

CASSILTOUN HOUSING ASSOCIATION

MINUTE OF MEETING OF BOARD OF MANAGEMENT
HELD ON WEDNESDAY 26TH JUNE 2019 AT 6.00 PM
IN CASTLEMILK STABLES, 59 MACHRIE ROAD

Present: Anne M Stuart MBE Richard Sullivan (Co-opted) (Left at 7.25 pm)
Evelyn Ferguson Teresa McGowan
William Craig James Garrow
Julie McNeil Chris O'Brien (Observer)

In Attendance: Clair Malpas Chief Executive Officer
Fiona McGowan Director of Operations
Gamal Haddou Director of Finance/IT
Paula Brownlie Corporate Services Manager
John Williams Housing Manager (Property)
Laura Edwards Development Consultant (Left at 6.35 pm)

Anna Stuart MBE, Chairperson asked Evelyn Ferguson, Secretary to chair the meeting as she was unable to speak for any length of time due to her ongoing illness.

1a. WELCOME, INTRODUCTIONS, SEDERUNT & APOLOGIES

Chris O'Brien was welcomed by the Board. Chris is wishing to join the Board of Management and will observe the meeting as part of the recruitment process.

Apologies were received from George Kelly, Kim McKee (Co-opted)

Leave of absence – Donna Ferguson

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 22ND MAY 2019

The minutes was noted and approved on the motion of Anna Stuart MBE and seconded by Teresa McGowan.

4. MATTERS ARISING FROM MEETING HELD ON 22ND MAY 2019

Page 7, Bank Signatories: Director of Finance & IT informed the Board that the Bank of Scotland had been in contact with the Association regarding a discrepancy. Director of Finance & IT to action.

5. ACTION LIST FROM MEETING HELD ON 22ND MAY 2019

1. Nursery Site – delegated authority given to CEO to appoint engineer to look at the electrical cable. **Completed**
2. 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.
Legal team to action. DRS to contacted to ascertain position.
3. Cassiltoun Environmental Services – Banks to be notified/confirm their consent to setting up of new subsidiary. Currently waiting on feedback from the Banks. Nationwide have given consent at a one off cost of £500.
4. Further visit to Crudens Development to be arranged for Spring. Director of Operations to arrange. **Completed**
5. CEO to draft at end of June a report based on her discussions with staff & Board CEO. **Completed. Part of CEO's Bi Monthly Report.**
6. ARC Verification Report to be circulated with the next Board Report – **Completed**
7. Cassiltoun Environmental Services Business Plan, Articles of Association all approved. SHR to be notified. TC Young to be contacted re final submission to OSCR. **Completed**
8. Board Training Dates to be done in conjunction with sub committee meetings. A timetable to be drawn up for next meeting. **Completed**
9. Police Request for donations for police car in the area. CEO to come back with more information. Matter to be referred to Operations Sub Committee and delegated authority given to them to make a decision. **Approved 30/05/2019 at Ops Sub Committee**

6. CHAIRS REPORT

The Chair report was read out by Evelyn Ferguson.

4th June: Met with Chris O'Brien as part of the Board recruitment process.

6th June: Attended Fair Deals 30th Anniversary party in Birgidale Complex. Anne Marie Docherty, Director will be retiring in September 2019

7th June: Over 40s Trip to Largs: Everyone had a great day.

13th June: Community Council Meeting. Asylum Seekers project was revoked.

21st June: Attended the GWSF Regeneration Conference at Cadder Community Centre/ Although the theme was "Isolation and Loneliness", Cassiltoun have been putting practices in place for a number of years to overcome these issues.

22nd June: Attended the Nursery Graduation with George Kelly. Great day had by all. The nursery staff team, led by Hazel Kelly did a fantastic job and gave the children and their families a great day.

The Chair reported that she had received two letters of resignation from the Board of Management

1. Donna Ferguson – resigned due to ongoing care obligations
2. Teresa Sadler – resigned due to work commitments

The Board noted and approved the two letters of resignation. They also thanked them for their support and contributions while serving on the Board of Management.

The Chair informed the meeting that due to her current health issues that she had been unable to attend a few events. However, she is hoping to get back to full health

The Board noted the contents of the Chairperson's report.

7. STRATEGY AND DEVELOPMENT FUNDING PLAN

The Development Consultant presented the above report previously circulated with the agenda.

Glasgow City Council has competing demands on its Affordable Housing Supply Programme (AHSP) with defined budgets set by the Scottish Government. The Council seeks annual bidding documents from developing RSLs to identify their aspirations for new housing over the next five years and how these aspirations align with the Council's Strategic Housing Investment Priorities (SHIP). From this, the Council prioritise schemes and are able to establish where best to invest in new housing stock.

Each year a bidding document- the Strategy and Development Funding Plan (SDFP) - is submitted to Glasgow City Council, seeking funding from the Affordable Housing Programme (AHP).

The Board unanimously noted and approved the Association's bid as per appendix 2 of the report.

Richard Sullivan enquired as to how many houses the Council planned to build in Castlemilk. Development Consultant confirmed that she was unaware of the exact figure and would report back to Richard directly.

Richard Sullivan enquired as to the difference between the Passive, Gold and Platinum Standards as outlined in the report. Development Consultant to pass on the criteria to Richard directly.

Julie McNeil enquired if the Council were favouring more homes for the private sector. Development Consultant confirmed that the Council were complying with tenure diversification to take into account the potential demographics.

Development Consultant left the meeting at 6.35 pm

8. ANNUAL ACCOUNTS FOR 2018/19

Director of Finance & IT presented the Annual Accounts for 2018/19 explaining how turnover, bank balance, loans, and interest paid/received are consistent to the management accounts for March 2019.

The Director of Finance & IT advised that the accounts had been scrutinised and approved by the Group Audit Sub-Committee at their meeting on 19th June 2019.

George Kelly confirmed that the Auditor had advised that they were satisfied with the Association's financial controls and that they concluded there was a clean audit report.

The Director of Finance & IT advised that once the accounts were approved by the Board they will be counter-signed by the Auditors and presented to the members of the Association at the Annual General Meeting in August 2019.

The Board unanimously approved the Annual Accounts for 2018/19.

Page 30, Turnover, operation expenditure etc : Richard Sullivan enquired as comparing this year's with last years figures with respect to Turnover increasing, operating expenditure increasing but the overall surplus had decreased compared to last year. Director of Finance & IT confirmed that this was contributable to a lot of factors ie management costs; loan agreement; CEO Recruitment and Major Repairs spend.

9. MANAGEMENT ACCOUNTS – MAY 2019

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

This is the first set of accounts for this year taking into account the new budget. Actual deficit of £181k a little better than the budgeted deficit of £202k.

Management costs exactly the same as the budget = £593k

The deficit arises because insurance is paid for whole year and costs are for two months but rental income is only 6 wks (i.e. not 2 months). We are therefore missing around £199k.

Bank balance - £5.3m

Some renewable repairs were awaited but these will now be included in June accounts.

Factoring cost centre needs £7k for insurance allocated to it. June will eliminate the -£3k finance fees.

Arrears trend is increasing upwards. Like for like mid March is £89k, May is £97k. June to be £101k.

The balance sheet includes audit timing matter to reallocate some development expenditure.

The interest cover bank covenant ratio for Barclays and CAF is temporarily sitting at amber. Chief Executive intimated that the Director of Finance & IT had taken the Board through the calculations of covenant ratios and confirmed that if any board member wished further training that they should pass their names onto the Corporate Services Manager who will arrange further training.

KPIs – all met apart from payment of invoices. This is currently sitting at 23.6 days on 193 invoices.

Teresa McGowan enquired as to who is liable for paying factoring insurance. Director of Finance & IT confirmed that the owner pays for factoring insurance and this is included in the quarterly fee. Factoring Insurance is included in the Group Insurance Policy, however the Association recoups these monies back.

Richard Sullivan enquired as to why expenditure on owners and services is unusually low and £7k of insurance costs will be allocated in June to correct this. Currently is showing within Finance.

After discussion, the Board unanimously approved the Management Accounts for May 2019.

10. **CHIEF EXECUTIVE'S BI-MONTHLY REPORT**

The Chief Executive presented her Bi-Monthly report previously circulated with the agenda.

90 Day Plan – update: Agreed actions for April and May were all completed but that the actions June were still outstanding. This includes the Board one-to-one discussions and continuing with estate visits with staff. In May and June, work had to be re-prioritized due to the opening for large scale grants applications which needed to be submitted within a three week deadline.

Staff Interviews: A very positive experience and staff welcomed the opportunity to have the discussion. Feedback from staff was attached to the CEO Report. Once the CEO had completed her one to one discussions with the Board she will amalgamate with staff's feedback and suggestions and work with the SMT to develop a response and feedback to the Board.

IIP: As part of our rolling programme of IIP Silver accreditation, the IIP Consultant met with a group of 8 staff in May. The assessor looked at 4 indicators and reported back on her findings (copy attached). Her report was very positive and staff were commenting optimistically about the recent staff changes. The report was also consistent with the discussion from the staff one-to-ones which hopefully reflects the openness and honesty the staff have in their discussion with IIP and the CEO.

There are some areas arising from the report to be further discussed by the SMT and with some crossover with the emerging themes from the one-to-ones. These include:

- Fostering more collaborative working
- Building in leadership training/sessions/discussion for the SMT and new leaders
- Improving Communication
- Supporting staff to ensure they are not feeling 'burnt out' or under pressure

The Board noted the contents of the IIP Report.

Governance Improvement Plan: As the Board are aware, we have been completing the actions highlighted by the SHR and the external assessor (Christine Dugan) to improve areas of our governance.

All areas that can be updated are now complete and the remaining areas will be completed at the appropriate time once the information is available.

The Board noted the updated Governance Improvement Plan.

Development Update: *Barlia 3:* Construction is still going well with no major issues to report. The first site expected to be completed is the old labour club site, followed by the Church site and lastly the LRT site. We remain hopeful the first homes will be ready in Quarter 2 of this financial year with the completion will be on track for November 2019. The Operations staff have completed a lettings plan and are actively reviewing the waiting list to start looking at allocations.

Community Benefits have been delivered including: local jobs, modern apprenticeship, painting the nursery and money for a welcome pack.

The Church legacy has been agreed (a tree and a plaque) and we are now starting to plan for an opening ceremony.

Castlemilk Drive: Productive discussions are ongoing with Crudens regarding the timescales, specifications and costs. The Association needs to acquire a piece of land that is currently owned by the Council but is part of the Council's wider land acquisition discussion with Crudens. This needs to be resolved before development can commence. Further discussions are required with Glasgow City Council regarding the tender price and grant level. We are anticipating a February 2020 start date for this development.

Nursery Site: As the Board are aware a high voltage cable runs through the site. In order to progress with this development an investigation into the exact portion of the cable (depth) and the potential impact of having to re-route the cable needs to be completed. We have appointed an M & E consultant and the initial meeting was held in mid-June and we hope to get further information by the end of July.

The Board noted the development progress to date.

Subsidiary Governance: *Stables Nursery:* The nursery has just completed its second team building day with staff and is currently on track to complete on all its funding, operational and business targets. They are currently having internal discussions about increasing registration numbers which will be further discussed by the Nursery Board.

Cassiltoun Environmental Services: TC Young are still progressing with the charity registration. Once this is received the next actions can be implemented

Information redacted due to being commercially sensitive.

Cassiltoun Trust: Is currently on track to complete all its funding, operational and business targets. The Board will recall the Trust received funding for a garden room/pod. At their meeting of 26 June, the Trust took the decision to appoint a supplier which will move the project the next stage (planning application). The Trust also selected a winner for their Annual Bursary award.

Cassiltoun Services: Cassiltoun have a dormant subsidiary company called 'Cassiltoun Services'. This was set up several years ago as a vehicle for the Association to sell services to other organisations (for example consultancy or shared Direct services).

The company has never been used and is not likely to be in the future. We have spoken to our auditors and solicitors and they have advised that we should 'wind up' the company.

This has no business impact and no risk. There will be a minor cost (solicitor's fees).

The Board unanimously approved to winding up the company.

Inflationary Pay Proposals for 20/21 & 21/22: Previously the Board had indicated that they wanted to offer staff a three year pay deal for the years April 2019 – March 2022. As the Board wanted to benchmark any proposals to the EVH deal they were unable to make a three year offer as the EVH pay deal had been delayed. The Board will recall that the EVH deal was a 2.3% increase for 2019/2020 with awards for year 2 and 3 matching October 2019 and October 2020 CPI figures.

You will also recall that the Board awarded a 2.5% uplift for 2019/20 which again leaves our pay scales slightly ahead of those organizations that are EVH full members.

At the Staffing Sub Committee meeting on 12th June, it was agreed that a proposal would be made to staff of the following:

Year 20/21 – October 19 CPI
Year 21/22 – October 20 CPI

With the caveat that the pay award would be no lower than 1.2% and no higher than 2.5%.

The CEO reported that staff had been consulted and agreed the awards for years 2020/21 and 2021/22.

ARC Report: The Association has received the ARC report from Christine Dugan. The recommendations have been discussed with the Director of Operations and the Housing Managers. A response to the recommendations and any action will be brought to the next Operations Sub Committee meeting. A copy of the report was attached to the CEO's report.

Assurance Statement: The Board will be aware that they will need to submit their assurance Statement to the SHR before the end of October. A draft statement will be presented to the Board at the September meeting.

Prospective New Board Members: Recently two suitable experienced individual's applied to the Association to become Board members:-

Chris O'Brien
Barbara Dusik

The Board noted and approved the CEO Bi-Monthly report June 2019.

11. **BOARD OF MANAGEMENT TRAINING PRIORITIES**

Corporate Services Manager presented the above report previously circulated with the agenda.

The report highlighted the key training priorities with the scheduled dates. As per discussions with the Board, it is expected that the Board attend a minimum of 4 training sessions per year.

Board members to update their diaries with the training dates.

12. CORPORATE/HR REPORT

Corporate Services Manager presented the Corporate/HR Report previously circulated with the agenda.

The attendance rate for 2018/19 stood at 2.89%. The attendance rate for the first quarter of 2019/20 stood at 0.31%.

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

13. GOVERNANCE REPORT/AGM

The Corporate Services Manager presented the above report previously circulated with the agenda.

The main functions of the Annual General Meeting were highlighted along with the processes to follow.

In conjunction with the Association's Rules, 39.1, it was agreed that three members who retire are:-

William Craig
Jim Garrow
Julie McNeil

Three Board Members have intimated that they will stand for re-election at the Annual General Meeting.

The Board noted and unanimously approved the agenda for the Annual General Meeting to be held on 12th August 2019.

14. ANNUAL BOARD APPRAISAL – FEEDBACK

Corporate Services Manager presented the above report previously circulated with the agenda.

Nine board members had completed and returned self-assessment forms. Two board members are on special leave and one board member has still to meet with the Chairperson and Corporate Services Manager. This date has been arranged.

The annual review process determines how effectively our Board of Management are able to carry out their role and responsibilities and it ensures that our Association has clear direction and purpose. It also confirms that the Association has good governance processes in place and highlights areas for improvement going forward.

