

A meeting of the Management Committee will take place on **Thursday 26 August 2021 at 7.00pm held virtually using Teams.**

Please advise staff if you are unable to attend.

External Auditors will be attending up to and including Agenda Item 3.4

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 27 May 2021 – **for approval**
- 1.4 Action List – for information
- 1.5 Matters Arising

2.0 GOVERNANCE

- 2.1 Secretary's Report – **for homologation**
- 2.2 Key Performance Indicators 2021/22 – for information
- 2.3 Annual General Meeting: Management Committee Membership – **for approval**

3.0 PRIORITY ITEMS

- 3.1 Staff Code of Conduct – **for approval**

4.0 POLICIES

- 4.1 Management Committee Membership Policy Review – **for approval**
- 4.2 Recruitment Policy Review – **for approval**
- 4.3 Personal Relationships at Work Policy Review – **for approval**
- 4.4 Fixed Asset Depreciation Policy Review – **for approval**
- 4.5 Procurement Policy and Procedure – **for approval**
- 4.6 These Homes (Allocations) Policy – **for approval**

5.0 BUSINESS MANAGEMENT

6.0 ANY OTHER BUSINESS

DATE OF NEXT MANAGEMENT COMMITTEE MEETING

AGM: Thursday 30 September 2021 at Hardgate Office, Haddington, at 2.30pm

Meeting: Thursday 30 September 2021 at Hardgate Office Haddington, at 3.00pm

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 27 May 2021, and confirms the actions taken as a result.

Minute Ref	Action Required	Action By	Action Taken
1.3	Publish minutes and papers from the meeting of 25 March 2021	ES	Complete
2.3	Book Management Committee training sessions	ES	Diary notes made to ensure training is booked nearer the time of the training sessions
3.1	Submit the Annual Return on the Charter (ARC) to the Scottish Housing Regulator	ES/KB	Complete
4.1	Amend and re-present the Management Committee Membership Policy to the August 2021 meeting	MP/PE/ BL	See Agenda Item 4.1
4.2	Make the changes noted in the Minute to the Procurement Policy	MP	See Agenda Item 4.5
4.2	Update the Authorisations and Standard Allowances Policy with the Quotations / Tender Level table from the Procurement Policy	PO	Complete
4.2	Update the Procurement Policy in the ELHA File Structure and publish on elha.com	ES	To be updated once the revised Policy is approved – see Agenda Item 4.5
4.3	Check the These Homes (Allocations) Policy with TC Young with particular attention to 1.4.11 and report any material changes to the Management Committee	KB	See Agenda Item 4.6
4.3	Update the These Homes (Allocations) Policy in the ELHA File Structure and publish on elha.com if no material changes are required	ES	This will be done once the revisions at Agenda Item 4.6 are approved
5.1	Discuss with the TIG the offer for the Chair and/or Vice Chair to meet with them to discuss their Scrutiny Reports	KB	Complete

Secretary's Report – for approval

1.0 Membership

Application for Membership received, [REDACTED]
[REDACTED]

Application for Membership received, [REDACTED]
[REDACTED]

2.0 Use of Seal for Homologation

Minute of Agreement for the transfer of 17 Hawthorne Place, Ormiston.

Disposition in favour of [REDACTED].

Disposition in favour of [REDACTED]
[REDACTED]

Recommendation

The Management Committee is asked to:

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

Key Performance Indicators 2021/22

Report by Martin Pollhammer, Chief Executive – for Information

1.0 Introduction

The Association's Key Performance Indicators (KPI's) for the first quarter of 2021/22 are attached as **Appendix 1** to this report.

2.0 ELHA Performance

The Association has missed the following targets:

2.1 Unit Reactive Maintenance Costs

Unit Reactive Maintenance Costs are £841 compared to the target of £683. The unit cost includes an R3 Lockdown Support Fee of £27k, and the Quarter 1 profitability adjustment of £20k. If these are excluded, costs are £701 per unit.

2.2 Stock Condition Inspections Completed

The 20% sample Stock Condition Survey would, in normal circumstances, have been completed in early Autumn 2020. As this survey involves extensive access being required to the homes of tenants, this was delayed as a result of the pandemic restrictions. It had been hoped that this could be carried out in Quarter 4 of last financial year, however, as restrictions continued, this was not possible.

As it has not been possible to conduct the survey last 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 survey planned for the 2021/22 financial year and the aim is to have this carried out in late Autumn 2021.

2.3 Average time taken to complete non-emergency repairs.

Performance is below the standard for the period due to a number of factors. The main issue has been jobs delayed by building materials becoming more difficult to obtain within the target times, thus delaying completions. This may continue to be an issue and will be monitored and efforts made to bring performance levels back in line with target.

2.4 Gold Key Tenants

The targets for Gold and Platinum Key Tenant levels were revised from 1 April 2021 following the introduction of the Bronze Key Tenant status in March 2021. Gold Key Tenants remain under target at the end of the first quarter as emphasis has been placed on contacting those tenants who are not paper-free to ensure they qualify for the new Bronze discount.

2.5 Percentage of Tenants Paper Free

The target was revised and increased from 1 April 2021 given we exceeded our previous target of 70% following the introduction of the Bronze Key Tenant status. As reported at 2.4, a focus has been placed on contacting all tenants who are not paper free to encourage take up of this service during the first quarter, with home visits being planned for later in the year to those who have not responded to staff.

Performance Indicator	Quarterly Target	Q1	Q2	Q3	Q4	2021/22 Target	2020/21 Actual	Year to Date	Status
Rental Income									
Non-technical arrears as % of rental income	3.0%	2.86%				3.0%	2.84%	2.86%	😊
Bad debts written off as % rental income	1.75%	0.98%				1.75%	0.67%	0.98%	😊
Voids as % of rental income	0.75%	0.53%				0.75%	0.35%	0.53%	😊
Finance									
Interest cover (loan covenants)	110%	268%				110%	288%	268%	😊
Gearing (loan covenants FRS102 definition)	<37%	24%				<37%	25%	24%	😊
Current assets as a % of current liabilities	100%	149%				100%	146%	149%	😊
Unit management costs	£1,769	£1,491				£1,663	£1,693	£1,491	😊
Unit reactive maintenance costs	£683	£841				£667	£794	£841	😞
Asset Management									
Stock condition inspections completed	cumulative	0%				20%	0%	0%	😞
Gas services completed within timescale	cumulative	100%				100%	99%	100%	😊
Planned maintenance contracts with >5% overspend	0	0				0	0	0	😊
Average time taken to complete emergency repairs	< 2 hours	01:09				< 2 hours	01:28	01:09	😊
Average time taken to complete non-emergency repairs	< 6 days	8.76				< 6 days	5.70	8.76	😞
Repairs completed right first time	85%	92%				85%	94%	92%	😊
Repair appointments kept	93%	97%				93%	97%	97%	😊
Housing Management									
Properties allocated after 3 or more refusals	0	0				0	0	0	😊
Number of evictions carried out	no target	1				no target	1	1	
Number of ASBO's in force against tenants	no target	0				no target	0	0	
Bronze Key Tenants	43.0%	45.7%				43%	0	45.7%	😊
Gold Key Tenants	20.0%	14.0%				20%	14.6%	14.0%	😞
Platinum Key Tenants	20.0%	21.2%				20%	20.7%	21.2%	😊
Corporate									
Number of accidents reportable to HSE	0	0				0	1	0	😊
% working days lost through long term sick leave	5%	0.0%				5%	0.20%	0.0%	😊
% working days lost through short term sick leave	2%	0.91%				2%	0.35%	0.91%	😊
Management Committee Attendance	75%	80%				75%	87%	80%	😊
Audit & Assurance Committee Attendance	75%	60%				75%	83%	60%	😞
% of Tenants using their My Home Account	83%	84%				83%	82%	84%	😊
% of Tenants Paper Free	83%	81%				83%	80%	81%	😞

😊 Performance Excellent 😞 Performance Satisfactory 😞 Performance Poor

Annual General Meeting: Management Committee Membership

Report by Peter Ewart, Chairman – for approval

1.0 Background

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

2.0 Elections to the Management Committee for 2021/22

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

Under Rule 39.1 at least one third of the members of the Management Committee must retire (if no other members, or an insufficient number of members have indicated their intention to retire to fulfil this requirement, those with the longest period since their last election should retire). These are Ian Atkinson, Alan Forsyth, Brian Logan and myself.

Under Rule 37.6, the Management Committee must satisfy itself that any Management Committee member seeking re-election after a period of continuous service of nine or more years can demonstrate their continued effectiveness. Rule 37.6 applies to both Brian Logan and myself. Brian has indicated his willingness to serve for a further term, but if either Brian or I am to serve a further term, our nominations need to be endorsed by the Management Committee.

Iain Atkinson and Alan Forsyth have both confirmed that they are willing to stand again, and therefore are able to do so without any further nomination.

Brian Logan is the current Vice-Chair of the Association. The Management Committee Succession Plan identified Brian as a potential successor to the post of Chair once my term of office comes to an end.

Brian continues to make a valuable contribution to the Management Committee's discussions and activities and, having discussed this ongoing commitment to ELHA during my annual meetings with Management Committee members, I recommend that the Management Committee endorse Brian's nomination.

Clearly, I cannot recommend my own nomination (but I can confirm my willingness to stand). Therefore, I will leave the discussion at this point and allow the Management Committee members to reach their own conclusion on this issue.

3.0 Nominations to the Management Committee

At the time of writing this report, no Nominations have been received. However, the Management Committee undertook a full recruitment exercise for new members this year, and I am hoping to nominate two new members following the invitation to two of the successful candidates to attend our August 2021 Management Committee meeting as Observers.

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

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

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

- Social Housing and Development
- Finance

There are currently nine vacancies on the Management Committee; four members are eligible for nomination, and there are a further five vacancies for which nominations can be made (but where I hope to report at least two nominations for at the AGM).

If more nominations are received than there are places available on the Management Committee before Thursday 2 September 2021, a ballot at the AGM will be required, otherwise all nominees will be automatically appointed.

Recommendations

The Management Committee is asked to:

- (a) Endorse the nomination for Brian Logan for re-election to the Management Committee at the 2021 AGM, having been satisfied that his contribution continues to be effective and valuable;
- (b) Consider my request to stand again for election to the Management Committee at the AGM.

Appendix A

Model Code of Conduct for Staff

East Lothian Housing Association

Code of Conduct for Staff

Introduction

*There are references throughout this Code of Conduct (the Code) to 'I' and 'you' which means the member of staff of **East Lothian Housing Association (ELHA)** who has signed this Code. References to 'we', 'us' and 'our' mean **ELHA**.*

1. We attach the greatest importance to ensuring that high standards of behaviour are demonstrated by all of our people and in all of our activities.
2. This Code of Conduct sets out the standards of conduct required of you as a member of our staff. You are required to observe these standards in all the activities that you undertake in connection with your employment with us
3. As a Registered Social Landlord (RSL), we are required to adopt and comply with an appropriate Code of Conduct¹. This Code is based on the Model Code of Conduct produced by the Scottish Federation of Housing Associations and Employers in Voluntary Housing (EVH) – which the Scottish Housing Regulator (SHR) has confirmed fully complies with its Regulatory Standards.
4. You must make yourself familiar with the terms of this Code and act in accordance with its requirements at all times. You are required to sign the Code (in the 'Statement of the Acceptance' on p12) to confirm that you have read and understood the terms of the Code and you have a personal responsibility to uphold the requirements of this Code.
5. You must also ensure you are familiar with - and comply with - all of our policies.
6. If there are any aspects of this Code, or of any of the related policies, on which you are unclear, you must seek guidance from your manager. Your manager, or the Executive Support Officer, will also be able to give guidance where you are unsure how the Code or related policies apply in a particular situation.
7. This Code of Conduct was adopted by the Management Committee on 20 August 2021.

¹ Scottish Housing Regulator (2019) Regulatory Framework, [Regulatory Standard 5.2](#)

Who this code applies to

8. This Code of Conduct applies to everyone who works for us whether employed directly or otherwise.
9. A copy of this Code will be given to every person it applies to.

How the Code is structured

10. The Code is based on the Nolan Principles on Standards in Public Life² which are recognised as defining good conduct for those who work for the public using public money.
11. We have defined three groups of principles as the basis for the Code:
 - A [Honesty and Integrity](#)
 - B [Openness and Accountability](#)
 - C [Selflessness, Objectivity and Leadership](#)
11. Each of the three sections begins with a statement of principle. This is followed by a number of provisions which set out the requirements of the Code in more detail.

The Code is not exhaustive and it should be remembered that all staff members of RSLs are responsible for ensuring that their conduct at all times meets the high standards that the RSL sector is recognised for upholding. As well as observing the detail of the Code, you should apply its intention and spirit to all situations in employment.

You are required to sign the Statement of Acceptance at the conclusion of this code on page 12 which also outlines the implications for any breach of the code.

² Committee for Standards in Public Life (May 1995), [Nolan Principles](#)

The Code of Conduct

A. Honesty and Integrity

You must act at all times with honesty and integrity. You must not use, or seek to use, your position to gain financial or other benefit for yourself, your family or friends.

Gifts and hospitality

- A.1** I will act, and ensure I am seen to act, wholly in the interests of our organisation, our tenants, other residents in our communities and other service users. I will ensure that I do not benefit improperly from my position.
- A.2** I will not accept any offers of gifts or hospitality from individuals or organisations which might reasonably create – or be capable of creating – an impression of impropriety or influence or place me under an obligation to these individuals or organisations. I will comply with ELHA's Entitlements Payments and Benefits Policy.

