

**Cernach Housing Association
Minute of Management Committee meeting held on
Thursday 30 May 2024 at 6.00pm in the
Boardroom**



Ag3

1. Present and apologies

Present

A Biddell (Chair)	M Mellon	T Bowie
M Dabek	F John	R McGill
S McDonald MBE	K McGinley	

In attendance

P Baylis	C Jardine	E McShane
K Dyson	L Crawford	P Long (FMD)
F Campbell (CX)		
A Sproul (Observer)		

Minute taker

L Crawford

- 1.1 Apologies were received from C Love, J McFarlane, S Brannan and J Brannan.

Noted

2. Declaration of interests

- 2.1 There were no declarations of interest.

Noted

3. Minutes of previous meetings

- 3.1 The minutes of the Management Committee meeting held on 18 April 2024 were proposed by M Mellon and seconded by M Dabek, with an amendment of adding S McDonald to the list of present members.

4. Matters arising from previous meetings

- 4.1 There were no matters arising.

Noted

Following this item, we proceeded with Item 5.2. F Campbell attend the meeting via zoom at 18:05 and left at 18:22. We then when back to item 5.1 and then continued with the tabled agenda as planned. In keeping with the prepared agenda these items are recorded under the relevant sections.

5. Governance report

5.1 Director recruitment - update

5.1.2 C Jardine confirmed that she has submitted her resignation to A Biddell, and this has been accepted. We are currently being supported by EVH in the recruitment process. As the process will not be completed prior to the AGM, we are asking Committee to note that the make-up of the Assurance sub-Committee will not change during the process.

Noted

5.1.3 C Jardine advised that as the recruitment process had been amended her new retirement date was proposed as Friday 17 January 2025. This was noted and agreed.

Collectively agreed

5.2 CX Feedback demonstration

5.2.1 L Crawford introduced F Campbell, from CX feedback to give to an overview of our new system. Committee were encouraged by the software and asked about making the newsletter digital. Members also asked about potential time constraints on staff. E McShane confirmed that the software would streamline existing process and be easier for staff to operate.

Noted

5.2.2 Committee were impressed by the software and particularly liked the client interface.

5.3 Governance report – standing items

5.3.1 C Jardine presented the report, which contains governance standing items we report on every month.

The updates were:

- There has been one entry in the entitlements, payments and benefits register since the last report. This was administered in line with agreed procedures and the Committee member/connected person status did not have any impact on the award.
- There is one notifiable event, raised on 2 April 2024, regarding the retirement of the senior officer. Following this the SHR subsequently asked for additional information such as the options appraisal report and extracts

of minutes and the business plan. They advised that they would write to the Chair in due course.

- The SHR also published their strategy from April 2024 to March 2027, which includes; a thematic report on Access to Housing for British Sign Language Users and Tenant Participation/Gypsy Travellers, details on the introduction of an annual report on Notifiable Events from 2024/25, their work with stakeholders to review the Annual Return on the Charter and develop measures for the Social Housing Net Zero Standard to be implement by 2025/26.
- There is one risk movement outlined in this report which relates to the 'loss of the senior officer'. In addition to this C Jardine wanted to highlight that the Finance Officer has announced their intention to retire on 31 October 2024. As there is no other person who does this job and the current post holder has been in the position for a significant length of time, it is important that this is noted by Committee. We are currently working to a recruitment timetable and hope to have a handover period of 4-6 weeks.
- A Biddell provided a brief overview of the EVH conference that four members recently attended and advised that S Brannan would provide some further information at the next Committee meeting.

Noted

6. Director's report

6.1 Management accounts to 31 March 2024

6.1.1 P Long presented the report.

6.1.2 The operating surplus to 31 March 2024 is £1.095 million and is higher than the budgeted surplus of £951,000. This is mainly due to lower management and maintenance costs. Net interest payments of £17,000 and sales income of £49,000 from a shared ownership property will increase the net surplus to £1.127 million.

6.1.3 P Long discussed various elements that make up the accounts, advising that rental income aligns with what was in the budget, but there has been an increase in reactive repairs costs (including voids) – this has been previously reported to Committee.

6.1.4 One member asked about the remaining funds under the community connector budget. E McShane advised that we are working internal to determine the amount to be transferred to G15 Thriving Places.

6.1.5 P Long concluded that the Association continues to comply with covenants and that our net assets at 31 March 2024 amount to £15.786 million.

Collectively approved

6.2 Five- year financial projections

6.2.1 P Long presented the report in the format it would be submitted to the Scottish Housing Regulator.

6.2.2 P Long advised that hat turnover set at £725,000 each year. Turnover will increase from £4.9 million in year 0 (2023/24) to £5.3 million in year 5 (2028/29). The cost of housing assets will increase due to ongoing component replacement works. The depreciation of these costs will continue to increase and the net cost of housing assets at the end of year 5 will be £28.9 million.

6.2.3 P Long concluded that the cash flow statement shows that the Association will continue to generate cash from its operating activities and will continue to invest in its properties. The Association is stable and has sufficient cash to meet its expenditure requirements over the five years.

Collectively approved

6.3 Going Concern – questionnaire

6.3.1 P Long presented the report advising that the auditor must satisfy themselves that the Association is a *going concern*, which means that, insofar as they can reasonably tell, we are able to meet our financial obligations when they are due and there is no threat to our operating activities. In response to this we have completed a short questionnaire, which is submitted to the auditors and is provided in full for the Committee to consider.

6.3.2 Committee approved the questionnaire for inclusion in the briefing material for this year's annual audit.

Collectively approved

P Long and K Dyson left the meeting 19:05

6.4 Internal audit – presentation

- 6.4.1 E McShane presented the report highlighting our recent audits on anti-social behaviour and estate management. Both received a 'substantial' assurance assessment, which is the highest assurance category. This was the second part of this year's internal audit programme following previous work carried out on gas safety, legionella safety, recruitment, and entitlements, payments and benefits.
- 6.4.2 There were three recommendations relating to ASB; a review of SDM codes used to track ASB, that timescales for different categories of complaints are the same in the policy and on the system and increasing our use of notes on the system. Staff will be reminded of the importance of record keeping when closing/updating cases and consideration be given to implementing a standard acknowledgement letter.
- 6.4.3 There was one recommendation for estates, which was to implement the estate walkabouts with residents. This had already been identified as an action prior to the audit. The only recommendation from previous years' audits that remains outstanding was the timescales in implementing actions related to legionella. There is significant work underway in this area and this continues to be reported to the Assurance and Operations sub-Committees.

Noted

7. Depute Director's report

7.1 Annual Return on the Charter (ARC) – 2023/24

- 7.1.1 P Baylis advised that the return has been completed and would be submitted tonight following Committee approval.
- 7.1.2 P Baylis summarised some key indicators, highlighting that, although we have seen some reduction in our satisfaction indicators, these are still high in relation to the sector and show our services are still performing well.
- 7.1.3 This year, we are experiencing a validation error for indicator 23, which relates to homeless referrals. This seems to be a fault of the system and has been discussed with the Regulator.
- 7.1.4 Committee asked about what impact repair requirements in voids have on perspective tenants. P Baylis advised that we are clear with application about what will be done to the property and there is significant engagement with the Housing Management team with before they see it.

Collectively approved

E McShane left the meeting at 19:21

7.2 Reinforced Autoclaved Aerated Concrete (RAAC)

7.2.1 P Baylis recapped that the SHR wrote to all RSLs in October 2023 asking for them to submit a brief return by 31 October 2023 advise their position on RAAC. We confirmed with the SHR that we did not believe that our housing stock contains RAAC.

7.2.2 Whilst we consider ourselves to be low risk in regard to RAAC, we have an opportunity to bring forward the RAAC survey (that we had initially considered doing in 2025/26). This was not included in the current year's budget however, given the growing importance of tenant and resident safety within the sector, we think bringing it forward would be the right course of action. We have therefore engaged Graham and Sibbald, Chartered Surveyors and Property Consultants to complete 70 surveys across our 32 schemes. Committee are asked to note that these costs will be in addition to the final budget for 2024/25.

7.2.3 Committee discussed the merits of obtaining earlier assurance and noted the addition to the budget.

Noted

F John left the meeting 19:27

8. Policy review

8.1 There are no policies due for review at this meeting.

Noted

9. Sub-Committee minutes and recommendations

9.1 Operations sub-Committee

9.1.1 The minutes of the meetings on 29 February 2024 and 17 April 2024 were noted. There were no recommendations from the meeting on 23 May 2024.

9.2 Assurance sub-Committee

9.2.1 The minutes of the special meeting on 9 February 2024 and the main meeting on 14 March 2024 were noted. There were no recommendations from the meeting on 2 May 2024.

10. Membership and use of seal

- 10.1 L Crawford presented the report and highlighted that there was one request for membership, which had been received in accordance with our rules. The membership was approved.

11. AOCB

- 11.1 C Jardine reported that the Director and Depute Director's appraisals have been completed.
- 11.2 C Jardine discussed Monday.com, which had been discussed at the Director appraisal. Members had expressed an interest learning more and seeing a demonstration. C Jardine asked whether members would prefer this to come to the whole Committee or just the Assurance sub-Committee; the full Committee would like to see this and we will therefore bring it on 20 June.
- 11.3 C Jardine presented a request from Langfaulds Primary School for £240 for an awards ceremony and a family picnic. One member asked if we could give all schools a set amount each year, possibly top sliced from the donations budget. C Jardine advised that this is something we can consider when considering the 2025/26 budget. In addition to donations, however, we may be able to support schools in their applications for grant funding, acting as a conduit for funding streams they cannot access on their own. This remains at an early stage, but E McShane has been liaising with schools and has attended a local head teachers' event to develop our relationship.

Collectively approved

12. Date and time of next meeting

- 12.1 The next Committee meeting is due to be held on **Thursday 20 June 2024** at 6.00pm.

Chair:

Date: