

**CASSILTOUN HOUSING ASSOCIATION**

**MINUTE OF MEETING OF BOARD OF MANAGEMENT**  
**HELD ON WEDNESDAY 22<sup>ND</sup> AUGUST 2022 IN CASTLEMILK STABLES, 59 MACHRIE ROAD**  
**IMMEDIATELY AFTER AGM (7.35PM)**

**Present:** George Kelly Anne M Stuart MBE  
Kim McKee Evelyn Ferguson  
Julie McNeil Barbara Dusik  
Chris O'Brien Jennifer McInnes

**In Attendance:** Clair Malpas Chief Executive Officer  
Paula Brownlie Head of Corporate, HR & Finance  
Amanda Laing Finance Manager  
Fettes McDonald FMD Financial Consultant (part meeting – left meeting at 8.05 pm)

**1a. WELCOME, INTRODUCTIONS, SEDERUNT & APOLOGIES**

The Chief Executive Officer welcomed everyone to the meeting. There is no fire drill tonight and reminded Board Members of the evacuation procedures.

Apologies were received from Teresa McGowan Richard Sullivan.

The Chief Executive Officer welcomed all board members to the governance term.

**1b. QUORUM**

As per the Association's Rules, the Quorum for the Board of Management Meeting stands at 4 members. Today's meeting is therefore quorate.

**2. CONFLICT OF INTEREST (PERMANENT REGISTER)**

None

**3. INTRODUCTION AND WELCOME TO NEW MEMBERS**

The Chief Executive Officer introduced Jennifer McInnes to the Board of Management. On behalf of the Association, the Chief Executive Officer welcomed Jennifer onto the Board of Management.

**4. ELECTION OF OFFICE BEARERS**

Chief Executive sought nominations for:

**Chairperson:** George Kelly Proposer: Anna Stuart MBE  
Seconded: Chris O'Brien



***That the business of the Operations Sub-Committee and Regeneration Sub-Committee are amalgamated in line with business need.***

***That all other sub-committees (and other meetings/committees) continue to be scheduled in line with current business need and activity but these are reviewed within 12-24 months.***

**6b. SUBSIDIARY AND SUB COMMITTEES MEMBERSHIP**

The Board approved the undernoted Subsidiary and Sub Committee membership for 2022/23

Audit & Risk Sub Committee	Staffing Sub Committee	Regeneration/Operations Sub Committee	H&S Control Manual Sub Committee	H&S Landlord Manual Sub Committee
Richard Sullivan	Chris O'Brien	Anna Stuart	Anna Stuart	Anna Stuart
George Kelly	George Kelly	George Kelly	Evelyn Ferguson	Evelyn Ferguson
Anna Stuart	Anna Stuart	Evelyn Ferguson	Teresa McGowan	Teresa McGowan
Evelyn Ferguson	Julie McNeil	Kim McKee		George Kelly
Rep from Cassiltoun Trust	Evelyn Ferguson	Teresa McGowan		
		Julie McNeil		

**Subsidiary Board Membership**

Cassiltoun Stables Nursery	Cassiltoun Trust
Anna Stuart MBE	Anna Stuart MBE
Jean Farrell	Christine Devine
Evelyn Ferguson	Charlie Millar
Jennifer McInnes	Charlie Turner
Parent Board Member - Vacant	Lewis MacSween
	Susan Casey
	Evelyn Ferguson
	Councillor Margaret Morgan

Chief Executive Officer intimated that the timings of all meetings will be set to accommodate all Board and Sub Committee membership.

**7a. MINUTE OF MEETING HELD ON 22<sup>ND</sup> JUNE 2022**

The Chairperson asked all board members present at today's meeting received their papers in time and have read and understood the papers.

All board members confirmed that they had received their papers in time and that they had read and understood the papers.

The minute of meeting held on 22<sup>nd</sup> June 2022 where noted and approved on the motion of Anna Stuart MBE and seconded by Julie McNeil.