Prevention of bribery

- A.3** We must comply with anti-bribery legislation. I will comply with our Anti-Bribery and Corruption policies.
- A.4** We forbid all forms of bribery - meaning a financial or other advantage or inducement intended to persuade someone to perform improperly any function or activity. I will not offer, seek or accept bribes or other inducements from any individual or organisation and I will comply fully with our Fraud and Theft Policy on bribery. I am aware that offering, seeking or accepting bribes or other inducements will result in disciplinary action and may also result in criminal prosecution.
- A.5** I will report to my manager or Chief Executive any instances of suspected bribery or corruption within the organisation or any external organisation with which we have dealings.

Personal benefit

- A.6** I recognise that neither I, nor someone closely connected to me, can as a result of my role with the organisation receive preferential treatment relating to any services provided by the organisation or its contractors/suppliers: I will ensure that I can demonstrate this.
- A.7** I will not use, or seek to use, my position to promote my personal interests or those of any person with whom I am closely connected, or the interests of any business or other organisation with which I have a connection.

Resources, facilities and premises

- A.8** I will only use our resources, facilities and premises for the purposes intended and in a responsible and lawful manner. This includes office premises, telephone, computer and other IT facilities, equipment, stationery, transport and staff.
- A.9** I will comply with all of our relevant policies, including (but not exclusively) usage of internet & email social media, health & safety, equalities, human rights and diversity and dignity at work.
- A.10** I will not undertake work for another organisation - or for any personal business - on our premises nor use our resources or facilities for such a purpose, unless I first have specific permission from my line manager.

Funds and expenses

- A.11** I recognise that ELHA's funds must be safeguarded from abuse, theft or waste. At all times, I will apply and observe all of our financial regulations and internal controls.
- A.12** I will comply with our relevant policies when procuring goods/services or claiming expenses.

Tenants/service users and money

- A.13** As a general rule, in relation to tenants and service users I will not:
- Give or loan them money
 - Receive a gift or loan of money from them
 - Invite or influence them to make a will or trust under which I am named as executor, trustee or beneficiary.

General responsibilities

- A.14** I will not act in a way that unjustifiably favours or discriminates against particular individuals, groups or interests.

I am aware that under the Equality Act 2010, the following nine characteristics are specifically protected: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

- A.15** In presenting information I will take all reasonable steps to ensure that I set out the facts and relevant issues truthfully.
- A.16** I will avoid any situation that could give rise to suspicion or suggest improper conduct.

A.17 I will inform my manager or [title of relevant alternative] if I am notified of any action by a professional body that is relevant to my role with ELHA and/or which could impact ELHA's reputation that I am or may be party to.

B. Openness and Accountability

You must declare all relevant personal interests. You must handle information in accordance with our policies and procedures. You must report to the appropriate senior person within [name of organisation] any reasonable and honest suspicions you may have about possible wrongdoing.

Declaring interests

- B.1** I recognise that ELHA must ensure that no conflict arises, or could reasonably be perceived to arise, between my duties and my personal interests, financial or otherwise. I will declare, and manage openly and appropriately, any actual or potential interests or conflicts.
- B.2** Where I have a personal, business or financial interest in any matter that is relevant to ELHA's activities or is being considered (or is likely to be considered), or I know that someone to whom I am closely connected has such an interest, I will declare it promptly and record it in the Register of Interests.
- B.3** I will keep my entry in the Register of Interests complete, accurate and up to date.

Handling information

- B.4** I will observe and uphold the legal requirements and our policies in respect of the storage and handling of information, including personal and financial information. Our Openness and Confidentiality Policy gives further guidance.
- B.5** I will respond to requests for information positively and will not prevent people or bodies from being provided with information that they are entitled to receive.
- B.6** I will not use confidential information acquired through my work as one of our employees for my private interests or any other purpose for which it is not intended.

Respecting confidentiality

- B.7** I will respect confidentiality and ensure that I do not disclose information to anyone who is not entitled to receive it, both whilst I am a member of staff and after I have left employment at ELHA.
- B.8** Unless specifically authorised to do so, I will not make comments or statements in public or to the media or on social media sites or pass any documents or other information to the press or media about us or our activities. I will pass any such enquiries to a member of the Senior Management Team

quickly.

- B.9** I will not publish any material or deliver any lecture or address any issues relating specifically to us or our activities without prior approval. This includes invitations to speak at conferences or external events.

Using social media

- B.10** I will not disclose any private or confidential information relating to us, our customers, partners, suppliers, board members, or employees on any social networking sites, bulletin boards, blogs or similar. (See also **C12** under “**Upholding our reputation**”). This applies whether I am posting under my own name or a pseudonym.

Reporting concerns

- B.11** If I become aware of any actual or potential fraud, corruption or wrongdoing, or breaches of this Code, I will report this to my manager or the Chief Executive. I am aware that I may do so on a confidential basis. Our policy on whistleblowing gives further information.
- B.12** I will not victimise any person who has used - or intends to use/is suspected of having used - our confidential reporting or whistleblowing procedures to report any actual or alleged fraud, corruption or wrongdoing by others.

C. Selflessness, Objectivity and Leadership

You must act in the best interests of [XXHA] at all times within the framework set by the organisation, working to promote our aims and objectives, upholding our values and setting a good example by your own conduct.

Fulfilling your role

C.1 I will comply with the terms of my appointment and our policies and procedures relating to my role.

C.2 I will fulfil my duties responsibly, exercising reasonable skill and care and acting at all times in ELHA's best interests and that of our tenants and other service users.

I will always aim to put the needs of ELHA's tenants and service users first in my day-to-day work, within the framework of our policies and procedures.

C.3 I will uphold and promote ELHA's values, aims and objectives and in accordance with the relevant legal and regulatory requirements (including those, as applicable, of the Scottish Housing Regulator, the Office of the Scottish Charity Regulator, the Financial Conduct Authority and the Care Inspectorate).

If I am in doubt as to the legal and regulatory requirements that are relevant to my role, I will seek guidance from my manager.

C.4 I will work at all times in accordance with our policies and procedures and I will not allow my own personal or political opinions to affect the way in which I carry out my duties. This does not impinge on my right to be an active citizen or to be an active trade unionist.

C.5 I will take direction from my line manager, other senior managers and the governing body, and exercise responsibly any authority that comes with my role as a staff member.

C.6 I will not seek to use informal channels to influence the governing body regarding decisions to be made about the conduct of our business.

C.7 I will consult my manager before taking on any outside work or any position (paid or unpaid) that could in any way impact on my role with ELHA. I recognise that any such work or position must not interfere with my existing job or conflict with ELHA's interests.

C.8 I will participate in any necessary training and play a constructive part in our performance appraisal process. I will contribute to the identification of any

personal training needs I may have in order to keep my professional skills and knowledge up to date.

Working with tenants and other service users

- C.9** I will maintain high standards of professionalism, fairness and courtesy in all my dealings with tenants and other service users.
- C.10** I will not allow any personal relationship with a tenant or other service user to conflict with the conduct of my role and responsibilities.
- C.11** I will use the appropriate channels for handling tenancy and service provision issues. I will not act outside our established procedures in any matter concerning any tenant or other service user.

Upholding our reputation

- C.12** I will not act in a way that could reasonably be regarded as bringing or risks bringing ELHA into disrepute. This would include publicly making any derogatory comments about the organisation, its staff, governing body members, service users, partners and anyone that we are doing business with.

I will discuss any grievance or concern that I have about a member of staff or the Management Committee with my line manager or with a member of the Senior Management Team.

- C.13** I will always be a positive ambassador for ELHA and our work, especially when attending events as a member of our staff or in dealing with outside bodies.

Showing respect for others

- C.14** I will always treat others with courtesy and respect. I will consider and respect the views of others.
- C.15** I will adhere to both the letter and the spirit of our equality and diversity policy. See also **A.14** about the need to avoid discrimination of any kind.
- C.16** I will always conduct myself in a courteous and professional manner. I will not, by my actions or behaviour, cause distress, alarm or offence.
- C.17** I will not harass, bully or attempt to intimidate any person.
- C.18** I will take care when displaying materials in the office and ensure that these would not reasonably cause offence to colleagues.
- C.19** When attending meetings, I will be courteous to all attendees and respect the position of the meeting chair or convenor.

Breach of the Code

As a member of staff you have a responsibility to promote and uphold the requirements of this Code and any other Code that your membership of a relevant professional body imposes. If you consider that you may have breached this Code, or have witnessed or become aware of a potential breach by another staff member, you should immediately bring the matter to the attention of your manager or the Executive Support Officer.

Any material breach of the Code will be considered under our disciplinary procedures and may result in a disciplinary action being taken, which may include dismissal.

As a member of staff you have a duty to co-operate with and contribute to any investigation relating to a potential breach of the Code or an associated matter.

You must sign the below statement of acceptance once you have read and understood this Code and its requirements.

Statement of Acceptance and Signature

I _____ have read and understood the terms of this Code of Conduct and I agree to uphold its requirements in all my activities as a staff member of East Lothian Housing Association.

I confirm that I am aware that I must declare and manage any personal interests in accordance with our policy. I agree to review all relevant Registers regularly to ensure that all entries relating to me are accurate.

I understand that, if I am found to have breached any points mentioned in this Code of Conduct or acted against its spirit, action will be taken in accordance with our disciplinary procedures and could ultimately result in my dismissal.

Signed _____

Date _____

Staff Code of Conduct

Report by Martin Pollhammer, Chief Executive – for approval

1.0 Introduction

The Scottish Federation of Housing Associations (SFHA) produced model Codes of Conduct for both Staff and Management Committee members. Revised model documents were published by the SFHA in April 2021, and therefore the Association needs to update the ELHA Code of Conduct documents to the latest versions.

2.0 Staff Code of Conduct

A Revised Code of Conduct Document is attached to this report. Also attached is **Appendix 1** which sets out the main changes made to the existing Model Document. Other than updating the content with references relevant to ELHA, no other changes have been made to the Model Document. The Management Committee is asked to approve the Revised Staff Code of Conduct.

Once approved by the Management Committee, all staff will be asked to sign the Code of Conduct, but an item has been added to the September 2021 JCC meeting to allow for any discussion ahead of staff being asked to sign the document. It is a requirement that staff must agree to abide by the Code of Conduct in order to work for the Association.

3.0 Management Committee Code of Conduct

A new Model Code of Conduct for Management Committee Members Document has also been published by the SFHA. This Code of Conduct must be signed annually by Management Committee Members, and all Members are required to sign a copy in order to be eligible for the Management Committee.

This process is undertaken in September each year, therefore the revised document will be presented to the September 2021 meeting.

Recommendation

The Management Committee is asked to approve the revised Staff Code of Conduct.



Block 2 Governance Document Review – Summary of Changes to existing documents

Model Codes of Conduct - General

- We have changed the perspective of the document. So rather than “you” it is now “I”.
- We have added some more points for organisations to include their own branding/own perspective
- We have removed the declarations of interest sections in favour of referring to the organisation’s EPB policy
- We have trimmed back the introductory text, to reflect that this is a document that will be customised by the RSL and shared with their staff/GBMs (some of this will instead sit in accompanying guidance for the organisation).
- References to the regulatory framework, model rules and EPB policy have been updated
- We have acknowledged the SHR input to the development of the code in the accompanying guidance rather than in the Code itself

Code for Staff

- Removal from A8 of “Reasonable personal use of office telephones and computers and company mobile telephones is permitted but must be kept to a minimum. Our [name of policy] gives further information including what is meant by 'reasonable personal use'. Which we have moved to accompanying guidance.
- Addition of reference to human rights at A9 to reflect language in regulatory requirement
- Removal of A14 (In circumstances where you have a declared family connection to a tenant/service user, common sense will be applied and the organisation would not seek to impose restrictions on the private exchange of money between you and that individual0 which we would suggest be added to accompanying guidance
- Addition of A18 - I will inform my manager or [title of relevant alternative] if I am notified of any action by a professional body that is relevant to my role with XXHA and/or which could impact XXHA’s reputation that I am or may be party to.
- Addition at B8 - I will pass any such enquiries to [title of relevant post] quickly.
- Added reference to speaking at conferences at B9
- Removal of “we respect your right to a private life...” at B10 which we have added to guidance
- Deletion at C14 of “I will be tolerant of differences”.
- Deletion of “you must ensure mobile phones are switched off...” from C18.
- Reference to other professional bodies added under breach of the code section.

Management Committee Membership Policy Review

Report by Peter Ewart, Chair – for approval

1.0 Introduction

The Management Committee Membership Policy was for review in May 2021. Following the paper presented to the Management Committee at the May 2021 meeting, and as noted in the Minutes (see **Agenda item 1.3**) and the Action List (see **Agenda Item 1.4**), the Management Committee asked for additional changes to be made before the revised Policy Document is approved.

The changes initially proposed to the Policy, and presented to the Management Committee in May 2021, have been accepted and are no longer tracked in the attached **Policy Document**. Only the additional changes are now shown as tracked on the **Policy Document**.

2.0 Policy Changes

The main proposed changes are as follows:

Section 2.3 has been updated by the Vice-Chair following the recent recruitment exercise.

Section 2.5 has had the reference to the information sheet deleted.

Section 2.6 has been updated by the Vice-Chair to reflect the emphasis on the skills and expertise sought by the Management Committee, and that these would apply equally to any potential member, whether or not they were one of the Association's tenants.

Recommendation

The Management Committee is asked to approve revised Management Committee Membership Policy.

Date Issued	5 May 2006
Last Reviewed	August 2021
Department	Corporate
Title	Management Committee Membership
Objective	To describe the requirements and arrangements for recruiting to the Membership of the Management Committee
Responsible	Chief Executive
Next Review Date	August 2026

1.0 Introduction

1.1 Management Committee Role

Our Management Committee is responsible for the effective and efficient management of our business, in accordance with the law and the standards set out in our Rules, policies and procedures and The Scottish Housing Regulator's Governance Standards.

This policy should be read in conjunction with our Rules and Code of Conduct for Governing Body Members

The Management Committee is responsible for policy making, and for the process of implementation, monitoring and review of policies (see Code of Conduct for Governing Body Members).

1.2 Management Committee Membership

The Management Committee will endeavour to ensure that its membership consists of people who have a general empathy with our aims and objectives, reflect a balance of community interests, and have the ability as part of a team to ensure the effective and efficient management of our business.

1.3 Management Committee's Responsibilities

The Management Committee is responsible for the mentoring and support of existing Management Committee Members, recruitment and induction of new Management Committee Members, ensuring that the Management Committee has the correct mix of skills and experience it requires, and to develop the Management Committee Away Day agenda.

In practice the Management Committee may delegate some of these tasks to the Chair or to staff, but it will review its governance responsibilities at each Management Committee Away Day, as well as approving an annual Training Plan for Management Committee members.

2.0 Membership Procedures

2.1 Management Committee Structure

The Management Committee consists of up to 15 Members, of whom up to no more than one third be co-opted Members. The Management Committee aims to maintain a membership of between 10 and 12 at any one time, but will recruit additional members above this level as part of planned succession.

2.2 Review of Management Committee Composition

To ensure that the Management Committee consists of people with the interest and ability to manage our business efficiently and effectively, the Chair will review Management Committee membership as follows:

- Annually, prior to the Management Committee Away Day, the Chair reviews the Management Committee's skills in order to identify the skills, expertise and representation we require to recruit onto the Management Committee, and reports to the Management Committee on their findings
- From time to time, if vacancies arise during the year, or when issues arise which identify an area of expertise required

2.3 Method of Recruitment

The Management Committee is responsible for the recruitment of new Management Committee Members. Normally this will involve an open recruitment process overseen by a Working Group set up for this purpose by the Management Committee.

~~The normal methods of recruiting~~ In addition, Management Committee Members ~~are~~ may be recruited by invitation by the existing Management Committee, or via a direct note of interest to the Management Committee, under one of the following headings:

- to fill a Casual Vacancy under Rule 41, whereby a Member may be invited to join the Management Committee for the period remaining up to the next AGM, at which time they require to stand down, but may stand for election to the Committee in their own right
 - as a co-opted Member under Rule 42.1, whereby an Association Member or a non-Member may be invited to join the Management Committee on the basis of particular skills or expertise that the Management Committee wishes to secure, for any period up to the next AGM
- ~~• Advertising in local and regional newspapers followed by interviews.~~

The Association Members must approve any nominations to join the Management Committee at the AGM. This approval is by a majority of the Members present or voting by proxy.

Anyone interested in joining the Management Committee will be directed to background information on elha.com.

2.4 Eligibility for the Management Committee

A Member of the Management Committee must be 18 years of age or over unless co-opted or appointed by the Scottish Housing Regulator.

2.5 Credentials for Management Committee Membership

We will seek to encourage those in the community who support our aims and objectives, and who have the ability to contribute to the effective management of our business, to join the Management Committee. ~~We will provide an information sheet to prospective Management Committee members.~~

The Management Committee will seek to clarify with potential Members or Co-optees:

- Their degree of interest in, or reasons for wishing to join, the Management Committee
- What is required of them as a Management Committee Member, for example, conduct, commitment, responsibility and so on, as set out in the Code of Conduct for Governing Body Members
- Their agreement to appropriate induction training as a new Management Committee Member, and to ongoing training

These points will be set out in the nomination papers issued prior to the AGM, and discussed with those who have expressed an interest, or who may be invited onto the Management Committee during the year.

2.6 Skills, Expertise and Interests Sought by the Management Committee

The Management Committee will endeavour to ensure that its membership is representative of a range of persons from the community who can contribute to the effective running of the Association.

- ~~Commitment to our principles, aims and objectives, and common sense will be essential criteria~~
- ~~We will actively seek Tenant representation and the Management Committee will if necessary consider setting a target for the minimum representation by tenant members~~

The range of skills, which may be required, may include housing experience, community and/or special needs interests, finance, business and/or human resource management expertise, building and/or technical knowledge, legal experience, health & safety expertise. This list is not exhaustive but is illustrative of the range of skills the Management Committee seek from time to time.

2.7 Management Committee Members' Responsibilities

Following their election or appointment, each new Management Committee Member will be bound by the Code of Conduct for Governing Body Members.

2.8 Attendance

The Executive Support Officer will maintain a register of Management Committee Members' attendance at Management and Sub-Committee meetings. Attendance will be discussed at each Management Committee Member's Annual Review meeting.

2.9 Training

Management Committee Members will be required to attend appropriate induction training and thereafter to attend ongoing training, as required and in accordance with the Management Committee Training Policy and Annual Training Plan, to ensure so far as possible that they are equipped to fulfil their responsibilities in accordance with all current law, statutory regulations, central guidance and good practice.

2.10 Removal of a Management Committee Member

Under Rule 44.5, the Management Committee may remove a Management Committee Member from office by a resolution approved by the majority of the remaining Management Committee Members voting in favour of this at a special meeting convened for this purpose. The vote to ask a Management Committee Member to leave the Management Committee must relate to one of the following:

- Failure to perform to the published standards laid out by the SFHA and The Scottish Housing Regulator adopted and operated by the Association
- Failure to sign or comply with The Code of Conduct for Governing Body Members
- A breach of the Association's Rules or Standing Orders

The Association will endeavour to provide adequate guidelines and training to Management Committee Members to ensure an acceptable level of performance in the carrying out of their duties and responsibilities.

2.11 Ineligibility for, and Vacating of, Management Committee Membership

In accordance with Rule 43, a potential member cannot join the Management Committee nor a Member remain on the Management Committee or stand for re-election if they:

- Have been adjudged bankrupt, has granted a trust deed for or entered into an arrangement with creditors or their estate has been sequestrated and has not been discharged
- Are or will be unable to attend Management Committee Meetings for a period of 12 months

- Have been convicted of an offence involving dishonesty which is not spent by virtue of the Rehabilitation of Offenders Act 1974 or an offence under the Charities and Trustee Investment (Scotland) Act 2005
- Are party to any legal proceedings in any Court of Law by or against the Association
- Have been removed from the Management Committee of another Registered Social Landlord within the previous five years
- Have resigned from the Management Committee in the previous five years in circumstances where their resignation was submitted after the date of their receipt of notice of a special Management Committee meeting convened to consider a resolution for their removal from the Management Committee in terms of Rule 44.5
- Have been removed from the Management Committee in terms of Rules 44.4 or 44.5 within the previous five years
- Have been removed or suspended from a position of management or control of a charity under the provisions of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 or the Charities and Trustee Investment (Scotland) Act 2005
- Have been removed from the office of Charity Trustee or Trustee for a Charity by an Order made by the Charity Commissioners for England and Wales or by Her Majesty's High Court of Justice in England on the grounds of any misconduct in the administration of the charity for which they were responsible or to which they were privy, or which their conduct contributed to or facilitated
- Have a disqualification order or a disqualification undertaking has been made against them under the Company Directors' Disqualification Act 1986 or the Company Directors Disqualification (Northern Ireland) Order 2002 (which relate to the power of a Court to prevent someone from being a director, liquidator or administrator of a company or a receiver or manager of company property or being involved in the promotion, formation or management of a company)
- At an Annual General Meeting, they have served as a Management Committee Member for a continuous period in excess of nine years and the Management Committee has not resolved to permit them to stand again or otherwise be nominated for re-election
- Are the spouse, partner, child (including adopted child or step child), parent, parent-in-law, grandparent, grandchild, or sibling of a Management Committee Member or a Governing Body Member of any other organisation in the Group

A member of the Management Committee's membership will also end if they:

- Resign their position in writing
- Cease to be a member unless they are a co-optee in terms of rule 42.1 or an appointee of The Scottish Housing Regulator
- Miss four Management Committee meetings in a row without special leave of absence previously granted by the Management Committee either at their request or by exercise of the Management Committee's discretion
- The majority of members voting at a General Meeting decide this
- Becomes ineligible as a Management Committee Member in terms of Rule 43
- Are a Co-optee whose period of office is ended in accordance with Rules 39.1 or 42.2
- Are a Management Committee Member retiring in accordance with Rule 39.1

2.12 Members Interest

Under Rule 38.2, if anyone serving on the Management Committee has any Conflict of Interest in any contract or other matter about to be discussed at a meeting, they must tell the Management Committee. They will usually be required to leave the meeting while the matter is discussed unless the Management Committee agree that in the circumstances it is appropriate for them to remain, but they will not be allowed to vote on the matter or to stay in the meeting while any vote on the matter is being held. If they are inadvertently allowed to stay in the meeting and vote on the matter, their vote will not be counted.

3.0 Monitoring and Review

- 3.1 The Chief Executive is responsible for ensuring that this policy is followed by all Management Committee Members and staff.
- 3.2 The Chief Executive will ensure that this policy is reviewed at least every five years.

Recruitment Policy Review

Report by Martin Pollhammer, Chief Executive – for approval

1.0 Introduction

The Recruitment Policy was due for review in May 2021.

2.0 Policy Changes

2.1 elha.com

The previous version of the Recruitment Policy referred to vacancies being posted on 'our website'. This has been amended to show 'elha.com'.

2.2 Other Changes

The other changes are of a minor nature, and are all tracked in the attached **Policy Document**.

The proposed changes were discussed and agreed at JCC on 9 June 2021.

Recommendation

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

Date Issued	April 2006
Date Reviewed	May 2016
Department	Corporate
Title	Recruitment Policy
Responsible	Chief Executive
Review Date	May 2021

1.0 INTRODUCTION

- 1.1 We need to select and recruit suitable, experienced and skilled staff in order to fulfil our Business Aims and Objectives.
- 1.2 Our Recruitment Policy and the supporting Procedures are aimed at ensuring that recruitment and selection are carried out fairly, in line with the Equality Act 2010, and in accordance with current legislation and best practice in employment.

2.0 POLICY STATEMENT

2.1 At every stage of recruitment and selection we will comply with:

- All existing and relevant employment legislation
- All current Codes of Practice and other 'good practice' guidance
- Regulatory Standards
- Relevant and supporting staff / management policies

2.2 We will normally only create and recruit to additional posts following Management Committee authorisation, primarily through the annual process of approving the Business Plan and Budget. Where additional posts are required during a financial year a case will require to be approved by the Management Committee.

In urgent circumstances, where it is not possible to wait until the next Management Committee meeting, the proposal may be approved by the Chairperson (or Vice

Chairperson in the Chairperson's absence) in accordance with our delegated powers, with the decision being reported to the next Management Committee meeting for homologation.

The Chief Executive will in addition have delegated authority to appoint temporary staff as follows:

- To cover sickness, leave of absence, etc.
- Administrative staff to ensure the smooth and effective running of our Administrative services
- Engagement of Agency staff where appropriate to ensure the successful delivery of our services does not impact adversely on our existing staff

2.3 All permanent posts, and all temporary posts lasting 12 months or more, will normally be advertised internally as well as externally (subject to paragraph 2.4 below). Vacancies may be advertised in the local or national press and/or professional publications, the local Job Centre, Business Link website, on ~~our website~~ elha.com and associated organisations' websites/publications, as approved by the Chief Executive.

The Chief Executive may approve alternative advertising and recruitment arrangements for temporary posts lasting less than 12 months.

2.4 In order to consider the widest possible range of candidates, vacancies will normally be advertised externally, however the following exceptions may apply;

- We recognise that the benefits of using existing talents to the full, can be in the best interests of both staff morale and our business, and will consider 'internal only' recruitment where we believe that the benefits outweigh the potential disadvantages. A report making the case for internal only recruitment will be submitted to our Management Committee and internal only recruitment will proceed only where our Management Committee is satisfied that the approach is justified.
- At the end of a Modern Apprenticeship (MA) however, if a suitable role is available, at Assistant level, we give the Manager of that department the right to offer the post to an existing MA (within the Group, not necessarily within the department), without a full recruitment process.
- If a post becomes available before the MA has ended, we give the Manager the right not to recruit, but instead vary the Job Description of the MA to the requirements of the post which would allow them to gain additional work

experience. At the end of the MA, if their performance is satisfactory, the Manager has the right to offer them the vacant post without advertising the post.

The aim of this approach is to help us retain talented young individuals that we have recruited and developed through our MA programme. It is therefore important to note that a MA does not have a right to a post with us at the end of their apprenticeship, nor is the Manager of any department obliged to offer a vacant post to a MA. However, if, in the opinion of the Manager, they have a vacant post within their department and they feel an existing MA has (or has the potential) to fulfil the requirements of that post, they may offer that post to the MA, either by varying duties until the completion of the MA, or on a permanent basis if the MA is complete.

- In exceptional circumstances, we may decide to suspend our normal recruitment arrangements in order to secure suitably qualified and experienced staff. These circumstances will be rare and before authorising such action the Management Committee will require to be satisfied that recruitment in the normal manner is not in our best business interests and that its actions can be effectively accounted for.
- 2.5 Management Committee Members and staff involved in recruitment and selection must have attended initial or refresher training on the application of the Equality Act 2010 to the recruitment and selection process within the last two years.
 - 2.6 We will seek to ensure that no-one receives less favourable treatment or is disadvantaged by conditions or requirements in the job advertisement, job criteria or person specification, which cannot be shown to be justified.
 - 2.7 We will seek to ensure that all applicants are treated fairly and equally, and that all decisions on recruitment and selection are based on the job criteria, as set out in the person specification.
 - 2.8 We will seek to ensure that all vacancies are accessible to all sectors of the community.
 - 2.9 All internal applicants who meet the essential criteria for a vacancy will be interviewed.
 - 2.10 All applicants with a disability who meet the essential criteria for a vacancy will be interviewed.
 - 2.11 We will provide all job applicants with full, clear and accurate information regarding the vacant post, its duties and responsibilities, and the organisation.

2.12 To comply with our Equalities and Diversity policy, all job applications will be monitored as detailed in the Recruitment Procedures. The aims of monitoring are to:

- Ensure that our recruitment and selection procedures are non-discriminatory
- Assist in identifying procedures which require to be improved
- Contribute to the setting of any targets which the Management Committee may wish to introduce arising from any review of the Equalities and Diversity Policy or Action Plan

2.13 We are unable to supply feedback to all applicants. We only supply feedback to applicants who have been shortlisted for an interview.

3.0 MONITORING AND REVIEW

3.1 The Chief Executive is responsible for ensuring that this Policy and the Procedures which support it are followed by all Management Committee Members and staff.

3.2 The Chief Executive will ensure that a monitoring report on each vacancy advertised and filled is submitted to the Management Committee in accordance with the Recruitment Procedures.

3.3 The Chief Executive will ensure that this policy is reviewed at least every five years by the Management Committee.

Personal Relationships at Work Policy Review

Report by Martin Pollhammer, Chief Executive – for approval

1.0 Introduction

The Personal Relationships at Work Policy was due for review in May 2021.

2.0 Policy Changes

2.1 Regulatory Standards

The previous version of the Personal Relationships at Work Policy referred to meeting previous regulatory requirements of the Scottish Housing Regulator (SHR). This has been amended to relate to the current 'Regulatory Standards'.

2.2 Other Changes

The other changes are of a minor nature, and are all tracked in the attached **Policy Document**.

The proposed changes were discussed and agreed at JCC on 9 June 2021.

Recommendation

The Management Committee is asked to approve the revised Personal Relationships at Work Policy.

Date Issued	May 2001
Last Review Date	August 2021
Department	Corporate
Title	Personal Relationships at Work
Objective	To describe our arrangements for dealing with personal relationships at work
Responsible	Chief Executive
Next Review Date	August 2026

1.0 INTRODUCTION

- 1.1 We do not wish to interfere in the personal or domestic lives of our Management Committee or staff. We also recognise that strong personal relationships and friendships can start and grow from working relationships, and that many couples meet through their jobs, and the associated networks.
- 1.2 ~~However, regulators and best practice have identified some problems in this area between staff, and between staff and Management Committee. They have recommended that organisations~~We –have suitable policies and procedures for dealing with any potential problems.
- 1.3 This document summarises our policies and procedures.

2.0 GENERAL PRINCIPLES

- 2.1 ~~We do not intend to change our Code of Conduct for Management Committee, or the contracts for our staff~~We have a Code of Conduct for both our staff and Management Committee Member which all must adhere to. ~~However, we wish to~~We also -remind our Management Committee and staff that they must uphold our existing policies on Equal Opportunities, Recruitment and Selection, Training and Development, and Dignity at Work.

- 2.2 ~~We have an Entitlements Payment and Benefits Policy which relates to the Regulatory Standards. meets the regulatory needs to the Scottish Housing Regulator (SHR). This policy describes the entitlements, payments or benefits that our people are able to receive. It also describes what is not permitted and the arrangements that we have in place to ensure that the requirements of this policy are observed.~~

~~Schedule 7 of the Housing (Scotland) Act 2001 specifically prevents us from granting benefits to the close relatives of our Management Committee or staff under certain circumstances as a result of their membership or employment with any Housing Association. The Scottish Housing Regulator has recently extended this definition to include those who co-habit. It is essential that those intending to live together should advise their line manager, Chief Executive or the Chair of the Management Committee, of their intention to co-habit. This ensures that we comply with our Regulator's requirements.~~

- 2.3 ~~It then makes sense for if staff or Management Committee members who find that their relationship may cast doubt on the objectivity of their decision making should, advise the appropriate person i.e. Chair of Management Committee, Chief Executive or line manager. When to advise will be a matter of judgement for the individuals concerned. However, it should be before there is a likelihood of them leaving themselves open to the types of allegations suggested. (Individuals can discuss in confidence their own situation with the our Employee Counselling Service, Rowan Consultancy on 0141 332 9833 01738 562005).~~

- 2.4 It will then be a matter of discussion between the parties involved, the Chair of the Management Committee and Chief Executive on how to avoid the potential for conflict of interest. This should also include where relationships have broken down, and both parties feel awkward, and working relationships may be adversely affected.

3.0 IMPLICATIONS

- 3.1 We will expect Management Committee members who are in this position to withdraw from any committees or decisions where their 'partner' could be affected.
- 3.2 This would be expected to run for a period of at least 12 months after the relationship stops.
- 3.3 It could also result in the Management Committee member having to consider resignation because these difficulties are too great.

3.4 Management Committee and staff will be expected to maintain the highest standards of propriety. ~~They should ensure that their work is not affected, for example, by using work time activities and events, such as conferences, to further their personal relationship.~~

3.4 Management Committee and Staff should also be aware how awkward demonstrations of close affection can be for their colleagues.

4.0 CONCLUSION

4.1 All of this depends on the judgement of the individuals concerned, their managers and the Management Committee.

4.2 It is not our intention to prevent personal relationships that overlap with work relationships. But we must seek to maintain our policies and avoid allegations of impropriety which will distract us from our main aims.

4.3 In summary, it is essential that Management Committee and staff recognise that:

- their behaviour should meet the requirements of our policies and Code of Conduct, to avoid allegations of breaching these policies
- if in a personal relationship which could lead to such allegations, appropriate steps are taken to make their manager, Chief Executive or Chair of the Management Committee aware of the situation. They should jointly try to devise ways of avoiding any possible allegations of favouritism or harassment
- the highest standards of behaviour are required at conferences and other events where they represent our organisation
- this policy has been agreed as a result of discussions between staff, staff representatives and the Management Committee. As with all our policies it will be monitored and reviewed to seek improvements in its effectiveness

5.0 POLICY REVIEW

5.1 The Chief Executive will ensure that this policy is reviewed at least every five years and that any amendments required are submitted to the Management Committee for approval.

Fixed Asset Depreciation Policy Review

Report by Paula Oliver, Director of Finance – for approval

The Fixed Asset Depreciation Policy is due for review. The depreciation rates of components have been reviewed with the Director of Asset Management and it was agreed that the depreciation rates used for these items remain appropriate.

Other than dates and responsibility for approval, no changes are proposed to the document.

Recommendation

The Management Committee is asked to approve the revised Fixed Asset Depreciation Policy.

ELHA POLICY

Date Issued January 1998

Department Finance

Last Review Date August 2021

Title **Fixed Asset Depreciation / Grant Amortisation**

Objective To ensure the Association’s fixed assets are depreciated and capital grants amortised in accordance with accounting requirements

Responsible Director of Finance

Next Review Date August 2026

1.0 Valuation of Housing Properties

Housing Properties are stated at cost, less accumulated depreciation. Housing under construction and Land are not depreciated. The Association depreciates properties by major component on a straight line basis over the estimated useful economic lives of each identified component. All components are categorised as Housing Properties within the financial statements. Impairment reviews are carried out if events or circumstances indicate that the carrying value of the components listed below is higher than the recoverable amount.

Component	Useful Economic Life
Core	50 years
Kitchens	15 years
Bathrooms	30 years
Heating	20 years
Windows	30 years

2.0 Depreciation and Impairment of Other Fixed Assets

Other Fixed Assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:-

Category of Asset	Depreciation Rate	Basis
Office Premises	4% straight line	Over the estimated life of asset
Alterations to Office Premises	33.33% straight line	Over the estimated use of additional premises

Category of Asset	Depreciation Rate	Basis
Office Equipment, Fixtures & Fittings	15%-20% straight line	Over the estimated life of asset
Computer Equipment	10%-25% straight line	Over the estimated life of asset
Vans, Tools & Plant	20%-50% straight line	Over the estimated life of asset

We do not capitalise items which cost less than £300 (including VAT).

We charge depreciation for each month that the asset is used. We do not charge depreciation in the month in which it is disposed of.

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

3.0 Social Housing Grant and Other Grants in Advance / Arrears

Social Housing Grants and Other Capital Grants are accounted for using the Accrual Method as outlined in Section 24 of Financial Reporting Standard 102. Grants are treated as deferred income and recognised in income on a systematic basis over the expected useful life of the property and assets to which it relates.

These grants are amortised over 40 years which is the average useful economic life of the related assets.

4.0 Policy Review

The Director of Finance will ensure that this Policy is reviewed at least every five years, or earlier if required by changes to accounting requirements, and that any amendments are submitted to the Finance and Audit Sub-Management Committee for approval.

Procurement Policy and Procedure

Report by Martin Pollhammer, Chief Executive – for approval

1.0 Introduction

The revised Procurement Policy was presented to the last meeting of the Management Committee in May 2021, when the majority of changes to the existing Policy were approved. However, the Management Committee asked for a number of changes and corrections to be made. It was also noted that a Procurement Procedure would be prepared and presented alongside the finalised Policy. The Association appointed Dougie Gold of Gold Consultancy Ltd to assist with the review and preparation of the Policy and associated Procedure.

The final **Policy Document** is attached to this report for approval with changes to the document approved in May 2021 tracked. Changes appear from Page 14 onwards and the rationale for them is noted in the Minutes (see **Agenda Item 1.3**). A **Procedure Document** is also attached. Unlike a Policy, a procedure does not require formal approval and they are not normally presented to Management Committee, but given this is such a key area for compliance, this will help to demonstrate that the proposed approach is supported by an appropriate procedure.

2.0 Procurement Strategy

A Procurement Strategy is required where, in any one financial year, the Association expects to procure more than £5m in goods, works or services. Further investigation is required to clarify what level of procurement is likely to be undertaken in the current financial year (this is dependent on the development programme, which remains under review with Places for People Developments). The outcome of this review will be reported to the next Management Committee meeting in September 2021.

3.0 Strategic Asset Management Project

As noted at the last Management Committee meeting in May 2021, a Procurement Policy underpins Value for Money as one of the ten key strands of Strategic Asset Management. Adoption of this new Policy and Procedure will mark another key milestone in the development of the Association's overall approach.

Recommendation

The Management Committee is asked to approve the Procurement Policy and Procurement Procedure.

Date Issued	May 2021
Date Last Updated	August 2021
Department	Corporate
Title	Procurement Policy
Objective	To describe the Association's approach to the procurement of goods, services and works
Responsible	Management Committee
Next Review Date	August 2026

1.0 Overview

This Policy sets out the approach we will follow when procuring contracts for the supply of services, the supply of goods and materials and / or the execution of works.

Where we anticipate to procure more than £5m of goods or services in any one year, we will publish a Procurement Strategy for that year. All procurements undertaken by us in that year must have regard to the terms of our Procurement Strategy and the values, objectives and goals set out in it.

This Policy must be interpreted in accordance with fundamental general principles of equal treatment, non-discrimination, transparency and proportionality.

This Policy is subject to the over-riding provisions of United Kingdom and / or Scottish legislation. It is also subject to any UK Government or Scottish Government guidance on public procurement that may be issued from time to time.

All our employees shall comply with the terms of this Policy. Failure by any employee to comply with the terms of this Policy may result in disciplinary action.

This Policy may be suspended either in whole or in part by a decision of the Management Committee in respect of the proposed award of any contract, provided there are special circumstances justifying the suspension.

Any query regarding the application or interpretation of this Policy should be made in the first instance to the Chief Executive.

2.0 Aims of Policy

This Policy aims to ensure:

- We maximise Value for Money when procuring contracts
- That all procurement is in line with our Entitlements, Payments and Benefits Policy
- That the expectations of tenants, staff, colleagues and other key stakeholders are met
- We make best use of the commissioning process and that there is sufficient flexibility to ensure expenditure can be increased and decreased as necessary within the financial year

3.0 Legal Framework

We will comply with all legal and regulatory requirements governing procurement when procuring contracts including:

- The Procurement Reform (Scotland) Act 2014
- The Public Contracts (Scotland) Regulations 2015

4.0 Related Policies and Procedures

This Policy should be read in conjunction with the following policies and procedures:

- Procurement Strategy
- Financial Regulations
- Standing Orders
- Entitlements, Payments and Benefits Policy
- Authorisation and Standard Charges and Allowances Policy
- Fraud and Theft Policy
- Anti Bribery and Corruption Policy

In the event of any conflict or inconsistency between the terms of this Policy and any provisions in any of the above policies relating to public procurement of contracts, this Policy shall take precedence.

5.0 Overview of Procurement Procedures

When procuring contracts for goods, services or works, we must comply with the Public Contracts (Scotland) Regulations 2015 (“the Regulations”) and the Procurement Reform (Scotland) Act 2014 (“the Act”).

We are subject to a two-tier procurement regime, in terms of which the Regulations will apply to contracts with a value which meets or exceeds the relevant UK thresholds, and the Act will apply to contracts with a value below such UK thresholds but with a value which is equal to or greater than the thresholds set out in the Act).

The UK procurement thresholds values change every two years and the table below lists updated contract value thresholds that Contracting Authorities (Housing Associations) must follow for all UK procurement procedures from 1 January 2020. More information can be found on Scottish Government website.

Contracting Authorities	Public Contracts Type	New Threshold (net of VAT) at 1 January 2020
Central government bodies	Supplies or Services	£122,976
Other contracting authorities (e.g. HA, RSL, LA etc)	Supplies or Services	£189,330
All Contracting Authorities	Works	£4,733,252
	Small lots / Supplies or Services	£70,778
	Small lots / Works	£884,720

5.1 Scottish Procurement Thresholds

Contracting Authorities	Public Contract Type	Threshold (net of VAT) at 1 January 2020
All Contracting Authorities	Supplies or Services	£50,000
	Works	£2,000,000

The procedure for the award of any contract depends upon the estimated value of that contract. The relevant threshold values and the associated Procurement Procedure that must be applied are detailed in the table below.

All values are exclusive of VAT and relate to the full life of the contract (including any potential extensions or renewals).

Contract Type	Contract Value (as at 1 January 2020)	Procurement Procedure
Works	£4,733,252 and above	OJUK Procedure under the 2015 Regulations – please refer to Section 6
Supplies / Services	£189,330 and above	OJUK Procedure under the 2015 Regulations – please refer to Section 6
Works	£2,000,000 to £4,733,252	Regulated procurement under the 2014 Act – please refer to Section 7
Supplies / Services	£50,000 to £189,330	Regulated procurement under the 2014 Act – please refer to Section 7
Works / Supplies / Services	Up to £50,000 (Supplies/Services) or £2,000,000 (Works)	Unregulated procurement – please refer to Section 8

The prescribed threshold values set out in the above table will be automatically revised in accordance with any subsequent amendment to the threshold values set by the UK for supply, services or works contracts (the next amendment being due to take effect from 1 January 2022).

All other financial limits specified in this Policy shall be subject to review from time to time.

6.0 Regulated Procurements under the Public Contracts (Scotland) Regulations 2015

6.1 Overview of the Regulations

The Regulations apply to the following types of contract:

- Contracts for goods or services with an estimated value of £189,330 (excluding VAT) or more
- Contracts for works with an estimated value of £4,733,252 (excluding VAT) or more
- Contracts for certain health, social and other services with an estimated value of £663,540 (excluding VAT) or more (see Section 8 for further detail on procurement of these types of contract)

The above types of contract must be advertised in the UK e-notification service / Official Journal (OJUK) and publicly procured in accordance with one of the defined procedures set out in the Regulations, which will include a formal standstill period before a contract can be entered into with the successful tenderer.

Certain categories of services are exempt from the full terms of the Regulations. In addition, certain contracting arrangements are exempt from the terms of the Regulations and such arrangements do not need to be publicly procured (see Section 9 for further detail on procurement of these types of contract).

Any procurement which is subject to the terms of the Regulations must comply with general principles of:

- Transparency – contract procedures must be transparent and contract opportunities should be publicised
- Equal treatment and non-discrimination – potential suppliers must be treated equally
- Proportionality – procurement procedures and decisions must be proportionate
- Mutual recognition – giving equal validity to qualifications and standards from other Member States, where appropriate.

We will award contracts under the Regulations on the basis of the *"Most Economically Advantageous Tender"* (MEAT). The MEAT means the tender offer that is most economically advantageous to us having regard to the subject matter of the contract and including matters such as:

- Quality
- Price
- Technical merit
- Aesthetic and functional characteristics
- Environmental characteristics
- Running costs
- Cost effectiveness
- After-sales service
- Technical assistance
- Delivery date
- Delivery period or period of completion

(All as may be considered appropriate in relation to any particular contract).

We will not award contracts which are subject to the Regulations on the basis of lowest price only, they will be awarded on a mix of price and quality.

We will not artificially split (de-aggregate) requirements under the Regulations to avoid the application of the Act and/or the Regulations (e.g. a single requirement for services with a value of £200,000 cannot be the subject of two separate contracts of £100,000 each).

Where a proposed contract is “mixed”, e.g. if it contains both works and services / supplies or services and supplies, we will classify it according to the main subject of the contract and then the largest subject value (i.e. supply and fit 50 new kitchens, main subject is the supply then the fit of the kitchens). If, for example, the estimated value of the kitchen supply is £1,200 and the fit (works) cost is £1,000 then the main subject and higher value is the supply then the contract is a Supply. This approach will be followed for all contracts.

If the mixed contract comprises both services and supplies, or services covered by both the main regime, the main subject of the contract is determined by reference to which part of the contract has the greater value.

6.2 Procurement of contracts under the Regulations

An overview of each of the most relevant procedures under the Regulations is set out in this Section of the Policy.

Each of these procedures is subject to certain minimum timescales.

In relation to all procedures under the Regulations:

We will place a specific tender notice in the supplement to the OJUK, via Public Contracts Scotland, and will consider whether it would be appropriate to also advertise in a suitable professional / trade journal or the press.

Following the contract award decision, we will notify the successful and unsuccessful bidders of the contract award decision. Unsuccessful bidders must be given information on the scores they obtained, the reasons why they obtained those scores and the “*characteristics and relative advantages*” of the successful bidder’s tender submission compared to their own tender submission as follows:

- A mandatory “standstill” period must be observed between the date of the notices informing tenderers of the outcome of the procedure and awarding the contract
- If Contract Award Notices are issued electronically, then the standstill period starts on the day after the date of issue of the contract award notices and ends at midnight on the tenth day from that day

- If Contract Award Notices are issued by post, then the standstill period starts on the day after the date of issue of the contract award notices and ends at midnight on the fifteenth day from that day
- If the last day of the standstill period is not a working day, then the standstill period must be extended to include the next working day, for example, if the ten or fifteen-day standstill period ends on a Saturday, then the period must be extended until the next Monday
- Once the applicable standstill period has expired, we may enter into a contract with the successful tenderer
- Following completion of the tender procedure, we must publish a contract award notice in the OJUK, via the Public Contracts Scotland website
- Any complaint about, or challenge to a contract award we make, or any situation which could be reasonably expected to lead to such a complaint or challenge, must be notified to the member of our staff leading the procurement

6.3 Procurement Procedures under the Regulations

6.3.1 Open Procedure

The Open Procedure is a single stage procedure in terms of which all interested parties may submit a tender in response to the contract advertisement. There is no separate pre-qualification stage in the Open Procedure, although tenderers will be required to complete a document known as a Single Procurement Document (SPD) as part of their tender submission.

Use of the SPD under the Open Procedure

The SPD is a standard-form document, which will include a range of mandatory and discretionary grounds for exclusion. Bidders will need to confirm in their completed SPD that none of the mandatory and discretionary grounds for exclusion applies to them and / or their organisation.

The SPD may also include a number of “pass / fail” questions or questions in relation to which a minimum score must be achieved. Bidders will be required to achieve a “pass” or the minimum score in relation to these questions in order for their tender to be fully evaluated by us.

The SPD has replaced the requirement for suppliers to provide up-front evidence or certificates by allowing them to self-declare that they meet certain selection and exclusion criteria.

Bidders will be asked to provide proof that they meet the mandatory minimum criteria at a later stage in the tender process or they can be asked to provide the evidence at the SPD selection stage.

By law, a winning bidder has to submit all of the required certificates and documentation, before they are awarded a contract. We can ask bidders to submit their evidence at any point in the procurement process, if this is necessary to ensure that the process is carried out properly.

In an open, or one-stage, procedure, we will ask the successful bidder to provide their supporting evidence at the point of contract award but before any contract is entered into, if this has not already been requested with the SPD.

If, following review of supporting evidence submitted by a successful bidder, we find a bidder to have misrepresented itself, we will need to consider the following:

- If we identify that a bidder is actually in one of the situations which is a mandatory ground for exclusion, or if it does not meet one of the minimum selection criteria, then we **must** exclude that bidder from the competition (depending on the nature and stage of the competition, that may mean either that we proceed without that bidder, or that competition should be re-evaluated without that bidder's tender)
- If we identify that a bidder is in one of the situations which is a discretionary ground for exclusion, then we will need to consider whether or not to exclude that bidder (the decision to exclude must be made in line with the general principles of transparency, proportionality, equality of treatment and non-discrimination)
- If the issue is more administrative in nature (for example, mistakes in providing the required documentation), then we will have the option of inviting the bidder to supplement or clarify the documentation provided

Clarification of tenders under the Open Procedure

Under the Open Procedure, we can ask tenderers to clarify aspects of their tenders following submission (SPD, Quality and Price). However, material changes to the terms of tenders are not permitted and we may not negotiate with tenderers after submission of tender responses.

6.3.2 Restricted Procedure

The Restricted Procedure is a two-stage procedure in terms of which all interested parties may submit an expression of interest in response to the contract advertisement.

We then issue an SPD to interested parties and follow a pre-qualification stage – only those candidates which meet our selection criteria (as set out in the SPD) will be short-listed and invited to the tender stage of the process.

We must invite a minimum of five suppliers to tender unless fewer suitable candidates have met the selection criteria and these are sufficient to ensure genuine competition.

Use of the SPD under the Restricted Procedure

The SPD is a standard-form document, which will include a range of mandatory and discretionary grounds for exclusion. Bidders will need to confirm in their completed SPD that none of the mandatory and discretionary grounds for exclusion applies to them and / or their organisation.

The SPD may also include a number of “pass / fail” questions or questions in relation to which a minimum score must be achieved and bidders will be required to achieve a “pass” or the minimum score in relation to these questions in order for their tender to be fully evaluated by us.

The SPD has replaced the requirement for suppliers to provide up-front evidence or certificates by allowing them to self-declare that they meet certain selection and exclusion criteria. We will ask bidders to provide proof that they meet the mandatory minimum criteria at a later stage in the tender process or to provide the evidence at the SPD selection stage.

By law, a winning bidder must submit all of the required certificates and documentation, before they are awarded a contract. We can ask bidders to submit their evidence at any point in the procurement process, if this is necessary to ensure that the process is carried out properly.

In a restricted, or two-stage, procedure, we will ask the successful bidder to provide their supporting evidence at the point of contract award but before any contract is entered into, if this has not already been requested with the evidence in the SPD.

If, following a review of the supporting evidence submitted by a successful bidder, we found that the bidder has misrepresented itself, we will need to consider the following:

- If we identify that a bidder is in one of the situations which is a mandatory ground for exclusion, or if it does not meet one of the minimum selection criteria, then we **must** exclude that bidder from the competition (depending on the nature and stage of the competition, that may mean either that it proceeds without that bidder, or that competition should be re-evaluated without that bidder's tender)
- If we identify that a bidder is in one of the situations which is a discretionary ground for exclusion, then we will need to consider whether or not to exclude that bidder (the decision to exclude must be made in line with the general principles of transparency, proportionality, equality of treatment and non-discrimination)
- If the issue is more administrative in nature (for example, mistakes in providing the documentation), then we will have the option of inviting the bidder to supplement or clarify the documentation provided

Clarification of tenders under the Restricted Procedure

We can ask tenderers to clarify aspects of their tenders following submission (SPD, Quality and Price) similar to the Open Procedure but we cannot make, material changes to the terms of tenders and we may not negotiate with tenderers after submission of tender responses.

6.3.3 Competitive Dialogue Procedure

The Competitive Dialogue Procedure is suitable for more complex and / or high value procurements. Interested parties can submit an expression of interest in response to the Contract Notice.

We may then carry out a short-listing exercise (using an SPD) and only those meeting our selection criteria will be invited to dialogue.

We must invite a minimum of three suppliers to dialogue unless fewer candidates have met the selection criteria and these are sufficient to ensure genuine competition, that is, at least two.

We then enter into a dialogue with bidders to develop one or more suitable solutions to meet our needs. There is no set format that the dialogue must follow, it will usually consist of a series of meetings with each tenderer with each meeting focusing on different aspects of the procurement, for example: financial, technical and legal.

However, whichever format is used, we should be careful to ensure that all tenderers are treated equally and are given the same opportunities to access relevant information.

During the course of the dialogue we are able to reduce the number of bidders provided that we confirm we intend to do so in the Contract Notice or Invitation to Participate in Dialogue. If we choose to down select, we should ensure that at least two tenderers remain in the dialogue until it concludes.

When an appropriate solution has been identified, we will conclude the dialogue phase and invite final tenders. We may require all final tenders to be based on one solution identified during the course of the dialogue or allow each tenderer to submit a bespoke final tender.

Following receipt of final tenders, we evaluate the tenders and select the best tender based on pre-specified award criteria.

Under the Regulations, Contracting Authorities may carry out further negotiations with the highest-scoring bidder, following an evaluation of the final tenders “to confirm financial commitments or other terms contained in the tender in order to finalise the terms of the contract”, as long as this does not materially change the essential aspects of the procurement or risk distorting competition or causing discrimination.

6.3.4 Competitive with Negotiation Procedure

The Competitive with Negotiation Procedure is suitable for more complex and / or high value procurements.

This procedure is a “hybrid” procedure because, as with the Restricted Procedure, it allows us to award a contract on the basis of an initial tender.

However, like the Competitive Dialogue Procedure, it also enables us to negotiate with tenderers who submitted an initial tender, and any subsequent tenders, until we decide to conclude those negotiations. There is no limit to the number of negotiation and tender stages.

Once we are satisfied that we have completed our negotiation exercise with each bidder, we must formally close the negotiation phase and invite final tender submissions.

Final tenders are then submitted and evaluated, and the contract is awarded.

Unlike the Competitive Dialogue Procedure, the Regulations do not provide for any clarification or negotiation of the final tenders or the winning tender.

7.0 Regulated Procurements under the Procurement Reform (Scotland) Act 2014**7.1 Overview of the Act**

We will comply with The Act as it applies to the following types of contract:

- Contracts for goods or services with an estimated value of between £50,000 and £189,330 (excluding VAT)
- Contracts for works with an estimated value of between £2,000,000 and £4,551,403 (excluding VAT)

Such contracts must be advertised on the Public Contracts Scotland website and publicly procured in accordance with the terms of the Act, which imposes general obligations on Contracting Authorities to treat economic operators equally and without discrimination and to act in a transparent and proportionate manner.

Any procurement which is subject to the terms of the Act must comply with general principles of:

- Transparency – contract procedures must be transparent and contract opportunities should generally be publicised
- Equal treatment and non-discrimination – potential suppliers must be treated equally

- Proportionality – procurement procedures and decisions must be proportionate

Requirements under the Act cannot be artificially split (de-aggregation) to avoid the application of the Act (e.g. a single requirement for services with a value of £50,000 cannot be the subject of two separate contracts of £25,000 each).

Where a proposed contract is “mixed”, e.g. if it contains both works and services / supplies or services and supplies, it should be classified according to the main subject of the contract and then the largest subject value. For example, in the supply and fit of 50 new kitchens, the main subject is the supply then the fit of the kitchens. The estimated value of the kitchen supply is £1,200 and the fit (works) cost is £1,000 then the main subject and higher value is the supply, then the contract is a Supply. This should be followed for all contracts.

7.1.1 Specific Statutory Duties under the Act

There are a number of specific statutory duties under the Act which will apply to the procurement of any contracts which are subject to the terms of the Act or the Regulations.

The principal statutory duties under the Act are as follows:

The Sustainable Procurement Duty

We must consider, before starting a procurement competition, how, by the way in which we conduct the procurement process, we might improve the economic, social and environmental well-being of our area, how we might facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses and to consider how we can promote innovation.

Having considered and identified how these aims might be achieved, the Act requires us to conduct our procurement in a way designed to secure the improvements identified.

Annual Procurement Strategy

The Act requires us to prepare and publish an Annual Procurement Strategy for each year in which we consider our total expenditure on Regulated Procurements will exceed £5,000,000.

If we have to prepare an Annual Procurement Strategy, we must also prepare an Annual Procurement Report.

Contracts Register

We must keep and maintain a Contracts Register which must include details of all contracts entered into by us following a Regulated Procurement under the Act. In relation to each contract, the Contracts Register must contain the following information:

- The date of award
- The name of the successful contractor
- The subject matter of the contract
- The estimated value of the contract
- The start date of the contract
- The end date provided for in the contract (disregarding any option to extend the contract) or, where there is no date specified, a description of the circumstances in which the contract will end
- The duration of any period for which the contract can be extended

We may delete an entry in our Contracts Register only after the contract to which it relates has expired or been terminated.

We must make the information contained in our contracts register publicly available on the internet via PCS and by such other means as we consider appropriate.

We may withhold an entry or part of an entry in the Contracts Register if we consider that making it publicly available would:

- Impede law enforcement or otherwise be contrary to the public interest
- Prejudice the commercial interests of any person
- Prejudice fair competition between economic operators

Community Benefit Requirements

The Act requires that, for any Regulated Procurement with an estimated value equal to or greater than £4,000,000 (excluding VAT), we must consider whether to impose Community Benefit Requirements as part of the contract delivery before carrying out the procurement.

We must include in the Contract Notice relative to the procurement a summary of the Community Benefit Requirements it intends to impose or, if it is not going to include any community benefit requirements, or where applicable, the reasons for not including any such requirements.

7.2 Procurement Procedures under the Act

There are no specific prescribed procurement procedures or timescales under the Act but we may, if appropriate, use any one of the procurement procedures under the Regulations described in Section 5 of this Policy for procuring contracts which are subject to the terms of the Act.

In relation to advertising of contract opportunities which are subject to the terms of the Act, the Contract Notice, Tender Documentation and Contract Documentation must be published on the Public Contracts Scotland website.

Tenderers should be advised to submit any clarifications through the Public Contracts Scotland website, and these clarifications and answers will be available to all bidders to ensure transparency and anonymity.

Tenderers will be advised to only submit their tender submissions through the Public Contracts Scotland website.

~~The Reform Act process only differs with the UK as there is not requirement to provide a standstill period~~

Any complaint about, or challenge to, our contract award procedure or any situation which could be reasonably expected to lead to such a complaint or challenge must be notified to the staff member leading the procurement.

8.0 Unregulated Procurements – Contracts which are below threshold value

Contracts with an estimated value below the thresholds set out in the Regulations and the Act do not require to be procured in accordance with the terms of the Regulations or the Act but must be procured in accordance with the requirements of this Section of the Policy.

Contracts with an estimated value below the above prescribed thresholds do not need to be advertised in UK or publicly procured in terms of the Regulations but Contracting Authorities must ensure a degree of advertising and follow a procedure leading to the award of the contract which is sufficient to enable open competition and comply with general principles of equal treatment, non-discrimination, transparency and proportionality.

Estimated value of contract	Procedure to be followed
Below £5,000 works and services / supplies*	Work may be authorised within individual officer limits and contractor / supplier may be directly engaged without any form of public procurement exercise.
Between £5,000 and £25,000 works and services / supplies*	Where possible, a minimum of three competitive quotations to be invited via Quick Quote (QQ).
Between £25,000 and £50,000 works services / supplies*	Where possible, a minimum of three competitive quotations to be invited via Quick Quote (QQ) using standardised documentation and processes (for example, a specification, Quality Document (if appropriate) and return date to be sent to all contractors / suppliers being asked to provide costs). Lowest priced contractor or Most Economically Advantageous Tender (MEAT) can be used and to appoint.
Between £50,000 and £2m works*	Best Practice tender process to be followed with at least three competitive tenders invited via Scottish Contract Notice via PCS tendering procedure. Contractor evaluated as being the (MEAT) to be appointed.
Between £2m and £4,733,252 works and Between £50,000 and £189,330 services / supplies*	Formal Scottish tender process to be followed with at least three / five competitive tenders invited via Scottish Regulated Contract Notice via PCS full tendering procedure. Contractor / supplier evaluated as being the (MEAT) to be appointed.
Over £4,733,252 works and Over £189,330 services / supplies*	Formal OJUK tender process to be followed with at least three / five competitive tenders invited via UK Regulated Contract Notice via PCS full tendering procedure. Contractor / supplier evaluated as being the (MEAT) to be appointed.

* out with any existing Measured Term Contracts (MTC) values that are imbedded within a contract

9.0 Framework Agreements

A Framework Agreement is an 'umbrella agreement' that sets out the terms (particularly relating to price, quality and quantity) under which individual contracts ("call-offs") can be made throughout the period of the agreement (which will be a maximum of four years).

Framework Agreements can be set up for one Contracting Authority to use or can be set up for a number of Contracting Authorities to use.

We may set up our own Framework Agreements or we could explore in relation to a particular requirement, whether there is an existing Framework Agreement put in place by another Contracting Authority under which we are entitled to draw down the required supplies, services or works.

Pre-procured frameworks which we may be able to access include Frameworks established by Buying Solutions, Procurement for Housing and the Scottish and UK Governments.

Framework Agreements are either concluded with a single supplier or with multiple suppliers. Often, Framework Agreements are split into lots.

9.1 Do Framework Agreements need to be Advertised in OJUK?

A call-off is where an individual package of work is awarded to the successful tenderer under the Framework Agreement. If the value of all the potential call-offs under the Framework Agreement is estimated to exceed the UK thresholds, then the Framework Agreement should be advertised in the OJUK. However, if this is not the case, the individual call-offs do not then need to be re-advertised.

Please note that under the Act, Contract Award Notices do require to be published on Public Contracts Scotland in respect of call-off contracts with a value of more than £50,000 for goods or services, or £2 million for works.

9.2 How are call-offs awarded under a Framework Agreement?

If the Framework Agreement is awarded to one provider, then we can simply call-off the requirement from the successful supplier as and when it is needed. Where the Framework is awarded to several suppliers, there are two ways in which call-offs might be made:

- Where the terms laid out in the Framework Agreement are detailed enough for the Purchasing Authority to be able to identify the best supplier for that particular requirement, then the Authority can award the contract without re-opening competition
- If the terms laid out in the Framework Agreement are not specific enough for the Purchasing Authority to be able to identify which supplier could offer them best value for money for that particular requirement, a further mini-competition would be held between all the suppliers on the Framework Agreement who are capable of meeting the need

9.3 Advantages of Framework Agreements

If a Framework Agreement has been properly concluded further to compliant procurement procedure, we do not need to follow the full OJUK procedure in

respect of each requirement which is the subject of a call-off, thus reducing costs and timescales. There are also potential benefits of economies of scale.

9.4 Potential Disadvantages of Framework Agreements

Framework Agreements may be relatively unresponsive to change – there may be new suppliers and/or new solutions within the market that were not included when the Framework Agreement was initially set up.

Framework Agreements tend to apply a "one size fits all" approach, which may make it difficult for us to satisfy our own procurement objectives through use of a Framework Agreement which has been procured by a third party and may not have been tailored to our particular requirements.

10.0 Exceptions to the Requirement to Publicly Procure a Contract

There are certain exceptional circumstances in which tenders are not required for the procurement of contracts for supplies, services or works which are above the applicable threshold value under the Regulations or the Act, these are contained both within the PCS Regulations 2015 under Section 33 - *Use of the Negotiated Procedure without Prior Publication* and the for the Reform Act 2014 with the PS Regulations 2016, under Section 6 - *Circumstances in which a contract can be awarded without competition*. These sections consider the following:

- Where no tenders, no suitable tenders, no requests to participate or no suitable requests to participate have been submitted in response to an Open or a Restricted Procedure, provided that the initial conditions of the contract are not substantially altered
- Where the tender may only be awarded to a particular supplier for technical or artistic reasons or where a particular supplier has exclusive rights, including, but not limited to, intellectual property rights, which mean they are the only supplier capable of meeting our requirements
- Where we have already entered into a contract with a supplier and require additional services or works to be supplied which were not included in the original contract but which, through unforeseen circumstances, have become necessary
- Where we want to appoint a supplier with which-whom we already has-have a contract to provide new works or services which are a repetition of works or services carried out under the original contract and such new works or services were provided for in the original contract notice
- Where (but only if it is strictly necessary) for reasons of extreme urgency brought about by unforeseeable events, the time limits for one of the standard procurement procedures cannot be complied with.

The above exceptions may only be relied-upon-used in limited circumstances and are subject to a range of specific conditions. Our Management Committee must approve any such approach and we may require specific legal advice before proceeding with any such exception.

11.0 Renewals, extensions and changes to existing contracts

A proposed extension, renewal or amendment to an existing contract may be considered equivalent to the award of a new contract if it constitutes a material change.

If a change to an existing contract has the effect of creating a new contract, we may need to undertake a new competitive tender process in accordance with the Regulations or the Act.

Material changes to a contract are those which demonstrate the intention of the parties to renegotiate the essential terms of the original contract. Amendments to a contract may be regarded as “material” where they:

- Introduce conditions which, had they been part of the initial award procedure, would have allowed for the admission of tenders other than those initially admitted, or would have allowed for the acceptance of a tender other than the one initially accepted – in other words, the new conditions would have potentially changed the participants in and / or the outcome of the original procurement process – examples include extensions or price increases
- Extend the scope of the contract considerably to encompass services not initially covered
- Change the "economic balance" in favour of the contractor in a manner not provided for in the terms of the original contract – in other words, we make changes which improve the contractor's position or alter the balance of risk under the contract in favour of the contractor – examples include extensions or price increases or agreeing to renegotiate a contract in a way which relieves a contractor of an obligation

The Regulations restrict our ability to modify publicly procured contracts.

If we are considering modifying any terms of a publicly procured contract, then we must first get approval from our Management Committee and we may obtain appropriate legal advice.

12.0 Management Committee Role

Our Management Committee approves our overall Procurement Policy and, if required, our Procurement Strategy. It does not have a role as part of any individual tender process, but may approve a project that as part of the process requires a tender to be advertised for works, goods or services, or may have a role in approving the

budget for and/or acceptance of a winning tender, depending on the nature of the goods, works or services being procured.

Otherwise, the Management Committee delegates responsibility to the Senior Management Team to ensure that procurement by the Association is undertaken in compliance with this Policy.

13.0 Contracting within the Group

ELHA has a wholly owned repairs and maintenance subsidiary company, R3 Repairs Limited. Given that R3 is a subsidiary company which was set up to meet the Teckal exemption for the purpose of the procurement regulations, ELHA is able to contract directly with R3 on the procurement of repairs and maintenance services.

14.0 Policy Review

The Chief Executive will review this policy every five years or whenever there is a material change in legislation. Any changes required will be submitted to the Management Committee for approval.

ELHA PROCEDURE

Date Issued	August 2021
Date Last Updated	August 2021
Department	Corporate
Title	Procurement Procedure
Objective	To describe the approach to be followed for the procurement of goods, services and works
Responsible	Chief Executive
Next Review Date	August 2026

1.0 Introduction

The Procurement Policy sets out our approach when procuring contracts for the supply of services, the supply of goods and materials and / or the execution of works.

This procedure sets out the practical steps to be taken when procuring new works, goods or services, to ensure our Procurement Policy is followed. This procedure must be interpreted in accordance with the fundamental general principles of all procurement, namely equal treatment, non-discrimination, transparency and proportionality. You must refer to the Procurement Policy when implementing these procedures, as failure to do so may result in disciplinary action.

The Regulated Procurements under the Public Contracts (Scotland) Regulations 2015 (the Regulations) set out the procurement procedures to be followed. Appendix 1 & 2 provide more information about what you must consider to when deciding which is the most appropriate procedure to follow when procuring a contract. Appendix 3 sets out the minimum timescales to be followed.

In any year where we expect to procure more than £5m of new works, goods or services, we must publish a Procurement Strategy for that year (see Section 4). Any additional steps set out in the Procurement Strategy also need to be followed.

2.0 Procurement Tendering & Tender Opening Procedures

The table overleaf provides a summary of the procedure that should be followed dependent upon the estimated value of the contract.

Estimated value of contract	Procedure to be followed
Below £5,000 works and services / supplies*	Work may be authorised within individual officer limits and contractor / supplier may be directly engaged without any form of public procurement exercise.
Between £5,000 and £25,000 works and services / supplies*	Where possible, a minimum of three competitive quotations to be invited via Quick Quote (QQ).
Between £25,000 and £50,000 works services / supplies*	Where possible, a minimum of three competitive quotations to be invited via Quick Quote (QQ) using standardised documentation and processes (for example, a specification, Quality Document (if appropriate) and return date to be sent to all contractors / suppliers being asked to provide costs). Lowest priced contractor or Most Economically Advantageous Tender (MEAT) can be used and to appoint.
Between £50,000 and £2m works*	Best Practice tender process to be followed with at least three competitive tenders invited via Scottish Contract Notice via PCS tendering procedure. Contractor evaluated as being the (MEAT) to be appointed.
Between £2m and £4,733,252 works and Between £50,000 and £189,330 services / supplies*	Formal Scottish tender process to be followed with at least three / five competitive tenders invited via Scottish Regulated Contract Notice via PCS full tendering procedure. Contractor / supplier evaluated as being the (MEAT) to be appointed.
Over £4,733,252 works and Over £189,330 services / supplies*	Formal OJUK tender process to be followed with at least three / five competitive tenders invited via UK Regulated Contract Notice via PCS full tendering procedure. Contractor / supplier evaluated as being the (MEAT) to be appointed.

* out with any existing Measured Term Contracts (MTC) values that are imbedded within a contract

2.1 Tendering Procedure – Below £5,000

Where estimated costs are expected to be below £5,000 staff can obtain at least two written quotations for works, services or goods. There is no need to go through a public procurement procedure.

2.2 Tendering Procedure – Between £5,000 and £50,000

Where costs range from £5,000 to £50,000 on all contracts for works, services or goods, you will tender on a competitive basis via Public Contracts Scotland (PCS) website using the Quick Quote (QQ) facility.

The contract award will be made based on 100% costs (unless quality is a requirement within the low value tender). Any required supporting documentation or evidence to be supplied by the tenderer will be judged on a Pass or Fail basis or Weighted Scoring as appropriate.

Staff must make the Senior Management Team of any tenders being advertised using QQ, and Delegated Authority can be sought prior to the QQ tendering process to allow Managers to award the contract without further reference to the Senior Management Team if the value is within the agreed budget parameters (+10%). A report for information must be presented to the following Management Committee meeting after the contract is awarded to confirm the successful tenderer.

2.3 Tendering Procedure – Above £50,000

Where costs are above £50,000 on all contracts for works, services or goods staff should seek advice from the Senior Management Team in the first instance. We will tender on an open, transparent and competitive basis via Public Contracts Scotland (PCS) website using the most appropriate procurement procedure (See Appendix 1). This will normally be Open (Single Stage) or Restricted (Dual Stage). Selection or Prequalification will be undertaken using the Single Procurement Document (SPD – See Section 2.4).

Staff will make an award based on Most Economically Advantageous Tender (MEAT) by balancing both quality and price at an agreed ratio e.g. 50/50, 60/40, 70/30, 80/20, 90/10, depending on levels of risk, governance and value. The Senior Management Team will approve any tendering process and need to confirm the following before the process can start:

- a. A summary of the procurement activity
- b. The role of any consultants and/or legal representatives
- c. The project plan and proposed timeline
- d. The procurement process to be followed
- e. Quality and Price ratios
- f. Budget costs for the procurement

Where possible, Management Committee approval to start the tender process will be obtained, if this is not possible due to timescales and/or the timing of meetings, Chair's Consent will be sought. A report for information will be brought to the next Management Committee meeting following the contract award.

2.4 Single Procurement Document (SPD)

The SPD is a standard form for use by the UK and Scotland, which replaces the pre-qualification questionnaires.

The assessment of the SPD submission (Stage 1) will be undertaken by a minimum of one member of the Senior Management Team and, if applicable, any consultants that are assisting with the procurement, to a minimum panel of two but a maximum of four scorers. This short-listing will allow the required number of bidders to go through to tendering stage based on the information detailed in the contract notice on PCS. Training and instruction on these procedures will be provided as necessary for relevant staff and Committee members involved in this process.

2.5 Quality Submission

The assessment of the Quality submission (Stage 2) will be undertaken by a minimum of one member of the Senior Management Team, and, if applicable, any consultants that are assisting with the procurement, to a minimum panel of two but a maximum of four scorers.

The quality scoring can be undertaken separately or as a collective to provide an individual score and then an average score for each bidder. The average score will be the score that is taken forward to the quality scoring matrix.

The price will be added to the price / quality matrix last after all the quality scores have been assessed. The tender openers should not be involved in the quality process if at all possible to ensure transparency of the process.

3.0 Tender Opening Procedure

Tenders between £5,000 and £50,000 for works, services or goods, issued as a Quick Quote will be returned via the portal to the PCS post-box facility.

Tenders above £50,000 for works, services or goods, issued as a full tender process will be returned via the portal to the PCS post-box facility.

The PCS post-box facility locks and does not allow any tenders or tender quality submissions to be opened before the submission date and time outlined in the contract notice. No tenders shall be returned via post or delivered to our offices.

All tender openings should be in the presence of at least one member of the Senior Management Team and another member of staff will be present during the opening of all submitted tenders.

The witnessed tenders will then be recorded in the Tender Register by the senior member of staff in attendance at the tender opening meeting. The consultant QS or senior member of staff responsible for issuing the tender documents will review and compare the bids received, check the arithmetical calculations, and any errors will be clarified and logged. They will then prepare a tender report to check and validate the submitted costs.

3.1 SPD Assessment

All fully tendered contracts above £50,000 for works, services or goods will use the SPD as the selection criteria for any procurement procedures, including Open (Single) and Restricted (Dual) procedures the most commonly used procedures.

Letters will be sent to the unsuccessful bidders advising them of the outcome of the SPD assessment and providing the breakdown of their SPD scores (or pass / fail criteria) against the highest scoring SPD bidder.

All successful bidders going through to the Second Stage of the tender process will be advised through the Second Stage process within PCS.

3.2 Quality & Price Assessment and Contract Award

Staff will normally award QQ contracts for works, services or goods to the lowest price tendered. Letters will be sent to the unsuccessful bidders advising them of the outcome. The QQ Contract Award notice will be published and a letter outlining the contract details will be sent to the successful bidder.

All fully tendered contracts for works / services / supplies will be awarded according to the balancing quality and price ratio matrix. This can mean that the lowest priced tender will not always win the contract. It is the combined highest scores of quality and cost that win. Letters will be sent to the unsuccessful bidders advising them of the outcome and providing the breakdown of their quality and price scores against the winning scores. The Contract Award notice will be published and a letter outlining the contract details will be sent to the successful bidder.

In the event of an UK procurement exercise staff will ensure that they adhere to the appropriate prescribed standstill period after tender award, in line with the chosen procurement procedure.

All the Association's procurement activities and advertised contracts will be logged on the PCS Contract Register. Although these actions may be undertaken by Consultants on behalf of ELHA, they will be supervised by the relevant Senior Management Team member whose responsibilities cover the contract which is the subject of the tender.

4.0 Procurement Strategy

Where our total value of Regulated Procurements is £5m or more within a financial year, we must prepare a Procurement Strategy and publish it online before the start of that financial year in accordance with the Act. If our total value of Regulated Procurement is less than £5m but it becomes apparent during the course of the financial year that this threshold will be exceeded, we must prepare and publish online a Procurement Strategy for that financial year.

The Strategy must set out:

- How procurements will help achieve our purposes and Value for Money
- Our general policy on community benefits, consulting and engaging with stakeholders, payment of living wage by suppliers, promoting health and safety compliance by suppliers, etc
- How we will ensure suppliers are paid (and how they will ensure they pay their sub-contractors) within 30 days of invoice

The Senior Management Team will review the requirement for a Procurement Strategy as part of the preparation of the annual Budget. The Chief Executive will prepare and present any Procurement Strategy required to the Management Committee prior to the start of the new financial year.

4.1 Annual Report

If we have prepared (or revised) a Procurement Strategy for a financial year, an Annual Procurement Report on Regulated Procurements must be prepared by the Chief Executive, who will publish this on elha.com once it has been approved by the Management Committee. The Annual Report will include:

- A summary of the Regulated Procurements that have been completed during the year covered by the report
- A review of whether those procurements complied with our Procurement Strategy
- To the extent that any Regulated Procurements did not comply, a statement of how we intend to ensure that future Regulated Procurements do comply
- A summary of any Community Benefit Requirements imposed as part of a Regulated Procurement that were fulfilled during the year covered by the report
- A summary of any steps taken to facilitate the involvement of supported businesses in Regulated Procurements during the year covered by the report
- A summary of the Regulated Procurements we expect to commence in the next two financial years

5.0 Procedure Review

The Chief Executive is responsible for the review this procedure every five years, or sooner if there is a change in legislation that necessitates an earlier review.

Appendix 1

Procurement Procedures

1.1 When to use the Open Procedure

Staff may use the Open Procedure where tenders will be easy to evaluate and / or when there are only likely to be a limited and manageable number of tenders to evaluate.

As all interested parties may submit a tender, the Open Procedure is unlikely to be appropriate where there is any complexity in the evaluation process for practical reasons, or where we anticipate a significant volume of responses and wish to limit the number of tenderers invited to the tender stage of the process.

1.2 When to use the Restricted Procedure

As there is a short-listing phase, the Restricted Procedure is likely to be more appropriate than the Open Procedure for procurements where there is likely to be significant supplier interest and a large volume of expressions of interest or where we need to limit the short-list of tenderers to those with specific expertise and experience in a particular area or sector.

As contracting authorities are unable to negotiate with tenderers, the Restricted Procedure should only be used where you are able to adequately specify our needs.

For more complex procurements, staff should either consider using one of the more complex procurement procedures described at Sections 4.0 and 5.0 of this Procedure or undertake a suitable market testing exercise to identify what solutions may be appropriate prior to issuing a contract notice.

1.3 When to use the Competitive Dialogue Procedure

The Competitive Dialogue Procedure will be suitable where:

- Our needs cannot be met without adaptation of readily available solutions
- The contract includes design or innovative solutions
- The contract cannot be awarded without prior dialogue and negotiation because of specific circumstances related to the nature, the complexity or the legal and financial makeup of a requirement or because of risks attaching to them
- The technical specifications cannot be established with sufficient precision by the Contracting Authority with reference to a standard or common technical specification or technical reference
- Only irregular / unacceptable tenders have been submitted in response to a previous procurement process run using the Open or Restricted Procedure and we need to have the option for dialogue and negotiation with tenderers

1.4 When to use the Competitive with Negotiation Procedure

The Competitive with Negotiation Procedure will be suitable where:

- Our needs cannot be met without adaptation of readily available solutions
- The contract includes design or innovative solutions
- The contract cannot be awarded without prior negotiation because of specific circumstances related to the nature, the complexity or the legal and financial makeup of a requirement or because of risks attaching to them
- The technical specifications cannot be established with sufficient precision by the Contracting Authority with reference to a standard or common technical specification or technical reference
- Only irregular / unacceptable tenders have been submitted in response to a previous procurement run using the Open or Restricted Procedure and we need to have the option to dialogue and negotiate with tenderers

2.0 Choice of Procurement Procedure

2.1 Guidance on Procurement Flowchart

The flowchart at Appendix 2 has been designed to allow staff to determine what statutory requirements apply to procurements. The relevant legislation is:

- The Procurement Reform (Scotland) Act 2014 – the “Act”; and
- The Public Contracts (Scotland) Regulations 2015 – the “Regulations”

Even where procurement does not fall under the requirements of either the Act or the Regulations, staff must ensure that bidders are treated equally and non-discriminatorily and that you act in a transparent and proportionate manner (the “Principles”).

2.2 Type of Contract

Staff must consider which category the procurement falls into:

- Goods or Services
- Works

3.2.1 Goods or Services

Staff must then consider the estimated total value of a contract before commencing any procurement exercise. You should take the following into account:

- Any amounts payable as part of an option or renewal
- The estimated value upon commencement of the procurement
- The total estimated value of any lots

2.2.2 Works

Staff must consider the estimated total value of a contract before commencing any procurement exercise. You must take into account:

- Any amounts payable as part of an option or renewal
- The estimated value upon commencement of the procurement
- The total estimated value or any suppliers and services necessary for executing the works, provided by us to the contractor
- The total estimated value of any lots

3.3 Procurement of Goods, Services or Works under the Act (“Regulated Procurements”)

Staff must publish a Contract and contract award notice on PCS.

When awarding a contract, staff must notify all unsuccessful tenderers of the name of the successful tenderer, the award criteria used, and our scoring against those criteria (of both the unsuccessful tenderer and the successful tenderer).

Any requirement for a technical specification must be set out in the tender documents.

3.4 Procurement of Works under the Act (Community Benefits)

Where applicable, before undertaking the procurement, staff must consider whether to impose Community Benefit requirements as part of the procurement. Community Benefit Requirements relate to training and recruitment, availability of sub-contracts, or improvements to the economic, social or environmental wellbeing of our area.

The Contract Notice must contain:

- A summary of the Community Benefit Requirements intended to be included in the contract
- A statement of reasons for not including any Community Benefit Requirements

Where Requirements are included in a contract, the Contract Award Notice must state the benefits which you consider to be derived from the Requirements.

4.0 Procurement of Goods or Services under the Regulations

The tender requires to be published in the UK e-notification service / Official Journal (OJEU) and one of the defined procedures set out in the Regulations must be followed:

- Open or Restricted Procedure
- Innovation Partnership
- Competitive Procedure with Negotiation
- Competitive Dialogue

Specific requirements include:

- Technical specifications to be set out in the Tender Documents
- Tender Documents must be available electronically and free of charge from the date of publication of the Contract Notice
- Mandatory and discretionary grounds for excluding tenderers – maximum turnover requirement of two times the value of the contract
- Selection and award criteria
- Self-declaration for tenderers under the European Single Procurement Document

5.0 Framework Agreements

A Framework Agreement is an 'umbrella agreement' that sets out the terms (particularly relating to price, quality and quantity) under which individual contracts ("call-offs") can be made throughout the period of the agreement.

If staff require a Framework Agreement, the procedures set down in the Regulations apply. The term of a Framework Agreement must not exceed four years, including any extensions.

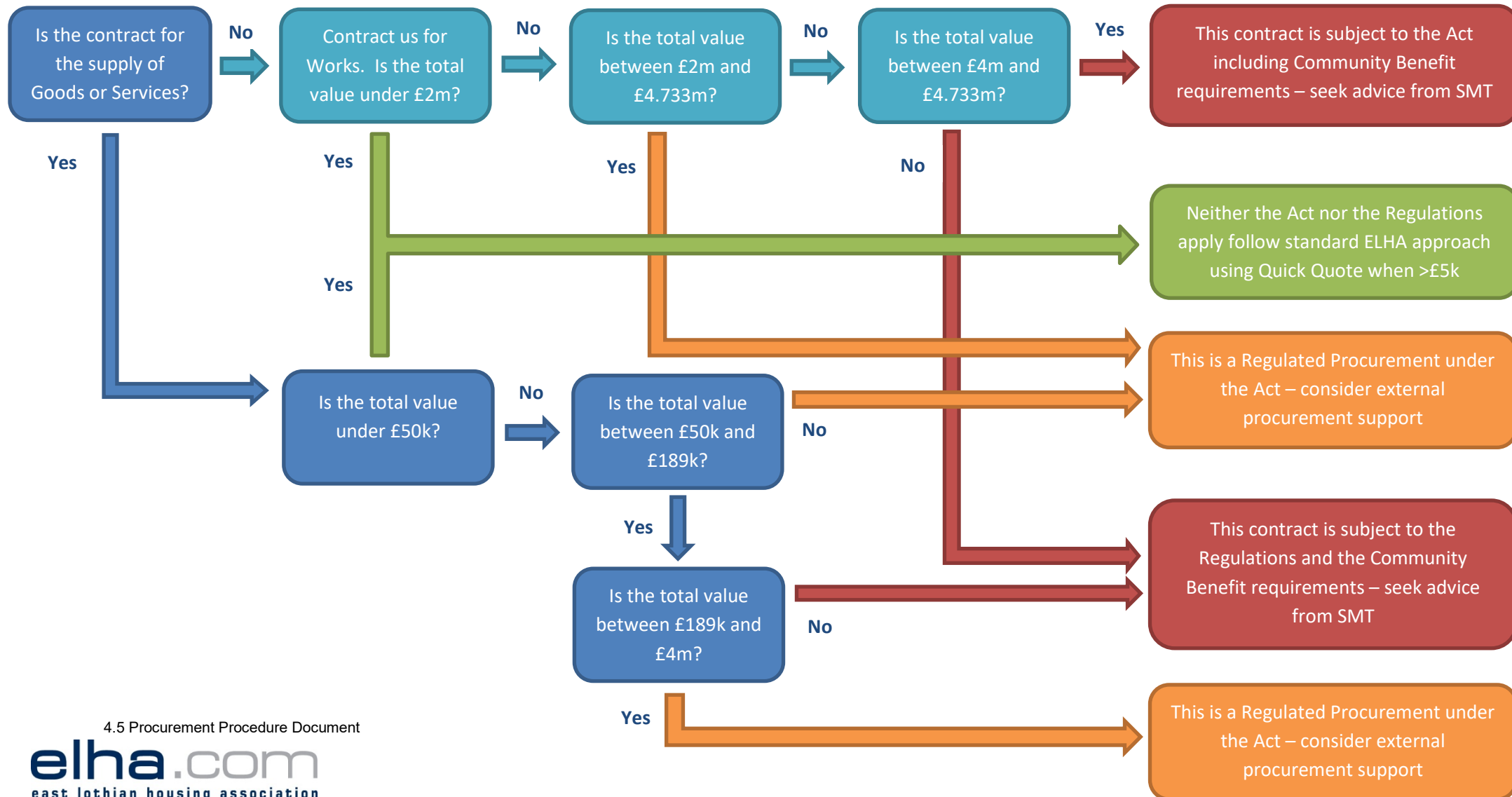
Single Supplier Framework Agreement – we must award a contract, based on that agreement, in accordance with the Framework Agreement and we may write to the supplier to supplement its tender as necessary for the award of such a contract.

Multi-supplier Framework Agreement – there are specific provisions within the Regulations in terms of awarding contracts under the Framework Agreement, either without or by reopening competition.

Framework Agreements can only be entered into with the approval of the Senior Management Team and reported to Management Committee.

The following Flowchart has been designed to you to determine what statutory requirements apply to procurements

Procurement Flowchart



Appendix 3

Procurement Timescales

Type of procedure	Standard timescales	Options for the Association to reduce timescales	Tenders submitted electronically	Requirement is urgent and longer time limit is impractical as a result	PIN published no more than 12 months and no less than 35 days from despatch of contract notice
Open	Despatch of contract notice to receipt of responses – 35 days Standstill period – 10 days if notice issued electronically / 15 days if by other means	5-day reduction	Period reduced to 15 days	Period reduced to 15 days	
Restricted	Despatch of contract notice to receipt of responses – 30 days ITT to receipt of tenders – 30 days Standstill period – 10 days if notice issued electronically / 15 days if by other means	May agree time-limit with tenderers – in absence of agreement minimum period is 10 days	5 day reduction	Period reduced to 15 days Period reduced to 10 days	Period reduced to 10 days
Competitive Dialogue	Despatch of contract notice to expressions of interest – 30 days Standstill period – 10 days if notice issued electronically / 15 days if by other means				
Competitive with Negotiation	Despatch of contract notice to expressions of interest – 30 days ITN to receipt of tenders – 30 days Standstill period – 10 days if notice issued electronically / 15 days if by other means	May agree time-limit with tenderers – in absence of agreement minimum period is 10 days	5 day reduction	Period reduced to 10 days	Period reduced to 10 days

EU REGIME			
Minimum Timescales (Please click on highlighted cells)	Dispatch of Prior Information Notice Minimum Days	Selection Stage Minimum Days	Award Stage Minimum Days
Open Procedure	N/A	N/A	35
Open Procedure with electronic submission of tenders	N/A	N/A	30
Open Procedure with publication of compliant PIN	35	N/A	15
Open Procedure with duly substantiated state of urgency	N/A	N/A	15
Restricted Procedure	N/A	30	30/10
Restricted Procedure with electronic submission of tenders	N/A	30	25/10
Restricted Procedure with publication of compliant PIN	35	30	10
Restricted Procedure - Use of a PIN as a call for competition	35	30	30/25/10
Restricted Procedure - with duly substantiated state of urgency	N/A	15	10
Competitive Procedure with Negotiation	N/A	30	30/10
Competitive Procedure with Negotiation with electronic submission of tenders	N/A	30	25/10
Competitive Procedure with Negotiation with publication of compliant PIN	N/A	30	10
Competitive Procedure with Negotiation with PIN as a call for competition	35	30	30/25/10
Competitive Procedure with Negotiation - duly substantiated state of urgency	N/A	15	10
Negotiated Procedure Without Prior Publication	N/A	N/A	None
Competitive Dialogue	N/A	30	None
Innovation Partnership	N/A	30	None
Dynamic Purchasing System	N/A	30	10

These Homes (Allocations) Policy Review

Report by Karen Barry, Director of Housing – for approval

1.0 Introduction

The These Homes (Allocations) Policy was submitted to the Management Committee for approval in May 2021 when it was agreed that it would be passed to the Association's solicitors for a final review to ensure that it is legally compliant.

Jim Bauld, TC Young has completed the review and the undernoted changes are recommended in addition to the amendments already identified at the meeting as being required, at Section 1.4.11, Temporary Tenancies and Section 1.4.12, Joint Tenancies.

Changes have been tracked on the attached **Extract Policy Document** and include the following:

- Section 1.4.9, Local Connection – clearly setting out the circumstances when local connection will not be considered
- Section 1.4.10, Home Ownership – clearly stating when homeownership cannot be taken into account

TC Young suggested a number of other minor changes to make the process easier for applicants to understand. These changes will be considered when the first annual review is carried out in May 2022.

Recommendation

The Management Committee is asked to approve changes to the These Homes (Allocations) Policy.

Date Issued	22 April 2004
Department	Housing Management
Title	These Homes (Allocations) Policy
Responsible	Director of Housing
Last Review Date	May 2021
Next Review Date	May 2022

1.4.9 Connection to East Lothian

We will assess the needs of everyone who applies to us for a Priority Pass in the same way, however, when allocating properties, applicants with a local 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. Local Connection is defined in Section 20(2)(aa) of the Housing (Scotland) Act 1987, which also states the circumstances when local connection must not be taken into account. These include if the applicant:

- Is employed, or has been offered employment in the area, or wishes to move into the area to seek employment and we are satisfied that this is the intention
- Wishes to move into the area to be near a relative or carer
- Has special social or medical reasons for requiring to be housed in East Lothian
- Is subject to harassment
- Is subject to or at risk of domestic abuse

If an applicant meets our criteria for a Priority Pass but does not currently live in East Lothian or have a local connection to East Lothian, then the Priority Pass will not be awarded, and they will not be given priority over other applicants who do have a local connection to East Lothian.

1.4.10 Home Ownership

We have the right to take account of whether an applicant owns or has owned property before deciding to allocate them a home ~~unless it is unsafe for them to occupy their home (for example it could be unsafe if there was a threat of abuse or the house itself is structurally unsafe), or if the house doesn't meet their needs (for example, if they have a disability and cannot access facilities).~~ unless in the following circumstances:

- The property has not been let, but the owner cannot secure entry to the property, for example, it would not be safe to enter due to severe structural faults or where there are squatters living in the property
- Where it is probable that occupying the property will lead to abuse from someone currently living in the property
- Where it is probable that living in the property will lead to abuse from someone who previously resided with the applicant whether in that property or elsewhere
- Where occupation of the property may endanger the health of the occupants and there are no reasonable steps that can be taken by the applicant to prevent that danger

When offering a tenancy to a person who is a homeowner, we will consider whether the housing needs of that person can be met through the temporary allocation of a home by a Short Scottish Secure Tenancy (SSST), which will be for an initial period of six months, which may be extended.

If we propose to offer a SSST we will advise the applicant of this, and the reasons for our decision at the time of the offer. The applicant may appeal this decision.

1.4.11 Temporary Tenancies

Most of the tenancies that we offer will be Scottish Secure Tenancies that provide long term security of tenure, however, in some limited circumstances, we may offer a Short Scottish Secure Tenancy (SSST) instead. The circumstances ~~where-in-which~~ we may offer a SSST are:

- Where an applicant is a homeowner who cannot live in their property because repairs are required to make their home safe or adaptations are necessary to meet the needs of the applicant or a member of their household, or the property is being sold to enable the purchase of an alternative, more suitable property
- Where, in the previous three years, ~~Where~~ an applicant or a member of their household has been evicted from a previous tenancy because of antisocial behaviour or has had an antisocial behaviour order (ASBO) served against them, or where a course of antisocial behaviour has been carried out ~~acted in an antisocial manner within the last three years~~
- A temporary let is needed for a person moving into the area to take up employment, to enable them to seek accommodation
- A temporary let is needed pending development affecting a property
- A temporary let is needed for a homeless person for a tenancy 6 months or over

- To someone requiring or receiving housing support services as defined in section 91(8) of the Housing (Scotland) Act 2001
- Where the property is leased by us from another body where the terms of the lease preclude us from subletting under an SST

If we grant a SSST which we decide not to either extend or convert to a Scottish Secure Tenancy, we will notify the tenant of the reasons for our decision and the tenant has the right to a review of this.

~~If we grant a SSST for a wheelchair designed property which is then needed by one of our own tenants, we will not normally extend it for a further period or convert it to a SST. Instead, we will work with the tenant to secure suitable alternative accommodation is found for them, so the wheelchair user can move into the specially adapted property as soon as possible.~~

~~If we grant a SSST to a homeowner because of the need for adaptation or essential repairs, or whilst possession of the property is being recovered, we will not normally extend the tenancy or convert it to a SST.~~

1.4.12 Joint Tenancies

We advise all applicants of their right to apply for a joint tenancy with a person who is either living with them or intending to live with them. ~~A request from an existing tenant to add a joint tenant will only be allowed once the proposed tenant has been living in the house for twelve months or more, and we have been made aware that they were living there at the outset of the twelve month period (tenants can do this by adding new household members to their My Home account at any time).~~