sign contracts for goods and services, Service Level Agreements and leases of no more than 5 years duration and which are within budget provisions.

2.0 AUTHORISATION OF TAXATION DOCUMENTATION

In addition to the Secretary and any Management Committee Member, the Chief Executive and Director of Finance are authorised to sign taxation documentation on behalf of the Group.

3.0 AUTHORISATION OF SCOTTISH HOUSING REGULATOR / SCOTTISH GOVERNMENT DOCUMENTATION

- 3.1 The following people are authorised to sign documents for The Scottish Housing Regulator / Scottish Government, including grant approvals:

Chief Executive
Director of Finance/Director of Finance & Corporate Services
Director of Housing
Director of Asset Management/Director of R3 & Asset Management

Secretary
Chair

Staff must provide the relevant information to support the Project Approval / Acceptance. This is in accordance with our procedures.

Grant approvals also cover signing off offers of grant through the Scottish Government and Allia's charitable bond scheme.

- 3.2 In addition, ~~application for grant payments can be authorised by the following Places for People staff:~~

~~David Brotherston~~
~~Susan Davies~~

Places for People (PfP) staff are authorised to sign/submit documents to the Scottish Government around new build development projects. They are authorised to submit:

- o Programme Agreements

- Acquisition Applications
- Tender Applications including Housing Tender Returns
- Housing Association Grant (HAG)/ Practical Completion (PC) Applications
- Offers of Grant Funding

The staff authorised at PfP to do this on behalf of ELHA are;

- David Brotherston
- Susan Davies
- PfP Development Director

3.3 There are a number of Schedules within the new style offer of grant for new build projects that need to be signed at the appropriate time for a project. These are;

Schedule 2 – Statement of Compliance with Conditions of Grant

Schedule 4 – Procurement Improvement Programme: Statement of Compliance

Schedule 5 - Project Completion – this includes Fair Work First Survey Completion and stating name of provider to undertake the Value for Money Assessment

Schedule 6 - Value for Money in New Build Affordable Housing; Statement of Compliance

The people noted in 3.1 will be authorised to sign these documents off and those individuals noted at 3.2 will be authorised to submit these documents on ELHA's behalf.

ELHA Fair Work Statement, August 2023

1.0 Introduction & Commitment to Fair Work First

ELHA is a full member of Employers in Voluntary Housing (EVH), and is therefore part of the collective bargaining arrangement that EVH have with UNITE the union. This means that ELHA recognise UNITE through this arrangement. In addition, internally we hear from staff through our Joint Consultative Committee (JCC) on collective engagement matters and through our staff engagement software (Hive).

There is significant investment in colleague development through both digital methods and more traditional learning routes. The organisation actively invests in developing early careers through apprenticeships. We have successfully converted five apprenticeships into full time roles in recent years.

There are no zero-hour contracts within ELHA. We do retain some colleagues on bank contracts to cover workloads during unplanned absences, or periods of high work volumes, but these are not the norm.

EVH salary scales are supported by a job evaluation system. This system is based on typical characteristics for the role and looks at the job, not the postholder. This ensures fair and transparent arrangements for pay which has been negotiated and agreed with the Trade Union. We have also developed a sector leading piece of software that will collate Equality data from staff to ensure we deliver on the aims and objectives of our Equalities and Diversity policy.

The bottom point of the EVH pay scales is the Real Living Wage.

The formal Flexible Working procedure is not currently accessible to colleagues in the first 26 weeks of employment. In reality, the majority of requests we receive are resolved informally between the colleague and their line manager. Flexibility is now a standard feature of many roles in terms of both work location and hours of work, reflecting our needs as a modern, geographically-dispersed organisation providing accessible, online services 24/7.

Whilst in some examples there may be a need to terminate a colleague's contract and offer re-engagement on new terms, these would be a minority and there have been no instances of this within the previous three years. ELHA would not intend to use widespread "fire and rehire" approaches and would look to agree any changes with colleagues through consultation to get feedback, consider alternative options and look to seek agreement to the change.

