

## EAST LOTHIAN HOUSING ASSOCIATION

A meeting of the **Management Committee** was held on Thursday 24 August 2023 at 7.00pm, at ELHA Head Office, Haddington with Jim Curran joining via Microsoft Teams

<b>Present:</b>	Brian Logan	(7/7)	Katrina Hamilton	(6/7)
	David Rose	(6/7)	Paul Hillard	(7/7)
	Eileen Shand	(7/7)	Peter Ewart	(5/7)
	Jim Curran	(5/7)	Peter Hayman	(7/7)
	Joyce Bolan	(5/7)		

**In attendance:** Martin Pollhammer, Chief Executive  
 Duncan Mackay, Director of R3 Repairs  
 Karen Barry, Director of Housing  
 Gary Alison, Director of Finance & Corporate Services  
 Charlie Cooley, Director of Asset Management  
 Eric Stoddart, Executive Support Officer (Minutes)

### 1.0 GENERAL

The Chair (Brian Logan) opened the meeting and formally welcomed Charlie Cooley to his first Management Committee meeting as a staff member. Charlie had joined the Association on Monday 21 August 2023, and from Wednesday 23 August 2023 had become Director of Asset Management. The Chair also noted that Duncan Mackay had become Director of R3, also with effect from Wednesday 23 August 2023.

#### 1.1 Apologies

Apologies were received from Alan Forsyth (6/7), Pamela Macleod (5/7), Iain Atkinson (5/7) and Shirley Evans (4/7).

#### 1.2 Declarations of Interest by Management Committee Members

David Rose highlighted his connection with Homes for Life (HfL) in the event of any discussions about HfL.

The Chair also noted that under Agenda Item 2.3, when discussing the nine year rule in respect of Management Committee members, then David Rose and Peter Ewart should leave the meeting for the duration of those discussions. The Chief Executive queried with the Chair whether staff should also leave during those discussions, but it was agreed that this was not required.

#### 1.3 Minutes of Meeting 25 May 2023

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

#### 1.4 Action List

The Management Committee noted the report.

### 1.5 Matters Arising

In respect of Item 4.2 on the Action List (regarding the Chargeable Repair Service Policy), it was requested that the Chief Executive add the requirement for a new Mutual Repairs Policy to the Action List. This was agreed and the Chief Executive noted that the Policy should be presented to the next Management Committee meeting in September 2023.

Also, in respect of Item 6.0 on the Action List, David Rose provided an update that a new Director of EVH, Paul McMahon, has now been recruited to replace Eamonn Connolly, and will start in the role from mid-October 2023. The Chief Executive said that he felt that this was a very good appointment. The Chair also welcomed the news, recorded his thanks to Eamonn, and asked David Rose to pass on the Management Committee's best wishes to him in his retirement.

## 2.0 GOVERNANCE

### 2.1 Secretary's Report

The Chief Executive highlighted that an application for membership had been received from Dr Elisabeth M Wilson of Dunbar.

It was also noted that the Management Committee were asked to approve the use of the Seal for Homologation, in respect of East Lothian Grant 28-06-23 Dirleton, Castlemains; and Scottish Government – Offer of Grant for Castlemains Farm, Dirleton, HARP reference number T36755.

The Management Committee **approved**:

- (a) The Application for Membership; and
- (b) Homologated the use of the Seal.

### 2.2 Key Performance Indicators 2023/24

The Chief Executive noted that Management Committee attendance was below target, although good attendance levels in August and September 2023 should ensure this figure returns above target again. Other areas where targets had been missed were not of significant concern.

The Management Committee noted the report.

### 2.3 Annual General Meeting: Management Committee Membership

Prior to the commencement of discussion on this topic, both Peter Ewart and David Rose were invited to leave the meeting, in terms of Item 1.2 (Declarations of Interest), and both left at 7.11 pm.

The Chair explained that under Rule 39.1 at least one third of the members of the Management Committee must retire. If no other members, or an insufficient number of members have indicated their intention to retire to fulfil this requirement, those with the longest period since their last election should retire.

Peter Hayman has indicated his intention to retire from the Management Committee at the AGM at the end of his current term. The other four members required to retire are Iain Atkinson, Peter Ewart, Alan Forsyth and David Rose.

Under Rule 37.6, the Management Committee must satisfy itself that any Management Committee member seeking re-election after a period of continuous service of nine or more years can demonstrate their continued effectiveness. Rule 37.6 applies to Peter Ewart, Alan Forsyth, and David Rose.

It is the Chair's view that Peter, Alan and David continue to make a valuable contribution to the Management Committee's discussions and activities, so he recommended that the Management Committee endorse the nominations of Peter Ewart, Alan Forsyth and David Rose for re-election at the forthcoming 2023 AGM.

This view was endorsed, and Peter Ewart and David Rose were invited to re-join the meeting, which they did at 7.14 pm.

The Chair highlighted that the Management Committee has developed its Succession Plan to ensure the right balance of experience, renewal and refreshment of the Management Committee going forwards. This includes ensuring that the proportion of Management Committee members with nine or more years' service does not normally exceed 50%. Of the current Management Committee, by the date of the 2023 AGM, eight members will have served more than nine years, or 62%.

However, the Management Committee has undertaken a full recruitment exercise, and as a result, the Chair expects to be able to nominate a new member to the AGM.

The Chair has updated the Regulator, and they have responded by saying this will be taken into account in their next Regulatory Risk Assessment. However, the Chair said he felt it would be important to achieve the 50% level by next year.

Peter Ewart said that the fact that the Management Committee is being proactive in engaging with, and updating the Regulator, is something that is generally well received by the Regulator.

Paul Hillard asked what the process was for appointing someone to the Management Committee mid-year. The Chief Executive said that any new members would be co-opted and would then be able to stand at the following AGM.

The Management Committee **approved** the endorsement of the nominations for Peter Ewart, Alan Forsyth and David Rose for re-election to the Management Committee at the 2023 AGM, having been satisfied that their contribution continues to be effective and valuable.

**3.0 PRIORITY ITEMS****3.1 Update to Annual Return on the Charter**

The Director of Finance & Corporate Services advised that following the submission of ELHA's return for 2022/23 (return submitted 25 May 2023), the SHR undertook their data integrity checks on the submission. The SHR emailed the Chief Executive on 14 June 2023 with two queries on ELHA's return, as follows:

1. Indicator 18.2 (rent loss through empty properties) – the void loss reported by ELHA appeared to be high compared to the reported time taken to relet the properties.
2. Indicator 26 (percentage of rent collected) – the figures reported by ELHA was flagged due to our figure being an outlier when compared to other landlords of a similar size.

In respect of Indicator 18.2, the figure for amount of rent lost through voids needed to be changed to £35,490 (from £45,871). This was due to an error of ELHA's part, and this was acknowledged to the SHR. The Finance Manager has now made appropriate procedural changes to ensure this does not occur next year.

In respect of Indicator 26, following a review, the total amount of rent collected in the reported year (26.1) was changed to £7,216,304 (from £6,956,906), and the total amount of rent due to be collected in the reporting year (26.2) was changed to £7,222,494 (from £7,212,113).

Following this review, it then highlighted the need to change Indicator C6 (number of households for which landlords are paid housing costs directly, and the total value of payments received in the reporting year). Indicator C6.1 changed to 471 (from 477) and Indicator 6.2 was changed to £2,038,627 (from £2,186,462).

These changes were emailed to the SHR, and the Chief Executive informed the Chair of the issue, who gave Chair's Consent to make these changes to ELHA's Return. The Return was updated by the SHR on 27 June 2023.

The Finance Manager will attend an ARC update course prior to completing the 2023/24 return as a refresher to ensure the technical guidance is fully understood.

Eileen Shand enquired if there was anything the Management Committee could have done differently to avoid an error like this in the future. However, the Chief Executive said that it would have been very difficult for anyone to spot, and the cross-checking within the SHR's software had also not picked up the issue when the data was entered.

The Governance Standards Working Group had performed some spot checks on the data. The issue related to not following the procedure properly and not pressing a "refresh" button in the software that generated the original data set. This should be avoided going forwards.

The Chief Executive emphasised that these items were not something that could have been spotted originally, and that whilst there are internal validation processes within the Return, the initial submission had passed these. However, the Management Committee should be aware that there is an emerging trend of a new type of analytics in the sector, to do data integrity checks. This should therefore act as a reminder to ELHA staff to make sure the SHR guidance is clearly understood, along with internal procedures, when putting the ARC data together.

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

#### 4.0 POLICIES

##### 4.1 Alcohol & Substance Misuse Policy Review

The Chief Executive advised that the Alcohol & Substance Misuse Policy had been reviewed by JCC, and that only minor changes were proposed.

Katrina Hamilton referred to the use, in Section 2.0 (first bullet point) of 'ongoing alcohol and/or substance' and suggested the removal of 'ongoing' as there could be one-off occasions, and this was agreed.

It was also suggested that it might be helpful to add a statement to the effect that ELHA will support members of staff where there is alcohol / substance abuse in their families.

The Chief Executive explained that the Association was using an EVH Model Policy, so was not keen to deviate to any great extent from this. However, the Chair suggested that it might be helpful to provide some signposts to where support in these cases may be found, and the Chief Executive agreed to add appropriate signposts to the Policy.

It was also suggested that under Section 9.0 (first paragraph), that a couple of additional commas be added, after '..drink alcohol', and after '.. a substance (legal or illegal)', to distinguish between these as separate instances.

Subject to these amendments, the Management Committee **approved** the revised Alcohol & Substance Abuse Policy.

##### 4.2 Equality & Diversity Policy Review

The Chief Executive highlighted that the Equality & Diversity Policy review is overdue and was delayed firstly in waiting for new Regulatory Guidance to be published, then for SFHA Guidance (which was published and re-published several times whilst the details of the new regulatory requirements were established and fully understood), and finally in waiting for the development of new Equality Data Collection software to be completed.

The review has now been completed, with significant input from the Director of Housing, and should be read in conjunction with the Equality & Human Rights Strategy (Agenda Item 4.3) and the Equality & Diversity Action Plan (Agenda Item 5.1).

The Chief Executive noted that whilst there were extensive changes to the Policy (to the point that tracking changes to the previous version became impractical) the Association's staff were well used to the principles and practice the Policy requires, therefore a normal five year review process was proposed. This is in contrast to the initial annual review proposed for the new Equality & Human Rights Strategy that would be considered next on the agenda.

The Director of Housing advised that there is an error under Section 3.0 where the heading mentions 'eight' types of discrimination, when there are only seven. This will be amended before publishing the Policy. There was a short discussion in relation to HR practice led by the Chief Executive. Rather than including large sections relating only to HR, a separate HR policy in this area is to be developed and is included as a task within the Action Plan. The Policy therefore only contains a reference to this policy and is otherwise silent on HR matters.

It was suggested that under Section 1.4, reference to 'housing' be removed, and this was accepted.

A discussion took place regarding Section 15.2, as to whether information relating to tenants should include all household members, or just the lead tenant. The Director of Housing explained that at present data is just collected on the tenant, and not all household members (who may change anyway throughout the year), but that data at present is only collected once a year, and also noted that current software does not support collecting data beyond that scope.

Katrina Hamilton suggested it would be helpful to have data for all members of a household, as there may be someone in the household with medical needs, but if this is not the tenant, this might not be appreciated.

The Director of Housing explained that there is now in place a rolling programme of visits under 'Healthy, Happy Homes', and visits by Housing Officers would look to identify any underlying needs with a household, so this should help in that respect.

The Chief Executive noted that there had been debate within the sector in relation to who to collect data for. The regulatory requirement specifically refers to tenants, but if a household has two adult occupiers, in one circumstance this may be a joint tenancy and in another this might be a single tenancy, so collecting data from both tenants would over-represent one household. It was agreed to therefore collect data from one lead tenant. The software is complex and ensures complete confidentiality for tenants in submitting and maintaining their data set, however adding additional household members would likely be difficult and expensive.

The Chief Executive noted that the approach was new, also that 55% of ELHA tenants had completed their data, many times higher than was originally expected. This means the Association has an excellent data set that can be relied upon. Using the data is part of the Action Plan, and the Chief Executive suggested that the Association looks at the initial data and considers how it might be used before considering any extension of the data set. This was agreed.

The Chair also highlighted the phrase ‘..foreign looking name..’ under Section 3.0 (Types of Discrimination) which felt rather jarring, and requested the use of an alternative choice of words. This was agreed and delegated to staff.

Eileen Shand proposed that in Appendix 1 (last bullet point), that this be amended to ‘recruitment and employment of staff...’ and this was agreed.

Subject to these amendments, the Management Committee **approved** the revised Equality & Diversity Policy.

#### 4.3 **Equality & Human Rights Strategy**

The Chief Executive explained that, unlike the Equality & Diversity Policy, which has existed for many years, albeit with significant changes made this year, the requirement for an Equality & Human Rights Strategy is new but is also a key document in terms of compliance with the new requirements within the Governance Standards.

The Equality & Human Rights Strategy is seen very much as a ‘work-in-progress’ so for this reason the strategy will be reviewed in a year’s time, and it is possible that the annual review will continue for a period of time after that, and until this is no longer felt necessary. This also reflects that ELHA’s practice in this area continues to evolve, whilst further guidance materials are expected to be published shortly.

Eileen Shand observed that the Strategy does not set out what ‘Human Rights’ are, and the Director of Housing explained that given how much information is available concerning ‘Human Rights’ that it was felt difficult to summarise. The Management Committee agreed that an addition could be considered when the policy is reviewed next year.

The Management Committee **approved** the Equality & Diversity Strategy.

#### 4.4 **Authorisations and Standard Charges / Allowances Policy Amendments**

The Director of Finance & Corporate Services highlighted that he was seeking approval from Management Committee for amendments to the Authorisations and Standard Charges / Allowances Policy.

It was highlighted that the Policy is reviewed annually to ensure that it is kept up to date for changes in personnel, and that responsibility levels and charges / allowances remain appropriate. The Policy was reviewed in March 2023. However, since this approval, additional authorisations have been identified that were previously not included within the Policy.

From discussions with the Association’s Development Agents, Places for People (PfP), it was identified that there were approvals required to sign and/or submit documents to the Scottish Government around new build development projects.

The Director of Finance & Corporate Services explained that these approvals will allow for a more streamlined process in progressing the development programme, however, the approvals required do not place any material risk on the Association.

It was noted that there are also amendments as a result of a change to the process used by the Scottish Government for issuing grants, including the introduction of several Schedules that need to be signed at the appropriate time for a project.

Katrina Hamilton pointed out that in reference to the Joint Consultative Committee (JCC) in Appendix 1 (ELHA Fair Work Statement, August 2023), that the JCC also includes Governing Body Members. The Chief Executive agreed to add this reference to the Fair Work Strategy.

The Management Committee **approved** the amendments to the Authorisations and Standard Charges / Allowances Policy.

#### 4.5 **Procurement & Value for Money Strategy 2023/26**

The Director of Finance & Corporate Services highlighted that he was seeking approval from Management Committee for the Procurement & Value for Money Strategy and thanked Peter Hayman for his input to the review.

It was explained that ELHA need to prepare and publish a Procurement & Value for Money strategy to comply with the Procurement Reform (Scotland) Act 2014. This Act states that any public organisation, which has an estimated total value of regulated contract spend of £5 million or more (excluding VAT) in a year must prepare and publish a procurement and value for money strategy.

ELHA has ambitions to develop new housing stock, and the estimated value of regulated procurement spend will exceed £5 million or more in the short to medium term, so it is necessary to prepare and publish a Procurement & Value for Money Strategy.

Peter Ewart highlighted some changes required. In Section 1.1, R3 should have its name shown in full (R3 Repairs), and under Section 5.1, the first bullet point should be amended to read 'Efficiently manage our costs..'.

Peter Ewart also wondered whether something needed adding around measuring community impact or benefits. In this respect, Jim Curran suggested that community benefit requirements will be covered by new development projects when the initial grant applications are made. The Chief Executive felt that other contracts would generally be small in value and that adding community benefits could simply increase cost, and noted that the Association gives a Charitable Donation of £1,000 every year, which was felt to be an appropriate level for a Registered Charity. It was agreed not to make an addition in this respect.

Subject to these points, the Management Committee **approved** the Procurement & Value for Money Strategy.

**5.0 BUSINESS MANAGEMENT**

**5.1 Equality & Diversity Action Plan 2023/24**

Given the approval of the Revised Equality & Diversity Policy (Agenda Item 4.2) and the Equality & Human Rights Strategy (Agenda Item 4.3), a number of actions are required in the coming year to ensure both the Policy changes and the expected Strategy outcomes are fully realised.

The main item to highlight at this time, is under Action ED1, which requires the Management Committee to extend the responsibilities of the Governance Standards Working Group to ensure compliance with the Governance Standards.

It was recognised that this is still a 'work-in-progress', but Katrina Hamilton recommended amending ED3 & ED9, which relate to providing training to staff (on Equality Impact Assessments, and Equality & Human Rights Strategy) to extend the training to include Management Committee members.

The Management Committee **approved** the Equality & Diversity Action Plan 2023/24, and the inclusion of Management Committee training on Equality Impact Assessments and Equality & Human Rights Strategy to tasks ED3 and ED9.

**6.0 ANY OTHER BUSINESS**

There was no other business, and the meeting closed at 7.52 pm.

**DATE OF NEXT MEETING**

**AGM: Thursday 28 September 2023** at Maitlandfield House Hotel, Haddington, at 2.30pm.

**Meeting: Thursday 28 September 2023** at Maitlandfield House Hotel, Haddington, at 3.30pm.

**ADOPTION OF THESE MINUTES APPROVED AT THE MEETING ON  
28 SEPTEMBER 2023**

Signed *Signature* (Chair)