

Cernach Housing Association

Minute of Management Committee meeting held on Thursday 27 January 2022 at 6.00pm in the boardroom with a Zoom option



1. Present

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|-------------------|-----------|----------------|
| J Brannan (Chair) | A Biddell | S McDonald MBE |
| A El kadi | T Bowie | M Dabek |
| R McGill | C Love | A Saad Hassan |
| J McFarlane | F John | M Mellon |
| K McGinley | | |

In attendance

| | | |
|-----------|-----------|--------------|
| C Jardine | P Baylis | P Long (FMD) |
| S Mangan | E McShane | A Smith |
| T Oke | K Dyson | |

Minute taker

A Smith

Before the meeting started C Jardine informed Committee of the passing of Rani Dhir MBE, the former Director of Drumchapel Housing Co-operative.

J Brannan introduced Tomi Oke for those who didn't meet her at the strategy event or the Operations sub-Committee. Tomi has been appointed to cover E McShane's post and is attending the meeting as part of her induction.

J Brannan advised that A Cameron was running late.

[post-meeting note: A Cameron was held up in traffic for a significant period of time and he will now attend the March 2022 meeting]

2. Apologies

2.1 Apologies were received from D McMillan and S Brannan

Noted

3. Declaration of interest

3.1 M Dabek and T Bowie declared an interest at item 6.13.

Noted

4. Minutes of previous meeting

- 4.1 The minutes of the Management Committee meeting held on 2 December 2021 were proposed by T Bowie and seconded by A Biddell

Approved

5. Matters arising

- 5.1 Matters arising from meeting held on 2 December 2021:

Item 13.2: C Jardine asked Committee to note that E McShane will not be standing for Committee at Positive Action in Housing. E McShane nonetheless appreciated Committee's support in this matter.

Item 6.1 Management Accounts: S McDonald MBE had asked a question around the rent receivables against the budgeted rental income but we were unsure of the response at the meeting. This had now been investigated and P Long advised that this was due to a delay in incorporating some of the new build rent figures into the management accounts; this is a typical delay due to timing and does not affect the actual income.

Noted

6. Director's report

6.1 Internal audit reports

- 6.1.1 C Jardine advised that A Cameron would not be attending due to the unforeseen circumstances noted at the start of the meeting and would be attending the next meeting on 3 March 2022 instead.
- 6.1.2 C Jardine informed Committee that we received positive findings from the three internal audit reports, with full assurance on two of the reports and reasonable assurance on the third.
- 6.1.3 C Jardine then discussed each of the recommendations so that, if the Committee was agreeable, they could be approved in principle and then added to the tracker for the Audit, Assurance and HR sub-Committee on 10 February.
- 6.1.4 Committee approved the recommendations in principle.

Approved

6.2 Rent review – 2022/23

- 6.2.1 P Baylis presented Committee with the report on this year's rent review.

6.2.2 P Baylis confirmed that consultation had taken place in from 10 December to 10 January and tenants were given two options – CPI only (3.1%) and CPI + 1% (4.1%).

6.2.3 Communication methods used were email, letter, survey monkey, social media, text message with link to survey and phone calls.

6.2.4 P Baylis advised that we received 113 responses with the overwhelming majority opting for CPI only (3.1%).

6.2.5 Committee approved the recommendation of a rent increase of 3.1% based on the consultation results.

Approved

6.3 **Draft budget – 2022/23**

6.3.1 P Long presented the report on the draft budget to the Management Committee.

6.3.2 Statement of comprehensive income

i) P Long informed Committee that rental income, net of voids, will be £3.746m. This assumes a rent increase of 3.1% which is equivalent to £100,000 additional income. Other operating incomes include:

- ◆ Amortisation of capital grants (£725,000)
- ◆ Stage 3 adaptations grants (£20,000)
- ◆ Factoring (£11,200)
- ◆ Services to other RSLs (£22,000)
- ◆ Community Connector (£39,600)

Total turnover will amount to £4.564 million.

ii) P Long confirmed the operating costs will amount to £3.617 million. The operating surplus noted is £946,700 with interest receipts which will amount to £800, negative goodwill income will be £55,575, and interest payable of £35,100 will be included. The pension deficit totals £83,560 bringing the Association a total comprehensive income of £884,415.

iii) S McDonald MBE asked P Long if he had any indication when the pension deficit would end. He advised that, prior to the pandemic, the deficit was forecast to be paid off during 2022/23. However, this has been affected by

the pandemic (and possibly Brexit). The actuaries are working on a revised valuation, and this should be known later in the year.

- iv) P Long confirmed the Wider Action relates to COPE who we currently apply for funding on their behalf. We act as a conduit for funding, on the basis of *money in, money out*. The costs stated here do not include the welfare rights service.
- v) P Long asked Committee to note that the Association is now facing a higher national insurance contribution rate.

6.3.3 Statement of financial position

- i) P Long advised the net cost of housing assets, after depreciation, would be just under £32.7 million at March 2023. Expenditure on other fixed assets will amount to £8,800 and the net cost of other fixed assets will total £832,000. The balance of negative goodwill will decrease to £2.056 million and cash balances, including receivables, will increase to £2.38 million at March 2023, which is an increase of £411,000 in the year.
- ii) P Long confirmed the Association's net assets at March 2023 will amount to £14.2 million.
- iii) The Management Committee approved the draft budget.

Approved

6.3.4 Prior to P Long leaving the meeting, C Jardine thanked him and F McDonald on the presentation they delivered at the strategy event. There had been positive feedback from both Committee and staff.

P Long and K Dyson left the meeting at this time

6.4 **Key performance indicators – 2022/23**

- 6.4.1 E McShane delivered the report to Committee
- 6.4.2 She referred Committee to the table enclosed. E McShane advised that we would be reporting this to Management Committee and sub-Committees once the internal plans were updated to reflect the KPI changes decided at the Strategy Away day in December 2021.
- 6.4.3 Committee noted the contents of the report and approved the recommendations.

Approved

6.5 Internal audit – procurement

6.5.1 C Jardine delivered the report to Committee and asked Committee to note the contents.

6.5.2 C Jardine confirmed that the current commission covered 2018-2021, with an option to extend a further two years subject to satisfactory performance; if we extend for 2022/23 this will be Year 2 of the potential additional two years.

6.5.3 She informed Committee that she was happy with the service offered by Quinn Internal Audit, their approach to our internal audits and the level of knowledge displayed. Quinns have a good relationship with both Committee and the staff team. Reports are clear and concise, with helpful recommendations and work is delivered to the required timescales.

6.5.4 Committee approved the extension for a further year.

Approved

6.6 Donations request – Cash for Kids appeal

6.6.1 C Jardine presented the report to Committee

6.6.2 J O'Connor, Housing Officer asked staff and Committee to take part in a Christmas jumper day for Cash for Kids appeal at our recent away days and a total of £130.00 was raised

6.6.3 Committee agreed to the recommendation to match the £130.

Approved

6.7 Development update

6.7.1 C Jardine delivered the report to Committee, advising that:

- A response to the recent request for more information in relation to the additional grant claim for Invercanny Drive had been sent.
- In relation to the post-completion review being undertaken by GCC, we have been advised that the report is being drafted, so we will hopefully have an update at the next meeting
- The final inspections are due to begin on 1 February 2022.

6.7.4 Committee are asked to note the contents of the report.

Noted

6.8 GDPR – revised privacy policies

6.8.1 A Smith presented the report to Committee

6.8.2 She confirmed the privacy notices had been updated with feedback gathered from Committee and advised the new notices are available for signature at the end of the meeting.

6.8.3 The Management Committee noted the contents of the report

Noted

6.9 Succession planning

6.9.1 C Jardine presented the report on succession planning.

6.9.2 She advised that it would be beneficial to delay the review to allow the Assurance and Improvement Co-ordinator to address this as part of her new role.

6.9.2 The Committee approved the recommendation, and the review will be included in the 2022/23 workplan.

Approved

6.10 Boiler renewal procurement 2021/22

6.10.1 P Baylis presented the report on procurement for the upcoming boiler contract.

6.10.2 J Brannan and M Dabek from the Management Committee, two staff members and a representative from Reid Associates attended the tender opening via Zoom on 23 December 2021.

6.10.3 The tenders were assessed on quality/price ratio of 60/40 and after they were checked and assessed, City Building came out on top for both quality and price. It is also noted that the cost of this contract is under budget.

6.10.4 Committee are asked to note that City Building have also secured a 7-year manufacturing warranty for the boilers which is an increase of two years from previous warranties.

6.10.3 The Committee approved the award to City Building.

Approved

6.11 Ground Maintenance contract

6.11.1 P Baylis delivered the report to Committee and asked them to note the contents

6.11.2 P Baylis advised that a retender of the ground maintenance contract would take place as the current contract will be terminated on 31 March 2022. She advised that we have procured the services of NBM Construction Costs Consultants to act as quantity surveyor to provide services for the tender process.

6.11.3 Committee approved the recommendations and delegated authority to Depute Director to extend the current contract until April 2022.

Approved

6.12 Health and safety (Covid 19) – ventilation system

6.12.1 P Baylis presented the report to Committee

6.12.2 She advised that considering the current pandemic, this new ventilation system will help prevent the spread of airborne viruses and will contribute to keeping sickness levels down.

6.12.3 An information sheet with photos were on hand to view for any member who wished to do so. P Baylis advised the installation will take place shortly and will be a benefit to the staff and those who come into the offices.

6.12.4 Committee are asked to note the contents of the report

Noted

6.13 Staffing – extension of Customer Services Assistant post

6.13.1 C Jardine updated Committee on the extension of Customer Services Assistant post, which had been a decision made between meetings following consultation with the Chair.

6.13.2 C Jardine informed Committee that a temporary post for a Customer Services Assistant has been advertised. The advert closes on 3 February 2022.

6.13.3 Committee are asked to note the verbal update.

Noted

6.14 Payment to connected person – decoration allowance

M Dabek and T Bowie left the meeting at this time

6.14.1 P Baylis informed Committee that an award for decoration allowances had been made to (i) a Committee member and (ii) a Committee member's relative. P Baylis confirmed that both awards had been made in line with agreed policies and procedures.

6.14.2 The Management Committee noted the award of the decoration allowances.

Noted

T Bowie returned to the meeting at this point

M Dabek submitted her apologies for leaving early and did not return to the meeting

7. Policy review

7.1 There are no policy reviews this month.

Noted

8. Sub-Committee minutes and recommendations

8.1 Operations sub-Committee

8.1.1 The minute of the meeting on 25 November 2021 was noted.

Noted

8.1.2 There were no recommendations from the meeting on 25 November 2021.

9. Membership and use of seal

9.1 There were no new members and no removals from the membership.

Noted

10. Correspondence

11.1 There were no items of correspondence.

Noted

11. Good news spot

11.1 Committee were advised that Tomi Oke had been successful in securing the fixed term appointment to Housing Officer and she was settling in well.



12. AOCB

- 12.1 P Baylis advised the Research Resource would be carrying out our tenant satisfaction survey. Tenants and owners will be lettered to advise that this survey will be carried out.
- 12.2 The survey will begin on 21 February 2022.
- 12.3 J Brannan reminded members that Committee privacy notices were to be signed after the end of the meeting.
- 12.4 J Brannan asked Committee if anyone would be interested in attending EVH forum one a Monday evening every month. The group discuss sector issues, changes to legislation. They have guest speakers and it's a good networking platform. Anyone who is interested should advise C Jardine or A Smith.

Noted

13. Date and time of next meeting

- 13.1 The next scheduled meeting will be on **Thursday 3 March 2022** at 6.00pm. It will be held in the boardroom with a Zoom option.

Chair: Date: