

CASSILTOUN HOUSING ASSOCIATION

**MINUTE OF MEETING OF BOARD OF MANAGEMENT
HELD ON WEDNESDAY 6TH FEBRUARY 2019 AT 5.30 PM
IN CASTLEMILK STABLES, 59 MACHRIE ROAD**

Present:

Anna Stuart MBE	Teresa Sadler
George Kelly	Evelyn Ferguson
William Craig	James Garrow
Julie McNeil	Debbie MacKenzie
Donna Ferguson	Richard Sullivan (Co-opted)
Kim McKee (Co-opted)	

In Attendance:

Charlie Millar	Chief Executive Officer
Fiona McGowan	Director of Operations
Clair Malpas	Regeneration Manager
Gamal Haddou	Director of Finance/IT
Paula Brownlie	Corporate Services Manager

1a. WELCOME, INTRODUCTIONS, SEDERUNT & APOLOGIES

Apologies were received from Teresa McGowan.

The Board were reminded that they were to speak through the Chair.

No fire drill planned for today.

1b. QUORUM

As per the Association's Rules, the Quorum for the Board of Management Meeting stands at 4 members.

2. CONFLICT OF INTEREST (PERMANENT REGISTER)

None

3. MINUTE OF MEETING HELD ON 19TH DECEMBER 2018

The minutes was noted and approved on the motion of George Kelly and seconded by Evelyn Ferguson.

4. MATTERS ARISING FROM MEETING HELD ON 19TH DECEMBER 2018

Amendment to the Minutes, 19th December 2019:

- 1a. WELCOME, INTRODUCTIONS, SEDERUNT & APOLOGIES:** *The minute should read, The Chair welcomed back Kim McKee back to the meeting in their capacity as co-opted board members.*

No other matters arising.

5. ACTION LIST FROM MEETING HELD ON 19TH DECEMBER 2019

1. Notifiable Event re properties at:-

- 46, 48 and 50 Machrie Drive
- 99 and 113 Barlia Drive

Delegated authority given to CEO if consent is required from SHR
Awaiting approval from the Council for the disposal of the land.

Chief Executive reported that it is hopeful that this will be concluded imminently.

2. Social Enterprise 4 – Awaiting report back from Mark Ewing, TC Young

Mark Ewing from TC Young will come along to the next Board meeting on 20th March 2019 to present his report.

3. VFM/Risk Register Workshop to be carried out with the Board in New Year

Date to be arranged for early March 2019

4. Further visit to Crudens Development to be arranged for Spring

To be arranged.

5. GWSF Response to Housing Beyond 2021 – workshop to be set up to discuss further our response

To be arranged.

6. EVH Salaries Employers Consultation Feedback report – Staffing Sub Committee will report back to the Board before April with their recommendations re cost of living pay review

CEO reported that EVH they have not concluded their pay negotiations and are hopeful that it will be concluded on 8th February 2019. Once their pay award has been publicised, a report will be presented to the Staffing Sub Committee making recommendations for Cassiltoun's Housing Associations' pay award.

All other actions have been completed.

6. CHAIRS REPORT

The Chair reported.

Clair Malpas, Regeneration Manager: The Chair, on behalf of the Board of Management, congratulated Clair Malpas, Regeneration Manager on her recent appointment to the position of Chief Executive with Cassiltoun Housing Association.

Adam Milligan, Board Member: A letter has been received from Adam Milligan tendering his resignation from the Board of Management due to ill health. The Board acknowledged Adam's resignation and wished him a full recovery. It was agreed to invite Adam to the office before the next board meeting in March 2019 to allow the Board to say their farewells and thank Adam for all his support and contribution to the Association.

A full Chair's report will be presented at the next Board meeting.

7. CHRISTINE DUGAN'S REPORT – AUDIT REVIEW OF SELF ASSESSMENT AGAINST SHR'S REGULATORY STANDARDS

Chief Executive Officer introduced Christine Dugan, Consultant who was appointed to carry out a review of the Association's Self-Assessment against the SHR's Regulatory Standards.

Christine intimated that the purpose of her review was to demonstrate the Association's compliance against the Regulatory Standards of Governance and Financial Management and generate an action plan to take forward any recommendations for improvement.

The Self Assessment process should provide assurance to the Board that their governance arrangements are effective and appropriate for the Association and that their approach adopted should be practical and proportionate.

There are seven principals of Self-assessment

Regular – Baseline Report - 1 carried out every 3 years
 Comprehensive – Existing mechanisms and evidence
 Inclusive – Involve the right people
 Evidence Based – Assess what's in place and how effective
 Objective – Evidence subjective to challenge
 Focused on improvement – Specific, proportionate and monitor
 Reported – All audiences at appropriate level

Christine highlighted that her approach was a desktop review of policies, procedures and reports, minutes etc and liaison and discussions with the CEO.

Christine took the Board through the key strengths and areas for improvement of her report. She concluded that the Association are compliant against each of the 6 Guiding Standards. The areas identified for improvement are not material to compliance. They are areas that the Association can address readily. Some have already been addressed or being addressed which will be included in an Action Plan for March 2019.

Recommended Actions

Regulatory Standard	Action
1	Improve evidencing of Board's contribution to the longer-term financial planning
1	Ensure training on new Notifiable Events Policy
1	Ensure implementation and training on new Board Induction Policy

2	Review Website
2	Review Policies as appropriate to reflect new Notifiable Events Policy
3	Implement action plan for new VFM Strategy
4	Complete review of Scheme of Delegation and develop training strategy as required
5	Revise Annual Review Template in relation to Code of Conduct/values
5	Consider reviewing the data collected on protected characteristics
6	Board Member annual review policy to be approved by Board
6	Consider introduction of assessment of Member contribution to the Board as part of Annual Review
6	Whistleblowing policy - Incorporate reminder into annual review template and carry out refresher training
6	Review selection criteria for Board Members
6	Implement new Board Member Induction Policy
Generally	Ensure the actions for improvement raised by the Regulator on the Business Plan are implemented.

An action plan must be drawn up to address the recommendations contained in the review report. They must be clear, identifiable and measurable actions. The Association must report the outcome of the review to tenants and service users. Christine recommended that a further review exercise should be carried out looking in more detail at a smaller selection of the Standards.

The Chief Executive Officer commented that this was an excellent review and that the Board have received assurance to allow them to submit their Assurance Statement to the Regulator in October 2019.

The Chair and Vice Chair intimated that they had attended the SFHA Chair Conference in January 2019 and George Walker (SHR) talked about the Assurance Certificates in detail. The Vice Chair confirmed that the Association and the Board should take assurance from this exercise and that although it was a baseline review, it demonstrates that the Association are complying with the SHR's Regulatory Standards.

The Vice Chair intimated that with the appointment of the Internal Auditor, that they could pick an area of work to look at in more detail. The Group Audit Sub Committee will set the programme of work over the next three years.

The Chief Executive Officer thanked Christine Dugan for this detailed review.

The Board noted the contents of Christine Dugan's report and agreed to implement an action plan to take forward the recommendations identified.

8. CHIEF EXECUTIVE'S BI-MONTHLY REPORT

Chief Executive Officer presented his Bi Monthly report via a power point presentation.

Other Staffing Matters

Advice Team – approval was given to extending their contracts until March 2021 due to the needs of the Association, tenants and Universal Credit rollout. Craigdale Housing Association have indicated that from the 1st April 2019 they would like to contract with us to provide 1.5 days service from WRO. The Board should note that the Financial Inclusion Officer and the Advice Assistant due to their length of service are both considered permanent members of staff under employment law.

SE4 – Update

Cassiltoun Environmental Services

To be introduced in 2 phases (based on information received from other Housing Associations who have done a similar venture)

Phase 1 – Stair cleaning service

Phase 2 – Environmental and landscape service (grass cutting, etc)

Phase 1 – starts 1st October 2019

Next steps

March 20th – TC Young Solicitors (Mark Ewing) will attend Board meeting re company structure.

Our Business planning is ongoing and details will be presented to the Board.

At present, we will need Board volunteers to create a shadow Board with delegated authority – 3 members. The following board members volunteered to sit on the shadow Board

Evelyn Ferguson

Richard Sullivan

Julie McNeil

William Craig

Jim Garrow

We will start consulting with tenants/owners to ascertain their views. Regeneration Manager intimated that we would want a lot of dialogue with our tenants, ie one to one discussions.

Regeneration Manager confirmed that we will communicate via twitter, facebook and ask Regeneration Staff who are carrying out activities and events to communicate as well. Clerk of Works, Technical Assistant and Housing Manager (Property) will seek 10% response from 139 closes.

