

**WELLHOUSE HOUSING ASSOCIATION
MINUTES OF THE COMMITTEE MEETING HELD ON
30 November 2021 at 6PM - VIA ZOOM**

1. Welcome, Sederunt & Apologies.

Present:

Maureen Morris	Chair
Clare Monteith	Vice Chair (Chaired the meeting)
Carol Torrie	Treasurer
Jane Heppenstall	Committee Member
Darron Brown	Committee Member
Sarah Morris	Committee Member

In Attendance:

Martin Wilkie-McFarlane	Director
Carol Hamilton	Housing & Customer Services Manager
Robert Murray	Finance & Corporate Services Manager
Linda Logan	Minute taker

Apologies:

Shona McKenna	Committee member
Michelle Harrow	Committee Member

2. Jargon Buster

Noted for information.

3. Declarations of Interest.

There were no declarations of interest.

4. Minutes of the Committee Meeting of 28 October 2021.

Resolution:

The minutes of the Committee Meeting of 28 October 2021 were proposed by Jane Heppenstall and seconded by Maureen Morris as an accurate record of the proceedings.

5. Matters arising and actions from the minute report.

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

6. Management Accounts to 31 October 2021

The Finance Manager presented the report to provide Management Committee members with a comparison of the budget and actual financial positions to 31 October 2021.

He provided a brief overview of the Statement of Comprehensive Income and variances. The budgeted surplus for the 7 months to 31 October 2021 was £321,209. The actual results for the period showed a surplus of £445,843, a favourable variance for the period of £124,634.

The overall variance arises from:

Operational activities £122,300 – favourable variance
Net interest and other £2,334 – favourable variance

He noted over and underspends against budget. Salaries had an underspend of £21,890, in the main due to replacement staff being recruited at a lower pay scale and current vacancies taking longer than anticipated to recruit. Overheads had an overspend of £12,274, due to increased costs for legal fees

Repairs and Maintenance had an underspend of £80,096 against budget over all areas. He provided an explanation of underspends within reactive and cyclical maintenance and asked that committee note the underspend in major/planned repairs of £53,779 due to restrictions of multi-trades being able to work together and delayed. It is anticipated that works on bin areas and additional verandas work will be completed before year end.

Cash had increased by £119,948 to £3,049,835, resulting in a healthy financial position. There were no issues with covenant compliance.

Resolution:

Committee approved the management accounts to 31 October 2021.

Maureen Morris proposed and Jane Heppenstall seconded the management accounts to 31 October 2021.

7. 2022/23 Draft Budget

The Finance & Corporate Services Manager presented the report to provide details of the expected financial position of WHA for the financial year 2022/23. He noted rental income assumptions had been discussed in closed session. He took committee through other financial assumptions as follows:

He noted that we are in the final year of a 2-year wage deal, under EVH terms and conditions, of 2.5% however, further negotiations may be required, as the agreed lower threshold may be breached as any increase due from April 2022 will be determined with reference to the November 2021 CPI figure. Each 1% of salary increase equates to circa £8,000. In addition, the Government will bring in an additional 1.5% increase in NI contributions which will result in an additional £87,000 of expenditure.

The Director reiterated discussion in October with regards pay increases for 2022, where committee had confirmed they would prefer option 4 – where employers would hold back at this time to ascertain the rate of inflation over the coming months and revisit at that time. It is anticipated that the JNC will come back in January with proposals.

Management overheads are assumed to remain at the same level of spend of £461,000 but with a prudent inflationary increase of around 3% added. Insurance has assumed an increase of 10%. Additional savings are being investigated.

Maintenance spend is based upon the most up to date expectations and pricing structures updated. It is anticipated that projected price increases will be in the region of 15%.

Arrears are assumed to increase by £40,00, with bad debts provision expected to increase by three quarters of that increase.

Base rates are expected to rise for the second half of 22/23, however, because the majority of our loans are at a fixed rate there is less exposure to interest rate rises. More detail will be provided at the January committee meeting.

Cash is expected to reduce by £600K due to upgrades to buildings, to leave a balance at March 2022 to £2.5M. All lenders' covenants are comfortably achieved.

Committee discussed employee terms and conditions of employment. The Director suggested that a report be brought back to committee in the future to look alternative options. Darron Brown asked that a risk assessment and cost implications be included within the report.

Jane Heppenstall asked that further information/explanations be provided on the expected bad debt provision within the budget.

Resolution:

Committee noted the draft budget for the 2022/23 financial year. A further report will be presented in January 2022.

An erratum has been added to note errors contained within the Draft Budget report 2022/23. The Finance Manager will amend the report accordingly. The following points had errors as noted.

- Point 2.3 Should read CPI plus 1% i.e., 4.1%
- Point 6.1 RPI should read 4.8% in August
- Point 6.2 second line should read "generates a healthy surplus of £3.6 million for the five years; however, the cash position is a bit different with an increase in cash of just shy of £1.8 million over the same 5-year period
- Point 6.2 second paragraph second line should read an additional income of £35,000
- Point 6.3 second paragraph should read Assuming we adopt an increase of CPI + 1% this would equate to 4.1% rent increase
- Point 6.3 fourth paragraph line three and line seven should read £35,000
- Point 6.6 point 4 should read an additional £137,742
- Point 6.6 second paragraph should read £137,742
- Point 6.7 paragraph 2 last line, should read is based on the wage deal of 2.5%

8. ICT update.

The Finance Manager reported that the new phone system went live on 22nd November 2021. Contact numbers will be updated on the website and an article included within the Christmas newsletter. All staff now have the appropriate equipment to access information either remotely or within tenants' homes.

