

# Cernach Housing Association Minute of Management Committee Meeting held on Thursday 4 March 2021 at 6.00pm Via Zoom videoconferencing



## Ag4

### 1. Present

J Brannan	J McFarlane	T Bowie
A Biddell	F John	A El kadi
R McGill	K McGinley	
S Brannan	M Mellon	

### In attendance

C Jardine	P Baylis	C Armstrong
P Long (FMD)	K Dyson	S Mangan

### Observers

C Love	Z Saad Hassan
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### Minute taker

A Smith

### 2. Apologies

2.1 Apologies were received from S McDonald MBE and M Wylie. D MacMillan is on special leave.

**Approved**

### 3. Declaration of interest

3.1 There were no declarations of interest.

**Noted**

### 4. Minutes of previous meetings

4.1 The minutes of the Management Committee meeting held on 28 January 2021 were proposed by J McFarlane and seconded by T Bowie.

**Approved**

## **5. Matters arising**

5.1 Item 5.1: S Mangan asked Committee if anyone else was interested in joining the events committee in arranging the forthcoming 30th anniversary celebrations in July to let her know.

Item 6.9: A Smith reported that the Director's appraisal had been concluded and will now be signed off.

## **6. Director's report**

### **6.1 Development update**

6.1.1 C Armstrong presented the report with an update on the Association's development activity, including the office refurbishment.

#### 6.1.2 Invercanny Drive update

- a) C Armstrong informed the Management Committee that the remaining ten units were handed over on 4 February.
- b) Progress in completing open space and play areas have been hampered by weather and the final inspection has still to be arranged.
- c) C Armstrong provided Committee with an update on costs. There are additional costs of £145,000 approx. Additional grant has been applied to cover this and await a decision from GCC.
- d) Defects remain on an emergency only basis. Other defects are still being logged and will be carried out once we are able to resume non-emergency repairs.

#### 6.1.3 Linkwood Drive

- a) C Armstrong confirmed that all homes were handed over before the Covid-19 shutdown on 24 March 2020.
- b) C Armstrong advised that practical completion certificates had been issued and backdated to 12 November 2020.
- c) C Armstrong highlighted the spend to date.
- d) C Armstrong reported that there are some delays in resolving defects issues due to Covid-19. restrictions. As per government guidelines, only emergency defects are being carried out. Staff continue to assist tenants in completing defects form.

#### 6.1.4 Office Extension

- a) C Armstrong advised that there are no changes from last month's report.
- b) C Armstrong confirmed to Committee that a site visit had been arranged by McTaggart's for Friday 5 March to assess the damage to the road surface at the foot of Airgold Drive, after the Association received a complaint from a resident. J Brannan pointed out that the surface had been badly damaged in some places.

6.1.5 C Armstrong is retiring at the end of March and this was therefore his final Committee meeting. J Brannan took the opportunity to thank him for his hard work and dedication shown in bringing the two new developments to a successful end. The Management Committee would like to donate £100 to a charity chosen by C Armstrong as a retirement gift.

6.1.6 Committee noted the contents of the report.

**Noted**

*C Armstrong left the meeting at this point.*

#### 6.2 **Management Accounts to December 2020**

6.2.1 P Long presented the narrative summary and key figures within the management accounts.

6.2.2 P Long confirmed the operating surplus for the year is £825,000, which is greater than anticipated due to lower management costs and lower planned and reactive maintenance costs. There is net interest of £21,000 and a pension deficit of £59,000 to be considered, leaving a total comprehensive income of £745,000.

6.2.2. P Long pointed out that the expected surplus for March 2021 will be £1.015m which is higher than the original budgeted surplus £691,000.

6.2.3 P Long confirmed that Covid-19 continues to impact the Association. Despite this the Association remains in a strong financial position

6.2.4 Management Committee approved the management accounts.

**Approved**

#### 6.3 **Final Budget**

- 6.3.1 P Long presented final budget and highlighted that although the draft budget was approved in January, there was a small change that was made to it subject to approval.
- 6.3.2 It is recommended that an additional £4,000 for the website construction in creating a Druncog common housing allocation form.
- 6.3.3 Regarding membership to SHARE, C Jardine advised that we may have saved a small amount on last year's training budget had we been members (and no therefore subject to the non-members' rates). This can fluctuate from year to year depending on SHARE usage, but it was agreed that we would join for 2021/22 and review on an annual basis.
- 6.3.4 Committee are asked to note the contents of the report and formally approve the 2021/22 budget with the additions. The remainder of the budget is as presented and approved in January.

**Approved**

*P Long and K Dyson left the meeting at this point.*

#### **6.4 Policy Review schedule – April 2021 to March 2026**

- 6.4.1 C Jardine presented the report to the Management Committee.
- 6.4.2 C Jardine reminded Committee that the decision was taken to postpone policies which required consultation last July until 2021/22. This was due to Covid-19 and its restrictions.
- 6.4.3 C Jardine confirmed that although other forms of tenant engagement and consultation have been considered, recent experience has been that tenants much prefer face-to-face consultation.
- 6.4.4 C Jardine therefore recommended not to programme any policy reviews where consultation is required into the 2021/2022 timetable and incorporate these into the 2022/23 timetable, subject to any policy requiring review due to legal, regulatory or best practice requirements could be brought forward at any time.
- 6.4.5 The Committee approved the five-year programme for now however staff will revisit it in March 2022.

**Approved**

#### **6.5 Committee Workplan**

- 6.5.1 C Jardine presented the report and asked Committee to note its contents.

6.5.2 C Jardine advised Committee that some dates for regulatory returns have still to be confirmed by the SHR and therefore assumptions have been made within the workplan and amendments may be required throughout the year.

6.5.3 Committee approved the workplan.

**Approved**

**6.6 Schedule of Meetings – Management Committee, Operations sub-Committee and Audit, Assurance and Human Resources sub-Committee**

6.6.1 C Jardine presented the report to Management Committee.

6.6.2 C Jardine confirmed that the decision to continue to have a bi-monthly Operations sub-Committee meeting was taken at the last meeting on 25 February however only until such times when there is no longer a lockdown and then return to monthly meetings.

6.6.3 C Jardine announced that Alex Cameron from Quinn Internal Audit would be delighted to attend the quarterly Audit, Assurance and Human Resources sub-Committee.

6.6.4 C Jardine confirmed the AGM would be held on the last Monday of August with a special AGM held immediately beforehand to present the recommendation on the new rules to the membership.

6.6.5 The training schedule will continue in partnership with DRUMCOG. Pineview Housing Association are organising sessions at the moment.

6.6.7 Committee noted the contents.

**Noted**

**6.7 Business planning away day**

6.7.1 C Jardine delivered the report and asked Committee to note the contents and discuss relevant points.

6.7.2 C Jardine advised that due to current pandemic and lockdown restrictions, it would be unlikely to have a face-to-face away day, given that June is always our preferred month to have it. Following discussion, it was agreed that an initial virtual meeting during an evening in June would be beneficial, and this would be followed up by a face-to-face away day later in the year once restrictions begin to be lifted.

**6.8 Gas Servicing contract – procurement update**

6.8.1 P Baylis presented the report on the procurement of gas maintenance which is being procured with DRUMCOG partners.

6.8.2 P Baylis advised that it has been recommend that each DRUMCOG partner approves to direct award to City Building. Committee noted that their was the highest quality score.

6.8.3 P Baylis highlighted that City Building offered the lowest rates and if a four-year contract were secured, it would offer the Association a saving of 1.5% and overall value for money.

6.8.4 Committee approved the recommendations.

**Approved**

**6.9 Reactive maintenance framework – procurement update**

6.9.1 P Baylis presented the report and asked Committee to note its contents.

6.9.2 P Baylis advised there has been a delay in posting the Stage 2 tenders and the date for the returns is likely to be 19 March 2021.

6.9.3 Committee noted the contents of the report.

**6.10 Delegated authority – new loan terms**

6.10.1 C Jardine discussed the planned transition from LIBOR (the London inter-bank offered rate) to SONIA (Sterling overnight indexed average). This is a change that is being phased in throughout the UK and it will affect anyone who has a loan tied to LIBOR. In common with many RSLs, our loans are linked to LIBOR.

6.10.2 Over the coming months to a year, our lenders will require us to sign new loan agreements to reflect the transition to SONIA. The Committee delegated authority to the Director to sign these new agreements on the Association's behalf, so long as:

- The proposed new arrangement does not disadvantage the Association in any way
- This is reported to the Committee at its next meeting

**Approved**

## **6.11 Finance Services – Minute of Agreement**

6.11.1 C Jardine referred to the procurement of finance services, which was progressed via Public Contracts Scotland at the beginning of 2020/21. The winning submission was from FMD Financial Services Ltd. – this was reported to the Committee in May 2020 at which point it was agreed to extend the existing agreement until lockdown eased and we could get the new agreement signed. This had initially been planned for July – we did not know at that time that lockdown was going to be with us long-term.