2.0 Fair Work First Publication

We are members of Employers in Voluntary Housing (EVH) and intend to adopt their model Fair Work First Statement, and make it available on elha.com, once published.

3.0 Embedding Fair Working Practices

We will:

1. Continue our membership with Employers in Voluntary Housing (EVH). This will continue the relationship with UNITE.
2. Continue our JCC to allow colleague engagement on collective matters.
3. Continue to invest in colleague development through both digital methods and more traditional learning routes.
4. Continue to invest in developing early careers through apprenticeships.
5. Avoid zero hour contracts and will only consider these contracts where this is necessary and where the work is genuinely carried out on a casual basis.
6. Through EVH, have salary scales that are supported by a job evaluation system. This system will be based on typical characteristics for the role and looks at the job, not the postholder. This will be agreed with the trade unions.
7. Through EVH, continue to implement the real Living Wage foundation rate across all colleagues, regardless of age or the basis of their contract.
8. Continue to operate and review our formal Flexible Working procedure.
9. Not intend to use widespread "fire and rehire" approaches and look to agree any changes with colleagues through genuine and meaningful consultation to get feedback, consider alternative options and look to seek agreement to the change.

Procurement & Value for Money Strategy 2023/26

Report by Gary Alison, Director of Finance & Corporate Services – for approval

1.0 Background

Section 15 of the Procurement Reform (Scotland) Act 2014 requires any public organisation, which has an estimated total value of regulated contract spend of £5 million or more (excluding VAT) in a financial year, to prepare and publish a procurement and value for money strategy.

As ELHA have ambitions to develop new housing stock, the estimated value of regulated procurement spend will exceed £5million or more in the short to medium term.

Therefore, to comply with the Procurement Reform (Scotland) Act 2014, ELHA need to prepare and publish a procurement and value for money strategy.

2.0 Procurement & Value for Money Strategy

2.1 Strategy Structure

The proposed **Strategy Document** is attached to this report.

The structure of the Strategy Document is from the procurement strategy template which is on the Scottish Governments procurement journey website. This template and website are there to support public sector organisations produce their strategy. The headings within this strategy are mandatory to comply with the Procurement Act.

2.2 Strategic Outcomes

The Group's approach to procuring goods and services focuses on a self-delivery model. The Group has, and can continue to demonstrate, that this is the best value for money approach for the Group. Therefore, out with new build contracts, there are few goods or services expenditure that would require to be publicly tendered.

That said, when goods and services of any value are purchased (not just above regulated values) out with the group, this spend should represent Value for Money. The ambitions of this Strategy will support and strengthen this approach.

There are four ambitions set, as follows:

- **Ambition 1** – All spend that can be positively influenced by procurement activity has a corresponding contract.

- **Ambition 2** – All procurement activity complies with statutory and regulatory requirements and is supported by a detailed technical specification of purchasing requirements.
- **Ambition 3** - All relevant contracts are arranged to include sustainable procurement requirements
- **Ambition 4** – All staff trained to be able to carry out a procurement activity commensurate with their role within the Group and authority level

The expected outcomes from these ambitions are detailed in the Strategy Document.

In addition to the Strategy, ELHA must now prepare an Annual Procurement report on this Strategy. Progress against these ambitions will be documented in this report, and this report approved by Management Committee before publication. The first report will be presented to the Management Committee in June 2024.

2.3 Strategy Compliance and Review

Following recent changes in requesting grant funding for new build development projects, all claims for grant funding must submit a Statement of Compliance regarding the undertaking of a Procurement Improvement Programme. If ELHA are not assessed as compliant then the new build programme will cease as the Association cannot develop, at present, without grant funding.

This Strategy's aims and objectives, along with current practice, should ensure ELHA is compliant with any Procurement Improvement Programme assessment.

Following the Strategy's approval, the Group's Procurement Procedures will be reviewed to ensure they are in line with the Strategy. The Strategy itself will be reviewed again in August 2024, as there is a requirement to review the Strategy annually.

Recommendation

The Management Committee are asked to approve the Procurement & Value for Money Strategy

GROUP STRATEGY

Date Issued	August 2023
Date Last Reviewed	Not applicable
Department	Corporate
Title	Procurement & Value for Money Strategy 2023/26
Objective	To set out the strategic direction for the group in relation to procurement.
Responsible	Director of Finance & Corporate Services
Next Review Date	August 2024

1.0 Purpose

- 1.1. This document articulates the East Lothian Housing Association Group's (The Group includes East Lothian Housing Association and its subsidiary company, R3, thereafter referred to as ELHA) strategic focus for its procurement activities.
- 1.2. It provides an overview on how we will meet our aims and objectives to deliver value for money, including how we intend to carry out our regulated procurement activity.
- 1.3. Section 15 of the Procurement Reform (Scotland) Act 2014 requires any public organisation, which has an estimated total value of regulated procurement spend of £5 million or more (excluding VAT) in a financial year, to prepare and publish a procurement strategy. The period the procurement strategy covers can be defined by the organisation e.g. 3 years, 5 years, etc. We have chosen to make this for 3 years.
- 1.4. As we have ambitions to develop new housing stock, ELHA's estimated value of regulated procurement spend is expected to exceed £5million or more in the short to medium term. Therefore, there is now a requirement for us to prepare and publish a procurement strategy.
- 1.5. Where an organisation has an existing procurement strategy, there is no requirement for it to prepare a completely new procurement strategy each year. This is ELHA's first documented procurement strategy.
- 1.6. An organisation must, however, review its procurement strategy annually and make such revisions as it considers appropriate for the purposes of the Act. We will adopt this approach.

- 1.7. An organisation must publish its procurement strategy, including any revisions, online, and by any other appropriate means. ELHA must notify Scottish Ministers of the publication of its procurement strategy by sending an email to ProcurementStrategies@gov.scot attaching the procurement strategy or including a link to where the procurement strategy can be accessed. This strategy will be made available on elha.com.
- 1.8. Section 15(5) of the Act sets out what an organisation must include as a minimum in its procurement strategy. This includes setting out how the organisation intends to ensure that its regulated procurements will deliver value for money, and how they will be carried out in compliance with the sustainable procurement duty. Sections 2 to 14 of this strategy are real-life sections that have been included in procurement strategies of other organisations and are recommended for use by the Act.

2.0 Executive Summary

- 2.1. Our vision is to create Healthy Happy Homes, and our Procurement and Value for Money Strategy helps us to achieve that goal.
- 2.2. This Strategy outlines how we will use procurement to achieve value for money which will support delivery of our vision and strategic ambitions of:
 - First class affordable rented homes
 - Excellent customer care
 - Expert Maintenance services
 - Support for independent living
- 2.3. We believe that making the most of every pound of our money we spend is vital to ensure we can maintain affordable rents. That is why we aim where possible to self-deliver goods and services within ELHA. However, we recognise this is not always possible and we will be required to procure goods and services. We believe the aims of this strategy will strengthen our procurement capabilities and exceed the aspirations of our customers, whilst at a cost that remains affordable and allows us to achieve our corporate objectives.

3.0 Procurement Vision / Mission Statement

- 3.1. Our Procurement Vision is:

“Our procurement vision is to self-deliver in the main, by ensuring we deliver a quality service, using quality goods at an affordable cost. Where we cannot self-deliver, we will ensure procurement delivers commercially effective, compliant processes across the Group. We will procure goods, works and services which will ensure excellent customer service and supplier contract management.”

3.2. Our Procurement Mission Statement is:

“To provide strategic direction for procurement across the organisation through knowledge and collaborative working practices with a central focus on delivering enhanced services, continuous improvement and value for money through open, transparent and ethical procurement procedures that deliver sustainable social and environmental benefits to our communities.”

