

EAST LOTHIAN HOUSING ASSOCIATION

A meeting of the **Management Committee** was held on Thursday 21 March 2024 at 7.00pm, at ELHA Head Office, Haddington with David Rose & Peter Ewart joining via Microsoft Teams

Present:	Brian Logan	(4/4)	Katrina Hamilton	(4/4)
	Iain Atkinson	(3/4)	Paul Hillard	(4/4)
	Joyce Bolan	(3/4)	David Rose	(3/4)
	Peter Ewart	(4/4)	Eileen Shand	(2/4)
	Alan Forsyth	(3/4)	Maureen Batten	(1/1)

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

1.0 GENERAL

The Chair opened the meeting and welcomed Maureen Batten to her first Management Committee meeting. Maureen had been co-opted onto the Management Committee at the February 2024 meeting.

The Chair also passed on congratulations on behalf of the Management Committee to fellow member Pamela Macleod [REDACTED].

1.1 Apologies

Shirley Evans (2/4), Pamela Macleod (2/4), Graham Rattray (1/4), Jim Curran (2/4).

1.2 Declarations of Interest by Management Committee Members

It was noted that David Rose would not participate in the discussions at Agenda Item 3.1 on the Charitable Donations 2023/24 as he is a Trustee of the East Lothian Care & Repair Charitable Trust. As David was joining the meeting via Microsoft Teams, the link will be muted for the duration of any discussions on this Agenda Item.

1.3 Minutes of Meeting 22 February 2024

The Minutes were **approved** by the Management Committee. They were proposed by Joyce Bolan and seconded by Iain Atkinson.

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

It was noted that only the Town or City details of the address of members should be shown in the Secretary's Report.

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

2.2 Training Needs Analysis

The Chair commented that the recent Training Needs Analysis exercise had demonstrated the collective strengths of the Management Committee members, as well as highlighting some areas for training, which will be addressed in the year ahead.

It was also recognised that an area previously identified as being helpful to receive training on, namely 'Equality and Diversity', had been addressed by the training session held immediately prior to the meeting.

Maureen Batten highlighted that her submission under the Training Needs Analysis was subject to confirmation in some areas, until she fully understood the skill level required for various subjects.

Iain Atkinson queried when the provisional training dates of September and November 2024, as indicated in the paper, would be confirmed. The Chief Executive advised that these would be arranged to precede the respective Management Committee meetings in September and November 2024.

The Management Committee *approved* the Management Committee Training Plan for 2024/25.

2.3 Regulatory Framework Review

The Chief Executive noted that he had seen advance sight of the Governance Standards Self Assurance Toolkit, which should be updated and re-published at the end of March 2024. This would allow the updated Toolkit to be used for the 2024 Evidence Bank review, which will be undertaken with the Governance Standards Working Group in April and May 2024, and will take into account the revised regulatory framework. Any material issues arising for the Association will therefore be reported by the Working Group to the May 2024 Management Committee meeting.

Assuming there are no material issues of non-compliance, or other action points that the Governance Standards Working Group wishes to see progressed before submitting the 2024 Assurance Statement, this should allow ELHA to complete its annual assessment and submit its Annual Assurance Statement to the Scottish Housing Regulator after the May 2024 Management Committee meeting.

The Management Committee noted the report.

3.0 PRIORITY ITEMS

The Microsoft Teams call to David Rose was muted at 7:19 pm.

3.1 **Charitable Donations 2023/24**

The Chief Executive noted the proposal, as in previous years, to make a donation to the Care & Repair Charitable Trust.

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 2024.

The Microsoft Teams call to David Rose was unmuted at 7:21 pm.

4.0 **POLICIES**

4.1 **Authorisations and Standard Charges / Allowances Policy Review**

The Director of Finance & Corporate Services advised that the only addition to the paper was that R3 had confirmed that the Repairs Admin Team Leader has a credit card limit the same as the Assistant Materials Co-Ordinator, so Appendix 2 to the policy has been updated to reflect this.

There were some other key material changes, which needed to be highlighted for the attention of Management Committee, and these were as follows:

Within Section 1, a Table of Authorisations has been created in Appendix 1 to the policy, in respect of previous sections 1 to 3, rather than including narrative in the policy document itself. Section 1 now refers to this Appendix. The aim is to consolidate all signatory requirements into one document for easy reference. The items marked in red in Appendix 1 to the policy are proposed changes to approvals from the previous policy. This includes a section on 'other', for all other potential signatory authorisations.

Within Section 2, in relation to the previous Section 4, the approach to detailing each budget and who can commit and approve invoices for each budget code has been removed. In addition, the limit 'to budget' has been removed and replaced with amounts for approvals.

The Director of Finance & Corporate Services advised that the policy wording in this section has been updated to reflect this. In addition, narrative at (a) (ii) has been added in to explain how the authorisation levels and the requirement for dual authorisation when approving orders/invoices works.

It was highlighted that the items marked in red in Appendix 2 to the policy are proposed changes to authorisation levels from the previous policy. Included are two new authorisation lines. The first is allowing Management Committee and SMT to approve payments without an invoice. The second is approving non-supplier transactions at part of the banking.

Katrina Hamilton raised a slight concern whether the changes may result in it being easier for someone to commit and approve invoices against someone else's budget. Whilst this is not seen as a significant concern, it was noted that budget owners still have responsibility for controlling their budgets and what expenditure goes against that.

Brian Logan highlighted a few minor corrections required to the paper:

On Page 2 of 13, under 2.0, the first paragraph had the appendix number missing – this should be Appendix 1.

On Page 6 of 13, under 3.6, the word ‘transactions’ appears twice in error – sentence should read ‘Non supplier bank transactions relate to:’

Under Policy Appendix 1, CE contract of employment had ‘contract’ in twice – line should read ‘CE Contract of Employment’.

Under Policy Appendix 2, R3 authorisations – ‘Approval of Commitment / Order’, and ‘Authorisation of Invoice’ to be changed from ‘To Budget’ to ‘Unlimited’.

Iain Atkinson queried whether under Section 1.3 of the Policy Document, the names of the PfP staff should be changed to their job titles, and this was agreed.

Peter Ewart queried whether the reference under Section 3.7 of the Policy Document to authorised signatories for the Management Committee, being named individuals (or their successors) was sufficient, and also whether ‘wet’ signatures were required going forward, or if ‘electronic’ signatures were acceptable.

The Director of Finance & Corporate Services advised that although there has been a mixture of signature types in the past, it is now mostly electronic signatures that are obtained. It was also acknowledged that there is a need to consider future authorised signatories as part of the Governance Review currently being undertaken.

Eileen Shand commented that she had found the table at 2.3.1 to be very helpful and thought this provided a clear summary of Financial Delegated Powers.

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

4.2 Treasury Management Policy Review

The Director of Finance & Corporate Services advised that the Treasury Management Policy has a five-year review period, and an annual review undertaken by the Director of Finance & Corporate Services. The Group’s Treasury Management advisors (ATFS) have assisted with this review.

An annual review has been undertaken and some minor amendments are proposed to the Management Committee for approval.

The proposed amendments are:

- To change the named responsibility of Director of Finance to Director of Finance & Corporate Services

- Section 3.2.1 – to include the Flagstone platform as a principal banker (the Treasury Strategy is to actively manage investments on this platform, some of which are kept on instant access deposits, there may be instances where monies with ELHA's main current account bankers, RBS, drops below the £500k limit, whilst monies are being transferred back from Flagstone, by naming Flagstone as a principal banker this avoids any doubt as to who are the Group's principal bankers)
- Section 3.5.3 – the Association's Treasury Management Policy has a requirement that the Group will only invest or lend with institutions with a certain credit rating (Triodos and CAF, both historic lenders do not meet the Policy requirements, in terms of required credit ratings, however, the narrative is included in the policy to give assurance that these institutions are still credit worthy and Management Committee should note that the total debt with these institutions at the 31 March 2023 was £3.4m, or 16% of the total loans, if these institutions were to default, the debt would likely be taken on by another lender, meaning the risk to the Group posed from these institutions failing is low)

Eileen Shand asked whether the term Principal Banker was known as anything else within the world of finance. The Director of Finance & Corporate Services explained that it did not have any other meaning, but for ELHA's Treasury Management Policy it could be interpreted as being the Association's main bankers, who are RBS. In addition to RBS, the Flagstone platform is used to invest surplus cash on short term or immediate deposit accounts. There can be timing differences on transferring funds from the Flagstone platform to the RBS account and including them in the Principal Banker definition meant that these funds would be included in the minimum cash levels figure. The Management Committee **approved** the revised Treasury Management Policy.

5.0 BUSINESS MANAGEMENT

There were no reports for this section.

6.0 ANY OTHER BUSINESS

There was no other business, and the meeting ended at 7:32 pm.

DATE OF NEXT MEETING

Thursday 30 May 2024 at ELHA Head Office, Haddington at 7.00pm.

**ADOPTION OF THESE MINUTES APPROVED AT THE MEETING ON
30 MAY 2024**

Signed *Brian Logan* (Chair)