9. Quarter 2 – KPI Report – July – September 2021.

The Housing Manager presented the report to bring to the attention of Committee the performance in relation to KPI's for the period July – September 2021. She noted appendix 1 of the report which

detailed results for the second quarter against targets set for 20/21. She highlighted the following results for information;

Rent arrears remain a huge concern;

Relet times were lengthier than normal at an average of 27.04 days mainly due to the delay in process as a result of Covid; coupled with an increase in refusals,

Gas servicing is back to 100% access; however, we are still experiencing a high level of forced access which takes up a lot of staff time.

Appendix 2 highlighted continuous monitoring and favourable performance against our peer groups.

Committee noted the contents of the report.

10. Rent arrears report.

The Housing Manager presented the report to update on the rent arrears position. She noted that there were fewer people in rent arrears than previously reported and current rent arrears have reduced by £2,364 to £298,564. During the period net current arrears reduced by £6,264 and former tenant arrears decreased by £8,169, this is expected to increase due to abandonments. It is being carefully monitored. She highlighted 40 rent arrears cases in the legal system, the highest arrears balance had increased to £9,387, no payment had been received recently.

She noted an action point from the last meeting to provide an update on the Covid 19 Tenant Grant Fund. She stated that GCC had advised that their process is still in the discussion stage and they are currently looking at who will administer the fund. An update will be provided at a future committee meeting.

Committee noted the rent arrears update.

11. Complaints and Compliments report.

The Housing Manager reported that 4 Stage 1 complaints were received during the period July 21 to 20 September 21. All stage 1 complaints were responded to within quarter 2 and within timescales. There were no stage 2 complaints received during the period. Our internal auditors will review our processes during the coming month.

Carol Torrie sought clarification if the report included neighbourhood disputes. The Housing Manager confirmed that neighbourhood disputes had been discussed when the Anti-Social team from GCC had attended a previous committee meeting and offered to bring further report to the March committee meeting.

12. Allocations Policy

The Housing Manager reiterated that the Association had withdrawn from the Common Housing Register in April 2021 and that committee had given approval for staff to draft a new policy which would better reflect the needs of our community and to make best use of our stock. Priority groups continue to be prioritised in line with statutory obligations and legislation. She noted that there was not a lot of demand within Wellhouse from current residents, however, the policy makes extra provision for current tenants to move more easily to suitable accommodation in certain circumstances which will enhance their wellbeing. She sought committee approval to consult with tenants on the draft allocation allocations.

Resolution.

Committee approved progressing to tenant consultation on the draft Allocations policy.

Clare Monteith proposed and Maureen Morris proposed progressing to tenant consultation.

13. Operational update.**Director:**

This item was discussed in closed session.

Housing Manager:

The Income Advise Officer continues to support tenants by providing benefit advice and is the process of applying for a further £6,000 fuel poverty grant funding via the SFHA. £350 remains in the additional support fund as does the Ruchazie Community Pantry Fund. The Housing Manager advised that there has not been a huge uptake on the Ruchazie pantry fund, and in light of the recent energy price increases she asked committee to consider adding the remaining pantry funding to the fuel fund to help those who will experience fuel poverty over the winter.

She noted that the removal of the Universal Credit temporary uplift of £20.00 per week will plunge those already struggling into further financial hardship.

One member of the team had taken a period of unpaid leave of absence and had been replaced by a temporary member of staff who has settled in really well.

Resolution:

Committee approved the use of the £350 remaining in the Ruchazie pantry fund being allocated to assist with fuel poverty.

Finance Manager:

The Finance & Corporate Services Assistant has settled in well and continues to work through issues relating to invoices and reconciled supplier statement. Data cleansing continues for migration to the Homemaster system and the Audit and Risk Committee meetings have recommenced. The budgets over the coming week will receive further analysis with the aim of refining figures to reflect current trends in costs.

Maintenance Manager:

Committee noted no update from the Maintenance Manager due to absence.

14. AOCB**1 Office Closure.**

Permission was sought for the office to close at 1pm on 24th December for the Christmas break. Staff will use annual leave to cover this time.

Resolution.

Committee approve the closure of the office at 1pm on 24th December 2021.

Maureen Morris proposed and Sarah Morris seconded the request.

2. Audit and Risk Committee.

An update from the audit and risk committee meeting will be presented to committee once the minute has been approved.

3. Christmas Lunch

The Director confirmed that some staff had confirmed that they would prefer the Christmas lunch at the same venue as last year on 17th December 2021. Some staff had declined due to current Covid restrictions and caring responsibilities. The Director will ask a staff member to organise and communicate arrangements to the committee.

There was no other business. Meeting closed: 8:00PM

Next meeting: 27 January 2022 at 11am

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

Signed (Chair)

Date:.....