

**WELLHOUSE HOUSING ASSOCIATION
MINUTES OF THE COMMITTEE MEETING HELD ON
27 January 2022 at 6PM - VIA ZOOM**

1. Welcome, Sederunt & Apologies.

Present:

Maureen Morris	Chair
Carol Torrie	Treasurer
Jane Heppenstall	Committee Member
Sarah Morris	Committee Member
Michelle Harrow	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:

Darron Brown	Committee Member
Clare Monteith	Vice Chair
Shona McKenna	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 30 November 2021.

Resolution:

The minutes of the Committee Meeting of 30 November 2021 were proposed by Jane Heppenstall and seconded by Carol Torrie as an accurate record of the proceedings.

5. Matters arising and actions from the minute report.

The Director proposed that Employee Terms and Conditions of Employment; associated risks and cost implications be deferred to the Staffing Committee for detailed discussion. Committee agreed to the proposal.

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

6. Rent Consultation update and decision.

The Housing Manager highlighted that the rent consultation process that ended on Friday 14th January 2022. She advised committee of the consultation methods undertaken to involve residents and encourage feedback on the CPI (3.1%) plus 1% - i.e., 4.1% rent increase proposal, which was consistent with our Business Plan projections. She provided a breakdown of the percentages and responses that were submitted, as detailed at appendix 1 of the report. She noted that 643 residents who had received the newsletter detailing the proposed rental increase and the text messaging service, had not responded at all. She reported on a rental increase comparison exercise with other local RSL's which had ranged between a 2.5% to 5.1% increase based on their business plan requirements. She apologised for the late submission of Appendix 3 of the report, which was discussed in closed session. She sought questions and comment from the committee.

Committee expressed, with no criticism intended, concern that we were not using additional measures to engage with our tenants during the consultation process. A higher response than in previous years was noted, however given peoples current circumstances with increased cost of living, fuel bills, benefit cuts etc, it was felt to be a bad time to not know how more people felt about this.

The Housing Manager acknowledged the observation and agreed that that these were uncertain times. She noted that our peer groups were consulting on increases that were not dissimilar to us however the responses returned were no different from previous years as most tenants do not respond to the proposed rental increases consultation.

Michelle Harrow queried what percentage of our tenants were on Housing Benefit and whether a 4.1% rental increase would be paid by HB. The Housing Manager confirmed there were 330 tenants on Housing Benefits and 244 on Universal Credit with some on partial HB and Universal Credit, however most would be of full benefits.

The Director noted that the Housing Manager had been engaging with TPAS to promote further engagement before we went into lockdown. It is hoped that this will resume in the near future.

A lengthy discussion ensued with regards the proposed rental increase and the impact to our tenants. The Director noted that as Trustees, committee should consider previous discussions with regards the 15% price increase across the board and additional challenges for larger pieces of work. Committee discussed the risk of the Housing Association being able to deliver on our business plan, governance and the impact of a loss of income. The Director sought clarification from the Finance Manager as to what impact a 1% decrease in rental income would have to the budget. The Finance Manager confirmed an income loss of around £38,000 in year one, which would be reflected on an annual basis in the 5-year plan and would be submitted to the Regulator in May.

The Director discussed some difficult decisions that may need to be visited to reduce costs. He stressed the need for us to undertake further joint procurement exercises and partnership working with our peer groups to reduce costs further.

The Chair asked if there was approval to implement a 4.1% increase as per the business plan. Committee discussed at length their discomfort at implementing a 4.1% increase. Alternatives were discussed and how they would impact on business plan.

The proposed rental increase of 4.1% recommended by staff was rejected by the committee. A 3.8% rental increase was proposed.

Resolutions:

Committee noted the content of the report and the responses received from tenants.

Committee approved progressing to a 3.8% rental increase.

Maureen Morris proposed and Jane Heppenstall seconded progressing to a 3.8% rental increase as at 1 April 2022.

Action: It was agreed that further discussion with regards providing further options in rental increases would be discussed at the Business Planning away day and the impact they may have on future business planning. It was also agreed that the committee decision to reduce the rental increase and the cost implications be relayed to our tenants.

7. Management Accounts to November 2021

The Finance Manager presented the report to provide Management Committee members with a comparison of the budget and actual financial positions to 30 November 2021

He provided a brief overview of the Statement of Comprehensive Income and variances. The budgeted surplus for the 8 months to 30 November 2021 was £369,001. The actual results for the period showed a surplus of £427,874 a favourable variance for the period of £58,873.

The overall variance arises from:

Operational activities £55,643 – favourable variance
Net interest and other £3,231 – favourable variance

Rental income was close to budget with void losses being slightly lower than budget, a variance in net rental income of £551.

He noted over and underspends against budget. Overheads had an increase against budget of £40,259 in the main due to increased heating cost, legal fees staff recruitment and professional fees as outlined within the report.

Repairs and Maintenance had an underspend of £60,654 against budget over all areas. He provided an explanation of the overspend within reactive maintenance of £23,533, which was in the main due to the poor condition of voids.

Cash had increased by £162,797 to £3,092,684, resulting in a healthy financial position. There were no issues with covenant compliance.

Resolution:

Committee approved the management account to 30 November 2021.

Michelle Harrow proposed and Carol Torrie seconded the management account to 30 November 2021.

8. Budget 22/23 – 2nd draft

This item was deferred to the February 2022 meeting to allow for adjustment given committee decision to progress with the 3.8% rental increase as at 1 April 2022.

9. Rent arrears update report.

The Housing Manager reported that since the last committee update, gross current rent arrears had reduced by £8,048 to £290,516. For the same period net current arrears had reduced by £2,199 to £279,958 and former tenant arrears had increased by £5,734, in the main due to abandonments.

She noted that direct debits to the value of £3,982 were cancelled or returned as unpaid during the month of December. Universal Credit is now claimed by 244 of Wellhouse households and account for £167,107 of total gross current rent arrears.

Despite the above factors, arrears have improved considerably since January 2021, when arrears had increased by £10,449 over the festive period.

She stated that Glasgow City Council have now provided an update on the Covid-10 Tenant Grant Fund and confirmed that Wellhouse HA have been allocated £7,817. The Housing Team are prioritising those households who fulfil the criteria and the emphasis will be on preventing homelessness.

Committee noted the update on the arrears position.

10. Policy review report

The Housing Manager presented to committee the Short Scottish Secure Tenancy Policy (SSST) and the Tenancy Sustainment Policy (TSP) for their consideration and approval.

She asked committee to note that the SSST Policy had been drafted in accordance with the Housing (Scotland) Act 2014 and subsequent guidance published in 2019. The TS Policy was updated in accordance with current legislation. In addition, the directory of external tenancy support agencies had been reviewed and the updated tenancy support leaflet will be distributed to new and existing tenants and had been published on the Association's website.

Resolution:

Committee ratified the Short Scottish Secure Tenancy Policy and the Tenancy Sustainment Policy for a further 3 years and approved the Tenancy Support Leaflet.

Michelle Harrow proposed and seconded the Short Scottish Secure Tenancy Policy and the Tenancy Sustainment Policy for a further 3 years.

11. ABS complaints report.

The Housing Manager reported that the Association had received 52 complaints during the period 1 April 2021 to 21 December 2021. She provided a brief overview of each category and the main issues Wellhouse HA had received during the year. She asked committee to note 4.7 of the report which contained information on the interventions by Glasgow City Council on our behalf under the terms of the Gold Support Package approved by the Committee in February 2021.

Committee noted the update on our ASB complaints position.

12. Operational update report.

Director:

Flood Mitigation:

The Director advised that we continue to work well with Scottish Water and Glasgow City Council on our flood mitigation measure. A one-off special newsletter to present the ideas and comments to the community is being prepared and it is proposed that an open day held in May to allow for further consultation.

EHRA Covid report:

The Director advised that himself and the Chair had met with Susan Aitken, GCC last week to discuss the EHRA Covid report and the launch thereof. She will visit Easterhouse within the next few weeks to meet the key organisations in the area.

Housing and Customer Services Manager

The Housing Manager advised that the Income Advice Officer had made a successful bid for a further £6,000 from the Scottish Housing Fuel Support Fund. In addition, the STV fund had awarded us a £3,000. She sought committee's preference to make payment by vouchers or via a cash transfer. She advised that that families in need had already been identified.

Committee agreed that payment methods would be left to the discretion of the Housing Manager.

Finance Manager:

Committee noted the update from the Finance Manager as outlined within the report.

13. AOCB

The Director will circulate dates for the Business Planning away day. He requested that members confirm their preference by return email.

The Director noted that our Auditors had requested that our 25 August 2022 committee meeting be put forward by a week to 1st September 2022. Committee agreed to the change of date.

Committee agreed that all committee meetings would revert back to 6PM to accommodate those members who could not attend the morning sessions.

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

Next meeting: 24th February 2022 at 6PM

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

Signed (Chair)

Date:.....