

# ***Contractor Going Into Liquidation Policy***

*Reviewed January 2025*  
Date of Next Review: 2028



250 PEAT ROAD, GLASGOW, G53 6SA  
Tel No. 0141 881 0595, Email: [admin@rosehillhousing.co.uk](mailto:admin@rosehillhousing.co.uk)

## **Contractor Going Into Liquidation Policy**

### **1. Introduction**

- 1.1 This policy sets out Rosehill's position in relation to a contractor going into liquidation. Liquidation usually occur where a company cannot pay their debts. A company's creditors, or indeed the company itself, appoints a Liquidator whose function is to gather in as much of the company's assets as possible, and to pay those assets out to the creditors. The company does not usually continue to trade in this form of insolvency.
- 1.2 The most effective way of dealing with the problem of a contractor going into liquidation is to ensure that does not happen. We do this by carrying out financial check and by taking up references.
- 1.3 Therefore the main objectives of this Policy are to:
  - To ensure that comprehensive procedures exist should a contractor go into liquidation;
  - To protect Rosehill's and others interest in the project by minimising losses and securing any investment already made;
  - To ensure that the project is brought to completion as quickly as possible

### **2. Legal and Regulatory Framework**

- 2.1 Whilst this Policy sets out to explain Rosehill's approach to liquidation it must do so in the context of legal and regulatory requirements. All construction work must be completed in accordance with current Building Regulations, Health & Safety requirements, the Construction Design and Management Regulations and any other current relevant legislation.
- 2.2 The Scottish Social Housing Charter
  - 2.2.1 The Social Housing Charter came into effect in April 2012 and this sets the standards and outcomes that all social landlords should aim to achieve when performing their housing activities. The

Charter replaces the Performance Standards and the outcomes relevant to this Policy are:

1. 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.

2. Communication

Social landlords manage their businesses so that 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.

4. Quality of Housing

Social landlords manage their businesses so that tenants' homes, as a minimum, meet the Scottish Housing Quality Standard (SHQS) by April 2015 and continue to meet it thereafter, and when they are allocated, are always clean, tidy and in a good state of repair.

5. Repairs, maintenance and improvements

Social landlords manage their businesses so that tenants' homes are well maintained, with repairs and improvements carried out when required, and tenants are given reasonable choices about when work is done.

13. Value for Money

Social landlords manage all aspects of their businesses so that tenants, owners and other customers receive services that provide continually improving value for the rent and other charges they pay.

2.2.2 Social landlords are responsible for meeting the standards and outcomes set out in the Charter. The Scottish Housing Regulator is responsible for monitoring, assessing and reporting on how well social landlords, individually and collectively, achieve the outcomes.

2.2.3 In line with the regulatory principles, the Regulator's approach to monitoring landlords' achievement of the outcomes and standards in the Charter will be based on each landlord's performance information and their own assessment of their performance. Therefore, for each year ending on 30th September, we will be expected to:

- Measure and assess our performance in progressing towards or achieving the Charter outcomes and standards
- Provide the Regulator with some key performance information on our achievement of the outcomes and standards
- Report our performance to tenants and other service users who use our services.

## 2.3 Organisational Values

### ***Our Vision:***

"We will provide excellent quality affordable and efficient homes in neighbourhoods that are well managed and maintained; we will contribute to sustaining communities where people feel safe and want to live by providing housing and other services and working with our voluntary and statutory partners."

### ***Our Values:***

Our Core Values are:

We Will

- Invest and Support

We will be

- Engaged and Responsive
- Accountable and Compliant
- Fair and Approachable
- Efficient and Responsible
- Excellent and Committed

## **3. Liquidation**

3.1 When a contractor goes into liquidation it is essential to act quickly to prevent further losses and to take the necessary actions to allow the project to progress, but some delay is inevitable.

3.2 The specific action required will be the same in principle regardless of the stage of the contract is at e.g. before site start, on site, in defects, though it will be different in detail. In principle the following actions are required to be taken:

- Protect Rosehill's investment
- Complete the project
- Inform any funding bodies

3.3 The detailed procedure on contractor liquidation is outlined in Appendix 1.

#### **4. Equal Opportunities**

4.1 We are committed to ensuring equal opportunities and fair treatment for all people in its work. In implementing this Policy, we will provide a fair and equal service to all people, irrespective of factors such as gender, race, disability, age, sexual orientation, language or social origin, or other personal attributes.

#### **5. Performance Management**

5.1 We also undertake the following monitoring measures to ensure the contractor going into liquidation is properly managed:

- Ensure that the procedures that are in place are being followed;
- Ensure that procedures when followed are efficient and accountable and that they provide an effective solution.

#### **6. Tenant Participation**

6.1 We are a tenant focussed organisation and as such we are committed to involving tenants in all aspects of our work and ensuring that tenants are included, informed and consulted about decisions that have an impact on the way their homes are managed.

6.2 As part of this commitment we will involve our tenants in the development of our policies and seek feedback where appropriate. We will ensure that any significant changes to this Policy and other Policies which will affect our tenants will be the subject of consultation.

## **7. Risk Management**

- 7.1 In all the key areas of our business we need to consider any risks which may arise. To this end we have in place a robust Risk Management Policy and from this flows our Risk Register. We have identified our strategic risks which are regularly monitored by our Management Team and Audit and Risk Sub-Committee.
- 7.2 Key to the mitigation of the risks associated with liquidation is having a comprehensive policy in place to manage the liquidation process. This policy sets out Rosehill's approach to a Contractor going into liquidation.
- 7.3 To ensure we continue to manage the associated risks we will periodically review this Policy to ensure compliance with all legislative requirements and regulatory and best practice guidance.

## **8. Complaints Procedure**

- 8.1 We aim to get things right first time and provide a good quality service to our tenants and other customers. However, we acknowledge that things can go wrong and that some tenants or other customers may be unhappy with the service provided.
- 8.2 We promote our Complaints procedure through our website and periodic articles in our newsletters. In addition, we initially issued all of our tenants with a copy of the new Procedure introduced in October 2012. This information leaflet is also issued to all new tenants as part of the signing up pack.
- 8.3 We are required to report specifically to both our Management Committee and the Scottish Housing Regulator on any complaints concerning equalities issues.

## **9. Data Protection**

- 9.1 On the 25<sup>th</sup> May 2018 the legislation governing data protection changed with the introduction of the General Data Protection Regulation (GDPR). Following the UK's exit from the EU, and the end of the transition period which followed, the GDPR formed part of the retained EU law and became the UK GDPR which together with the Data Protection Act 2018 constitute the UK's data protection legislation.

## **10. Policy Review**

- 10.1 This Policy will be reviewed at least every three years or sooner to ensure it continues to reflect current thinking and practice and to comply with legislative requirements and regulatory guidance.

## **Appendix 1**

### **Procedure on Contractor Liquidation**

When Rosehill is made aware that one of its contractors has gone into liquidation action will be taken immediately.

1. A security company will be instructed to secure the site immediately, to protect both the site and any materials stored there.
2. The project Quantity Surveyor or Employer's Agent will be instructed to then carry out an inventory and valuation.
3. The Quantity Surveyor or Employer's Agent will also be instructed to carry out, on behalf of Rosehill, any negotiations that may subsequently be required with the Receiver or the contract insurers.
4. If the contract was originally tendered then the next lowest tenderer will be invited to negotiate for the completion of the work. Where the contract was negotiated then advice will be sought from the consultants as to which contractor(s) should be approached to negotiate for the remainder of the works.
5. If the project has been part funded by Glasgow City Council, we will inform them of what has taken place and the action that has been taken to minimise the resultant loss.
6. Any other stakeholders will be informed of what has taken place and the action that has been taken to minimise the resultant loss.





Registered Office: 250 Peat Road, Glasgow, G53 6SA  
tel **0141 881 0595** • email [admin@rosehillhousing.co.uk](mailto:admin@rosehillhousing.co.uk)  
[www.rosehillhousing.co.uk](http://www.rosehillhousing.co.uk)

Registered Scottish Charity, No. SC053776. Company Registration No. SP02220R.  
A registered society under the Co-operative and Community Benefit Societies Act 2014 No. 2220R(S)  
and with The Scottish Housing Regulator (Number HAC174).