4.0 Strategy Rationale / Context

- 4.1. The purpose of our Procurement and Value for Money Strategy is to set out the Vision and Strategic Aims which direct and govern our procurement activities.
- 4.2. Within ELHA, there is a commercially trading subsidiary operating in an area where a significant proportion of the parent's expenditure is incurred. This area is property repairs, maintenance and major component replacements. The Group always looks to self-deliver in this area. This self-delivery model is a key strategic commitment of ours to ensure first, a high degree of quality and second, ensure costs are within the Group's control. The relationship is structured so that the subsidiary company can carry out work for ELHA under the Teckal parameters.
- 4.3. That said, we recognise that we cannot self-deliver in all aspects of our operations. We also recognise the importance of making the most of our third party spend and taking the right decisions to achieve the right outcomes means that that we need a dynamic strategy for ensuring there is a clear framework for achieving a continuous programme of improvement and value.
- 4.4. This strategy should enable procurement to contribute to the Group's overall vision and to provide efficiencies to help the Group deliver its key priorities and front-line services.
- 4.5. The strategic aims and objectives will be aligned to each financial year and will be reviewed annually to ensure that an efficiency focus is maintained year on year. The results will be reported annually, with the annual procurement report, and new targets set for the coming year.
- 4.6. The current strategic aims and objectives are set against a backdrop of local and national economic challenges, objectives and pressures.
- 4.7. Affordability of rent is a sector wide issue for Housing Association customers. To enable us to keep our rents affordable we need to make purchasing decisions that are aimed at delivering high-quality goods/services at a competitive price.

- 4.8. As the Scottish Government pushes towards its Zero Carbon target by 2045, it is recognised that Housing Associations are going to play a key part in this through new build properties and retrofitting of existing properties. It is therefore important that we work with suppliers who are innovative and challenging the status quo to deliver goods / services that are going to meet this requirement. We must also work with suppliers to build capability and expertise in this area in order to maintain competitive pricing. Alongside these actions, we will actively pursue external funding to support this vision.
- 4.9. The strategy also recognises that ELHA staff are on a continuous journey on developing procurement capability. Contract management continues to be an area of improvement for the organisation and linked to effective contract management is an understanding of the goods and services being procured. By improving our understanding of what we are procuring and then reflecting this in our specifications, it will ensure we are meeting the needs of what it is we are intending to purchase.
- 4.10. We will measure elements of the effectiveness of the procurement strategy via the Procurement & Commercial Improvement Programme (PCIP). Although not a mandatory requirement of the Act, it is strongly recommended that we focus on the appropriate PCIP Assessment Question (the procurement influence question) when developing our strategy. As a developing Housing Association, the Group will be required to undertake the PCIP as a condition of the Housing Association Grant funding.

5.0 Strategic Aims, Objectives & Key Priorities

- 5.1. To support our strategic ambitions, the key strategic aim for our Procurement and Value for Money Strategy is focused on delivering an exceptional customer experience with the outcome of achieving high customer satisfaction and well-maintained homes. The aim is then broken down into objectives of:
- Reducing our costs to aid rent affordability
 - Driving quality service improvements linked to customer experience
 - Socially responsible practices
 - Continuous improvement to achieve best value
- 5.2. This strategy will help us to achieve our business plans aims by:
- First class affordable rented homes - Procuring suppliers that can deliver and maintain quality homes at a price that allows us to make our rents affordable for our tenants
 - Excellent customer care - Procuring goods and services that people want in a way that responds to their needs and exceeds their expectations whilst also ensuring cost and satisfaction are favourable

- Expert Maintenance services – Procuring goods and services from contractors that allows us to maintain high quality housing stock
 - Support for independent living – Ensuring we have the supply chain in place that can support our tenants to live safely and independently for longer
- 5.3. To achieve our aim, we have developed four ambitions to help us define progress towards improving our procurement capabilities. An overview of the ambitions is set out in **Appendix 1**. In order to achieve these ambitions, **Appendix 2** contains the Action Plan for the first year of this strategy. The action plan for the subsequent years will be updated annually at the same point the strategy is updated.
- 5.4. **Ambition 1** – All spend that can be positively influenced by procurement activity has a corresponding contract.

