

**WELLHOUSE HOUSING ASSOCIATION
MINUTES OF THE COMMITTEE MEETING HELD ON 29 August 2019
AT 6PM AT THE ASSOCIATION'S OFFICE, THE HUB, 49 WELLHOUSE CRESCENT G33 4LA**

1. Welcome, Sederunt & Apologies.

Present:

Maureen Morris	Chair
Tom Lucas	Committee Member
Jane Heppenstall	Committee Member
David Robb	Co-optee
Vanda Cooper	Co-optee

In Attendance:

Gordon Kerr	Finance & Corporate Services Manager
Carol Hamilton	Housing & Customer Services Manager
Bill Black	Assets & Maintenance Manager
Linda Logan	Minute taker
Scott McCready	Auditor, Wylie Bisset, item 7 only
James McBride	Scott Moncrieff, item 8 only

Apologies:

Darron Brown	Committee Member
Michelle Harrow	Committee Member
Clare Monteith	Vice Chair
Sarah Morris	Co-optee

The Chair welcomed Bill Black, Scott McCready (Wylie & Bisset) and James McBride (Scott Moncrieff) to the meeting. Committee noted a change to the running order, in that agenda item 7, Internal Audit and item 8, Draft Audit Accounts would be taken first. Introductions were made.

The Chair asked committee to agree 2 items under AOCB in relation to correspondence received today from Connect Community Trust and Pantomime tickets. Committee approved these additional items to the agenda.

2. Declarations of Interest.

Jane Heppenstall declared that she was working freelance for SHARE.

3. Jargon Buster

Noted for information.

4. Minutes of the Committee meeting 27 June 2019

The minute of the committee meeting of 27 June 2019, including the confidential minute were proposed as accurate by Tom Lucas and seconded by David Robb.

5. Staffing Committee minutes – 17 June 2019.

Committee noted the minute and email resolutions of the Staffing Committee meeting of 17 June 2019.

6. Matters Arising & Actions from the minute report.

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

7. Internal Audit Plan

The Finance & Corporate Services Manager highlighted that the purpose of the report was to agree the programme of internal audit for the current financial year as drawn up by Wylie & Bisset.

Scott McCready, Wylie & Bisset provided a brief overview of the background and the responsibility of internal audit services to provide the management committee with an objective assessment of the adequacy and effectiveness of management's internal control systems.

He asked committee to note pages 33 – 35 which detailed the audit areas for 2019/20, assignment plans and the provisional dates for reporting to committee. He drew committee's attention to the revised 3 year audit needs assessment as reported on pages 38 & 39 and the analysis of key performance indicators to be met at page 41 of the report. He invited comments and confirmation that committee agreed with the order and dates of the audits in 2019/20.

Resolution:

Committee approved the 2019/20 Internal Audit Plan drawn up by Wylie & Bisset, Internal Auditors.

David Robb proposed and Tom Lucas seconded the Internal Audit Plan for 2019/20.

Scott McCready left the meeting at this time.

8. Draft Annual Accounts 18/19.

James McBride, Scott-Moncrieff presented the report to consider the annual financial statements, the management letter from the external auditors and to seek approval to the Association's response to the management letter.

He asked committee to note the statement of financial controls at page 67 which confirms their opinion that the financial statements give a true and fair view of the Association's affairs at 31 March 2019 and have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2014 issued by the Scottish Housing Regulator.

He took committee through the Statement of Comprehensive Income which shows a healthy surplus for the year of £857,579 and other comprehensive income which included a gain in value of the commercial units less a cost to SOCI of £189,000 for recognition of multi-employer defined benefits scheme in the

accounts. The Cash Flow Statement at page 74 indicated that cash has increased by £305,000 to over £1.75M which was in the main due to savings from planned renewals programmes and operational surpluses. He highlighted the notes to the financial statements which provided comprehensive detail for the year ended 31 March 2019.

He discussed audit risk areas identified at the planning stage and provided an overview of the audit findings. He asked committee to note Risk 4 in relation to SHAPS past service deficit liability which had been reviewed and that they were satisfied that all necessary adjustments had been correctly recorded in the financial statements and had gained assurance in respect of the mitigation of this risk.

James asked committee to note that the Audit Management Report does not identify any audit amendments required from the audit other than amendments to the disclosure notes. He highlighted three errors during the audit, however, it was agreed that these amounts were not material and could remain unadjusted. These were detailed at page 116 of the Audit Management Report.

He provided a brief overview and explanation for movement within the Statement of Financial position and highlighted one observation per review of purchase invoices being posted to the nominal ledger it was identified that invoices had been incorrectly posted into the wrong period

The Finance & Corporate Services Manager asked committee to note the management response to the above observation. He advised that this had been a human error, and ordinarily, invoices mis-posted would be picked up as part of the accruals process where they would be re-allocated to the correct period.

Resolution:

Committee;

- **Approved the annual financial statements for the year 2018/19.**
- **Approved the management letter received from the external auditors subject to agreed amendments.**
- **Agreed the response from the Association to the management letter/report.**
- **Approved the letter of representation to be sent from the Association to the external auditors subject to amendments.**
- **Approved that Finance & Corporate Services Manager should proceed to submit the AFS On-line Return to SHR.**

Tom Lucas proposed and David Robb seconded the above subject to the proposed amendments.

James McBride left the meeting at this time.

9. Management Accounts to June 2019

The Finance & Corporate Services Manager presented the report to provide committee members with a comparison of the estimated and actual financial position to 30th June 2019.

He led the committee through the Statement of Comprehensive Income and outlined all variances. The budgeted surplus for the period to 30 June 2019 is £163,734. The actual results for the period show a surplus of £279,556 a favourable variance for the period of £115,822.

He highlighted that the favourable variance of £115,822 arises from;

- Operational Activities £115,255; (favourable variance)
- Net interest and other £567 (favourable variance)

Rental income is slightly higher than budget at £940. Void losses are also lower than the budget figure of £2,183 as opposed to £6,430. A favourable net rental income of £5,147.

The Corporate & Finance Services Manager noted a few over and underspends against budget in the Statement of Comprehensive Income. Salaries had an underspend of £21,544 due to replacement of the Assets and Maintenance Manager not being in place for 2 months and one Estate Warden not being in place for 3 months. He provided detail and a breakdown of the underspend in Repairs & Maintenance of £90,000.

The Housing Properties has increased by just over £62,000, in the main due to the cost of replacement components and boilers, however this spend is much lower than the budgeted spend of over £300,000 in the first quarter. He highlighted that the cash position has reduced by just over £183,000 although still over the £1.5M level.

There were no covenant compliance issues.

Resolution:

Committee approved the management accounts for the period to date.

David Robb proposed and Tom Lucas seconded the management accounts for the period to 30 June 2019.

10. KPI's – Quarter 1.

The management team presented the report to bring to the attention of the committee performance in relation to key performance indicators for the period 1 April to 30 June 2019.

The Housing & Customer Services Manager stated that rent management continues to cause a concern. Gross rent arrears for the end of the quarter for gross rent arrears were 7.72% compared to target of 5%. She highlighted performance continues to be impacted by the effect of welfare benefit reform, in particular universal credit. The Income Advice service continues to show positive results

The Assets & Maintenance Manager stated that emergency and non-emergency repairs show a very strong performance all round.

Committee noted the performance indicators for the period.

11. Strategic Development Funding Plan and Strategic Housing Investment Plan.

The Finance & Corporate Services Manager outlined our Strategic Development Funding Plan submission to Glasgow City Council

He informed committee that there had been no further update on the flood risk in Wellhouse.

We have formally expressed our desire to develop Phase 8 which has been supported by DRS and the SHR. Committee will be kept apprised.

Phase 9 – We are no further forward with the purchase of this site, other than the Archdiocese agreeing that social housing is a good use for the site.

Feasibility studies and site investigations have been completed for Phase 10. The land is owned by Glasgow City Council and we have first refusal on purchase of the site.

The Finance & Corporate Services Manager stated that we will be required to keep our lenders informed of these plans. We await more detail on the Scottish Governments post 2021 funding plans. Committee will be kept updated.

Committee noted the contents of Strategic Development Funding Plan and Strategic Housing Investment Plan.

12. Rent Arrears Report

The Housing & Customer Services Manager presented the report to provide an update on the arrears position.

She highlighted that gross rent arrears has risen by £7,000 and non-technical arrears by £2,221.03. Arrears due to Universal Credit have increased by £17,896 during the same period.

The housing team are continuing to focus activity on the high level arrears cases and the Housing Manager is inviting all of those tenants for interview.

Tom Lucas asked how many home visits have been carried out by the housing team with regard to rent arrears. Carol highlighted that she didn't have the information with her however would provide information at the next meeting. She provided a brief overview of other housing activities.

Committee noted the contents of the report.

13. Management Team Report

The Management Team presented the report to highlight any notable changes to the operating environment for Wellhouse Housing Association, including issues flagged up by membership organisations, to report on key issues which the committee are tracking and to seek decisions on minor matters that do not require a full report.

Main Issues: Director

EHRA:

The Chair reported that the community festival held on 9th August 2019 had been very well attended. The EHRA AGM is in September where new office bearers will be elected.

