

A meeting of the Management Committee will take place on **Thursday 26 November 2020 at 6.00pm** held virtually using Teams

Please advise staff if you are unable to attend.

**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 24 September 2020 – **for approval**
- 1.4 Action List – for information
- 1.5 Matters Arising

### **2.0 GOVERNANCE**

- 2.1 Secretary's Report – for information
- 2.2 Management Committee Calendar 2021/22 – **for approval**
- 2.3 Key Performance Indicators 2020/21 – for information

### **3.0 PRIORITY ITEMS**

- 3.1 Review of ELHA Performance – for information

### **4.0 POLICIES**

- 4.1 Financial Regulations Review – **for approval**
- 4.2 Special Leave - Volunteer Reserved Forces Policy Review – **for approval**
- 4.3 Payroll Policy Review – **for approval**
- 4.4 Disciplinary Policy Review – **for approval**
- 4.5 Allocations Policy Review – **for approval**
- 4.6 Dignity at Work Policy Review – **for approval**

### **5.0 BUSINESS MANAGEMENT**

No reports

### **6.0 ANY OTHER BUSINESS**

### **DATE OF NEXT MANAGEMENT COMMITTEE MEETING**

**Thursday 25 February 2021** at ELHA Head Office, Haddington, at 7.00pm

## 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 24 September 2020, and confirms the actions taken as a result.

Minute Ref	Action Required	Action By	Action Taken
SGM	Confirm the adoption of the revised Rules to Anderson Strathern so that the formal adoption process can progress	MP	Complete
AGM	Discuss the concerns raised by Jacqueline Bell in relation to estate management in Dunbar	KB	Complete
AGM	Provide more information on Allpay transaction charges to the TIG	KB	Provided at the TIG meeting on 27 October 2020
2.2	Confirm David Rose as ELHA Representative to EVH and SFHA	MP	Complete
2.3	Confirm all Code of Conduct, Declaration of Interest and Eligibility for Membership Forms have been completed and returned by all Management Committee members	JT	Complete
2.5	Inform the Internal Auditors of the change in programme	PO	Complete
3.1	Publish revised ELHA Assistance Scheme	MP, KB	Complete

## Secretary's Report – for information

---

### 1.0 Membership

No new applications for membership have been received.

### 2.0 Use of Seal for Homologation

There has been no use of the Seal during the period from 24 September 2020 to date.

## Management Committee Calendar 2021/22

### Report by Martin Pollhammer, Chief Executive – for information

---

Management Committee dates for 2021/22 are as follows (dates in 2021 are confirmed, dates in 2022 are provisional):

<b>Date</b>	<b>Meeting Time</b>	<b>Venue</b>
25 February 2021	7.00pm to 9.00pm	ELHA Conference Room
25 March 2021	7.00pm to 9.00pm	ELHA Conference Room
27 May 2021	7.00pm to 9.00pm	ELHA Conference Room
26 August 2021	7.00pm to 9.00pm	ELHA Conference Room
30 September 2021 (AGM)	2.00pm to 3.30pm	Maitlandfield Hotel, Haddington
30 September 2021	4.00pm to 6.00pm	ELHA Conference Room
27 November 2021	9.30am to 11.00am	Carberry Towers, Musselburgh
24 February 2022	7.00pm to 9.00pm	ELHA Conference Room
24 March 2022	7.00pm to 9.00pm	ELHA Conference Room
26 May 2022	7.00pm to 9.00pm	ELHA Conference Room
25 August 2022	7.00pm to 9.00pm	ELHA Conference Room
29 September 2022 (AGM)	2.00pm to 3.30pm	Maitlandfield Hotel, Haddington
29 September 2022	4.00pm to 6.00pm	ELHA Conference Room
26 November 2022	9.30am to 11.00am	Carberry Towers, Musselburgh

Key Performance Indicators 2020/21

Appendix 1

Performance Indicator	Quarterly Target	Q1	Q2	Q3	Q4	2020/21 Target	2019/20Actual	Year to Date	Status
<b>Rental Income</b>									
Non-technical arrears as % of rental income	3.0%	3.17%	3.20%			3.0%	2.77%	3.17%	☹️
Bad debts written off as % rental income	1.75%	1.45%	0.76%			1.75%	0.30%	1.11%	😊
Voids as % of rental income	0.75%	0.45%	0.46%			0.75%	0.38%	0.45%	😊
<b>Finance</b>									
Interest cover (loan covenants)	110%	461%	262%			110%	280%	364%	😊
Gearing (loan covenants FRS102 definition)	<37%	24%	25%			<37%	26%	25%	😊
Current assets as a % of current liabilities	100%	144%	151%			100%	119%	151%	😊
Unit management costs	£1,663	£1,362	£1,456			£1,663	£1,573	£1,408	😊
Unit reactive maintenance costs	£667	£646	£875			£667	£906	£759	☹️
<b>Asset Management</b>									
Stock condition inspections completed	cumulative	0%	0%			20%	20%	0%	☹️
Gas services completed within timescale	cumulative	97%	100%			100%	100%	99%	😊
Planned maintenance contracts with >5% overspend	0	0	0			0	0	0	😊
Average time taken to complete emergency repairs	< 2 hours	01:24	01:37			< 2 hours	01:21	01:31	😊
Average time taken to complete non-emergency repairs	< 6 days	2.8	5.0			< 6 days	5.38	3.9	😊
Repairs completed right first time	85%	96%	96%			85%	96%	96%	😊
Repair appointments kept	93%	97%	95%			93%	97%	96%	😊
<b>Housing Management</b>									
Properties allocated after 3 or more refusals	0	0	0			0	2	0	😊
Number of evictions carried out	no target	0	0			no target	3	0	
Number of ASBO's in force against tenants	no target	2	2			no target	2	2	
Gold Key Tenants	35.0%	12.3%	12.1%			35%	12.4%	12.3%	☹️
Platinum Key Tenants	25.0%	16.9%	18.9%			25%	16.4%	16.9%	☹️
<b>Corporate</b>									
Number of accidents reportable to HSE	0	1	0			0	0	1	😊
% working days lost through long term sick leave	5%	0.2%	0.00%			5%	1.26%	0.1%	😊
% working days lost through short term sick leave	2%	0.37%	0.10%			2%	1.31%	0.24%	😊
Management Committee Attendance	75%	100%	77%			75%	76%	87%	😊
Audit & Assurance Committee Attendance	75%	83%	83%			75%	76%	83%	😊
% of Tenants using their My Home Account	80%	76%	76%			80%	74%	76%	☹️
% of Tenants Paper Free	70%	71%	73%			70%	70%	71%	😊

😊 Performance Excellent    ☹️ Performance Satisfactory    ☹️ Performance Poor

# Key Performance Indicators 2020/21

## Report by Martin Pollhammer, Chief Executive – for Information

---

### 1.0 Introduction

The Association's Key Performance Indicators (KPI's) for the first quarter of 2020/21 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 % of Rental Income

Despite the disruption caused by the Coronavirus which has had a significant impact on many tenants who have lost their job or had reduced income, arrears have only increased very slightly on the last quarter by 0.03% and stood very slightly above target at the end of the quarter at 3.2%.

All appropriate recovery action is being taken up to a point; the Coronavirus (Scotland) Act 2020, which has been extended to 31 March 2020, introduced longer Notice periods to prevent evictions during the Pandemic. Rental income is being monitored daily, ELHA's Assistance Scheme and the 'five week wait' has been introduced and prompt referrals to the Financial Inclusion Service continue to be made.

#### 2.2 Unit Reactive Maintenance Costs

Unit Reactive Maintenance Costs are £759 compared to the target of £667. The unit cost includes £40k R3 profitability Adjustment for the period and if this is excluded costs are £699 per unit. Action is being taken to control expenditure in this area.

#### 2.3 Stock Condition Inspections Completed

The 20% sample stock condition survey would, in normal circumstances, have been completed in early Autumn. As this survey involves extensive access being required to the homes of tenants, this has been delayed. It had been hoped that this could be carried out in Quarter 4 of this financial year, however, as restrictions continue, it is unlikely that this will be possible.

ELHA has a comprehensive 100% stock condition survey of its properties, with the most recent 20% sample having been completed in June 2019. The 20% planned for this year is to maintain and update the relevance of the information held. Should it not be possible to conduct the survey this financial year due to the concerns around the pandemic, the properties that would have been included this year will be added to the 20% sample surveys planned for the 2021/22 financial year.

**2.4 Gold and Platinum Key Tenants**

Platinum Key Tenants figures have increased this quarter but both Gold and Platinum remain under target. Whilst emphasis has been placed on getting tenants who have signed up to their My Home account but who have not gone paper free, to do so, a new focus has also been placed on identifying tenants who already qualify for Gold level but who are not claiming the discounts.

**2.5 Percentage of tenants using their My Home Account**

Given figures were just below the target at year end and are expected to increase gradually, so the target for this financial year was increased to 80%. The number of tenants using their My Home account has risen very slightly this quarter by 0.4% to 76.4% and falls just short of the new target by less than 4% providing confidence that this target is achievable.

## Review of ELHA Performance

### Report by Linda Ewart – for Information

---

#### 1.0 Introduction

The data contained in this report is presented in a similar format to previous years, although the year on year comparison period has been restricted to three years and the relatively minor changes introduced to the ARC indicators in 2019/20 have been reflected. Year on year comparisons are presented for the period since March 2016, based on elha's most recent tenant satisfaction results and ARC returns up until March 2020. elha's performance is compared over the period and then compared with the 'neighbours' and the 'peers' as before.

As a reminder, the neighbours are Melville, Manor Estates, Castle Rock Edinvar and East Lothian Council. The peer group is Albyn, Eildon and Fyne Homes. These groups have been used throughout the benchmarking period and so the comparisons are consistent, but it may be advisable to review whether these comparisons remain valid. The following table shows the total number of units managed by each landlord<sup>1</sup>:

<b>Neighbours</b>	<b>Total Owned and Managed</b>
elha	1305
Castle Rock Edinvar (CRE)	6750
Manor Estates (MEHA)	1014
Melville	2032
East Lothian Council	8826
<b>Peer Group</b>	
Albyn	3235
Eildon	2345
Fyne Homes	1559

#### 2.0 Tenant Satisfaction

In 2019, the published ARC data provided the fieldwork dates for landlords' most recent tenant satisfaction surveys (TSS); although this information is not available from the most recent dataset, there is confidence that the performance reported now is based on TSS carried out since 2018 by all landlords apart from Fyne Homes<sup>2</sup>. This provides some assurance that the comparisons are valid.

Last year, it was reported that elha's performance had improved by just over 3% since the ARC was introduced in 2014, but remained below the Scottish average. This year, a very substantial improvement is reported – overall satisfaction has increased by 8.3% and is now 5.5% above the national average (compared to 4% below in 2019). Similar improvements are reported for information provision: +8.4% on 2019 and now 5.7% above the national average.

<sup>1</sup> SHR ARC data published 1 November 2020

<sup>2</sup> 2018/19 data indicated TSS scheduled for 2020



Satisfaction with opportunities to participate in decision-making has also improved significantly – by 15.3%. Instead of satisfaction being significantly poorer than the national average (-9.5% in 2019), elha is now 5% better.

Table 1	Quality of service overall	Good at keeping informed about service & outcomes	Satisfied with opportunities to participate in decision making
elha 2020	94.5%	97.7%	92.3%
elha 2019	86.2%	89.3%	77%
elha 2018	88.3%	89.1%	73.7%
Scottish Av. 2020	89%	92%	87%
Scottish Av. 2019	90.1%	91.6%	86.5%
Scottish Av. 2018	90.5%	91.7%	85.9%

### 2.1 Tenant Satisfaction Comparison

Table 2 draws together the comparisons between elha, the Scottish average and the averages of the two benchmarking groups; it also illustrates the direction of travel. In 2019, the Scottish averages had declined very slightly on the previous year; in 2020, overall satisfaction has again declined, although there have been slight improvements against the other two indicators – overall, national performance is stable.

The ‘neighbours’ record slight improvements against each of the three indicators, in comparison to last year’s slight falls. The peer group has improved against all three indicators, countering the marked decline reported in 2019. elha’s performance has significantly improved and, consequently, it now out-performs against the national, peer group and neighbours’ averages against two of the indicators.

For quality of service, elha is now 4.8% ahead of the neighbours (compared to 2.5% behind in 2019); for provision of information, elha’s performance is 4% better compared to 3.4% behind the neighbours. For opportunities to participate in decision-making, elha is now only 1.2% behind the neighbours (compared to 15% behind in 2019). Against the peer group, elha performs significantly better against all three indicators.

In 2019, the comparison reported that, against the Scottish average, elha was furthest behind in terms of satisfaction with opportunities to participate (by 9.5%): it is now 5.3% ahead. 2019 marked the point at which elha’s performance had improved to become more closely aligned with all of the comparison groups: in 2020, it is significantly better against the majority of comparisons against these three indicators.

Table 2 2020	Quality of service overall	Good at keeping informed about service & outcomes	Satisfied with opportunities to participate in decision making
elha	<b>94.5%</b>	<b>97.7%</b>	<b>92.3%</b>
Scottish Average	89% (2019: 90.1%)	92% (2019: 91.6%)	87% (2019: 86.5%)
Neighbours' Average	89.7% (2019: 88.7%)	93.7% (2019: 92.7%)	93.5% (2019: 92.3%)
Peer Group Average	88.1% (2019: 86.4%)	86.1% (2019: 85.7%)	75.7% (2019: 70.9%)

### 3.0 Quality and Maintenance

Table 3 contains up to date information for elha based on the 2020 ARC together with the Scottish averages for the same period. As in previous years, elha is recording a higher level of SHQS compliance than average (97.1% compared to the Scottish average of 94.4%) – both have improved slightly since last year.

elha’s performance in respect of emergency repairs times has fallen slightly since 2019 but it remains significantly better than the Scottish average (1.2 hours compared to 3.6); non-emergency repairs response times have reduced by a day – to 5.4 days) compared to the Scottish average of 6.4. Performance in completing repairs ‘right first time’ has improved slightly (0.7%) over the last year (which recorded a 3% improvement) and is now 3% ahead of the Scottish average.

Overall satisfaction with the repairs service has improved again (+2.6%) which means this indicator has improved by over 5% in the last two years and is now 2% ahead of the Scottish average, which has fallen slightly. The ARC no longer includes data about the number of repairs appointments kept: this indicator will be dropped from future reports.

Table 3						
Landlord	Meet SHQS	Av hrs for emerg. repair	Av days for non-emerg. repair	% reactive complete right 1 <sup>st</sup> time	% repairs app't. kept	% tenants satisfied with service
elha '20	97.1%	1.2	5.4	95.5%	N/A	93.3%
elha '19	96.9%	1.0	6.4	94.8%	93.9%	91.7%
elha '18	96.9%	1.5	5.7	91.8%	92.6%	88.9%
S Av '20	94.4%	3.6	6.4	92.4%	N/A	91.3%
S Av '19	94.1%	3.6	6.6	92.5%	95.6%	91.7%
S Av '18	94.2%	4	6.4	92.2%	95.5%	92.1%

### 3.1 Quality and Maintenance Comparison

Table 4 looks at the same indicators as Table 3 but with additional comparisons to provide a broader picture. As was the case in 2019, elha performs better in terms of SHQS compliance against each of the comparison groups and the Scottish average – and has improved slightly on the 2019 figure.

For emergency repairs response, elha is also significantly ahead: the neighbours provide the closest performance (elha records 1.2 hours and the neighbours 2.5); peer group performance has declined slightly from 2019 (which had recorded a significant improvement) and is now very slightly behind the Scottish average.

For non-emergency repairs, elha’s performance has improved by one day to 5.4 days and is now ahead against all of the comparisons, even if only very slightly in comparison to the peer group. In respect of ‘right first time’, elha has improved slightly – maintaining trend of 2019 - and is again the best against all comparisons.

elha’s overall satisfaction with the repairs service has again improved, this year by around 1.5% and now exceeds the Scottish average by 2% both the neighbours and peers (by 3.4% and 7.2% respectively). Data on performance in keeping repairs appointments is no longer collected.

Table 4	Meet SHQS	Av hrs for emerg. repair	Av days for non-emerg. repair	% reactive complete right 1 <sup>st</sup> time	% repairs app't. kept	% tenants satisfied with service
elha '20	97.1%	1.2	5.4	95.5%	N/A	93.3%
elha '19	96.9%	1.0	6.4	94.8%	93.9%	91.7%
elha '18	96.9%	1.5	5.7	91.8%	92.6%	88.9%
S Av '20	94.4%	3.6	6.4	92.4%	N/A	91.3%
S Av '19	94.1%	3.6	6.6	92.5%	95.6%	91.7%
S Av '18	94.2%	4	6.4	92.2%	95.5%	92.1%
N Av '20	92.9%	2.5	7.4	91.9%	N/A	89.9%
N Av '19	93.9%	2.4	9.7	92.2%	93.2%	85.7%
N Av '18	94.8%	2.8	7.4	91.9%	94.7%	89.4%
P Av '20	92.6%	3.7	5.5	87.7%	N/A	86.1%
P Av '19	91.9%	3.3	5.6	88.8%	89.6%	87.6%
P Av '18	91.6%	1.5	5.7	91.8%	N/A	90.9%

(S Av = Scottish average; N Av = neighbours' average and P AV = peers' average).

#### 4.0 Neighbourhoods - ELHA

elha has achieved a very substantial improvement in resolving ASB cases over the last three years – performance in 2020 is 30% better than in 2018 and is now ahead of the Scottish average.

Table 5	% resolved within local targets
elha 2020	96.4%
elha 2019	79.3%
elha 2018	66.4%
Scottish Av 2020	94.1%
Scottish Av 2019	87.9%
Scottish Av 2018	87.9

#### 4.1 Neighbourhoods Comparison

elha's volume of ASB complaints has declined since the peak recorded in 2016 but remains significantly higher than its peer group and its neighbours, although it has reduced since last year. In 2019, elha recorded a significant improvement in resolution performance, although it remained around 7% to 8% poorer than the Scottish and neighbours' averages. As a result of a further significant improvement in 2020 (+17%), elha's performance is now better against all of the comparator groups, as shown below.

Table 6	ASB cases per 100 homes	% resolved within local targets
elha 2020	<b>10.5</b>	<b>96.4%</b>
elha 2019	<b>11.1</b>	<b>79.3%</b>
elha 2018	<b>9.8</b>	<b>66.4%</b>
Scottish Average 2020		94.1%
Scottish Average 2019		87.9%
Scottish Average 2018		87.9%
Neighbours' Av 2020	5.6	82.9%
Neighbours' Av 2019	6.0	86.1%
Neighbours' Av 2018	5.8	83.4%
Peers' Av 2020	3.5	81.4%
Peers' Av 2019	3.7	77%
Peers' Av 2018	3.4	79.9%

#### 5.0 Value for Money: ELHA

In 2019, elha's performance in collecting rent exceeded the Scottish average for the first time during the comparison period and this continues, despite a marginal decline (-0.2%). Void performance has declined marginally but last year's decreasing performance in the time taken to re-let has improved significantly (by almost 5 days) and is now around 12 days better than the Scottish average (8 days in 2019).

Table 7	% of total rent due collected	% rent not collected due to voids	Average number of days to re-let
elha 2020	100%	0.4%	19.1
elha 2019	100.2%	0.3%	24
elha 2018	98.8%	0.5%	23.3
Scottish Av 2020	99.3%	1.2%	31.8
Scottish Av 2019	99.1%	0.9%	31.9
Scottish Av 2018	99.4%	0.8%	30.7

**5.1 Value for Money Comparison**

Table 8 shows that elha’s performance is slightly better compared to Scottish average and the peers and very slightly poorer than the neighbours. In terms of elha’s internal trend, performance against the rent collection indicators is stable compared to last year. Elha has significantly improved re-let times; the Scottish average remains stable; the neighbours’ and peer performances have significantly improved.

Table 8	% of total rent due collected	% rent not collected due to voids	Average number of days to re-let
elha 2020	100%	0.4%	19.1
elha 2019	100.2%	0.3%	24
elha 2018	98.8%	0.5%	23.3
Scottish Av 2020	99.3%	1.2%	31.8
Scottish Av 2019	99.1%	0.9%	31.9
Scottish Av 2018	99.4%	0.8%	30.4
Neighbours 2020	101.3%	0.4%	22.1
Neighbours 2019	100%	0.7%	30.8
Neighbours 2018	99.7%	0.6%	24.7
Peers 2020	99.1%	0.8%	20.5
Peers 2019	98.9%	0.9%	26.6
Peers 2018	99%	1%	28.2

## 6.0 Complaints Handling

The 2019 report included performance in handling complaints for the first time: Table 9 includes comparison information for all of the benchmarking groups in respect of response times for Stage 1 and Stage 2. elha's performance has dipped slightly in respect of Stage 1 complaints and more significantly in respect of stage 2 responses.

The percentage of Stage 1 and Stage 2 complaints responded to in full is comparable, if slightly poorer in comparison to other landlords in the exercise. (ELC's performance is notably poorer).

Table 9	Stage 1 responded in full	Stage 2 responded in full
elha 2020	<b>97.4</b>	<b>91.7</b>
elha 2019	<b>98.3</b>	<b>100</b>
Albyn 2020	<b>100</b>	<b>100</b>
Albyn 2019	<b>100</b>	<b>100</b>
CRE 2020	99.4	84
CRE 2019	100	94.74
Eildon 2020	100	100
Eildon 2019	95.45	81.82
ELC 2020	<b>97.2</b>	<b>93.3</b>
ELC 2019	<b>79.83</b>	<b>45.45</b>
Fyne Homes 2020	<b>100</b>	<b>85.7</b>
Fyne Homes 2019	<b>100</b>	<b>100</b>
MEHA 2020	100	100
MEHA 2019	97.59	100
Melville 2020	100	100
Melville 2019	98.72	75

## 7.0 Conclusion

The benchmarking comparison shows that elha's performance has improved significantly in key areas and now exceeds the comparisons in many cases. In terms of the sector's performance, the SHR reported that, as in previous years, sector performance has been maintained or improved against most indicators: elha's performance reflects this trend.

<b>Date Issued</b>	August 1996
<b>Last Reviewed</b>	November 2020
<b>Department</b>	Finance
<b>Title</b>	<b>Financial Regulations</b>
<b>Objective</b>	To give practical guidance on the Group's broad policies relating to financial control
<b>Responsible</b>	Director of Finance
<b>Next Review Date</b>	November 2025

---

## **CONTENTS**

- 1.0 Introduction**
- 2.0 Financial Control**
- 3.0 Income and Banking**
- 4.0 Expenditure**
- 5.0 Assets**
- 6.0 Other**
- 7.0 Implementation, Monitoring and Review**



## 1.0 INTRODUCTION

1.1 The financial regulations form part of the Group's overall system of financial and management control. Our rules, the Articles of Association of our subsidiaries and our Standing Orders outline how we control and run the Group.

1.2 This document sets out our financial regulations which form part of the Standing Orders. Its purpose is to provide practical guidance on our broad policies relating to financial control. It applies to both the association and all our subsidiary undertakings (the "Group").

1.3 Compliance with the financial regulations is compulsory for all our staff connected with the association and its subsidiaries. Departmental managers are responsible for ensuring that their staff are made aware of the existence and content of these financial regulations.

~~1.4 The Finance & Audit Sub-Committee is responsible for regularly reviewing these financial regulations and for advising the Management Committee of any additions or changes necessary.~~

~~1.5~~1.4 We have detailed financial procedures which set out how the regulations will be implemented. It is the Director of Finance's responsibility to prepare and maintain our financial procedures and make them available to all departments as appropriate.

## 2.0 FINANCIAL CONTROL

### 2.1 THE MANAGEMENT COMMITTEE

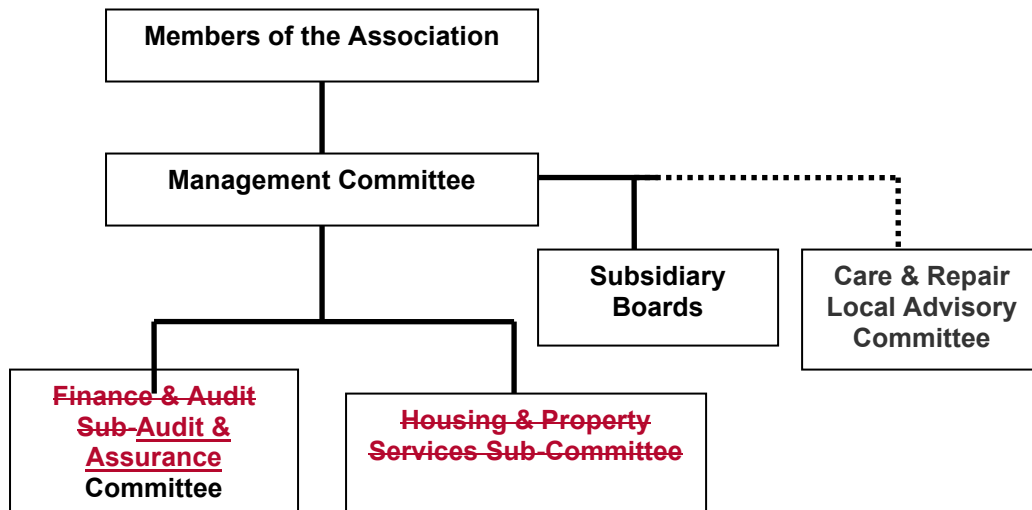
The Management Committee has ultimate responsibility for the Group's finances. Its financial responsibilities are:

- To ensure the solvency of the Group and its financial wellbeing
- To safeguard the Group's assets
- To manage its resources to ensure its financial well-being and economic effectiveness
- To ensure compliance with our regulatory body's performance standards of financial management
- To ensure that we have internal financial control systems in place and working effectively and that a statement of assurance is produced by our internal audit provider annually
- To ensure that, (where applicable), the Group complies with the regulatory body's guidance on audit requirements, to approve the Group's Business Plans and the financial projections therein
- To approve annual estimates of income and expenditure and to approve the annual financial statements and the Management Committee's responsibilities therein
- To recommend to the annual general meeting (AGM) the appointment of the Group's external auditors

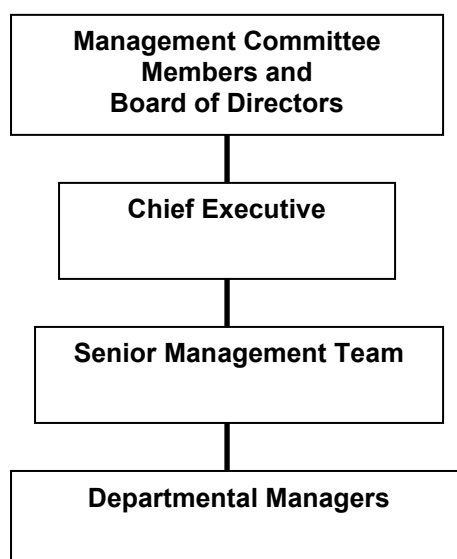
**2.2 SUB-COMMITTEE STRUCTURE**

The Management Committee delegates its responsibilities to the Sub-Audit & Assurance Committees, Subsidiary Boards and staff as detailed below. These Sub-Committees, Subsidiary Boards, staff and the Care & Repair Local Advisory Committee are accountable to the Management Committee.

*Committee Structure:*



*Management Structure:*



**2.3 ~~FINANCE & AUDIT SUB-AUDIT & ASSURANCE~~ COMMITTEE**

2.3.1 The ~~Finance & Audit Sub-Audit & Assurance~~ Committee is responsible for the ongoing monitoring of our financial position and our financial control systems. The ~~Sub~~-Committee will:

- Examine annual estimates and financial statements and recommend their approval to the Management Committee / Subsidiary Board as appropriate
- Ensure that short term budgets are in line with agreed longer term plans and that they are followed
- Consider any other matters relevant to the financial duties of the Management Committee / Subsidiary Board and make recommendations accordingly
- Ensure that the Management Committee / Subsidiary Board has adequate information to enable it to discharge its financial responsibilities
- Ensure that proper accounts and related records are maintained for the Group
- Ensure that we have effective systems to pay all employees and creditors by their due date
- Ensure that we promptly collect all income due to us and correctly account for it
- ~~Receive and comment on our revenue and capital budgets and r~~Review our performance against ~~these our revenue and capital~~ budgets
- Ensure that we comply with the rules and procedures for Housing Association Grant (HAG) and other legal requirements
- Manage our investments
- Oversee cash management and borrowing policies, our banking arrangements, and our insurance arrangements
- Any other matters as directed by the Management Committee

2.3.2 The ~~Finance & Audit Sub-Audit & Assurance~~ Committee also reports to the Management Committee on audit matters. To enable it to perform this function, it has the right of access to obtain all the information it considers necessary and to consult directly with the internal and external auditors. The ~~Sub~~-Committee will:

- ~~Identify and approve appropriate performance measures for internal and external audit~~
- ~~Agree the Association's annual internal audit programme~~
- Monitor the performance of internal and external audit
- ~~Ensure that satisfactory arrangements are in place to manage its resources to ensure its financial well-being and economic effectiveness~~ Ensure that the Management Committee is able to give an annual statement of assurance in respect of financial control systems
- ~~Delegated responsibility for all matters associated with selection of tenants and with developing, letting and maintaining our properties, including the monitoring of current arrears~~

- 2.3.3 The regulatory body, in its Regulatory Standards, sets out guidance on our audit requirements.

## ~~2.4 HOUSING & PROPERTY SERVICES SUB-COMMITTEE~~

~~2.4.1 The Housing & Property Services Sub-Committee is accountable to the Management Committee and has delegated responsibility for all matters associated with selection of tenants and with developing, letting and maintaining our properties, including the monitoring of current arrears~~

## 2.5 SUBSIDIARY BOARD OF DIRECTORS

- 2.5.1 The Boards of Directors of ELHA's subsidiary companies, are responsible for all operational matters associated with their respective subsidiaries as set out in their Articles of Association. The membership of the Board of Subsidiaries is controlled by the Management Committee, giving the Management Committee ultimate control over its subsidiaries.

The Board of each subsidiary is responsible for the approval of annual estimates of income and expenditure and to approve the annual financial statements and the board's responsibilities therein.

## 2.6 MANAGEMENT COMMITTEE MEMBERS AND STAFF

- 2.6.1 The responsibilities of the Management Committee and of senior officers are detailed in the standing orders.
- 2.6.2 All our members of staff have been issued with their Job Description and detailed procedures relating to their Department.

## 2.7 AUDIT REQUIREMENTS

- 2.7.1 The Director of Finance is responsible for drawing up a timetable for the preparation and audit of the annual financial statements and for advising staff and the external auditors of this timetable.
- 2.7.2 The ~~Finance & Audit Sub-Audit & Assurance~~ Committee will review the audited financial statements and the auditor's management letter and make recommendations to the Management Committee / Subsidiary Board for approval.
- 2.7.3 Any authorised officer of the Group and the external auditors and internal auditors shall have authority to:
- Enter at reasonable times the Group's premises or land
  - Access all assets, records, documents and correspondence relating to any financial and other transactions of the Group

- Ask for, and be provided with, full explanations about any matter being investigated
- Require any employee of the Group to account for cash, stores or any other Group property under their control
- Access records belonging to third parties, such as contractors when required

2.7.4 We will maintain a “Fraud and Theft” Policy and follow this whenever any matter arises which involves, or is thought to involve, irregularities or fraud concerning cash, stores or other property of the Group or there is any other suspected irregularity in the exercise of the activities of the Group. We will also ensure that we have an effective procedure for whistle blowing in place.

### External Audit

2.7.5 We will appoint external auditors for the Group annually at our AGM. The Management Committee will make recommendations about the appointment to the members following advice it receives from the ~~Finance & Audit Sub-Audit & Assurance~~ Committee.

2.7.6 The primary role of external audit is to report on the Group’s financial statements and whether we have used our funds appropriately. The external auditor will reach their opinion on the financial statements and our use of funds by examining the statements, the underlying records and our control systems. Their duties will be in accordance with advice set out in the code of audit practice and current auditing standards and guidelines.

2.7.7 Each year the ~~Finance & Audit Sub-Audit & Assurance~~ Committee will review the effectiveness of external audit and, provided the auditors’ work is of a sufficiently high standard and reasonably priced, should recommend that the Management Committee reappoint them. In addition, we will undertake a competitive tendering exercise for the provision of the external audit service at least once every seven years.

### Internal Audit

2.7.8 The ~~Finance & Audit Sub-Audit & Assurance~~ Committee is responsible for appointing the internal auditor.

2.7.9 The main responsibility of internal audit is to provide the ~~Audit & Assurance Committee~~, Management Committee, the Chief Executive and Senior Management Team with assurances on the adequacy of our internal control systems.

2.7.10 The internal audit service is independent in its planning and operation and has direct access to the Management Committee, the Chief Executive and the ~~Convener-Chair~~ of the ~~Finance & Audit Sub-Audit & Assurance~~ Committee. The internal auditor is directly responsible to the Audit & Assurance Committee.

2.7.11 The internal auditors may, if they consider it necessary, require the Chair of the Audit & Assurance Committee to convene a meeting of the Audit & Assurance Committee for the specific purpose of hearing of any concerns the internal auditors may have. They may ask that staff be excluded from attending an Audit & Assurance Committee meeting to allow confidential discussion between the Audit & Assurance Committee and the internal auditors.

2.7.1~~24~~<sup>24</sup> We will require the internal auditor to be properly qualified and experienced and comply with current auditing standards and guidelines for Internal Auditors, including Public Sector Internal Audit Standards.

2.7.1~~32~~<sup>32</sup> We will normally appoint the internal auditor for a term of three years, subject to an annual review of the quality and price of their service. We will undertake a competitive tendering exercise for the provision of internal audit services at least once every seven years.

2.7.14 Our internal audit function must meet the requirements of the Scottish Housing Regulator.

## Other Auditors

2.7.1~~53~~<sup>53</sup> The Group may, from time to time, be subject to audit or investigation by external bodies such as the Regulator and HM Revenue and Customs who have statutory rights of access.

## 2.8 RESPONSIBILITIES

### 2.8.1 The Chief Executive

The Chief Executive is responsible for the operational management of the Group's affairs. They must assist and advise the Management Committee in governance matters and in determining the Group's strategic objectives, promoting the achievement of such objectives through the effective deployment of the Group's resources.

### 2.8.2 The Director of Finance

Day to day financial administration is the responsibility of the Director of Finance. The Director of Finance is responsible to the Chief Executive for:

- Financial and business planning
- Preparing annual capital and revenue budgets
- Preparing management accounts and information, the monitoring and control of income and expenditure against budgets and all financial operations
- Preparing the Group's annual financial statements and returns which the Group is required to submit to other authorities
- Preparing appraisals for major investment decisions
- Ensuring that the Group maintains satisfactory financial systems

- Providing professional advice to the Management Committee, ~~its Sub-the Audit & Assurance~~ Committees and the Boards of Subsidiaries on all matters relating to financial policies and procedures including treasury management
- Ensuring compliance with legal and/or regulatory requirements relating to their areas of responsibility

### Business Management Team Members

- 2.8.3 Business Management Team (BMT) members are responsible to the Chief Executive for financial management in their own areas of responsibility, in accordance with our Authorisations and Standard Charges / Allowances Policy. The Director of Finance will advise BMT members on carrying out their financial duties. In addition, the Director of Finance will supervise and approve the financial systems operating within BMT members' departments including the form in which financial records are kept.
- 2.8.4 BMT members are responsible for establishing and maintaining clear lines of responsibility within their department for all financial matters.
- 2.8.5 Where a BMT member delegates budget responsibilities to their staff, the budget holder is accountable to the BMT member for that budget.

## 2.9 BUDGETING

### Resource Allocation

- 2.9.1 We allocate our resources regularly, and at least annually. The Management Committee is responsible for approving, ~~on the recommendation of the Finance & Audit Sub-Committee,~~ the allocation of the association's resources. The Board of each subsidiary is responsible for the allocation of that subsidiary's resources.

### Budget Preparation

- 2.9.2 The Director of Finance is responsible for ensuring individual revenue and capital budgets (including a development programme in the case of the association) are prepared annually for the association and for each of its subsidiaries. The budgets will be prepared in a form agreed by the Management Committee/Subsidiary Boards and will reflect the objectives of the Group, its Group Business Plan, and the Strategy and Development Funding Plan.

We will start to prepare our annual budgets at least three months prior to the start of the financial year to which they relate and will seek input from each budget holder. We will consider the actual results for the current year to date when preparing our budgets for the next financial year.

- 2.9.3 ~~The Finance & Audit Sub-Committee will consider all annual budgets including those for each subsidiary.~~ The Management Committee is responsible for approving the association's annual budget and the board of a



subsidiary is responsible for approving its annual budget. We will approve budgets prior to the start of the financial year to which they relate.

- 2.9.4 As soon as possible after approval of the budgets, the Director of Finance will ensure that detailed budgets are prepared for BMT members to help with the resource allocation process.
- 2.9.5 Departments / subsidiaries may operate supplementary budgets, within their allocations, in accordance with procedures established by the Director of Finance.
- 2.9.6 During the year, the Director of Finance is responsible for submitting revised budgets ~~to the Finance & Audit Sub-Committee for consideration before submission~~ to the Management Committee / Subsidiary Board for approval.

### **Development Programmes**

- 2.9.7 The Management Committee is responsible for approving the annual housing development programme and any subsequent amendments to it.
- 2.9.8 The Chief Executive is responsible for providing regular statements concerning housing capital expenditure and income to the ~~Housing & Property Services Sub-~~ Management and Audit & Assurance Committees for monitoring purposes.
- 2.9.10 The Director of Finance will prepare a financial evaluation of the development programme (and any amendments) and its impact on the group's long-term financial position. The evaluation will also consider the impact of alternative plans.
- 2.9.11 The Director of Finance is responsible for undertaking a financial evaluation of each housing development project in the approved development programme (plus subsequent amendments) prior to tender approval.
- 2.9.12 Proposed capital projects should be supported by:
- A statement which demonstrates the project's consistency with the development programme/ other plans approved by the Management Committee
  - An initial budget for the project. The budget should include a breakdown of costs including professional fees, VAT and funding sources
  - A demonstration of compliance with normal tendering procedures and regulatory body regulations

### **Financial Planning**

- 2.9.13 The Director of Finance is responsible for preparing financial plans for



approval by the Management Committee ~~on the recommendation of the Finance & Audit Sub-Committee~~ or the relevant Subsidiary Board and for preparing long term financial forecasts for at least the period required by the regulatory body and funder(s). Financial plans should be consistent with the Group business plans and the development programme approved by the Management Committee.

### Budgetary Control

2.9.14 Once approved, the budgets will provide our staff with the authority to incur expenditure in line with our Authorisations and Standard Charges / Allowances Policy. They also provide us with the basis to make comparisons with actual quarterly results. The control of income and expenditure within an agreed budget is the responsibility of the designated budget holder who must ensure that day to day monitoring is undertaken effectively. The Director of Finance will provide management information to assist budget holders in this duty.

2.9.15 Variations in actual income and expenditure against budget will be reported to the ~~Finance & Audit Sub-Audit & Assurance~~ Committee at least every quarter by the Director of Finance.

2.9.16 Where additional expenditure is identified as being necessary, authorisation will be sought from the ~~Finance & Audit Sub-Audit & Assurance~~ Committee in accordance with its delegated powers or from the Management Committee / Subsidiary Board. In between meetings authority to authorise overspends of up to an agreed amount per item, is specified in the detailed Authorisations and Standard Charges / Allowances Policy. Any such action taken will be reported to the next Management Committee / Subsidiary Board meeting for homologation.

2.9.17 Nothing in these financial regulations shall prevent a senior officer from incurring expenditure which is essential to meet any immediate needs created by a sudden emergency subject to their action being reported as soon as possible to the next meeting of the ~~Finance & Audit Sub-Audit & Assurance~~ Committee or the Management Committee / Subsidiary Board (whichever meets first). In some circumstances, these emergency powers will be superseded by the Business Continuity Plan, which contains policies, procedures and emergency powers to be followed / used in the event of a disaster.

2.9.18 Where an officer proposes

- (a) A new policy;
- (b) A variation to an existing policy; or
- (c) A variation in the means or time-scale of implementing an existing policy

which affects or may affect the Group's finances, the officer shall submit a report for recommendation to the ~~Finance & Audit Sub-Audit & Assurance~~ Committee. The ~~Sub~~-Committee will consider the matter and either take a

decision in accordance with delegated powers or submit a recommendation to the Management Committee / Subsidiary Board.

### **Virement**

2.9.19 Where a budget holder is responsible for more than one budget, they can make virements (whereby expenditure in excess of budget may be set off against savings in another budget) up to an agreed level from another of their budgets with the written approval of their line manager. The Director of Finance should also be advised.

2.9.20 Virement between budgets held by different budget holders is permitted up to an agreed level with the written approval of the transferring budget holder and the Director of Finance.

2.9.21 The Director of Finance is responsible for submitting requests for virement of resources above agreed levels to the ~~Finance & Audit Sub-Audit & Assurance~~ Committee or Management Committee / Subsidiary Board for approval.

## **2.10 ACCOUNTING POLICIES**

### **Basis of Accounting**

2.10.1 The individual company and group consolidated financial statements are prepared on the historical cost basis of accounting and in accordance with applicable accounting standards and guidelines.

### **Format of the Accounts**

2.10.2 The Association's individual financial statements and the Group's financial statements are prepared for the financial year ending 31 March, in the format required by the current Statement of Recommended Practice (SORP) on Accounting for Registered Social Landlords. The individual accounts of subsidiaries are prepared in the format required by the Companies Act.

### **Basis of Consolidation**

2.10.3 The consolidated financial statements consolidate the financial statements of the Association and all its subsidiary undertakings for the financial year.

## **2.11 ACCOUNTING RETURNS**

2.11.1 The Director of Finance is responsible for preparing and sending financial returns and other periodic financial reports to the regulatory body and other agencies as required. The Director of Finance is also responsible for ensuring that all grants due from the government and other bodies are received.

## 2.12 ACCOUNTING AND ACCOUNTING RECORDS

2.12.1 The Director of Finance is responsible for overseeing the compilation of all accounts and accounting records and for the retention of financial documents. These should be kept in a form acceptable to the relevant authorities.

2.12.2 The Group is required by law to retain prime documents. These include:

- Accounting Records (including details of assets, liabilities, income and expenditure)
- Business Records (bank statements ~~and pay-in-slips~~, accounts books, purchases and sales information) (six years)
- All PAYE Records (~~three-six~~ years)
- Construction Industry Scheme Records (~~three-six~~ years)
- VAT records (~~three-six~~ years)

~~2.12.3~~ For auditing and other purposes, the Group should retain other financial documents for ~~three-six~~ years.

## 2.13 INTERNAL CONTROLS

2.13.12.4 We will observe the following principles wherever possible, in the allocation of accounting duties, to ensure that proper segregation of duties exists:

- The duties of providing information about money due to or from the Group and of calculating, checking and recording these sums shall be separated from the duty of collecting or paying them
- Officers charged with the duty of examining and checking the accounts of cash transactions shall not themselves be engaged in any of these transactions

2.13.2 Key controls include the monthly reconciliation of bank and control accounts. Where the control is performed by the same member of staff who has carried out the transaction being controlled, the control will be reviewed by another suitably qualified member of staff.

2.13.32.5 The Director of Finance is responsible for the records, ledgers and registers required for each company within the Group and ensuring that these are maintained. The intervals at which these are updated are specified in the detailed financial procedures.

## 3.0 INCOME AND BANKING

### 3.1 GENERAL

- 3.1.1 The Director of Finance is responsible for ensuring that appropriate procedures are in operation to enable the Group to receive all the income to which it is entitled. All receipt forms, invoices, tickets or other official documents in use must have the approval of the Director of Finance.
- 3.1.2 Levels of charges, rents and lettings are approved by the Management Committee / Subsidiary Board.
- 3.1.3 The Director of Finance is responsible for the prompt collection, security and banking of all income received.
- 3.1.4 The Director of Finance is responsible for ensuring that all grants notified by the regulatory body and other bodies are received and appropriately recorded in the Association's accounts.
- 3.1.5 The Director of Finance is responsible for ensuring that all claims for funds are made by the due date.

## **3.2 BORROWING AND INVESTING**

3.2.1 The Association's borrowing powers are set out in its rules.

3.2.2 The Group "Treasury Management Policy" sets out the requirements for borrowing and investing surplus funds.

## **3.32 BANKING AND CASH ARRANGEMENTS**

Our "Banking Policy" describes our banking arrangements

- 3.32.1 We will maintain bank accounts as required and agreed by the Finance and Audit Sub-Audit & Assurance Committee.
- 3.32.2 The Director of Finance is responsible for liaising with our bankers in relation to our bank accounts and the issues of cheques. The Director of Finance has the authority to order all cheques and shall ensure that proper arrangements are in place for their safe custody.
- 3.32.3 Only the Director of Finance may open or close a bank account for dealing with our funds, with the authority of the Management Committee/Subsidiary Board. All bank accounts shall be in the name of the Association or its Subsidiaries.
- 3.32.4 All payments made from the Association's bank accounts and mandates for direct debits/standing orders must be authorised in accordance with our "Authorisations and Standard Charges and Allowances Policy.
- 3.32.5 The Director of Finance is responsible for ensuring that all bank accounts are subject to regular reconciliation and independent review, and that large or unusual items are investigated as appropriate.

3.32.6 The Director of Finance is responsible for the prompt collection, security and banking of all income and for ensuring that all relevant requirements of the Group's Insurers are followed.

3.32.7 We will not cash personal or other cheques out of money received.

### **3.43 RENTS AND OTHER INCOME**

3.4.1 The procedures for collecting all sums due to the Group (including rents and other income) must be approved by the Director of Finance. Our procedures should ensure that:

- swift and effective action is taken to collect overdue rents or other debts from tenants and customers in accordance with the Group's policies and detailed procedures
- outstanding rents and other income are monitored effectively
- invoices to tenants and customers are raised properly and promptly for the income due to the group in accordance with detailed procedures

Departmental Managers shall notify the Director of Finance promptly of all money due to the Group and of contracts, leases and other agreements and arrangements entered into which involve the receipt of money by the Group.

The Director of Finance shall have the right to inspect any documents or other evidence in this connection as he/she may decide.

Donations of cash or other items shall be recorded and a written acknowledgement sent to the donor by the Secretary of the recipient Group member.

### **3.54 WRITE OFF OF ARREARS, DEBTS AND PREPAID BALANCES**

3.54.1 The authority to write off rent arrears and other debts owed to the Group and prepaid balances; is detailed in the Authorisations and Standard Charges / Allowances Policy. The Group will write off all established bad debts on a quarterly basis.

### **3.56 STOCKS AND STORES**

3.56.1 Managers are responsible for establishing adequate arrangements for the security and control of stocks and stores within their departments. Managers may only use systems for the accounting of stores within their departments which have been approved by the Director of Finance.

3.6.1 Where departmental stocks are valued for inclusion on the balance sheet, the relevant departmental manager must ensure that:

- There are stock-taking procedures in place which have the approval of the Director of Finance
- They provide instructions to the appropriate staff within their departments, which are in accordance with advice contained in the Group's detailed financial procedures.

#### **4.0 EXPENDITURE**

##### **4.1 GENERAL**

4.1.1 The Director of Finance is responsible for making payment to suppliers of goods and services to the Group.

##### **4.2 AUTHORISATION OF EXPENDITURE**

4.2.1 All expenditure will be authorised in accordance with the Group's Authorisation and Standard Charges / Allowances Policy which specifies delegated levels of authority for the various categories of expenditure or financial activity.

##### **4.3 TENDERING**

4.3.1 All goods and services will be procured in accordance with the Group's Procurement Policy and the Authorisation and Standard Charges / Allowances Policy.

##### **4.4 ORDERS FOR WORK, GOODS AND SERVICES**

4.4.1 Orders for work, goods and services must be in a form approved by the Director of Finance and in accordance with Group policy and procedures, in particular the budget limits and Authorisation and Standard Charges / Allowances Policy.

##### **4.5 PAYMENT OF INVOICES**

4.5.1 The authorisation to pay invoices will be in accordance with the Group's Authorisation and Standard Charges / Allowances Policy.

4.5.2 Payments to suppliers will be in accordance with the detailed financial procedures.

4.5.3 The general rule is that invoices are paid by the end of the month following that in which they are received, subject to variations as agreed with the individual supplier of goods and services and as set out in the Group's financial procedures.

##### **4.6 CONTRACTS**

4.6.1 Payments to contractors, whether on account or the final account, shall be made in accordance with the detailed procedures. Finance staff ~~will meet~~

liaise regularly with Development Agents and Property Asset Management staff to monitor expenditure on contracts.

4.6.2 Claims from Contractors in respect of matters not clearly within the terms of any existing contract shall be referred to the Group's Solicitor (and if relevant the Group's Insurers) for consideration of the legal liability and, where necessary, to the Chief Executive and Director of Finance (for financial assessment) before a settlement is reached or before any offer of settlement is made.

#### **4.7 PETTY CASH AND POSTAGE**

4.7.1 A petty cash imprest will be held for the purpose of making disbursements and properly authorised expenses and maintaining a cash float. The level of imprest will be determined by expenses flow and security considerations.

4.7.2 Operation of the petty cash float will be in accordance with the financial procedures.

4.7.3. The purchase and issue of stamps will be as laid down in the Group's financial procedures.

#### 4.8 SALARIES, WAGES AND PENSIONS

- 4.8.1 The payment of salaries, wages and contributions to pensions will be made in accordance with the Group's financial policies and procedures, in particular those relating to Payroll, ~~and Recruitment & Selection~~ and Pensions.
- 4.8.2. Annual salary reviews will be undertaken as specified in the Group's Terms and Conditions of Service and will be approved by the Management Committee / Subsidiary Boards.
- 4.8.3. The Management Committee / Subsidiary Board is responsible for undertaking the role of employer in relation to appropriate pension arrangements for employees.
- 4.8.4. The Director of Finance is responsible for day to day pension matters.
- 4.8.5. Salary and related personnel records will be maintained in a form required by statute, and as agreed by the Director of Finance.

#### 4.9 TRAVEL SUBSISTANCE AND OTHER ALLOWANCES

- 4.9.1. All claims for payments of car allowances, subsistence allowances, travelling and incidental expenses shall be authorised and paid in accordance with the Group's policies and procedures on Management Committee Members' / Subsidiary Board Directors' and Staff Expenses and completed in a form approved by the Director of Finance.
- 4.9.2. Claims by members of staff must be authorised by their Line Manager to certify that the journeys and expenses were properly and necessarily incurred and that the allowances are properly payable by the Group.
- 4.9.3. Standard allowances and rates will be recorded in the Authorisation and Standard Charges / Allowances Policy and reviewed annually by the Management Committee / Subsidiary Board.

#### 4.10 CREDIT AGREEMENTS

- 4.10.1 Departmental Managers shall notify the Director of Finance promptly of all credit agreements being entered by the Group for goods and services. The Director of Finance shall have the right to inspect any documents or other evidence in this connection as they may decide.



## **5.0 ASSETS**

### **5.1 LAND, BUILDINGS, FIXED PLANT AND MACHINERY**

- 5.1.1 The purchase, lease or rent of land or buildings or fixed plant can only be undertaken with the approval of the Management Committee / Subsidiary Board.
- 5.1.2. The Finance Department will maintain fixed asset registers which record an adequate description of buildings (non-housing), furniture, fittings, equipment, plant and machinery and other capital equipment owned by the Group. The form in which the fixed asset register shall be kept will be determined by the Director of Finance. Equipment kept at our housing properties shall be separately identified and recorded.
- 5.1.3. The Housing Management Department will maintain a register of all housing properties owned by the Group its form will be determined by the Director of Housing.
- 5.1.4. The Group's property shall not be removed other than in the ordinary course of the Group's business, or used other than for the Group's purposes except in accordance with specific directions issued by the Chief Executive or appropriate manager concerned.
- 5.1.5. All property and equipment shall be maintained in good working order.
- 5.1.6. We keep a register of documents of title (deeds, share certificates, building society books, etc) and store the documents (where not held by a lending authority) securely either at the Group's Solicitors or in a locked safe.

### **5.2 INVENTORIES**

- 5.2.1. In addition to the asset register, departmental managers are responsible for maintaining inventories for all plant and equipment and stores in their departments. The inventory must include items donated or held in trust.
- 5.2.2. Inventories must be checked at least annually and retained in a form approved by the Director of Finance as described in the group's detailed financial procedures.

### **5.3 ASSET DISPOSAL**

- 5.3.1. Disposal of fixed assets equipment and furniture must be in accordance with the Group's Policy "Disposal of Assets".

### **5.4 DEPRECIATION**

- 5.4.1 Any fixed asset owned by the Group will be depreciated in accordance with the Group's Depreciation Policy.

## 5.5 TREASURY MANAGEMENT

- 5.5.1 The Group's Treasury Management strategy and arrangements are set out in its Treasury Management Policy. The ~~Finance & Audit Sub-Audit & Assurance~~ Committee is responsible for monitoring the operation of this policy.
- 5.5.2. All money in the hands of the Group shall be aggregated where possible or appropriate for the purposes of Treasury Management.
- 5.5.3. The Director of Finance is responsible for all executive decisions on borrowing, investment or financing.
- 5.5.4. The Director of Finance shall report to the ~~Finance & Audit Sub-Audit & Assurance~~ Committee not less than four times in each financial year on the activities of the treasury management operation and on the exercise of the treasury management powers delegated to them. One such report shall comprise an annual report on treasury management for presentation within six months of the Group's year end.
- 5.5.5 The Director of Finance is responsible for obtaining private finance (loans) from approved financial institutions as detailed in the Group's Treasury Management policy and related procedures.

## 6.0 OTHER

### 6.1 GROUP STRUCTURES AND SUBSIDIARIES

- 6.6.1. In certain circumstances it may be advantageous to the Association to establish group structures or subsidiaries to undertake services on its behalf. The Management Committee is responsible for approving the establishment of group structures or subsidiaries and the procedure to be followed in order to do so.
- 6.6.2. It is the responsibility of the Management Committee to establish the shareholding arrangements and appoint Directors of companies wholly or partly owned by the association.

### 6.2 RISK MANAGEMENT

- 6.2.1. The Management Committee is responsible for developing a risk management strategy, in line with the requirements of the regulatory bodies, in order to identify the risks facing the group and the types of protection required to cover these risks. Risk Maps should be developed to cover important potential liabilities and potential significant risks to assets. These Risk Maps will be considered and approved by the Management Committee / Subsidiary Boards on an annual basis in accordance with our Risk Management Strategy.

### 6.3 INSURANCES

- 6.3.1. The Management Committee is responsible for agreeing the Group's insurance arrangements. The arrangements for managing and maintaining our insurances are set out in the "Insurance Policy".
- 6.3.2. All staff using their own vehicles on behalf of the group shall maintain appropriate insurance cover for business use.

### 6.4 TAXATION

- 6.4.1. The Director of Finance is responsible for advising heads of departments on all taxation issues in the light of guidance issued by the appropriate bodies and the relevant legislation as it applies to the group. The Director of Finance will issue instructions to departments on compliance with statutory requirements including those concerning VAT, PAYE, national insurance and corporation tax.
- 6.4.2. The Director of Finance is responsible for ensuring that the Group's tax records are maintained, that all tax payments made and tax credits received and that tax returns are submitted by their due date.

### 6.5 SECURITY PROCEDURES

- 6.5.1. Departmental managers are responsible for maintaining proper security at all times for all buildings, stock, stores, furniture, cash, etc under their control. They must consult the appropriate senior manager in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.
- 6.5.2. The loss of any keys to Group property will be reported to the Chief Executive immediately.
- 6.5.3. All staff are responsible for maintaining proper security and privacy of information. Access to areas where data is stored will be restricted to authorised persons. Information relating to individuals held on computer will be subject to the provisions of the General Data Protection Act Regulations. The Chief Executive is responsible for ensuring compliance with the Act.
- 6.5.4. Security of computer equipment and information stored on computer systems will be undertaken as detailed in the Group's policy on "IT Systems", and in accordance with the General Data Protection Act Regulations.
- 6.5.5. Manual records, particularly those relating to tenants, will also be subject to appropriate security procedures.

### 6.6 GIFTS, HOSPITALITY AND INTERESTS

6.6.1 The giving and receiving of gifts and hospitality shall be in accordance with the Group's Gifts and Hospitality policy.

6.6.2. All Management Committee Members / Subsidiary Board Directors and staff shall ensure that they declare any interests with regard to any aspects of the Group's activities, as required by the Rules and the requirements of the Regulators.

## **7.0 IMPLEMENTATION, MONITORING AND REVIEW**

### **7.1 IMPLEMENTATION**

These Financial Regulations describe the overall framework of the Group's financial arrangements. The detailed arrangements for implementing these Regulations are contained in relevant policies and procedures including (but not limited to) the following:

- Authorisations and Standard Charges and Allowances
- Treasury Management
- Risk Management Strategy
- Insurances
- Payroll
- Rents and Service Charges
- Rent Arrears
- Chargeable Repairs
- Recharge of Costs to Owner Occupiers (procedure)
- Information Technology Systems
- Gifts and Hospitality
- Management Committee and Staff Expenses
- Fraud and Theft
- Anti-Bribery and Corruption
- Finance Department Procedures

### **7.2 MONITORING AND REVIEW**

The Director of Finance will ensure that these regulations are reviewed at least every five years and that any amendments required are submitted to the Management Committee for approval.

## Financial Regulations Policy Review

### Report by Paula Oliver, Director of Finance – for approval

---

The Financial Regulations Policy is due for review and as this is a key policy for the Group and all its staff (i.e. it is not limited to Finance staff), the review has been undertaken in consultation with Managers and the Group's Internal Auditor. All proposed changes are tracked in the attached **Policy Document**.

The main changes required have been to reflect the new Governance structure. Several responsibilities were previously undertaken by the Finance & Audit Sub-Committee and these have been transferred to either the Audit & Assurance Committee or the Management Committee / R3 Board as appropriate.

Other amendments include:

- An update / clarification of the role and responsibilities of Internal Audit at sections 2.7.10, 2.7.11 and 2.7.12
- Clarification at 2.13.2 that where segregation of duties is not possible, additional checking controls should be undertaken by another suitably qualified member of the team
- Section 3.2 has been added to refer to the Treasury Management Policy for the control of Borrowing and Investing activities
- Section 3.3 now refers directly to the Banking Policy

#### **Recommendation**

The Management Committee is asked to approve the revised Financial Regulations Policy.

GROUP POLICY

**Date Issued** 14 August 2015

Review Date: November 2020

**Department** Corporate

**Title** **Special Leave (Volunteer Reserve Forces) Policy**

**Objective** To describe the Group's arrangements for staff who are members of the Volunteer Reserve Forces

**Responsible** Chief Executive

**Next Review Date** ~~August 2020~~ November 2025

## 1.0 Introduction

This policy outlines our commitment to supporting employees who are members of the Volunteer Reserve Forces when they are to be mobilised for active service. The policy provides details of the following:

- The responsibilities for the employee and the employer
- The procedure should a reserve be required to attend training
- Mobilisation
- T&C's during mobilisation
- Reservist's return to work

This policy is for all employees of the Group who are members of any branch of the Volunteer Reserve Forces (VRF), Royal Naval Reserve (RNR), the Royal Marines Reserve (RMR), the ~~Territorial Army~~ Army Reserves (TAAR) and the Royal Auxiliary Air Force (RAAF). ~~The policy also extends to new employees of the Group who are members of the Volunteer Reserve Forces (VRF), and to employees who join any branch of the VRF while employed with us.~~

## 2.0 Background

The Volunteer Reserve Forces form an integral and important part of the United Kingdom's Armed Forces. The role of the UK's Reserve Forces has changed over the last decade from a large and mainly unused force, to one structured to support the UK's Armed Forces operations worldwide, and as such they have an ever-increasing role in operations at home and overseas.

Future demands on the Reserve Forces is likely to increase as they continue to be used in sustained and large scale operations, to support and reinforce

specialist capabilities in areas such as communications, medical and logistical support.

### 3.0 Legislation

~~There are two~~The main pieces of legislation covering the call-up, mobilisation, and employment of Reservists.

#### The Reserve Forces Act (1996) (RFA)

~~Sets out the call-out powers under which Reservists can be mobilised for full-time service.~~

~~Outlines the circumstances for calling Reservists into full-time military service, and covers the regulations dealing with exemptions and financial compensation.~~

#### ~~3.2~~ The Reserve Forces (Safeguard of Employment) Act 1985 (SOE 85)

Describes the employment rights of Reservists, granting them the right to return to their existing jobs following call-up, and protecting them from dismissal for the reason of being mobilised.

#### Defence Reform Act (2014)

This Act outlines the employment protection arrangements for those who are a member of the Reserve Forces, and in civilian employment; the powers of the Secretary of State to call out Reservists, and; to make payments to employers of Reservists who are called out for service.

### 4.0 Definitions

For the purpose of this policy, the terms used are as below: Reserve Forces, Volunteer Reserve Forces, Reserves and Volunteer Reservist refer to individuals directly recruited from the civilian community who are in full-time or regular employment and are members of the Territorial Army (TA), Royal Naval Reserve (RNR), Royal Marines Reserve (RMR), or the Royal Auxiliary Air Force (RAAF).

Volunteer Reservist - civilians recruited into the Royal Navy Reserves, Royal Marines Reserves, Army Reserves and Royal Auxiliary Air Force.

- Regular Reservists: ex-regular servicemen who may retain a liability to be mobilised depending on how they have served in the Armed Forces
- **Volunteer Reservist:** civilians recruited into the Royal Navy Reserves, Royal Marines Reserves, Army Reserve and Royal Auxiliary Air Force.

The Reserve Forces Act 1996 also provides for categories such as:

- Full-time Reserve Service: Reservists who wish to serve full time with regulars for a predetermined period in a specific posting
- Additional Duties Commitment; part-time service for a specified period in a particular post
- High Readiness Reserves: Reserves with a particular skill set, that are available at short notice and written agreement from their employer
- **VRF** - Volunteer Reserve Forces
- ~~TA-AR - Territorial Army Army Reserves~~
- **RFA 96** - Reserve Forces Act 1996
- **Mobilisation** - The process of calling Reservists into full-time service with the Regular Forces on military operations, this includes, pre deployment training, deployment of operational period and any post operational accrued leave). ~~All members of the Volunteer Reserve Forces are committed to the possibility of mobilisation as detailed in The Reserve Forces Act (1996)~~
- **Demobilisation** - The administrative release of a reservist from military service prior to any outstanding leave owing
- **Civil Contingency Reaction** - Volunteer Reservists who receive special training and may be mobilised in the event of extreme national need
- **Post Operational Tour Leave** - Time off earned while on full time military service
- **Serious Harm to the business** - Serious loss of sales, markets, reputation, goodwill or other financial harm or Serious impairment of the ability to produce goods or provide services

## 5.0 Policy Principles

The Group recognises and supports the work carried out by the VRF. No employee will be treated less favourably due to being a member of the reserved forces.

The Group will aim to release employees who are mobilised for reserved duties where possible while considering the needs of the business.

## 6.0 Responsibilities

### 6.1 Employees

- To inform their employer that they are a member of the reserve forces and the specific force they belong to



- Grant permission for the Ministry of Defence to write directly to their employer for Employer Notification
- Ensure their personal details are up to date with the MoD
- Employees who are members of the VRF have a responsibility to ensure they are familiar with the contents of the policy, and to ensure they work within its framework
- It is up to individual Reservists to make the Group aware of their basic training commitments and Annual Camp, and to ask for training leave when it arises. The employee is responsible for giving the Group as much notice as possible of any additional leave they will need ~~and for representing this accurately~~

## 6.2 Employers

- Will not treat any employee any less favourably due to being a member of the reserved forces
- Will aim to release employees, who are mobilised for reserved duties where possible
- Managers who have employees in the VRF must ensure they are familiar with the contents of this policy, and are able to work within its framework to support employees
- That they have received written notification from the MoD informing them that their employee is a member of the Reserve Forces.
- Will comply with their requirements for mobilising and the return of employees

## 6.3 Reservist's Training Commitments

A reservist will normally have three types of training commitments that they are required to attend:

- 1) Weekly training, this normally takes place on an evening during the week for around 2½ hours
- 2) Weekend Training, this normally will take place one weekend a month. (As far as possible, line managers will plan any work rosters to allow attendance at Regular training sessions)
- 3) Continuous Training Period or (annual camp), this is where Reservists are required to attend a continuous period of training for around 15 days

~~The Group is under no legal obligation. There is no Statutory requirement for the Group to grant time off for the continuous training period. However, in line with the Group's commitment to supporting its employees who are members of the Reserve Forces where possible, time will be granted for the continuous training period if practical. Time off will be in the form of authorised unpaid leave therefore allowing attendance without the need for them to use their annual leave entitlement or annual leave if the employee wishes.~~

~~In order to receive authorised unpaid leave the~~The employee must provide their line manager with as much notice as possible and must be requested in line with annual leave procedure.~~This must be no less than 10 working days to allow for appropriate planning to take place to cover work priorities during the reservists absence.~~

## 7.0 Mobilisation

Mobilisation is the process of calling Reservists into full time service with the Regular Forces, in order to make them available for military operations. The maximum period of mobilisation will depend on the scale and the nature of the operation and is typically no longer than 12 months.

The call out papers for mobilisation are sent by post to us or hand delivered by the Reservists to their line manager. The documentation will include the call-out date and the anticipated timeline. Whenever possible, MoD aims to give at least 28 days notice of the date a Reservist will be required to report for mobilisation, although there is no statutory requirement for ~~a warning period prior to mobilisation.~~this.

A period of mobilisation involves three distinct phases:

- Medical and pre deployment training
- Operation Tour
- Post operational tour

## 7.1 Applying for Exemption / Deferral / Revocation

In all cases of mobilisation, the ~~company~~Group will release the Reservist to report for duty unless there are exceptional circumstances, whereby the decision and reasoning will be explained to the reservist.

If the Group wishes to request an exemption, deferral or revocation, the reason for this must be for reasons such as:

- Loss of reputation, goodwill or other financial harm
- Impairment of the ability to produce goods or provide services
- Harm to research and development of new products, services or processes

An application must be made to the Adjudication Officer

~~In such circumstances line managers have the right to seek exemption, deferral or revocation if the Reservist's absence is considered to cause serious harm to service delivery.~~

## **7.2 Appeal Process**

An appeal can be made to the Reserve Forces Appeal Tribunal if the Group is unhappy with the decision of the Adjudication Officer. The Adjudication Officer will provide information on making an appeal. Appeals must be lodged with the office of the Secretary to the Tribunal; no more than five working days after the Adjudication Officer's decision is received. ~~Appeals can be faxed or posted first-class. The address for the appeals is given in the useful information section at the end of this policy. Appeals are normally heard within 28 days of receipt of the appeal, throughout which time the Reservist will not be deployed outside the United Kingdom.~~

Appeals are normally heard within 28 days of receipt of the appeal, throughout which time the Reservist will not be deployed outside the United Kingdom.

~~Reserve Forces Appeal Tribunals are independent of the MOD, with appointments made by the Secretary of State for Constitutional Affairs and Lord Chancellor. Each tribunal consists of a legally qualified chairperson and two lay members drawn from a list held by the Employment Tribunals Service.~~

~~The Group will be advised of the date, time and place of the hearing appeal hearing. Appeals are normally held at the office of the Employment Tribunal Service nearest to our place of work. Where necessary, employers may be asked to provide the Tribunal with additional information in support of their case. Appeals are normally heard within 28 days of receipt of the appeal, throughout which time the Reservist will not be deployed outside the United Kingdom.~~

## **7.3 Terms and conditions during Mobilised**

Employees who are mobilised will continue to accrue continuity of service throughout the time they have been mobilised. Specific terms relating to other parts of their employment are detailed below.

### **7.3.1 Pay**

The Group will not pay a reservist during the time they are mobilised. The MOD will pay the reservist a basic salary in accordance with the Reservists military rank. If this is less than the Reservists normal salary, the reservist can apply

to the MoD for the difference to ensure no loss of earnings. The reservist will resume contractual pay with the Group when they return to work after mobilisation.

### 7.3.2 Holidays

Reservists should be encouraged to take any accrued annual leave before mobilisation. The Reservist will not accrue annual leave during the period of mobilisation. Reservists will accrue annual leave with the MoD whilst they are in full time service. ~~Reservists will be entitled to a period of post-operational leave, during this time the MoD will pay them at a rate of 2.5 days per month paid for by the MoD and taken at the end of mobilisation, this period is called post-operational leave.~~ Therefore, if a reservist within the Group is mobilised for part of the annual leave year the employees holiday entitlement will be pro-rated for the time in receipt of monthly salary from us.

## 8.0 Pension

A reservist who is mobilised is entitled to remain a member of their occupational pension scheme. The MoD will pay the employer contributions that we would have made provided that the reservist continues to pay their contributions to the scheme. The pension scheme administrator cannot refuse to accept MoD payments.

## 9.0 Dismissal/ Redundancy

~~It is automatically unfair to dismiss an employee who is a member of the reserved forces if the reason for the dismissal is in any way connected with them being a Reservist. This applies from the first day of employment; no qualifying period is required.~~

~~A reservist's employment cannot be terminated on the grounds of their military duties or their liability to be mobilised. To do so would be a criminal offence under s.17 of The Reserve Forces (safeguarding of Employment) Act 1985.~~

Reservists can be included in the redundancy pool if this is necessary. ~~due to a downturn in business or closure of a department.~~ However, all employees should be treated consistently, and redundancy criteria should not discriminate against Reservists on the grounds of their Reserve service or call-up liability.

## 10.0 Sick Pay

~~If a Reservist is unfit for work during mobilisation they will be covered by Defence Medical Services, and any financial assistance will continue to be received (including pay) until their demobilisation, the Reservist will remain covered by the MoD until the last day of military leave.~~

## 1011.0 Return to Work

Both we and the Reservist have responsibilities and obligations under the Reserve Forces (Safeguarding of Employment Act) 1985 regarding return to work.

### **10-1.1 Employee**

- Must write to their employer by the 3<sup>rd</sup> Monday after their last day of military service making their request to return to work and suggesting a date which falls within 6 weeks of their last day of full time service. This letter formally starts the return to work process under the 1985 Act stated above
- Informally contact their line manager to discuss their return to work as early as possible
- Will ensure they accept offers of support and training as is appropriate and required

### **4011.2 Employer**

- To reinstate the Reservist, where possible to their previous role, or if not possible to a role on no less favourable conditions
- The Reservist should be reinstated within 6 weeks of their last day of full time service
- To ensure adequate support and training is put in place to refresh the employee and assist them in integrating back into the workplace
- Will ~~recognize~~ recognise that adjusting back to work life may be challenging and will offer any appropriate support as required.

### **4112.0 Reintroduction to Employment**

The Group recognises that employees returning to work after completing military service as a member of the Reserve Forces may feel anxious and apprehensive about re-starting their job. We will ensure the Reservist receives a re-induction into their role.

~~The aim of the re-induction programme is to support employees as they re-establish themselves back into the workplace. The programme must ensure~~

~~that the employees get a good start back into employment, as failure to do so may result in unfavourable situations for both the employer and the employee.~~  
Re-induction programmes ~~should~~ will be tailored to meet the needs of individual employees, and be designed to ensure they receive appropriate updating of skills, knowledge and competence. The programme may cover the following areas:

- Detailed update covering any changes to our objectives, team objectives, changes to our policies and changes to health and safety legislation
- If appropriate update on conditions of service, PDP and job profile
- Access to relevant training and development both as a refresher and as part of ongoing development
- ~~• Support within the re-integration programme which include if appropriate non-line manager support e.g. Local initiatives, government/ MOD programmes or the NHS~~

#### **4213.0 Monitoring and Review**

This policy requires the full co-operation of all employees who are members of the VRF, and their line managers.

The Chief Executive will ensure that this policy is reviewed by the Management Committee at least every five years or in line with any legislative and organisational needs.

#### **4314.0 Further Information**

~~Further sources of information including financial assistance for employers for one off, recurring and training costs can be obtained from the SaBRE website.~~

- ~~• **SaBRE** (Supporting Britain's Reservists and Employers)  
[www.sabre.mod.uk](http://www.sabre.mod.uk) **0800 389 5459**~~

- **Royal Navy**

[www.royalnavy.mod.uk/the-fleet/maritime-reserves](http://www.royalnavy.mod.uk/the-fleet/maritime-reserves)

- **Army**

[www.army.mod.uk/join/20233.aspx](http://www.army.mod.uk/join/20233.aspx)

- **Royal Air Force**

[www.raf.mod.uk/rafreserves](http://www.raf.mod.uk/rafreserves)

- **Government information**

<https://www.gov.uk/defence-and-armed-forces>

<https://www.gov.uk/government/groups/defence-relationship-management>

## Volunteer Reserve Forces Policy

### Report by Martin Pollhammer, Chief Executive – for approval

---

The Group's Volunteer Reserve Forces Policy is due for review.

This policy is based on an EVH template which has just recently been updated. There are a number of changes to the policy but none of them significant. All the proposed changes are tracked in the attached **Policy Document**. The main changes are:

- Changes to definitions of reservist services
- An additional reference to the Defence Reform Act 2014
- Clarification on exemption / deferral / revocation
- Streamlined appeals process
- An additional section on Sick Pay

The policy has been through staff consultation with the JCC and no further amendments were suggested.

#### **Recommendation**

The Management Committee is asked to approve the Group's revised Volunteer Reserves Forces Policy.



**Date Issued** 12 February 1998

**Department** Finance

**Last Review Date** November 2020

**Title** Payroll

**Objective** To describe the arrangements for ensuring that the Association's employees are remunerated in accordance with their contracts of employment, conditions of service and legislation.

**Responsible** Director of Finance

**Next Review Date** November 2025

---

## CONTENTS

### 1.0 PAYROLL

All our staff are paid monthly, by the 28th day of each month. Payments are made directly to each employee's bank account.

There may be occasional exceptions to the payment method.

### 2.0 CALCULATION OF SALARIES

We use the SAGE payroll system is used to calculate salaries and associated costs such as PAYE and National Insurance Contributions. We maintain a subscription with SAGE to ensure that complete and regular updates are received, thus ensuring our compliance with current tax legislation etc.

### 3.0 RATES OF SALARY AND STANDARD ALLOWANCES

In accordance with our terms and conditions of service, we use the EVH rates for salaries and for a range of allowances including:

- Car travel
- Subsistence
- First Aid
- Spectacles

Current rates are issued annually by EVH. All allowances are subject to PAYE and National Insurance as appropriate.

The Association also provides the following, non EVH, allowances

- Mobile phone allowance – rate reviewed annually by ELHA
- Simplyhealth membership – rate reviewed annually by Simplyhealth. This allowance is added to payroll to ensure that PAYE and National Insurance are properly accounted for and then deducted from net pay to ensure nil cost to the employee

#### **4.0 SUPERANNUATION**

Employee and employer superannuation contributions are calculated as directed by The Pensions Trust and Pensions legislation

#### **5.0 MISCELLANEOUS DEDUCTIONS**

We may make other deductions from salaries if we receive authorisation from the employee to do so, or if we are required by law.

#### **6.0 PAYMENT OF STATUTORY DEDUCTIONS ETC.**

We will pay all statutory deductions, as calculated by the payroll system, timeously and in accordance with legislation.

#### **7.0 PROVISION OF INFORMATION**

We will provide detailed payroll information to employees as required/requested and in accordance with legislation.

#### **8.0 NEW EMPLOYEES**

We add the details of new employees to the SAGE payroll system on receipt of a copy of their signed engagement letter.

#### **9.0 LEAVERS**

On receipt of written notification by a member of the Senior Management Team/Executive Support Team –(the Chairman in the case of the Chief Executive) of the departure from employment by a member of staff, we will remove the employee from the payroll and issue them with a P45 form.

## 10.0 CHANGES TO STANDING DATA

We will update the payroll timeously when notified of authorised changes to the standing data. We will always round calculations in the favour of the employee.

## 11.0 CONCLUSION

This policy is supported by detailed departmental procedures for implementation by staff involved in payroll duties.

The Director of Finance will ensure that this policy is reviewed by the ~~Finance & Audit Sub-Management~~ Finance & Audit Sub-Management Committee at least every five years.

## Payroll Policy Review

### Report by Paula Oliver, Director of Finance – for approval

---

The Payroll Policy is due for review and has been re-drafted to take into account minor administrative changes (for example review dates). Non EVH allowances (mobile phones and Simplyhealth membership) have been added to the policy, otherwise there are no substantive changes proposed to the policy. All proposed changes are tracked in the attached **Policy Document**.

It should be noted that the policy applies specifically to ELHA, it is not a group policy and does not therefore apply to the subsidiary, R3 Repairs.

#### **Recommendation**

The Management Committee is asked to approve the revised Payroll Policy.

<b>Date Issued</b>	November 2020	<b>ELHA Policy</b>
<b>Department</b>	Corporate	
<b>Title</b>	<b>Disciplinary Policy</b>	
<b>Objective</b>	To ensure a consistent and fair approach to Disciplinary with the Association	
<b>Responsible</b>	Chief Executive	
<b>Next Review Date</b>	November 2025	

**This policy must be read in line with your Terms and Conditions of Service.**

## **1.0 Introduction**

East Lothian Housing Association requires you to maintain the highest possible standards of attendance, conduct and performance. The purpose of this policy is to help you understand these and encourage you to maintain them.

This policy will inform you of our expected standards of conduct, performance and attendance. Please speak to your line manager if you are unsure of the standards expected of you. If you do not meet our standards, then we will manage this in accordance with this disciplinary procedure.

This policy and procedure applies to all Association Employees.

## **2.0 Policy Aims:**

- To make sure that you know the standards expected in respect of conduct, performance and attendance
- To manage you in accordance with the procedures in this policy should you fall short of our expected standards
- To manage any fall in standards in a fair and consistent manner

**2.1 You can expect us to:**

- Inform you of all the allegations against you and give you the opportunity to state your case
- Not take any formal disciplinary action until we have fully investigated the allegations against you
- Conduct our own investigation irrespective of any police proceedings and make decisions in accordance with this policy based on evidence and information available to us at the time
- Pay you full pay if we decide to suspend you pending any investigation outcome
- Proceed with disciplinary action after an appropriate investigation has taken place
- Give you the right to be accompanied by either a trade union representative of your choice, or a workplace colleague at any stage of the formal procedure
- Make sure if any action is taken against you, (other than dismissal) that we make clear the standards of improvement required, the timescale within which we expect this to be achieved, the frequency of reviews, and the consequences of inadequate or un-sustained improvement
- Not dismiss you if this is the first issue with your conduct, performance or attendance unless you have committed gross misconduct (in this case, the penalty will normally be summary dismissal without notice or pay in lieu of notice)
- Provide you with a right of appeal if we issue you with any formal action
- Keep records on your personal file of any live disciplinary action, which will only be available to you and your line manager
- Refuse the use of recording devices (in normal circumstances) during any investigation, disciplinary or appeal hearings
- Apply the procedure at any stage depending on the seriousness of the allegations against you

**2.3 We expect that you will:**

- Be honest and transparent in all aspects of your work for us
- Treat all colleagues, clients, partners and anyone in connection with us with respect and tolerance
- Not abuse our facilities
- Not disclose any confidential information obtained in connection with your employment with us
- Be frank and upfront about any connections you may have in any business that we deal with
- Not publish or profit from any work done within the Association as this belongs to us until such time as we give permission for its use
- Not accept any gift, favour or inducement from businesses or individuals in connection with us
- Be loyal and ask permission before taking up any other work (paid or unpaid), particularly if this in any way affects your ability to work for us
- Meet the standards set out in all our policies and procedures and in particular, our code of conduct, equality and diversity and dignity at work, regardless of any personal or political beliefs you may hold
- Maintain high standards of performance and carry out your role to the best of your ability
- Maintain high levels of attendance as described in our attendance and absence policy
- Follow instructions and requests from your line manager and any other senior member of staff
- Participate as much as reasonably possible in all parts of the disciplinary procedure

**3.0 Investigation**

Before any informal or formal action takes place, we will conduct an appropriate investigation. The purpose of this is to establish the facts surrounding the allegations against you.

This will normally involve speaking to you and anyone else that may provide us with relevant information. We will also collect any other information we deem to be relevant. This meeting is not formal and does not form part of the formal disciplinary process.

The length and complexity of the investigation will be determined by the circumstances and the nature of the allegations. If you are unable, or choose not to participate in the investigation, we will proceed without your input.

The nominated investigator will be neutral and impartial and present their findings in an unbiased, factual, coherent and relevant way. The investigation report will include all evidence referred to. All information will be made available to both you and the disciplinary officer / panel.

On completion of the investigation, the investigator will make one of the following three recommendations:

- No further action
- Informal action
- Formal disciplinary action

#### **4.0 Police Involvement and Criminal Offences**

We may treat any criminal investigation, charge or conviction connected to you as a disciplinary matter if we consider it relevant to your employment with us.

Should you be subject to any police investigation, we will conduct our own independent investigation, and proceed regardless of the status of any police involvement.

