



Contract Management Policy

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SHR Regulatory Standards:

- The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.
- The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.
- The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.
- The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.

CHA Strategic Objectives

- To provide quality, affordable housing that meets the changing needs of our customers and to ensure fair access to housing within our area.
- To work in partnership with others, supporting our tenants and other customers, to maximise opportunities for physical and socio-economic regeneration in Clydebank.
- To ensure that our resources are adequate to deliver our objectives by investing in our people, demonstrating value for money and through robust procurement practices.
- To promote social inclusion by applying principles of equality and diversity to everything we do

This policy can be made available on request in a variety of different formats, such as on tapeCD, in large print and translated into other languages.

Introduction

This policy sets out the approach that will be taken by Clydebank Housing Association (CHA) to the management of contracts in relation to its development programme.

In developing this policy, CHA has had regard to the Regulatory Standards of Governance and Financial Management¹, specifically:

- Standard 2: The RSL is open and accountable for what it does. It understands the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.
- Standard 3: The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.
- Standard 4: The RSL bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.

In developing this policy, CHA has also had regard to the requirements of the Scottish Social Housing Charter². Effective implementation of this policy will support CHA's achievement of the following Charter Outcomes and Standards:

Charter Outcomes	Charter Standards
1 – Equalities 2 – Communication 3 – Participation	4 – Housing Quality 13 – Value for Money

CHA's approach to the procurement of contractors and consultants is set out in its Procurement Strategy, which will be implemented in respect of development and related activities. This Contract Management Policy is designed to ensure that contracts, once in place, are controlled effectively to meet the client's (CHA's) requirements and expectations.

This policy covers:

- Traditional Construction Contracts
- Design and Build Contracts
- Liaison and Handover
- Defects Liability
- Contractor / Consultant Liquidation

¹ Scottish Housing Regulator Regulatory Standards of Governance and Financial Management 2019

² Scottish Social Housing Charter (Scottish Government 2012)

1. Context

The form of contract will be based on the appropriate industry model and will either be:

- JCT (Joint Contracts Tribunal)
- Design and Build
- Development Agreement
- PPC (Project Partnering Contracts)

The precise form will be influenced by the respective roles of consultant, contractor, developer, site owner and client. As a consequence, although this policy is designed to set out the general principles which will apply to each contract, it is subject to some variation.

In the case of Design and Build projects, control is exercised through the Employer's Agent who will be responsible for ensuring that CHA's requirements are met.

2. Policy Objectives

The specific objectives of this policy are:

To ensure that all contracts entered into in respect of CHA's development activities are managed effectively; that risk is adequately assessed and appropriately managed and that high-quality housing is provided in areas of Clydebank where people want to live.

For traditional construction contracts, to:

- Ensure that all construction contracts proceed in accordance with the terms agreed, in particular relating to cost, time, quality and safety
- Ensure that procedures are in place to identify and remedy any problems or difficulties
- Set out the monitoring and reporting arrangements during the contract

For design and build contracts and development agreements, to:

- Set out the criteria to be used in deciding how to respond to an initial approach from a developer or contractor
- Describe how CHA will invite and assess competitive proposals for a Design and Build project
- Describe the role of the Employer's Agent acting on behalf of CHA
- Set out the conditions to be satisfied when buying completed new build properties from a developer.

In the event that a consultant or contractor goes into Liquidation or has a Receiver appointed, to ensure that:

- The potential for financial loss to CHA is minimised.
- In the event of a contractor or consultant being unable to complete a contract because of liquidation or the appointment of a receiver, a strategy for

securing completion will be adopted at an early date to minimise delay in completion

- The standards of the project are not compromised
- Wherever possible, continuity of employment for sub-contractors will be safeguarded, taking account of financial constraints

3. Traditional Construction Contracts

All construction contracts will be in the form of the most appropriate approved industry model (JCT standard building contract, etc.)

CHA development staff/consultants will operate in collaboration with the Design Team, made up of the relevant consultants, normally led by the architect, and the contractor, once selected. The lead consultant will amongst other things be responsible for the supervision of the contract and reporting on progress. The project team will be the medium for sharing information, discussing variations, raising problems and attempting (in the first instance) to resolve disagreements.

For each project, CHA will appoint a Clerk of Works in accordance with the association's Procurement Policy. The role of the Clerk of Works is to act as the client's representative on site, and will be required to maintain a good relationship with the contractor and the consultant team throughout the contract. He/she will visit the site at least weekly, or as laid down in the contract documentation, to inspect progress of the works, and to draw to the attention of CHA, the contractor and the lead consultant any non-conformance with the specifications referred to in the contract. The Clerk of Works does not have the authority to instruct variations to the contract. Where the need for variations is identified, they must be notified to CHA and the lead consultant, who can then raise the issue with the contractor. The Clerk of Works will be a member of the Project team and will attend all site meetings.

As soon as possible after Contractor selection, CHA will convene a meeting of the Project Team, to confirm, with reference to the contract (or other form of agreement):

- The roles and responsibilities of various parties (including identification of Principal Designer / Principal Contractor)
- The contract start and completion dates
- The contractor's programme of work (see below)
- Phasing of handovers
- The budget and budgetary control procedures (see below)
- The names of proposed sub-contractors and key suppliers
- Any outstanding planning or building control issues, and any conditions attached to planning approval
- Issues associated with utilities
- The frequency and conduct of site meetings, including arrangements for recording
- Arrangements for site inspections by client (including Clerk of Works) and consultants
- Site security arrangements

- Site sign Boards
- CHA's Contractors' All Risks insurance and Public Liability Insurances
- Any outstanding issues associated with insurance and warranties
- Health and safety, including responsibility for preparation and maintenance of Construction Phase Plan and responsibility for maintenance of Health and Safety file
- Maintaining good relationships with neighbours, including any boundary issues
- Any information required by the contractor
- Telephone numbers for emergency call outs
- Methods of dealing with disagreements or disputes

As soon as possible after this meeting, the contract documentation will be signed.

Project team meetings will be held at agreed times and frequency throughout the project, and will normally be held on site, where the meeting can coincide with a site inspection. The responsibility for arranging and drawing up an agenda for the meeting will be the responsibility of the lead consultant (who may be the principal designer). The contractor will be expected to present a report on progress, including any matters which could affect the contract programme or costs. CHA will ensure that all meetings are minuted.

The terms of the contract empower CHA's consultants to issue variation orders or instructions which amend the terms of the original contract. Where these variations are likely to impact on the cost or the timing of the contract, these will be the subject of prior discussion between the lead consultant and CHA. Where significant, they will be referred to CHA's Management Committee for approval prior to issue. All instructions to the contractor will be issued through the lead consultant, following Project Team discussion at site meetings where appropriate. Any concerns or issues raised by the Clerk of Works will be channelled through this route. Any instructions issued to the contractor, and associated drawings, must be copied to CHA.

The lead consultant will report monthly to CHA on project progress, and will cover the project budget, the project programme, the agreed standards and health and safety aspects. These are dealt with below.

4. Budget

A budget for the project will be drawn up, based on the tender documentation, including any cost savings or other amendments agreed before the contract begins.

The budget will contain headings for both income and expenditure; against these headings records will be kept of all costs and all income received.

Monthly cost reports will be prepared by the QS to ensure that the client is appraised of all cost variations and the reasons for such variations. The impact

of these variations on the projected final account will be recorded. Copies of the monthly cost reports will be forwarded to the other project consultants.

5. Programme

The programme of works agreed at the outset will set out how the contractor intends to meet the contract dates, including any phased handovers where applicable. Any anticipated difficulties in meeting programme dates will be reported by the lead consultant in his/her monthly reports to CHA. The contract provides for the appropriate action to be taken in the event of any potential or actual delays. Any changes in projected handover dates will be notified to relevant CHA staff.

6. Standards

The project brief and the contract documentation agreement will set out the standards expected in terms of materials and quality of work. Responsibility for ensuring that these standards are adhered to rests with the Clerk of Works in the first instance and the lead consultant, who will report any issues in his/her monthly reports.

7. Health and Safety

Each project will have a Construction Phase Plan, in accordance with the CDM Regulations (2015). The Principal Designer / Principal Contractor will attend the periodic site meetings and report on a monthly basis, as part of the lead consultant's report. A Health and Safety file will be maintained for each project, and this will be handed over to the client upon completion.

The reports received from the lead consultant will form the basis of the contract monitoring arrangements. CHA will identify from the report any issues requiring remedial action. Normally this will involve a decision by CHA staff. Where this requires a decision to be taken by CHA's Management Committee, it will be reported to its next meeting. However, in cases of urgency it may be necessary to reach an immediate decision, which will require to be ratified at the next Management Committee meeting, with reasons for the urgency reported. In such circumstances, CHA staff/consultants will always obtain the approval of CHA's CEO before proceeding.

The terms of the contract allow for interim payments to the contractor. Payments will only be made on issue of a certificate for payment. The lead consultant, usually the quantity surveyor, will prepare a certificate for payment, based on a valuation of the work completed to date.

CHA will submit claims for grant from funding agencies at the earliest opportunity using the certificates for payment received from the lead consultant.

A project file (which may be electronic in whole or part) will be maintained for each development, on which will be kept all documentation associated with the

project. Responsibility for maintaining the file will rest with CHA. Its contents will include, but may not be limited to the following:

- Site acquisition details
- Correspondence from funders and other stakeholders
- Details of the procurement process for consultants and contractors
- Professional Indemnity Insurance details
- Contract documents, including drawings (which may be stored separately)
- Construction Phase Plan
- Minutes of meetings of Project team
- Architect's Instructions
- Monthly reports from lead consultant
- Record of authorisation for contract variations
- Interim certificates for payment
- Guarantees and warranties
- Original copies of all statutory permissions and warrants
- Operations Manual
- Health and Safety records (including Health and Safety file when handed over at completion)
- Certificate of Practical Completion (when completed)
- Results of Post Scheme Evaluation (when completed)
- Tenant Satisfaction Survey (when completed)

8. Design and Build Contracts and Development Agreements

(a) Where a contractor owns all or part of the site for development

Where CHA is approached by a developer or contractor (either directly or through an intermediary such as the local authority) in relation to CHA's potential involvement in a development project, an initial assessment of whether the project is consistent with CHA's Development Strategy will be made. In particular, we will consider whether there is a need for houses in the locality, the fit with the Local Housing Strategy and CHA's ability to provide quality management and maintenance services in the locality. We will progress an interest in the project where we are satisfied that the project is consistent with our Development Strategy.

CHA will carry out an assessment of the site itself, in relation to our Site Assessment Check List. This assessment is intended to identify any obstacles to development and its suitability for its intended client groups. Where only part of the site is to be transferred, CHA will seek to identify, through negotiation where necessary, the part of the site which is most appropriate to the needs of CHA and the intended occupants. It is expected that the developer will be in possession of most of the information required to make this assessment, but additional enquiries may be necessary. CHA's interest in the site will be progressed where it is satisfied that development is a feasible option and the site is suitable for its intended occupants.

CHA will consider the opportunity in terms of its knowledge of, and experience of working with, the developer in question. If CHA has already worked successfully with the developer or contractor in the past, there will be a presumption in favour of progressing our interest. If CHA has worked successfully with the contractor in the past, CHA will seek to gather information to inform consideration of the proposal, including the following:

- Registration with the Construction Industry Scheme
- Registration with Constructionline
- Possession of adequate insurance cover
- Track record, including evidence of having undertaken work similar to that likely to be commissioned by CHA
- Use of local labour
- Ability to provide CHA with third party building warranty where the project in question includes an element of low cost home ownership
- Health and Safety record and policy
- The contractor's organisational policies, including HR and Equality and Diversity
- Contractor's policy on providing apprenticeships and training
- Ability to meet sustainability targets
- Financial strength / viability, for example, through bank references and/or accounts, annual turnover relative to the value of the contract

Where CHA is satisfied that the developer performs satisfactorily against these criteria, a positive response will be issued and CHA will seek to secure an in-principle agreement. However it is recognised that since the contractor rather than CHA will assume most of the risk associated with the development, not all of the above criteria may be equally significant.

The developer will be provided with CHA's standard design brief. CHA will make applications for grant funding to the Scottish Government via its HARP portal and will ensure the availability of adequate private funding via additional borrowing or by accessing an existing loan facility. Only in very exceptional circumstances will CHA consider making a contribution to development costs from reserves.

Conclusion of the Design and Build Agreement will require:

- CHA to be satisfied that the developer's designs meet the standard design brief as far as possible
- Satisfactory negotiation of the price to be paid for the completed dwellings and land
- Confirmation of the availability of grant funding
- Confirmation of the availability of security
- Confirmation of the application of NHBC warranties (or equivalent) to cover the properties
- Agreement on the terms of a collateral warranty

Provided these criteria are satisfied, CHA will conclude the agreement, incorporating:

- A contract for purchase of the site
- A design and build contract for procuring the building works

CHA will normally appoint Quantity Surveyor to act as Employer's Agent in accordance with our Procurement Policy. The Employer's Agent will report to and be accountable to CHA.

The role of the Employer's Agent in this situation is to:

- Advise on terms of the contract.
- Advise on contractor's costs as the scheme proceeds, and deal with all variations within the scheme budget
- Ensure that CHA's responsibilities for Health and Safety are fully met.
- Be responsible for quality control on site, highlighting any divergence from the employer's requirements
- Agree periodic valuations of work on site
- Deal with disputes, contractual claims and insolvency
- Negotiate a final account

(b) Where CHA owns the site

Where CHA owns the site, the association will normally appoint Quantity Surveyor to act as Employer's Agent in accordance with our Procurement Policy. The Employer's Agent will report to and be accountable to CHA.

The role of the Employer's Agent in this situation is to:

- Prepare the employer's requirements, describing the conditions under which the contract will be let
- Prepare cost estimates before competitive tenders are invited.
- Prepare pre-contract and contract documentation and publish contract opportunity locally and via Procurement Scotland
- Invite Expressions of Interest and tenders
- Analyse contractor's proposals and prepare a report on Expressions of Interest / tenders
- Advise on contractor's costs as the scheme proceeds, and deal with all variations within the scheme budget
- Ensure that CHA's responsibilities for Health and Safety are fully met.
- Be responsible for quality control on site, highlighting any divergence from the employer's requirements
- Agree periodic valuations of work on site
- Deal with disputes, contractual claims and insolvency
- Negotiate a final account

We will select contractors following a competitive exercise and in accordance with the criteria set out in the pre-contract notice / Invitation to Tender.

The assessment of tenders will be based on a quality/price formula. In all procurement, CHA seeks to achieve “the best balance of cost, quality and sustainability”³ CHA will not award a contract on the basis of cost alone. This formula is not fixed, and will be determined at the pre-contract stage with advice from the Employer’s Agent. Normally, CHA will look to achieve a ratio of 60:40 between quality and price, but this may be varied depending on the particular characteristics of the scheme. Pre-contract documentation will always specify the award criteria. The quality element will be assessed in relation to some or all of the following factors:

- Previous experience of working with the contractor (including results of post-scheme evaluation)
- Other relevant experience of contractor (with references where required)
- Financial strength and viability checks
- Health and Safety record
- Ability to offer advice to project team on ‘buildability’
- Ability to meet sustainability targets (sourcing of materials, reduction in waste)
- Existing workload
- Expertise in managing the supply chain
- Project personnel
- Use of sub-contractors
- Use of local labour
- Creation of apprenticeships/proposals for training
- Organisational policies

Where CHA owns a site, and as a variation to the above, CHA will consider the possibility of progressing a scheme to outline design stage, before seeking competitive proposals from contractors, thus giving CHA greater control of the design. CHA will appoint a design team, in line with our Procurement Policy, with a view to transferring their contracts to the Design and Build contractor at a pre-determined stage of the design process. Where this process is followed, the contracts with the design team will provide for their services to be novated from the client to the contractor, with the exception of the quantity surveyor whose services will be retained to act as Employer’s Agent for the remainder of the development period.

All Design and Build contracts will be based on the relevant form of the JCT Design and Build contract.

In all cases where consultants are employed directly by the developer, CHA will ensure that a valid collateral warranty agreement is established, to enable CHA to take action in the event of latent design defects.

³ CHA Procurement Strategy 2017

(c) **Where the contractor or developer has completed the development of houses**

Where CHA is presented with the opportunity to purchase completed houses from a developer, the association will assess the buildings in terms of:

- The location and type of housing, with reference to CHA's development strategy
- The design of the houses, with reference to CHA's design specification
- The quality of the houses, as advised by a specialist advisor
- The existence of NHBC warranty (or similar)

A decision to purchase the houses will rest on the above considerations, the price and the availability of funds to purchase the houses.

(d) **Where the Association enters into a partnership agreement with another Registered Social Landlord (lead organisation) for the joint delivery of properties on a site**

Where CHA is presented with a partnership opportunity to participate in the delivery of affordable homes, similar procedures to point 3 above (Traditional Construction Contracts) will be followed as appropriate.

9. Handover (all contracts)

CHA seeks to ensure that, in all circumstances and as a result of effective contract management:

- The buildings that it procures are completed to an agreed high standard
- Buildings are substantially defect free at the point of handover
- Houses are occupied as soon as possible after handover
- Occupants are satisfied with their new homes
- Rental and other income is maximised

CHA aims to ensure that properties are occupied as soon as possible after handover, usually within one week after practical completion. Consequently, not less than three months before the anticipated completion date, the development staff/consultant will confirm the expected completion date to CHA's Housing Services Team. This will enable the Housing Services team to begin the process of allocating the properties to those on the housing list and to assess nominees from the council (where that has not already begun). Responsibility for liaison with the Housing Services team in the period leading to handover rests with CHA development staff/consultant.

CHA will begin the implementation of the agreed marketing strategy not less than three months in advance of the anticipated completion date. CHA development staff are responsible for ensuring that all necessary legal documentation is completed to enable titles to be transferred and entry taken at the earliest date possible.

CHA will not normally accept handover of a scheme, or part of a scheme, on a Friday or public holiday or within the two weeks before a major holiday period (such as Christmas or Easter). CHA will always ensure that an appropriate emergency repairs service is available to all occupiers at the time they take entry to a new property. CHA development staff/consultant are responsible for liaising with the Contractor to ensure that these arrangements are in place.

Where the handover of a scheme, or part of a scheme, is delayed beyond the agreed date as a result of the contractor's actions and no variation has been agreed with CHA, the provisions of the contract relating to liquidated and ascertained damages will be applied to mitigate CHA's losses.

CHA development/maintenance staff will attend snagging/quality check inspections and practical completion and defects inspections to ensure that the completed properties meet the requirements of potential occupiers. Where occupiers have been identified in advance and finishes have been selected to their specification (e.g. kitchen and bathroom fittings) these will be checked to ensure compliance in advance of handover.

On the date of handover, the Employer's Agent will inspect the scheme on behalf of CHA, with relevant officers from CHA development staff and the relevant consultants. Representatives of CHA's maintenance and housing services departments will participate in the handover inspection. Where CHA, its Agent and consultants are satisfied that all identified snags and defects have been satisfactorily dealt with, handover of the scheme will be accepted, subject to the terms of paragraph. Where CHA, its Agent and consultants are not satisfied that this is the case, handover will be postponed to allow the outstanding works to be remedied.

The Employer's Agent will confirm to CHA that the Certificate of Practical Completion has been issued, and arrange handover of the tenant information packs and operations manual provided by the contractor. CHA will record the meter reading for all properties at the point of handover from the contractor and will retain a copy in the Scheme File. The Employer's Agent will ensure that the Health and Safety file is handed over by the Principal Designer / Principal Contractor within seven days of handover and will pass the file to CHA within seven days. Housing services staff will ensure that maintenance and corporate services staff are notified when properties become occupied.

CHA will arrange appropriate security for unoccupied/unlet properties following handover.

Where rent income is lost as a result of delayed handover, and the reason for the delay is clearly attributable to a failure on the part of the contractor, the Employer's Agent will, on behalf of CHA, levy liquidated and ascertained damages, in line with the terms of the contract. These damages will be pursued where, in the opinion of the Employer's Agent and CHA, the benefits justify this course of action.

CHA will visit tenants after six weeks of moving in to ensure that they are settling in well; that there are no problems with their house and that they are familiar with the Association's arrangements for reporting defects and repairs.

10. Defects

CHA seeks to ensure that:

- Effective liaison takes place between development and housing services staff to enable houses to be occupied as soon after handover as possible
- Properties are completed to a high standard by contractors and are handed over in a "ready to occupy" condition
- When identified, defects are remedied quickly and to a high standard, with minimum inconvenience to occupants
- An effective system of monitoring is implemented to ensure that all defects are accurately recorded and are remedied within the period covered by the contractor's liability and to the required standard.
- Information collected during the defects liability period is used to monitor contractors' performance, resident satisfaction and the association's quality of service.

Wherever possible, CHA will ensure that the builder is registered under an appropriate industry recognised warranty, such as NHBC, Premiere Guarantee etc. Properties built for New Supply Shared Equity (NSSE) must always have such a warranty.

Defects that are identified after completion will be reported, managed and dealt with in accordance with CHA's Repairs and Maintenance Policy, by CHA. They will be categorised in accordance with the maintenance policy (i.e. Emergency, Urgent and Routine) and will be addressed within the timescales specified in the policy for the relevant category. Where CHA agrees to handle emergency repairs, the costs will be recharged to the contractor. CHA will also agree the arrangements for handling repairs in holiday periods during the defects liability period. Where these repairs are dealt with by CHA, the costs will be recovered from the contractor.

Where a contractor fails to deal with a defect in the required timescale for the category of repair, CHA will notify the Employer's Agent who will put the contractor on notice and arrange for the necessary work to be carried out and the cost deducted from the retention. In making such arrangements, the priority will be to ensure minimum inconvenience and disruption to occupiers.

CHA will maintain a scheme register of all defects notified during the liability period and the performance of the contractor in remedying them. Occupiers will be invited to return a reply paid card to enable them to comment on the quality of the work done and timescales for completion. This register will contribute to the post completion assessment of the contractor's performance, as described in CHA's Post Completion Scheme Review Policy. The assessment will inform consideration of bids, tenders and proposals submitted by the contractor and members of the Design Team for future opportunities advertised by CHA, in

accordance with the Procurement Policy. Performance information from the rectification period will also be used to assist in the calculation of the retention sum due to be released to the contractor.

Not more than eleven months after completion, CHA will undertake a comprehensive inspection of the scheme to identify all outstanding defects; instruct the contractor to carry out the necessary repairs and ensure that they are completed satisfactorily, within the period of the contractor's liability. Reference will be made to the defects reported during the liability period to ensure that all have been satisfactorily addressed. Representatives of CHA's maintenance and housing teams will participate in these inspections.

At the end of the defects liability period, the retention sum that is due to be released to the contractor will be calculated as part of a comprehensive accounting of the scheme.

CHA must be satisfied that all defects have been repaired satisfactorily and that a Certificate of Making Good Defects has been issued by the Architect before the retention is paid to the contractor.

CHA will always pursue contractors for latent defects associated with any scheme. In doing so, appropriate legal and technical advice will be obtained. Where appropriate, the association will utilise insurance cover to make good any loss.

11. Contractor or Consultant Liquidation

Where an Administrator is appointed to manage the business of a contractor or consultant, the terms of the contract will define the action to be taken by or on behalf of CHA.

CHA's Development risk register sets out our approach to the management and assessment of risk. We will seek to minimise our exposure to this type of risk by ensuring that all contractors and consultants appointed are financially healthy at the date of appointment and are able to demonstrate that they have adequate and appropriate insurance in place for the duration of their involvement in the contract. All contractual agreements for the provision of architectural services will provide for CHA (and its Agents) to continue to use the design in the event of the contract being determined. Where a Design and Build Scheme is commissioned, appropriate collateral warranties will be secured.

In the event that CHA is notified that a contractor who is currently working on site on CHA's behalf has gone into liquidation or receivership, CHA will immediately secure the site against vandalism and unauthorised entry and arrange adequate insurance. CHA will take all necessary steps to ensure that payment to the contractor is suspended immediately. If a consultant who is currently working on a CHA project has a receiver appointed, CHA will ensure that all payments are suspended immediately. CHA development staff/consultant will notify CHA's CEO immediately, who will inform CHA's Chair as soon as possible.

In the event of a consultant who is acting as CDM Principal Designer going into receivership or having a liquidator appointed, CHA will take steps to obtain the health and safety file and Construction Phase Plan as soon as practicable and to pass these files to the replacement CDM Principal Designer immediately. Similarly, CHA will take all reasonable steps to obtain the construction phase plan from a principal contractor who has gone into liquidation or has had a receiver appointed.

CHA will identify any potential claim to the Liquidator at the earliest opportunity and discuss any proposals for the satisfactory completion of the contract. In considering whether any proposals from the Liquidator are acceptable, CHA will consult with Employer's Agent and will have regard to the terms of the existing contract; the provisions of the proposed novation agreement; the terms of the relevant insurance cover and the objectives of this policy.

At all times, action will be taken in CHA's best interests. Our Employer's Agent is expected to co-operate with the Liquidator. In considering whether a proposal meets the best interests of CHA, account will be taken of the proposed timescale for completion; the availability of other suitable contractors or consultants and the potential for securing ongoing employment for the existing sub-contractors. Where appropriate, legal advice will be sought on proposed and/or potential courses of action.

In determining what payment is due to the Liquidator or Receiver for work completed, CHA will refer to the records maintained by the Clerk of Works. Any additional costs incurred by CHA (e.g. site security, insurance and administration) will be taken into account and deducted from any sums due to the contractor.

Where it is decided that the completion of the contract should be secured independently of the Liquidator, CHA will procure a replacement contractor or consultant, taking account of CHA's procurement policy, the need to minimise disruption and maximise rental income and the aims of this policy.

Where a contractor has gone into liquidation or appointed a receiver, CHA will seek advice from the lead consultant to determine the most appropriate procurement route and the most effective means to secure the scheme's completion, within a reasonable timescale and at an acceptable cost, and taking account of the stage the scheme has reached.

Where sub-contractors are on site, CHA will discuss with the Receiver the possibility of completing the project through a management contract and making payment to them directly.

Where a consultant has gone into liquidation or appointed a receiver, CHA will seek to identify a suitable replacement and recommend their appointment, in accordance with CHA's Procurement Policy, as soon as practicable.

In recognition that swift action will be required to deal with the circumstances covered by this section of the policy, these circumstances will be treated as an

emergency and authority for making decisions will be as described in CHA's standing orders as they relate to emergency situations.

Every effort should be made to minimise additional costs to the scheme. Where additional costs are incurred, these will either be deducted from any sums due to the contractor or CHA will seek to recover them from the liquidator and funders, so as to avoid any adverse impact on rents. In making a claim to the liquidator, the Association will take account of the loss of indemnity involved resulting from the contractor's liquidation.

CHA will ensure that The Scottish Government and Scottish Housing Regulator are kept fully informed of all progress and is responsible for reporting such a situation as a Notifiable Event. Where a receiver of liquidator has been appointed in respect either of a CDM Principal Designer or a Principal Contractor, CHA will keep the Health and Safety Executive informed.

CHA will keep the local press informed of the actions being taken to ensure completion of the scheme, in order to ensure that there is no adverse impact on the Association's reputation.

Where a contractor goes into liquidation or receivership during the defects liability period (i.e. after practical completion but before the Certificate of Making Good Defects has been issued), CHA will take responsibility for dealing with all emergency and non-emergency defects and will withhold the costs of making good the defects and associated costs from any retention monies.

12. Equal Opportunities

Our commitment to equal opportunities and fairness will apply irrespective of factors such as age, disability, gender reassignment, marriage, and civil partnership, pregnancy & maternity, race, religion or belief, sex, and sexual orientation.

Customer Consultation Required/Arranged	No
Intranet Update	Yes
F Drive Update	Yes
Website Update	No
Leaflet change required?	No
Newsletter Promotion?	No
Other information updated, e.g. posters, automatic email responses, post cards, answering machine messages, etc.	No
Equality Impact Assessment completed	Yes <u>21.03.19</u> <u>22.03.21</u>