

CASSILTOUN HOUSING ASSOCIATION

**MINUTE OF MEETING OF BOARD OF MANAGEMENT
HELD ON WEDNESDAY 29TH JANUARY 2020 AT 6.00 PM
IN CASTLEMILK STABLES, 59 MACHRIE ROAD**

Present: George Kelly Anne M Stuart MBE
Evelyn Ferguson Teresa McGowan
Julie McNeil Barbara Dusik (Co-opted)
William Craig Chris O'Brien
Richard Sullivan

In Attendance: Clair Malpas Chief Executive Officer
Gamal Haddou Director of Finance/IT
Paula Brownlie Corporate Services Manager

1a. WELCOME, INTRODUCTIONS, SEDERUNT & APOLOGIES

George Kelly, Chairperson welcomed everyone to the meeting.

Apologies were received from Kim McKee and Debbie MacKenzie.

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

No Fire drill planned for this evening.

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. MINUTE OF MEETING HELD ON 18TH DECEMBER 2019

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

4. MATTERS ARISING FROM MEETING HELD ON 18TH DECEMBER 2019

None

5. ACTION LIST FROM MEETING HELD ON 18TH DECEMBER 2019

1. The film came out over the Christmas period. CEO to contact Princes Trust to ascertain if we can get a hold of it
2. Completed
3. Pantry – Funding conditions to be presented to CEO of Ardenglen before the end of the financial year. There may be some delays now due to the selling of the Shopping Centre.
4. Completed
5. Completed
6. Staff overtime – shifting to the end of the year beginning of new financial year due to the delay in handover
7. Completed
8. Completed
9. Delay now in the opening of the newbuild. CEO has been informed that it is now protocol to contact DRS who will specify who we should contact to officiate at the opening
10. Completed

6. CHAIRS REPORT

The Chair reported.

16th January: Attended Regeneration Sub Committee

20th January: Attended Nursery Board Business Planning Session/Strategic and Operational Objectives followed by Health & Safety training workshop presented by Professor Roger Willey. Good presentation on the history of Health & Safety and highlighting the importance of it in our daily workings not only for employees but also for tenants and other service users.

He also highlighted how important the Scottish Housing Regulator regards Health & Safety.

27th January: Attended Audit/Risk Sub Committee. Discussed the Risk Register; GDPR action plan; Wylie and Bisset Internal Audit reports on Development and Factoring. All Audit Reports were noted and approved.

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

7A. MANAGEMENT ACCOUNTS – DECEMBER 2019

Director of Finance & IT presented the Management Accounts for December 2019.

This is the 8th set of accounts for this year and covers three quarters of our financial year.

Underlying surplus is £38k lower than the pro rata budget.

There are a handful of higher value variances.

We are expecting the full year to be about £74k below budget but that will depend on the major repairs spend. Development has some very large variances

December sees an extension of the trends seen in previous reports except for legal costs. The CEO reported that after analysis on legal costs, it was clear that there has been an increase in legal costs for tenancy related matters.

Void loss remains to be very good. Rental income is almost identical to budgeted at £3.11m but will finish the year lower. Revenue grant income is as expected. Interest payable remains below the budget.

Overall the business running costs (excl depreciation) are near to budget at £1.48 million. The actual is £1.51m (last year's actual was £1.53m).

Last year we had the recruitment of our new CEO recruitment, CAF arrangement fees, Regeneration Manager post was deleted, saving us £103k.

Inflation, activities and others give us higher costs of £78k. The recurring higher costs equates to 5% above the year before.

Bank balance decreases to £3.0 million.

Factoring cost centre shows a surplus of £2k from which a proportion of staff time will be allocated plus any bad debts. Teresa McGowan intimated that factoring tends to be arrears and was happy to see this surplus. ***After discussion, it was agreed that a factoring analysis would be carried out over the past 3 years and presented to the Board for information.***

Arrears underlying trend stays upwards. An anomaly exists for December and new forecast is £130k at year end

£282k of development capital costs pushed back into next financial year, now needs to be greater.

Accounts were issued to both banks on 24 January 2020.

Bank Covenants have all been met.

KPIs have all been achieved apart from Accuracy of Maintenance Forecasts which is currently sitting at amber.

Director of Finance & IT informed the Board that Barclays Bank had issued a covenant neutral methodology which needs to be examined. Initially checking it all seems reasonable and fair. Director of Finance & IT to report back.

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

7B. ANNUAL TREASURY REVIEW

Director of Finance & IT presented the Annual Treasury Review report which had been previously circulated with the agenda.

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

We repay monies each month for Nationwide but every 3 months for Barclays. No CAF borrowing to date.

Of the payments, some is interest and some capital. As the years progress, there will be a mix of interest and capital changes.

Total payments over the year was £616k, of which £359k is capital and hence the loan balance drops each month.

Biggest change item is not borrowing from CAF and saving the interest, but offset by non-utilisation fees. This therefore impacts on budgets and forecasts.

A loan portfolio return is issued to the SHR each year and will be done by 30 June 2020.

As previously mentioned, Barclays bank have issued a covenant neutral methodology which needs to be examined. Director of Finance & IT will report back.

Our investment of temporary excess cash has earned a similar amount to what North Glasgow achieved and a greater amount than Thenue Housing Association.

The Board were reminded that Paul McNeill, Financial Consultant had referred to opening more investment accounts. However, the Board agreed that would bring new risks and unworkable in practice. Recent example from last week and CAF bank suggesting we use cheques to access funds.

The Board noted and approved the Annual Treasury Review Report.

8. CHIEF EXECUTIVE'S BI-MONTHLY REPORT

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

Staff interviews/IIP action plan – update

Ongoing leadership & Development: SMT leadership training, dates have been organised. Operational managers training ongoing. Corporate Services Assistant added to this group.

Constant approach: Appraisal training to be arranged for Quarter 4.

Staffing levels/resources: Completed

Communication (internal): Completed

Communication (external): Completed

Encourage improved processes: Completed

Employee incentives: Ongoing

Wider tenant involvement/engagement: Tenant Scrutiny being looked at by Corporate Services Manager and Communities Co-ordinator

Improved use of IT/Digital/PR: completed

Heating: Trust to action

The Board noted the actions against each topic and agreed that the Action Plan will drop off the CEO's Bi Monthly report until the next IIP visit when another Action Plan will be developed on their recommendations.

Business Planning Process

The Board met in January to go through the SWOT, PEST and discussed existing and potential risks. Their comments were added to those that staff had previously carried out.

This information was used to compile draft Operational Objectives for the 2020/2021.

The Chief Executive Officer will bring all documents which form part of the Business Planning process to the next Board meeting for approval.

External speaking/conferences, networking and training

The Chief Executive highlighted the conferences, networking and training that she attended as well as the external speaking that she had carried out.

The Chief Executive Officer took the Board through the presentation that she had shown at the SFHA/Social Enterprise Session – 28th January. The presentation highlighted the key milestones that the Association had gone through with regards to setting up Cassiltoun Stables Nursery.

The presentation also highlighted the financial statistics for Cassiltoun Stables Nursery since conception. The Board can clearly see the progression that the nursery has made but were reminded that the last 3 years figures were supplemented by ACF Grant funding. Going forward into 2020/21, the nursery will have no grant income and are required to meet all costs. Sales will require to go up to meet all expenditure levels.

The Chief Executive Officer will continue to report back to the Board on the progress and financial status of both subsidiaries.

SHR's Regulatory Framework & Assurance Improvement Plan

The Chief Executive reported that the Board had met before Christmas to go through Regulatory Standards 3 & 4. Gaps were highlighted and formed part of the action plan.

A meeting has been planned for Regulatory Standards 5, 6 and 7 on 12th February 2020. Board members were encouraged to attend this session.

Development Update

Barlia 3: Energetics connection: TC Young is continuing to liaise with the Council and Harper McLeod regarding the paperwork required to get a connection of power at Site A.

Extension of Time: Crudens have issued a draft Extension of Time document to MAST and this is still being reviewed.

Handovers: Now informed that the handovers will be March and April. However, the SMT visited the Church site and because of the ongoing issues with the utility connection, we believe that this site may be further delayed until May.

Building Warrant: There is still an outstanding building warrant for the Labour Club site with regards to the window pods. There has been a query about potential restriction of light into the living room which is being addressed

Item Redacted as commercially sensitive

Castlemilk Drive: Now asked by DRS to get all requests in for 28th February. Everyone working on the project has agreed to meet that date. Last week we received confirmation that approval has been given for road construction and Building Warrant

Nursery Site: Site Acquisition: DM Hall surveyors have been appointed to negotiate with City Property over the sale of the land, however acquisition cannot take place until all the site investigations are concluded. They are now planned for February.

The Board noted the updates on all developments.

Subsidiary Governance

Stables Nursery: Potential increase in the number of children. Some enquiries for baby room. The nursery is in a strong financial position. External grant funding (ACF) has now come to an end and the Nursery is reviewing its staff structure and recruiting for staff. As the Board are aware, staff retention and recruitment remain an ongoing challenge for the Nursery due to a competitive external environment for nursery staff.

Cassiltoun Trust: Planning permission has been approved for the garden rooms and we are now waiting for feedback on the Building Warrant – ***sentence Redacted as contains sensitive information.***

Industry publications

The Chief Executive highlighted a few industry publications for the Board to read over.

The information from the SHR on RSLs who had received intervention, ie Fairfield and Ruchazie should be used to learn where others have gone wrong.

The other document was in relation to the SHR's commitment to Equalities and Human Rights.

Social Enterprise Centre

As the Board are aware, in December the Lottery confirmed that they would offer the Association £15k towards design team funding to move the project through to RIBA stage 2 and will allow us to move straight to the next stage in the grant application process.

