

For Noting

Agenda Item: 7.1
Date of Meeting: 03/07/24

To: The Management Committee
From: The Technical Services Manager
Subject: Review of Control of Variations in Traditional Contracts Policy

1. Introduction and Purpose

- 1.1 The Rechargeable Repairs Policy was due for review as per the previously agreed timescales but unfortunately, I am on annual leave. After discussion with The Director, it was felt that due to the nature of the Policy it was better that we delayed bringing it to Committee until I was able to attend in person. We have therefore brought forward the review of the above named policy in place of the Rechargeable Repair Policy.
- 1.2 The above named Policy has been classed as a routine review and therefore does not require Committee approval.
- 1.3 The purpose of this report is to advise the Committee of the outcome of the review and provide a summary of any changes made.

2 Review of Control of Variations in Traditional Contracts Policy

- 2.1 We have a control of variations in traditional contracts policy to be assured that the risk of any potentially increasing costs, within contracts, are properly managed along with ensuring cost containment through effective project management. Following the review only minor changes were identified as needed. The changes made to the Policy are as follows:
 - Section 17: Risk Management – updated to reflect that we have a Strategic Risk Register. Name change of Audit Sub-Committee to Audit & Risk Sub-Committee
 - Section 19: Data Protection – updated with corporate statement
- 2.2 A copy of the track change version of the Policy and a clean version of the Policy can be found in the Resources Section of DecisionTime > Policies > Policies for Review June 2024.

3. Risk

- 3.1 When considering the control of variations in a traditional contract we have identified the main risks under the following risk categories and the measures we have taken to mitigate such risks.

Risk Category	Mitigating Measure
Financial – <ul style="list-style-type: none">Poor contract management could lead to unknown increased costs	Having a clear and comprehensive Control of Variations in Traditional Contracts Policy which governs how we deal with contract variations enables control of the financial variations that may arise during a contract.

4. Delivery of our Strategic Objectives

Area	Related Strategic Objective(s)
Review of Control of Variations in Traditional Contracts Policy	3. Deliver value for money 7. Achieve the highest standards in all that we do
Carrying out contract works	

5. Delivery of our Core Values

Area	Related Core Value(s)
Review of Control of Variations in Traditional Contracts Policy	Accountable and Compliant Efficient and responsible
Carrying out contract works	

6. Compliance and Assurance

- 6.1 Having a Policy in place to cover Control of Variations in Traditional Contracts and periodically reviewing it, contributes to good governance. This approach means we are compliant with Regulatory requirements as follows:

Compliance Source	Details
The Scottish Social Housing Charter	4. Quality of Housing 5. Repairs, maintenance and improvements
The Standards of Governance and Financial Management for RSLs	Standard 4 – The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation’s purpose.

6.2 Evidence Bank

Evidence	Assurance Exercise Location
<ul style="list-style-type: none"> • Cover Report • Control of Variations in Traditional Contracts Policy 	Standard 4

6.2.1 Committee is reminded that our Assurance Exercises are available in the Committee Log-in Area of our website, which Committee can access at any time.

7. Summary

7.1 Due to the unavailability of the Technical Services Manager, the Control of Variations in Traditional Contracts Policy has now been brought for review. This was classed as a routine review and, therefore, does not require to be presented to Committee for approval.

7.2 The outcome of the review resulted in a few, non-material changes to the policy as detailed in Section 2.

7.3 Risk has been considered at Section 3.

7.4 Section 4 shows how having a Control of Variations in Traditional Contracts Policy and periodically reviewing it, links to the delivery of our strategic objectives.

7.5 Section 5 shows how having a Control of Variations in Traditional Contracts Policy and periodically reviewing it, links to the delivery of our Core Values.

- 7.6 Section 6 sets out how we comply with Regulatory requirements.
- 7.7 Committee is asked to note that the Control of Variations in Traditional Contracts Policy was reviewed and that only a few non-material changes were made. Committee is further asked to note that copies of the Policy (track change version and clean version) are available in the Resources Section of DecisionTime > Policies > Policies for Review June 2024.