

# **ELDONIAN**

COMMUNITY BASED HOUSING ASSOCIATION  
PROMOTING SUSTAINABLE COMMUNITIES

# **Annual Report & Financial Summary 2023-24**

**For the year ended**  
31 March 2024

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# 1. Welcome & Introductions

## Message from the Chair

I am pleased to introduce the 2023/24 Annual Report which highlights the significant progress made and resilience of ECBHA, despite the wider economic backdrop, inflationary pressures, cost of living challenges and regulatory requirements.

Throughout the year we have continued our focus on bringing the organisation into regulatory compliance, understanding and driving the quality of our homes, and updating our policies and approaches to delivering services provided to residents.

We have continually reviewed our key risks during the year, given the economic and cost of living pressures. The impact on our business plan has been reviewed and stress tested to further mitigate and control risks. As a result, we are confident

that ECBHA has a robustly tested 30 year financial business plan that provides a firm foundation for the years ahead.

We have continued to work closely with the Regulator of Social Housing to develop our regulatory compliance, seeking to evidence that changes made are bedding in and being sustained through our Governance Action Plan, and ensuring that key strategies are developed and progressing.

Overall, there has been a lot of activity 'behind the scenes' which is part of laying the foundations for the long term ECBHA future.

Thanks to all residents, colleagues, partners and fellow Board members that have contributed to our journey over the last year.

**Lee Gwynn – Chair, ECBHA**

## Message from the Chief Executive Officer

Having joined ECBHA in April 2023 I am pleased to share this Annual Report for 2023/24 that provides a summary of our activities over the last year. The report aims to highlight the steps we have taken to continue to be an effective social landlord; providing safe, affordable, and high quality homes at Eldonian Village.

This year I have continued to be very busy working alongside the Chair, Board and our Regulator focusing on our journey to becoming compliant with the Regulator's Regulatory Standards. We continue to work to overcome challenges and make the changes needed. I am pleased with the progress achieved on many topics this year.

Customer satisfaction continues to be a key priority and we have commenced using the

new tenant satisfaction measures (TSMs) as our key indicators. Many thanks to all customers that have provided feedback to us, and we are really pleased to have been able to share the results, which have been overwhelmingly positive.

Looking forward, we have continued to improve the technology being used within the association making it more robust and secure than ever, and we now have the basis for the introduction of convenient 'self-service' options for residents in the near future.

Finally, I confirm that achieving regulatory compliance continues to be my priority for the coming year, and that we continue to welcome feedback from residents as part of achieving this goal.

**Shirley Davies – Chief Executive Officer, ECBHA**

## 2. Board, Officers and Professional Advisors for the year ended 31 March 2024

### Board

L Gwynn	Chair
V Johnson	Vice Chair
M Dragonette	Resident Board Member
J Harkin	Resident Board Member
J Whittaker	Resident Board Member
B Long	Board Member
M Jones	Co-optee
C Harris	Co-optee
S Grant	Co-optee
H Samuel	Co-optee (Appointed 28/09/23)

### Leadership Team

S Davies	Chief Executive Officer
G Davies	Chief Financial Officer
M Wood	Chief Operating Officer
P Latham	Business Improvement Manager (Appointed 11/10/23)

### Company Secretary

G Davies	Chief Financial Officer
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### Registered Office

The Tony McGann Centre  
Eldonian Village  
Burington Street  
Liverpool  
L3 6LG

### Registrations

Registered Society with the Financial Conduct Authority (FCA) Mutuals Register - 24822R.  
Registered Provider (RP) of social housing with the Regulator of Social Housing (RSH) - C3609.

### Auditors

Mitchell Charlesworth (Audit)  
Limited  
3rd Floor  
5 Temple Square  
Temple St  
Liverpool  
L2 5RH

### Principal Solicitors

Brabners LLP  
Horton House  
Exchange Flags  
Liverpool  
L2 3YL

### Principal Bankers

The Co-operative Bank  
1-3 Parker Street  
Liverpool  
L3 9QL

# 3. About ECBHA

## Background

ECBHA originates from the determination of a community to remain a community. Faced with being dispersed across the Merseyside area due to intended redevelopment for Vauxhall in the late 70s-early 80's, the community challenged convention and created its own alternative proposals. Through grit and persistence of the community, led by lifelong resident Tony McGann, what we now know as 'Eldonian Village' was delivered with the first of 382 high quality homes for a range of households being occupied in the late 1980's.

## Principal Activity

As outlined in the governing Rules document, the Association is formed for the benefit of the community. Developing and providing housing, housing management and assistance to people:

- at risk of or in poverty;
- who are elderly, have disabilities or who are chronically sick.

ECBHA may also undertake additional charitable objectives connected with or incidental to the provision of housing.

## Our Vision

To provide good quality homes and excellent services to improve the quality of life in our communities.