By analysing our supplier spend and establishing what contracts we have in place, it will allow us to establish a programme of contract renewals and monitor existing contracts.

We will monitor existing contracts to ensure regular supplier meetings are held with suppliers we are in contract with. As part of this review, we will ensure contract KPI's are being adhered to and where not, work with the supplier to identify why contractual performance is an issue or seek to terminate the contract on non-performance.

By having a central record of all contracts, it will allow us to identify lessons learnt from previous procurement exercises and work towards best practice guidance which can be shared to the wider group.

Ambition 1 Outcomes

- Higher contractor performance
 - Tendering process carried out in a timely manner – this allows sufficient time for any customer consultation and participation in the process
 - Deliver savings that can be passed onto tenants through lower rent
 - Ensuring goods and services are delivered to customers at competitive prices
 - Ongoing proportional contract management ensures the right outcomes are delivered and the performance of contracts is maximised
- 5.5. **Ambition 2** – All procurement activity complies with statutory and regulatory requirements and is supported by a detailed technical specification of our purchasing requirements.

Ensuring we are compliant with statutory and regulatory guidance ensures we are in line with the principles of public procurement: transparency, equality, proportionality and mutual recognition.

We will continue to operate with our self-delivery model. Where required to publicly tender, we will look to utilise local / national frameworks or use the expertise of a procurement specialist.

A detailed technical specification of goods / services to be procured allows the supply chain to understand our requirements to ensure the purchasing objectives are achieved.

Ambition 2 Outcomes

- All suppliers utilised will be of high quality and deliver exceptional customer service
- We will purchase exactly what we intend to purchase to meet our customer needs and the supplier will fully understand our requirements

5.6. **Ambition 3** - All relevant contracts are arranged to include sustainable procurement requirements.

Sustainable public procurement aims to make the best use of public money.

Every time we make a regulated procurement we will:

- Ensure contracts can be structured in such a way as to assist wherever practical, local suppliers, micro, small and medium enterprises and the third sector to tender for our business
- Promote innovation by considering working in partnership with the supply chain to develop an innovative offering
- Promote early supplier engagement to foster innovative and entrepreneurial responses to our needs and requirements
- Ensure life cycle costings are factored into purchasing decisions (we will improve purchasing within the organisation that promotes economies of scales such as standard component replacement parts for all properties)
- Encourage a sustainable supply base that can support the work of the organisation to provide resilient and robust supply chains

Ambition 3 Outcomes

- Growth in local communities through employment
- Enhanced use of technology to maximise value for money
- Ability to respond to customer needs supported by the latest innovation

- 5.7. **Ambition 4** – All staff trained to be able to carry out a procurement activity commensurate with their role within the Group and authority level.

Through continuous learning and development all staff will feel competent in delivering procurement activity.

Ambition 4 Outcomes

- Secure commitment to excellent procurement from all staff throughout the Association
- 5.8. The Procurement and Value for Money Strategy will be supported by several other strategies including:
- Asset Management Strategy
 - Risk Management Strategy
- 5.9. In line with the requirements of the Act, the following is included in the Procurement Policy that supports this strategy:
- The use of community benefit requirements
 - Consulting and engaging with those affected by its procurements
 - The payment of a Living Wage to persons involved in producing, providing or constructing the subject matter of procurement
 - Promoting compliance by contractors and sub-contractors with the Health & Safety at Work, etc. Act 1974 and any provision made under that Act
 - The procurement of fairly and ethically traded goods and services

6.0 Measuring the Impact

- 6.1. It is important that we understand the impact of the work we undertake. This is necessary to ensure that we know what works; what difference has been made, and how effective ELHA's procurement can be.
- 6.2. The following outcomes demonstrate the effective implementation of the Procurement Strategy and can be summarised as follows:
- Contracts - ensuring that all spend that can be positively influenced by procurement activity has a corresponding contract
 - Compliance - ensuring that all procurement activity complies with statutory and regulatory requirements

- Accessibility - ensuring that contracts can be structured in such a way as to assist wherever practical, local suppliers, micro, small and medium enterprises and the third sector to tender for our business
 - Sustainability - ensuring that all relevant contracts are arranged to include sustainable procurement requirements
- 6.3. The main activities that will be undertaken in 2023/24 to achieve these outcomes are included in **Appendix 2**.
- 6.4. The following performance indicators will be used to monitor progress in the outcome for the life span of the strategy and reported annually with the Annual Procurement report:

Performance Indicator Name	Target
Percentage of ELHA expenditure covered by contracts	91%
Number of ELHA collaborative opportunities explored as a percentage of all regulated contracts tendered	100%
Regulated contracted ELHA suppliers paying the living wage	100%

7.0 Spend / Finance

- 7.1. We incur costs in the following key areas;
- Management of the business
 - Repairs and maintenance of our own properties – reactive and cyclical maintenance – some of which will be chargeable, or service charged to customers
 - Major repairs and upgrades to our own properties – i.e. kitchens, bathrooms and also including Aids & Adaptations
 - Materials and subcontractors for repairs and maintenance to customers properties
 - Development of new properties
 - IT equipment
 - New innovations
- 7.2. The key areas of spend are, materials and subcontractors for repairs, Major Repairs and Development of New Properties.
- 7.3. Our current forward financial projections over the next 5 years contain a potential future spend on property component replacements of £5.8m and a new build Development programme of £34m. As we strive to achieve our Strategic Aims set out in Section 5 this will ensure we will minimise cost and maximise value from this spend.

7.4. In line with the requirements of the Act the following is included in the Procurement Policy that supports this strategy and intends to ensure that, so far as reasonably practicable, the following payments are being made no later than 30 days after the invoice (or similar claim) relating to the payment is presented:

- Payments due by the organisation to contractor(s)
- Payments due by a contractor to a sub-contractor(s)
- Payments due by a sub-contractor to sub-contractor

8.0 Staff Expertise

8.1. Delivering this strategy requires our staff to have a clear understanding of why we procure, how we do this and what performance and improvement looks like.

8.2. In order to ensure this, we will develop a Competency Framework to define what skill level each role in the organisation should have in relation to procurement.

8.3. Having done this, a training programme will be put in place for staff to ensure they have the skills commensurate with their responsibility.

9.0 Equality and Human Rights

9.1. We are committed to recognising and celebrating diversity and promoting equal opportunities. We recognise the dignity and worth of each individual and promote mutual respect between Group's based on understanding and valuing diversity, underpinned by a respect for equality and human rights.

9.2. We will continue to work towards the widest representation from all sections of the community. We will try and remove all barriers to involvement, supporting communities wherever possible. We will also work in partnership with other organisations to embed good practice.

9.3. Nobody will be treated less favourably than any other person or group because of their race, colour, ethnicity or national origin or because of their religion, gender, sexuality, disability, appearance, age, physical or mental health condition or marital status.

10.0 Implementation, Monitoring, Reviewing and Reporting

10.1. The strategy will be subject to ELHA's framework of monitoring and review to ensure progress and flexibility to respond to new and emerging needs.

10.2. Monitoring of the strategic objectives and action plan tasks will be in the form of an annual report to the Audit & Assurance Committee.

- 10.3. The Action Plan that supports the strategy will be subject to annual renewal and development to ensure that new priorities are addressed, and the strategic objectives continue to deliver a value for money for the customer.
- 10.4. Externally, we will publish our Annual Procurement Report in line with the requirements of the Act. There are no deadlines for this, but we will strive to report this as soon as practically possible after the financial year end.
- 10.5. ELHA will undertake the Procurement Capability Improvement Programme as well as a future Internal Audit in this area to provide external confirmation of compliance with this strategy as well as recommendations for areas of improvement.

11.0 Risk Management

- 11.1. In the delivery of this strategy, we recognise that several risks exist.
- 11.2. As part of ELHA's approach to risk management, our policy and procedure supporting this strategy, sets out our approach to ensure compliance with all Health and Safety matters as part of any procurement exercise.

