

**WELLHOUSE HOUSING ASSOCIATION
MINUTES OF THE COMMITTEE MEETING HELD
ON 1 May 2024 (rescheduled from 24 April 2024) AT 6PM – via Teams**

1. Welcome, Sederunt & Apologies

Present:

Gordon Kerr	(Acting Chair)
Anna Dukova	Committee Member
Jane Heppenstall	Committee Member
David Gebbie	Co-optee
Felix Lynn	Casual Member
Michelle Harrow	Committee Member
Darron Brown	Vice Chair

In Attendance:

Bill Black	Assets and Maintenance Manager
James Wilson	Housing and Customer Services Manager
Bruce West	Interim Finance Manager
Linda Logan	Minutes

Apologies:

Maureen Morris	Chair
Lauren Herd	Co-optee
Mary Cawley	Casual Member

2. Jardon Buster

Noted for information.

3. Declarations of interest.

There were no declarations of interest.

4. Minutes of the Committee Meeting of 28 February 2024.

Committee approved the minutes of the committee meeting of 28 February 2024 as a true and accurate record of the proceedings.

Anna Dukova proposed and David Gebbie seconded the minutes of 28 February 2024.

5. Matters arising and actions from the minutes report.

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

6. Rent arrears update

The Housing Manager presented the report to update committee on the arrears position. He asked committee to note that the gross tenant rent arrears were higher than expected at 9.34%, which were based on ARC calculations as opposed to our annual gross rent receivable which includes supported accommodation. He had investigated and raised his concerns with HomeMaster. He noted a disappointing increase from 9.06% from year end last year. He assured committee that reports going forward would be fit for purpose. He advised that he would adapt the report to share and capture rent collection of former tenants rent arrears right offs so there would be no surprises at year end.

Gordon Kerr sought clarification from the Housing Manager if he was reporting on the standard arrears rather than the ARC's variation. The Housing Manager advised that the report coming from HomeMaster does not forecast, it would only give the arrears for the reporting period but would not forecast against the rent due and an additional report would need to be run against a current tenant arrears report. He is working closely with HomeMaster to resolve this reporting issue. He suggested that he could add ARC reporting performance which would give the committee the position for each indicator. Gordon Kerr asked for the overall balance still to be reported and the Housing Manager agreed.

Resolution:

Committee noted the rent arrears update report.

7. Insurance Renewal

The Finance Manager presented the report for noting as the terms of the insurance cover had already been accepted following feedback from members of the Management Committee and cover was in place from 1 April 2024. The overall cost of insurance for 24/25 was £139,641 as compared to the forecasted budget of £153,616, which frees up £13,975 towards budget savings required which was reported under separate cover.

Committee noted the contents of the report.

8. Budget savings 24/25

The management committee had at its meeting of 29 February 2024 approved the budget for 24/25 which had included £25,000 of unallocated budget savings. The Finance Manager presented the report to set out proposals of how the budget savings would be secured in relation to insurance term costs being £13,975 under budget, £1,750 being removed from the subscriptions budget following agreement not to subscribe to SHARE in 24/25 and £9,275 from the staff pay budget largely due to the Finance Manager being recruited on a part time basis.

Resolution:

Committee approved the proposals submitted for addressing the unallocated budget saving for 24/25 of £25,000.

The proposals for the unallocated budget savings for 24/25 was proposed by Anna Dukova and seconded by Felix Lynn.

9. Long term financial projection assumptions

The Finance Manager presented the report to allow the committee to consider the proposed assumptions for the 30-year financial projections in advance of the detailed financial modelling and the updated 30-year financial projections and the five-year financial return being presented in May for approval. He provided background information and an explanation of the proposed assumptions as detailed at points 5.1 – 5.20 of the report. He asked committee to note Appendix 1 of the report which sets out a snapshot of comparisons of the proposed assumptions and had been colour coded to reflect the anticipated positive and negative impacts on the financial projections however these may change as the assumptions are processed through the financial projections model.

The management committee were asked to approve the proposed assumptions or to identify any other assumptions they would want in the 30-year financial projections. There were none. The committee acknowledged that the table showing the comparison of the proposed assumptions with previous assumptions and the comments/impact explanations had been extremely helpful.

Resolution:

Committee approved the proposed assumptions in the 30-year financial projections,

The assumptions were proposed by David Gebbie and seconded by Darron Brown.

10 Surplus cash management

The Finance Manager highlighted that the Association currently has around £3M in cash. He noted that over the course of the next financial year we would see a little bit of a reduction in cash balances and the potential for land acquisitions. He stated that the Association would wish to keep cash balances with instant access to meet the cash reduction forecast and provide a 3-month contingency against any shortfall in income. He proposed that once the £2M term deposit comes back next week, that the Association use notice accounts rather than term deposits, which would allow us a set number of days notice prior to the cash on deposit being returned and it also offers a better return than fixed term, however the risk is that as the Bank of England base rates reduce for these accounts, however the rate would need to drop by 2.1% almost immediately for the 3 month term deposit rate to match that available for the 95 day notice account. He provided a breakdown of the proposed amounts and terms of investment on the notice accounts which would require sound cash flow information, visibility of payments and admin diary management. Based on current interest rates and on the basis they were to remain in place for 12 months the total interest earned would be approximately £94,000.

Michelle Harrow questioned that given the possibility of acquisitions and the cut in affordable housing supply grant, and sought clarification on the impact on capital and borrowing. The Finance Manager stated that in terms of the new build development and given the stage we are at in terms of design, procurement and contractors coming on board that it would be some time before we would need to fund development and certainly over the next 12 months would have any impact on borrowing. He discussed the level of private finance required and the need for consideration to be given on the impact on rent levels.

Resolution:

Committee approved the proposals on surplus cash management and set out in section 6 of the report.

The proposals on surplus cash management were proposed by Anna Dukova and seconded by Darron Brown.

11. Assets and Maintenance Activity update

The Maintenance Manager noted the report on procurement for gas, ECIR and day to day repairs has been sent through BoardEffect for approval. Prestart meetings have been arranged with each contractor and details are being loaded to HomeMaster. He advised that the next major procurement would be for the kitchen and bathroom planned replacements and adaptations contracts which would be put to the framework later in the year. Windows and door replacement to properties in Baldovan Crescent and Bartiebeith Road will be completed over two years due to costs and will go out to tender later this year.

Gas servicing is at 100% access and we will report on ECIR not complete in the year.

Committee noted the assets and maintenance activity update.

12. Managing mould and dampness policy

The Maintenance Manager presented the reviewed Managing Dampness, Mould and Condensation Policy for approval. There were no amendments required.

Resolution:

Committee approved the Managing Dampness, Mould and Condensation Policy, which will be reviewed in 3 years.

Michelle Harrow proposed and Darron Brown seconded the policy.

13. Operational update.**Housing Manager:****Housing Team update:**

The Housing Manager advised that the new receptionist position was now be in place as at 4 April 2024. She has settled in well and feedback from tenants has been positive. He provided an update on the housing team structure and specialising role.

Cost of Living Act

He asked committee to note that the Cost of Living (Tenant Protection) (Scotland) Act introduced to stabilize rent and prevent evictions during the cost-of-living crisis expired on 31 March 2024.

ARC Return.

He advised that the Annual Return on the Charter was currently being worked on and would be presented to the May committee meeting and once approved will be submitted to the SHR portal by 31 May 2024.

Ending Homelessness Together – Implementation of the Local Letting Plan 24/25.

The Housing Manager acknowledged the housing crisis in Scotland and the increasing demand for homelessness services. He asked committee to note that to address this crisis the Health and Social Care Partnership are proposing a new Local Letting Plan and are requesting 67% of social housing lets be allocated for homeless householding in 24/25. He stated that Wellhouse would like to remain that the current level of 45% as agreed last year, current levels achieved are 33%.

Michelle Harrow stated that for the committee to conclude on this position, it would be helpful to see the void levels. Committee discussed section 5 referrals.

Action: The Housing Manager will provide a statistical report on voids and refusal rates to allow committee to conclude on the % of housing allocated to homeless households.

Lintel Trust – Clothing Bank

He advised that the community had successfully recycled over 1 ton of textiles from the clothing bank at the HUB. We are halfway to our first grant award of £500.

Income Advise

The Housing Manager advised that the Income Advise Officer has assisted 235 tenants with benefit application from 1 April 23 to 31 March 24 and assisted tenants to claim £1,043,968.16 for the same period. He asked committee to note the case studies as outlined within the report.

Assets and Maintenance Manager

Kilt Walk 2024

The Maintenance Manager advised that Gilbert Nicol, Maintenance Assistant had completed the kilt walk and had raised £290.00 for Scottish Autism and had requested that the Association match these funds raised.

Committee agreed to match the donation raised for Scottish Autism.

Community Activities

The Maintenance Manager provided an update on the community space refit and the works completed to date. The space has been well received and feedback has been positive. Committee noted all other updates on activities within the Hub.

14. AOB

There was no further business.

Meeting closed: 8pm. Next meeting 29 May 2024.