**7b. MATTERS ARISING FROM MEETING HELD ON 22<sup>ND</sup> JUNE 2022**

*Redacted as contains commercially sensitive information.*

**7c. ACTION LIST FROM MEETING HELD ON 22<sup>ND</sup> JUNE 2022**

	Details	Person Responsible	Status
<b>Actions from meeting held on 23<sup>rd</sup> February 2022</b>			
1.	Recruit an additional board member with skills and knowledge in Corporate and Finance	CSM	<b>Ongoing – we will continue to recruit new board members as we have 6 vacancies</b>
<b>Actions from meeting held on 22<sup>nd</sup> June 2022</b>			
2.	Planned Maintenance Procurement proposals 2023-2028  Delegated authority given to DoO to <ul style="list-style-type: none"> <li>• develop the procurement documents, quality questionnaire and price schedule</li> <li>• progress with advertising the Framework on PCS</li> <li>• Undertake the assessment of submissions</li> </ul>	Laura Edwards/ DoO	<b>Have gone live on the Scottish Procurement Website. This contract will be in place by the end of the year.</b>
3.	Proposed procurement of a facilities management contractor for Buchanan Lodge 2022-25 : approved  Interviews on 25 July – Julie, Anna and George Tender Opening on 29 <sup>th</sup> July – Julie and Anna	Laura Edwards/DoO	<i>Redacted as contains commercially sensitive information</i>
4.	<i>Redacted as contains commercially sensitive information.</i>	Asset Manager	<b>On site</b>
5.	Annual Accounts – approved. To be signed off and sent to James McBride at Azets	HCHR&F	<b>Completed</b>
6.	<i>Redacted as contains sensitive information.</i>	CEO	<b>Previously reported under 7b.</b>
7.	SHR Loan Portfolio – approved. To be submitted to SHR	Fettes McDonald	<b>Completed</b>
8.	EVH Annual Conference, 8 & 9 September 2022 in Double Tree Hilton, Strathclyde: Details to be forwarded to board members.	HCHR&F	<b>Completed</b>
9.	Daisy Project: Invitation to attend the Daisy Project and Waves 20th Anniversary Celebration on 11th July 2022 between 12-4pm, Community Centre. <i>Redacted as contains sensitive information.</i>	HCHR&F	<b>Completed</b>

8. *Item redacted as contains sensitive information.*

***The Chairperson sought the Board's approval to bring forward agenda item, 10 and 11. The Board approved.***

**10. MANAGEMENT ACCOUNTS – JUNE 2022**

The Finance Manager presented the Management Accounts for the first quarter previously circulated with the agenda.

Budget report is illustrates our income and expenditure to date against budget for the same period. In the budget we were expecting a surplus of approx £80,000. However, we have actually incurred a surplus of double this amount. This is due to variances between what we have actually spent compared to budget. The report outlines the reasons for the variances. For example, a shortfall from income of rent. This was due to when the budget was set certain assumptions were made at the time as to when these properties would be let and when we would start receiving rent for them. There was a slight delay in these properties being let hence why we had received lower income with regards to rent.

There are slightly higher voids at the moment due to the turnover period of letting voids. We are hoping to improve on this performance figure. The Technical Team will be monitoring closely.

We are showing lower repair costs for the period, again this may be due to time variances especially with regards to reactive and major repairs.

In our statement of financial position, we have summarised in the notes what additions have been made. Capital spend on the new build project, stage 3 disabled adaptations and major repair (replacing components in households).

We are showing a very healthy cash position.

Covenants have all been met.

The recording of the transfer of monies to higher interest accounts have been shown in the accounts.

No material issues of concern.

***After discussion, the Board noted and unanimously approved the Management Accounts.***

**11. ANNUAL TREASURY MANAGEMENT REPORT**

Fettes McDonald, Financial Consultant presented the Treasury Management Report previously circulated with the agenda and referred to the schedules at the back of the report.

Treasury management effectively means how we manage or cash and loans.

