

**WELLHOUSE HOUSING ASSOCIATION
MINUTES OF THE COMMITTEE MEETING HELD ON 27 JUNE 2019
AT 6PM AT THE ASSOCIATION'S OFFICE, THE HUB, 49 WELLHOUSE CRESCENT G33 4LA**

1. Welcome, Sederunt & Apologies.

Present:

Maureen Morris	Chair
Clare Monteith	Vice-Chair
Tom Lucas	Committee Member
Sarah Morris	Co-optee
David Robb	Co-optee
Vanda Cooper	Co-optee

In Attendance:

Martin Wilkie-McFarlane	Director
Gordon Kerr	Finance & Corporate Services Manager
Carol Hamilton	Housing & Customer Services Manager
Linda Logan	Minute taker
Pauline Munro	SHARE, item 4 only
Scott McCready	Auditor, Wylie Bisset, item 17 only

Apologies:

Darron Brown	Committee Member
Jane Heppenstall	Committee Member
Michelle Harrow	Committee Member

The Chair welcomed Vanda Cooper, Pauline Munro and Scott McCready to the meeting. Committee noted a change to the running order, in that agenda item 17, Internal Audit, would follow the SHARE presentation at agenda item 4.

2. Declarations of Interest.

There were no declarations of interest.

3. Jargon Buster

Noted for information.

4. SHARE – presentation.

Pauline thanked committee for the opportunity to provide further information on training opportunities. She took committee through the type of events provided by SHARE in relation to Conferences, Chair's

retreats, bite size briefings and e-learning opportunities. She highlighted a new session “Get on Board” which gives new committee members a good reference point from which to navigate their way and become familiar with terminology, roles and responsibilities and functions of a housing association.

Pauline stated that if members were happy to share their email addresses with her she would provide them with passwords to access e-learning opportunities. She highlighted that at present there are no weekend courses available other than SHARE’s annual conference.

Pauline acknowledged committee’s comments on the times that courses were offered and their inability to attend due to work/caring commitments. She stated that SHARE were considering offering courses at other times and would send out a questionnaire to ascertain interest from members.

It was agreed that if committee members were interested in e-learning courses that they would let the Corporate & Governance Assistant know and she will forward this information to Pauline.

The Chair thanked Pauline for her presentation. Pauline left the meeting at this time.

17. Internal Audit.

It was noted that all internal audit reports had been previously emailed to committee for consideration.

Scott McCready stated that the purpose of the annual report was provide assurance to committee that Wellhouse Housing Association had adequate and effective risk management, control and governance processes to manage its achievement of the Association’s objectives at the time of their audit work. He highlighted that in their opinion, the Association has the proper arrangement to promote and secure value for money.

He took committee through the audit findings for the work undertaken in 18/19 and the overall conclusions. Overall there were 4 recommendations for Wellhouse and comparative benchmarking data of the number and ranking of recommendations highlighted that Wellhouse had an overall lower number of recommendations in comparison with the associations it was benchmarked against. He provided a brief overview and analysis of key performance indicators.

The Director highlighted that the only weak outcome was the Connect Community Trust audit which had previously been discussed at length by committee. He was delighted with the comparative benchmarking results in comparison with associations Wellhouse was benchmarked against.

Resolution:

Committee;

Noted the findings and agreed to follow up actions.

Clare Monteith proposed and Dave Robb seconded the findings and agreed to follow up actions;

Tom Lucas proposed and Sarah Morris seconded the draft management responses;

Committee noted, Dave Robb proposed and Sarah Morris seconded the contents from the Internal Audit Annual Report 2018/19 and the progress staff had made in addressing the recommendations of the internal audits carried out to date;

Committee confirmed, Sarah Morris proposed and Tom Lucas seconded that they were satisfied with the action taken with superseded recommendations in the follow up review and that the points could now be removed from action plan.

Scott McCready left the meeting at this time.

5. Committee Appraisals (Confidential)

Staff left the meeting for discussion of this item.

6. Minutes of the Committee Meeting of 30 May 2019, including confidential minutes.

The minute of the committee meeting of 30 May 2019, including the confidential minute were proposed as accurate by Clare Monteith and seconded by Tom Lucas .

7. Matters arising & actions from minute report.

There were no other matters arising that were not covered by subsequent agenda items.

8. Management Accounts to March 2019.

The Finance & Corporate Services Manager presented the report to provide committee members with a comparison of the estimated and actual financial position to 31 March 2019.

He provided a brief overview of the Statement of Comprehensive Income and variances. The budgeted surplus for the period to 31 March 2019 was £618,903. The actual results for the period show a surplus of £898,743, a favourable variance for the period of £279,840.

The Finance & Corporate Services Manager highlighted that rental income was slightly higher than budget due in the main to the turnover of void properties improving, which resulted in an overall void rental loss reduction and a favourable variance in net rental income of £20,098.

He asked committee to note the overspend in Repairs and Maintenance at year end, in particular cyclical maintenance where the majority of the overspend was related to high level gutter cleaning which required the hiring of cherry pickers. He provided a more detailed explanation of over and under spends in relation to estate costs due to work being undertaken by external contractors due to staff shortages. He asked committee to note savings made in the staffing budget.

Resolution:

Tom Lucas proposed and David Robb seconded the management accounts to 31 March 2019.

9. Return to SHR on Loan Portfolio.

The Finance & Corporate Services Manager presented the report to provide committee with details of the Annual Loan Portfolio Return to be submitted to the Scottish Housing Regulator (SHR) no later than the end of June. He drew committee's attention to page 49 of the report which provided a breakdown of total and outstanding facilities on loans. There were no concerns regarding any aspect of the loan portfolio return for the Association.

Tom Lucas sought clarification that, with the takeover of the Clydesdale Bank by Virgin Bank whether our loans held with the Clydesdale would be transferred to Virgin. David Robb stated that the loans, under the terms and conditions of the loan would remain with the Clydesdale Bank.

Action: The Finance & Corporate Services Manager will confirm the above with the relationship manager at the Clydesdale Bank

Resolution:

David Robb proposed and Tom Lucas seconded the Annual Loan Portfolio Return for submission to the SHR no later than 30 June 2019.

10. Return to SHR 5 year financial projections.

The Finance Manager presented the report to provide committee members with detail of the projected financial position of the Association over the medium and long term.

He highlighted that the setting of the long term projections forms part of the annual business planning cycle which reflects the Associations current business/operational and longer term plans. The Five Year Financial Projections is reported and submitted annually to the Scottish Housing Regulator.

He led the committee through the Assumptions and Cash Flow over the period and outlined variances

He asked committee to note the following assumptions;

Inflation levels had been assumed at 2% for the 30 year term and include a rent increase as per the 19/20 budget and assumes a rental increase of 1% above inflation for years 2 until 9. Year 10 onwards assumes inflation only rent increase.

The model assumes an annual increase to the void losses until it reaches 1.5% in year 4. Real planned maintenance costs increase at 1.0% above CPI until year 10.

LIBOR rates increase annually to 3.5% by year 5 and beyond which are consistent with RBS Housing Finance Base Case assumptions.

Surpluses will be generated annually over the 30 year period. The cash position starts at £1.4 Million. He highlighted that between years 15 and 22 that there were a few cash deficits where there is expected to be considerable investment in stock with a large amount being spent on replacement components.

There are no issues with lender covenant compliance being achieved.

No new build had been assumed and will not be included in the 30 year projections until the results of development discussions are known.

The Director suggested that the SHR may again question why development is not included within the 30 year projections and he will update the SHR on the issues of flooding etc. being unresolved at this time.

Resolution:

Tom Lucas proposed and Clare Monteith seconded the 30 year projections.

Sarah Morris proposed and David Robb seconded the agreement to the Finance Manager electronically submitting the approved figures for the Five Year Return to the Scottish Housing Regulator no later than 30 June 2019.

11. Rent Arrears Report

The Housing & Customer Services Manager presented the report to update committee on the arrears position. She asked committee to note a line at the bottom of page 57 which should have been deleted from the report.

She reported that gross arrears had risen by £8,752.72 since April 2019 and non-technical arrears had risen by £15,923.03 over the same period. The number of arrears cases over £1,000 had increased by 1 to 65 since April and the total gross amount owed by these cases had increased by £1,674 during the same period. She highlighted that the impact of universal credit continues to be an emerging picture and committed to concentrate on high level arrears cases and create a directory of all support services available and any issues that may impact on a tenants' ability to pay their rent.

She informed committee that housing staff had concerns that the arrears figures were not accurate which had been confirmed by the SDM consultant. The net arrears were reported at £210,613.01 whereas the actual figure is £193,000 with £60,000 of this figure being for universal credit.

Committee noted the update from the rent arrears report.

12. Tenant Consultation Report

This item was confidential and a separate minute applies.

13. HSE update.

This item was confidential and a separate minute applies.

14. Management Team Report.

Main issues: Director

Community Festival.

The Director asked committee to note the leaflet at appendix 1 relating to a Community Festival being held at the Bridge on Friday 9th August 2019. All members were encouraged to attend.

CCT.

The Director confirmed that the letter written by the Chair to the Chair of CCT had been hand delivered. A response is awaited no later than Sunday 30th June 2019.

The committee reiterated that if all of the information requested was not received by 30th June 2019 then the funding provided by Wellhouse HA would be withdrawn.

Facebook.

Committee's opinion was sought as to whether they wished to retain Facebook as a means of communication. The Director indicated that staff have reported that it tends to be a platform for disgruntled tenants and takes a long time to moderate.

Committee considered that there was no need to retain a Facebook page and required information could be obtained from the website. It was agreed that the Facebook account would be shut down with immediate effect.

Main issues: Director, in absence of a Maintenance Manager

Planned Maintenance Programs.

The Director presented the proposed bathroom replacement plan attached at appendix 4 for approval.

Resolution:

Committee approved the proposed bathroom replacement plan at appendix 4.

Clare Monteith proposed and Sarah Morris seconded the proposal

Health & Safety (Confidential)

This item was confidential and a separate minute applies.

Close Cleaning.