Committee shadowing across EHRA is being co-ordinated, with two of our own committee members expressing an interest in this.

The Chair highlighted that the Wellhouse Gala Day was very well attended with a host of free activities etc. for the community.

Main Issues: Housing Manager

The Housing Manager highlighted that the Income Advisor has now generated in excess of £1.4M. Footfall for the drop-in service has increased since being advertised on the website.

Tenant Participation:

The “Next Steps” programme bid was successful and the housing team will now participate in a series of workshops for tenants, staff and committee member to build on good practice and support for landlords to improve performance against the Scottish Social Housing Charter.

Training:

The Housing Manager provided an update on training attended by the housing team in relation to conflict and violence and how to spot fire risks within properties which was provided by Fire and Rescue Scotland.

Main Issues: Assets and Maintenance Manager

Planned Maintenance Programme:

The Assets and Maintenance Manager asked committee to note the proposed kitchen replacement plan as at appendix 2. Once approved, the contractor will be advised and tenants advised.

Resolution:

Vanda Cooper proposed and Jane Heppenstall seconded the proposed kitchen replacement plan.

Bin Replacement Programme:

The Assets and Maintenance Manager informed committee that himself and the Director had had a walk around on the 7th August with the GCC Project Manager and Communications Manager responsible for the Bin Replacement Programme. The visit was aimed at looking at any possible issue we would have in the bins areas and the introduction of the wheelie and euro bins to Wellhouse.

Main Issues: Finance Manager

Freedom of Information – Model Publication Scheme:

The Finance Manager provided information on The Freedom of Information (Scotland) Act 2002 which places a duty on Scottish public authorities to publish information proactively. The Commission has developed a Model Publication Scheme to support authorities to meet their publication scheme duties under Freedom of Information. He provided an overview of the five steps to adopting the Model Publication Scheme for the first time and sought formal approval for Wellhouse to start the process of adopting the Model Publication Scheme.

Resolution:

Jane Heppenstall proposed and David Robb seconded the adoption of the Model Publication Scheme by Wellhouse.

SHAPS Employer Committee update:

Committee were asked to note the contents of the letter at appendix 1 and to give consent for the Pensions Trust to release Wellhouse information to the Employers Committee.

Resolution

Jane Heppenstall proposed and David Robb seconded consent for the requested information to be released to the Employers Committee.

SHAPS Financial Viability Assessment:

Committee noted the results of the SHAPS Financial Viability survey.

14. AGM Arrangements.

The Corporate & Governance Assistant presented the report to outline the AGM arrangements and to note the members that would be required to stand down and seek re-election at the AGM on 25th September 2019 as underlined within the report. She sought confirmation from those members who would seek election under Rule 41.1 and re-election under Rule 38.

Resolution:

David Robb confirmed that he will retire from committee at the AGM and will not seek election.

All other members confirmed their willingness to stand for election.

The Chair thanked David Robb for his valuable contribution to committee during the year.

15. Wellhouse Membership.

The Corporate & Governance Assistant presented the report to bring to the attention the 82 members who have failed to attend, submit apologies or exercised a proxy vote to attend and vote on their behalf for 5 consecutive Annual General Meetings and will now be recorded as ending in the Register of Members in accordance with Rule 11.1.3. She highlighted that because we were seeking to promote membership rather than reduce it, all members had been written to, to ask that despite not attending the AGM's if they would still wish be members of the Association. No replies had been received.

She sought committee approval to record the 82 members as ending in the Register of Members in accordance with Rule 11.1.13.

Resolution:

Committee approved the 82 members being recorded as ending in the Register of Members.

David Robb proposed and Jane Heppenstall seconded the 82 members being recorded and ending in the Register of Members. These are attached at appendix 1 of the minute.

16. Forward Planning

Noted for information.

17. Rent Management Policy.

The Housing & Customer Services Manager provided a draft of the Rent Management Policy which had been reviewed and amended to meet current legislation and to take account of the on-going changes as a result of Welfare Benefit Reform and Universal Credit. She sought approval and ratification of the policy for a further 3 years.

Resolution:

Committee approved, Jane Heppenstall proposed and David Robb seconded the rent Management policy for a further 3 years.

18. AOCB.

i. Pantomime Tickets.

The Chair provided background information on the Pantomime held at the Bridge and possible cuts to funding. If further funding is not received to fund the pantomime this year, the Director has recommended that the Association purchase tickets for distribution to our tenants. The Chair asked that committee agree in principle to the purchase of tickets should funding not be received.

David Robb thought it a worthwhile thing to do for the community.

Resolution:

David Robb proposed and Jane Heppenstall seconded the proposal.

There was no further business.

Meeting closed 8:45 pm. Next meeting: AGM 25th September 2019.

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

Signed (Chair)

Date:.....

Appendix 1 – Management Committee Meeting 29 August 2019 – Item 15.

Membership to be removed who have failed to attend or give apologies, etc. for 5 consecutive Annual General Meetings or have terminated their tenancy. These memberships will now be recorded as ending in the Register of Members in Accordance with Rule 11.1.3. (Total 82 members)

Mrs	Names removed in line with GDPR regulations		No attendance at AGM in 5 years	10
Miss			No attendance at AGM in 5 years	
Mr			No attendance at AGM in 5 years	334
Ms			No attendance at AGM in 5 years	
Miss			No attendance at AGM in 5 years	353
Ms			No attendance at AGM in 5 years	422
Ms			No attendance at AGM in 5 years	430
Mr			No attendance at AGM in 5 years	493
Miss			No attendance at AGM in 5 years	494
Mr			No attendance at AGM in 5 years	500
Miss			No attendance at AGM in 5 years	504
Mrs			Tenancy terminated 17/9/17	502
Miss			No attendance at AGM in 5 years	503
Mr			No attendance at AGM in 5 years	506
Miss			No attendance at AGM in 5 years	507
Miss			Tenancy terminated 18/2/19	508
Mr			No attendance at AGM in 5 years	509
Miss			No attendance at AGM in 5 years	510
Miss			No attendance at AGM in 5 years	511
Mr			No attendance at AGM in 5 years	512
Miss			No attendance at AGM in 5 years	513
Miss			No attendance at AGM in 5 years	514
Mr			Tenancy terminated 18/9/16	516
Mr			No attendance at AGM in 5 years	518
Ms			No attendance at AGM in 5 years	519
Mrs			No attendance at AGM in 5 years	521
Ms			No attendance at AGM in 5 years	523
Mrs			No attendance at AGM in 5 years	524
Mr			No attendance at AGM in 5 years	527
Mr			No attendance at AGM in 5 years	529
Mr			No attendance at AGM in 5 years	531
Mr			No attendance at AGM in 5 years	532
Ms			Tenancy terminated 3/9/15	533
Miss			Tenancy terminated 1/11/15	534
Miss			No attendance at AGM in 5 years	535
Ms			No attendance at AGM in 5 years	536
Mr			No attendance at AGM in 5 years	538
Mrs			Tenancy terminated 16/2/17	539
Ms			No attendance at AGM in 5 years	541
Ms			No attendance at AGM in 5 years	543
Miss			Tenancy terminated 3/6/16	545
Miss			No attendance at AGM in 5 years	546

Mr		No attendance at AGM in 5 years	547
Mrs		No attendance at AGM in 5 years	548
Miss		No attendance at AGM in 5 years	549
Mr		No attendance at AGM in 5 years	551
Miss		No attendance at AGM in 5 years	552
Mr		Tenancy terminated 7/9/17	554
Miss		Tenancy terminated 25/5/17	555
Mr		No attendance at AGM in 5 years	556
Miss		No attendance at AGM in 5 years	558
Ms		No attendance at AGM in 5 years	559
Ms		No attendance at AGM in 5 years	560
Mrs		No attendance at AGM in 5 years	561
Ms		Tenancy terminated 17/8/17	562
Miss		No attendance at AGM in 5 years	563
Mrs		Tenancy terminated 11/4/18	564
Mrs		Tenancy Terminated 7/3/17	565
Mrs		No attendance at AGM in 5 years	566
Ms		No attendance at AGM in 5 years	567
Mr		No attendance at AGM in 5 years	568
Miss		No attendance at AGM in 5 years	569
Ms		No attendance at AGM in 5 years	570
Mr		No attendance at AGM in 5 years	571
Mrs		No attendance at AGM in 5 years	573
Miss		Tenancy terminated 14/4/16	574
Mrs		No attendance at AGM in 5 years	576
Mrs		No attendance at AGM in 5 years	577
Ms		No attendance at AGM in 5 years	578
Ms		No attendance at AGM in 5 years	579
Mrs		No attendance at AGM in 5 years	581
Mrs		Tenancy terminated 14/8/18	623
Mrs		Tenancy terminated 31/1/19	
Miss		Tenancy terminated 15/5/14	625
Miss		Tenancy terminated 14/6/17	540
Ms		Tenancy terminated 27/4/18	134
Mrs		Tenancy terminated 26/11/17	308
Miss		Tenancy terminated 30/10/17	115
Ms		Tenancy Terminated 8/10/18	583
Mrs		Tenancy terminated 17/2/16	403
Ms		Tenancy terminated 6/8/18	522
Miss		Tenancy terminated 14/9/18	622
Mr		Tenancy terminated 12/9/19	501