In terms of the schedules:

First schedule outlines each lender, the loan we have with them, what security we have in place with them; valuation and when valuation took place.

Nationwide – dates of valuation are slightly older. This stock is in the process of getting an update in terms of valuation.

The second schedule details the loans as at end of March per lender, what the loan was when you took it out, how long it was for, the balance at the year end, interest rate charged. Note at the bottom of the report outlines that a 1/3 of our debt is on a fixed rate with the rest on a variable rate.

The next schedule outlines the security that the lenders have security on certain properties. These properties have a value. This schedule outlines that if you take account of the value of stock they have security on and take account of our covenant requirements, there is excess security sitting with the lenders. The main one being Barclays, this is one of our older debts. There is £13.5 million of excess security. This isn't of a concern as we don't have to borrow in the short term.

The last schedule outlines the unsecured stock, marked per area, different basis of valuation either based on previous valuations carried out in 2018 or an estimated valuation that we got.

These schedules cover points 1-6 of the report. Future proposed borrowing, at present we don't have any and will await re demands of EESSH2.

Projected cash flow position – currently in a good healthy position. Annual budget states this will continue. Long term budgets as long as we stick to them indicates in the short to medium term no issues.

Covenants – no issues in the short to medium term.

Interest earning – over the last few years there was not much to put on deposit as interest rates were non consistent. Rates have gone up and we have deposited monies as mentioned earlier.

No issues in terms of non compliance with policy. In the current financial year, the debt level, £10.5 million, there is no complex arrangements in place. We shouldn't need any further debt in 2022/23 or in the longer term unless a new build development or EESSH2 kicks in. In terms of cash, continue to put monies on deposit where we can.

***After discussion, the Board unanimously approved the Annual Treasury Report.***

8.05 pm – Fettes McDonald left the meeting

## **9. CHIEF EXECUTIVE'S BI MONTHLY REPORT**

The Chief Executive Officer presented her Bi Monthly Report previously circulated with the agenda.

### **SHR Regulatory Framework**

The SFHA regularly update the Self-Assurance toolkit and guidance. The last change was in June 2022. This is in response to regulatory changes or feedback. Cassiltoun ensure that any changes are captured in our own version of the toolkit. The updated SFHA toolkit update merges the Covid-19 flags with the document (where these are still relevant) and takes account of upcoming SHR guidance looking at asset management and compliance reviews.

As we move towards the 2022 submission of the Annual Assurance Statement (ASS), the Board were reminded that whilst the toolkit looks at the specific detail of each requirement/standard, in thinking about self-assurance more generally, the Board may want to think about the following factors as prompts they could consider when looking at whether the Association is compliant with all of the areas in the Framework:

- How do we know we are complying?
- Are we confident that we receive good quality performance information that enables us to understand how effectively we are achieving our objectives?
- Are we confident about the information we receive/are there gaps?
- Is our approach consistent with our obligations/requirements? How do we know?
- Do we benchmark our performance with other social landlords?
- On what issues have we had complaints from tenants/services users? Are there any significant trends?
- How do we use internal audit to support us? How do we decide which areas internal audit should focus on?
- How do we decide if any further external assurance or analysis is required?

In July 2022, the Association's internal auditors completed a review of our compliance methodology and information – based on our processes in preparation for the October 2022 Assurance statement submission. (Redacted as contains sensitive information ) have provided their first draft of their report to the CEO and it is a very positive report with high levels of compliance and many good practice points. They also indicated that our current practice benchmarks well, in their opinion Cassiltoun undertake a very thorough review of the evidence to support the Annual Assurance Statement and we hold a significant amount of information to prove compliance.

(Redacted as contains sensitive information) also liked the Assurance Improvement plan as this shows Cassiltoun's commitment to continually improve even in areas that we are already compliant and there are no material weaknesses.