We are expecting a decision from Scottish Government RCGF at the end of January. The CEO will also be discussing potential funding for the Centre with other funders and Trusts.

Staffing

Item Redacted as contains sensitive information.

Model Rules

The Board were made aware that there is currently a review of the Model Rules. The new draft format has been discussed by sector bodies and the SHR and has now been sent to

OSCR for comment. Once the Rules have been agreed, the Association will obtain legal advice. The Board are aware that a Special General Meeting will be required to change our Rules.

Notifiable Event – Purchase of Land at Machrie and Barlia

The Board will recall that it was discovered that properties have been built by Cassiltoun on land that we believed to be in our ownership but due to what is assumed to be a drafting error, we impacted 5 properties in Machrie/Barlia. The Board had previously given the CEO delegated authority to proceed with the purchase of this land. This matter is now concluded.

9. CORPORATE/HR REPORT

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

The absence figure for quarter 3 is sitting at 0.19% compared to 0.88% in quarter 3 last year.

The Board unanimously noted and approved the Corporate and HR Report for Quarter 3.

10. COMPLAINTS REGISTER

Corporate Services Manager presented the Complaints Register for Quarter 3 previously circulated with the agenda.

The Board noted the contents of the Complaints Register for this period.

11. EQUALITY REPORT

The Chief Executive presented the Equality Report on behalf of the Director of Operations.

The Board noted the contents of the report.

12. GDPR/FOI

12a. QUARTERLY RETURN TO SCOTTISH INFORMATION COMMISSIONER: The Corporate Services Manager presented the Quarterly Return to Scottish Information Commissioner on all requests received under GDPR, Freedom of Information and EIR (Environmental Information Regulations).

We have received 9 Subject Access Requests (SAR) during the period 11 November to 31 December 2019.

The Board noted the contents of the Return and approved submission to the SIC.

13. CORRESPONDENCE

SFHA Housing Scotland Magazine : copy available for all board members

Letter from Glasgow City Mission: Letter of thanks for the donation of £1,000 to the Glasgow Winter Night Shelter

Thank you note: Thank you note received from a tenant thanking Jim Docherty, Clerk of Works/Technical Officer for going over and above in resolving a repair issue.

14. APPLICATIONS FOR MEMBERSHIP

The Board considered two 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 member to be added to the Share Membership Register and that the Share Certificate would be issued.

15. USE OF SEAL

None

16. ENTITLEMENTS, PAYMENTS & BENEFITS REGISTER

None

17. NOTIFIABLE EVENTS

None

18. SUBSIDIARY & SUB-COMMITTEE DECISIONS & MINUTES MADE 18TH DECEMBER 2019 – 29TH JANUARY 2020

Regeneration Sub Committee Meeting – 16th January 2020

Barlia 3:-

Item Redacted as commercially sensitive.

57-85 Castlemilk Drive:-

Delegated authority to the Chief Executive Officer to accept an offer of grant for funding from DRS if one is received and if it is acceptable after thorough review and if there is no opportunity to seek approval from the Board before the end of the financial year.

57-85 Castlemilk Drive:- Preferred bricks:- Village Harvester Multi with Royston Golden Buff (Subject to the Sub Committee seeing the Royston Golden Buff brick)

The Board noted and approved the Sub Committee and Subsidiary decisions.

19. HEALTH & SAFETY/HWL

H&S: The H&S Committee met on 18th January 2020. No areas of concern. Their next meeting March will concentrate on the General Risk Assessment and Departmental Risk Assessments. A copy of the minutes will be circulated at the next Board Meeting.

HWL: The Association has received notified that we have sustained our HWL Gold Award for another year. The HWL Gold Award Action Plan has been drafted and is currently being approved by the Working Group. A copy will be brought to the next Board meeting for approval.

20. AOCB

Development Consultant: The CEO reported that in January 2017, the Association carried out a tender exercise for Development Services for the period 1st April 2017 – 31st March 2020 with the option to extend for a further 2 years. Edwards Macdowall Consulting Ltd were appointed.

Paragraph redacted as commercially sensitive.

After a detailed discussion, the Board unanimously approved to extend the contract with Edwards Macdowall Consulting Ltd for a further 2 years on the terms highlighted above for the period 1st April 2020 – 31st March 2022 with a date set of November 2021 to begin a new procurement exercise.

Dates for your diary: The Corporate Services Manager reminded the Board of the following training dates:

5th February 2020, 6pm-8pm: Notifiable Event/Whistleblowing/Code of Conduct Training with training consultant, Stuart Eglinton

12th February 2020, 5.30 pm – 7.30 pm: Regulatory Standards 5,6 & 7 – Assurance Workshop

21. DATE AND TIME OF NEXT MEETING

Wednesday 26th February 2020 at 6pm

There being no further business the meeting concluded at 7.52 pm

Signature:
Chair of Board of Management

Date:

Copies of all reports mentioned within these minutes and any sub-committee reports/ minutes are available on request.