Debbie MacKenzie enquired as to Survey Monkey to gain tenants views. Regeneration Manager confirmed that we hoped to survey tenants on a one to one basis.

Our findings will be reported back to the Board at their meeting on 20th March 2019.

Board and Staff Away Day – Friday 26th April 2019 (Lighthouse, Glasgow)

Afternoon will commence at 1.30 pm

Main speakers:	Alix Malcolm, IIP
	Nick Hopkins
	David Bookbinder

Trust Board Business Planning Day – Wednesday 20th February 2019 (SHARE's Offices)

The Trust Board will meet on Wednesday 20th February 2019 to review 2018/19 strategic and operational objectives and set the new objectives for 2019/20

The Board noted and approved the contents of the Chief Executive's Bi Monthly Report.

9. FINANCE REPORTS

9a. MANAGEMENT ACCOUNTS – DECEMBER 2018

The Director of Finance & IT presented the December accounts previously circulated with the agenda.

This was the 7th set of accounts for this year and covers three quarters of our financial year. The surplus is £11k higher than the pro rata budget. There are a few higher value variances. We are still expecting the final year to be close to budget surplus but this will depend on the major repairs spend. Development has some very large variances.

December is mainly an extension of the trends seen in previous accounts. Void loss is very good. Rental income is identical to budgeted at £3.01 million. Real grant income is as expected. Interest payable remains below the budget. Overall the business running costs (excl depreciation) are budget at £1.50 million with actual at £1.53m (last yr actual was £1.31m - being 16% more today).

Running costs £221k higher.

CAF arrangement and legal fees £66k

CEO recruitment and wider role timing £56k

Development related £27k

Without these £149k then percentage reduces to 6%

Bank balance hovering at £4.8 million

Factoring cost centre shows a temporary surplus of £13k from which a proportion of staff time will be allocated plus any bad debts. Arrears medium term trend starting to increase.

£799k of development capital costs being Barlia 3 fees and construction spend which started in November.

Accounts were issued to both banks on 25 January 2019.

Bank covenants – all achieved.

KPIs for December, achieved apart from accounts being produced in 22 days instead of 20 days. This is due to staff holidays.

The Board unanimously approved the Management Accounts for December 2018.

9b. TREASURY ANNUAL REVIEW

Director of Finance/IT presented the above report previously circulated with the agenda.

The Association has straightforward funding loans but we are restricted with the fixed rate loans.

We repay monies each month to Nationwide but every 3 months for Barclays. Of the payments, some is interest and some capital.

Total payments over the year was £614k, of which £348k is capital and hence the loan balance drops each month. The biggest change is finalising the CAF £5m loan which will start to be drawn around June 2019. A loan portfolio return is issued to the SHR each year and will be done by 28 June 2019.

Barclays bank are still to sign off the covenant neutral methodology (3 yrs old) and the recent training session with the Board outlined that major repairs spending will need to decrease below £1.4m in a single year to maintain interest cover

Our investment of temporary excess cash has earned more money (0.18%) than a bigger Association.

George Kelly enquired as to the loans that were fixed and variable. Director of Finance/IT confirmed that 3 were fixed and 2 was variable.

The Director of Finance/IT outlined to the Board via a powerpoint presentation, the Loan Portfolio portal of the SHR that detailed all of the Association's loans.

The Board noted and approved the Treasury Annual Review.

7.30 pm – Standing Orders

9c. 2019/20 RENT INCREASE

Director of Finance/IT presented the above report previously circulated with the agenda.

The Association should review its income level and budget setting each year which will cover all areas of operations. The formal budget will be presented to the Board for approval at their meeting on 20th March 2019.

To help provide a framework for any rent increase, it is necessary to consider an indicative budget as well as the business plan, extracts of which were circulated to the Board as part of this report. It is a requirement to give a minimum of 4 weeks notice to tenants of any new rent and also to advise the Housing Benefit section of Glasgow City Council.

The Association needs to take into account the financial environment as well as initiatives and ideas from the government and our stakeholders when reviewing the rent increase. RPI is expected to hover around 3% although the Association's like for like (excl CAF and development related costs) current spending on management costs is 6% higher than a year ago and estate & reactive maintenance is 11% higher after last year's temporary flat position. In addition, the Development Consultant has recently advised of a large likely cost increase for building Castlemilk Drive due to the rise in construction industry prices. The CPI measure of inflation is 2.1%. The national minimum living wage (national wage) is increasing for adults

by 4.4% in April 2018 although other people's salaries throughout the UK are generally increasing by much lower.