The Board appraisal process also includes a self-assessment against the Scottish Housing Regulator's Regulatory Standards of Governance and Financial Management.

This is consistent with the Regulator's requirement that all landlords are aware of the Standards and the need to assess their organisation's achievement of them.

The report highlighted the effectiveness of governing body members and also any areas of weaknesses that need to be supported and developed.

Discussions also took place with those Governing Body members with 9 years service and over to appraise their effectiveness to continue with their board membership.

The Board noted and approved the Annual Board Appraisal Feedback report.

15. COMPLAINTS REGISTER

Director of Operations presented the Complaints Register for 1 April – 14th June 2019.

There were 89 complaints received during this time. 3 progressed to 2nd stage from 1st stage and 1 progressed straight to 2nd stage.

6 1st Stage complaints were resolved within 5 working days or less
1 2nd Stage resolved within timescales

The Board noted the complaints received.

16. EQUALITY AND DIVERSITY INFORMATION

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

The Board noted the contents of the report.

17. COMPLAINTS POLICY AND PROCEDURE

The Director of Operations informed the Board that due to complaints being received that are organisational wide, all complaints will be recorded by the Corproat3e Department. As a result of this internal change, the undernoted changes will be made

Complaints Policy – no change
Complaints Process – changes made to personnel
Staff Guidance on Complaint Handling – changes made to personnel

Training will be carried out with all staff

The Board noted and unanimously approved the changes within the above policies and procedures.

18. RENT SETTING POLICY

Director of Finance & IT presented the Rent Setting Policy previously circulated with the agenda.

The Board unanimously approved the Rent Setting Policy.

19. **GDPR/FOI**

GDPR: No further requests received. Data sharing agreements to be drafted up.

FOI: Association is preparing for implementation of Freedom of Information. Staff attending training sessions with SFHA/GWSF/TC Young and Commissioner. SFHA/GWSF will produce guidance and templates for RSLs to proceed with Freedom of Information. The Chief Executive confirmed that the Board will receive training on Freedom of Information.

20. **CORRESPONDENCE**

SFHA Monthly Magazine: Copy passed to Board for their information.

21. **APPLICATIONS FOR MEMBERSHIP**

The Board considered 6 membership applications as outlined by the Corporate Services Manager.

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

The Board noted and unanimously approved for the members to be added to the Share Membership Register and that the Share Certificates would be issued.

22. **USE OF SEAL**

Use of seal used on five occasions.

23. **ENTITLEMENTS, PAYMENT AND BENEFITS REGISTER**

None.

Entitlements, Payments And Benefits Register: The Corporate Services Manager took the Board through the Entitlements, Payments and Benefits Register for 2018/19.

The Board noted and approved the contents of the Register.

24. **NOTIFIABLE EVENTS**

Cassiltoun Environmental Services : Chief Executive reported that she had notified the SHR regarding approval given by the Board to set up Cassiltoun Environmental Services via the online portal.

25. **SUBSIDIARY & SUB-COMMITTEE DECISIONS MADE BETWEEN 23RD MAY – 26TH JUNE 2019**

Chief Executive presented the above report previously circulated with the agenda

Operations Sub Committee – 30th May 2019

Reactive Repairs – the Sub Committee approved the following:-

- 1.1 The project plan contained within Appendix 1.
 - 1.2 The procurement for a reactive repairs contractor to take the form of a 3 year contract with the option for an additional 2 years extension at CHA's sole discretion.
 - 1.3 The Balancing Quality and Price ratio of 70/30 as part of the procurement process.
 - 1.4 Nominate two members to participate in the interview and site visit processes – ***This is to be decided at the next Operation Sub Committee Meeting.***
 - 1.5 Delegated authority given to the Director of Operations to approve the following:
 - To carry out the shortlisting of firms following on from the pre-qualification stage
 - To agree the format of interviews and requirements for site visits
 - To establish appropriate community benefit requirements for the project
- Court Actions – approval to proceed with further action including Court Action up to and including Decree for Eviction resulting in repossession of properties as outlined in agenda item 11 report.
 - Legionella Testing – approval to appoint of ECG Building Maintenance Ltd for the sum of £24,954 which will be restricted to reflect the Association's requirements for 2019/20. After the 10 day standstill period has expired
 - Allocation Policy – Approved
 - Letting Plan – approved the development of a full letting plan, using the quotas detailed in the report (agenda item 15).
 - The Sub Committee approved the donation of £500 or less to Police Scotland's Operation Venetic with the condition that Police Scotland report back and provide feedback re the outcome of their operation.

Staffing Sub Committee – 12 June 2019

2 year pay award for 2020 and 2021 - aligning to EVH but to set a cost floor and ceiling linked to CPI (e.g. a cost of living rise will be based on October CPI but will be no lower than 1.2% and no higher than 2.5%).

Temporary Assistant Receptionist post (*information redacted due to personal information*)

Temporary Estates Assistant (*information redacted due to personal information*)

Policies approved

Staffing Sub Committee Remit
Recruitment and Selection
Dignity at Work
Equality and Diversity
Health & Safety Statement

Attendance Management Policy – review deferred to Quarter 3.

Employee H&S Handbook – approved

Group Audit Sub Committee – 19th June 2019

Group Audit Sub Committee approved

- Audit Engagement Letters for Cassiltoun Housing Association; Cassiltoun Trust and Cassiltoun Stables Nursery
- Annual Accounts for 2018/19 (including Subsidiaries)
- Letter of Representation for Cassiltoun Housing Association; Cassiltoun Trust and Cassiltoun Stables Nursery
- Cassiltoun Housing Association's Letter of financial support to Cassiltoun Stables Nursery
- Group Audit Management Report

Cassiltoun Trust – 26th June 2019

Garden Pods: After a detailed discussion, the Board approved in principle for Urban Pods to be appointed as supplier of the Garden Room. Chief Executive and Housing Manager (Property) to go out to visit their showroom and explore the options available.

Delegated authority was given to the Chief Executive to make the final decision to appoint Urban Pods.

Cassiltoun Stables Nursery: After discussion, the Board unanimously approved to look at a fair and reasonable cost for the use of the garden as well as electricity.

Stables Heating: The Board noted the progress on the Stables Heating and agreed to proceed with the tender exercise once the specification was returned from FLN.

Community Bursary: The successful applicant was selected.

Draft Audited Accounts 2018/19: The annual accounts for 2018/19 were unanimously approved by the Board. The accounts were signed.

Management Accounts May 2019: The Board noted and unanimously approved the Management Accounts for May 2019.

Governance Timetable: The Board unanimously approved the Governance Timetable for 2019/20.

26. HEALTH & SAFETY/HWL

Health & Safety: Nothing to report.

HWL: The Corporate Services Manager informed the Board that the HWL Working Group were working in conjunction with the HWL Action Plan for December 2018 – December 2019.

27. A.O.C.B

Staff Team Building Away Day, 16th August 2019, Crieff Hydro: Theme, It's a Knock.

8.00 pm – Standing Orders

Lord Provost Visit to the Stables: The Lord Provost will be visiting the Stables on 1st August 2019 at 11.00 am.

French Visitors to the Stables: We were delighted to be part of the Study Tour from Ecole du Renouveau Urbain on 4th and 5th July 2019. Two groups of 10-14 students arrived at the Stables each morning to learn about the history of Castlemilk and Cassiltoun Housing Association, our housing management, maintenance and development and the wider role activities that the Association carries out. The visit was a huge success.

28. DATE OF NEXT MEETING

Monday 12th August 2019 immediately after AGM

There being no further business the meeting concluded at 8.05 pm

Signature:
Chair of Board of Management

Date: