

A meeting of the Board will take place on
Thursday 20 February 2025 at 7.00pm
in the Hayman Room, ELHA Head Office

Please advise staff if you are unable to attend

Karen Barry
Secretary

B U S I N E S S

GENERAL

1. Apologies
2. Declaration of Interest by Board Members
3. Management Committee Minutes of 27 November 2024 – **for approval**
4. Action List – for information
5. Matters Arising

GOVERNANCE

6. Secretary's Report – for information

PERFORMANCE

7. Key Performance Indicators 2024/25 – for information
8. Care & Repair Quarterly Management Accounts – for information

PRIORITY ITEMS

9. Care & Repair Budget 2025/26 – for information

POLICIES

10. Policy Review Summary – for information
11. ELHA Board / R3 Board Members Training Policy – **for approval**

BUSINESS MANAGEMENT

ANY OTHER BUSINESS

DATE OF NEXT BOARD MEETING

Wednesday 19 March 2025 at ELHA Head Office, Haddington, at 7.00pm

Action List

Report by Martin Pollhammer, Chief Executive – for information

The table below sets out the required actions agreed at the last meeting of the Management Committee on 27 November 2024, and confirms the actions taken.

Minute Ref	Action Required	Action By	Action Taken
1.3	Publish the minutes and papers from the September 2024 meeting on elha.com	ES	Complete
2.1	Cancel the memberships as approved	ES	Complete
2.3	Update the Standing Orders as minuted, then update on elha.com, in the ELHA File Structure and update the Policy Review Timetable	MP/ES	Complete
2.3	Confirm Health & Safety Policy and COSHH Policy requirements and update the Policy Matrix as required	MP	COSHH Procedure in place, no requirement for a policy. Health & Safety Policy to be comprehensively reviewed and presented to May 2025 Board meeting.
2.3	Update the Policy Matrix as minuted	MP	Complete
2.3	Arrange Decision Time training for Risk & Audit Committee members	MP	Complete
2.3	Amend Committee attendance KPI targets as minutes	MP	Complete
2.3	Notify the Association's solicitors of the intention to adopt the term Board in the Rules and seek appropriate advice	MP	An SFHA review is likely to lead to Rule changes in 2026 so no change will now be made in 2025
2.4	Issue the Corporate Calendar to Board members and issue meeting invites	ES	Complete
4.1	Check formatting and update the IT Systems Policy in the ELHA File Structure, Management Committee area of elha.com and update the Policy Review Timetable	ES	Complete

Minute Ref	Action Required	Action By	Action Taken
4.2	Check formatting and update the Tenancy Management Policy in the ELHA File Structure, elha.com and update the Policy Review Timetable	ES	Complete
4.3	Check formatting and update the Freedom of Information Policy in the ELHA File Structure, elha.com and update the Policy Review Timetable	ES	Complete
4.4	Check formatting and update the Staff Training and Development Policy in the ELHA File Structure, Management Committee area of elha.com and update the Policy Review Timetable	ES	Complete

Secretary's Report – for information

1.0 Membership

No new applications for membership have been received.

2.0 Use of Seal for Homologation

2.1 Disposition for 30 Princess Mary Road, Haddington

Recommendation

The Board is asked to Homologate the use of the Seal.

Key Performance Indicators 2024/25

Report by Martin Pollhammer, Chief Executive – for Information

1.0 Introduction

The Association's Key Performance Indicators (KPI's) for the third quarter of 2024/25 are attached as **Appendix 1** to this report.

2.0 ELHA Performance

The Association has missed the following targets:

2.1 Voids as a % of Rental Income

With the completion of the new developments at Hamish Gardens, Elphinstone, and Castlemains Gardens, Dirleton earlier in the year, the Association experienced high void numbers, particularly with the knock-on effect of internal transfers. This likely to settle in the remainder of the year. These developments were completed earlier than budgeted, so the negative cash effect of increased voids has been far outweighed by the extra rental income received.

2.2 Cash as a % of Net Rental and Service Charge Income

This KPI is 6% below target, however, since setting this target the Association has updated the Treasury Management Policy around "near liquid funds". The new definition of "near liquid funds" is being adhered to, but does mean the Association will hold less cash, mostly because of more timely loan drawdowns to try and match development spend more closely. This will reduce interest suffered on the loans.

2.3 Unit Reactive and Void Maintenance Costs

Unit Reactive and Void Maintenance Costs are £1,041 compared to a budget of £996. In percentage terms the overspend is relatively small, however, the main reason for the overspend is the high number of voids noted at Section 2.1 above. Reactive Maintenance spend is still below budget.

2.4 Bronze and Gold Key Tenants

Bronze Key Tenants have increased significantly to 51%, due to the change in the Gold Key Tenant criteria to require payment by Rent Collector. This was expected, with any Gold Key Tenants wishing to continue to pay by Direct Debit being downgraded, hence the reduction in numbers of Gold Key Tenants, but a number have also upgraded from Gold to Platinum Key Tenant status now they have moved to pay by Rent Collector.

New targets will be set for 2025/26 to take this change into account, alongside the planned requirement for Rent Collector payment to become a requirement at Bronze Key Tenant level later in 2025.

2.5 Audit & Assurance Committee Attendance

This was below target for Quarter Three (67% against a target of 75%), as only four of the six members were able to attend the November 2024 meeting. The low attendance is also reflected in the Year-to-Date figure of 70%. Hopefully this is something that will be addressed through improved attendance at the new Risk & Audit Committee meetings which have replaced Audit & Assurance meetings under the new governance structure. This figure will be reported as a year end figure with new targets set for 2025/26 for Risk & Audit Committee attendance (since the two meetings have different compositions there is no like-for-like comparison that can be made).

2.6 Percentage of Complaints Responded to within Target

One Stage One complaint went over the target response time during Quarter Three. Given the low number of complaints received by the Association, being out of target by just one complaint can have a material impact on the figures, and in this case, it has resulted in the Association only achieving 98% against a target of 100%.

Key Performance Indicators 2024/25

Performance Indicator	Quarterly Target	Q1	Q2	Q3	Q4	2024/25 Target	2023/24 Actual	Year to Date	Status
Rental Income									
Non-technical arrears as % of rental income	2.8%	2.51%	2.56%	2.67%		2.8%	2.76%	2.67%	😊
Bad debts written off as % rental income	1.50%	1.43%	0.87%	0.77%		1.50%	0.62%	0.77%	😊
Voids as % of rental income	0.75%	0.75%	0.88%	0.79%		0.75%	0.33%	0.79%	😞
Finance/Treasury									
Interest cover (loan covenants)	110%	282%	283%	274%		110%	225%	274%	😊
Gearing (loan covenants FRS102 definition)	<37%	22%	22%	22%		<37%	23%	22%	😊
Maximum annual new borrowing	<£3m	£300k	£550k	£950k		<£3m	£2.9m	£950k	😊
Maximum borrowing per unit	<£26,000	£17k	£17k	17%		<£26,000	£17.2k	17%	😊
Current assets as a % of current liabilities	100%	111%	110%	102%		100%	159%	102%	😊
Cash as a % of net rental and service charge income	>20%	19%	16%	14%		>20%	32%	14%	😞
Unit management costs	£2,232	£1,900	£1,868	£1,921		£2,232	£1,929	£1,921	😊
Unit reactive maintenance costs	£996	£1,026	£1,005	£1,041		£996	£956	£1,041	😞
Asset Management									
Stock condition inspections completed	cumulative	0%	50%	75%		20%	30%	75%	😊
Gas services completed within timescale	cumulative	100%	100%	100%		100%	100%	100%	😊
Planned maintenance contracts with >5% overspend	0	0	0	0		0	0	0	😊
Average length of time taken to complete emergency repairs	<2 hours	01:19:10	01:22:56	01:21:06		<2 hours	01:23:50	01:20:49	😊
Average length of time taken to complete non-emergency repairs	< 6 days	3.5	4.60	5.51		< 6 days	5.46	4.0	😊
Repairs completed right first time	85%	95.95%	88.5%	95.89%		85%	94%	95.05%	😊
Repair appointments kept	93%	97.00%	96%	96%		93%	97%	96.30%	😊
Housing Management									
Properties allocated after 3 or more refusals	0	0	0	0		0	0	0	😊
Number of evictions carried out	no target	2	0	1		no target	2	3	😊
Bronze Key Tenants	<40%	43%	43%	51%		<40%	46%	43%	😞
Gold Key Tenants	27%	21%	21%	11%		27%	19%	21%	😞
Platinum Key Tenants	20%	21%	23%	25%		20%	20%	21%	😊
Corporate									
Number of accidents reportable to HSE	0	0	0	0		0	0%	0	😊
Network Availability	99%	100%	100%	100%		99%	99%	100%	😊
% working days lost through long term sick leave	5%	1.0%	1.6%	0.9%		5%	1.8%	1.2%	😊
% working days lost through short term sick leave	2%	1.1%	0.7%	1.7%		2%	1.4%	1.2%	😊
Management Committee Attendance	75%	77%	79%	82%		75%	71%	79%	😊
Audit & Assurance Committee attendance	75%	71%	71%	67%		75%	66%	70%	😞
% of tenants using their My Home account	90%	89%	90%	91%		90%	89%	91%	😊
% of tenants paper-free	87%	86%	87%	87%		87%	86%	87%	😊
% of tenants with a connected Rent Collector account	50%	36%	43%	50%		50%	35%	50%	😊
% of complaints responded to within target	100%	95%	97%	98%		100%	98%	97%	😞

😊 Performance Excellent 😞 Performance Satisfactory 😞 Performance Poor

Care & Repair Quarterly Management Accounts for the Period to 31 December 2024

Report by Gary Alison, Director of Finance & Corporate Services – for Information

1.0 Introduction

The Care & Repair Income and Expenditure Account for the period to 31 December 2024, shows income £17k over budget and total expenditure £6.2k over budget, giving rise to a net surplus of £35.6k compared to a budgeted surplus of £24.6k.

The year end projection is for the surplus to be £5.8k lower than budget, due to redundancy costs following the closure of the Small Repairs Service (SRS).

1.1 Medical Adaptations Administration Fees – (£1.5k)

The Care & Repair team administers the ELHA's medical adaptations funding. In return for this, 10% of income received is retained as an administration fee. This year ELHA applied for £200k. but was only awarded £44.6k. The 10% fee is reflected in the projected year end figure.

The initial budgeted fee of £7k was an estimate – there is no way to know how much will be received until the grants are awarded.

1.2 SRS Client Contributions and SRS Materials costs - £18.6k and (£17.4k)

These were both estimated when budgeted for, and largely match off, so have minimal impact on the surplus. They are slightly different due to timing differences. Income and expenditure for the Quarter Four is projected to be minimal as the service is wound down following grant funding no longer being made available to manage this service.

1.3 Salaries – £1.3k

Included within the projected year end figure is £19.k for redundancy payments for two members of the Care & Repair team. There are no pension or National Insurance costs associated with redundancy payments.

1.4 Vehicle insurance – (£0.7k)

The insurance budget was set before the Association had the insurance renewal information through, and the motor insurance premium was higher than expected.

1.5 Various overheads – £5.6k

These costs are recharged from ELHA based on Care & Repair staff numbers. They are therefore directly reflective of the over / under spends in the full ELHA accounts.

2.0 Income and Expenditure Account

		Actual to 31/12/2024	Budget to 31/12/2024	Variance to 31/12/2024	Projected outturn for the year	Budget for the year	Projected variance for the year
		£	£	£	£	£	£
INCOME:-							
ELC		247,418	247,418	-	329,891	329,891	-
Medical Adaptations Administration Fees	1.1	3,772	5,250	(1,478)	4,460	7,000	(2,540)
SRS Client Contributions for Materials	1.2	22,400	3,750	18,650	24,267	5,000	19,267
TOTAL INCOME		273,591	256,418	17,172	358,618	341,891	16,727
EXPENDITURE:-							
DIRECT COSTS:-							
Salaries	1.3	(85,141)	(86,475)	1,334	(132,746)	(115,299)	(17,446)
Employers NI		(8,792)	(8,841)	49	(11,723)	(11,788)	65
Employers pension contributions		(32,389)	(34,229)	1,840	(43,185)	(45,638)	2,453
Other staff costs and training		(1,753)	(1,754)	1	(2,337)	(2,338)	1
Electrical Safety Service		(10,379)	(10,244)	(135)	(13,839)	(13,659)	(180)
TOTAL DIRECT STAFF		(138,453)	(141,542)	3,089	(203,829)	(188,723)	(15,107)
INDIRECT COSTS:-							
ADMIN & MGMT SERVICES		(17,547)	(17,547)	-	(23,396)	(23,396)	-
TRAVEL/SUBSISTENCE							
Essential car user allowance		(4,926)	(4,870)	(56)	(6,568)	(6,493)	(75)
Vehicle leasing, fuel, and maintenance		(3,889)	(3,801)	(88)	(5,186)	(5,068)	(118)
Vehicle Insurance	1.4	(1,374)	(677)	(697)	(1,833)	(903)	(930)
Travel/Subsistence		(333)	(1,237)	904	(445)	(1,649)	1,205
TOTAL TRAVEL/SUBSISTENCE		(10,523)	(10,585)	62	(14,031)	(14,114)	83
OFFICE OVERHEADS							
Other costs		-	(1,875)	1,875	-	(2,500)	2,500
SRS Materials, Tools & Equipment	1.2	(21,914)	(4,500)	(17,414)	(24,267)	(6,000)	(18,267)
Office Premises Overheads	1.5	(12,431)	(11,484)	(947)	(16,575)	(15,312)	(1,263)
Office Equipment Overheads	1.5	(1,899)	(3,256)	1,357	(2,532)	(4,341)	1,809
Office Administration Overheads	1.5	(2,387)	(2,434)	47	(3,183)	(3,246)	63
Computer/IT Systems Overheads	1.5	(17,285)	(20,172)	2,886	(23,047)	(26,896)	3,849
Corporate Costs Overheads	1.5	(15,542)	(18,385)	2,843	(20,722)	(24,513)	3,791
TOTAL INDIRECT O/HEADS		(71,458)	(62,106)	(9,352)	(90,326)	(82,808)	(7,518)
TOTAL EXPENDITURE		(237,981)	(231,780)	(6,201)	(331,582)	(309,040)	(22,542)
SURPLUS/DEFICIT		35,609	24,638	10,971	27,036	32,851	(5,815)

Care & Repair Budget 2025/26

Report by Gary Alison, Director of Finance & Corporate Services – for Information

1.0 Introduction

Table 1 shows the proposed Budget for the Care and Repair service for 2025/26.

For the last eight years the Association has been awarded funding of £329.9k to deliver the Care & Repair Service. Despite being awarded £329.9k in 2024/25, East Lothian Council (ELC) had not included any expenditure in their budgets for this service.

ELC undertook a review of the Care & Repair service in 2024/25. ELC have a statutory duty to deliver an aids and adaptations service, and, as a result of the review, ELC have decided that only grant funding to provide this statutory element will be offered to ELHA for 2025/26.

2.0 2025/26 Budget

The income budget set this year is based on what ELHA budgeted in terms of staffing costs and share of overheads, to allow the service to break-even. ELHA advised ELC that funding of £196k was required, and this was accepted.

Staff salaries (including pension contributions, Employers National Insurance, EV and Essential Car Users Allowances) are fixed for the year based on a proposed 4% salary increase. It is the variable elements of other staff costs, such as travel, administration services and office overheads that if these end up over budget, will result in the service making a loss.

This budget will be closely monitored throughout 2025/26 to ensure this does not occur.

Table 1

CARE AND REPAIR SERVICE	Budget 2025/26
	£
INCOME:-	
ELC	196,325
Medical Adaptations Administration Fees	4,460
SRS Client Contributions for Materials	-
Other Income	-
TOTAL INCOME	200,785
EXPENDITURE:-	
DIRECT COSTS:-	
Salaries	(74,876)
Employers N I	(10,885)
Employers Pension Contributions	(31,492)
Employers Pension Deficit Payment	-
EV Costs	(6,576)
Other Staff Costs and Training	(1,606)
Electrical Safety Service	-
TOTAL DIRECT STAFF	(125,434)
INDIRECT COSTS:-	
ADMIN & MGMT SERVICES	(24,098)
TRAVEL/SUBSISTENCE	
Essential Car User Allowance	(6,831)
Vehicle leasing, fuel, and maintenance	-
Vehicle Insurance	-
Travel/Subsistence	(1,698)
TOTAL TRAVEL/SUBSIST	(8,529)
OFFICE OVERHEADS	
New C&R Software/IT System	-
Other Costs	-
SRS Materials, Tools & Equipment	-
Office Premises Overhead	(8,685)
Office Equipment Overhead	(2,462)
Office Administration Overhead	(1,841)
Computer/IT Systems Overhead	(15,831)
Corporate Costs (inc Audit)	(13,904)
TOTAL INDIRECT O/HEADS	(42,724)
TOTAL EXPENDITURE	(200,785)
SURPLUS/DEFICIT	-

Assumptions

- Salaries based on 4% as per ELHA Budget
- Staff training costs at 1% of salaries
- Travel/subsistence costs uplifted from 2024/25 figures by inflation
- Office overheads based on Care & Repair staff numbers divided by ELHA staff total number multiplied ELHA budget costs, rounded to ensure service breaks even for the year

Policy Review Summary

Report by Martin Pollhammer, Chief Executive – for information

The table below sets out policies reviewed by the Senior Management where they have Delegated Authority to undertake the review, since the last ELHA Board meeting.

Policy Title	Reviewed By	Where the revised policy is available
Shared Ownership	Karen Barry	Policy section of elha.com
Fraud & Theft	Gary Alison	Policy section of elha.com

Board Members Training Policy Review

Report by Martin Pollhammer, Chief Executive – for approval

1.0 Policy Review

According to the Policy Review matrix, any changes made to this Policy should be approved by the Board.

The Policy remains fit for purpose and no material changes are suggested. A number of minor changes are required in order to remove references to the Management Committee and instead refer to the Board, including changing the title of the Policy.

The revised **Policy Document** is attached as Item 11.1 to this report, with all proposed changes tracked.

Recommendation

The Board is asked to approve the revised Board Members Training Policy.

Group Policy

Date Issued December 1997

Last Review Date February 2025

Department Corporate

Title ~~Management Committee / R3~~ Board Members' Training

Objective To ensure our ~~Management Committee and R3~~ Board members have the skills, knowledge and experience to enable them to effectively manage our business

Responsible Chief Executive

Next Review Date February 2030

1.0 Introduction

We believe that the training of our ~~Management Committee~~ELHA Board and R3 Board Members is an essential part in achieving our Aims and Objectives and, in the ~~Management Committee's and R3~~ Board's role as employer, ensuring our employees remain well motivated.

We aim to make available appropriate resources to enable our ~~Management Committee and R3~~ Board Members to carry out their duties and responsibilities effectively.

This policy applies to all ~~Management Committee~~ELHA Board and R3 Board Members and potential Members.

2.0 Policy Objectives

2.1 To ensure that we have a good mix of skills & experience on our ~~Management Committee and R3~~ Boards to carry out our Aims and Objectives.

2.2 To provide the necessary training to enable ~~Management Committee and~~ Board Members to perform their duties effectively and to a high standard.

2.3 To ensure that there is equal opportunity for ~~Management Committee and R3~~ Board Members to obtain systematic training in accordance with our policy.

2.4 To meet the training needs of ~~Management Committee and R3~~ Board Members in the most effective way by using a range of internal and external training facilities.

- 2.5 To optimise the personal development of ~~Management Committee and R3~~ Board Members to enable them to develop their full potential
- 2.6 To ensure the process of succession planning is undertaken to enable preparation for future changes of leadership within the ~~Management Committee / R3~~ Boards.

3.0 Board Member Responsibilities

We expect our ~~Management Committee and R3~~ Board Members to share the following responsibilities:

- To set our strategic aims and objectives
- To exercise control and set excellent standards of governance
- To formulate policies and plans to achieve these objectives
- To ensure our tenants and customers receive the highest standards of service and full opportunities to participate
- To ensure that there are clear delegated authorities to staff
- To ensure there are sound financial and other Risk Management controls in place
- To approve and monitor our performance in relation to plans, budgets and other key decisions
- To direct our employment and training practices to ensure an efficient and effective workforce
- To ensure that our affairs are conducted lawfully in accordance with accepted standards of performance and propriety

~~Management Committee and R3~~ Board Members are expected to participate in training and development activities relevant to our business to enable them to fulfil their responsibilities.

4.0 Training Priorities

We will endeavour to meet the training needs of individual ~~Management Committee and R3~~ Board Members as far as possible. Priority will however be given to ensure that:

- Members have the skills required to carry out their duties

- Good practice is followed in managing and developing our staff
- Our legal obligations are met

5.0 Training Needs Assessment and Annual Training Plan

We will, on an annual basis, carry out an audit of our existing skills and experience to:

- Identify any imbalance or lack of particular skills or expertise which can assist and inform recruitment and succession planning for the ~~Management Committee and R3 Board~~s
- Compare existing skills and experience against the basic skills / experience required for being on the ~~Management Committee or R3 Board~~, to help identify relevant training for incorporation into the Training Plan

Following completion of the training needs assessment, an annual Training Plan will be developed identifying individual and group priority training requirements.

6.0 Training Responsibilities

- 6.1 Our Chief Executive has overall responsibility for co-ordinating our training requirements and for identifying training budget requirements for incorporation into our annual budgets.
- 6.2 ~~Management Committee and R3~~ Board Members are responsible for identifying and liaising with the Chief Executive and Chair regarding their individual training requirements.
- 6.3 Our Chief Executive and Chair are responsible for ensuring that the content and quality of the Members' training plan enables us to meet our objectives and to ensure a high standard of conduct by our Members.
- 6.4 Our Chief Executive will ensure that appropriate training information is routinely circulated to ~~Management Committee and R3~~ Board Members, and is authorised to approve training requests from Members.

7.0 Monitoring and Evaluation of Training

- 7.1 The responsibility of monitoring and evaluating training lies jointly with our Chief Executive and ~~Management Committee / R3~~ Board Members.
- 7.2 Our ~~administration~~ Executive Support staff are responsible for issuing course booking / appraisal forms for completion by ~~Management Committee and R3~~

Board Members and recording the training outcomes into the relevant training plan.

- 7.3 Following the completion of a training activity, the ~~Management Committee or R3~~ Board Member will be responsible for completing and returning training feedback forms (Appendix 1) on the effectiveness of the training undertaken; i.e. were the learning objectives achieved; has the knowledge and/or skills acquired improved performance or enhanced personal development. The Member should also consider how best to pass on the knowledge and/or skills to other relevant Members. This may take the form of a written or verbal report to Members.

8.0 Training Provision

- 8.1 The most common forms of training available to all ~~Management Committee and R3~~ Board Members are as follows:

- An Induction process for all new members (including provision of an Induction Pack)
- In-house Training
- External Training
- On The Job Training (with other Members or shadowing staff)
- Pairing (where an existing ~~Management Committee or R3~~ Board Member will work closely with a new or inexperienced Member to build up their skills and knowledge)
- External Networking through attending external training sessions, conferences and seminars
- Further Education

9.0 Policy Review

- 9.1 Our Chief Executive will ensure that this Policy is reviewed at least every five years. The absence of such a review will not cause this policy to lapse.

**Management Committee/~~R3~~ Board
Training Evaluation Form**

This form must be completed after each training session attended. Please discuss any aspects of the training with the Chair prior to sending the form to the Executive Support Officer/~~Assistant~~.

Name:	
Title of Training Course/Conference	
Date & Venue	
Training Organisation	
Was this identified at your Appraisal	Yes/No
What were the 3 main learning outcomes from this training:	1. 2. 3.
Describe how you can apply these outcomes to your role	
On a scale from 1-5 (1 being poor – 5 being excellent) how satisfied were you with the training?	1 2 3 4 5 (please circle)
Would you recommend this training to another Management Committee / R3 Board Member	Yes/No
Any other relevant comments	
Signed by Management Committee / R3 Board Member