The Director stated that we currently clean 65 closes on a weekly basis which means that 21 closes are not being cleaned at all. We consulted with our tenants and owners about moving the close cleaning to every 2 weeks which would allow us to clean all of our closes on a bi-weekly basis. 7 responses had been received all of whom were unhappy with the change to the service. Committee's comments were sought. Committee agreed that close cleaning should move to every 2 weeks to allow us to clean all of our closes. Should weekly cleaning be required then charges would apply.

Resolution:

Committee approved the proposal to move close cleaning to every 2 weeks to allow us to clean all of our closes.

Main issues: Finance & Corporate Services Manager.

EVH Member Protect.

The Finance & Corporate Services Manager informed committee and outlined the benefits of a new service that provides EVH members with legal advice and representation in relation to all employment tribunal claims. He highlighted that at current staff levels, Wellhouse would incur an annual subscription

of £1,750 however, with the year 1 discount applied this will be reduced to £875 for 19/20. He recommended that we take up the discounted offer to become a member for one year.

Resolution:

Tom Lucas proposed and Clare Monteith seconded that Wellhouse take up the option of the year 1 discount and become a member of EVH Member Protect for an initial period of one year.

GDPR Request.

The Finance & Corporate Services Manager informed committee that at time of writing despite two phone calls and emails to the solicitors asking for them to arrange pick up of the information resulting from the GDPR request, we had heard nothing more back from them. He reported that the following day contact had been made from the solicitors and the requested information had now been collected.

Main Issues: Housing Manager.

Arrears Performance.

Arrears performance was reported under separate cover. It was highlighted that the Income Advice Officer has now generated in excess of £1.3M for the benefit of tenants and the Association.

Allocations and Homelessness.

The Housing and Customer Services Manager updated committee on a meeting held with Arneil John, GCC homelessness team and other EHRA members to discuss the vision for the Rapid Rehousing transition plan for the Glasgow area. The intention is to reduce the length of time homeless people and families spend in temporary accommodation. An update will be brought to a future committee meeting.

Training.

Committee were provided with information relating to training undertaken by the housing team in relation to the welfare rights, dealing with difficult people, Scottish Fire & Rescue Service and asbestos awareness.

ARC.

The Housing and Customer Services Manager recommended that in order to deal with a back-log of work, to ensure systems are up to date and to mitigate any negative impact in relation to honouring excessive toil, that committee approve the closure of the office for 2 days to permit all staff to be fully up to date and ready to provide excellence in customer service. She provided an explanation of tasks that required completion. Leave would not be permitted during this period.

Committee discussed the reasons for the backlog at length and considered that closure of the office for 2 days during the week would reflect negatively on the Association. Alternative arrangements were discussed.

Resolution:

Committee agreed to the housing team working on 2 Saturdays to deal with the back-log of work. It was agreed as per EVH terms and conditions of employment, that additional hours work would be paid as overtime at time and a half.

15. Policy Review.

The Director presented the Donations and the Complaints, Compliments and Comments Policy to the management committee for approval. Both policies had been updated, formatted into the Wellhouse policy style and reviewed by the Director. There were no changes to either policy.

Resolution:

Clare Monteith proposed and Sarah Morris seconded the Donations and the Complaints, Compliments and Comments Policy for a further 3 years.

16. Annual Contractor Performance Reports

The Director presented the report to inform committee about contractor performance throughout the financial year 18/19 and provided a brief overview on the volume of repairs, costs and our overall performance within our repairs service.

Committee noted the content of the report and instructed staff to bring regular updates.

17. Internal Audit.

This item was discussed at agenda item 4.

18. Forward Planning 29 August 2019

Committee noted the proposed agenda for 29 August 2019.

19. AOCB.

Committee Conference:

There was a lengthy discussion and debate on the content, venue and whether the committee conference event would include an overnight stay. Feedback received by the Corporate & Governance Assistant from members indicated that several committee members preferred a Saturday event with no overnight stay due to family and work commitments

It was agreed that committee would inform the Corporate and Governance Assistant of their preferred training content for the conference and she would investigate several venues where the event could be held. A further update will be provided at the August committee meeting.

Policies:

The Director sought approval to delay review of the Disaster Recover and the Procurement Policy for a short period of time. Both policies are lengthy documents and require extensive review.

Resolution:

Tom Lucas proposed and Sarah Morris seconded the proposal to delay the review of the Disaster Recovery and the Procurement Policy to allow for an extensive review.

Staffing Committee

The Corporate & Governance Assistant sought agreement from committee to elect Sarah Morris to the Staffing Committee.

Resolution:

Maureen Morris proposed and Clare Monteith seconded the election of Sarah Morris to the Staffing Committee.

Maureen Morris volunteered to attend the staffing committee meeting on 17 July 2019 to ensure quorum.

Chairs update:

The Chair provided an update for information on conferences, meetings and training events she had attended on behalf of Wellhouse Housing Association for the period of June/July and future events scheduled for her attendance over the summer period.

There was no further business.

Meeting closed 8:30 pm. Next meeting: 29 August 2019.

I certify that the above minute has been approved as a true and accurate reflection of the proceedings:

Signed (Chair)

Date:.....