## Our Values

- Deliver a great service
- Accountability
- Respect
- Leadership
- Integrity
- Work Together

## Our Objectives

- Unique Focus and Values
- Empowering Customer Voice
- Good Governance, and Effective Management
- Resource Utilisation and Value for Money
- High Quality, Affordable Housing



# 4. Our Corporate Plan

March 2024 brought our existing Corporate Plan (2022-2024) to a close, and below is summary of some of the key accomplishments that have been achieved:

- A range of new topic based strategies including Equality & Diversity, Value for Money, Resident Engagement, Asset Management and ICT & Digital among others.
- Reviews of the organisational governance documents supported by self-assessments and action plans to drive compliance with these and the organisation's regulatory obligations.
- A range of new policy positions to support clear and consistent operational service delivery.
- Strengthening of the Board through recruitment of new members and co-optees with skills and experience of the social housing sector alongside Board level training and development.
- Ongoing development and maturity of our business planning, stress testing and approaches to organisational risk management and mitigation.
- The completion of a detailed stock condition survey that has enabled a more robust approach to planned maintenance delivery.

In April 2024 the Board approved a new ECBHA Corporate Plan (2024-2026) that reaffirmed the organisation's vision and values, alongside the continued progress of the same corporate objectives as the previous plan. Objectives over the coming year include:

- **Objective 1: Unique Focus and Values**

We will develop priority themes and work with a small number of specialist partners to support local carers, training and development, as well as social welfare and food support to ensure we invest in the community to empower and support our residents to become independent, develop skills and employment opportunities, maintain good health and wellbeing, and enhance social and financial inclusion.

- **Objective 2: Empowering Customer Voice**

We will continue to develop a culture where residents can trust us to listen to them, take ownership of their issues and resolve them in full.

- **Objective 3: Good Governance, and Effective Management**

We will continue to deliver the Governance Action Plan (GAP) to ensure compliance with all RSH regulatory requirements including addressing RSH concerns and adherence to NHF Code of Governance 2020.

- **Objective 4: Resource Utilisation and Value for Money**

We will continue to develop our 30-year Business Plan and stress test it against various macroeconomic indicators and local factors. We will continue to improve our financial data so we can undertake better analysis, develop effective financial KPIs and meet our reporting requirements.

- **Objective 5: High Quality, Affordable Housing**

We will embed all Housing Management policies, procedures, and systems to ensure improved outcomes for our customers, and high levels of customer satisfaction in all areas of service.

Our full corporate plan can be found publicly on the ECBHA website and hard copies are available on request.

# 5. Our Governance

The Board comprises independent and resident Board members alongside Board co-optees, all drawn from a wide range of backgrounds bringing together a balance of skills, experience and knowledge.

## **Chair - Lee Gwynn**

Lee joined the Board in April 2021 and is an experienced finance professional and business leader with significant strategic experience. Lee has a track record of improving business performance and implementing change alongside bringing extensive knowledge of the commercial property and the housing market, as well as a technical understanding of asset management including investment and development appraisals, financial modelling and risk analysis.

## **Deputy Chair - Victoria Johnson**

Victoria joined the Board in April 2023 and has worked in organisational development and human resources for over 15 years, and has previously been Organisational Development Business Partner at a Liverpool based housing association before becoming a HR Consultant.

## **Belinda Long**

Belinda joined the Board in June 2022 and is currently the Operations & Service Delivery Manager for a health and safety company that supports businesses throughout the UK, Ireland and Europe with health and safety compliance. With more than 20 years of experience in health and safety and related fields across varying industries, Belinda is keen to contribute to the health and safety journey of the association.

## **Josh Harkin**

Josh, who became a Board Member in August 2021, has been a resident of the Eldonian Village for 25 years. Josh has over 5 years of experience working in public relations and has extensive experience of delivering corporate communication strategies, particularly in construction. Josh has also delivered some of Britain's most notable diversity and inclusion campaigns.

## **Josephine Whittaker**

Josie has been a Board Member since November 2021. She has lived in the Eldonian Village for 25 years and has worked with residents throughout this time. She provides insights into the culture of the inner city, and the challenges it faces.

Her passion is understanding people and providing support to enable them towards positive direction in life.

## **Margaret Dragonette**

Margaret has been involved with the ECBHA and the social housing sector for over 30 years and rejoined the board in August 2021. Margaret's family was actively involved in establishing the Eldonians, and she has lived in the Eldonian Village since 1989.

## **Michael Jones**

Michael joined the Board in April 2023 and is an experienced Director of Asset Management with over 35 years of strategic asset management and development experience in the social housing sector across a number of Housing Associations. Michael is semi-retired, continuing to work on a consultancy basis in the housing sector.

## **Sian Grant**

Sian joined the Board in April 2023 and has worked in the social housing sector for over 20 years. Sian is current Executive Director of Operations for a large housing association and has experience, knowledge and responsibility for a wide range of housing management related activities and functions.

## **Claire Harris**

Claire joined the Board in April 2023 and has worked in the housing and public service sector for over 17 years. Claire was previously Deputy Director of Finance at a local authority and is currently a Director of Finance within a regional governmental organisation. Claire brings extensive experience of being on the Board of housing associations.

## **Harry Samuel**

Harry joined the Board in October 2023 and has over 20 years background in global financial and business services. Harry is currently the CEO of a for-profit registered provider.

# 5. Our Governance

The Board has overall responsibility for the administration of sound corporate governance and recognises the importance of maintaining a strong reputation for the organisation. To support this, a range of internal self-assessments and external reviews have been undertaken including:

- July 2023. Adoption of the National Housing Federation Code of Conduct 2022.
- September 2023 and August 2024. Assessment against the chosen code of governance the National Housing Federation Code of Governance 2020. Progress with identified actions being reported to the Board regularly via the Governance Action Plan (GAP).
- March 2024. Review and approval of strengthened organisational regulations and standing orders.
- June 2024. Assessment against the organisations governing rules concluding full compliance.
- June 2024. Review and approval of the Board terms of reference.
- June 2024. Board appraisals and skills matrix review.

ECBHA has undertaken self-assessments against the current RSH regulatory standards, most recently in April-July 2024. The organisation continues to work towards embedding resolutions to non-compliance matters with the governance and economic standards that led to the regulatory notice in July 2021. Progress with all actions arising from the self-assessments is reported to and monitored by Board.

In line with the NHF Code of Governance, ECBHA commissioned an independent governance review in December 2023. This concluded that 'ECHBA has made significant progress in addressing issues raised by the RSH and made a small number of recommendations that have been progressed through the governance action plan. This will be repeated within three years as per the adopted code.

The board met twelve times during 2023/24. It does not currently have any delegated committees; this will be reviewed to reflect changing business needs.

Board attendance by its members during 2023/24 is summarised in the table below:

Board Member	Meetings Attended												
	Apr23	May23	May23	Jun23	Jul23	Aug23	Sep23	Oct23	Nov23	Jan24	Feb24	Mar24	
L Gwynn	o	o	o	o	o	o	o	o	o	o	o	o	12/12
V Johnson	o	o	o	o	o		o	o	o	o	o		10/12
B Long	o	o	o					o	o		o		6/12
J Harkin	o	o	o		o	o		o	o	o	o	o	10/12
J Whittaker	o	o	o	o	o	o	o	o		o	o	o	11/12
Dragonette	o	o	o	o	o	o	o	o	o	o	o	o	12/12
S Grant	o	o	o	o	o	o	o	o	o		o	o	11/12
C Harris		o				o	o	o	o	o	o	o	8/12
M Jones		o	o	o	o	o	o	o	o	o	o	o	11/12
H Samuel							o	o	o	o	o	o	6/6

# 5. Our Governance

## Internal Controls

The Board recognises that no system of internal control can provide absolute assurance or eliminate all risks. The system of internal control is designed to manage, not eliminate, risk and to provide reasonable, not absolute, assurance against material misstatement or loss.

The process for identifying, evaluating and managing significant risks faced by ECBHA has been in place throughout the year to 31 March 2024. The process and framework was significantly updated in March 2022. Further updates and revisions to the approach have been undertaken since introduction, with the most recent review being approved by Board in February 2024 and August 2024.

The Board has received a range of assessments and reviews regarding internal controls which combine to evidence the ongoing adequacy in managing the significant risks faced by ECBHA.

Key elements of internal control include:

- Board approved terms of reference for the Board and regular assessment of compliance.
- Strategic risk registers regularly reviewed by the Leadership Team and Board.
- Continual development of the organisation's suite of strategies, policies and procedures.
- Corporate and financial business plans, the latter with stress testing, mitigations and golden rules reviewed and reported to Board on an agreed basis, both of which influence budget planning and financial management.
- Project management of commitments and actions within agreed consolidated action plans with agreed regular scrutiny by Board. The Governance Action Plan (GAP) driving matters directly linked to the RSH regulatory notice and the Consolidated Action Plan (CAP) driving activities emerging from strategies, self-assessments, audits and reviews.
- Business assurance and internal audit functions (provided by TIAA) tasked with maintaining and testing the internal control environment.
- Reporting to the Board a range of agreed key strategic and operational performance indicators with appropriate target setting and contextual benchmarking.

## Viability Assessment

ECBHA prepares a 30-year business plan in conjunction with independent advice and support, incorporating the budget, treasury, asset plans and financial assumptions over the short to medium term. This plan seeks to demonstrate ECBHA can effectively manage its resources and ensure long-term financial stability is maintained and social housing assets are safeguarded.

ECBHA approved a series of golden rules based on initial stress testing of the business plan in November 2023. The stress testing utilised multi-variant scenario analysis compared to tests against potential economic and business risks. Performance against golden rules is now regularly reported to the Board.

The Board has subsequently sought to further refine the business plan, stress testing and definition of potential mitigations to ensure it remains satisfied that appropriate mitigations are in place that would, if implemented, protect the social housing assets and support compliance with regulatory requirements.

# 6. The Homes We Provide

All ECBHA homes are concentrated within a small geographical area on the northern edge of Liverpool city centre, predominantly on a single site within the Vauxhall area. All homes are considered modern; having been built from the late 1980's onwards and built to a high standard using traditional techniques and materials.

The table below provides a summary breakdown of the homes we provide:

	Family Housing	Housing For Older People	Shared Ownership	Leasehold Management	Care Home Bedspaces (leased)	TOTAL
Houses	220	4	0	0	0	224
Bungalows	83	7	0	0	0	90
Flats	0	68	12	51	0	161
Rooms	0	0	0	0	30	30
<b>Total</b>	<b>303</b>	<b>79</b>	<b>12</b>	<b>51</b>	<b>30</b>	<b>475</b>

ECBHA also owns:

- Eldonian Village Hall. Leased by ECBHA to a third part operator.
- ECBHA offices and workshops at the Tony McGann Centre.
- Community facilities within Robert Lynch House and at St Gerrards Close.
- Land adjacent to Eldonian Village on Love Lane that is earmarked for future development.



# 7. Our Team

ECBHA is building a small, settled and experienced team with the skills and knowledge to deliver all key areas of operation and drive ongoing improvements.

The Leadership Team comprises:

<b>Shirley Davies</b>	Chief Executive Officer
<b>Graham Davies</b>	Chief Financial Officer & Company Secretary
<b>Michael Wood</b>	Chief Operating Officer
<b>Peter Latham</b>	Business Improvement Manager

The Chief Financial Officer and Chief Operating Officer have been in post for approximately three years and the association now has its longest standing Chief Executive Officer since the RSH Regulatory Notice. This is complimented by a 2-year fixed term Business Improvement Manager post, from October 2023 onwards. All chief officers are permanent members of staff.

Both The Chief Executive Officer and Business Improvement Manager have worked in the social housing sector for over 25 years and have undertaken a range of senior positions within the sector. Both have post graduate level social housing qualifications and are corporate members of the Chartered Institute of Housing, further strengthening the leadership teams' skills, knowledge and experience.

The wider staff team comprises:

<b>Francesca Dunford</b>	Finance Officer
<b>Pauline Courtney</b>	Housing Officer
<b>Chris Clarke</b>	Housing Officer
<b>Adam Roberts</b>	Reception / Administrator
<b>Kenny McKenzie</b>	Estates Officer
<b>Jean Ward</b>	Cleaner

All staff have been recruited on the basis of having the appropriate skills, knowledge and experience to deliver their roles; and regular management sessions take place.

All staff have access to ongoing training through both online and face to face training provisions, and have the option to undertake tailored personal development, as agreed with line managers.



# 8. Customer Experience and Satisfaction

## Customer Satisfaction

ECBHA continues to develop its offer to customers to continually improve customer satisfaction. During 2023/24 the Board approved revised customer standards and related performance measures.

In addition, during 2023/24 we commenced its first full round of Tenant Satisfaction Measures in accordance with the RSH prescribed methodology. This was conducted independently by TLF Research between March and May 2024. The full methodology and results are available on the ECBHA website and the summary headline results include:

	ECBHA	Benchmark Average
TP01: Overall satisfaction	79.7%	69.0%
TP02: Satisfaction with repairs	86.6%	71.0%
TP03: Satisfaction with time taken to complete most recent repair	82.5%	66.6%
TP04: Satisfaction that the home is well maintained	87.1%	69.9%
TP05: Satisfaction that the home is safe	94.4%	76.5%
TP06: Satisfaction that landlord listens to tenant view and acts upon them	79.5%	59.2%
TP07: Satisfaction that landlord keeps tenants informed about things that matter to them	82.4%	68.4%
TP08: Agreement that the landlord treats tenants fairly and with respect	83.3%	75.4%
TP09: Satisfaction with the landlord's approach to handling complaints	45.2%	34.6%
TP10: Satisfaction that the landlord keeps communal areas clean and well maintained	69.2%	62.3%
TP11: Satisfaction that the landlord makes a positive contribution to neighbourhoods	74.4%	59.6%
TP12: Satisfaction with the landlord's approach to handling anti-social behaviour	80.6%	56.9%

The benchmark is based upon 52 Registered Providers who submitted data to TLF by November 2023. The results are encouraging, placing ECBHA above average for all measures and in the upper quartile performance for many. The Leadership Team and Board recognise there is continued scope for further analysis and improvement.

## Complaints

ECBHA has in place a complaints policy agreed by Board. It also falls within the remit of the Housing Ombudsman and has self-assessed that the association is compliant with the Housing Ombudsman Code Complaint Handling Code. The Code was updated in 2024 and ECBHA has self-assessed against both the original and new versions. Self-assessments have been reported to the Board and are made available publicly on the ECBHA website. The Housing Team have been provided with complaints handling training.

Performance regarding complaints is monitored within key performance indicators that are also reported to Board on a quarterly basis. The leadership team seek to identify learning from all complaints and use this to develop and improve our delivery to residents.

During 2023/24 ECBHA received 16 complaints, all complaints received in the year have been resolved at stage 1 of the complaints process.

# 9. Equality, Diversity and Inclusion

ECBHA is committed to ensuring fair and equal access and service for all. This is encapsulated within an ECBHA Equality, Diversity and Inclusion Policy most recently reviewed and approved in 2022. During 2023/24 the association put in place an action plan to progress the objectives of the policy. This has led to:

- Analysis of internal data and systems to consider how consistently and effectively the association is capturing household data to better understand the diverse needs of residents and applicants.
- Analysis of external data sources to better understand the profile of households in and around the Eldonian Village neighbourhood and the potential challenges that households are facing.
- The introduction of a standardised approach to assessing the equality impact of policies.

The association continues to work through this action plan to continually improve its approach.



# 10. Housing Management

## Voids & Allocations

During 2023/24, 26 homes became vacant for reletting. On average, these homes were relet within 67 days.

Also during 2023/2024 ECBHA:

- Closed its waiting list to new applications to address the backlog of existing applications to be processed. This was also to recognise that the volume of existing applications would mean almost all new applicants would be unlikely to be rehoused in the short to medium term.
- Had a third-party organisation carry out an assurance review of the association's approach to allocations and lettings, and took action on the recommendations it provided.
- Developed a new allocation policy that included additional structures for the management of waiting lists and how and when waiting lists will be re-opened.
- Developed in conjunction with Liverpool City Council a formal nominations agreement.
- Reviewed all existing applications awaiting processing against the new allocations policy.
- Reviewed all existing applications on the waiting list against the new allocations policy.

## Rent & Service Charge Setting and Collection

ECBHA has a Board approved rent and service charge setting policy in place. Amendments are proposed to the Board annually for approval. For 2023/24 the Board was provided with rent comparables with other regional social housing landlords to ensure that ECBHA rents remain consistent with the sector and the area. Board approved to increase rents based upon the 7.7% permitted increases outlined in the annual Regulator of Social Housing statement.

During 2023/24 the association undertook a review of service charges. It concluded that service charges had not been amended for a number of years, and they no longer cover the costs of delivering most services. Board agreed an approach of incremental increases to the service charges to address this.

The average rents and service charges during 2023/24 are summarised below.

	Rent	Service Charge
<b>General Homes/Bungalows</b>		
1 Bedroom	76.24	3.00
2 Bedroom	87.04	3.00
3 Bedroom	93.01	3.00
4 Bedroom	101.01	3.00

<b>Older Peoples Flats &amp; Houses</b>		
1 Bedroom	76.44	32.37
2 Bedroom	90.59	20.80

During 2023/24 ECBHA collected 99.31% of rent and service charges due compared to an average of 99.63% for the North West Acuity Benchmark Group.

# 11. Asset Management

## Asset Management Strategy

During 2023/24 ECBHA put in place an Asset Management Strategy and associated action plan. The strategy focuses on:

- Stock investment and maintenance
- Standards and Compliance
- Energy Efficiency
- Contract Procurement

The full asset management strategy is available on request.

## Stock Condition Survey

In addition, during 2023/24 ECBHA commissioned Rand Associates to complete an updated, independent, in-depth stock condition survey to ensure the association has a thorough understanding of the maintenance needs of the homes it provides. 94% of homes were accessed to undertake the survey.

Overall, Rand Associates concluded that they considered ECBHA homes to be 'in good condition', with ongoing modernisation works being the main investment requirements.

This data has assisted in the development of the 30-year financial business plan and the detail has been used to develop a schedule of anticipated planned maintenance works going forward.

## Repairs Orders

ECBHA is dedicated to maintaining homes to a high standard and aims to offer a very good, responsive service to address repairs. The following tables provide an overview of ECBHA performance.

Repair Order Statistics 2023/24	
Total Number of Jobs	2610
Total Number of Category 1 - Emergency, within 24 hours	676
Total Number of Category 2 - Urgent, within 5 working days	901
Total Number of Category 3 - Routine, within 15 work days	924
Total Number of Category 4 - Adaptations & Discretionary Works	109
Jobs Completed in Time	2265
Average Days to Complete	6.3 days
Average Jobs per Property	6.83
Customer Satisfaction	91.93%

Repair Order by Main Trade 2023/24	
Electric	436
Gas	529
Joinery	297
Plumbing	331
Damp	121
Other	896

# 12. Environmental & Health and Safety

The Association is committed to, and has a proven track record in, complying with all relevant health and safety legislation. The Association is compliant with all health and safety matters in relation to fire, gas, electric, lifts, asbestos and water/legionella precautions.

The Board receives quarterly reports relating to Health & Safety and landlord compliance has been reviewed by the internal auditors during 2023/24 who reported three routine recommendations. Landlord health and safety compliance data also forms part of ECBHA's key performance indicators, which again are also reported to Board.

While understood to be a low risk, during 2023/24 the association sought advice from the original architects as a precautionary check regarding Reinforced Autoclaved Aerated Concrete (RAAC). The original architects confirmed that this substance was not in the specification for ECBHA dwellings.



# 13. Value for Money (VFM)

The Association agreed the following strategic objectives for the delivery of VFM in August 2022:

- To deliver efficient and effective services which meet the needs of residents
- To comply with the Regulators Value for Money Standard and
- To embed Value for Money in ECBHA

ECBHA has sought to deliver these objectives by putting in place a VFM Strategy, approved by Board in May 2023. It has also undertaken self-assessments against the RSH VFM Standard and progressed identified actions as required. The organisation consciously looks to deliver VFM and take a planned approach to the delivery of efficiencies and financial capacity gains based upon expenditure analysis and targeting larger areas of spend. A key part of the strategy has been the development of a robust and consistent Procurement Policy, approved by Board in March 2024 to give a range of structured market testing approaches.

## Value for Money (VFM) Metrics

ECBHA has included seven regulatory VFM metrics from the RSH Technical Note guidance September 2020 sector scorecard. We benchmark our VFM indicators where appropriate against a group of comparable smaller housing providers through Acuity which also provides us with additional Housemark data for the wider sector. This helps understand our performance and inform our improvement plans and targets.

Here performance is also measured against the context of the RSH 2022/23 Global Accounts benchmarking information. VFM forms part of ongoing performance management reported to Board and the VFM strategy is publicly available on the ECBHA website.

	2024	2023	2022	Acuity Small Providers Benchmark 2023 Median	Housemark All Providers Benchmark 2023 Median	RSH Global Accounts Benchmark 2023 Median
Reinvestment (%)	3.5%	3.3%	0.3%	3.8%	6.5%	6.7%
New supply delivered	0%	0%	0%	0%	1.4%	1.3%
Gearing %	(0.74)%	(2.97)%	(4.39)%	(14.09)%	(44.10)%	(45%)
EBITDA	(164)%	(170)%	497%	177%	146%	128%
Cost per unit	£4,733	£4,382	£2,320	£5,495	£4,150	£4,586
Operating margin - social housing	6.7%	8.5%	30.1%	13.50%	23.3%	19.8%
Return on Capital Employed (ROCE)	0.80%	1.00%	3.00%	2.00%	3.20%	2.8%

# 13. Value for Money (VFM)

## Value for Money (VFM) Metric Definitions

**Reinvestment %** - Looks at the investment in properties (existing stock as well as new supply) as a percentage of the value of total properties held.

**New supply** - The new supply metric sets out the number of new social housing and non-social housing units that have been acquired in the year as a proportion of total social housing units and non-social housing units owned at period end.

**Gearing %** - Measures how much of the adjusted assets are made up of debt and the degree of dependence on debt finance. It is often a key indicator of growth appetite. Registered providers can be restricted by lenders' covenants and therefore may not have the ability in which to increase the loan portfolio despite showing a relatively average gearing result.

**EBITDA** - MRI - Earnings before interest, tax, depreciation, amortization, and major repairs included interest cover measure is a key indicator for liquidity and investment capacity. It seeks to measure the level of surplus that a registered provider generates compared to interest payable; the measure avoids any distortions stemming from the depreciation charge.

**Headline social housing cost per unit** - Assesses the total housing cost per unit as defined by the RSH. The cost measures set out in the metric are unchanged from the metric in the RSH's VFM technical note 2018. The metric now includes lease costs.

**Operating margin** - Demonstrates the profitability of operating assets before exceptional expenses are deducted. Increasing margins are one way to demonstrate the improving financial efficiency of a business. In assessing this ratio, consideration is given to registered providers' purpose and objectives (including our social objectives). As a registered provider we report on social housing lettings only as this represents almost all of ECBHA operations.

**Return on capital employed (ROCE)** - This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources.

## VFM Action Plan

The VFM action plan arising from the strategy commits to the following VFM actions during 2024/25

Action	Priority	Start Date	End Date
Deliver the identified re-procurement priority spend reviews	High	Dec-23	Dec-25
Internal audit of procurement activities to date	Medium	Jan-25	Feb-25
Develop revised VFM Strategy	Low	Feb-25	Mar-25

# 14. Key Performance Indicators (KPIs)

ECBHA report to Board an agreed suite of KPI monthly measures on a quarterly basis. Our summary dashboard of key measures for the 2023/2024 is outlined below:

Measure	Monthly Median
Void Rent Loss as a % of rent debit	1.58%
% of homes vacant and available to let	2.00%
% of rent collected	99.31%
No of complaints	1.33
No of ASB cases reported	1.33
No of Notice of Seeking Possession served	0.5
End-to-end time for all reactive repairs	4.76
% of repairs completed at first visit	93.03%
% of stock with valid gas safety certificate	100.00%
% of properties that fail to meet the Decent Homes Standard (as at 31st March 24)	0.00%

The dashboard forms an agenda item at Board meetings which enables the board to monitor and challenge KPI performance and discuss the actions when necessary.

A revised suite of KPI was approved by Board in February 2024 for implementation in 2024/25 to further support and drive compliance, value for money and customer satisfaction with increased emphasis on alignment with recognised ongoing benchmarking definitions to increase the opportunity to compare performance directly with the sector.



# 15. Financial Review 2023/24 - Overview

The Association uses conventional forms of working capital to finance its day-to-day activities, and as such the figures appearing in the financial statements reflect the absolute value of amounts recoverable and payable.

The Board approves a budget for the Association annually and is provided with quarterly management accounts to monitor the financial performance against the approved budget.

The financial results show a turnover of £2,161,914 and pre-tax surplus of £13,550

The operating deficit has been impacted by:

- Actuarial loss in respect of the pension scheme of £37,000
- Loss on disposal of fixed assets £28,731
- Consultancy costs in excess of budget while working towards regulatory compliance recovery

Almost all ECBHA turnover relates to social housing activities. For the year to 31 March 2024, turnover increased by £110,639 compared to that of the prior year at £46,058. During the year our social rents increased in line with the Government's published limits.

Operating costs increased in the year 2024 by £139,284 as a result of increased social housing operating expenditure relating to regulatory compliance recovery and higher maintenance expenditure arising from repair order volumes and the inflationary impact of contractor expenditure.

In 2023/24, our operating surplus decreased to £145,691 from the £174,336 achieved in 2022/23. This largely reflected the costs of regulatory compliance recovery and increased maintenance expenditure as outlined above.

Our net surplus for the year 2023/24 was £13,550, compared with £71,400 the previous year.

There has been an increase on the value of freehold housing property assets (net of depreciation) in 2024 of £202,897.

Cash held on 31 March 2024 totalled £1,652,572 compared with £2,063,299 on the 31 March 2023.

As at 31 March 2024, pension provision liabilities totalled £265,000 compared with £277,000 for the previous year.

No new loan drawdowns were required during the 2023/24 year and no existing borrowing was refinanced. We met all lender covenants during the year. The current borrowing portfolio is summarised below:

Lender	Outstanding Loan £
Cooperative Bank PLC	625,541
Cooperative Bank PLC	9,858
Orchardbrook Limited	785,278
Orchardbrook Limited	69,586

The association will consider potential refinancing of loans where more advantageous interest rates and terms are available once RSH regulatory compliance is confirmed.

The full externally audited ECBHA Annual Accounts are available on our website and can be provided in hard copy on request.

# 16. Financial Review 2023/24

## Summary Financial Data

Income & Expenditure			
	2024 £	2023 £	2022 £
Turnover	2,161,914	2,051,275	2,005,217
Operating surplus	145,691	174,336	604,568
Surplus before tax	13,550	71,400	473,282
Balance Sheet			
Value of freehold housing property assets (net of depreciation)	15,835,408	15,633,270	15,411,710
Cash	1,652,572	2,063,299	2,439,933
Loans	1,536,529	1,599,467	1,762,212
Reserves	6,952,408	6,975,899	6,953,637
Total capital and revenue expenditure on repairs maintenance and improvements	920,141	878,995	344,433
Information and Statistics			
Number of social housing units	382	382	382
Operating surplus per social housing unit	381	456	1582
Average loan per social housing unit	4,022	4,187	4,613
Reported reserves per social housing unit	18,200	18,261	18,203
Operating surplus as a % of turnover	6.7%	8.5%	30.1%
Surplus before tax as a % of turnover	0.6%	3.5%	23.6%
Interest cover (operating surplus/ interest payable on loans)	96%	136%	447%

# 17. Risk and Risk Assurance Framework

Managing risk is the responsibility of the Board and is fundamental to the management of corporate challenges.

ECBHA has put in place a risk management framework, with support from external specialist organisation, which identifies and plans to mitigate potential risks while exploring future opportunities. The Leadership Team and Board regularly undertake detailed reviews of risks that might affect the viability or reputation of the organisation. We can confirm that the process for identifying, evaluating and managing significant risks faced by The Association have been in place throughout the year-end 31 March 2024.

A summary of key risks and mitigations, most recently updated June 2024, is outlined in the table below:

Identified Risks Summary	Summary of Identified Controls, Actions & Mitigations
<p>Failure to meet the RSH Regulatory Standards in relation to Governance and Financial Viability and remain under supervision.</p> <p>Ineffective governance / failure to comply with laws and regulations</p>	<ul style="list-style-type: none"> <li>• Board skills matrix and Board training plan</li> <li>• NHF Code of Governance 2020 adopted</li> <li>• NHF Code of Conduct 2022 adopted</li> <li>• Regular self-assessments against adopted codes and RSH Regulatory Standards with independent third-party validation</li> <li>• Conflicts of Interest Policy, Grievance and Dispute Resolution Policy, Anti-Fraud, Bribery and Corruption Policy, Board Member Expenses Policy, Receipt of Gifts Policy, Board Remuneration Policy, Whistleblowing Policy</li> <li>• Independent governance compliance assurance report</li> </ul>
<p>Data security breach</p> <p>ICT systems are insufficient for business needs</p> <p>Poor data quality</p>	<ul style="list-style-type: none"> <li>• Executive champion for Data Protection / ICO compliance</li> <li>• Staff training sessions and personal development</li> <li>• Data Protection Policy and procedures</li> <li>• Up to date Anti-Virus / Malware Protection</li> <li>• External ICT support</li> <li>• Residents Privacy Policy</li> <li>• Internal audit of cyber security</li> <li>• Understand ICT and data position</li> <li>• Consider future business needs through annual review of ICT systems</li> <li>• Ongoing investment in systems</li> <li>• Independent/specialist provision of data e.g. stock condition</li> <li>• Programme to verify resident contact details</li> <li>• Data quality analysis, reporting and cleansing</li> <li>• ICT &amp; Data Strategy in place with action plan</li> <li>• Transfer from physical servers to cloud based data storage</li> </ul>
<p>Inability to attract, develop and retain skilled people</p>	<ul style="list-style-type: none"> <li>• Corporate training plan</li> <li>• Individual staff training plans (technical and personal development)</li> <li>• Regular 121s and appraisal system using agreed templates</li> <li>• Address any employee relations issues</li> <li>• Regular review of staffing needs / structure</li> <li>• Staff survey &amp; regular team meetings</li> <li>• Management reports on staff turnover, satisfaction and wellbeing indicators</li> </ul>

# 17. Risk and Risk Assurance Framework

Identified Risks Summary	Summary of Identified Controls, Actions & Mitigations
<p>Loss of stakeholder/ community confidence</p> <p>Service quality fails to meet customers' expectations</p> <p>We do not deliver on social returns from our investments</p>	<ul style="list-style-type: none"> <li>• Conflict of Interest Policy and Whistleblowing Policy</li> <li>• Board Code of Conduct and Staff Code of Conduct</li> <li>• Regular meetings with the Regulator</li> <li>• Regular newsletter for residents / suggestion box / improved ECBHA website</li> <li>• Communications strategy and plan with community events</li> <li>• Resident engagement strategy and plan</li> <li>• Pro-actively respond to press coverage</li> <li>• Deliver Governance Action Plan</li> <li>• Management reports on stakeholder feedback</li> <li>• Customer surveys and Tenant Satisfaction Measurement (TSM)</li> <li>• Complaints policy and process &amp; Ombudsman code self-assessment</li> <li>• Monthly monitoring of relevant KPIs</li> <li>• Staff training and personal development</li> <li>• Review respective responsibilities of ECBHA and residents</li> <li>• Estate walkabouts / welfare checks</li> <li>• EDI policy, analysis and action plan</li> <li>• Nominations agreement with Liverpool City Council</li> <li>• Internal audit (Year 1) Allocations and Lettings</li> </ul>
<p>Company is not financially sustainable</p> <p>Value for money is not achieved</p>	<ul style="list-style-type: none"> <li>• Weekly review of arrears</li> <li>• Provision of welfare benefits advice</li> <li>• Monthly bank/loan/control account reconciliations</li> <li>• Budget based on reasonable assumptions</li> <li>• Quarterly management accounts including 12-month cash flow forecast</li> <li>• Refresh financial regulations</li> <li>• Board approval of scheme of financial delegations</li> <li>• Financial golden rules / VFM Metrics and benchmarking</li> <li>• Annual self-assessment of compliance with RSH Economic Standards</li> <li>• Internal audit (Year 1) Core Financial Systems and Controls</li> <li>• External audit of financial statements</li> <li>• Board approved VFM Strategy and action plan</li> <li>• Procurement Policy</li> </ul>
<p>Failure to comply with our Health and Safety obligations</p> <p>Failure to provide Decent Home Standard (DHS) properties</p>	<ul style="list-style-type: none"> <li>• Evidence based reporting</li> <li>• Ongoing staff training and personal development</li> <li>• Accurate/complete data in systems</li> <li>• Health and safety policy and landlord compliance related policies</li> <li>• Monthly monitoring of expiring certificates</li> <li>• Legal process to gain access where required</li> <li>• Further training e.g. Health and Safety Policy</li> <li>• Regular Health and Safety Legislation updates</li> <li>• Management reports on compliance with assets and H&amp;S obligations</li> <li>• Internal audit (Year 1) Landlord Health and Safety</li> <li>• External review of Health and Safety compliance</li> <li>• Independent stock condition surveys</li> <li>• Financial plan reflects required spend from stock condition survey</li> <li>• Regular self-assessment of compliance with RSH Consumer Standards</li> </ul>

## 17. Risk and Risk Assurance Framework

In addition, during 2023/24 ECBHA leadership team and Board has undertaken stress testing exercises, in conjunction with independent consultants to understand the impact of a range of scenarios on the organisation's financial business plan, identifying weaknesses and defining potential mitigations. This testing influences our wider strategies and decision making so that the organisation's viability and homes are not placed at undue risk.

Risk is captured on a specific register and is regularly reviewed and updated by the leadership team and presented to Board for review and approval.

Key risks such as health and safety, financial stability and data security take a high priority. Significant emerging risks are also monitored (rising interest rates, rent caps and inflation). Risks are analysed according to their impact and likelihood. ECBHA continues to engage specialist professionals to provide its Board with assurance that its approach to risk remains appropriate and robust.

The Association insures against risk in relation to the Association and against public, directors' and officers' liability.

## 18. Contact Us

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If you would like this information in another language or format, please contact us.

Arabic	إذا كنت ترغب في الحصول على هذه المعلومات بلغة أو تنسيق آخر ، فيرجى الاتصال بنا
Polish	Jeśli chcesz uzyskać te informacje w innym języku lub formie, skontaktuj się z nami
Chinese	如愿以他语及格式供此信息,请与相关
Portuguese	Se pretender esta informação noutra língua ou formato, por favor contacte-nos
Romanian	Dacă doriți această informație în altă limbă sau format, vă rugăm să ne contactați

These automated translations are provided based on research into the most common alternative languages spoken in the Liverpool region.