If you are subject to any of the above, and believe this may in any way affect your ability to do your job or our reputation, you must discuss this with your line manager as soon as you possibly can.

#### **5.0 Suspension**

We will normally suspend you on full pay if the allegations against you relate to gross misconduct. We will aim for your suspension to last no longer than one week. If the investigation has not finished within this time, we will write to you and update you on its progress. While on suspension you should not have any contact with any other employees other than the person named on your suspension letter.



We may also suspend you if we feel you are interfering with an investigation in any way, even if the allegations are not at gross misconduct level.

## **6.0 Time Limits of Warnings**

We may extend the time limits referred to throughout this procedure, depending on the circumstances of individual cases.

## **7.0 Alternatives to Disciplinary Action**

In addition to issuing warnings, the disciplinary panel / officer may consider other actions instead of dismissal including an extension to the time limit of a warning.

### **7.1 Examples when the Disciplinary Procedure may be used:**

- Any issues relating to your conduct/performance / attendance
- Poor timekeeping and/or attendance
- Unauthorised absence
- Failure to follow absence notification procedures
- Abuse of flexi time and/or TOIL
- Failure to meet and/or maintain the improvements required in an informal action
- Breaches of our policies
- Performance below our expected standards
- Deliberate misuse or damage of our property (including corporate clothing, electronic devices, email and internet)
- Not following our Health & Safety instructions
- Unsafe working practices
- Willful and persistent refusal to obey reasonable instructions
- Professional incompetence

The level and type of warning issued will depend on the circumstances and severity of individual cases.

**8.0 Informal Procedure**

We will normally use the informal procedure first. If your performance, conduct or attendance does not meet our required standards then your line manager will meet with you informally if appropriate. They will discuss the issues with you, and tell you what improvements are required, the support available, and explain any further consequences if you do not meet or maintain the standards we require. We will provide all this information in writing in an Informal Action Note (IAN).

**9.0 Formal Procedure**

We will follow our formal process when attempts to improve any conduct, performance and/or attendance have not improved through the informal process. We will also use the following formal process straight away for more serious matters. If you are invited to a formal hearing, this will be done as soon as reasonably practical on conclusion of the investigation. You will also be given a minimum of two working days' notice of the hearing. If we issue you with a formal warning, you will have the right to appeal and we will give you the details of how to do this in the letter confirming the outcome of your hearing. We will not apply any formal stages of this procedure unless an appropriate investigation has taken place.

We have three stages in our formal procedure:

**9.1 First Stage**

If you do not meet our standards detailed at the informal stage, or the matter is serious, we will invite you, in writing, to attend a formal disciplinary hearing. The purpose of the hearing is to provide you with an opportunity to state your case and consider all appropriate evidence. If, after considering all the evidence, including your response and we believe this to be unsatisfactory, and/or it is still appropriate, we will issue you with a first written warning. This will remain on your file for six months.

**9.2 Second Stage**

If you have a live written warning and remain below our standards or, if we consider the matter very serious, we will invite you, in writing, to attend a formal disciplinary hearing. The purpose of the hearing is to provide you with an opportunity to state your case and consider all appropriate evidence. If, after considering all the evidence, including your response and we believe this to be unsatisfactory, and/or it is still appropriate, we will issue you with a final written warning. This will remain on your file for 12 months.

### **9.3 Third Stage**

If you have a live final written warning and remain below our standards, or if we feel you may have committed an act of gross misconduct, we will invite you, in writing, to attend a formal disciplinary hearing. The purpose of the hearing is to provide you with an opportunity to state your case and consider all appropriate evidence. If, after considering all the evidence we deem it appropriate, we may dismiss you. We will make a payment in lieu of notice if the reason for dismissal is anything other than gross misconduct. If we dismiss you for gross misconduct, we will not give you notice or make a payment in lieu of notice. The Joint Negotiating Committee (JNC) Appeal Chair will hear appeals against dismissal.

### **10.0 Gross Misconduct**

Gross misconduct equates to a serious breach of contract and includes actions that will have a serious effect on our business, reputation or damage the relationship of trust and confidence between us. We will normally regard the following as gross misconduct: *(this list is not exhaustive)*

- Theft and/or serious willful damage or misuse of our property from us, our staff, clients, customers or anyone connected with us
- Bullying, threatened/actual violence, or provoking violence
- Under the influence due to alcohol or any other substance
- Possession, use, supply or attempted supply of illegal substances
- Fraud, forgery or other dishonesty including, fraudulent wage claims or falsification of records/expenses including time sheets and overtime
- Harassment, discrimination or victimisation
- Serious infringement of health and safety rules and procedures, or any other policies, operating procedures or workplace rules put in place by us
- Acts of gross professional incompetence
- Bringing the Association into serious disrepute
- Serious breaches of security or confidentiality, including misuse or disclosure of confidential information
- Acceptance of bribes or other concealed payments

- Deliberately accessing internet sites containing illegal, pornographic, offensive, obscene, and/or information to incite or carry out any acts of violence
- Being charged or convicted of a criminal offence that in our opinion may affect our reputation, or relationships with staff, clients, customers or anyone connected with us, and/or affects your suitability to work for us
- If we become aware of any official information from outside agencies that may compromise your suitability for your role, e.g. PVG scheme, Credit Check
- Malicious or untrue allegations against others

### **11.0 Notice of Decision**

We will issue you with the outcome of our decision, including the reasons for this in writing to you within five working days of the formal disciplinary hearing. This letter will detail the reasons for the formal warning and what we expect of you. If we dismiss you, we will provide you with details of your last date of employment and inform you of any outstanding payments that we will make to you in your final salary.

### **12.0 Appeals**

If you wish, you have the right to raise an appeal within five working days of receiving your letter, which details any formal action against you. Details on how to appeal will be included in your decision letter confirming the action taken against you. We will arrange an appeal hearing within ten working days of receiving your request. We will write to you after the hearing confirming our decision regarding your appeal.

Any appeal will be heard by someone who was not involved in the original disciplinary hearing.

At all levels, appeal hearings will be entitled to:

- Confirm previous action
- Dismiss previous action; or
- Substitute a lesser penalty

### **12.1 Appeals Procedure**

- You have a right to one internal appeal against the first written warning
- We will hold appeal hearings within 10 working days of receiving your request, (with the exception of a JNC Appeal)
- There is one appeal against a final written warning and after this, it will be made to the JNC Appeal Chair
- If you are appealing against dismissal, you must do so to the JNC Appeal Chair
- The JNC Appeal Chairs are independent people appointed by the Joint Negotiating Committee

Appeal hearings to the JNC Appeal Chair will be held within 20 working days (where possible).

### **13.0 JNC appeals**

The JNC Appeal Chair is the final stage of the internal disciplinary and grievance procedure. The Secretary to the JNC Appeal will send you a copy of the guidance notes if you make a valid request for an appeal. The Chair's decision will be followed by a written report, which will be sent to both parties.

Once a JNC appeal has taken place and report issued, the matter will be closed.

### **14.0 Authority to take disciplinary action**

- First written and final warning – Line manager
- Dismissal – Management Committee

### **15.0 Records**

We will keep records on your personal file of any disciplinary action, which will only be seen by you, your line manager and the senior officer if appropriate. Your manager will remove disciplinary warnings from your file when no longer live.

### **16.0 General Data Protection Regulations**

We will treat your personal data in line with our obligations under the current data protection regulations and our own Privacy Policy. Information regarding how your data will be used and the basis for processing your data is provided in our Fair Processing Notice for Staff.

### **17.0 Policy Review**

This policy will be reviewed at least every five years. Any changes will be approved by the Management Committee.

## **Disciplinary Policy**

### **Report by Martin Pollhammer, Chief Executive – for approval**

---

#### **1.0 Introduction**

The Association has always followed the Disciplinary Procedure as set out in the Employers in Voluntary Housing (EVH) Terms and Conditions of Service. However, good practice suggests that a separate Policy should be available for staff to inform them of the Association's expected standards of conduct, performance and attendance.

#### **2.0 Policy Document**

This policy is based on the EVH Disciplinary Policy template. It has been subject to full staff consultation and reviewed by the Joint Consultative Committee (JCC) who recommend this policy for approval to the Management Committee. The proposed new Policy Document is attached to this report.

#### **Recommendation**

The Management Committee is asked to approve the Disciplinary Policy.

<b>Date Issued</b>	22 April 2004
<b>Department</b>	Housing Management
<b>Title</b>	<b>Allocations Policy</b>
<b>Responsible</b>	Director of Housing
<b>Last Review Date</b>	February 2014
<b>Next Review Date</b>	February <del>2020</del> <u>2021</u>

## 1.0 INTRODUCTION

### 1.1 Aims of Policy

Our allocations policy aims to ensure that:

- People have fair and open access to our housing register
- Preference is given to those in housing need
- Our properties are allocated in a fair, transparent and consistent manner that does not discriminate or exclude people
- We recognise the needs of the communities we work in
- The policy is clear and easily understood
- Applicants are given choice and allocations result in sustainable tenancies

### 1.2 Legislative/Regulatory Framework

This policy and the procedures, publications and websites that support it are based upon the principles set out in the Scottish Government's Practice Guide to Social Housing Allocations published in 2011 and aim to fully comply with the Scottish Housing Regulator's Social Housing Charter Indicators which support the requirements of the Scottish Social Housing Charter and in particular the following outcomes:

#### Equalities

Social landlords perform all aspects of their housing services so 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.



### **Communication**

- Tenants and other customers find it easy to communicate with their landlord and get the information they need about their landlord, how and why it makes decisions and the services it provides.

### **Participation**

- Tenants and other customers find it easy to participate in and influence their landlord's decisions at a level they feel comfortable with.

### **Housing options**

Social landlords work together to ensure that:

- People looking for housing get information that helps them make informed choices and decisions about the range of housing options available to them
- Tenants and people on housing lists can review their housing options
- People at risk of losing their homes get advice on preventing homelessness.

### **Access to social housing**

- People looking for housing find it easy to apply for the widest choice of social housing available and get the information they need on how the landlord allocates homes and their prospects of being housed

At a minimum, we will comply with all relevant legislation including

- The Housing (Scotland) Act 1987 (as amended)
- The Housing (Scotland) Act 2001
- The Homelessness etc (Scotland) Act 2003
- The Human Rights Act 1998
- The Equalities Act 2010
- The Data Protection Act 1998

**1.3 Context**

East Lothian continues to be an area with extremely high levels of housing need. The population has been, and is projected to continue growing at a much higher rate than the rest of Scotland. More relevant to this policy perhaps is that the growth in number of households is projected to be the second highest in Scotland. In 2010 East Lothian was the fourth most expensive place in Scotland to buy a home and yet incomes were not significantly higher than the Scottish Average. Despite this around 64% of households in East Lothian live in the owner occupied sector.

Between them, East Lothian Council and the Housing Associations operating in East Lothian own around 10,600 homes. East Lothian Housing Association is the largest Housing Association with around 1,300 homes. At 31 March 2013, we had 3,333 live registrations on our register and the Council's waiting list stood at 4,657 applicants (3,890 excluding transfer applications).

In 2012/13 the Council had only 422 properties available for let and we had only 67, representing a turnover of only 5% compared with a national average of around 9%. By actively encouraging transfers of existing tenants so that wherever possible available vacancies addressed the housing need of more than one person, turnover was increased to 7%.

Between 2007/08 and 2010/11 the number of people seeking assistance under the homelessness legislation fell nationally but continued to increase in East Lothian. A housing options approach was adopted by the Council during 2011/12 resulting in a very similar number of people (1,600) approaching the Homelessness Service but far fewer (774) going on to become assessed as statutorily homeless. The figures remained very similar during 2012/13. Although it is too early to know the impact of the abolition of priority need on 31 December 2012 on the first full year's figures for 2013/14 early indications are that they remain stable.

It is however clear that there are more people presenting and being assessed as homeless in East Lothian each year than there are social tenancies available and because of this we have committed to allocating 50% of our available properties to people that the Council has accepted a duty to house in terms of the Homelessness etc (Scotland) Act 2003. This presents obvious difficulties in meeting other types of housing need.

We own and manage a variety of housing, all within the boundaries of East Lothian. The stock includes:

- General needs housing: 1 to 6 bedroom flats and houses
- Care/Supported housing with access to support for vulnerable individuals
- Amenity and sheltered housing for older people
- Shared ownership and low cost home ownership housing

- Workshop homes, for the promotion of small businesses in village communities

There are not enough houses for all who need them and the situation is particularly acute in East Lothian. This Policy is therefore designed to make best use of the very limited housing supply by giving preference to applicants in housing need and prioritising transfers for our own tenants so that each vacancy may address the needs of more than one applicant.

In addition, for the first time we will, if practicable, prioritise people who live in East Lothian or those with a connection to the area as defined at sections 20(2)(aa) of the Housing (Scotland) Act 1987 (as amended) over those with no connection to the area.

## 1.4 General Principles

### Choice and empowerment

We want to maximise opportunities for access to housing and allow applicants to make informed choices. We operate homehunt, a form of choice based lettings, where vacant properties are advertised and applicants apply for the ones they want.

We aim to keep the service as straightforward and easy to understand as possible and to provide good information and advice so that applicants can make informed choices.

### Housing Need

We recognise housing need through a system of Priority Passes which is fully explained in Section 3 below.

### Ensuring Probity

Our Allocations policy must operate fairly for all and in particular Management Committee members, staff or people close to them must not be given any preferential treatment in the allocations process, neither should they be disadvantaged. We have Codes of Conduct in place for both Management Committee and Staff and an Entitlements, Payments and Benefits policy all of which are there to ensure that Management Committee and Staff members do not gain any unfair advantage through their connection to ELHA. If a Management Committee or staff member or someone close to them is allocated a tenancy we will ensure that;

- The allocation is in accordance with this policy **and**
- Neither the applicant nor anyone connected to the applicant is involved in any way or in any part of the allocation process **and**
- The offer is approved by the Management Committee in advance **and**

- The tenancy is recorded as an interest in our Register of Payments and Benefits within five days of the tenancy commencing

### **Sustainable Communities**

We want to create and maintain communities that people want to move into and stay in. To achieve this aim we will avoid over concentrating any particular group in any particular area. Wherever possible, we will identify any imbalance, and the action required to address it, before the property is advertised and will include information about any criteria to be applied in the property advert.

Where an applicant is by-passed in the interests of maintaining a sustainable community we will always try to balance the interests of the individual with the interests of the community and will bear in mind the requirement to give reasonable preference to certain categories of applicant. We will record the reasons for the decision and report such allocations to our Housing & Property Services Sub-Committee.

### **Sustainable Tenancies**

We have a Tenancy Sustainment policy that seeks to identify and address potential problems at the point of allocation, and ensure that appropriate support is provided to enable the applicant to successfully remain in the tenancy.

### **Partnership Working**

We have a Nomination/Section 5 protocol in place with East Lothian Council that ensures that 50% of our available properties are allocated to statutorily homeless households.

We also work in partnership with East Lothian Council to ensure that access to our joint mutual exchange list is available to anyone seeking a mutual exchange. We will work with the Council, other Housing Associations and organisations wherever this will help in addressing housing need in East Lothian for example by leasing accommodation to enable particular needs to be met.

We will work with East Lothian Council to ensure that the National Accommodation Strategy for Sex Offenders (NASSO) operates effectively in East Lothian.

We are currently one of nine social landlords working throughout Scotland that use Homehuntweb. By completing one registration form applicants can choose to be registered with one or all of the landlords offering homes for rent in the areas they wish to be housed in.

We will encourage feedback from tenants and applicants and use this to improve our service.

## **Mobility**

We aim to help people who want to move around the country and we will consider applicants who need to move to East Lothian for work, family or medical reasons or to escape harassment or abuse. We do not subscribe to any of the mobility schemes that require us to pay to participate but we will pay for individual ELHA tenants who wish to join such schemes.

We administer a web based exchange register open to anyone seeking a mutual exchange. We will support individuals who want to move, by providing details of landlords in their areas of choice. We will actively consider requests from other landlords throughout the UK to house applicants with high levels of housing need.

## **Connection to East Lothian**

We will assess the needs of everyone who applies to us for Priority in the same way, however, when allocating properties applicants with a connection to East Lothian (as defined in section 20(2)(aa) of the Housing (Scotland) Act 1987) will be prioritised over those with no connection to the area.

## **Equal Opportunities**

We will not unfairly discriminate against anyone. We will make information available in different formats as required and will provide free access to translation services in our office. We will monitor our allocations to ensure that nothing in this policy leads to unfair discrimination.

## **Confidentiality**

We will treat all personal information as completely confidential and use it only for the purpose of operating our allocations policy. We will obtain or pass on information only in accordance with the declaration signed by applicants as part of the registration process or with the applicant's consent, or if we are required to do so by law or by our regulators.

## **Appeals**

Applicants have the right to appeal any decision made in accordance with this policy. Our appeal procedure is described at section 6.

## **1.5 Allocations Not Covered by this Policy**

The allocation of workshop homes is led by the business needs of the applicant and is carried out in partnership with the Economic Development Unit at East Lothian Council. We have a separate policy setting out our approach to mutual exchanges.

We allocate Low Cost Home Ownership properties in East Saltoun and Ormiston on behalf of East Lothian Council. These allocations are governed by a separate agreement between us and East Lothian Council.

We may lease properties to other organisations or enter into nominations agreements with agencies providing support to people with particular needs. All such allocations will be reported to our Housing & Property Services Sub-Committee.

## **2.0 ADMISSION TO THE HOUSING LIST**

All applicants aged 16 or over will be accepted onto the housing list. Any priority awarded will be dependent upon their housing and housing related social need as defined by our priority system which is explained in section 3. Applicants living out-with East Lothian will be granted priority if they need to move to East Lothian for work, family or medical reasons or to escape harassment or abuse. We will assess the housing needs of applicants with no connection to East Lothian but will prioritise applicants with a connection when allocating properties.

### **2.1 Registration Process**

An overview of the registration process is attached at **Appendix 1**

To register with homehunt, applicants must complete a registration form. This should be done online but forms are also available at our office, by phone request, on our website and the homehunt website or from other organisations such as East Lothian Council, Shelter and local Citizens Advice Bureaux or from any of the other Homehuntweb landlords operating throughout Scotland

An applicant can register online or in person at our office and apply for a property on the same day.

Our registration form is kept as simple as possible and collects only information essential to our allocation process and equalities monitoring.

At the point of registration, applicants are asked to tell us if they are homeless, overcrowded, have health problems or are living in accommodation suffering from disrepair. This information is recorded and followed up to encourage applicants to apply for priority.

Applications on the housing register are issued with a unique registration number on the day their registration is entered into the Homehuntweb database (whether by them or by us). As soon as we have verified the registration, the applicant can begin applying for advertised properties, except in the following circumstances:

- Applications may be placed on hold (suspended from receiving offers of housing) if the applicant has debt relating to a previous or current tenancy and no repayment arrangement is in place; if they declare or we become aware of a history of antisocial behaviour or a criminal conviction relating to, or involvement in, the supply and use of illegal drugs; or if the applicant requires support to maintain a tenancy
- Applicants whose housing need will not emerge until a later date (e.g. where the applicant is in hospital or prison and not due to get out within a month), will be placed on the housing register but will remain on hold until the applicant contacts us to confirm that they are in a position to accept a tenancy
- Applicants leaving the armed forces can choose to have their circumstances assessed up to 6 months before their date of discharge then have their registration put on hold so that they can benefit from an earlier date of registration or Priority Pass Award but are not subject to penalties for not applying for suitable properties

In all cases where an application is put on hold, the held status will last only for as long as it takes to obtain full information or rectify the situation. Further information about held applications is provided at Section 4.1.

We may ask for supporting documentation of relevant personal circumstances, e.g. proof of residence or evidence of harassment, at any time during the registration / allocation process. We may also make relevant enquires to confirm information given by the applicant.

We will make it clear to applicants who own their own home that it is a legal requirement that they must occupy a tenancy as their only or principal home. We will assess the priority of home owners in exactly the same way as others.

### 3.0 ASSESSMENT OF HOUSING NEED

#### 3.1 Priority Pass System

Priority is awarded through a system of Priority Passes. All applicants will be encouraged to apply for priority to reflect their housing need.

There are ~~five~~~~seven~~ levels of Priority Pass; Platinum, Gold Plus, Gold, ~~Silver Plus~~, Silver, ~~Bronze Plus~~ and Bronze.