The rent increase consultation was issued to tenants on 10 January. The consultation indicated that 3.8% was the middle point of rent increase and allows for maintaining the financial strength of the Association plus all the wider role activities, major repairs and services to be provided. Two other choices were given in line with the Regulator expecting more meaningful options to be given to tenants. At the time of writing the consultation document the RPI rate was 3.2%. There were 20 responses received.

Kim McKee enquired if there was a case for another option taking into account the following factors such as Food Poverty and Universal Credit. The Association is a financially stable, what is affordable to tenants. Julie McNeil enquired as to Housing Benefit and if this would assist tenants. Director of Finance/IT confirmed that not all tenants were on Housing Benefit, some are working. Julie McNeil also enquired if getting more responses would assist. Director of Finance/IT confirmed that it would definitely help the process.

Director of Finance/IT intimated that tenants satisfaction rates are high and they are happy with the service they receive from the Association. Regeneration Manager also reiterated that tenants were positive about the services they receive from the Association. Director of Operations confirmed that what the Association provides to its tenants is a lot better than other landlords.

After discussion, as the Board could not unanimously agree on a 3.8% rent increase to tenants, the decision was taken to a vote:-

In favour of a 3.8% rent increase

For:	9
Against:	2

Based on 9 in favour of a 3.8% rent increase, it was agreed that this rent increase will be effective from 1st April 2019.

It was also approved an increase of 3.8% to the Talbot Association for Buchanan Lodge. These were approved on the motion of Evelyn Ferguson and seconded by Anna Stuart MBE.

10. **DRAFT STRATEGIC AND OPERATIONAL OBJECTIVES**

Clair Malpas, Regeneration Manager presented the Draft Strategic and Operational Objectives for 2019/20 previously circulated with the agenda.

The Senior Management Team had reviewed the objectives and their suggestions were highlighted in red. These suggested changes will be presented to the staff to allow them to have an input into the objective setting.

It was agreed to meet with the Board at a one hour workshop to go into the objectives in more detail. The Board will meet on 7th March 2019 at 6.00 pm.

11. **CORPORATE/HR REPORT**

Corporate Services Manager presented the above report (Quarter 3) previously circulated with the agenda.

Staff Complement: 28.23%

Staff Absence: 0.88%

Board Attendance: 77.78%

Equal Opportunities Statistics for both board and staff – breakdown given in report

Register of Interest: Updated with new staff member and co-opted board members.

Discipline & Grievance: Nothing to report

Recruitment: None

New Staff and Leavers: None

Training & Development: Training plan is continually being updated with Staff and Board attending training/conferences etc.

Further Education HNC Construction Management (Emma Scott)

Health & Safety /HWL: No health and safety issues to raise.

Accidents and Near misses:

1. small cut to finger whilst working with glass in Stables Studio
2. Participant took ill during event.
3. Cut to finger

Health & Safety Committee meet monthly to go over manual, compliance etc.

HWL – work ongoing to sustain HWL Gold Standard.

Staff and Board Appraisals: Staff appraisals completed. Board appraisals completed.

The Board noted and approved the content of the Corporate/HR Report.

12. COMPLAINTS REGISTER

Director of Operations presented the above report previously circulated with the agenda.

The report outlined complaints received from 1st April – 31st December 2018. A breakdown of the complaints received were:-

- 47 – 1st Stage received (37 Upheld)
- 3 – 2nd Stage (progressed from 1st stage)
- 1 – 2nd Stage (progressed straight to 2nd Stage)

The Board noted and approved the number of complaints received for the period 1st April – 31st December 2018.

13. EQUALITY AND DIVERSITY INFORMATION

Director of Operations presented the above report previously circulated with the agenda.

The report provided the Board with information on Equality and Diversity information that we hold on our current tenants, waiting list applications, those persons who we have allocated properties to and those tenants who we have completed disabled adaptations for the financial year 2018/19.

Julie McNeil enquired as to why information is gathered on Sexual Orientation. Director of Operations confirmed that Sexual Orientation was a protected characteristic under the Equality Act.

The Board noted and approved the contents of the Equality and Diversity Monitoring Report.

14. **GDPR UPDATE**

Nothing to report.

15. **POLICY REVIEWS**

15a. **BOARD OF MANAGEMENT PERFORMANCE REVIEW POLICY (NEW)**

New Policy – Corporate Services Manager presented the above policy previously circulated with the agenda.

The new policy will take into account recommendations made in Christine Dugan's Self Assessment report. It is recommended in the policy that all Board appraisals will take place in May to allow for the Association to consider Board effectiveness before the Annual General Meeting in August each year.

The Board noted and unanimously approved the Board of Management Performance Review Policy.

15b. **MEMBERSHIP POLICY**

Revised Policy – ***noted and unanimously approved the Membership Policy.***

16. **CORRESPONDENCE**

SHARE Training Bulletin for Board Members: Available from Corporate Services Manager

Fair Deal: Ann marie Docherty, Chief Executive with Fair Deal is retiring in September 2019.

SFHA Membership Certificate 2019/20: The Association's membership certificate for 2019/20 has been received.

5 star google Review: 5 star google review "Love the gardening Group" has been received

17. **APPLICATIONS FOR MEMBERSHIP**

The Board considered one membership application as outlined by the Corporate Services Manager.

The Board noted the eligibility of the application had been checked.

The Board noted and approved on the motion of Evelyn Ferguson and seconded by Julie McNeil for the member to be added to the Share Membership Register and that the Share Certificates would be issued.

18. **USE OF SEAL**

None

19. ENTITLEMENTS, PAYMENT AND BENEFITS

Various items of de-minimus value had been received over the Christmas period. These items were recorded in the appropriate register. These items were then raffled and given out to staff before Christmas.

The Board noted and approved all items of de-minimus value.

20. NOTIFIABLE EVENTS

Nothing to report

21. SUBSIDIARY & SUB-COMMITTEE DECISIONS MADE BETWEEN 20TH DECEMBER 2018 – 6TH FEBRUARY 2019

Chief Executive Officer presented the above report previously circulated with the agenda.

Operation Sub Committee – 23rd January 2019

Staffing Sub Committee – 30th January 2019

The Board noted the subsidiary and sub-committee decisions made between 20th December 2018 and 6th February 2019.

22. HEALTH & SAFETY/HWL

22a. H&S COMMITTEE MINUTES – 21/1/2019

The Board noted the H&S Committee minutes from the meeting held on 21st January 2019.

The Secretary intimated that when entering the office from the back door, there was a raised screw on the door bar as you enter into the main office and this could be a risk hazard. Corporate Services Manager to action.

The Board had no further H&S issues to raise.

22b. HWL GOLD ACTION PLAN – DEC 2018 – DEC 2019

The Corporate Services Manager informed the Board that the Association were successful in obtaining their HWL Gold Award for another year.

The Board noted and approved the HWL Action Plan for December 2018 – December 2019.

23. A.O.C.B

Senior Housing Officer, Job Description: Director of Operations circulated the Senior Housing Officer job description for approval. As the Board are aware, the Senior Housing Officer post will be advertised internally for an interim period of 2 years.

The Board noted and approved the Senior Housing Officer Job Description.

Group Audit Sub Committee Meeting: Director of Finance/IT reminded the Group Audit Sub Committee members that the next meeting will be held on 27th February 2019 at 2.00 pm.

Board Members Claiming Mileage: Any board members claiming mileage should pass the documentation (car insurance and driving licence) to the Corporate Services Manager with the appropriate claim form.

Dates for your diary:

Wednesday 13th February 2019 (6pm – 7pm) - Self Assessment Report workshop

Thursday 14th February 2019 (6pm – 7pm) – Board Induction

Wednesday 27th February 2019 (6pm – 7pm) – Understanding basic finance training

Thursday 7th March 2019 (6pm – 7pm) – Strategic and Operational Objectives - Workshop

Friday 8th March 2019 (4pm – 6pm) Cheese & Wine Reception – Castlemilk Stables – Charlie's farewell to partners, contractors etc

Thursday 11th April 2019 (6pm – 7pm) – Notifiable Events (proposed change of date – Wednesday 17th April)

Board Induction and Understanding basic finance training will be rearranged due to other diary commitments of Board Members.

24. DATE OF NEXT MEETING

Wednesday 20th March 2019 at 6.00 pm

There being no further business the meeting concluded at 8.25 pm

Signature:
Chair of Board of Management

Date: