
Introduction and Overview

The purpose of this procedure is to guide staff through the processes that should be followed when offering accommodation or granting a mutual exchange to an employee, former employee, governing body member or former governing body member. These procedures comply with current legislation, statutory instruments and good practice and should be read in conjunction with the Association's Allocations to Governing Body / Staff Members Policy and Lettings Policy and Procedures.

Schedule 7 Procedures

This document outlines the Association's procedures in relation to the following sections:

1. Legal Provisions;
2. Definition of those Affected by the Allocations to Governing Body / Staff Members Policy;
3. Allocations / Mutual Exchange;
4. Allocations to Governing Body / Staff Members Register;
5. Recording and Monitoring;
6. Procedure Review.

1. Legal Provisions

The legal provisions that govern the allocation of housing and mutually exchanges to an employee, former employee, governing body member or former governing body member are contained within Schedule 7 of the Housing (Scotland) Act 2001.

The Housing (Scotland) Act 2010 removed the statutory requirement for a Schedule 7 Policy but good practice recommends that such practices remain in place.

2. Definitions of those Affected by the Allocations to Governing Body / Staff Members Policy

Those affected by the Allocations to Governing Body / Staff Members Policy include:

- A member of its governing body (including a co-opted member and any sub-committee members), officer or employee;
- A person who has been a governing body member or employee within the last twelve months;
- A close relative of a person that falls within the above categories;
- A business trading for profit of which a person falling within the any of the above categories is a principal proprietor or in whose management such a person is directly concerned.

A person is a close relative or a member of the family if:

- He or she is the spouse or he or she cohabits with that person (whether the same or different sexes); or
- He or she is that person's parent, grandparent, child, stepchild, grandchild, brother or sister.

An employee is a person who has a contract of employment with the Association or a consultant who is brought in to carry out the duties that would normally be performed by a paid member of staff.

3. Allocations / Mutual Exchanges

The Association may grant a tenancy, transfer or mutual exchange to a person affected by this policy provided that the allocation or mutual exchange is compliant with the terms of the Association's Lettings Policy or Mutual Exchange Policy and that the employee, former employee, governing body member or former governing body member has had no involvement in or influence over the process by which the Association allocated the tenancy.

3. Allocations / Mutual Exchanges (Continued)

Where an offer of accommodation or approval of mutual exchange is to take place to a relevant person defined by the Allocations to Governing Body / Staff Members Policy (relevant person), staff must contact the applicant to advise that the allocation / mutual exchange approval will be subject for presentation and recording by Management Committee at the next scheduled meeting. The relevant person will be advised that if they are present at the meeting they must declare an interest and leave the meeting when the case is presented and discussed.

When a relevant person is identified as being in line for an offer / mutual exchange approval, staff must write an Allocations to Governing Body / Staff Members Report detailing the offer including the date of termination, property address and confirm that the offer / mutual exchange complies with the Letting Policy / Mutual Exchange Policy. The report must be presented to the Management Committee at the next scheduled meeting for recording. In the case of an allocation, the audit trail must also be taken to the Management Committee meeting in order that this can be viewed should any member of the Management Committee wish to view this.

All decisions taken under the Allocations to Governing Body / Staff Members Policy are to be recorded in the minutes of the Management Committee. Once the offer / mutual exchange has been recorded by Management Committee, the offer for an allocation or approval letter for a mutual exchange must be issued within one working day of the meeting. Once the offer has been formally made or the mutual exchange has been formally approved the signing of new tenancy agreements will be carried out in accordance with the Association's Letting Policy or Mutual Exchange Policy.

4. Allocations of Governing Body / Staff Members Register

Details of all tenancies created in accordance with this procedure must be logged on the Allocations of Governing Body / Staff Members Register. After the details of any new tenancies are logged, a paper copy of the register must be placed in the Allocations of Governing Body / Staff Members file and available for inspection when required.

5. Recording and Monitoring

Where a tenancy has been created in accordance with this procedure, the application form, audit trail, copy of the offer letter / mutual exchange approval letter and copy of the Allocations of Governing Body / Staff Members Report presented to Management Committee must be filed in the Allocations of Governing Body / Staff Members file and made available for inspection when required.

A Allocations of Governing Body / Staff Members summary sheet must also be completed for each tenancy created in accordance with this procedure. The summary sheet must be saved electronically with a paper copy filed with the relevant application form and casework. The summary sheet includes details of the property and the applicant as well as the date of the Management Committee meeting and the Management Committee's decision.

6. Procedure Review

This procedure was last reviewed by Housing Services on 25 September 2025 and will be subject to review every four years in conjunction with the Allocations to Governing Body / Staff Members Policy.