The SHR recently published some advisory guidance in this area and all Board members should read this document:

'Conducting Reviews of Compliance with the Regulatory Standards of Governance and Financial Management - Lessons Learned - Advisory Guidance - July 2022'

Two key lessons have been highlighted by the SHR:

- The more governing body members are directly involved in the process the better the quality of review, and the more genuinely useful the outcome is likely to be.
- It is very important to be fully objective and totally honest, and to be ready to recognise any significant weaknesses found.

The document also provides guidance on the review process from frequency of comprehensive reviews, who should be involved, how evidence is gathered and how compliance is measured.

The SLT will discuss the recommendations in this document and those made by our internal auditors and bring any suggestions for improvement of our current assurance process to the Board for discussion/approval.

The Assurance Improvement Plan has been updated – this was attached as Appendix 1 of the report.

Assurance workshops have been set up for 6-8 pm on the undernoted dates

10th August 2022

1st September 2022

14th September 2022

5th October 2022

to ensure that the Board have reviewed this year's information and any initial recommendations are implemented in time for the Assurance Statement to be submitted in October 2022.

George Kelly intimated that at the last Assurance Workshop, only four board members attended the session and reminded board members that it was all board members responsibility to ensure compliance against the Regulatory Framework.

The SHR has recently updated its FAQ's for the Assurance Statement. The added Q&A is likely to apply to Cassiltoun at the point of submitting the AAS.

**Q:** We have been unable to complete all of our Electrical Installation Condition Reports (EICR's) which were due. Should we disclose this in the Annual Assurance Statement?

**A:** Yes. Given the importance of tenant and resident safety if a landlord has not carried out all due EICR's at the point of submitting the AAS it should identify this in the AAS. If the landlord has been unable to complete all due EICR's because of external factors such as the pandemic, or supply chain problems, the landlord can highlight this in the AAS. The landlord should set out in the AAS the timeframe for completing all due EICR's.

The Chief Executive informed the Board that we are currently sitting at less than 20 that have still to be completed.

### **Governance Action Plan**

We continue to work through the outstanding areas in the Governance Action Plan with the remainder due to be completed in the next 3 months. The Action Plan was attached as Appendix 2 to the report.

### **Industry Updates**

Key updates on Assurance are those listed under section 2.0 and also

<https://www.housingregulator.gov.scot/for-landlords/advisory-guidance/recommended-practice/letter-to-landlords-information-for-preparing-annual-assurance-statement-due-to-be-submitted-to-us-by-31-october-2022>

Others of note include:

Treasury Management Guidance - June 2022 by Gary Dickson - Flipsnack

'Rent setting and affordability during the coronavirus pandemic and the cost of living crisis' SFHA. A copy was circulated to the Board for their information.

### **CEO Training/networking**

Since the May Board meeting the CEO has attended:

- Meeting with Mentor
- SFHA conference
- Castlemilk Pantry celebration
- Meeting with Lintel Trust
- Meeting with client Manager TSG (our IT partner)
- Meeting with Relationship Manager (Bank of Scotland)

The Chief Executive Officer informed the Board that she has been asked to speak at the SFHA Corporate Governance Conference (opening session) alongside the SHR.

### **Chair Appraisals**

The appraisal process for the Chairs of the Housing Association, Cassiltoun Trust and Cassiltoun Stables Nursery was completed in July 2022.

These were positive meetings with both Chairs wanting to continue in their roles, listening to feedback, with a strong desire to continually improve their own knowledge and understanding and a commitment to continuous improvement for the three companies.

### **Inflation & Cost of living**

The Chief Executive Officer reported that it was not time to decide either the annual staff pay award or the figures for the rent increase consultation however, the Board will need to start to consider the impact of inflation and the rising cost of living as something that will impact on the business and the organisational risks.

CPI in June was 9.4 % and there are some predications that it will peak in January at around 11% before gradually beginning to reduce closer to 5 % from the summer of 2023.

Inflationary pressures impact on our tenants, making it more likely that they will struggle to heat, eat and pay their bills (including their rent)

Inflationary pressures impact on Cassiltoun's business and finances, including impacts on the 30 year plan; higher arrears levels, costs in the business are likely to increase in April and the only way to counter this is to either reduce business activity or increase income (through rents).

The impact of inflation and rent affordability will be a key discussion at the Board Business Planning day in the Autumn. The Board will be presented with various options to look at.

*Item redacted as contains commercially sensitive information.*

### **Visitors to the Association**

The Association recently hosted the Paths for All Funding launch.

Cassiltoun have a long partnership with Paths for All, they have been a significant funder of projects in the woodland. The new £1.5million 'Ian Findlay Path Fund for accessible

communities' was launched by Patrick Harvie MSP - Minister for Zero Carbon Buildings, Active Travel and Tenants' Rights.

Some Board members, staff and volunteers were in attendance. For the press release and video please see below

<https://www.pathsforall.org.uk/news/news-post/now-open--our-new-15-million-ian-findlay-path-fund-for-accessible-communities>

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

**12. CALENDAR OF PRIORITIES 2022-23**

The Chief Executive Officer presented the Calendar of Priorities 2022-23 previously circulated with the agenda. However, the document will be updated with the decision made at tonight's meeting which was to amalgamate the Regeneration and Operation Sub Committee.

***The Board unanimously approved the Calendar of Priorities for 2022-23 with the revision to be made with regards to the Regeneration and Operations Sub Committee.***

13. *Item redacted as contains sensitive information.*

**14. POLICIES**

**14a. CCTV Policy**

The Head of Corporate, HR & Finance presented the above policy previously circulated with the agenda. ***After discussion, the Board unanimously approved the CCTV policy.***

**14b. Board Member induction policy**

The Head of Corporate, HR & Finance presented the above revised policy previously circulated with the agenda. ***After discussion, the Board unanimously approved the revised policy.***

**14c. Board of Management Learning & Development Policy**

The Head of Corporate, HR & Finance presented the above revised policy previously circulated with the agenda. ***After discussion, the Board unanimously approved the revised policy.***

**14d. Board of Management Recruitment and Selection Policy**

The Head of Corporate, HR & Finance presented the above revised policy previously circulated with the agenda. ***After discussion, the Board unanimously approved the revised policy.***

15. *Item redacted as contains sensitive information.*

16. **CORRESPONDENCE**

**Glasgow West of Scotland Forum Annual Conference, 28<sup>th</sup> October 2022 in Radisson Hotel:** Details to be circulated to the Board. Two representatives will attend on behalf of the Association.

**Community Footpath Volunteer of the Year Award from Paths for All.** Our volunteer, (*redacted as contains sensitive information*) has won the Community Footpath Volunteer Award. The ceremony will take place on Wednesday 28<sup>th</sup> September 2022 between 6-8pm in The Scottish Parliament, Garden Lobby. Chief Executive to inform James Dornan MSP of the award.

*Redacted as contains sensitive information.*

17. **APPLICATIONS FOR MEMBERSHIP**

The Board considered 3 membership applications as outlined by the Head of Corporate, HR & Finance.

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 Certificate would be issued.***

18. **USE OF SEAL**

Used on two occasions.

19. **ENTITLEMENT, BENEFIT AND PAYMENTS**

Nothing to report.

20. **NOTIFIABLE EVENTS**

None

21. **SUBSIDIARY AND SUB COMMITTEE DECISIONS MADE BETWEEN 23<sup>RD</sup> JUNE – 22<sup>ND</sup> AUGUST 2022**

None

22. **AOCB**

*Redacted as contains sensitive information.*

**Policies:** A couple of policy workshops have been set up to give officers the opportunity to present the revised policies to the Board rather than take up time at a Board Meeting. The dates are

15<sup>th</sup> September 2022 between 6-8 pm

16<sup>th</sup> September 2022 between 2-4 pm

**23. DATE AND TIME OF NEXT MEETING**

Wednesday 28<sup>th</sup> September 2022 at 6.00 pm

There being no further business the meeting concluded at 8.40 pm

Signature:  
**Chair of Board of Management**

Date: