

A meeting of the Management Committee will take place on **Friday 26 November 2021 at 3.30pm** at **Carberry Tower, Musselburgh**

Please advise staff if you are unable to attend.

**Joyce Bolan**  
**Secretary**

## **B U S I N E S S**

### **1.0 GENERAL**

- 1.1 Apologies
- 1.2 Declaration of Interest by Management Committee Members
- 1.3 Minutes of 30 September 2021 – **for approval**
- 1.4 Action List – for information
- 1.5 Matters Arising

### **2.0 GOVERNANCE**

- 2.1 Secretary's Report – for information
- 2.2 Management Committee Calendar 2022/23 – **for approval**
- 2.3 Key Performance Indicators 2021/22 – for information

### **3.0 PRIORITY ITEMS**

- 3.1 Independent Review of ELHA Performance – for information

### **4.0 POLICIES**

- 4.1 Information and Advice Policy Review – **for approval**
- 4.2 Use of General Reserves Policy Review – **for approval**
- 4.3 Anti-Bribery and Corruption Policy Review – **for approval**
- 4.4 Asbestos Management Policy Review – **for approval**
- 4.5 Factoring Services Policy – **for approval**
- 4.6 Disposal of Assets Policy Review – **for approval**

### **5.0 BUSINESS MANAGEMENT**

- 5.1 Care & Repair Funding – **for approval**

### **6.0 ANY OTHER BUSINESS**

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

**Thursday 24 February 2021** at ELHA Head Office, Haddington, at 7.00pm

## Action List

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

The table below sets out the required actions agreed at the last meeting of the Management Committee on 30 September 2021, and confirms the actions taken as a result.

Minute Ref	Action Required	Action By	Action Taken
1.1	Arrange Induction sessions for the new Management Committee members	ES	Complete
1.3	Publish the papers and minutes from the August 2021 Management Committee meeting on elha.com	ES	Complete
2.2	Inform the SFHA of the Association's representative for 2021/22	ES	Complete
2.2	Inform EVH of the Association's representative for 2021/22	ES	Complete
2.2	Update mailing lists for Management Committee, Audit & Assurance Committee and Working Groups	ES	Complete
2.3	Ensure signed copies of the Code of Conduct and Eligibility for Membership are received from all Management Committee members	ES	Complete
4.1	Update the Disposal of Assets Policy in the ELHA File Structure and publish on elha.com	ES	Complete
4.2	Update the Smoke Free Policy in the ELHA File Structure and publish on elha.com	ES	Complete

## Secretary's Report – for homologation

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### 1.0 Membership

No New applications for Membership have been received.

### 2.0 Use of Seal for Homologation

Occupancy agreement – between East Lothian Housing Association and [REDACTED]

Transfer of Title – [REDACTED]

Side letter addendum to Key Commercial Terms letter and agreement between ELHA and CAF Bank. Date – 15/10/2021.

Amendment Agreement to the LSVT loan and interest rate swap between the Royal Bank of Scotland, Nat West Markets plc and East Lothian Housing Association – 5/11/2021.

Amendment Agreement to the Prestongrange loan between the Royal Bank of Scotland and East Lothian Housing Association – 5/11/21.

Amendment Agreement to the Hardgate loan between the Royal Bank of Scotland and East Lothian Housing Association – 5/11/21.

#### **Recommendation**

The Management Committee is asked to homologate the Use of the Seal.

## Management Committee Calendar 2022/23

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

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Management Committee dates for 2022/23 are as follows (dates in 2022 are confirmed, dates in 2023 are provisional):

Date	Meeting Time	Venue
24 February 2022	7.00pm to 9.00pm	ELHA Conference Room
24 March 2022	7.00pm to 9.00pm	ELHA Conference Room
26 May 2022	7.00pm to 9.00pm	ELHA Conference Room
25 August 2022	7.00pm to 9.00pm	ELHA Conference Room
29 September 2022 (AGM)	2.00pm to 3.30pm	Maitlandfield Hotel, Haddington
29 September 2022	4.00pm to 6.00pm	ELHA Conference Room
26 November 2022	9.30am to 11.00am	Carberry Towers, Musselburgh
23 February 2023	7.00pm to 9.00pm	ELHA Conference Room
23 March 2023	7.00pm to 9.00pm	ELHA Conference Room
25 May 2023	7.00pm to 9.00pm	ELHA Conference Room
24 August 2023	7.00pm to 9.00pm	ELHA Conference Room
28 September 2023 (AGM)	2.00pm to 3.30pm	Maitlandfield Hotel, Haddington
28 September 2023	4.00pm to 6.00pm	ELHA Conference Room
25 November 2023	9.30am to 11.00am	Carberry Towers, Musselburgh

## Key Performance Indicators 2021/22

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

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#### 1.0 Introduction

The Association's Key Performance Indicators (KPI's) for the second 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 £849 compared to the target of £683. The main reasons for the overspend are the R3 Lockdown support fee for April 2021, the profitability adjustments and catch up works from the 2020/21 pandemic restrictions.

##### 2.2 Stock Condition Inspections Completed

The 20% sample Stock Condition Survey scheduled for 2020/21 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 added to the 20% scheduled for 2021/22 and carried out in Quarter 3 and 4 of this financial year, however, as restrictions continued and the climate remains uncertain, this had not yet been commissioned.

This will be kept under review and will be progressed when it is considered appropriate. With the current absence of an Asset Manager, this may mean delaying restarting inspections until 2022/23. If this is the case, consideration will be given to increasing the annual sample size up to 30% each year until the programme is back on schedule.

##### 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 continues to effect performance and is something affecting all providers in the sector. Efforts are continuing to reduce delays.

**2.4 Properties allocated after 3 or more refusals**

A total of 112 applicants applied for a two bedroom flat in Musselburgh, which was allocated after three refusals. Reasons for refusal included a change of mind about living in the area, too far from family support, and owning a dog (which would not have been permitted in the flat). None of these reasons give any cause for concern in terms of asset management, with demand for the area remaining high.

**2.5 Gold Key Tenants**

Gold Key Tenants have increased during the quarter by 1.1% but still remains under target whilst emphasis continues to be placed on contacting those tenants who do not have a My Home account and / or who are not paper-free.

**2.6 Audit & Assurance Committee Attendance**

There were ten Management Committee members who have been eligible to attend the Audit & Assurance Committee for the first two meetings of this calendar year. At the meeting on June 2021 and August 2021 meetings, six members attended, resulting in attendance of 60% against a target of 75%.

At the September Management Committee meeting, the membership of the Committee reduced to seven. This means that six out of seven members attending will be required to meet the target.

**2.7 Percentage of Tenants Paper-Free**

There has been an increase in paper-free tenants during the quarter and figures now sit just below the target by 1% (13 tenants). A focus has been placed on contacting all tenants who are not paper-free to encourage take up of this service and home visits will start in November 2021 to those who have not responded to staff attempts to contact them to date. It is important for the Association to know whether there are any barriers preventing tenants signing up to this service and accessing Key Tenant Scheme Rent Discounts, or whether this is an informed choice.

Key Performance Indicators 2021/22

Appendix 1

Performance Indicator	Quarterly Target	Q1	Q2	Q3	Q4	2021/22 Target	2020/21 Actual	Year to Date	Status
<b>Rental Income</b>									
Non-technical arrears as % of rental income	3.0%	2.86%	2.71%			3.0%	2.84%	2.71%	😊
Bad debts written off as % rental income	1.75%	0.98%	0.45%			1.75%	0.67%	0.45%	😊
Voids as % of rental income	0.75%	0.53%	0.57%			0.75%	0.35%	0.57%	😊
<b>Finance</b>									
Interest cover (loan covenants)	110%	268%	229%			110%	288%	229%	😊
Gearing (loan covenants FRS102 definition)	<37%	24%	24%			<37%	25%	24%	😊
Current assets as a % of current liabilities	100%	149%	155%			100%	146%	155%	😊
Unit management costs	£1,769	£1,491	£1,572			£1,663	£1,693	£1,572	😊
Unit reactive maintenance costs	£683	£841	£849			£667	£794	£849	😞
<b>Asset Management</b>									
Stock condition inspections completed	cumulative	0%	0%			20%	0%	0%	😞
Gas services completed within timescale	cumulative	100%	100%			100%	99%	100%	😊
Planned maintenance contracts with >5% overspend	0	0	0			0	0	0	😊
Average time taken to complete emergency repairs	< 2 hours	01:09	01:15			< 2 hours	01:28	01:12	😊
Average time taken to complete non-emergency repairs	< 6 days	8.76	7.4			< 6 days	5.70	8.1	😞
Repairs completed right first time	85%	92%	91%			85%	94%	92%	😊
Repair appointments kept	93%	97%	98%			93%	97%	98%	😊
<b>Housing Management</b>									
Properties allocated after 3 or more refusals	0	0	1			0	0	1	😞
Number of evictions carried out	no target	1	0			no target	1	1	😞
Number of ASBO's in force against tenants	no target	0	0			no target	0	0	😊
Bronze Key Tenants	43.0%	45.7%	45%			43%	0	45.0%	😊
Gold Key Tenants	20.0%	14.0%	15.1%			20%	14.6%	15.1%	😞
Platinum Key Tenants	20.0%	21.2%	21.0%			20%	20.7%	21.0%	😊
<b>Corporate</b>									
Number of accidents reportable to HSE	0	0	0			0	1	0	😊
% working days lost through long term sick leave	5%	0.0%	3.2%			5%	0.20%	3.2%	😊
% working days lost through short term sick leave	2%	0.91%	1.1%			2%	0.35%	1.1%	😊
Management Committee Attendance	75%	80%	77%			75%	87%	78%	😊
Audit & Assurance Committee Attendance	75%	60%	60%			75%	83%	60%	😞
% of Tenants using their My Home Account	83%	84%	84%			83%	82%	84%	😊
% of Tenants Paper Free	83%	81%	82%			83%	80%	82%	😞

😊 Performance Excellent    😞 Performance Satisfactory    😞 Performance Poor

# Independent Review of ELHA Performance 2020/21

## Report by Linda Ewart – for Information

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### 1.0 Introduction

The data contained in this report is presented in a similar format to previous years and, as in 2020, the year-on-year comparison period has been restricted to three years. elha's performance is compared over the period and then compared with the 'neighbours', the 'peers' and the Scottish average, as before.

The comparison is based on two previously agreed comparison groups: the 'neighbours' are Melville, Manor Estates, Places for People Scotland<sup>1</sup> (RSLs) and East Lothian Council. The 'peer group' is Albyn, Eildon and Fyne Homes (RSLs). These groups have been used throughout the benchmarking period (i.e. since 2016) and so the comparisons are consistent. It is recommended, however, that they should be reviewed to assess whether these comparisons remain valid. The following table shows the total number of units managed by each landlord<sup>2</sup>

<b>Neighbours</b>	<b>Total Owned and Managed</b> (at 31/3/21)
elha	1342* <sup>3</sup>
Places for People Scotland (PFPS)	7041*
Manor Estates (MEHA)	1014
Melville	2016*
East Lothian Council	8917*
<b>Peer Group</b>	
Albyn	3399*
Eildon	2446*
Fyne Homes	1577*

### 2.0 Tenant Satisfaction

The performance reported is based on Tenant Satisfaction Surveys (TSS) carried out since 2018 by all landlords, providing some assurance that the comparisons are valid. It must be noted that some satisfaction information is more recent / up-to-date than others because of the different timescales and frequencies adopted by the various landlords. Anecdotal sector experience indicates that many of those landlords which have conducted a TSS in 2020/21 have encountered reduced levels of satisfaction, which is widely regarded as being attributable, at least in part, to the effects of the pandemic. The SHR reports that just under one third of landlords undertook a TSS during 2020/21<sup>4</sup>.

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<sup>1</sup> Part of the Places for People Group; formerly Castle Rock Edinvar and rebranded in 2021

<sup>2</sup> Scottish Housing Regulator (SHR) Annual Return on the Charter (ARC) data 2020/21

<sup>3</sup> Indicates stock has increased since 2019/20

<sup>4</sup> SHR National Report on the Scottish Social Housing Charter: August 2021



In 2018/19, it was reported that elha’s overall satisfaction performance had improved by just over 3% since the ARC was introduced in 2014, but remained below the Scottish average. In 2019/20 and following the conduct of the periodic triennial TSS, elha reported a very substantial improvement in tenant satisfaction which has been maintained in 2020/21 – overall satisfaction remains 5.5% above the Scottish average (compared to 4% below in 2019).

Table 1	Quality of service overall	Good at keeping informed about service & outcomes	Satisfied with opportunities to participate in decision making
elha 2021	94.5%	97.7%	92.3%
elha 2020	94.5%	97.7%	92.3%
elha 2019	86.2%	89.3%	77%
Scottish Av. 2021	89%	91.7%	86.6%
Scottish Av. 2020	89%	92%	87%
Scottish Av. 2019	90.1%	91.6%	86.5%

**2.1 Tenant Satisfaction Comparison**

Table 2 draws together the comparisons between elha, the Scottish average and the averages of the two benchmarking groups; it also illustrates the direction of travel. For the most part, the comparisons are broadly stable because of the typical three-year survey cycle. It should be noted, however, that the data indicates that Eildon Housing carries out more frequent, annual surveys and that PFPS completed a TSS in 2020/21.

Eildon’s satisfaction levels indicate an upward trajectory whereas PFPS reflects sector experience with declines in levels of satisfaction recorded. In 2020/21, the Scottish averages are comparable to the previous year, with only marginal differences recorded, meaning that national performance in terms of tenant satisfaction is stable. The ‘neighbours’ record slight declines against each of the three indicators, compared to the improvements of 2019/20. The ‘peer’ group has improved against all three indicators and, most noticeably, in respect of opportunities to participate in decision-making: this is due to the very significant improvement recorded by Eildon (92.5% compared to 62.9% in 2019/20).

Against two of the three satisfaction indicators, elha out-performs against the Scottish, peer group and neighbours’ averages. For quality of service, elha is now 7.9% ahead of the neighbours; for provision of information, elha’s performance is 5.7% better compared to the neighbours. For opportunities to participate in decision-making, elha is the same as the neighbours (compared to 15% behind in 2019). Against the peer group, elha continues to perform significantly better against all three indicators.

In 2019, elha’s performance had improved to become more closely aligned with all of the comparison groups<sup>5</sup>: in 2021, it is significantly better against the majority of comparisons against these three indicators, maintaining the position of recent years.

<b>Table 2 2021</b>	<b>Quality of service overall</b>	<b>Good at keeping informed about service &amp; outcomes</b>	<b>Satisfied with opportunities to participate in decision making</b>
elha	<b>94.5%</b>	<b>97.7%</b>	<b>92.3%</b>
Scottish Average	89% (2020: 89%)	91.7% (2020: 92%)	86.6% (2020: 87%)
Neighbours’ Average	86.6% (2020: 89.7%)	92% (2020: 93.7%)	92.2% (2020: 93.5%)
Peer Group Average	89% (2020: 88.1%)	89.4% (2020: 86.1%)	86.6% (2020: 75.7%)

### 3.0 Quality and Maintenance

Table 3 contains up to date information for elha based on the 2021 ARC, together with the Scottish averages for the same period. As in previous years, elha is recording a higher level of SHQS compliance than average (97.2% compared to the Scottish average of 91%, which has fallen from 94.4% in 2020<sup>6</sup>).

elha’s performance in respect of emergency repairs times has fallen slightly since 2020 but it remains significantly better than the Scottish average (1.5 hours compared to 4.2). This result indicates that elha was able to maintain its emergency repairs service to tenants more consistently during the Lockdown periods than other landlords were: the Scottish average emergency response time increased from 3.6 hours to 4.2.

elha’s non-emergency repairs response times have increased slightly (from 5.4 days to 5.7 days), which is very similar to the national trend which increased from the Scottish average of 6.4 to 6.7 days. elha’s performance in completing repairs ‘right first time’ has, however, fallen over the last year, from 95.5% to 90.9%, and is now 1% behind the Scottish average (having been 3% ahead in 2020). The Scottish average fell by a narrower margin of 0.9%. Overall satisfaction with elha’s repairs service has fallen markedly (by 8.4%) and is now poorer (by 5.2%) than the Scottish average, which fell slightly (by 1.2%).

<sup>5</sup> Performance had compared less favourably in previous years

<sup>6</sup> Likely to be at least partly attributable to the impact of the pandemic on spending and programmes

Table 3 Landlord	Meet SHQS	Av hrs for emerg. repair	Av days for non-emerg. repair	% reactive complete right 1 <sup>st</sup> time	% tenants satisfied with service
elha '21	97.2%	1.5	5.7	90.9%	84.9%
elha '20	97.1%	1.2	5.4	95.5%	93.3%
elha '19	96.9%	1.0	6.4	94.8%	91.7%
S Av '21	91%	4.2	6.7	91.5%	90.1%
S Av '20	94.4%	3.6	6.4	92.4%	91.3%
S Av '19	94.1%	3.6	6.6	92.5%	91.7%

### 3.1 Quality and Maintenance Comparison

Table 4 looks at the same indicators as Table 3 but with additional comparisons to provide a broader picture. In terms of SHQS compliance, elha’s performance has remained stable over the three-year period, as has that of the peer group, whereas the Scottish average and the neighbours’ comparisons indicate a declining trend (-3.1% and -4.4% respectively).

It was to be expected that repairs response times would be adversely impacted by the restrictions imposed during 2020/21: the data indicates that elha was able to maintain response times more successfully than other landlords. elha’s emergency response time was 2.7 hours better than the Scottish average: the three comparison groups all record average emergency response times within a range of 4.2 – 4.8 hours compared to elha’s 1.5 hours. The neighbours indicate the most significant increase of 2.3 hours<sup>7</sup> and the Scottish average the narrowest average increase of 0.6 hour.

For non-emergency repairs, elha’s performance fell slightly (adding 0.3 day to the response time) reflecting the same level of decline as the Scottish average, whilst the peer group declined noticeably by increasing from 5.5 days to 7.7 days<sup>8</sup>. In contrast, the neighbours’ performance improved by 0.3 day (from 7.4 days to 7.1)<sup>9</sup>.

In respect of ‘right first time’, elha has declined from 95.5% to 90.9%, reversing the trend of recent years, and ranking behind the Scottish and neighbours’ averages. Performance seems to have been largely sustained by the comparison landlords, whereas elha’s performance has declined.

<sup>7</sup> Within this group, PFFS records a significant increase in emergency repairs response times, from 3.5 hours in 2019/20 to 12.1 hours in 2020/21: increases for the other landlords in this group over the same period are within a similar range as is evident across the comparisons.

<sup>8</sup> Albyn, Eildon and Fyne Homes each recorded increases in non-emergency response times ranging from +1.4 - +2.7 days

<sup>9</sup> Significant improvement in PFFS’s performance (-3.6 days) offset increased response times recorded by Melville and ELC (+1.5, + day respectively); Manor Estates reduced its response time by 0.3 day

In 2019 and 2020, elha was the best against all comparisons. elha’s overall satisfaction with the repairs service has fallen markedly, by 8.4% and is almost 5% behind the Scottish average: by contrast, elha was 2% ahead in 2020. elha’s levels of overall satisfaction are slightly better than both the neighbours and peers (by 1.5% and 0.7% respectively).

Table 4	Meet SHQS	Av hrs for emerg. repair	Av days for non-emerg. repair	% reactive complete right 1 <sup>st</sup> time	% tenants satisfied with service
elha ‘21	97.2%	1.5	5.7	90.9%	84.9%
elha ‘20	97.1%	1.2	5.4	95.5%	93.3%
elha ‘19	96.9%	1.0	6.4	94.8%	91.7%
S Av ‘21	91%	4.2	6.7	91.5%	90.1%
S Av ‘20	94.4%	3.6	6.4	92.4%	91.3%
S Av ‘19	94.1%	3.6	6.6	92.5%	91.7%
N Av ‘21	89.5%	4.8	7.1	91.2%	83.5%
N Av ‘20	92.9%	2.5	7.4	91.9%	89.9%
N Av ‘19	93.9%	2.4	9.7	92.2%	85.7%
P Av ‘21	91.8%	4.7	7.7	87.7%	84.2%
P Av ‘20	92.6%	3.7	5.5	87.7%	86.1%
P Av ‘19	91.9%	3.3	5.6	88.8%	87.6%

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

#### 4.0 Neighbourhoods - ELHA

elha has achieved a very substantial and sustained improvement in resolving ASB cases since 2018: performance in 2021 is 33% better than in 2018 and 3% better than in 2020. elha’s performance is 5% better than the current Scottish average.

Table 5	% resolved within local targets
elha 2021	99.4%
elha 2020	96.4%
elha 2019	79.3%
Scottish Av 2021	94.4%
Scottish Av 2020	94.1%
Scottish Av 2019	87.9%

**4.1 Neighbourhoods Comparison**

In 2020, elha recorded significant improvement in resolution performance, which was sustained in 2021 and results in elha’s performance continuing to exceed each of the other comparisons. This is a substantial turn-around from elha’s position in 2016 when only 52% of complaints were resolved within agreed timescales.

Table 6	% resolved within local targets
elha 2021	<b>98.7%</b>
elha 2020	<b>96.4%</b>
elha 2019	<b>79.3%</b>
Scottish Average 2021	94.4%
Scottish Average 2020	94.1%
Scottish Average 2019	87.9%
Neighbours’ Av 2021	93.6%
Neighbours’ Av 2020	89.2%
Neighbours’ Av 2019	86.1%
Peers’ Av 2021	84.5%
Peers’ Av 2020	81.4%
Peers’ Av 2019	77%

**5.0 Value for Money: ELHA**

Despite a slight decline (-0.6%), elha’s performance in collecting rent continued to slightly exceed the Scottish average in 2021, although it must be noted that the Scottish average declined by a narrower margin. Void performance has improved marginally but the time taken to re-let has increased significantly (by around 6.5 days): this is likely to be attributable to pandemic restrictions. elha seems to have minimised the impact on re-let times much more effectively than indicated by the Scottish average, which increased by 24.5 days.

Table 7	% of total rent due collected	% rent not collected due to voids	Average number of days to re-let
elha 2021	99.4%	0.3%	25.8
elha 2020	100%	0.4%	19.1
elha 2019	100.2%	0.3%	24
Scottish Av 2021	99.1%	1.4%	56.3
Scottish Av 2020	99.3%	1.2%	31.8
Scottish Av 2019	99.1%	0.9%	31.9

### 5.1 Value for Money Comparison

Table 8 shows that, as in 2020 and despite a fall, elha’s performance is slightly better compared to the Scottish average and the neighbours and marginally poorer than the peers. In terms of elha’s internal trend, performance against the rent collection indicators is broadly stable, especially when considered in the context of the pandemic, and is consistent with the other comparisons in terms of trend / movement. elha re-let times are very significantly better than the other comparisons, all of which have increased substantially. Such increases are not altogether surprising given the restrictions of 2020/21 and, if anything, elha’s performance could appear to be an outlier when compared with the others.

Table 8	% of total rent due collected	% rent not collected due to voids	Average number of days to re-let
elha 2021	99.4%	0.3%	25.8
elha 2020	100%	0.4%	19.1
elha 2019	100.2%	0.3%	24
Scottish Av 2021	99.1%	1.4%	56.3
Scottish Av 2020	99.3%	1.2%	31.8
Scottish Av 2019	99.1%	0.9%	31.9
Neighbours 2021	99.2%	0.6%	42.8
Neighbours 2020	101.3%	0.4%	22.1
Neighbours 2019	100%	0.7%	30.8
Peers 2021	99.5%	1.5%	57.6
Peers 2020	99.1%	0.8%	20.5
Peers 2019	98.9%	0.9%	26.6

## 6.0 Complaints Handling

The SPSO<sup>10</sup> has reported that the number of complaints received from tenants has fallen during the pandemic and elha's experience reflects that, although, as previously reported to the Audit and Assurance Committee, this reflects an ongoing trend in recent years<sup>11</sup>. Table 9 includes comparison information for all of the landlords in respect of response times for Stage 1 and Stage 2<sup>12</sup>. The percentage of Stage 1 complaints responded to in full by elha is comparable to the other landlords in the exercise, although comparisons are difficult because of the variations recorded and the specific factors to consider in respect of the reporting period.

Table 9	%Stage 1 responded in full	%Stage 2 responded in full
elha 2021	<b>97.7</b>	<b>88.9</b>
elha 2020	<b>97.4</b>	<b>91.7</b>
elha 2019	<b>98.3</b>	<b>100</b>
Albyn 2021	<b>100</b>	<b>86.7</b>
Albyn 2020	<b>100</b>	<b>100</b>
Albyn 2019	<b>100</b>	<b>100</b>
PFPS 2021	98.9	93.75
CRE 2020	99.4	84
CRE 2019	100	94.74
Eildon 2021	99.5	81.4
Eildon 2020	100	100
Eildon 2019	95.45	81.82
ELC 2021	<b>97.7</b>	<b>85.7</b>
ELC 2020	<b>97.2</b>	<b>93.3</b>
ELC 2019	<b>79.83</b>	<b>45.45</b>
Fyne Homes 2021	<b>100</b>	<b>100</b>
Fyne Homes 2020	<b>100</b>	<b>85.7</b>
Fyne Homes 2019	<b>100</b>	<b>100</b>
MEHA 2021	100	94.4
MEHA 2020	100	100
MEHA 2019	97.59	100
Melville 2021	100	100
Melville 2020	100	100
Melville 2019	98.72	75

<sup>10</sup> Scottish Public Sector Ombudsman

<sup>11</sup> Audit and Assurance Report May 2021

<sup>12</sup> Extracted from SHR Dataset October 2021

**7.0 Conclusion and Recommendation**

Clearly, the year under review has been exceptional and unprecedented. As the SHR noted in the Annual Performance Report, "...landlords have faced severe difficulties as a result of Covid-19 and have a range of challenges to contend with as they emerge out of the pandemic...it is unquestionably the most significant contextual factor in assessing performance in the last year"<sup>13</sup>

The benchmarking comparison shows that elha's performance has, by and large, been maintained and / or improved in most areas and, in some significant areas, exceeds the comparisons, notably repairs response and re-let times.

In terms of the sector's performance, the SHR reported that levels of overall tenant satisfaction and satisfaction with the quality of homes were maintained; repairs completed right first-time performance was maintained nationally, but fell for elha and satisfaction with repairs and maintenance reduced slightly nationally, but fell more sharply for elha. It is always important to understand the reasons for movements in performance, whether positive or negative, and this report provides information to support such further consideration. The Management Committee is asked to consider this report.

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<sup>13</sup> National Report on the Scottish Social Housing Charter Part 2  
3.1 Independent Review of ELHA Performance 2020/21



# Information and Advice Policy Review

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

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### 1.0 Introduction

The Information and Advice Policy is due for its periodic review.

### 2.0 Policy Changes

The Policy complies with the Scottish National Standards for Information and Advice Providers, a Quality Assurance Framework introduced by the Scottish Government in 2009.

The Framework has not changed since 2009, however the competencies for advisers was updated in 2019 to reflect current legislation. In view of this, a number of changes are required to Appendix 3 of the policy, and are tracked in the **Policy Document** attached to this report.

There are other minor changes recommended which are also tracked and are self-explanatory.

Given the recommended changes are not significant, tenant consultation has not been necessary.

### **Recommendation**

The Management Committee is asked to approve the revised Information and Advice Policy.

## ELHA POLICY

**Date Issued** October 2011

**Department** Corporate

**Title** Information & Advice

**Review Date** ~~October 2016~~ November 2021

**Objective** To set out the parameters of our Housing Information and Aadvice Sservice; the expectations placed on staff providing information and advice and to ensure that our service is accessible to all customers

**Responsible** Director of Housing

**Next Review Date** ~~October~~ November 2026<sup>1</sup>

## 1.0 Introduction

- 1.1 We aim to provide high quality information and advice to everyone using our services. We want to ensure that customers understand their housing rights, responsibilities and options and will provide information, practical assistance and support where appropriate. **Appendix 1** sets out the responsibilities of staff members for the provision of information and advice. The remit for our Housing Information and Advice Service and the type of information and advice we will provide is attached at **Appendix 2**.
- 1.2 We believe that bad advice, however well intentioned, is the worst possible advice therefore it is essential that our staff are supported by access to good information and training.
- 1.3 We recognise that advice must be timely and available when it is needed, not when it is convenient for us to provide it. It is also critical that staff fully understand when and where *not* to advise, to prevent them from feeling obliged to give advice on a subject they may not be fully conversant with. Staff must have up to date information on other appropriate advice providers and support agencies, and wherever possible have referral arrangements with key agencies.

## 2.0 Aims and Objectives

2.1 This policy aims to:

- Comply with the Scottish National Standards for Information and Advice Providers and Good Practice Guidance

- Ensure that our service is accessible to all client groups
- Set out the expectations placed on staff in relation to the provision of information and advice
- Ensure that advisers receive sufficient and appropriate training in order to demonstrate competency

### 3.0 Principle and Structure of Housing Advice Provision

3.1 The Scottish National Standards for Information and Advice Providers is a quality assurance framework for agencies involved in the provision of information and advice and incorporates performance indicators, competences for advisers and good practice guidance.

3.2 Where information is requested, staff will advise in accordance with the Staff Competency Table attached at **Appendix 3**, and provide details of other potential advisors, or make a referral, as detailed in the Staff Competency Table.

3.3 We will inform our customers about our own services in a variety of ways, including, but not limited to:

- A range of service and policy related leaflets available on elha.com and in our offices
- All of our policies available to the public on request, with most available to download directly from elha.com
- ~~Our Tenants Handbook available on elha.com~~
- Quarterly Regular e-news, e-newsflashes and printed newsletters —given to all tenants and members
- Via elha.com
- Via tenants' My Home accounts
- Formal / informal tenant group meetings
- Information and promotional events in the community
- Comprehensive information for new tenants —prior to and at the commencement of the tenancy

Our Tenant Participation Strategy sets out the ways that our tenants can become involved in our work.

#### 4.0 Access to Information and Advice

4.1 Housing advice and information is available through our office, via elha.com or, where a request is reasonable, through home visits from staff.

4.2 Because of the wide variety of information we publish or may have enquiries about, it is not practical to provide copies of all our documents in alternate formats such as large print, ~~audio cassette~~ / CD or foreign languages. However, where the need arises, we will endeavour to provide information in whatever format is necessary. We currently:

- Provide our newsletters in CD format
- ~~Are members of Happy to Translate~~ and subscribe to Language Line, which enables us to access instant translation services from any telephone, 24 hours a day

On elha.com, we:

- Subscribe to Browsealoud for those who are visually impaired or have literacy problems
- Provide a text re-size function for those with vision impairment
- Subscribe to Google Translate for translations of text
- Operate Live Person, where customers can 'chat' with staff on-line

4.3 We aim to deal with all requests for advice at the point of contact. If the advice required is not within the competency of the staff member dealing with the customer, they will try to get a suitably trained staff member to deal with the request. If no-one is available, the customer will be offered the option of making an appointment to come back when a suitably qualified staff member is available. Where the required advice falls out-with our overall competency we will try to signpost an appropriate agency for the customer.

#### 5.0 Service Standards

5.1 Where information or advice is requested online, in the office or by telephone, the customer can expect instant advice (in accordance with the Staff Competency Table). Where the advice or information requested is beyond the competency of the advisor, the customer will be provided with appropriate passive information (leaflets, contact details of other agencies etc). If the customer requires further active information we will arrange an appointment at the earliest opportunity with a competent advisor.

5.2 Where information or advice is requested in writing we will respond ~~within one week~~ in line with our Customer Service Charter.

- 5.3 All customers will be made aware that private interview facilities are available and that home visits can be arranged where it is reasonable and practical to do so. Home visits will be carried out within 10 working days of the request.

## 6.0 Resources & Training

- 6.1 We recognise that effective information and advice provision cannot take place without a commitment of resources, both financial and human. We make provision in our budgets and in our staffing resources for publicity, promotional activities, tenant involvement and staff training.
- 6.2 We review staff training requirements annually, as part of the Appraisal Process and plan for appropriate training. All staff expected to provide information and advice will undertake the appropriate Scottish National Standards training modules in that area of law.

## 7.0 Monitoring Satisfaction

- 7.1 We carry out a range of surveys to measure satisfaction with the information and advice provided to tenants and other customers and will continually review these.
- 7.2 Many of the requests we receive for information and advice will not be from tenants and will not therefore be covered by our satisfaction surveys. They may well be one off visits or enquiries, which may mean we only have one contact with such customers.
- 7.3 We would not want to make customers feel that they have to give their name and address details in order to access our services, nor is it reasonable to expect staff who advise to ask the customer about their satisfaction with the service they have just received.
- 7.4 We will, however ensure that passive information (as a minimum) is available to customers, and the range of advice leaflets and other material that we produce will aim to encourage feedback about the service provided.
- 7.5 Additionally, the take up of leaflets will be monitored, and where there is greater demand, we will seek to build referral pathways into related services in order to improve our service to customers.

## 8.0 Monitoring of Service

- 8.1 The ~~Housing & Property Services Sub~~Audit and Assurance Committee is responsible for monitoring our Information and Advice Service. To do this effectively, the ~~Sub~~-Committee will be provided with:

- Quarterly reports on service use and activity

- An Annual Service Review; looking at the work; i.e. service delivery and administrative systems for the past year

## 9.0 Policy Review

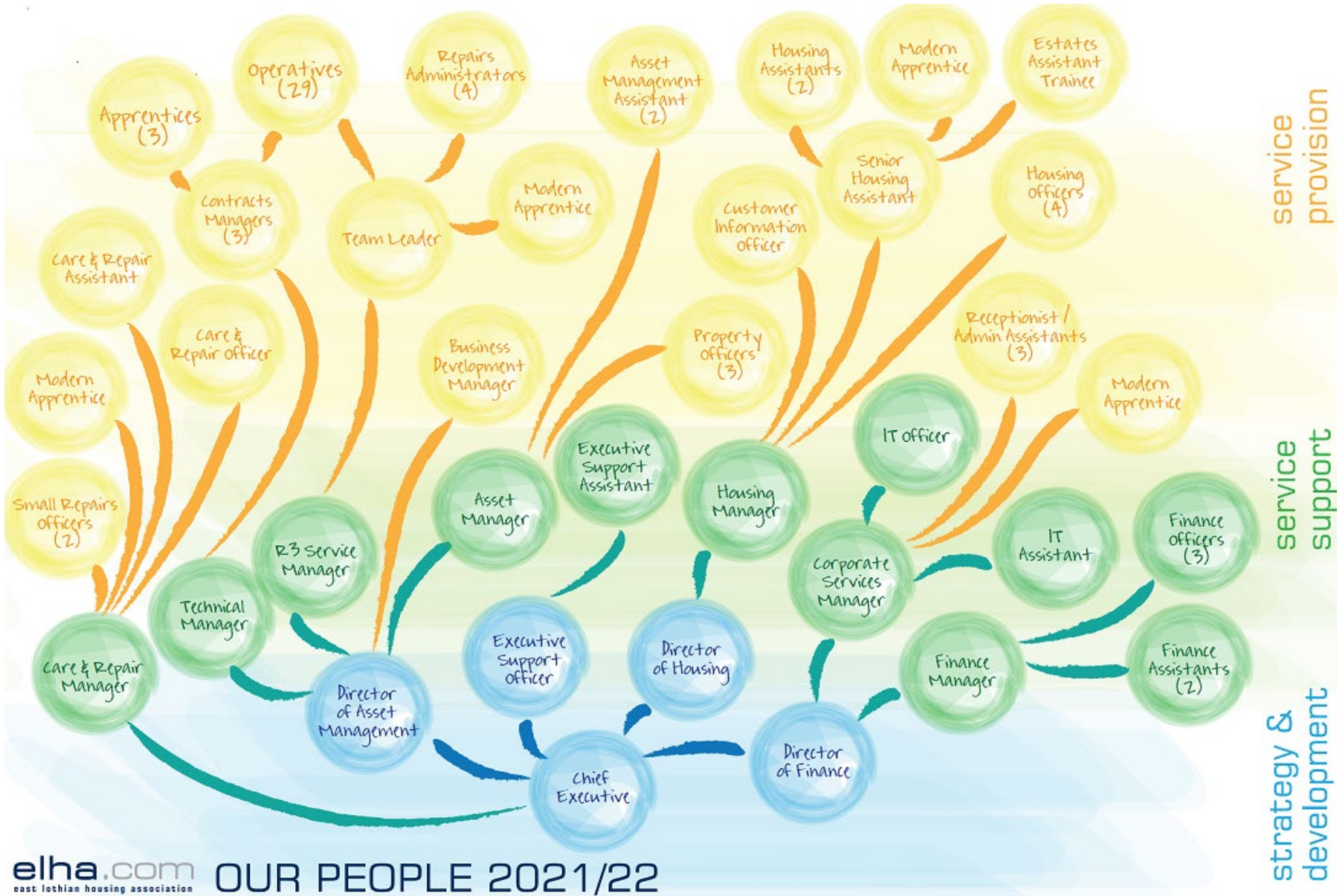
- 9.1 The Director of Housing is responsible for reviewing this policy every five years or sooner if events, including customer feedback, require an earlier revision. Any changes recommended will be submitted to the Audit and Assurance Housing & Property Services Sub-Committee for approval.

Appendix 1

**Responsibilities for the Provision of Our Information and Advice Service**

A staff structure chart is attached. The members of staff with responsibility for the provision of our information and advice service are shown in colour. Their particular roles are described below. Staff responsible for offering advice to customers will refer to the competency table attached at **Appendix 3**.

Senior Management Team (SMT)	The SMT has overall responsibility for ensuring that the <b>Housing I</b> nformation and <b>A</b> dvice <b>S</b> ervice (the service) is adequately resourced, managed and risk assessed. They must ensure that the quality of the service is effectively monitored. This is achieved primarily through the production of the Business Plan and annual budgets.
Housing, Asset and Corporate Services Managers	These are line managers to the staff who provide information and advice to customers. They provide support to staff in their individual roles and must ensure that their staff are adequately trained and have access to up to date and reliable information. Managers are also responsible for ensuring that adequate and accurate records are kept to inform the review of the <b>S</b> ervice and allow effective performance monitoring.
Housing and Customer Information Officers	These are the front line staff who visit customers at home and are responsible for most of the face to face contact we have with customers out-with our office. The Housing and Customer Information Officers also offer advice through our live chat facility on <a href="http://elha.com">elha.com</a> . They must be aware of trends in the type of advice they are being asked for and ensure that their Managers are aware of any information or training gaps so that these can be filled. They will be trained at Type 2 level of the information and advice standards.
Property, <b>E</b> states and Housing Assistants	Respond to telephone and internet enquiries from our customers and members of the public and have a wide knowledge of our services and other services available locally. They will be trained at Type 1 level.
Property Officers	Our Property Officers are primarily concerned with the maintenance of our housing stock. The advice that they offer is mainly in relation to technical matters. However, since they are part of the “public face” of ELHA it is important that they are able to accurately signpost customers to the right place for help. They will be trained at Type 1 level.
Admin Team	Is the first point of contact for everyone who phones or visits our office and deals with as many issues as possible to avoid having to pass the customer on. Working in a public area constrains their ability to offer in depth advice. They are trained at Type 1 level.





Appendix 2

East Lothian Housing Association

Housing Advice Service Remit

**Type of Service :** Housing Advice

Our staff will actively work with you to identify the specific housing issues that you want help with. They will discuss your options and agree a course of action with you. They will provide practical assistance according to your needs. If it is necessary and appropriate they will refer you to another agency that is better able to take action on your behalf.

**Location**

The service is provided from the East Lothian Housing Association's office at 18 - 20 Market Street, Haddington, East Lothian.

**Methods of delivery**

We provide passive advice online at elha.com 24-hours a day. During office hours, our online Live Help service provides our full advice service.

The service is also available by telephoning or calling in person to our office during our normal office opening hours;

Monday 9.00am – 4.30pm  
Tuesday 10.00am – 4.30pm  
Wednesday 9.00am – 4.30pm  
Thursday 9.00am – 4.30pm  
Friday 9.00am – 4.00pm

If none of these methods suit, a home visit can be arranged. We also provide general information by leaflet, [e-news](#) and in our [printed](#) Newsletter, Talkback.

**Remit / Purpose of the service**

We provide general housing information and advice to our tenants, and to [These Homes](#) –housing applicants. ~~(both for our properties and those belonging to Homes for Life Housing Partnership).~~

We aim to ensure that our customers understand their housing rights, responsibilities and options. Our staff provides information and advice on housing issues and our Housing team can provide practical assistance including explaining decisions, writing letters and completing forms.

Information and advice is available on the following issues:-

Rent Arrears -

~~Housing Benefit and Council Tax Benefit~~ [Help with Rent and Council Tax  
Council Tax Reduction](#)

Disrepair in Rented housing

Discrimination in Housing

Eviction:

Anti-Social Behaviour

Homelessness: Relationship Breakdown

Security of Tenure

Statutory Tenancy Rights

If you need more help than we can offer our staff will, wherever possible, refer you to another agency which has the expertise to help.

### **East Lothian Housing Association**

- Provides the service free of charge
- Processes all data held in line with Data Protection legislation
- Complies with all Health and Safety and Human Rights legislation
- Ensures the officer providing the advice will not discriminate between clients on the grounds of age, disability, gender reassignment, marriage & civil partnership, pregnancy & maternity, race, religion or belief, sex & sexual orientation.
- Will make information available in different formats, or provide appropriate translation services, if you need them
- Ensures we clearly explain the remit, boundaries and limitations of the advice service
- Has a complaints procedure in place and makes all customers aware of this

Appendix 3

**Staff Competency Table for Housing Information and Advice**

This table is for staff to use and is designed to give guidance on how to respond to enquiries. It details the areas of housing law where they can give advice and also when they should signpost or refer the customer to a more appropriate agency.

It is also a guide to be used by staff and their line managers to assess any skills shortfall and consequent training requirement.

We will ensure that all members of staff expected to act as advisors undertake the appropriate Scottish National Standards training modules in that area of law, for most staff to 'Type One Provider' level. Some staff will be trained to Type Two to give them a wider appreciation of the issues and to assist them with dealing with other agencies on the customer's behalf, but we are a Type 1 Advice Provider.

Please note: Our reception staff are usually the first point of contact within the Association. Where they do not have the required competency, they will facilitate an appointment, interview or telephone call with a member of staff who does, wherever possible, on the same working day and/or provide the customer with passive information, such as a leaflet (if one is available).

Area of Law	Staff Member	Required Competency
Security of Tenure	Housing Officer <u>Snr Housing Assistant</u> Housing Assistant <u>Customer Information Officer</u>	Knowledge of all tenancies in common use, and advice on rights of tenant in repossession action. Offer referral to East Lothian Council where homelessness may arise. Advise on support agencies and legal advisors in all other situations.
<u>Housing Benefit</u> <u>Help with Rent and Council Tax</u>	<u>Senior Housing Asst</u> Housing Assistant <u>Estates Assistant</u>	To understand the principles of <u>Universal Credit (UC)</u> , <u>Housing Benefit (HB)</u> , <u>Discretionary Housing Payments, under occupancy charges and the benefit cap, and be able to explain these to customers.</u> To be able to read and understand a determination letter, and to advise how to make a claim. No advice should be given on the likely success (or otherwise) of any claim, or in response to any detailed or technical request. The claimant should be directed to <u>contact the DWP or the local Housing Benefit Office</u> in these circumstances, The client should

Area of Law	Staff Member	Required Competency
		<p>always be advised of their responsibility to ensure their <u>Housing Benefit UC or HB</u> claim is correct, and of their entitlement to appeal if they feel a determination to be incorrect.</p>
<p><u>Help with Rent and Council Tax</u> <u>Housing Benefit</u> (continued)</p>	<p>Housing Officer</p>	<p>As above but <u>also understands how HB is calculated, the eligibility rules for UC and can explain to clients.</u> <u>May</u> include assistance with completing an application form and advice on applying for back dates / 2 homes payments.</p> <p><u>Understands rules relating to backdating and overpayments, including recovery and official error. Has more detailed knowledge of under-occupation, the benefit cap, LHA and other benefits.</u></p> <p><u>Has a basic understanding of means-tested benefits and the relationship with council tax reduction, eligibility rules and how to apply, backdating and overpayments</u></p>
<p>Discrimination in housing</p>	<p>All Housing Advice staff</p>	<p>To understand and comply with the Association's Equality and Diversity Policy. To understand how discrimination may occur. In terms of a complaint or allegation, if it is about the Association, the customer should be encouraged to use our Complaints Policy, but if not, advised of support agencies or legal advisors.</p>
<p>Disrepair (ELHA)</p>	<p><u>Housing Officer</u> <u>Housing Assistant</u> <u>Property Officer</u> <u>Property Assistant</u> <u>Admin team</u><u>All</u> <u>Housing Advice Staff</u></p>	<p>To be aware of our policies and responsibilities as a Landlord, and to arrange such work as is necessary. In terms of any other landlord, not to advise, but to advise of agencies that can help.</p>

Area of Law	Staff Member	Required Competency
Disrepair (Other Landlords)	Property Officer Housing Officer <u>Snr Housing Assistant</u> <u>Estates Assistant</u> Housing Assistant Admin Team	As above, to be aware of issues, not to advise, but to advise of agencies that can help.
Harassment and Illegal Eviction	Housing Officer <u>Snr Housing Assistant</u> <u>Estates Assistant</u> Housing Assistants <u>Customer Information Officer</u>	Understanding of the different types of tenancy and the definitions of harassment and illegal eviction. General advice about the rights of tenants in such circumstances. Advice about relevant support agencies and legal advisors should be given, except in the case of a homelessness situation, where a direct referral to East Lothian Council should be offered.
Homelessness –	<u>Snr Housing Assistant</u> Housing Assistant <u>Estates Assistant</u> <u>Customer Information Officer</u> Admin Team  Housing Officer	Basic understanding of the definitions of homelessness, ; intentionality and local connection Knowledge of how this is dealt with in <u>-These Homes homehunt</u> . Provide details of other support agencies.  <u>As above and has the aAbility</u> to refer cases directly to East Lothian Council and to explain arrangements for temporary accommodation.
<del>Mobility and Transfer</del>	<del>Housing Officer Housing Assistant</del>	<del>To have full knowledge of the Association's allocation and transfer policy.</del>

Area of Law	Staff Member	Required Competency
Mortgage Arrears	Housing Officer <a href="#">Snr Housing Assistant</a> <a href="#">Estates Assistant</a> Housing Assistant	Basic understanding of how arrears arise and rights of the mortgagee in possession proceedings. Check that the lender has been contacted. Provide details of agencies that can assist and advise.
Housing Options: General	Housing Officer <a href="#">Snr Housing Assistant</a> <a href="#">Estates Assistant</a> Housing Assistant <a href="#">Customer Information Officer</a> Admin <a href="#">T</a> eam	Awareness of different types of tenure and of tenancies used. Arguments for/against owner occupation. Provide contact information about East Lothian Council's Housing Options advice, local providers ( <a href="#">Homes for Life Housing Partnership</a> , <a href="#">Castle Rock Edinvar</a> ), and estate agents only. <a href="#">Has an understanding of local RSL's and East Lothian Council's allocations policies, mobility schemes e.g. mutual exchanges and low-cost buying schemes for example, LIFT.</a>
Housing Options: Private Rented and Owner Occupation	Housing Officer <a href="#">Snr Housing Assistant</a> <a href="#">Estates Assistant</a> Housing Assistant <a href="#">Customer Information Officer</a> Admin Team	Awareness of different types of tenure and tenancies used by private landlords. Provide contact information about local providers and estate agents only.
<a href="#">Eviction</a>	<a href="#">Snr Housing Assistant</a> <a href="#">Estates Assistant</a> <a href="#">Housing Assistant</a>  <a href="#">Housing Officer</a>	<a href="#">Awareness of the different 'grounds' (mandatory and discretionary) for eviction actions across all tenancy types the Association uses.</a>  <a href="#">As above and has a knowledge of repossession procedures and post-possession remedies e.g., minute of recall and understands security of tenure and awareness of 'third party' rights e.g. Matrimonial Homes (Family Protection (Scotland) Act</a>

Area of Law	Staff Member	Required Competency
		<u>1981</u>
<u>Anti-Social Behaviour (ASB)</u>	<p><u>Snr Housing Assistant</u> <u>Estates Assistant</u> <u>Housing Assistant</u> <u>Customer Information Officer</u></p> <p><u>Housing Officer</u></p>	<p><u>To have a full knowledge of the Association's Neighbour Nuisance and Anti-Social Behaviour Policy. Able to refer cases to other support services/agencies for assistance. Understands and is aware of the resources provided by East Lothian Council to deal with ASB.</u></p> <p><u>As above and is also aware of the non-court remedies available to deal with ASB e.g., mediation, acceptable behaviour contracts etc. and can explain this to tenants, both the perpetrator and those suffering. Also aware of the legal remedies available e.g., ASBO's. in the Anti-Social Behaviour etc (Scotland) Act 2004. Able to work in partnership with East Lothian Council Safer Communities Team to tackle instances of ASB.</u></p>
Relationship Breakdown	<p>Housing Officer <u>Snr Housing Assistant</u> <u>Estates Assistant</u> Housing Assistant <u>Customer Information Officer</u></p>	<p><u>To have a basic understanding of security of tenure, the law affecting relationships and the importance of specialist legal advice.</u></p> <p>For the Association's tenants to advise on occupancy rights, <del>homehunt</del> <u>These Homes</u>, and our Allocations Policy and <u>Domestic Abuse Policy if appropriate</u>, and to offer <u>a</u> referral to East Lothian Council where homelessness is arising.</p> <p>In addition, to advise of support agencies <u>and refer where appropriate, e.g. Women's Aid</u>, and legal advisors.</p> <p>In the case of non-tenants, to offer referral to East Lothian Council where homelessness is arising, and</p>





## Use of General Reserves Policy Review

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

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#### 1.0 Introduction

The Use of General Reserves Policy is due for its periodic review.

#### 2.0 Policy Changes

No changes are proposed to the **Policy Document** which is attached to this report.

#### **Recommendation**

The Management Committee is asked to approve the Use of General Reserves Policy.

**ELHA POLICY**

<b>Date Issued</b>	November 2002
<b>Department</b>	Finance
<b>Review Date</b>	November 2021
<b>Title</b>	Use of Revenue Reserves
<b>Objective</b>	To provide guidelines to be considered when assessing the suitability of projects to be funded from Revenue Reserves
<b>Responsible</b>	Director of Finance
<b>Next Review Date</b>	December 2026

**CONTENTS**

**1.0 Definition of Funding from Revenue Reserves**

1.1 There may be times when we need to use our own funds to finance a project in order to meet our wider objectives. We will use funding from Revenue Reserves where that project has a negative net present value (i.e. that at the end of the project more cash has been spent than generated by the project, after allowing for the effect of inflation).

**2.0 Projects to be Considered for Funding from Revenue Reserves**

2.1 We will consider using funding from Revenue Reserves for the following types of projects:

- For the development of schemes for social housing provision
- Where property maintenance/improvement costs are in excess of the approved planned maintenance programme
- For the provision of services at a loss (subject to Charitable Rules)
- For the set-up costs, or funding for a feasibility study, for a project or initiative that has the potential to become self-funding

2.2 As demand for social housing outstrips supply we need to make sure that we are making best use of our resources. We need to fulfil our strategic objectives whilst safeguarding our future financial position and tenants' homes. Any project with a negative net present value is likely to weaken our financial position. So, there are only a limited number of such projects which can be subsidised without putting the financial health of the Association at risk, or compromising the financial covenants we have with our funders.

2.3 If we identify a need for funding from Revenue Reserves, we will carry out a strategic review of the project to make sure that:

- The subsidy can be managed in the long term
- The project is necessary or desirable for us to undertake
- It represents the best possible use of our funds at that time

The review will include:

- Defining clearly the opportunity presented by the project
- Exploring the options available with regard to the project
- Evaluating the opportunity in both financial and operational terms
- Deciding on the key criteria which will be used to judge the success of the project
- Making a business case to the Management Committee on why the project should be accepted

2.4 It is important that multi-disciplinary teams carry out the work due to the wide range of skills, expertise and knowledge required to perform the above tasks.

### **3.0 Presentation of the Business Case for Funding from Revenue Reserves to the Management Committee**

3.1 The Senior Management Team must present a detailed business case to the Management Committee for each project which needs funding from Revenue Reserves.

3.2 It is important that all those involved with delivering and managing the project are fully involved in the decision-making to ensure “ownership” of the project. A lead manager should co-ordinate the report (e.g. the Asset Manager if the project is to subsidise property improvement) and other managers will provide input. The report will typically include:

- **An executive summary**

This should provide an outline of the proposed scheme, its objectives, scope, financial implications and recommendation to Management Committee.

- **Project definition, objectives and scope**

The objectives and scope of the project must be clearly defined and relate back to our strategic objectives. If the project does not link back to our strategic objectives, but is a new opportunity, then it should only proceed if there is a conscious strategic decision to move into this new area, to expand our business activities. We will rarely accept projects outwith of our current strategic objectives due to the inherent risk with moving into new areas of business and the fact that our own funds are to be used.

The advantages of the project need to be carefully weighed against the disadvantages. For example, there may be a large amount of time spent by senior managers on the project causing them to take their “eye off the ball” to the detriment of the existing business. However, a difficult project may also provide us with new skills and experiences in a growing and vital area for the future.

- **Options considered**

We must consider the options available to us with regard to the project and how each of these meets our strategic objectives. The option to do nothing should also be included, i.e. what will happen if the proposal is rejected.

- **The value of the project in financial and non-financial terms**

The value of the project in financial and non-financial terms, including the subsidy required and the long-term affect of this on our long term financial position.

The financial value should be demonstrated by:

1. A discounted cash flow for the project
2. Calculation of its net present value (defining the amount of subsidy required)

3. Its impact on our overall long term financial projections.

- **Assumptions used**

The assumptions used should be defined and the sensitivity of these on our business considered.

- **Risk analysis**

In light of the sensitivity of assumptions used, possible contingency plans and exit routes and the ease with which these could be implemented should be addressed within the report. In addition, the level of subsidy required will be directly compared to our agreed “Risk Appetite”. (This will be gained through the development of our Risk Management processes).

- **Implementation issues**

The report should include details of how, when and by whom the project is to be implemented.

- **Critical success factors**

The criteria by which the progress of the project is to be monitored and the assumptions on which we will judge the success of the project should be set out in the report. The critical success factors need not be purely financial ones but may be qualitative such as tenant satisfaction.

- **Summary financial data**

The cash flows used in calculating the value of the project and subsidy level should be included in the report.

- **Appendices**

Detailed financial and non-financial data used in the appraisal process should be appended where appropriate.

#### **4.0 Approval to Fund a Project from Revenue Reserves**

4.1 The Management Committee is responsible for approving a proposal to subsidise a project from the Association’s funds. Given that the use of Revenue Reserves could weaken our overall financial health, it is essential that the report authors present enough information to the Management Committee to allow it to make the most appropriate decision at the time.

**5.0 Policy Review**

- 5.1 The Director of Finance will ensure that this policy is reviewed at least every five years. Any amendments required will be submitted to either the Audit & Assurance Committee or the Management Committee (dependent on extent of amendments proposed) for approval.

# Anti-Bribery and Corruption Policy Review

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

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### 1.0 Introduction

The Anti-Bribery and Corruption Policy is due for review in November 2021.

### 2.0 Policy Changes

#### 2.1 EVH and government guidance

The current version of the Anti-Bribery and Corruption Policy has been checked against guidance provided by EVH, and on government websites ([www.justice.gov.uk/legislation/bribery](http://www.justice.gov.uk/legislation/bribery)), and this remains up to date, with no changes required at this time.

### Recommendation

The Management Committee is asked to approve the Anti-Bribery and Corruption Policy.

**Group Policy**

<b>Date Issued</b>	January 2012
<b>Date Reviewed</b>	November 2021
<b>Department</b>	Corporate
<b>Title</b>	<b>Anti-Bribery and Corruption Policy</b>
<b>Objective</b>	To set out the rules on anti-bribery and corruption matters for staff and Management Committee/Board members.
<b>Responsible</b>	Chief Executive
<b>Next Review Date</b>	November 2026

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## **1.0 Purpose**

The purpose of this policy is to:

- Set out the Group's responsibilities, and the responsibilities of those working for us or associated with us, in observing and upholding our position on bribery and corruption
- Provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues

## **2.0 Our Principles**

2.1 We are committed to the prevention, deterrence and detection of bribery and corruption and maintaining a culture in which this is never acceptable.

Our Principles are:

- To conduct all of our business in an honest and ethical manner. We take a zero tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate
- To expect everyone that we do business with take a similar zero-tolerance approach to bribery and corruption
- To comply with all laws relevant to countering bribery and corruption



- To be clear that bribery and corruption are criminal offences and are punishable for individuals by up to ten years' imprisonment and an unlimited fine, and if the Group is found to have taken part in corruption we could face an unlimited fine, be excluded from tendering for contracts and face damage to our reputation. We therefore take our legal responsibilities very seriously and expect staff to do the same

2.2 Compliance with the Group's policy in relation to bribery and corruption is relevant to all contracts and relationships with the Group. If employees fail for any reason to follow the rules set out in this document this may result in disciplinary action being taken which could result in dismissal.

### **3.0 Bribery**

This is the offer or receipt of any gift, loan, payment, reward or other advantage to or from any person as an encouragement to do something which is dishonest, illegal or a breach of trust, in the conduct of the Group's business.

#### **3.1 Blackmail**

This is the action of someone who demands money or other favours from an individual by using threats or the manipulation of their feelings in return for not revealing compromising information which they hold about that individual. (e.g. if a staff member has a relationship with a tenant/contractor etc. who uses the situation to blackmail a member of staff or vice versa).

An act of this nature should be treated as though it were an act of Bribery.

### **4.0 Corruption**

This is the misuse of entrusted power for private gain.

### **5.0 Relevant Persons**

This policy applies to all individuals working at all levels and grades within the ELHA Group, Management Committee members / Board members, employees (whether permanent, fixed-term or temporary), consultants, contractors, casual workers, agency staff, agents, or any other person associated with us.

### **6.0 What it means for you – a brief overview**

- It is an offence to bribe another person, to be bribed and for the Group to fail to prevent bribery (Bribery Act 2010)

- You must never offer, promise or give a financial or other advantage to any person with the intention of inducing or rewarding improper performance by them of their duties
- You must never directly or indirectly accept or agree to receive a financial or other advantage as a reward for the improper performance of your duties. It makes no difference whether the advantage is for you or a third party
- Where your role requires this, you are permitted to give and receive gifts and hospitality, but this should always be in a reasonable and proportionate manner. For more details, see our Gifts and Hospitality Policy

### **7.0 Your responsibilities**

- You must ensure that you read, understand and comply with this policy at all times
- You must be open about gifts and hospitality given or received and record them in the Gifts and Hospitality Register
- The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for us or under our control. All relevant persons are required to avoid any activity that might lead to, or suggest, a breach of this policy
- You must notify your line manager/Executive Officer as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future. For example, if a customer or potential customer offers you something to gain a business advantage with us, or indicates to you that a gift or payment is required to secure their business. Another example may be a service user attempting to bribe a member of staff in order to fraudulently receive an offer of housing or some other service provided by us
- You must assess your job activities and discuss any potential vulnerabilities or risks with your line manager
- You must ensure that any records you keep are accurate and up to date
- Any employee who breaches this policy may face disciplinary action, which could result in dismissal for gross misconduct

**8.0 How to Raise a Concern**

8.1 We are committed to ensuring that we have a safe, reliable, and confidential way of reporting any suspicious activity. You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage by following our Anti-Bribery and Corruption Procedure

**9.0 Protection**

9.1 We understand that you may be worried about possible repercussions if you refuse to accept or offer a bribe, or raise or report another's wrongdoing.

9.2 We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

9.3 We are committed to ensuring nobody suffers detrimental treatment through refusing to take part in bribery or corruption, or because of reporting a concern in good faith.

**10.0 Contractor and Consultant**

10.1 We expect all contractors and consultants to comply with this policy

10.2 If a contractor or consultant becomes aware of any breach of this policy, they must notify the Chief Executive immediately.

10.3 We will take action against any Contractor or Consultant who attempts to commit an offence under the Bribery Act 2010.

**11.0 Training**

11.1 Training on this policy forms part of the induction process for all new staff. All existing staff will receive regular, relevant training on how to implement and adhere to this policy.

11.2 Our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

**12.0 Monitor and Review**

- 12.1 We will maintain a Bribery and Corruption Register which will record all acts of Bribery and Corruption (whether conclusive or inconclusive).
- 12.2 All acts of bribery and corruption will be reported to the Management Committee.
- 12.3 We will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy and effectiveness.
- 12.4 The Chief Executive will ensure that this policy is reviewed at least every five years by the Management Committee.

## Asbestos Management Policy Review

### Report by Duncan Mackay, Director of Asset Management – for Approval

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#### 1.0 Introduction

The Asbestos Management Policy was approved by Management Committee at its meeting of 15 December 2016, with a commitment to its review every five years.

#### 2.0 Policy Review

This Policy, which allows ELHA to fully comply with the requirements of the Control of Asbestos at Work Regulations 2012 (CAR 2012), has been reviewed along with its supporting appendices and has been found to be fit for purpose, with only one material changes to the main body of the text required at Section 1.3 (some very minor amendments have been made to the appendices that have not been included with this report).

The revised Asbestos Management Plan is attached to this report as **Appendix 1**, with changes to it tracked.

The Appendices include the following:

- Appendix 1 – Asbestos Management Plan (attached)
- Appendix 2 – What is Asbestos?
- Appendix 3 – Training Programme
- Appendix 4 – Guidance for Staff
- Appendix 5 – Tenant's Guide to Asbestos

The additional appendices are available on request.

#### **Recommendation**

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

ELHA POLICY

<b>Date Issued</b>	December 2011
<b>Last Reviewed</b>	<b>December 2021</b>
<b>Department</b>	Asset Management
<b>Title</b>	Asbestos Management Policy
<b>Objective</b>	This policy establishes clear guidelines to be adopted whenever Asbestos Containing Materials (ACM's) are found in premises we own or occupy. The policy will also ensure compliance with appropriate legislation and will apply where anyone acting on our behalf is working in premises not owned by us.
<b>Responsible</b>	Director of Asset Management
<b>Next Review Date</b>	December 2026

## 1.0 ASBESTOS POLICY

1.1 We undertake to fulfil our duties and reduce the risk of exposure to asbestos, as far as is reasonably practicable, of our employees, tenants, and contractors working on our behalf and of any other persons who may potentially be exposed to asbestos within our premises.

1.2 We have drawn up an Asbestos Management Plan, **Appendix 1**.

1.3 We shall:

- Carry out a systematic programme of surveys to identify ACM's in all our properties through the engagement of an experienced asbestos surveying company who can demonstrate a track record of asbestos survey commissions following the guidelines of the HSE document HSG264 - "Asbestos the Survey Guide" 2012. compliant with the Health and Safety Executive's (HSE) Methods for the Determination of Hazardous Substances (MDHS) 100 guidance, or who are a UKAS (United Kingdom Accreditation Services) accredited asbestos surveying company
- Compile and maintain a comprehensive Asbestos Register

- Update and amend the Asbestos Register as necessary after any survey, treatment or removal of ACM's
- Assess the risk from any ACM's identified in our properties
- Develop and implement arrangements to manage the risk arising from any ACM's identified and ensure that these are carried out
- Provide information about the presence, location and condition of ACM's to employees and any other persons who are liable to disturb ACM's, including contractors and tenants
- Ensure that the appropriate actions are taken by any persons who are likely to disturb ACM's including employees and contractors
- Ensure that all work involving ACM's is carried out in compliance with current legislation, guidance notes and codes of practice issued by the Health and Safety Executive (HSE) and other authoritative sources
- Report all work involving ACM's to the Asset Manager prior to commencement of the works. An assessment of the work and a method statement for its execution is required for all work involving ACM's. If the work is of a repetitive nature, one generic method statement will be acceptable. Method statements must be approved by the Asset Manager prior to work commencing
- Ensure that all work involving ACM's is carried out, where appropriate, by approved licensed asbestos contractors
- Consult with tenants, employees and other appropriate groups prior to any large scale removal of ACM's
- Instigate a robust monitoring scheme for recording the performance of contractors employed in the removal/treatment of ACM's
- Publish our Policy on Asbestos Management and make the information contained in the Asbestos Register available to employees, tenants and contractors acting on our behalf

1.4 With regard to our employees, we shall:

- Appoint a "Dutyholder" to control the management process. This will be our Asset Manager

- Provide adequate training according to the duties of the post, see **Appendix 3**, “Training Programme” and **Appendix 4**, “Guidance for Staff”
  - Provide adequate supervision
  - Ensure that, where required, appropriate equipment is provided
- 1.5 Following the introduction of regular re-inspections of areas where ACM's were known or suspected to be present, the information held on our stock with regard to the presence of ACM's is now of a good standard. Annual inspections of these ACM's will be carried out and these will be supplemented by ad hoc inspections as required.
- 1.6 Where a survey has not been carried out, we will assume that all non recognisable materials and fittings are ACM's. We will act in accordance with this assumption and instruct contractors accordingly.
- 1.7 The Director of Asset Management is responsible for the implementation of this policy.

## 2.0 MANAGEMENT

- 2.1 As stated in 1.4 above, the “Dutyholder” responsible for the management of the process is our Asset Manager. The “Dutyholder” shall:
- Be the first point of contact for all matters relating to ACM's
  - Provide an internal source of information on all items relating to ACM's
  - Manage and co-ordinate asbestos surveys
  - Manage and maintain the Asbestos Register, including:
    - Co-ordinating the input of new survey data
    - Co-ordinating the updating of existing records to include all remediation works carried out
    - Ensure initial surveys are carried out within timescales
    - Co-ordinate the procedures for informing persons at risk as identified in this document
    - Liaise with internal and external contacts, surveyors, suppliers and contractors to provide a comprehensive Asbestos Register, capable of providing all information required by us to comply with this policy
    - Be the point of focus within the Association for all matters relating to ACM's and the Asbestos Register



### 3.0 IDENTIFICATION OF ASBESTOS CONTAINING MATERIALS

- 3.1 Following recent surveys of our stock, we have good information on the location and type of ACM's present within our properties.
- 3.2 We will commission further surveys where the presence of ACM's is suspected.
- 3.3 We will continue with our programme for ongoing monitoring inspections of ACM's in accordance with the recommendations of the initial survey reports.
- 3.4 We will maintain an up to date record of the location, condition and removal of all ACM's within our properties. This Asbestos Register will hold the following information for all properties:
  - Location of all presumed ACM's
  - For all ACM's identified after testing:
    - Product/material
    - Asbestos type
    - Approximate quantity of material
    - Details of Risk assessed
    - Recommendations for management
    - Sketch plans showing location
  - In addition, the Asbestos Register will record:
    - Where remedial works have been carried out
    - The results of any air tests conducted in properties
    - Any inaccessible areas at the time of the survey
- 3.5 We will ensure that these records are updated to include the results of additional surveys, re-surveys and any works undertaken to repair, seal or remove ACM's.
- 3.6 The Asbestos Register will be updated within 10 working days of new data being received by our Asset Management Team.
- 3.7 Where areas have been inaccessible at the time of a survey, we will, where practicable, re-survey these areas to establish the presence or absence of ACM's.
- 3.8 We will continue to review and revise our Asbestos Management Plan, **Appendix 1**, on a regular basis to manage the risks arising from the presence of ACM's.

#### 4.0 MANAGEMENT OF ASBESTOS REGISTER

- 4.1 In managing ACM's it is crucial to have a comprehensive, up to date and "user friendly" Asbestos Register that is readily available to those who work with and live in our properties. The Asbestos Register is available within our core housing management system, SDM.
- 4.2 We will develop our database, SDM, to take advantage of any improvements to the software to improve access to the Asbestos Register.

#### 5.0 INFORMING PERSONS AT RISK

- 5.1 We acknowledge that we have a responsibility to protect not only our own staff but also any other persons who may potentially be exposed to asbestos within our properties.
- 5.2 We have procedures in place to ensure that all persons at risk are provided with adequate information to ensure that the potential for exposure to ACM'S is reduced as far as is reasonably practicable.
- 5.3 All staff who may potentially be exposed to ACM's will receive regular training updates appropriate to the type of work in which they are employed. See **Appendix 3**, "Training Programme".
- 5.4 We provide leaflets containing general information about ACM's and the possible dangers that exist, see **Appendix 2**, "What is Asbestos?" and **Appendix 5**, "Your Guide to Asbestos, Home Safety Information for Tenants". The latter leaflet is available to all tenants and forms part of the welcome pack for new tenants moving into properties built before 1999.
- 5.5 We will advise all tenants that specific information about ACM's within individual properties may be obtained from us.
- 5.6 When information is requested by a tenant:
  - 5.6.1 Where a survey has been carried out; we will provide the information available from our Asbestos Register. This will include:
    - Where ACM's, if any, have been identified
    - Any areas not surveyed due to being inaccessible
    - The Risk Assessment for any identified ACM's and what this means
    - Our plans for dealing with the ACM's

- A statement that no work should be undertaken or alterations made which are likely to result in disturbance or damage to ACM's

5.6.2 Where no survey has been carried out; we will provide a written statement detailing:

- That the property has not been surveyed. Any information on ACM's available from dwellings of a similar age and type in the same area will be provided
- The Risk Assessment for any identified ACM's in these similar properties and what this means
- Our plans for dealing with the ACM's in the similar properties
- A statement that no work should be undertaken or alterations made which are likely to result in disturbance or damage to ACM's

5.7 We will note the presence of asbestos on all works orders issued to contractors acting on our behalf. All contractors will also have access to the Asbestos Register through our Asset Management Department. These contractors will be expected to follow the procedures in place for managing asbestos.

## **6.0 STAFF TRAINING**

6.1 All staff who are, or who are likely to be, at risk of exposure to ACM's will be given instruction on the Policy and Procedures adopted by us for the management of asbestos and ACM's.

6.2 This training will reflect the type of work the staff member undertakes.

6.3 We will regularly review our training programme and will adapt it as required.

## **7.0 ASBESTOS REMOVAL CONTRACTORS**

7.1 We will ensure that all work involving asbestos will be carried out by specialist contractors licensed by the HSE to carry out such works.

## 8.0 EMERGENCY PROCEDURES

- 8.1 We will implement procedures for incidents where there is a risk that a person is or has been exposed to asbestos.
- 8.2 The Asbestos Register will include a logbook to record reports on all asbestos incidents. This will include location, nature of incident, details of those involved, a summary of the actions taken and any recommendations for changes to practice/procedure in light of the incident.
- 8.3 We will regularly review and update our procedures taking cognisance of any incidents reported in the logbook.

## 9.0 HEALTH RECORDS AND MEDICAL MONITORING

- 9.1 In the event that an employee is exposed to asbestos, we will:
- Maintain a health record for that employee containing the relevant information
  - Ensure that the employee is under adequate medical supervision
  - Provide counselling

## 10.0 ONGOING MONITORING

- 10.1 We will ensure that the systems and procedures outlined in this document are implemented and monitored.
- 10.2 The Director of Asset Management will review the Policy every 5 years and make amendments as necessary to ensure that the systems and procedures are implemented effectively. All reviews will normally be presented to the ~~Housing & Property Services Sub-Committee~~Management Committee for approval.



# Asbestos Management Plan

November 2021

## 1. Location and Condition of Asbestos

Existing information regarding the location and condition of asbestos containing materials at any of our properties is held on an Asbestos Register controlled by our Asset Manager.

This Asbestos Register contains the information on a database which can be accessed by all our staff.

The Asbestos Register is updated through the implementation of a systematic programme of surveys to identify Asbestos Containing Causing Materials (ACM's) in our properties through the engagement of an experienced asbestos surveying company. This company has demonstrated a track record of asbestos survey commissions following the guidelines of the HSE document HSG264 – 'asbestos the survey guide' 2012.compliant with the Health and Safety Executives (HSE) Methods for the Determination of Hazardous Substances (MDHS) 100 guidance.

Annual surveys are undertaken to re-inspect areas of our stock, exclusively the Large Scale Voluntary Transfer (LSVT) stock where we are aware that we have ACM's in our properties. Additional ad hoc surveys are carried out as identified and required as part of our on-going property maintenance and improvement programmes. All updates from these re-inspections and ad hoc surveys are incorporated into our Asbestos Register.

## 2. Material and Priority Assessments

As part of all ACM inspections, a risk assessment score for each ACM is produced taking into account a Material Assessment (product type, damage/deterioration, surface treatment, asbestos type) and a Priority Assessment (location, material extent, use of location, occupancy level, activities carried out, likelihood/frequency of maintenance activities).

This rRisk assessment then forms the basis of how the ACM is managed and the control actions necessary.

## 3. Action Plan and Identified Asbestos

Where ACM's have been identified, that information is incorporated into the Asbestos Register which is kept, maintained and co-ordinated by our Asset Manager.

Where no information regarding asbestos containing materials is available, ~~it is must be presumed that asbestos containing materials are present.~~ it is presumed that ACMs exist unless there is strong evidence to suggest otherwise e.g. date of construction.

#### **4. Long Term Asbestos Management**

The overall aim is to ensure that all asbestos containing materials, through re-inspections, remedial or removal works, are effectively managed and risk is reduced to its lowest practical level.

#### **5. Monitoring and re-inspection regime**

All asbestos containing materials will be re-inspected at intervals determined by risk assessment, and inspections will be carried out by competent persons. This information will be used to update the asbestos register.

#### **6. Training**

Appropriate training will be provided, where required, to staff whose normal duties may bring them into contact with asbestos containing materials.

#### **7. Responsibilities**

~~The responsibility of the 'Duty Holder' under the Control of Asbestos at Work Regulations 2012 (CAR 2012) falls to ELHA as Landlord. This function falls under the ELHA Asset Manager's remit. It is the responsibility of the 'Duty Holder', our Asset Manager, to implement the Asbestos Management Plan.~~

#### **8. Dissemination of information**

The Asbestos Register is accessible to all our staff through our Housing Management system, SDM.

Contractors who visit any of our premises follow procedures that involve referencing the relevant section of the Asbestos register.

Our maintenance contractors, consultants and contractors engaged in carrying out our Planned and Cyclical Maintenance Programmes have direct access to our Asbestos Register.

## 9. Emergency Procedure

If anyone suspects that an asbestos containing material has been disturbed the following action should be taken immediately:

- Evacuate the area within which the material is located and cordon or lock off the area until a full assessment has been completed
- Report the incident immediately to the Asset Manager or, in their absence, their deputy or line manager
- Consult the Asbestos Register for that area
- Ensure a full assessment of the situation is carried out by a competent person
- Record, if possible, the names of all persons potentially affected
- Do not allow anyone to enter the cordoned/locked off area until it has been established that no ACM's are present-, or that any ACMs found have been removed and that the area has been provided with a valid 'air clearance certificate' (to be provided by the ACM removal contractor).

## 10. Monitoring and Review

The Asbestos Management Plan will be reviewed on a 5 yearly cycle or as otherwise required following legislative changes.



# Factoring Services Policy

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

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### 1.0 Introduction

The Property Factors (Scotland) Act 2011 came into force on 1 October 2012 providing protection for homeowners who engage with a registered Property Factor. It defines what is meant by the term “Property Factor” and places a duty on all Property Factors to apply to be entered onto a register of Property Factors held by Scottish Ministers, and to comply with the Property Factor Code of Conduct. This Code requires the Association to update its registration annually and to provide a Written Statement of Services to each factored property. It also sets out a dispute resolution mechanism for homeowners

The Association is a registered Property Factor for approximately 70 properties, including Sharing Owners, a small number in The Waggonway, Tranent, a mixed tenure development, and in the LSVT stock in Whitecraig, where the Association is the majority owner.

In terms of service delivery, no actual services are provided in The Waggonway or Whitecraig since the Association bought out the landscape maintenance in 2008 and the land was sold to East Lothian Council (though some hard landscape remains in ELHA’s ownership). However, ELHA is legally required to register as Property Factor in these developments and provide a Written Statement of Services.

The above means the Association is providing services to only a very small number of Sharing Owners and so a view had been taken in the past that a Factoring Policy was not necessary. The Association has both a Shared Ownership and Chargeable Repair Policy and had always been compliant with the requirements of the Property Factors (Scotland) Act 2011 and the Property Factor Code of Conduct.

### 2.0 New Policy

The Scottish Government recently revised the Property Factor Code of Conduct which took effect on 16 August 2021, bringing about a number of changes. This required the Association to revise and reissue the Written Statement of Services for each factored property within three months of the changes being introduced.

One of the key changes is the introduction of new Overarching Standards of Practice which the Association must follow. These Standards are set out at Section 3.2 of the **Policy Document** attached to this report.

To ensure that the Association continues to adhere to the Code of Conduct and Standards of Practice, a Factoring Services Policy has been developed. This new Policy has been reviewed by the Associations solicitors, Anderson Strathern, to ensure that the Association is meeting all its legislative requirements.

**Recommendation**

The Management Committee is asked to approve the new Factoring Services Policy.

**ELHA POLICY**

<b>Date Issued</b>	November 2021
<b>Department</b>	Corporate
<b>Title</b>	Factoring Services
<b>Objective</b>	<b>To ensure that we comply with The Property Factor (Scotland) Act 2011 and the Property Factor Code of Conduct</b>
<b>Responsible</b>	Director of Housing
<b>Next Review Date</b>	November 2026

**1.0 Introduction**

1.1 Factoring is a property management service offered to owners, to coordinate and carry out work on their behalf. Factoring Services pertain to the maintenance of common land or space, as well as to common parts of a specific property. The Property Factor is the agent appointed by owners to carry out the factoring role.

1.2 East Lothian Housing Association is registered as a Property Factor with the Scottish Government, registration number PF000386. We provide Factoring Services to around 70 properties which comprise:

- Shared Ownership (or fully owned “staircased”) units where we provide a service (other than Buildings Insurance) to the Sharing Owners
- LSVT properties where we still own the majority of the properties in the area (Whitecraig)
- Fully owned units on mixed tenure developments where we own the majority of the units (The Waggonway, Tranent)

We also factor areas of ground within factored developments which have not been adopted by the local authority.

1.3 Our Factoring Services normally include:

- The provision of Written Statements of Services
- Maintenance of communal areas and property

- Raising and collection of charges from owners for services and occasional common repairs

1.4 Procedures have been provided for staff to ensure that we meet our legal obligations as a property factor.

## **2.0 Policy Aims**

2.1 We aim to:

- Provide an efficient Factoring Service to all those owners at Section 1.2, ensuring that parts owned in common are both satisfactorily maintained and adequately insured (where applicable)
- Ensure value for money is obtained for both us and Owners, keeping the cost of providing Factoring Services to a minimum whilst still meeting the aims of the service and protecting the homeowners' funds in the process
- Ensure that all relevant costs are identified, accounted for and recovered and when we encounter debt recovery issues we will use all available legal remedies open to us as factor
- Encourage Owners to participate in the factoring processes and decisions affecting their property
- Consult and inform owners on issues, policies, procedures and responsibilities that affect them

## **3.0 Legal Framework**

3.1 We comply with the Property Factors (Scotland) Act 2011 which came into force on 1<sup>st</sup> October 2012 providing protection for homeowners who engage with a registered Property Factor. It defines what is meant by the term "Property Factor" and places a duty on all Property Factors to:

- Apply to be entered onto a register of Property Factors held by Scottish Ministers
- Comply with a Property Factor Code of Conduct (revised 16 August 2021) which requires us to update our registration annually and to provide a Written Statement of Services to each factored property
- The Code of Conduct also sets out a dispute resolution mechanism for homeowners

It is a criminal offence punishable by a fine or imprisonment to operate as a Property Factor without being registered.

3.2 We will comply with the Overarching Standards of Practice set out in the Code of Conduct for Property Factors and will:

- Conduct our business in a way that complies with all relevant legislation
- Be honest, open, transparent and fair in our dealings with homeowners
- Provide information in a clear and easily accessible way
- Not provide information that is deliberately or negligently misleading or false
- Apply our policies consistently and reasonably
- Carry out our services using reasonable care and skill and in a timely way, including by making sure that staff have the training and information they need to be effective
- Not unlawfully discriminate against a homeowner because of their age, disability, sex, gender reassignment, being married or in a civil partnership, being pregnant or on maternity leave, race including colour, nationality, ethnic or national origin, religion or belief or sexual orientation
- Ensure all staff and any sub-contracting agents are aware of relevant provisions in the Code and our legal requirements in connection with our maintenance of land or in connection with the management of common property
- Maintain appropriate records of our dealings with homeowners
- Ensure we handle personal information sensitively and in line with legal requirements on data protection
- Respond to enquiries and complaints within reasonable timescales and in line with our Complaints Handling Procedure

3.3 We comply with the following legislation:

- Abolition of Feudal Tenure Etc. (Scotland) Act 2000

- Title Conditions (Scotland) Act 2003
- Tenements Act 2004
- Housing (Scotland) Act 2006
- Housing (Scotland) Act 2014
- Data Protection Act 1998 & 2018
- Equality Act 2010

3.4 We aim to fully comply with the Scottish Housing Regulator’s Social Housing Charter Indicators which support the requirements of the Scottish Social Housing Charter (introduced by the Housing (Scotland) Act 2010), and in particular, the following outcomes:

Equalities	Social landlords perform all aspects of their housing services so that every tenant and other customer has their individual needs recognised, is treated fairly and with respect, and receives fair access to housing and housing services
Communication	Tenants and other customers find it easy to communicate with their landlord and get the information they need about their landlord, how and why it makes decisions and the services it provides
Participation	Tenants and other customers find it easy to participate in and influence their landlord’s decisions at a level they feel comfortable with
Repairs, Maintenance and Improvements	Tenants’ homes are well maintained, with repairs and improvements carried out when required and tenants are given reasonable choices about when work is done
Value for Money	Tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay
Rents and Service Charges	Social landlords set rents and service charges in consultation with their tenants and other customers so that a balance is struck between the level of services provided, the cost of the services, and how far current and prospective tenants and service users can afford them, and tenants get clear information on how rent and other money is spent, including details of any individual items of expenditure above thresholds agreed between landlords and tenants

#### 4.0 Responsibility for Factoring

- 4.1 The arrangements for the management and maintenance of common property are normally determined by Title Deeds or Deeds of Conditions and detailed in the Sharing Owner Exclusive Occupancy Agreement. The authority for ELHA to act as factor is also found in the Deeds.

Title Deeds - are proof of ownership of land and buildings and contain various rules that apply to the building. They will normally outline the rights and responsibilities each owner has for their own flat and their shared responsibilities for the tenement.

Deed of Conditions - apply to most new properties and contain various rules which can apply to both an individual house and flat. For example, conditions such as use of the property, how decisions about how common repairs will be made and division of responsibility.

Exclusive Occupancy Agreement - is a signed agreement between a Sharing Owner and the Association and sets out the obligations of both parties, for example, obligations to maintain and repair the property, pay an occupancy charge and pay for services.

- 4.2 The Director of Housing is responsible for the Factoring Services within the Association. However, operational duties are dealt with as follows:

- Estate Management and general owner liaison - Housing Team
- Financial Inclusion Services - Housing Team
- Repairs & Maintenance - Asset Management Team
- Accounting, invoicing, buildings insurance - Finance Team

#### 5.0 Factoring Services Provided

##### 5.1 Services and Maintenance

We currently arrange the following services on behalf of Owners / Sharing Owners (please note that not all services will apply to all properties):

- Stair and communal area cleaning
- Communal bins cleaning
- Stair and Courtyard lighting

- External painting
- Replacement floorcoverings in common stairs
- Buildings Insurance (see section 5.2)

We used to own and maintain the shrub beds in many of our developments however, we paid East Lothian Council the equivalent of ten years cost of the maintenance of the shrub beds in return for which they assumed ownership and will maintain them for all time. This arrangement safeguarded residents and the Association from inflation. We are still responsible for hard landscaped areas and common parts in some developments.

## **5.2 Insurance**

We keep a block insurance policy in force for all of the properties we own. Property owners in a tenement flat are required to have a contract of insurance for the full reinstatement value of the property and any parts of the building attached to the property. Household contents insurance is not provided by the Association.

A copy of the summary insurance document is provided to the owner each year.

## **5.3 One off Works & Emergencies**

Most repairs and maintenance work out with the services we provide are the responsibility of the Owners. However, on occasion communal one-off repairs maybe required, for example, to the roof or parking spaces. In such cases, we will agree the work with Owners before a repair is instructed and whether it will be charged as a one off cost or paid from the Reserve Fund. Sharing Owners can request a one off communal repair though their My Home account. All Owners can do this by telephoning or emailing our offices, or by visiting us during office hours.

We have the right to instruct emergency works to communal areas in some developments but will only do this if the work is required immediately for safety reasons. Emergency work is normally carried within two hours of it being reported to us.

## **5.4 Estate Management**

We regularly inspect the condition of all our estates and common parts throughout the year to ensure they are maintained in good condition, and to identify any health and safety issues or rapid deterioration in the condition of external painting and floor coverings where appropriate.



Communal landscaped areas are regularly monitored to ensure they are tidy and well maintained. Any problems will be raised with East Lothian Council or Contractors, as appropriate.

- 5.5 We operate a stair and communal cleaning contract in some developments and monitor this contract on a regular basis to ensure that the work is being carried out satisfactorily. We will carry out an annual satisfaction survey of this contract to obtain Owners views and to ensure a high level of service is being achieved.

## **6.0 Procurement of Services**

- 6.1 All services and works will be procured in line with our Procurement Policy.
- 6.2 In emergency situations works necessary to address issues of health and safety or property integrity may be instructed by senior staff without estimates or tenders. Emergencies will normally be attended to within two hours.
- 6.3 Service costs such as communal cleaning or electricity for unadopted lighting of common areas, including stairways, will be charged directly based upon bills from contractors/suppliers.

## **7.0 Financial & Charging Arrangements**

- 7.1 Charging structures will be determined according to what is set out in the relevant Title Deeds, Deeds of Conditions or in the Exclusive Occupancy Agreement. These will vary between different areas and house types.
- 7.2 We levy a Service Charge for the costs of providing services which are payable monthly in advance. We review these annually and will write to the Owner each year, giving 28 days' notice of the new charge starting in April.
- 7.3 We calculate the charges in the following way:
- Stair & Communal Cleaning & Bins

We tender the stair and communal cleaning contract every three years in accordance with our Procurement Policy. The costs of the providing the service are apportioned equally amongst the Owners within the development.

- Stair & Courtyard Lighting

We aim to achieve the best possible price for our electricity by using the same supplier for all our developments. We split the electricity costs 80% to stair lighting and 20% to courtyard where applicable and apportion costs equally amongst the owners within the development

- External Painting and Replacement Floor Coverings (Reserve Fund)

In some developments, we collect provisions for the 'Reserve Fund', a pot of money used for external painting and replacement floor coverings. The charge is based upon the actual cost of works with an amount allowed for inflation until the next time the painting or replacement of floor coverings is due.

- Buildings Insurance

The cost of the insurance is reviewed annually and shared amongst owners. As we fully insure the structure of all our development we benefit from the bulk discount we receive for insuring all our assets. This benefit is passed on to Sharing Owners in the form of lower insurance costs. The insurance premium that we charge is based on the re-build value of the property at the time it was built inflated over the years since.

- Management / Administration Charge

We charge a fee equivalent to 10% of the total charge for the services to cover the costs of managing work on behalf of Owners. The fee covers the cost of staff inspecting and arranging work, carrying out some estate management duties and administration such as the cost of postage and stationery.

7.4 We review Service Charges annually and we will write to Owners each year giving 28 days' notice of the new charge starting in April.

7.5 Each year we issue a Statement of Account to every Owner showing the charges and credits made, the costs of works carried out and the position at 31 March.

7.6 Payments to the Reserve Fund are non-returnable and will not be repaid to Owners or passed on to a new Owner should the property be sold on.

7.7 If we agree to carry out a one-off communal repair we will agree with Owners whether this will be paid from the Reserve Fund or invoiced directly.

7.8 We account for the income and expenditure for each development in a separate account. The Association is financially audited each year and we are also subject to regulation and inspection by the Scottish Housing Regulator.

## **8.0 Debt Recovery**

8.1 Our Housing Team are responsible for the recovery of all outstanding debts. The process for recovering debts is set out in our Shared Ownership Policy and is included in the Written Statement of Services (See section 9.0) and is applied consistently and reasonably when recovering outstanding debts.

8.2 We will advise Owners of debt counselling, information and support available if they cannot pay their charges. Owners will also be provided timely reminders of any amounts outstanding and will be informed of how charges may affect if one or more homeowners do not pay their debts. We will take reasonable steps to resolve any outstanding debts before considering legal action. In serious cases of non-payment, we may consider legal action which stops an Owner from selling or passing on their home until the debt is paid to us. If this is required, we will normally seek to recover the legal costs and may charge interest.

## **9.0 Written Statement of Services**

9.1 We provide each owner with a Written Statement of Services which sets out the terms and service delivery standards of the arrangement in place between us. This Statement will include our Property Registration Number.

9.2 We will provide a Written Statement to:

- Annually, with a statement of account showing charges incurred and credits in the previous year
- Any new owner within four weeks of being made aware of a change in ownership, where we already provide a Factoring Service
- Any owner within three months if we make any substantive changes, and will issue a revised Written Statement, clearly indicating the changes on the revised Statement or separately in a 'summary of changes' document attached to the revised version

9.3 The Written Statement will include:

- A statement on what authority we have to act as factor to the owners within the property
- The core services that we will provide. This will include our response times for both common, routine and emergency work
- The non-core services we will provide, their charges and how they are notified and calculated
- The management fee charged and the review process for determining any change to this
- The percentage of charges for common works and services are the responsibility of the owner
- What percentage of charges for common works and services are the responsibility of owners
- Details of the common insurance policy and how the premium is calculated
- Confirmation that we have a debt recovery procedure which is available on request
- Any joint liability for the non-payment of fees and charges for common works and services to owners
- Any arrangement for taking payments at termination of service
- Any arrangement for the collection of payment from owners for specific agreed major works or cyclical works, confirming amounts, payment and repayment ( at change of ownership or termination of service)
- The invoice process, including when and how owners will receive their bills
- The payment collection process, including timescales and payment methods
- The complaints process, including how to make an application to the First Tier Tribunal
- Information on how owners can change or terminate their Factoring Services

**10.0 Information & Consultation**

- 10.1 We will ensure that the appropriate information on the Factoring Service is issued to Owners in a variety of ways such as through their My Home account, by email or letters.
- 10.2 We will consult and liaise with Owners as required on repairs and maintenance works.
- 10.3 Prior to purchase, potential Sharing Owners will be given clear information about the responsibilities including repair and maintenance obligations and indication of costs, where possible.
- 10.4 We will carry out regular satisfaction surveys regarding the Factoring Services that we provide.

**11.0 Complaints**

- 11.1 We aim to provide a first class service to all of our customers, but we recognise that we don't always get it right.
- 11.2 Customers may make a complaint about our Factoring Service using our Complaints Handling Procedures for a range of matters including if there has been:
- A failure to comply with policy or procedures
  - A failure to carry out duties in a satisfactory manner
- 11.3 We will aim to provide Owners with a response or decision within a reasonable period as set out in the Complaints Procedure (considering the nature of the complaint) as well as providing such information that will allow us to provide a first class service to our customers.
- 11.4 Where an owner is dissatisfied with the outcome of their complaint and believe that we have failed to carry out our factoring duties, they are entitled to contact the Housing and Property Chamber, First-Tier Tribunal for Scotland at the following address:

Glasgow Tribunal Centre, 20 York Street, Glasgow, G2 8GT  
Tel: 0141 302 5900 Website: [www.housingandpropertychamber.scot](http://www.housingandpropertychamber.scot)

**12.0 Equal Opportunities**

- 12.1 We will not discriminate in the operation of this policy on the basis of age, disability, gender reassignment, marriage and civil partnership, race, religion or belief, sex, or sexual orientation.
- 12.2 We aim to promote equal opportunities and comply with the requirements of the Equality Act 2010.

**13.0 Policy Review**

- 13.1 The Director of Housing is responsible for the review of this policy every five years or if there is a change in legislation if this is sooner. Any recommended changes will be submitted to the Management Committee for approval.

# Disposal of Assets Policy Review

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

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### 1.0 Introduction

The Disposal of Assets Policy was reviewed at the September 2021 meeting, however, since then, there have been sales to employees of obsolete furniture with a £nil net book value. It is noted that under current tax legislation, that a taxable benefit arises in such circumstances on the estimated second-hand value less what the employee paid for the asset.

### 2.0 Proposed Changes

Prior to offering the furniture to employees to purchase for a nominal amount, the possibility of selling it to a second-hand furniture dealer was investigated, but without success. There is currently a glut of similar furniture available due to businesses changing their operations in response to the pandemic (more working from home in the longer term resulting in smaller office premises). It has therefore been assumed that the second-hand value of this furniture is £nil and accordingly, there should be no taxable benefit for employees who have purchased the furniture. The addition to the Policy is therefore guidance for any future disposals to employees.

A further change is proposed at 2.3.2 regarding the disposal of an asset to a charity and relaxing the requirement for Management Committee approval to donate to a charity which does not conform to the criteria set out in the Sponsorships and Donations Policy. Management Committee approval would only be required for donations to a non-charitable organisation.

### Recommendation

The Management Committee is asked to approve the revised Disposal of Assets Policy.

ELHA POLICY

<b>Date Issued</b>	August 1998
<b>Department</b>	Finance
<b>Last Review Date</b>	<del>September</del> <u>November</u> 2021
<b>Title</b>	<b>Disposal of Assets</b>
<b>Objective</b>	To describe how the Group may dispose of obsolete/surplus assets.
<b>Responsible</b>	Director of Finance
<b>Next Review Date</b>	<del>September</del> <u>November</u> 2026

## 1.0 CATEGORY OF ASSETS

- 1.1 We will dispose of assets, which have become damaged, obsolete, and are surplus to requirements or otherwise of no further use to the Group.
- 1.2 Assets include all items listed in the fixed asset registers, our housing properties and any other item of equipment, fixture or fitting which has cost more than £300 but has not been capitalised (for example Care and Repair equipment and R3 Repairs' material or goods contained within our van or stores stock or small plant such as power tools etc.), and gifted items (passed to R3 Repairs for disposal by a client).
- 1.3 This policy does not cover the Association's housing properties as these will be disposed of in accordance with the Scottish Housing Regulator's Statutory Consent procedures.
- 1.4 The Management Committee must approve the disposal of the Association's office premises.
- 1.5 The Chief Executive or Director of Finance may approve the disposal of any other assets and will report these to the Management Committee/R3 Board (if a subsidiary asset).
- 1.6 The R3 Service Manager may approve the disposal of damaged or obsolete R3 stock items or R3 small plant and will report these to the R3 Board.
- 1.7 The Director of Asset Management may approve the disposal of R3 items gifted by others and will report these to the R3 Board.



## 2.0 METHODS OF DISPOSAL

(In order of Preference)

### 2.1 Trade-in

2.1.1 To eliminate storage problems, this is our preferred option for disposal where an asset is being replaced. We will try to obtain a trade-in value equivalent to or above the net book value of the asset in the Group's books.

### 2.2 Disposal to Staff or Committee Member

2.2.1 If a trade-in is not possible, we will offer the asset for sale, at its net book value, to staff and Management Committee/Board Members. If the net book value of the asset is £nil, we will offer to sell the asset to staff/Management Committee/Board for an amount to be agreed by the Chief Executive and Director of Finance (or Director of Asset Management where the asset belongs to R3 Repairs).

2.2.2 If the item has a second hand value which is higher than the amount paid, the difference will be treated as a benefit and will be subject to tax and National Insurance.

2.2.3 If more than one member of staff/Management Committee/Board wishes to buy the asset, we will write down the names of all those interested and one name will be selected at random ("out of a hat") by a non-interested member of staff.

2.2.4 Where an asset is sold to a member of staff or Management Committee / Board, the details of the sale, including the name of the individual buying the asset, will be notified to the Management Committee at its next meeting.

### 2.3 Disposal to a Charity

2.3.1 If we can not dispose of an asset through steps 2.1 or 2.2., we may donate the asset.

2.3.2 Where possible, ~~We may only~~will donate the asset to an organisation which conforms to the criteria specified in the Group's "Sponsorship and Donations" Policies. The Management Committee/Board must give their specific approval for the donation of assets to any other non-charitable organisations.

2.3.3 We will transfer the net book value of the asset at the point of donation to the "Sponsorship and Donations" budget.

### 2.4 Sale to a Third Party

2.4.1 We may sell the asset to an interested third party. However, considering the costs and staff time involved, we will not generally advertise assets for disposal to the general public.

2.4.2 We will always try to sell the asset for an amount at least equal to its net book value.

## **2.5 Other**

2.5.1 If there is no market for the asset, we will dispose of it as waste using the services of an appropriate waste collection organisation (e.g. the Council) to ensure that this is done safely.

## **3.0 DISPOSAL COSTS**

3.1 If we incur costs in disposing of an asset by sale or donation (for example the charge for removing information from a computer), we will add these costs to the net book value of the asset to determine the sale price/donation value.

3.2 Where an item is disposed of to a waste facility, the cost will be charged as part of the ongoing running costs.

## **4.0 USE OF PROCEEDS**

4.1 If we receive an amount that is greater than the net book value of the asset, we will transfer the excess to the “reserves”.

## **5.0 RECORDING DISPOSALS**

### **5.1 Fixed Asset Registers**

We will maintain a record of all the assets we dispose of in our “Fixed Asset Registers”. In these registers, we will record the details of the asset, its cost, its net book value at the time of disposal, the disposal proceeds (if any) and details of the disposal (including details of the purchaser/recipient organisation). Disposals will be reported to the Finance & Audit Sub-Committee annually for information.

### **5.2 Accounting for Disposal of Stock Items**

We will maintain a record of all the R3 stock items disposed to ensure that R3 stock can be accurately valued.

## **6.0 CONCLUSIONPOLICY REVIEW**

- 6.1 The Director of Finance will ensure that this procedure is reviewed at least every five years and that any amendments required are submitted to the Management Committee for approval.

## Care & Repair Funding

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

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#### 1.0 Background

The Care & Repair East Lothian service is primarily funded through grant funding from East Lothian Council (a small amount of annual income comes from administering ELHA adaptations).

This funding has been allocated in different ways in the past. Sometimes funding has been awarded on an annual basis, and at other times for multiple years. In some years, significant submissions have been required, whilst in others a simple confirmation of funding requirements has been all that the Council has required.

Care & Repair services are funded in different ways in Scotland, and some are Council run services. In general, where the service is operated by a third party, it has been accepted that tendering would be counter-productive, since in each case there is no alternative supplier, and the tendering process would simply increase the cost and complexity of procuring the services.

The current funding agreement is a five-year deal underpinned by a Service Level Agreement that ends in March 2022. However, there is a small shortfall in funding for the 2021/22 financial year, and it now seems likely that East Lothian Council will not fund this shortfall in 2021/22.

#### 2.0 Funding Shortfall

Care & Repair East Lothian is a department of ELHA, not a subsidiary company, and all Care & Repair staff are employed on ELHA contracts. Were funding for the service to end, either ELHA would have to TUPE transfer staff to East Lothian Council (or any other new provider of the service), or carry out a redundancy consultation, depending on the nature of the funding withdrawal. However, East Lothian Council have confirmed that continued funding will be available in 2022/23, but they have not confirmed at what level this will be.

Prior to the current five-year agreement, a small surplus existed, and it was agreed that this would be used up across the five-year period. In the end, an overall deficit of £25,973 at the end of the current financial year is projected. Although Care & Repair fits closely with the Association's overall objectives, as it works exclusively with clients in the owner occupied and private rented sectors, its activities should not be cross-subsidised by ELHA.

When it became apparent, in October 2020, that the current funding level would not be sufficient to sustain the service to the end of the five-year period, the Council was asked for additional funding in 2021/22 to make up this shortfall. The Council undertook to consider this request, but as such has never given a firm answer one way or another. Even at the last Local Advisory Committee in September 2021, the Council representative suggested that the request was still being considered and that an award may be made out of current budgets, but as yet that has come to nothing.

The Council has also confirmed (not in writing, but in several minuted Local Advisory Committee meetings, with Councillors present), that the contract to provide the service will not be tendered, and that funding has already been secured for future years. There is a clear will amongst the relevant Council Officers to continue to fund the service, and the Councillors that attend the Local Advisory Committee are also clearly supportive of future funding.

Therefore, it is proposed that the shortfall for 2021/22 be taken from 2022/23 funding, once awarded. In the unlikely event that funding is subsequently refused, any costs of closing down the service should be recoverable from the Council given their confirmation of future funding at this stage. There is a small risk to ELHA that the service does not continue to be funded, but given that ELHA has operated this service for over 30 years, it would be a more significant risk to issue redundancy notices to staff now simply to protect against this relatively small risk. Management Committee approval for this approach is sought.

### **3.0 Future Funding**

It is not clear how the Council wishes to approach an application for future funding yet, but there is a clear appetite for a multi-year deal. The main issue seems to be that multiple departments within the Council, including consultation with legal and procurement staff, make it difficult to get a definitive answer at this stage. This seems more likely to come out of the Council's budgeting processes.

However, a multi-year agreement would give staff working for Care & Repair some certainty, and therefore this approach would be welcomed by ELHA. A five-year budget has been prepared by ELHA and shared with the relevant staff at East Lothian Council.

#### **Recommendation**

The Management Committee is asked to confirm that the Care & Repair service can be funded by ELHA to 31 March 2022, with a view to reclaiming these costs from the 2022/23 funding allocation.

# Addition to the Procurement Policy

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

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### 1.0 Introduction

It has come to light that one section of the model Procurement Policy was inadvertently left out of the ELHA policy when it was presented to the Management Committee on 26 August 2021.

### 2.0 Direct Awards

This addition of this section would allow Chief Executive discretion to waive the normal requirement to use the Quick Quote process for procurements under £25,000. There is no legal requirement for the Association to use any defined procurement method at this level, but in general, and as a matter of good practice, the Association will normally adopt this approach.

However, there will be some occasions when a Direct Award is more appropriate. An example has recently arisen, where the Association is looking to procure professional support to assist the procurement of insurances. The Association has worked three times previously with the consultant it wishes to appoint (Robin Hobbs, Global Risk Initiatives Limited), but at £7,500, their quote falls within the parameters where the Quick Quote process would normally be used. However, this particular consultant is fully aware of the range of insurances the Association procures and the regulated procurement process and appointing any other consultancy at this stage would involve a considerable amount of work to brief them on the range of insurances required.

The resources involved in appointing any other consultant would be completely out of step with any possible savings that could be made. In addition, as the consultancy is small, it is possible that they would not bid if asked to formally tender, or they may increase their fee to incorporate their costs in tendering.

### 3.0 Policy Changes

It is proposed to insert a new Section 8.1 of the Policy as follows:

#### 8.1 Direct Awards below £25,000

This approach will not be used in relation to any partnership or other contractual document arrangement such as a loan document, approved by Management Committee, and where ELHA can only fulfil its contractual obligations using suppliers specified in the partnership or contractual document.

Where costs are below £25,000 the Chief Executive has Delegated Authority to award contracts for works / services / goods if:

- The Chief Executive considers it is appropriate to make the direct award
- The Management Committee deems there is a requirement for those services to be directly awarded and so instructs the Chief Executive accordingly

However, and in order to achieve Value for Money, due consideration will be given to using the Quick Quote (QQ) facility, where possible.

Management Committee will be asked to approve or homologate any such appointments, depending on the circumstances and timescales involved.

**Recommendation**

The Management Committee is asked to:

- (a) Approve the addition to the Procurement Policy; and
- (b) Approve the appointment of Robin Hobbs of Global Risk Initiatives Limited to support the Association in the procurement of Group insurances.