

**WELLHOUSE HOUSING ASSOCIATION  
MINUTES OF THE COMMITTEE MEETING HELD ON 29 OCTOBER 2020  
AT 11AM - VIA ZOOM**

**1. Welcome, Sederunt & Apologies.**

**Present:**

Darron Brown	Chair
Maureen Morris	Vice-Chair
Jane Heppenstall	Committee Member
Clare Monteith	Committee member
Michelle Harrow	Committee Member
Carol Torrie	Committee Member

**In Attendance:**

Martin Wilkie-McFarlane	Director
Gordon Kerr	Finance & Corporate Services Manager
Carol Hamilton	Housing & Customer Services Manager
Bill Black	Assets & Maintenance Manager
Linda Logan	Minute taker
Scott McCready	Wylie & Bisset (Item 2 only)

**Apologies:**

Sarah Morris	Committee Member
Shona McKenna	Committee Member
Stewart McIntosh	Committee Member

The Chair welcomed Scott McCready to the meeting.

**2. Declarations of Interest.**

There were no declarations of interest.

**3. Internal Audit Reports.**

Scott McCready presented the findings of two audit reports relating to business planning and development.

**Development:**

Scott highlighted that the development audit highlighted three recommendations all of which were graded as low. He took committee through the areas of review. Two of the recommendations related to the relationship between the Association and its development agent in relation to the signed development agreements and the delay of invoicing from the contractor. The Director stated that the development agreement had been approved by committee and had been signed. This will be reviewed before any live developments begin in Wellhouse. The third related to the Sustainability policy, which was in draft form. The Director intervened stating that Scott had received the incorrect version of the policy which had been approved and was no longer in draft form. The overall conclusion from this Audit provided a strong level of assurance from the review highlighting five areas of good practice.

### **Business Planning:**

Scott noted that the business planning audit highlighted just one recommendation which was graded as low. The recommendation was to review the fall out of Covid 19 and to take account of global pandemics when drafting future business plans. The management response was to review the effect of Covid 19 had on financial and operational activities and to include global pandemics as potential risks in future business plan. The audit had highlighted 11 areas of good practice with the overall conclusion providing a strong level of assurance. The benchmark against similar housing associations was better than average.

He highlighted that they had undertaken a 3 further audits some weeks ago. There had been a delay in processing the audits due to the auditor at Wylie and Bisset being on sick leave. It was hoped that these would be with the Finance Manager early next week.

Scott thanked the finance team and staff for their assistance during the audit process which had been carried out remotely. He sought comments and/or questions from the committee. There were none.

### **Resolution:**

#### **Committee;**

**Noted the findings of the audits and agreed to the follow up actions as noted within the report;  
Approved the draft management responses.**

Scott left the meeting at this time.

#### **4. Minutes of the Committee Meeting of 27 August 2020.**

##### **Resolution:**

**The Minutes of the Committee Meeting of 27 August 2020 were proposed by Jane Heppenstall and seconded by Clare Monteith as an accurate record of the proceedings.**

#### **4.1 Minutes of the Governance items following the AGM 2020**

##### **Resolution:**

**The Minutes of the Governance items following the AGM 2020 were proposed by Maureen Morris and seconded by Jane Heppenstall as an accurate record of the proceedings.**

#### **5. Matters arising:**

##### **Development:**

The Director informed committee that at 12:30 today a site visit was being carried out by the GCC Department of Regeneration Services and Scottish Water to look around the whole of Wellhouse and the sites earmarked for development. He spoke of a meeting held on Monday where the Director felt progress had been made in relation to connecting to the sewage drainage systems and discussion of creating water butts and green space drainage areas to deal with flooding issues in Wellhouse. He had also been provided with a map of the underground pipework and he had agreed to the shared cost between GCC and Wellhouse HA to complete

a CCT survey of the underground pipework to ascertain the condition of the drains. He anticipates the shared cost of the survey to be £1,500.00 (£750 each). He updated during the meeting that the survey would be completed on 4<sup>th</sup> November 2020. He will report on progress.

There were no other issues which were not cover in subsequent agenda items.

## **6. SHAPS Viability Survey.**

The Finance Manger presented the report to update committee of the risk category of Wellhouse HA based on SHAPS Financial Viability assessment survey. He highlighted that all employers participating in SHAPS with any defined benefit liabilities are required to complete an online financial assessment questionnaire each year and is vital for members financial security and to reduce the risk of insolvent employers leaving liabilities in SHAPS for remaining employers to manage. He asked committee to note that Wellhouse were no longer in the defined benefit scheme however due to the past service deficit we are still attached and required to complete the assessment. He highlighted the three areas of forecasting which is a measure of future pension scheme contribution cover and is an indicator of the earnings strength over the next three years. Taking the forecasts into consideration; Wellhouse falls into the low risk category.

**Committee noted the results of the SHAPS Financial Viability assessment survey.**

### **6.1 Statutory Annual Return to OSCR.**

The Finance Manager asked committee to note that it was a statutory requirement for Wellhouse to complete and submit the Annual Return to OSCR by 31 December 2020. The figures in the Annual Return reflect the figure in the Annual Statutory Accounts approved by committee as at 27 August 2020 and a signed copy of the accounts will be submitted alongside the Annual Return. He sought authorisation to submit the Annual Return to OSCR for Wellhouse HA.

**Resolution:**

**Committee approved submission of the Statutory Annual Return to OSCR;**

**Clare Monteith proposed and Maureen Morris seconded that the Finance Manager submits the OSCR Annual Return by the specified deadline of 31 December 2020.**

## **7. Rent Arrears update.**

The Housing Manager presented the report to update committee on the rent arrears position. She highlighted cause for concern since the last committee update where rent arrears had increased by £14,693 and have since increased by almost £8,000 at the end of September.

She highlighted discussions with the Director in relation to current gross rent arrears at 9.3% (£309,082) of annual income. She discussed the amount of universal credit arrears however; her concern was those 110 tenants who owe over £1000 in rent arrears, who collectively owe over £228,232.47. The housing team continue to prioritise this group of individuals. She noted the challenges in contacting people given the current Covid situation and the legal challenges relating to the notice period for NOPS being extended to 6 months.

Jane Heppenstall sought clarification on where Wellhouse were sitting within the sector averages. The Housing Manager referred to the returns from the SHR which indicate that we are about double the national

average. The Director emphasised his concern over the level of rent arrears. He noted a legacy issue within Wellhouse in how rental income was reported and the number of tenants in long term arrears, which was always going to be an issue for us however he considered that an urgent plan of action was required.

Carol Torrie asked what percentage of income of the 167 tenants claiming Universal Credit was paid directly to the housing association. The Housing Manager stated that the number of tenants on managed payment to landlords' changes on a weekly basis however if a recipient does not grant payments to us, the Association is required to wait three months before we can claim payment.

Jane Heppenstall requested that when the proposed action plan is being drawn that consideration be given to the risk factors to the Association and what works this will prevent us from doing in the future.

**Committee noted the contents of the report.**

**Action: The Director and Housing Manager will draw up a proposed plan of action to combat arrears and report back to committee in early 2021.**

## **8. Financial Regulations Update.**

The Finance Manager presented the report to advise committee of the proposed changes to the financial regulations. He noted that the regulations and procedure were reviewed earlier in the year however when updated information was being completed to submit to the Clydesdale Bank, a slight inconsistency was highlighted in the processes of cheque signatories and BACS payments and that this report aims to resolve this issue.

He noted that the listing of authorised signatories in the Regulations lists only the Director and Office Bearers as cheque signatories. To provide a bit more consistency to the practice he proposed that by enabling another senior member of staff to sign cheques in addition to the Director, would eliminate the issue of 2 committee members having to sign a cheque without it being signed beforehand by a senior officer if the Director was unavailable for a period of time. He noted internal controls and checks would still be in place.

Subject to committee consideration of the proposed changes he sought approval to for the Finance Officer to update the list of current cheque signatories and submit the form to the Clydesdale Bank.

**Resolution:**

**Committee confirmed their satisfaction and approved the updated document.**

**Clare Monteith proposed and Maureen Morris seconded the updated financial regulations.**

## **9. Operational update.**

### **1. Director:**

**Governance/Continuing Assurance:**

The Director recommended that in order to keep good governance and assurance under constant and transparent review; that we take part in a joint initiative with Housing Association partners outside greater Easterhouse. He informed committee that he was part of an informal group of chief officers who are working

on this and is being led by Elderpark HA. Wellhouse HA's contribution to the tender would be approximately £2,000. He highlighted the specification document at Appendix 1 and sought committee approval to proceed.

#### **Resolution:**

**Committee agreed to progressing with the joint initiative and associated costs.**

#### **2. Housing & Customer Services Manager:**

The Housing Manager updated that the annual review of the housing waiting list is underway and that the Landlord Report had been delivered to tenants and updated on the website. The review of the Common Housing Register Allocation Policy is ongoing and Housing Officers continue to offer support to those tenants affected by Covid 19 and are monitoring and making contact for missed payments and assisting with claims for housing benefit and Universal Credit.

Discussion with Glasgow City Council Homeless Services continue and the Income Advice Officer continues to support the digital assistance programme and is exploring further areas of funding that may be available.

#### **3. Assets and Maintenance Manager:**

The Maintenance Manager informed committee that the Stage 3 Adaptions Fund of £25,000 had been fully allocated. A further HAG claim had been submitted to GCC and further funding has been received which will be allocated the 3 referrals currently on hold.

The Estates Team continue to deal with the ongoing issues surrounding the bin areas and other areas of bulk uplift. He noted that we are reporting to GCC re fly-tipping which is being picked up 2-3 days later.

Committee had a lengthy discussion re: bulk uplift within the area. The Maintenance Manager confirmed that GCC are still not doing bulk uplift. Committee had further discussions regarding whether this was a service the Association could provide at a cost on a temporary basis. The Director stated that the local authority had written to us to inform that they have suspended bulk uplifts and charges will be imposed if services resume. He stated that GCC had put up signs in Govanhill informing tenants that their landlord would pick bulk up however had never consulted with the housing associations. The EHRA group has written to the Councillors, MP's and MSP's about this issue. He stated that the Association would give further consideration to providing this service at a cost next year.

Committee asked if during this period could the Association as a gesture of goodwill do a 1 off bulk uplift within the area. The Director reiterated the uplifts that the Estates Team have already completed as a gesture of goodwill. The Maintenance Manager asked committee to consider costs; how this would be resourced and other areas of work which not be completed should the Estates Team be required to continue with uplifts.

#### **4. Finance & Corporate Services Manager:**

The Finance Manager provided a summary of the ongoing day-to-day operational activity of the Finance Team. He highlighted that the delayed audit results discussed by Wylie & Bisset are unlikely to be reported to committee until the January meeting. He informed committee that himself and the Director had met with our Insurance Broker last week and we would be going to tender for insurance next April.

## **10. Gutter Clean and Roof Anchor Testing.**

The Maintenance Manager updated committee on the procurement process for the gutter/roof anchor which had been openly advertised on Public Contracts Scotland by Ewing Somerville Partnership LTD. Tenders had been assessed on a price quality evaluation subject to passing the requirement of the European Single Procurement Document. 4 returns had been received; one of which was disqualified for failing to meet the required threshold. A second was disqualified as they failed to complete their responses in the quality submission part.

He took committee through the list of contractors, tender amounts and quality scores. He recommended to committee that Latto Maintenance Ltd be awarded the contract as best overall value and quality at a cost of £174,832 + VAT.

### **Resolution:**

**Committee approved Latto Maintenance Ltd being awarded the contract at a cost of £174,832 + VAT.**

**Maureen Morris proposed and Jane Heppenstall seconded the proposal.**

## **11. AOCB.**

### **1. Agreement – committee meeting dates and times.**

Committee noted and approved the committee meeting dates and that meetings would rotate on a monthly basis to being held during the day one month and in the evening the following month to allow for those members who work during the day to attend alternate meetings.

### **2. Governance Items – Election/confirmation of Audit and Risk Committee – Chair**

The Corporate & Governance Officer informed committee of the accidental omission of Sarah Morris within the election to the Audit and Risk under Governance items following the AGM report. Sarah has indicated her willingness to be confirmed as a continuing member.

Committee were asked to approve an erratum to the minutes of 23<sup>rd</sup> September to record accurate recording of such.

Clare Monteith confirmed her willingness to continue as Chair of the Staffing Committee.

Carol Torrie stated her willingness to become a member of the Audit & Risk Committee. Discussion ensued with regards the position of Chair.

A nomination was received Maureen Morris to elect Carol Torrie as Treasurer. Carol Torrie accepted the nomination and was duly elected as Treasurer.

### **Resolution:**

### **Committee;**

**Confirmed Sarah Morris as a continuing member of the Audit & Risk Committee;**

**Approved an erratum to the minute of 23 September to ensure accurate recording of this.**

**Maureen Morris proposed and Jane Heppenstall seconded, Carol Torrie being elected as Treasurer.**

**Action: It was agreed that the Governance Officer would email the Audit and Risk Committee to identify who would be willing to stand as Chair.**

### **3. SGM**

The Director reiterated the results arising from the SGM held in September and the required 75% approvals required to adopt the new Rules. He highlighted that the new emergency legislation which enables AGM's to be held remotely had been extended until the end of December 2020. He took committee through the minimal proposed changes to the new Rules and asked committee to consider their preference to reconvene another SGM remotely before the deadline or to convene next September at the AGM. He considered that the packs sent to members in September had been confusing and contained too much information.

Committee discussed at length clear communication to members.

#### **Resolution:**

**Committee approved reconvening the SGM remotely before the deadline at the end of December.**

### **4. Pay award.**

The Director provided for information correspondence received from the EVH re: the Union being uncomfortable with the suggestion that there be no pay award next year. He highlighted that staff members had been happy to accept this given the current circumstances. The Director asked committee to note the possibility of having to discuss this at a later date should the Union come back with a proposal for a pay award.

There was no further business. Meeting closed 1:30pm.

Next Meeting: 24<sup>th</sup> November 2020, 6pm.

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

Signed (Chair) .....

Date:.....