

EAST LOTHIAN HOUSING ASSOCIATION

A meeting of the **Management Committee** was held on Thursday 23 March 2023 at 7.00pm, at ELHA Head Office, Haddington with Alan Forsyth joining via Microsoft Teams

Present:	Alan Forsyth	(5/5)	Katrina Hamilton	(5/5)
	Brian Logan	(5/5)	Pamela Macleod	(4/5)
	David Rose	(4/5)	Paul Hillard	(5/5)
	Eileen Shand	(5/5)	Peter Hayman	(5/5)
	Iain Atkinson	(4/5)	Shirley Evans	(3/5)
	Joyce Bolan	(4/5)		

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 Finance (Designate) - Observer
 Eric Stoddart, Executive Support Officer (Minutes)

1.0 GENERAL

Fire and Evacuation Procedures

Before the meeting commenced, the Chief Executive took the opportunity to remind Management Committee members of the fire exits, evacuation procedure and assembly points, in the event of having to evacuate the new Conference Room, should there be a fire, or emergency.

1.1 Apologies

Jim Curran (4/5), Peter Ewart (4/5).

1.2 Declarations of Interest by Management Committee Members

It was noted that David Rose and Paula Oliver would leave the room during the discussions at Agenda Item 3.1 on the Charitable Donations 2022/23. Both are Trustees of the East Lothian Care & Repair Charitable Trust.

1.3 Minutes of Meeting 23 February 2023

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

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 Equality and Diversity Action Plan 2023/24

The Chief Executive highlighted that the Action Plan is reviewed each year. Equality Data Collection is now in place for tenants and housing applicants, but will not be in place for staff and governing body members until later in the year. However, given that the vast majority of data is now being collected, a full review of the Equality and Diversity Policy can now take place, and work on this is due to start after Easter. This will result in a review of Action Plan tasks during the course of the year.

In the meantime, the Management Committee *approved* the Equality and Diversity Action Plan for 2023/24.

2.3 Training Needs Analysis

The Chief Executive advised that training of 'Understanding software applications and digital information systems' has been arranged with Waterstons to take place at the start of the next Management Committee meeting on 25 May 2023. It was also proposed that two other training sessions be held at the Management Committee 'Away Day' in November 2023.

After some discussion, and recognising the number of items usually covered during the 'Away Day', it was felt that it would be difficult to fit in both presentations at the 'Away Day', and it was agreed to hold one of these after the September 2023 Management Committee meeting, following the AGM.

The Management Committee *approved* the revised Management Committee Training Plan.

3.0 PRIORITY ITEMS

David Rose and Paula Oliver left the meeting.

3.1 Charitable Donations 2020/21

The Chair noted that the report was fairly self-explanatory.

There was no further discussion on this item, and the Management Committee *approved* the donation of £1,000 to the Care & Repair Charitable Trust during the year ending 31 March 2023.

David Rose and Paula Oliver re-joined the meeting.

3.2 Care & Repairs Small Repairs Service

The Chief Executive explained that the proposal is to increase the Small Repairs Officer post from 17.5 hours to 28 hours per week to reflect the allowance within the budget.

It is hoped this could be used at a future point to reduce the current seven to eight month waiting time for routine repairs and provide a more satisfactory level of service, but at present the current postholder is only able to work 17.5 hours per week. The Chair asked how the backlog could be tackled, and the Chief Executive explained that there was really no other solution than a new funding agreement with East Lothian Council, ideally including an agreement on minor adaptations, that would allow additional Small Repairs Officers to be appointed.

Care & Repair have received e-mail confirmation from the Council that the budget for 2023/24 will be frozen, and the service provision has therefore been reviewed. Formal confirmation of the 2023/24 funding is still awaited.

Eileen Shand highlighted that the lead contact at the Council in respect of the Care & Repair Local Advisory Committee (LAC) was on long term sick leave. The next LAC meeting is due in June 2023, and Eileen suggested making contact with the Council two to three weeks in advance of the next LAC meeting to enquire about attendance at the LAC and to get an update on the latest position.

The Management Committee **approved** the additional hours per week for the Small Repairs Officer role but noted that at present existing staff were not able to take on the additional hours.

4.0 POLICIES

4.1 Authorisations and Standard Charges / Allowances Policy Review

The Director of Finance highlighted the principal changes proposed:

Under Section 5.1 (Authorisation / Signing of Cheques), it is proposed to remove the requirement that the Director of Finance and Finance Manager do not jointly sign cheques. This is because very few cheques are issued now, and most are for small amounts to Scottish Power, where a BACS payment is not possible.

In respect of Section 15.0 (Staff Allowances) it is proposed to raise the mobile phone allowance from £16 per month to £20 per month, as this has not been increased since it was introduced over 10 years ago.

Section 16.0 (Management Committee / Board Member Allowances) – The Director of Finance explained that EVH do not provide standard allowances for Management Committee as they are not employees. Unlike employees, Management Committee members are not on the payroll, so it is therefore important to ensure any payments made to Management Committee are not taxable. The allowances for Management Committee / Board Members have therefore been reviewed and revised to reflect the HMRC' approved benchmark scale rates.

The Chair asked for any comments, and Eileen Shand queried whether reference to the new EV Leasing Scheme should be included. The Director of Finance was able to clarify that this is covered under Section 1.2 'Senior Management Team members are authorised to sign contracts for goods and services, Service Level Agreements and leases of no more than five years duration and which are within budget provisions.'

Pamela McLeod also queried under Section 13.4 where Housing Officers have the authority to commit to bed and breakfast accommodation up to the value of £90.00 per night, and wondered if that amount needed raised, given the rise in costs with inflation etc. The Director of Housing explained that tenants were rarely decanted into bed and breakfast accommodation, as the Association tended to use our own properties. However, it was agreed to round up this amount to £100.00 per night.

A query was raised in respect of the R3 Electronic Credit Card Limits in Appendix 4, and whether these need to be increased given the increased cost of materials. The Director of Finance explained that invoices are received for most purchases, and that payment by invoice is encouraged, rather than payment by card, so no change to card limits is felt required at this time.

Eileen Shand asked for clarification around the 'Decoration Allowances to Tenants' under Section 12.0, and how the provision of a paint pack would work for those tenants in sheltered housing. The Director of Housing was able to advise that staff will discuss with tenant's, their particular circumstances, and if necessary, the Association will undertake the decoration required.

Subject to these minor amendments, the Management Committee **approved** the revised Authorisations and Standard Charges / Allowances Policy.

4.2 **Tenant Sustainment Policy Review**

The Director of Housing thanked Peter Hayman for proof-reading the Policy Document prior to the meeting.

The Director of Housing explained that a Self-Assessment Toolkit had been produced following research recently commissioned by the SHFA and this had been used during the policy review. The Director of Housing also advised that she had attended the recent SFHA Housing Management Conference and commented that whilst the Association should not rest on its laurels, the quality and range of services in this area compares well to the sector generally.

Attention was drawn to Section 6.2, where Performance Monitoring has been added to emphasise the importance of tenancy sustainment, and it was highlighted that the Scottish Housing Regulator monitors the Association's performance in relation to this through the Annual Return on the Charter.

It was noted that the Scottish Housing Regulator has introduced significant new regulatory requirements regarding equalities and the Scottish Federation of Housing Associations (SFHA) has introduced new guidance to support this, (although the original publication was delayed and then subject to repeated review). As a result, the review of the Association's Equality and Diversity Policy has now been delayed to September 2023.

Part of the new requirements is to complete, where appropriate, an Equality Impact Assessment (EIA), the aim of which is to consider the equality implications of a policy, practice or service, and to consider if there are ways to proactively advance equality and prevent discrimination against people who are categorised as being disadvantaged or vulnerable within communities the association serves.

ELHA's EIA process requires to be developed and will form part of the revised Equality and Diversity Policy. In view of this an EIA of the Tenancy Sustainment Policy will be carried out retrospectively.

Shirley Evans highlighted that there was a typo in Section 2.1, in respect of the 'Antisocial Behaviour Act etc. (Scotland) 2014', and this should be 2004. The Director of Housing will update this.

Shirley Evans also queried the wording in Section 4.1.13 where it states, 'We will carry out Healthy Happy Home Checks to all our tenants at regular intervals.' and wondered if the Association was indeed able to do this.

The Director of Housing advised that some 250 visits have been attempted as a trial, and had proved very positive, with the visits enabling the profiling of tenants to ensure that the Association is delivering the kind of services they need and targeting them appropriately. The intention is to roll these visits out to all tenants, but as part of the profiling, to arrange repeat visits either every one, three or five years based upon need, to help target support services as effectively as possible, but also to ensure periodic visits to every tenant. However, the Director of Housing offered to review the policy wording, to make it clear that not all tenants will receive a visit every year.

Shirley Evans raised a further query in respect of Section 4.3.2 around what would constitute 'putting their tenancy at risk'. The Director of Housing explained that there had been cases where tenants had complex issues alongside experiencing domestic violence, such as poor mental health, drug dependency or anti-social behaviour which had an impact on neighbours. These were the kind of circumstances where the tenancy could be considered as being put at risk as a result.

Finally, Shirley Evans also queried Section 4.3.6 about what was meant by working with R3 Repairs, on occasion, to educate identified tenants on how to carry out small repairs etc. The Director of Housing was able to clarify that this related to identifying the needs of tenants, and where there had been damage to properties, to educate tenants so that they were able to carry out small repairs and be able to decorate. Although not a frequent occurrence, this would ensure that properties are maintained in a reasonable condition and assists tenants in learning key skills to be able to sustain their tenancies.

Eileen Shand asked for clarification on where the Tenancy Sustainment Fund could be used. The Director of Housing advised that the Fund is used if there are no alternative forms of funding available to support the tenant and meet their need. Staff will seek to access the Scottish Welfare Fund or other available grants first and if none are available, will then access the Tenancy Sustainment Fund.

Subject to these minor amendments, the Management Committee **approved** the revised Tenancy Sustainment Policy.

4.3 Risk Management Strategy Review

Paul Hillard indicated that he felt the document could be improved, particularly in relation to setting out more detail around identifying the Risk Appetite of the Association, and to show more clearly how this informs decision making.

In light of these comments, the Chief Executive asked to withdraw the paper, and work with Paul Hillard on further revisions to the approach. The Management Committee **agreed** with this approach.

4.4 Chargeable Repair Service Policy Review

The Director of Asset Management explained that the Association has been experiencing increasing difficulty in arranging access for essential work, where work to meet current regulatory or safety standards is required, this being most notable in relation to the installation of heat and smoke detectors and to carry out EICR inspections. In addition to this, there has been an increase in tenants not allowing access for scheduled installations such as replacement kitchens, heating systems etc, and for 'complex' repairs or replacements which require the attendance of more than one trade.

Reference was also made to the recent consultation exercise in January 2023 regarding changes to the Chargeable Repair Policy, where tenants were asked whether the Association should charge for the cost of a repair call where an appointment had been arranged with the tenant, but when the operative arrived at the property, they were not given access. Some 72% of respondents agreed with this, but it is acknowledged there were also comments made regarding whether a contractor should be charged for not turning up.

It was acknowledged that forced entries are rare, and that there is a robust process in place to make several attempts to contact the tenant, before entry is forced. However, the proposed changes are intended to add to the policy to specifically mention charging for the misuse or abuse of the Repair Service by tenants, or of not allowing access for essential maintenance or major improvement works.

Shirley Evans raised her concern over the reference in Section 1.3 about charging for costs incurred such as building insurance, and other services, and including an administration fee. It was felt this was straying into the area of property factoring, which attracts special requirements, and the need to be registered as such, and complying with the Property Factors Code of Conduct.

The Director of Housing highlighted that the Association does have a Factoring Policy. In light of this, it was agreed that references in the Policy relating to factoring services should be stripped out, and a simple cross-reference added to the Factoring Policy.

It was agreed that the remaining changes are approved in principle, so the Policy will be re-presented once the references to factoring are removed. The existing tracked changes were agreed and would not be re-presented in the revised Policy.

Eileen Shand referred to the Consultation Report (Appendix 1) and asked about the basis of consultation, and specifically about what costs could be incurred by tenants being charged for not providing access, where multiple contractors or operatives attend. It was noted from the Authorisations Policy that a tenant could be charged £60 + VAT for an aborted call-out, and that this figure would be used. The Chief Executive noted that it is very unlikely that more than three staff or operatives would arrive at the start of a job, so the maximum likely to be charged is three times this charge. However, this will still be considerably lower than the actual cost to the Association and its contractors of rearranging the works.

Iain Atkinson raised the point about tenants charging the Association when operatives don't turn up. In terms of response repairs, this issue is under investigation, but the Chief Executive noted that this situation would very rarely happen in terms of a larger job. When an operative is unavailable, perhaps through illness, for a scheduled installation, or 'complex' repair / replacement, an operative would be taken off day to day repairs to fill in. The day to day repairs would suffer as a result, but this ensures more complex work involving multiple trades does not have to be re-arranged.

The Management Committee **agreed** the proposed changes but asked that the Policy be updated in relation to factoring, and brought back to a future Management Committee meeting for approval. Existing tracked changes would therefore be accepted, and only further amendments highlighted in the next report.

4.5 Treasury Management Policy Review

The Director of Finance advised that the annual review of the Treasury Management Policy has been undertaken with assistance from the Group's Treasury Management advisors (ATFS).

The main changes proposed include at Section 2.3, where a reference to the CIPFA Code of Practice has been updated, and in relation to liquidity risk management, Section 3.2, the minimum Near Liquid Funds definition has been amended to reflect the annual treasury target of 20% of the annual net rent and service charge income. Finally, in relation to Credit and Counterparty Risk Management, Section 3.5, the notes on Triodos Bank have been updated.

The Director of Finance also highlighted that in respect of Triodos bank, no deposits are held with them, and only one loan is held with them. The Management Committee **approved** the revised Treasury Management Policy.

4.6 Stock Investment Strategy

The Director of Asset Management highlighted that this document is intended to sit alongside the Asset Management Strategy, and the Planned Maintenance Programme. As such, it is more about setting out general future strategy and principles than specific projects in relation to management and maintenance of the Association's homes.

Peter Hayman commented that this was a very interesting paper and raised the question about the situation with new homes, and does the Association just have to accept the developer's choice of heating system.

The Director of Asset Management advised that the Association is always consulted on specifications but that the scope to make any substantive changes (from the developer's specifications) are limited.

The Chief Executive added that a good example is the proposed Elphinstone development. Building standards still allow the installation of gas boilers, and whilst it was possible to specify the installation of Ground Source Heat Pumps, these are more expensive, and the costs are already right at the margins of what Scottish Government grants will allow. If Scottish Government funding does not meet the cost, then that additional cost will fall on the Association.

Another instance, also at Elphinstone, is where East Lothian Council has specified that each property should have an EV Charger. However, as no properties have a driveway, but instead an allocated parking space nearby, these would be provided adjacent to the parking spaces, with a risk these could be damaged before a tenant comes to use this.

Whilst it is clear that most homes will need EV chargers in future, to date, not a single ELHA tenant has requested one (if they did, they would need to meet the costs of installation and ongoing maintenance). Installing chargers now that are unlikely to be used also runs a significant risk of the chargers being obsolete by the time anyone comes to use it.

As a result, the Association is trying to 'push back' on this requirement and change the specification to only provide a cable underground, which would allow an EV Charger to be fitted, and connected, when required in the future.

Peter Hayman noted the reference to tenants having a reduced overall heating cost when using Economy 7 or Economy 10 tariffs but believed this was a marginal saving at present of only 3 or 4p per unit.

The Chief Executive highlighted that there has been a Cap on the General Tariff, but that this has not been extended to Economy 7 or 10, which explains why the current benefit of being on those tariffs has been eroded. The Chief Executive said he felt this was unacceptable, but there has been no real feedback from tenants complaining about this. If the electricity market falls back into a more settled state, the more marked benefits of Economy 7 and 10 should return.

The Management Committee ***approved*** the Stock Investment Strategy.

5.0 BUSINESS MANAGEMENT

There were no reports for this section.

6.0 ANY OTHER BUSINESS

There was no other business.

DATE OF NEXT MEETING

Thursday 25 May 2023 at ELHA Head Office, Haddington at 7.00pm.

**ADOPTION OF THESE MINUTES APPROVED AT THE MEETING ON
25 MAY 2023**

Signed *Signed* (Chair)