6.11.2 We have now received a draft agreement from FMD and C Jardine requested delegated authority to sign this on behalf of the Association as this would avoid having to obtain a wet signature from Committee members. She confirmed that the terms of the draft agreement were satisfactory. Committee gave the Director delegated authority to sign the Minute of Agreement on the Association's behalf.

**Approved**

## **6.12 Lockdown Report**

6.12.1 C Jardine presented the report to Committee and asked them to note the following:

- the monthly return was made to the SHR on 8 February.
- there have been no new Notifiable Events since the last Committee meeting.
- we are working in line with revised lockdown law in mainland Scotland.
- work is continuing following the health and well-being survey.

6.12.2 C Jardine asked Committee to note that the decrease in gross arrears from 3.83% which is an of 0.01% increase since the start of lockdown. This is a good achievement by the housing management team given current challenges.

**Noted**

## **6.13 Section 5 Referrals – update**

6.13.1 P Baylis presented the report to Committee and asked them to note the contents of the report.

6.13.2 P Baylis confirmed that year to date 14 out of 55 properties have been let to section 5 referrals which equates to 26%. This is due to GCC being unable to provide a sufficient number of referrals.

**Noted**

## **7. Model Complaints Handling Procedure**

- 7.1 A Smith presented the report to Management Committee.
- 7.1.2 A Smith confirmed that the SPSO published the updated MCHP and RSLs have until April 2021 to introduce these.
- 7.1.3 Although there are no substantive changes, Committee are asked to note that the procedure is easier to follow, clearer to understand and more precise and more user friendly. It also sets out that stage 1 complaints are dealt with frontline staff. Stage 2 is dealt with by the senior management team and the Director has overall responsibilities for the Association.
- 7.1.4 A Smith informed Management Committee that steps had already been taken to roll this out to staff and training facilitated by Karen Fitzsimons of Indigo House Group had been confirmed for April/May.
- 7.1.5 Management Committee are asked to note the contents of the report and the implementation of the new MCHP.

**Approved**

## **8. Sub-Committee minutes and recommendations**

### **8.1 Operations sub-Committee**

- 8.1.1 The minutes of the meeting on 26 November 2020 were noted.
- 8.1.2 Three recommendations came from the meeting on 25 February 2021:
- to approve former tenant write offs in the amount of £5,015.89
  - to approve historical write offs dating back to 2009 in the amount of £5,076.00
  - to approve a common DRUMCOG housing application form, with staff continuing to use our own internal allocations procedures

- 8.1.3 The Committee approve all three recommendations.

**Approved**

### **8.2 Staffing, General Purposes and Audit sub-Committee**

- 8.2.1 The minutes of the meeting on 12 November 2020 were noted.
- 8.2.2 There was a recommendation from the meeting on 11 February relating to changing the name of the sub-Committee to more accurately reflect the focus



on audit and assurance which has been strengthened over the past few years. The new sub-Committee name is proposed as Audit, Assurance and Human Resources sub-Committee. This was approved.

**Approved**

**9. Membership and use of seal**

9.1 There were no new members in this period.

9.2 Committee were asked to note the content of the report.

**Noted**

**10. Correspondence**

10.1 A Smith read out a thank you letter from F John, Chair of Drumchapel Asian Forum for the recent donation the Forum had received from Cernach HA.

**11. Good news spot**

11.1 A Smith advised Committee that we had a secured funding for a modern apprenticeship for S Mangan, Corporate Services Assistant. She will be working towards a SVQ level 6 in Digital Marketing. This will enhance the Association's engagement with all residents.

**12. AOCB**

12.1 J Brannan highlighted the benefits of the ILM (Institute of Leadership and Management) course which he took part in recently and highly recommends it to all Committee members. It is a certified course and if anyone is interested to contact the corporate services team.

**Noted**

**13. Date and time of next meeting**

13.1 The next scheduled meeting will be on **Thursday 15 April 2021** and will be held via Zoom starting at 6pm. Invites will be sent out by email and WhatsApp.

Chair: ..... Date: ... ..