12.0 Strategy Review

- 12.1. The Director of Finance & Corporate Services will ensure that this Strategy is reviewed every year, and any amendments required will be submitted to the Management Committee for approval.
- 12.2. This Strategy complies with all relevant law and best practice and will be reviewed if any changes necessitate an early review.
- 12.3. This Strategy and supporting policy and procedures have also been checked to ensure that opportunities for bribery or corruption in terms of the Bribery Act 2010 have been minimised. Further information on compliance with the Bribery Act 2010 can be found in ELHA's Anti-Bribery and Corruption Policy.

Appendix 1

Ref	Objective	Where Are We At Now	Start Target	End Target	Outcome
1	All spend that can be positively influenced by procurement activity has a corresponding contract.	<p>Spending money with no contract in place.</p> <p>Subsidiary contract spend analysed</p> <p>Contracts held in various locations across the business.</p> <p>No tendering timetable in place.</p> <p>Ad hoc supplier meetings held.</p> <p>No formal and central recording of lessons learnt.</p>	Q2 23/24	Q4 25/26	<p>Visibility of who we are spending money with and how much.</p> <p>All contracts held in one place and visible to whole organisation.</p> <p>End dates on contracts identified and a planning process put in place to tender contract.</p> <p>Suppliers identified that don't have a contract in place and where a contract should be in place to be put into the planning process and put out to tender</p> <p>Contract meetings taking place</p> <p>Improvement in supplier performance and customer experience through supplier scrutiny.</p> <p>Reduced customer complaints.</p> <p>Timetable of procurement activities laid out for the next 3 years.</p> <p>Appropriate lead in times into tendering new contracts to allow time for detailed specification to be created and customer consultation.</p>

2	All procurement activity complies with statutory and regulatory requirements and is supported by a detailed technical specification of our purchasing requirements.	Some current spends would benefit from a regulated tender. Improved supplier specifications.	Q2 23/24	Q4 25/26	All business expenditure procured in line with the statutory and regulatory requirements. Risk of incorrectly procuring reduced. Clear and concise technical specifications that meet customer (both external and internal) expectations and allow the supply chain to accurately price for work.
3	All relevant contracts are arranged to include sustainable procurement requirements.	Not considering sustainable procurement at the outset of any tender. Unable to quantify % of spend spent on local suppliers, micro, small and medium enterprises and the third sector business.	Q2 23/24	Q4 25/26	Where VFM can be evidenced, an increase in use of local suppliers, micro, small and medium enterprises and the third sector business. Improvement in quality of service to customers through local supplier knowledge. Quantified % expenditure with local suppliers, micro, small and medium enterprises and the third sector business. Engagement with local supply chain well in advance of tendering requirements.

4	All staff trained to be able to carry out a regulated procurement activity.	Mixed skill set across the organisation in terms of ability to deliver a regulated procurement activity.	Q2 23/24	Q4 25/26	<p>Expectations set in terms of skill level for each role in the organisation.</p> <p>Continual training plan put in place to enhance staff skill set at the level required for job role.</p>
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Appendix 2

TASK	ASSIGNED TO	PROGRESS	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
All spend that can be positively influenced by procurement activity has a corresponding contract.										
Review of all cost codes and a list of suppliers and spends collated.	DoF&CS	100%	█							
Collation of all contract documents and stored in a central repository.	DoF&CS			█						
Creation of a contract management policy	DoF&CS			█						
Full contracts database collated and monitored on a monthly basis to ensure supplier meetings being held and contract KPI's being monitored	DoF&CS					█				
Tendering timetable put in place.	DoF&CS							█		
All procurement activity complies with statutory and regulatory requirements and is supported by a detailed technical specification of our purchasing requirements.										
Review existing contracts to ensure compliance with statutory and regulatory compliance	DoF&CS		█							

TASK	ASSIGNED TO	PROGRESS	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Training to be delivered to staff involved in purchasing goods and services to ensure understanding and compliance with revised Procurement policy and procedure.	DoF&CS									
All relevant contracts are arranged to include sustainable procurement requirements.										
Revise the procurement policy to include requirements to create a procurement project plan for regulated procurement activities that incorporates the sustainable procurement requirements.	DoF&CS									
Create a new field against supplier records to identify if SME or Third sector org.										
All staff trained to be able to carry out a regulated procurement activity.										
Create a competency matrix for various roles in the Group	DoF&CS									
Review staff current skill set to competency framework requirements for role. Where gaps identified a training plan will be put in place to address this.	DoF&CS									

Equality & Diversity Action Plan 2023/24

Report by Martin Pollhammer, Chief Executive – for approval

1.0 Introduction

Assuming the Revised Equality & Diversity Policy (see **Agenda Item 4.2**) and Equality & Human Rights Strategy (see **Agenda Item 4.3**) are both approved, a number of actions are required in the coming year to ensure both the Policy changes and the expected Strategy outcomes are fully realised in the coming year.

2.0 Action Plan 2023/24

The proposed Action Plan is attached as **Appendix 1** to this report.

Action ED1 requires the Management Committee to extend the responsibilities of the Governance Standards Working Group to ensure compliance with the Governance Standards. In practice, this is already established, since the Working Group advises the Management Committee, but in addition there are additional tasks in the Action Plan that are allocated to the Working Group.

In approving this Action Plan, the Management Committee will delegate these tasks to the Governance Standards Working Group, and therefore complete Task ED1.

Recommendation

The Management Committee is asked to approve the Equality & Diversity Action Plan 2023/24.

Equality & Diversity Action Plan 2023/24

Ref	Action	Responsibility	Target Date
ED1	Extend the responsibilities of the Governance Standards Working Group to ensure compliance with Equality & Human Rights requirements of the Governance Standards	Management Committee	August 2023
ED2	Test and deploy the new software to collect staff and Management Committee member Equality Data	Chief Executive	September 2023
ED3	Arrange staff training on Equality Impact Assessments	Executive Support Officer	September 2023
ED4	Develop a procedure for Equality Impact Assessments to support the Equality & Human Rights Strategy and Equality & Diversity Policy	Director of Housing	September 2023
ED5	Agree a timetable for the retrospective Equality Impact Assessments for all key Service Policies including the Tenant Participation Strategy and Complaints Policy	Management Team	September 2023
ED6	Ensure all relevant contractors have confirmed they either have their own policy in place or that they will follow ELHA's Equality & Diversity Policy	Management Team	September 2023
ED7	Review compliance with Regulatory Standards to provide assurance to Management Committee	Governance Standards Working Group	September 2023
ED8	Prepare an Equality & Diversity (HR) Policy based on the EVH Model	Executive Support Officer (HR)	November 2023
ED9	Arrange formal training for all staff on Equalities & Diversity and Human Rights	Executive Support Officer	November 2023
ED10	Review how Equalities & Diversity training is delivered on an ongoing basis, including frequency	Management Team	November 2023
ED11	Review the Annual Budget for 2024/25 to ensure it is sufficient for implementation of the Equality Action Plan	Director of Finance	February 2024

Ref	Action	Responsibility	Target Date
ED12	Complete the annual assessment to ensure we remain compliant with 'Disability Confident Employer' requirements	Executive Support Officer	February 2024
ED13	Review the CIH Housing & Human Rights Framework and provide feedback to the Governance Standards Working Group	Director of Housing	April 2024
ED14	Consider what the 'Right to Adequate Housing' could look like in practice and what challenges need to be overcome	Governance Standards Working Group	April 2024
EH15	Consider the Equality Data gathered for tenants, applicants, staff and Management Committee members and ensure an overview is provided to Management Committee	Governance Standards Working Group	May 2024
ED16	Produce Annual Equality & Diversity Report for Management Committee	Chief Executive	September 2024
ED17	Complete the Annual Review of Equalities & Human Rights Strategy	Chief Executive	September 2024
ED18	Monitor the Equality Impact Assessment timetable and review outcomes of assessments to identify inconsistencies and develop good practice	Governance Standards Working Group	At each meeting