Applicants can apply for as many Priority Passes as they feel they may be entitled to. Priority can be awarded from one or more of the categories listed in **Appendix 2**. A Priority Pass will only be awarded once in each category and will be the highest level of pass that the applicants' circumstances merit.

~~Once the applicant has been assessed for all categories of pass they have applied for, their final priority will be determined as follows. If the applicant qualifies for:~~

~~Less than two bronze passes: they will be awarded a Bronze Priority Pass~~

~~Two or more bronze passes: they will be awarded a Bronze Plus Priority Pass~~

~~Less than two silver passes: they will be awarded a Silver Priority Pass~~

~~Two or more silver Passes: they will be awarded a Silver Plus Priority Pass~~

~~Less than two gold passes: they will be awarded a Gold Priority Pass~~

~~Two or more gold passes: they will be awarded a Gold Plus Priority Pass~~

- ~~• Transfer tenants who qualify for a Priority Pass and meet qualifying conditions (see section 3.10) will be offered a Gold Plus Priority Pass~~
- ~~• Platinum Passes are only awarded to applicants for whom East Lothian Council has accepted a duty to house in terms of Homelessness legislation~~

### 3.2 Homelessness

We recognise housing need due to homelessness by the award of Platinum Priority Passes.

Applicants for whom East Lothian Council has accepted a duty to house in terms of the homelessness legislation are awarded a Platinum Priority Pass, our highest level of Priority Pass.

We recognise our responsibility towards homelessness or threatened homelessness amongst our own tenants. Applications for re-housing from tenants will be considered under the same priority system as other applicants.

The majority of our allocations to homeless households are made through homehunt as described at section 5. We also have a Nomination/Section 5 protocol in place with East Lothian Council to ensure that our agreed quota for allocations to statutorily homeless households is met.

### 3.3 Harassment and Abuse

We recognise housing need due to harassment or abuse by the award of Silver and Bronze Priority Passes.

~~Harassment includes domestic abuse from an applicant's partner, parents, siblings or any other household member.~~ Harassment can be on the grounds of race, sex or sexual orientation, disability (including mental health problems), colour, religion or belief.

We have a separate policy on ~~ies on domestic abuse and~~ harassment which is ~~are~~ relevant to our own tenants.



Applicants suffering from harassment to the extent that they cannot occupy or have to leave their home will be encouraged to apply to East Lothian Council for assessment under the homelessness legislation which could result in the award of a Platinum Priority Pass.

### 3.4 Domestic Abuse

We recognise housing need due to domestic abuse by the award of a Gold Priority Pass.

We also recognise that not all applicants will want to approach their local authority as homeless but know that victims and children are potentially at severe risk and continue to remain in that position whilst they remain in their home.

We have a separate policy on domestic abuse which is relevant to our tenants.

### **3.54 Health**

We recognise housing need due to health problems by the award of Gold and Silver Priority Passes.

We will consider awarding priority for re-housing on health grounds only where a move will result in a significant improvement in the applicants' health or make their health problem much easier to cope with.

In assessing applications on health grounds we will always consider whether or not the applicant's current accommodation could be adapted to meet their housing needs.

Medical Priority Passes are awarded based upon Health assessments will be carried out by our staff from the information provided in the medical Priority Pass application form, and verified at a home visit (if necessary). We provide guidance to staff to assist them in making these assessments. If necessary, we will seek further information about the applicant's condition, and the impact of re-housing and the type of property required from a health professional at the point of allocation, if this has not already been provided.

Minor ailments or conditions that will not be improved by re-housing will not attract priority on health grounds.

We may place restrictions on the type of property to be offered to an applicant who has been awarded priority on health grounds. For example, someone awarded priority due to difficulties managing stairs in their current accommodation will normally only be able to apply for properties on the ground floor.

We will not normally allocate a property that would require significant adaptations in order to meet an applicant's needs unless we have no properties available that would meet the applicant's needs without adaptation. In these circumstances we will consider each case on an individual basis, in partnership with East Lothian Council's Social Work Department.

### 3.65 Overcrowding

We recognise housing need due to overcrowding by the award of Gold, Silver and Bronze Priority Passes. This section also covers the priority given to large families (who need 4 or more bedrooms) whose principal Housing Need is likely to arise from overcrowding.

We only assess overcrowding for households that have outgrown their accommodation.

If an applicant is living ~~care of family or friends~~, with family or a guardian we will not take account of overcrowding that may already exist within the ~~host~~ family but will only consider the needs of the applicant.

The following occupancy levels are used to assess overcrowding and to allocate housing of an appropriate size:

- All adults (over the age of 16 years) are entitled to a bedroom of their own unless living with a partner when they will be expected to share a double bedroom
- Two children of the same sex can share a double bedroom until one of them reaches the age of 16
- Children of the opposite sex can share a double bedroom until one of them reaches the age of 8
- In some cases, an adult/child's medical condition may mean that they need sole use of a bedroom. We will normally ask for proof of this requirement
- An extra bedroom will be allowed if a carer needs to stay with the applicant for at least 3 nights per week. We will normally ask for proof of this requirement
- If an applicant has residential access to a child/children for at least 3 nights per week the applicant will be allocated one extra bedroom, if required, to accommodate the child/children. We will normally ask for proof of this requirement
- If an applicant has access to a child/children for 4 nights a week or more, the child/children will be treated as permanent members of the household and we will allocate a property of the appropriate size to accommodate them
- In recognition of the fact that overcrowding resulting from access to children is only for part of the week and is therefore not as bad as overcrowding due to children there full time, access overcrowding will attract lesser priority
- A living room should not have to be used as a bedroom unless it is to accommodate a child or children on residential access of less than 3 nights per week
- No more than two people should share a bedroom unless the applicant chooses to share a room with a child or children on residential access of less than 3 nights per week
- A box room or a room without natural light is not counted as a bedroom available to the household

### 3.76 Under-Occupation

We recognise housing need due to changing family circumstances resulting in an applicant now requiring a smaller home by the award of Gold and Silver Priority Passes. Since in addition to recognising the needs of the applicant the added benefit of this is to free up larger homes for those who need them this priority is only awarded to tenants of East Lothian Housing Association.

### **3.87 Unsuitable Housing**

We recognise housing need resulting from living in property that is below tolerable standard (BTS), suffering from dis-repair or lacking amenities by the award of Gold and Bronze Priority Passes.

### **3.98 Social/Family Support and Employment (Need to be in a Community and Need to be in a Rural Community)**

We recognise housing need due to the need to be in a particular community within East Lothian by the award of Silver and Bronze Priority Passes.

Priority may be awarded where an applicant needs to move to:

- Take up ~~\_, look for~~ or keep a job. Priority will normally only be awarded where the applicant is the main earner and the job is more than one hour's travel from his/her current home
- Be nearer amenities or services. We will consider the reasons why the applicant finds it difficult to access amenities or services, including availability of public transport
- Maintain contact with children
- Give or receive support – we will consider the nature and frequency of the support provided or received
- ~~Move away from harassment or domestic abuse~~

~~In order to be prioritised for housing, applicants from outwith East Lothian must establish a connection to the area by meeting one of the criteria above. For administrative ease they will be asked to complete the Need to be in a Community Pass application. If the applicant cannot establish a connection to East Lothian or fails to provide the information to allow us to assess their connection, they will not be prioritised for re-housing.~~

### **3.109 First Affordable Home**

People are often forced to continue living in the family home due to a lack of affordable housing options. ~~Others move out into the private rented sector but have to spend a disproportionate part of their income on rent.~~ We recognise housing need for these reasons by the award of ~~Silver and a~~ Bronze Priority Passes.

Priority is awarded to anyone living in the family home who has a total income of less than £~~320,000~~ a year ~~(single person) or £25,000 a year (couples)~~ and who have never held a social housing tenancy. ~~Any applicant with the same income levels who is currently living in private sector accommodation and spending more than 50% of their net monthly income on their net rent (i.e. after any Housing Benefit is taken into account) and who has never held a social housing tenancy will be awarded priority.~~

### 3.11 Living in Flats

We recognise housing need due to living in a flat for more than 2 years and the applicant wants to move to a house, by the award of a Bronze Priority Pass. This particularly benefits families with young children who would otherwise have no housing need, where there is no suitable play or storage facilities. The added benefit of this is to free up homes for those who need them, therefore this priority is only awarded to tenants of East Lothian Housing Association.

### 3.120 Transfers

Our tenants are subject to the same conditions of access, assessment and acceptance as external applicants (including the requirement to have kept a repayment agreement for any arrears or debts amounting to more than one month's rent for at least 3 months), with the following exceptions:

- We will inspect our tenant's home before a Priority Pass is awarded and will tell our tenant about any work they need to complete to bring the condition of the property up to a satisfactory standard, acceptable to us
- If our tenant needs to complete any work to fulfil the obligations of the Scottish Secure Tenancy Agreement, then their application will be placed on hold until they notify us that the work is complete and we have inspected it
- If a transfer applicant has not applied for a Priority Pass then we will carry out a pre-inspection of their property before any conditional offer of housing is confirmed
- Transfers will not be approved unless the property to be vacated is in a condition where it can be immediately re-let
- Transfer applicants may be awarded priority for under-occupying their existing home
- Transfer applicants may be awarded priority for living in a flat for more than 2 years
- If a transfer applicant and another applicant have the same level of Priority Pass, the transfer applicant will be allocated the property, regardless of the date of registration or date of award of Pass
- Transfer applicants who have a clear rent account; maintain their property to an acceptable standard and have no history of neighbour problems or anti-social behaviour will be eligible for a Gold Plus Pass giving them priority over all but Homeless applicants, and where the property has been medically adapted and our tenant does not need these adaptations and there are other applicants that do and, if the property is suitable for someone with medical needs, Gold Medical Priority Pass holders.

### 3.134 Limitation of Passes

We are committed to offering applicants as much choice as possible, however, in some circumstances awarding priority will result in restrictions on the type of property or area for which the applicant will receive priority.

We will limit Priority Passes awarded for social / family support or employment to a specific area.

~~Applicants who have not had their pass limits set by us are encouraged to limit their Priority Pass only to those areas in which they want to live. The advantage to an applicant of limiting their Priority Pass to the areas they want to live in is that they will not lose their pass if they do not apply for suitable properties outside their chosen areas (see section 3.14).~~

We may also limit a Priority Pass to a particular type of property, e.g. to ground floor accommodation where a pass has been awarded for health related mobility problems, or to wheelchair accommodation where this is required by the applicant.

~~Applicants aged over 50 can limit their Pass to amenity properties. Applicants aged over 60 can limit their Pass to sheltered housing properties. Unless we have set the limits, applicants can change the limits on their Priority Pass at any time except where this would increase priority for a currently advertised vacancy.~~

Applicants who have had their pass limited, ~~either~~ by us ~~or through choice~~, can still apply for properties that fall out-with the pass limitations, but their Priority Pass will not be recognised.

### **3.132 Suspension of Priority Passes**

Where we consider that an applicant has knowingly or carelessly worsened their housing circumstances (for example, by moving from a house that was large enough for their household to one that is too small, causing overcrowding), their entitlement to a Priority Pass will be placed on hold for two years.

The two year on hold period will begin on the date the applicant worsened his/her circumstances. The applicant will still be able to apply for properties but will have to re-apply for a Priority Pass at the end of the on hold period.

If an applicant has used a Priority Pass, other than one issued for homelessness, to apply for a property and they refuse a reasonable offer, their Priority Pass will be withdrawn for a period of two years. It is the applicant's responsibility to re-apply for priority at the end of this period.

If a homeless applicant refuses an offer of a property we will follow the procedure set out in the Nomination / Section 5 protocol and inform East Lothian Council. The application will be put on hold until the Council has completed its investigation

### **~~3.13 Withdrawal of Priority Passes~~**

~~We only award Priority Passes to those in greatest housing need and, once a Pass has been awarded, we expect that the applicant will use it to apply for all suitable properties. We recognise, however, that occasionally an applicant may not see an advert.~~

~~A suitable property is one that is the size and type the applicant needs in an area covered by their Priority Pass.~~

~~Priority Passes are awarded for a period of two years. If suitable properties have been advertised within this period of time and the applicant has failed to apply for more than~~

~~two then the pass will be withdrawn. If only one or no suitable properties have been advertised then the Pass will be extended for a further two years.~~

~~Once withdrawn, the Priority Pass will not be re-issued for a period of six months. It will be the applicant's responsibility to re-apply for priority at the end of the period for which the pass has been withdrawn.~~

~~An applicant who has had their Priority Pass withdrawn will still be able to apply for properties as a registered applicant. We will write to anyone who has had their Priority Pass withdrawn in this way, including details of the 'suitable' properties they should have applied for. This gives the applicant the opportunity to explain to us why they chose not to apply for those properties, and if there are good reasons, we will re-instate their Priority Pass.~~

## **4.0 ADMINISTRATION OF THE HOUSING LIST**

### **4.1 Held Applications (Suspensions)**

When we put an application on hold we will tell the applicant that they have been put on hold and explain why. We will also tell the applicant what, if anything, they need to do to have the hold status removed.

Where we need to take action, such as make further enquiries, we will make sure that this is done as quickly as possible and that, if required, follow up action is taken immediately.

We will regularly review held registrations in order to minimise the time any applicant is unable to apply for available properties.

We may put applications on hold in the following circumstances:

#### **Change of Circumstances**

If the applicant buys a property or moves to a secure tenancy we will put the application on hold until we establish whether or not they wish to remain on the Housing Register.

#### **Awaiting Information**

If we need more information to assess an application, we will put the application on hold until we receive the information. We will make sure that requests for information are regularly followed up so that the time on hold is kept to a minimum.

### **Rental, service charge or rechargeable repairs debts**

Where the applicant has current or previous rental, service charge, chargeable repairs, legal expenses or any other tenancy debt amounting to more than one month's rent, they must have made an arrangement for re-payment and maintained payments for at least three months.

If no arrangement has been made we will tell the applicant that their registration will remain on hold until this requirement has been met.

It is the applicant's responsibility to ensure that the re-payment arrangement is kept, to inform us when the arrangement has been kept for three months and to let us know if the arrangement is broken. We will check that any re-payment arrangement continues to be maintained before confirming any offer of housing.

Debts older than five years, which have not previously been pursued by the former landlord, or where the debt was not the responsibility of the applicant as a tenant, will be disregarded.

### **Anti-social behaviour**

Where there is clear evidence of anti-social behaviour in a current or previous tenancy, we will put the application on hold until we have fully investigated the circumstances. If we are satisfied that an applicant's circumstances or conduct has significantly changed, the hold status will be lifted.

In considering whether to put an application on hold for antisocial behaviour, we will take account of the nature of the behaviour (e.g. threats or harassment, fire raising, relevant criminal convictions) and:

- The nature, frequency and duration of the behaviour
- The extent to which the behaviour was the responsibility of people other than the applicant
- The effect the conduct had/is having on other people
- What the applicant has done to address the situation
- The applicant's ability to maintain a tenancy, either with or without support

### **Providing false information or omitting relevant information**

Where we consider that an applicant has knowingly or carelessly given false information or withheld information that would have a bearing on their application, we will put the application on hold for a period of two years.



## **Support Issues**

If an applicant states that they need support to maintain a tenancy or appears unlikely to be able to maintain an independent tenancy without support, the application will be put on hold. The on hold status will last as long as it takes us to confirm that an appropriate support package has been identified and confirmed to be available to the applicant.

### **Applicant not able to take up a tenancy**

For example, because they are in hospital, prison or haven't yet left the armed forces and would be unable to move into a tenancy.

### **Aggressive or threatening behaviour**

If an applicant is aggressive or threatening towards a member of our staff or Management Committee, we will put their application on hold for two years. In all such cases we will work with the applicant, by letter if necessary, towards a mutual understanding of their expected behaviour and attitude.

### **Condition of Property (Transfers only)**

Where a transfer applicant must bring the condition of the property up to a satisfactory standard (where it relates to a breach of their tenancy agreement) they will be put on hold until the work has been completed to our satisfaction (see section 3.11).

## **4.2 Withdrawal of Registrations**

We will withdraw applications only under the following circumstances:

- At the applicants' request
- Where the applicant does not respond to an annual review and reminder letter
- If mail is returned marked "gone away" or not known at this address
- If the applicant does not respond to requests for information
- If the applicant dies

Applicants can be re-registered on request, taking into account any changes in their circumstances. Their date of registration will normally be the date they re-apply, but applicants can ask to have their registration re-instated with their original registration date and can appeal if this is refused.

## **4.3 Review of Register**

All applicants will have their registration reviewed annually on the anniversary of their date of registration.

The review form will be short and only ask the applicant if they want to remain on the register and to report any changes in their circumstances. Applicants will be given 28 days to respond.

If an applicant doesn't respond to a review form we will send a reminder, giving the applicant a further 14 days to respond. If the applicant does not respond to the reminder, we will withdraw their registration.

## **5.0 THE ALLOCATION PROCESS**

### **5.1 Advertising and Applying for a Property**

In line with our commitment to help alleviate homelessness, every second property will be advertised stating that Platinum Priority Passes are valid for the property. Priority homeless applicants can apply for other properties, but their Priority Pass will not be recognised.

Once we have been notified of a tenancy termination we will decide whether the property is to be allocated in line with this section or if it is to be removed from the normal allocation process as outlined in section 5.3 (management allocation) or 1.5 (leased or Supported Accommodation)

Available properties will be advertised weekly on the homehunt and elha websites, on Facebook in local Council housing offices, in libraries and Citizen's Advice Bureaux, as well as in our office. A dedicated phone line is also available giving details of available properties and allowing applicants to apply by phone.

We will assess properties individually and decide what constitutes "Best Use". For example:

- Adverts will include the number of bedrooms. A household makes "Best Use" of a property if it needs all of the bedrooms
- We may take into consideration the mix of family sizes within the building or immediate area to maintain a balanced and sustainable community
- An advert for sheltered housing will specify that normally only applicants over 60 will be considered
- An advert for amenity housing will state that normally only applicants aged over 50 will be considered
- An advert for a property with significant adaptations will specify that we will give priority to applicants whose medical needs mean that they need the adaptations regardless of whether or not they need all of the bedrooms

We will specify any best use criteria and a closing date for applications in the advert.

We will maintain a database of support providers and others such as Social Workers and Occupational Therapists who may be helping clients to seek re-housing and will send weekly lists of available properties to them by e-mail. Unfortunately, due to the potential volume, weekly lists will not be sent to individual applicants.

Registered applicants may apply for as many advertised properties as they wish at any one time. They will be able to note their interest on the homehunt website by telephone, letter, or in person at our office.

When a registered applicant applies for more than one advertised property they will be asked to state which property they want to be considered for first, second etc.

No applications will be accepted after the advertised closing date and time.

## **5.2 How Properties are Allocated**

An overview of the allocation process is attached at **Appendix 3**. Applicants with a connection to East Lothian will be prioritised over those with no connection. We will allocate advertised properties after the closing date for applications using our selection criteria as follows:

### **Best use**

The applicants who will make best use of the property by using all of the bedrooms or by using other features of the property (such as adaptations) and who meet any age limitations.

### **Priority Homeless**

If the property has been advertised stating that Platinum Priority Passes are valid, only applicants with Priority Passes at that level will be considered in the first instance. If there are no applicants with a Platinum Priority Pass, we will revert to the procedure outlined in the Nomination / Section 5 Protocol with East Lothian Council. Only if no applicants are identified through this route, will we continue to work through the applications list.

### **Priority Pass Level**

Where there is more than one applicant who would make best use of an advertised property, applicants are then placed in order according to the level of Priority Pass that they hold.

### **Date Priority Pass Awarded**

Where there is more than one applicant with the same level of Priority Pass the property will be allocated to the applicant whose Priority Pass was awarded earliest.

### **Date of Registration**

The date of registration is the date the applicant was accepted onto homehuntweb. We consider the date of registration only if there are no applicants with a Priority Pass. The property is allocated to the applicant with the earliest date of registration unless one of the applicants is a transfer applicant, in which case the property will be allocated to the transfer applicant first.

### **Same Date of Registration/Priority Pass Award**

If the date of registration/award of Priority Pass is the same for two or more applicants, we will allocate the property to the applicant with the lower registration / Pass number, since this means that they applied before the other applicant, but on the same day.

### **Shared Ownership Allocations**

We will also take into account the person's ability to pay for the share available for purchase in accordance with our Shared Ownership Policy.

Our Management Committee delegates responsibility for the day-to-day operation of the allocations policy to staff. Staff will check the accuracy of the list produced by the homehunt software and confirm the allocation. All allocations will involve two members of staff.

