

EAST LOTHIAN HOUSING ASSOCIATION

A meeting of the **Management Committee** was held on Thursday 25 May 2023 at 7.00pm, at ELHA Head Office, Haddington with Pamela Macleod joining via Microsoft Teams

Present:	Alan Forsyth	(6/6)	Pamela Macleod	(5/6)
	Brian Logan	(6/6)	Paul Hillard	(6/6)
	David Rose	(5/6)	Peter Hayman	(6/6)
	Eileen Shand	(6/6)	Shirley Evans	(4/6)
	Iain Atkinson	(5/6)		

In attendance: Martin Pollhammer, Chief Executive
 Paula Oliver, Director of Finance
 Duncan Mackay, Director of Asset Management
 Karen Barry, Director of Housing
 Gary Alison, Director of Corporate Services
 Eric Stoddart, Executive Support Officer (Minutes)

1.0 GENERAL

Training

The meeting commenced with a short presentation from Lora Barclay of Waterstons, held via Microsoft Teams.

Following the presentation, the Chair formally welcomed Gary Alison to his first Management Committee meeting. Gary had joined the Association as the new Director of Corporate Services on 1 May 2023, although he had previously attended meetings as an observer.

1.1 Apologies

Katrina Hamilton (5/6), Joyce Bolan (4/6), Peter Ewart (4/6), Jim Curran (4/6).

1.2 Declarations of Interest by Management Committee Members

There were no Declarations of Interest.

1.3 Minutes of Meeting 23 March 2023

The Minutes were **approved** by the Management Committee. They were proposed by David Rose and seconded by Peter Hayman.

1.4 Action List

The Management Committee noted the report.

1.5 Matters Arising

There were no matters arising.

2.0 GOVERNANCE

2.1 Secretary's Report

The Management Committee *homologated* the use of the seal.

2.2 Key Performance Indicators 2022/23

The Chief Executive indicated that in general it had been a good year, but that the Management Committee may wish to look at the missed target for Unit Reactive Maintenance Costs.

The Director of Asset Management highlighted that the unit reactive and void maintenance costs are £937 compared to the target of £733. The overspend has been driven by several factors, but principally due to the impact of inflation on the construction sector, with increases in the costs of materials.

Other factors included remedial work started at 1 Crossgates, Ormiston, after major fire damage, and although costs will be recoverable, this will not be until after completion of the claim. There had also been some fencing repairs required after temporary repairs were made after the storms at the end of 2021 and start of 2022, but due to insurance terms, only a small portion of this will be recoverable.

Peter Hayman queried why insurance did not cover the full cost of claims. The Director of Asset Management explained that it had been necessary to undertake some additional work at Ormiston, that was not covered by insurance. In addition, there is always an element of 'betterment' with repairs, due to replacing older components with new ones, which is discounted for any insurance settlement.

Paul Hillard queried whether there was a concern, or growing trend, around some properties coming back in a poor condition. The Director of Asset Management explained that some of the Association's older tenants do not want to allow access to their properties, when rolling repair and renovation programmes are taking place. It was considered unfortunate that there had been a greater number of properties returned in a poor condition in the last year, compared to most years, but this is monitored, and not considered a trend.

The Chief Executive highlighted that there is a lot of pressure on the Association's stock, and a significant factor in this, is that there is only a very small turnover, as tenants look to stay on as long as possible. However, this did mean that several tenants may be unable to maintain their properties properly, due to age, or infirmity. The Director of Housing confirmed this and added that this was reflected in there being no evictions, and only one abandoned property in the last year. The majority of vacancies arising are due to the death of the tenant.

Iain Atkinson wondered if the Association should be more active in pushing for all tenants to accept the renovation and repair programmes, as this is possibly just pushing these costs down the line, until the property becomes void, which may result in increased costs at that point.

The Director of Asset Management replied that this had been the policy in his time at the Association. If a property is considered to be of a reasonable standard, and the heating works, the tenants will not be forced to accept work. However, if a property is in a serious state of disrepair, then work will take place.

The Director of Housing added that with the introduction of the Healthy, Happy Homes checks, there is an opportunity for staff to develop stronger relationships with tenants, where sensitive issues, such as being unable to maintain their own properties, or to allow access for works, could be raised.

The Management Committee noted the report for information.

3.0 PRIORITY ITEMS

3.1 Annual Return on the Charter

The Chair noted that the Director of Housing had provided a comprehensive covering report.

The Director of Asset Management highlighted that at the time of writing the report, the figure for ELHA properties that did not currently comply with the EICR was 32. This is now down to 14, and of these, four have appointments booked, and the remaining ten are in discussion with R3 and ELHA staff to agree visits.

The Chair considered this to be a great result and recognised the tremendous amount of work involved in getting down to these low numbers.

Eileen Shand was mindful of all the work that goes into the completion of the Annual Return and was slightly surprised at the dissatisfaction expressed by owners (P47/48 of the Return) and wondered if this was down to the low number of responses. The Director of Housing explained that a significant number of owners refused to take part in ELHA's independent satisfaction survey, carried out in December 2022. This resulted in only nine owners who receive factoring services being surveyed, and the small sample size meant a single result can give a misleading impression.

It was also noted that ELHA has since launched an improved online portal for owners, which provides clear information; allowing owners to pay their occupancy charge online, report communal repairs, make complaints and provide feedback, and receive paper-free services. It is hoped that this will help to improve satisfaction levels.

The Chief Executive added that it is the strategy of the Association to remove this type of tenure from the Association's stock, either through buy-backs or joining owners in a market sale, all as set out in the Cause for Concern Stock Strategy, and these results emphasise the need to continue with this approach.

Peter Hayman also added that on behalf of the Governance Working Group, it was found to be very helpful having staff take the Group through the process of gathering the data and showing the Group how the evidence is retained. This was echoed by David Rose.

The Management Committee **approved** the Annual Return on the Charter for submission to The Scottish Housing Regulator.

4.0 POLICIES

4.1 Privacy Policy Review

The Chief Executive explained that the changes proposed are simply to bring the policy into line with the Privacy Policies used on the Group's websites.

The Management Committee **approved**:

- (a) The revised Privacy Policy; and
- (b) The revision to Section 3.5 of the Openness and Confidentiality Policy

4.2 Chargeable Repair Service Policy Review

The Director of Asset Management reminded everyone that at the last Management Committee meeting in March 2023, several changes to the Chargeable Repair Service Policy were agreed. These had been accepted and were no longer tracked in the Policy Document. However, it had been asked that references to services provided to owner occupiers or factored properties were removed from this Policy, so that the content refers only to tenant services.

These additional changes have been made, along with a small number of minor changes. In order to ensure these policy statements are retained, a new Mutual Repairs Policy will be developed, and presented to the next Management Committee meeting in August 2023.

The Management Committee **approved** the amendments to the Chargeable Repair Policy.

4.3 Payroll Policy Review

The Director of Finance advised that the only changes required to the policy are additions relating to the operation of the EV Salary Sacrifice Scheme.

It was also highlighted that the Association will recover, through a deduction from salary, any additional charges added to the monthly lease cost of an electric vehicle, such as insurance excesses, parking or speeding fines, which are paid by the Association as the lessee, but the which employees are responsible for, and therefore will be recovered from their wages.

The Management Committee **approved** the revised Payroll Policy.

4.4 **Fixed Asset Depreciation / Grant Amortisation Policy Review**

The Director of Finance explained that the only changes required to the policy are additions relating to the depreciation of Rent Collector, and an adjustment to the threshold value for capitalising items.

The Chair mentioned that there did not seem to be any specific reference to the depreciation of software. The Director of Finance advised that this is currently included under Computer Equipment and will reword this category to “Computer Systems, Hardware and Software”.

Subject to this amendment, the Management Committee **approved** the revised Fixed Asset Depreciation / Grant Amortisation Policy.

5.0 **BUSINESS MANAGEMENT**

5.1 **Tenant Participation Annual Report**

The Director of Housing indicated that they had nothing to add to the report as tabled.

Eileen Shand commented that she had found it an interesting, and good read. There were no questions on the Report, and the Chair thanked the participants, and asked that thanks be passed to the Housing Manager.

The Management Committee **noted** the report for information.

6.0 **ANY OTHER BUSINESS**

David Rose provided an update as the Association’s EVH representative and advised that he has recently stepped down as Chair after some five years in the post.

David was also able to advise that Eamonn Connolly, Director at EVH will be retiring at the end of October 2023. The advert for his post will be going into Scottish Housing News on 5 June 2023, and an Interview Panel has been set up. It was recognised that Eamonn’s retiral will be a major loss to EVH, as he has been there for around 22 years.

David also mentioned that there is a new Chair at EVH, but that he has agreed to act as Vice Chair for the coming year, given the changes and the Chief Executive recruitment process.

Brian Logan as Chair of the Management Committee recorded the thanks of the Association to David for acting as the Association’s representative on EVH, particularly during his time as Chair, which he has carried out with a high level of professionalism.

There was no other business.

DATE OF NEXT MEETING

Thursday 24 August 2023 at ELHA Head Office, Haddington at 7.00pm.

**ADOPTION OF THESE MINUTES APPROVED AT THE MEETING ON
24 August 2023**

Signed *Signed* (Chair)