## **5.3 Management Allocations and Local Lettings Initiatives**

In exceptional circumstances, we may allocate properties on management grounds (i.e. we will not normally advertise the property but will allocate it direct to one applicant), for example:

- High level support needs, severe harassment or domestic abuse
- Applicants with exceptional circumstances not otherwise covered by this policy
- Where an individual needs a particular type of property that may not come up for allocation very often so that their health or support needs can be addressed
- Where a series of moves can meet the housing needs of several applicants and the first suitable property to facilitate this is available
- Where we require someone to move from an adapted or wheelchair property because the family member who needs the facilities provided dies or is permanently hospitalised
- Where we urgently need to move a tenant to address issues such as antisocial behaviour, harassment or abuse.

We will avoid re-housing vulnerable applicants in properties that would make it more difficult for them to sustain a tenancy (for example we would not house a drug user next to a known dealer).

We may also exclude a property from the allocation process outlined in this policy if the property is to be leased to another agency or used for supported accommodation (See paragraph 1.5).

Such allocations will be kept to a minimum, will be fully explained in a report that will be retained with the allocation paperwork and will be reported to our Housing & Property Services Sub-Committee.

We will consider using Local Lettings Initiatives to address serious management issues or imbalances within a particular area. Such initiatives may include management moves; will receive the prior approval of the Housing & Property Services Sub-Committee and will be carefully monitored to ensure that the desired objectives are achieved.

#### **5.4 Offers and Refusals**

Wherever possible we will contact the successful applicant by telephone on the closing date for applications. Applicants who applied for properties on the Homehunt website will receive an email informing them that they were unsuccessful. Applicants applying by other means are advised that if they have not been contacted within two days of the closing date then they should assume that they have been unsuccessful.

Any offer we make will be conditional upon the applicant's housing circumstances being confirmed, the applicant providing proof of residency, any evidence relating to the award of a Priority Pass being provided and, if appropriate, previous tenancy references being received. We will enclose a copy of our Scottish Secure Tenancy Agreement with the letter confirming that the applicant has bid successfully.

We will give the successful applicant three working days from the date of the successful bid being confirmed to confirm the date and time for a home visit or office interview, if one is to be carried out (see home visits below). If the applicant does not contact us within three working days, and they have not previously indicated that they would not be available e.g. on holiday or in hospital, then we will move on to the next applicant.

#### **Home Visits**

We will normally carry out home visits to all successful applicants living within a reasonable distance at which they will be asked to provide proof of residency and their housing history (so that we can take up references) or we will move on to the next applicant.

For those who have used a Priority Pass we will also check the information provided with the homehunt registration and Priority Pass application form(s). If the applicant has declared tenancy debt equivalent to more than one month's rent charge we will also check that the re-payment arrangement is still being maintained.

If the applicant lives too far away for a home visit, we will telephone them to check the details provided in their application or ask a housing provider in their area to carry out the home visit on our behalf. If a telephone interview is carried out the form will be sent out to check and agree before an offer is made.

### **Offer**

An offer is sent only after required checks such as residency and, if appropriate, Priority Pass information and tenancy references are completed. If the property is ready to let the offer will suggest dates for the applicant to view the property and to sign their tenancy agreement. If the property is not ready these dates will be arranged over the phone when it is. The letter will also provide information and advice about rent and Housing Benefit and inform the applicant what will happen if they refuse the offer. Again the applicant must respond within three working days or the offer will normally be withdrawn.

If we withdraw an offer or if the successful applicant refuses the offer, then we will contact the second qualifying applicant and follow the steps outlined above until the property is successfully allocated.

Where a successful applicant has used a Platinum Priority Pass and refuses an offer, we will notify East Lothian Council's Homeless Department and follow the process set out in the Nomination/Section 5 Protocol.

If an applicant has used a Priority Pass to apply for a property and they refuse an offer, then unless there are exceptional circumstances, the Priority Pass will normally be withdrawn for a period as detailed in section 3.12 above. If a Priority Pass has not been used, there is no penalty for refusing an offer.

## 6.0 APPEAL AND COMPLAINT PROCESS

All applicants have the right to appeal against any decision made concerning their registration, the assessment of their housing need, the decision to place an application or Priority Pass on hold, the withdrawal of a Priority Pass or the withdrawal of their registration or an offer of housing. Appeals and Complaints will be dealt with by staff at an appropriate level. Staff members who made the original decision or were involved at a previous stage of the process will not be involved in appeals and complaints.

### Stage 1

Appeals should be made in the first instance within two weeks of the disputed decision.

### Stage 2

If the applicant is not satisfied with the stage 1 decision or has additional information they wish to be considered they can appeal again. Stage 2 appeals should be submitted within two weeks of the stage 1 decision.

### Stage 3

If the applicant is not satisfied with the stage 2 decision, their final appeal will be dealt with at stage 2 of our Complaints Handling Procedure.

If the appeal or complaint is against a decision not to make an offer of housing, the property will **not** be held until the conclusion of the appeal and/or Complaints process. If the appeal or complaint is successful and the decision not to make the offer was due to an error or misunderstanding by ELHA, the applicant will be offered the first available suitable property, and the allocation will be treated as a management allocation (see Section 5.3). If the appeal or complaint is successful because the applicant has provided information not previously available to us, this will be explained and any penalties applied will be withdrawn.

We will tell applicants about their right to appeal or the next stage in the process in all decision letters.

## 7.0 INFORMATION AND ADVICE

We have achieved the Scottish National Standards for Housing Information and Advice, developed by the Scottish Government. We will make sure that all homehunt information is written in Plain English. We have a procedure for providing information in alternative formats for those who need it and this is provided to all applicants.

All of the information about how Homehunt works available on both the Homehunt and ELHA websites will also be made available to applicants applying by other means. If requested, we will provide tailored advice to an applicant about their housing prospects and other housing options. Where appropriate, we will seek and make referrals to other sources of housing support and advice.

Details of all our allocations are available to view on the homehunt website. Information is updated as soon as an allocation is completed. The following information is available:

- Address of the property
- Number of applicants applying for a specific property
- Whether or not the successful applicant fulfilled best use criteria
- Whether the applicant used a priority pass
- If a Priority Pass was used, the date the Pass was issued
- If no Priority Pass was used, the Registration date of the successful applicant.

## **8.0 ALLOCATION OF GARAGES**

We have a small number of garages available for rent close to our housing in various locations throughout East Lothian. When a garage becomes available, we will advertise it in the local press. Applications will be accepted on our website, in writing or by phone.

Applications will be prioritised using the following criteria:

- First priority will be given to our tenants
- If no tenants apply, priority will be given to applicants living close to the garage
- Disabled applicants will be prioritised within the above two groups
- If there is more than one applicant with equal priority, the garage will be allocated to the person who applied first

Before confirming the offer of a garage, we will ask for appropriate information from the applicant to confirm their ability to pay.

## **9.0 MONITORING AND REVIEW**

Our Housing & Property Services Sub-Committee is responsible for monitoring the operation of the Allocations policy and for bringing any concerns to the attention of our Management Committee. Quarterly reports will be considered by the Housing & Property Services Sub-Committee detailing:

- The number of applicants added to the register
- The number of applicants put on hold and the reasons for this
- The number of applicants withdrawn and the reasons for this

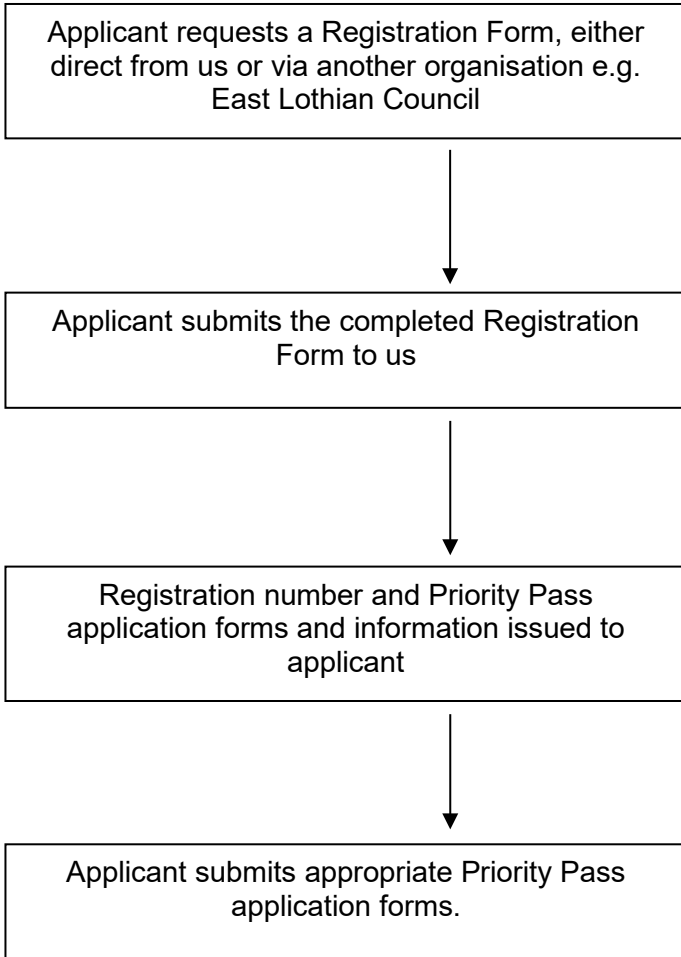


- The number of Priority Passes assessed, the outcome of assessments and the time taken to complete assessments
- The number and outcome of appeals against decisions made in line with the Allocations policy
- The average waiting time for successful applicants
- Equality monitoring statistics
- Allocations made during the quarter
- The number of offers refused with reasons
- Tenancy Sustainment rates
- Any allocations made in accordance with paragraphs 1.5 or 5.3 of this policy
- In addition an annual report will be submitted examining the composition of our Housing register; applicants' requirements and allocations made over the year seeking to identify trends or particular issues arising.

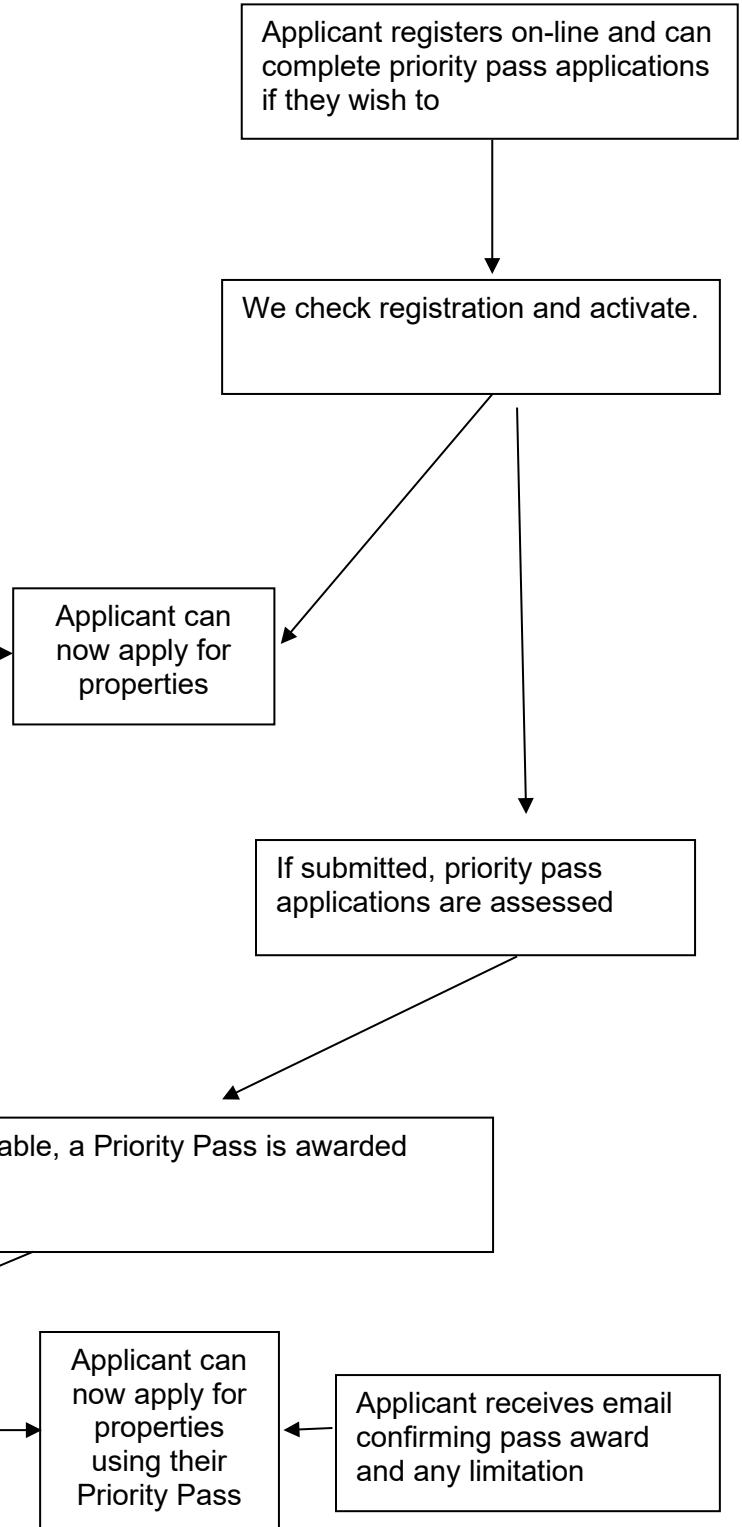
The Director of Housing will ensure that this policy is reviewed by the Management Committee at least every five years.

Appendix 1

**OVERVIEW REGISTRATION PROCESS  
POSTAL**



**ONLINE**



Appendix 2

DEFINITION OF PRIORITY PASSES

Group 1: Homelessness/Harassment

1.1 Platinum– Priority Homeless

East Lothian Council has accepted a duty to house the applicant under the homelessness legislation. Applicants who are in the process of being assessed for homelessness by East Lothian Council will not receive a priority pass until the outcome of their homeless assessment has been confirmed by East Lothian Council.

1.2 Silver – Harassment

The applicant has to leave his/her current accommodation due to persistent serious harassment of any type.\*

1.3 Bronze – Harassment

The applicant is suffering from intermittent harassment of any type but does not have to leave their home.\*

**Group 2: Domestic Abuse**

**2.1 Gold – Domestic Abuse**

**The applicant/family member is a victim of domestic abuse and has to leave their home but does not wish to approach the local authority as homeless.**

**Group ~~3~~2: Need to be in a Community**

**3.1 Bronze – Employment**

The applicant needs to move to take up employment in East Lothian or to sustain employment where current accommodation is more than 1 hours travel from place of work (Priority is only given to the main earner).\*

**3.2 Bronze – Nearer Amenities/Services**

The applicant needs to move nearer to amenities such as shops and services, which are not readily accessible.

**3.3 Bronze – Access to Children**

The applicant needs to move because their children live in East Lothian and access is currently very difficult or impossible due to location.\*

#### 32.4 Bronze – To provide or Receive Support

The applicant needs to move to offer care or support to someone who lives in East Lothian or the applicant needs to move to receive care or support from someone who lives in East Lothian.

#### 32.5 Silver – Need to be in a Rural Community

If the applicant needs to move to any one or any combination of rural villages the Priority Pass level will be increased to Silver. If the applicant chooses to be considered for the nearest larger town, the pass level will remain as Bronze.

Rural communities (where we have properties available) are defined as: ~~Aberlady,~~ Athelstaneford, Dirleton, East Linton, East Saltoun, Elphinstone, Garvald, Gifford, ~~Gladsmuir,~~ Innerwick, ~~Longniddry,~~ Ormiston, Pencaitland, and Stenton ~~and Whittingehame.~~

Limits will be set by us for all of the Priority Passes in this group – see Section 3.12 for more details.\*

### **Group 43: Overcrowding/Under occupation**

#### 4.1 Gold – Significant Overcrowding

Where two or more extra ~~bed-spaces~~bedrooms are required by applicant and family this will be regarded as significant overcrowding. Overcrowding within the host family will be disregarded.

#### 4.2 Silver – Minor Overcrowding

~~Where one extra bedroomed-space~~ is required by applicant and family or where a couple or two children are sharing a single-sized bedroom- Overcrowding within host family will be disregarded.

#### 4.3 Bronze – Access Overcrowding

Where one extra ~~bedroom~~space is required to allow an applicant residential access to children for ~~only part~~ at least 3 nights of the week. Overcrowding within host family will be disregarded.

#### 4.4 Gold – Significant Under-occupation

If the applicant is one of our tenants ~~or a tenant of Homes for Life Housing Partnership~~ and wishes to move to a smaller property and currently has two or more unoccupied bedrooms.

4.5 Silver – Under-occupation

If the applicant is one of our tenants ~~or a tenant of Homes for Life Housing Partnership~~ and wishes to move to a smaller property and currently has one unoccupied bedroom.

**Group 54: Unsuitable Housing****54.1 Gold – Significant Defects**

Where the applicant's current accommodation has severe disrepair or defects which substantially affect the habitation of the property, e.g. severe dampness, rainwater penetration or structural defects.\*\*

Where the applicant is lacking one or more of the following basic amenities:

- A flushing toilet
- An adequate water supply
- A fixed bath or shower

If the applicant is living in a caravan, we will consider how they came to be there (i.e. have they intentionally worsened their circumstances, see section 3.13) and where the caravan is situated before awarding unsuitable housing priority.

**54.2 Bronze – Lacking Amenities**

Where the applicant's current accommodation lacks one or more of the following basic amenities:

- A hot water supply
- A whole house heating system
- A kitchen area

**Group 65: Medical****6.1 Gold – Medical**

The applicant (or household member) has a **severe** medical condition which is **made worse** by current accommodation and would be **markedly improved** by re-housing or where re-housing is essential to allow discharge from hospital or to prevent admission to a nursing or residential home, and it is not practical to adapt the applicant's home to meet their needs.\*\*\*

Where an ELHA tenant (or household member) requires a medical adaptation and we have not agreed to this work.

**6.2 Silver – Medical**

The applicant (or household member) has a medical condition which would be **markedly improved** by re-housing, or where re-housing would substantially reduce the risk of

physical injury. Also, where the applicant's present home makes essential activities of daily living difficult, and it is not practical to adapt their home to meet their needs.\*\*\*

Limits may be set by us for these passes, for example if the pass is awarded due to difficulties managing stairs the pass will be limited to ground floor accommodation.

### Group ~~76~~: First Affordable Home

Priority Passes in this group are only given to individuals or couples with a total ~~an~~ annual income of under £~~320,000~~, ~~or couples with a joint annual income of under £25,000~~, since the purpose of this Priority Pass is to offer priority to people with little or no access to the local housing market and has never held a social tenancy.

#### ~~76.1~~ Bronze – Leaving the Family Home

The applicant lives in the parental home and, due to lack of income, is unable to move out.

#### ~~6.2~~ Silver – Unaffordable Private rent

~~The applicant is living in private rented accommodation of an appropriate size and is spending 50% or more of their net sole (in the case of single applicants) or joint (in the case of couples and families) income on rent.~~

### ~~7.0~~ Cumulative Passes

#### ~~7.1~~ Gold Plus

~~The applicant qualifies for two or more gold passes in any of the categories above.~~

#### ~~7.2~~ Silver Plus

~~The applicant qualifies for two or more silver passes in any of the categories above.~~

#### ~~7.3~~ Bronze Plus

~~The applicant qualifies for two or more bronze passes in any of the categories above.~~

### 8.0 Transfers

ELHA tenants will be assessed on exactly the same criteria as everyone else and awarded passes as noted above with two~~one~~ exceptions:

#### 8.1 Gold Plus Transfer

An ELHA tenant qualifies for any form of pass, has a clear rent account, maintains his/her home to a good standard and has no history of neighbour problems or antisocial behaviour.

8.2 Bronze - Transfer

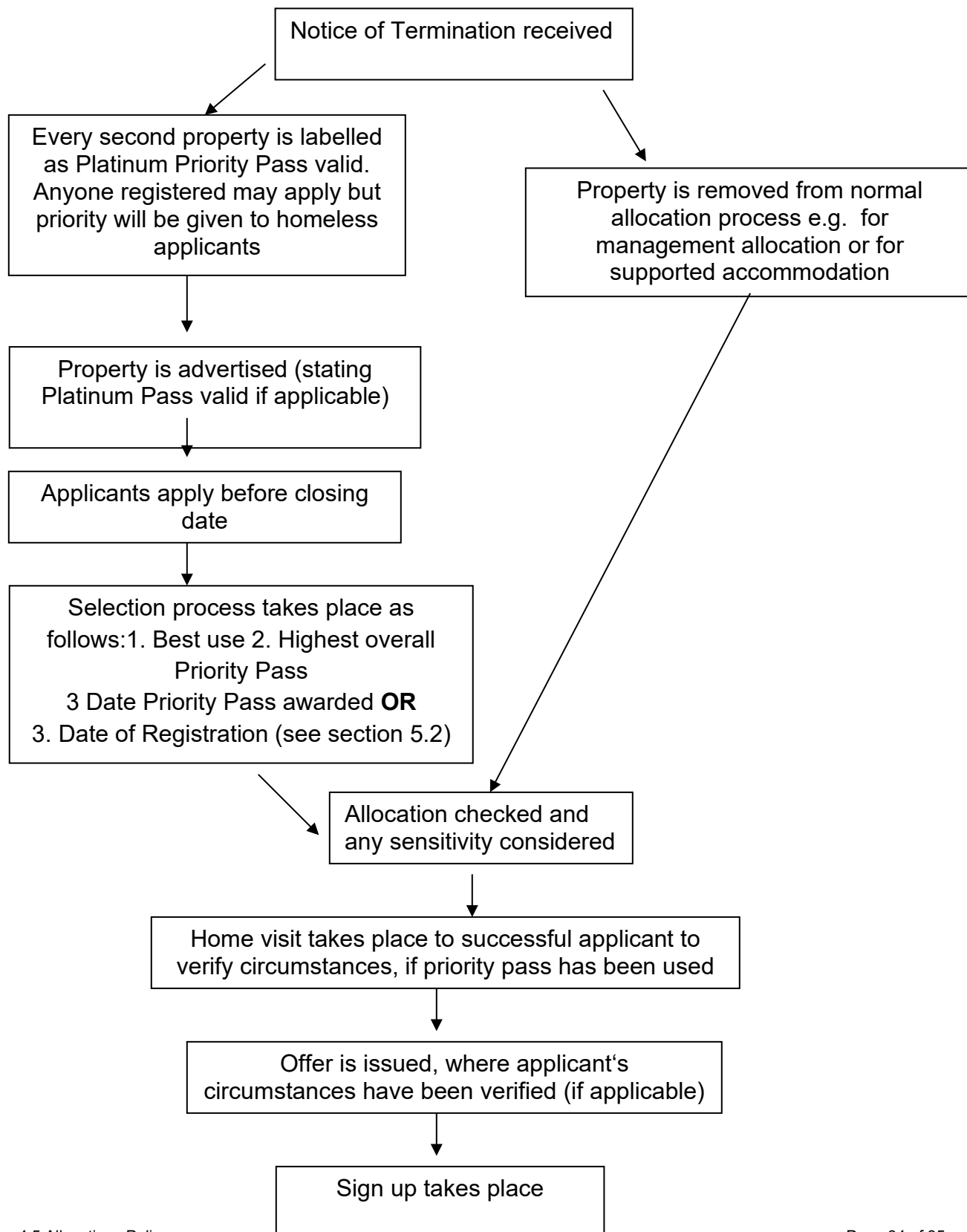
An ELHA tenant qualifies for a Bronze level of priority if they have been living in a flat for 2 or more years.

- \* Supporting documentation may be required
- \*\* We may contact the landlord or carry out a house inspection.
- \*\*\* Verification from a health professional will be required.



Appendix 3

**OVERVIEW OF THE ALLOCATION PROCESS**



## Appendix 4

### SERVICE DELIVERY TARGETS

Service delivery will vary dependent upon how the applicant chooses to manage their registration, reflecting the fact that responding to online registrations is less bureaucratic since the applicant does a lot of the work. Our targets have been set to acknowledge that our responses to online applications will generally be quicker but also to try to ensure that the disadvantage of using the manual system are kept to a minimum.

Apart from those submitted over the weekend or on public holidays:

- Postal applications will be placed on the housing register and issued with a registration number, along with information on applying for priority passes and details of how to apply for advertised properties **on the day of receipt**. On-line applications will be responded to within the same timeframe.
- Postal applicants who have applied for priority will have an assessment of their needs carried out within **14 days**. On-line priority pass applications will be responded to within **7 days**. Appeals against any decision made in terms of the Allocations policy will be responded to within **14 days**.

Properties will be allocated and the successful applicant contacted within **1 day** of the closing date.

# Allocations Policy Review

## Report by Karen Barry, Director of Housing – for Approval

---

### 1.0 Background

The full review of the Allocations Policy was postponed to February 2020 pending the release of Scottish Government Guidance 'Social Housing Allocations in Scotland: A Practice Guide'. It was further delayed when the decision was taken to develop a new Digital Lettings Service, These Homes, which is expected to go live on 1 April 2021.

A significant number of changes will be proposed when the revised policy is submitted to the Management Committee for approval in February 2021. However, to enable the development of These Homes, some of the key changes relating to Priority Passes require approval now, but with an effective implementation date of 1 April 2021. Changes are tracked at Section 3.0 and Appendix 2 on the **Policy Document** attached.

In line with the Housing (Scotland) Act 2014 any changes to the rules on allocations must be subject to consultation with applicants, tenants, Registered Tenant Organisations and 'other specified bodies' and a report on the consultation must be published. Two consultation exercises have been carried out; one in November 2019 and the other in September 2020 both which support the proposed changes reported below. Both the Tenant Involvement Group and Staff Allocations Working Group have considered the proposals and a full report combining both consultations have been submitted to the Audit & Assurance Committee on 24 November 2020 for information.

### 2.0 Key Proposed Changes

#### 2.1 Cumulative Priority (Section 3.1 & Appendix 2)

A Cumulative Priority Pass is awarded if an applicant qualifies for two or more passes of the same priority level. Such priority used to be given if applicants qualified for three passes of the same priority, but it was found that very few applicants actually qualified, so in 2014 the number was reduced to two. Despite this, less than 1% (27 at August 2020) of applicants hold a Cumulative Priority Pass and in the last 3 years only one property has been relet to an applicant with this level of priority. In view of this, and to keep the process in These Homes very simple, it is proposed to cease using them from 1 April 2021. Any Priority Passes in this category that have already been awarded will be honoured when the move is made to the new system, provided the applicants circumstances have not changed.

**2.2 Domestic Abuse (Section 3.4 & Appendix 2)**

The Association currently recognises Housing Need due to harassment and abuse, (which includes domestic abuse) by the award of Silver and Bronze Priority Passes.

There is a national focus on domestic abuse, and the recent introduction of the Domestic Abuse (Scotland) Act 2018 now makes it a criminal offence. Because of this it is important to include domestic abuse as a specific Housing Need group.

Good practice recognises that a high level of priority should be awarded to anyone experiencing domestic abuse. Applicants who approach their Local Authority Homeless Service and assessed as homeless are awarded Platinum priority. However, not everyone will want to take that route and it is known that victims and children are potentially at severe risk and continue to remain in that position whilst they remain in their home. In such cases it is proposed to award the highest level - Gold priority.

**2.3 Health (Section 3.5 & Appendix 2)**Section 3.5

This section has been amended to clarify current practice of awarding Priority Passes based on the information in the application form and only gather further supporting information if an allocation is made.

Appendix 2

ELHA receives grant funding from the Scottish Government for medical adaptations which has been reducing over the years. Since the grant is public funding, it is important to ensure that best use is made of the money available; therefore, it has been necessary to make the decision that adaptations that would not render a property suitable for a future disabled applicant will generally be refused. For example, a family home with an upstairs bathroom will never be entirely suitable for someone with a disability. In the past, wet floor showers have been installed for a disabled tenant, only for them to be ripped out when the next family has moved in. The approximate cost of a wet floor shower room can be as much as £7,000. It is therefore proposed that if agreement cannot be reached to adapt a tenant's home to meet their needs, then a move should be prioritised, and a Gold Priority Pass awarded.

**2.4 Overcrowding (Section 3.6 & Appendix 2)**

The Housing (Scotland) Act 1987 defines overcrowding. When the number of people sleeping in a home exceeds the room or space standard set out in the Act, a house is overcrowded. The current policy recognises this housing need by the award of Gold, Silver and Bronze priority passes, and sets out the occupancy levels used to assess overcrowding.

Section 3.6

Assessments for overcrowding priority from applicants who have given up or lost accommodation and moved in with family or friends where there is no room for them are often carried out.

These applications are received because they are overcrowding the property, when in fact their primary issue is that they are homeless. It is proposed to amend the policy to make it clear that the assessment and award of overcrowding priority will solely be for households who have outgrown their accommodation, and won't count others moving in. This is regarded as a positive change as it sets clear boundaries in how overcrowding is assessed by ELHA and ensures that applicants are given clear information on how they can address their housing need.

### Appendix 2

The current policy states that all adults over 16 years are entitled to a bedroom of their own unless living with a partner, when they will be expected to share a double room. The Association currently assesses overcrowding by the number of bed spaces required by the applicant and family. Two or more bed-spaces required is regarded as significant overcrowding and will attract Gold priority. However, it has been identified that this is not completely fair, for example, if a couple were sleeping in the living room they would be assessed as being two bed spaces short and would be given Gold priority for a one bedroom property, whereas a single person in exactly the same situation would receive Silver priority for a one bedroom property. In view of this it is proposed to allocate properties by the number of bedrooms required and not bed spaces.

### **2.5 Social / Family Support and Employment (Section 3.9)**

The completion of a Need to be in a Community Priority Pass is currently required in Homehunt to assist in demonstrating whether an applicant has a local connection to East Lothian. As These Homes will be set up to ask applicants if they have a local connection at the start of the registration process, the completion of this form will no longer be required.

In view of this, to look for a job or to move from harassment or domestic abuse has been removed from this section as these were only included to establish if there was a local connection if the applicant lived out with East Lothian.

### **2.6 First Affordable Home Priority (Section 3.10 & Appendix 2)**

The First Affordable Homes Priority Pass was introduced in 2008, to help those that could not access the local housing market to gain independence and set up home for the first time, or for those who are living in unaffordable private rented property. To qualify for this Priority Pass the applicant has to have an annual income of less than £20,000 (single people) or £25,000 (couples) and have never held a social tenancy.

Bronze priority is awarded where an applicant is living at home and cannot afford to move out, while Silver priority is given where the applicant is living in a private let which is the right size of property for them and their family, but the rent costs are more than half of their income. If the applicant receives Local Housing Allowance (LHA) to help pay the rent, this is deducted from the amount of rent the applicant must pay.

While the theory behind both levels of Priority Pass is excellent, a review of who qualifies for this and why, identified that most of those who were awarded a Silver Priority Pass were entitled to Local Housing Allowance or Universal Credit, which topped up their income to above the threshold to qualify and the Priority Pass was subsequently removed.

Between April 2016 and August 2020, a total of 397 allocations were carried out, 11 of which went to First Affordable Home Priority Pass holders (7 at Bronze level and 4 at Silver level). From 2017/18 such allocations dropped from around five a year to just one or two, implying that as time passes fewer and fewer applicants met the criteria. In August 2020, just prior to the consultation, only 13 (0.3%) applicants of the 4,474 on the Housing Register held a Silver First Affordable Priority Pass.

It is proposed to stop awarding Silver Priority Passes from 1 April 2021, though any that have been awarded will be honoured provided applicant circumstances have not changed.

The amounts to qualify for the Priority Pass have never been reviewed since being introduced in 2008. Research shows that the current average salary in East Lothian is £27,000, therefore it is proposed to increase the amount to qualify to a total annual income of under £30,000.

## **2.7 Transfers – Living in Flats (Section 3.10 & Appendix 2)**

Tenants are assessed for priority in the same way as everyone else. However, when one of them is allocated a property (transfer), they move out of the home they are living in and it can then be advertised and allocated to someone else. So only one available property can actually address two (or more) people's Housing Need and, given the shortage of available properties, it is an important way of trying to do more with what ELHA has available.

It is proposed that a Bronze level of priority is introduced for an existing ELHA tenant who has been living in a flat for more than two years and wants to move to a house. It is hoped that this change would primarily help families with young children, who would otherwise have no Housing Need. It could potentially resolve some management issues, particularly with the number of children in a stair where there are no play or storage facilities.

## **2.8 Withdrawal of Priority Passes (Sections 3.11 & 3.13)**

Priority Passes are only awarded to those in greatest need for a period of two years. If suitable properties are advertised within this time, and the applicant fails to apply for more than two then the Priority Pass is withdrawn. However, if no suitable properties have been advertised during this time, or if the applicant has unsuccessfully applied for all suitable properties, the Priority Pass is extended for a further two years.

It is proposed to cease awarding Priority Passes for a fixed period and withdrawing priority if someone does not apply for a suitable property that has been advertised.

With the aim of improving tenancy sustainment, this means that applicants have greater choice in what they can apply for without being penalised, i.e. an applicant will not lose their Priority Pass if they want to live in a particular town or village but do not want to live in a certain street or type of house.

**Recommendation**

The Management Committee is asked to approve the proposed key changes to the Allocations Policy to allow for the development of These Homes but which will not come into effect on 1 April 2021.

## Dignity at Work Policy Review

### Report by Martin Pollhammer, Chief Executive – for approval

---

The Group's Dignity at Work Policy is due for review. Only one minor change is proposed which is the addition of a small section on the General Data Protection Regulations. The proposed changes to the Policy are tracked in the attached **Policy Document**.

The policy has been through staff consultation with the JCC and no further amendments were suggested.

#### **Recommendation**

The Management Committee is asked to approve the Dignity at Work Policy.



GROUP POLICY

<b>Date Issued</b>	June 2004
<b>Last Revised</b>	November <del>2015</del> <u>2020</u>
<b>Department</b>	Governance
<b>Title</b>	Dignity at Work: Eliminating Bullying and Harassment in the Workplace
<b>Objective</b>	To ensure that no one employed by us is bullied or harassed and that all staff are aware of how to report such behaviour, and the action that will be taken
<b>Responsible</b>	Chief Executive
<b>Next Review Date</b>	November <del>2020</del> <u>2025</u>

## 1.0 Introduction

We are committed to providing a working environment which is free from harassment, bullying and intimidation of any nature. Every employee, governing body member, agency worker, contractor, and consultant of the Group has a responsibility to treat all colleagues with dignity and respect, regardless of any personal characteristic. Under legislation there are certain characteristics protected from the area of harassment (See section 4), and we will acknowledge these and also extend this protection to all within the Group. The terms bullying and harassment will be used throughout this policy to mean dignity at work.

## 2.0 Background

The definitions concerning some of the terminology used within the scope of dignity at work have changed over the years. Most recently the Equality Act 2010 provided a legal definition of harassment but there is still no current legal definition of bullying. However ACAS provides a definition which is widely recognised as being best practice.

### 3.0 Legal Framework

Harassment is the only term relating to this policy that is covered under legislation in the Equality Act 2010. However, there are a number of legal principles contained in the following legal documents that will apply as follows:

- The Equality Act 2010
- Breach of contract (usually breach of the implied term that an employer will provide support to employees to ensure that they can carry out their job without harassment and disruption from colleagues)
- The common law position to take care of the safety of workers.
- Employment Rights Act 1996 – constructive and unfair dismissal
- Personal Injury protection including the duty to take care of workers arising out of the law of Tort
- Health & Safety at Work Act 1974
- Trade Union and Labour Relations (consolidation) Act 1992 dealing with specific types of intimidation
- Protection for Whistleblowers under the Public Interest Disclosure Act 1998
- Criminal Justice and Public Order Act 1994

### 4.0 Definitions

**Harassment:** unwanted conduct related to a relevant protected characteristic which has the purpose or effect of violating an individual's dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for that individual. We will extend this definition to include all, and will not be restricted to those identified as having a protected characteristic.

**Bullying:** Offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means intended to undermine, humiliate, denigrate or injure the recipient.

**Protected Characteristics:** The legal grounds in which discrimination claims can be made; i.e. age, disability, gender reassignment, marriage & civil partnership, pregnancy & maternity, race, religion or belief, sex, sexual orientation.

## **5.0 Policy Principles**

This Dignity at Work Policy aims to:

- Ensure integration of diversity into all aspects of our business
- Ensure that all employees, governing body members, agency workers, contractors, and consultants are treated with respect and dignity from each other, and members of the public
- Ensure that all employees, governing body members, agency workers, contractors, and consultants respect the differences within the community they serve and treat customers and members of the public accordingly
- Provide a working environment where all backgrounds, cultures, values and lifestyles are respected and treated with dignity at all times.

## **6.0 Implementation of Policy**

The Chief Executive is responsible for the implementation and review of this policy.

We will ensure that all new employees, governing body members, agency workers, contractors, and consultants will receive an induction on this policy. The policy will be integrated into all policies and procedures within the Group.

This policy applies to all employees, governing body members, agency workers, contractors, and consultants of the Group and therefore all mentioned parties, have a responsibility to abide by the principles outlined above and also to alert their line manager should any behaviours be witnessed which breach this policy.

Unacceptable behaviour and practices will not be tolerated. However, if or when a situation arises it will be dealt with immediately, as inaction is not an option. Behaviours found to be breaching this policy will be regarded as misconduct and will be dealt with appropriately and in accordance with the relevant policies and procedures (see section 7).

## **7.0 Procedure in Dealing with breaches of Dignity & Respect**

This procedure is complemented by our Equality & Diversity Policy, Discipline & Grievance procedures and Code of Conduct.

## **7.1 Staff**

Where an employee feels that they have not been treated with dignity & respect at work, there are a number of ways in which this can be addressed.

### **7.1.1 Informal stage**

Where possible, breaches of this policy should be dealt with informally in the first instance. In many cases inappropriate behaviours are unintentional and can easily be resolved once the behaviour has been highlighted. This is often the most efficient way to maintain positive working relations.

In managing the issue informally, employees should in the first instance alert their line manager to the behaviour. The Line Manager should encourage the employee to approach the individual who has caused the issue and highlight to them the behaviour that has been offensive. The employee should be supported by their manager when doing this. Should the employee be uncomfortable with this approach then the line manager should approach the individual and have the same discussion. A note should then be put on file of the person who has displayed the inappropriate behaviour and the individual that raised the issue.

### **7.1.2 Formal Stage**

If the behaviour is of a more serious nature or it continues after the informal approach has been taken then the issue should be dealt with by mirroring our grievance procedure.

The employee must put their concerns in writing and give this to their line manager. The line manager should then arrange a meeting with the employee who has highlighted the concerns. At this meeting the manager should establish what the concerns are, and how the employee would like things resolved. The manager should then conduct any necessary investigations. No investigation should take place prior to there being a meeting with the employee. Once the investigation has been concluded, there could be a variety of outcomes including:

- There is no evidence to uphold the complaint
- There is evidence that may involve action against another member of staff
- Action is required on an organisational basis

Where action is required against another staff member this will follow our disciplinary procedures. Where action is taken regarding a member of staff other than the person who raised the complaint, the complainant will not be informed of any action taken against other individuals.

An employee who has an issue with their own line manager, should raise this with another manager of equal status, or if this is not possible, one level up from their own line manager.

An employee who has an issue with the Chief Executive, should raise this with another Director, or if this is not possible, with the Chair of the Management Committee or R3 Board.

## **7.2 Governing Body Members, Agency Workers, Contractors and Consultants or members of the public**

Where a governing body member, agency worker, contractor, consultant and/or members of the public feel that behaviours towards them have breached the principles of this policy, they have a responsibility to inform the Chief Executive of this as soon as reasonably practical. The complaint will be investigated appropriately and dealt with in accordance with the relevant policy and procedures as above.

## **7.3 Individuals found to be in breach of the principles of this Policy**

Where individuals are found to be in breach of this policy whether that be employees, governing body members, agency workers, contractors, and/or consultants this will be dealt with in accordance with our Code of Conduct policy and other relevant policies as mentioned above. This may therefore result in termination of the individual's contract, or engagement with the Group.

## **7.4 Malicious Allegations**

Any person found to be making fictitious or malicious allegations will be dealt with through our disciplinary procedures which may result in dismissal.

## **8.0 General Data Protection Regulations**

We will treat your personal data in line with our obligations under the current data protection regulations and our own Privacy Policy. Information regarding how your data will be used and the basis for processing your data is provided in our employee Fair Processing Notice.

## **9.0 Review of Policy**

This policy will be reviewed every five years and in line with legislative updates.