

MINUTES OF MEETING OF THE MANAGEMENT COMMITTEE HELD ON TUESDAY 28 JANUARY 2020 AT 7.00 P.M. IN THE TEMPORARY OFFICES OF CLYDEBANK H.A., 63 KILBOWIE ROAD, CLYDEBANK.

<u>ACTION</u>	<p>Present:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Mrs K. Tennant</td> <td style="width: 33%;">Chairperson</td> <td style="width: 33%;">Elected Member</td> </tr> <tr> <td>Mr P. Shiach</td> <td>Secretary</td> <td>Elected Member</td> </tr> <tr> <td>Mr J. Hillhouse</td> <td>Treasurer</td> <td>Elected Member</td> </tr> <tr> <td>Ms D. Smith</td> <td></td> <td>Elected Member</td> </tr> <tr> <td>Mr J. Calderwood</td> <td></td> <td>Elected Member</td> </tr> <tr> <td>Cllr M. McNair</td> <td></td> <td>Co-opted Member</td> </tr> </table> <p>In Attendance:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Mrs S. Keenan</td> <td style="width: 33%;">Chief Executive</td> <td style="width: 33%;"></td> </tr> <tr> <td>Mrs L. Lees</td> <td>Head of Finance & Corporate Services</td> <td></td> </tr> <tr> <td>Mr J. Farrell</td> <td>Head of Housing Services</td> <td></td> </tr> <tr> <td>Mrs S. Farrell</td> <td>Communications Officer</td> <td></td> </tr> <tr> <td>Mr S. Pringle</td> <td>Wylie Bisset</td> <td></td> </tr> </table> <ol style="list-style-type: none"> 1. Apologies Apologies were received from Mr J. O’Donnell, Miss C. McGarrity, Cllr J. Mooney and Mrs L. Breeze. It was noted that a quorum was present to enable the meeting to go ahead. 2. Chairperson’s Remarks The Chairperson welcomed everyone to the meeting and thanked the committee members for their attendance. 3. Declaration of Interest Mr Calderwood declared an interest in the Linnvale Church report item within the Development Report (Item 14) and noted he would not take part in discussion. 4. Business Carried Over from the Last Meeting The Chief Executive reminded members of the Housing Services Sub Committee that an additional meeting had been scheduled in for 10 March 2020 per the recent email. 5. Internal Audit The Chairperson welcomed Mr Pringle to the meeting. All staff members left the meeting at this point whilst the Management Committee discussed the reports with the Internal Auditor. <p style="margin-left: 20px;">a) Corporate Governance – Self Assurance* The Chairperson welcomed Mr Pringle to the meeting. Mr Pringle referred to the report circulated prior to the meeting and highlighted that Strong, the highest level of assurance, was determined for the Corporate Governance audit carried out in November 2019.</p> <p style="margin-left: 20px;">The Management Committee noted the background information on pages 3-6. Mr Pringle highlighted the 1 “low grade” recommendation made within the “Conclusion” on page 7. The Management Committee was then referred to the 9 “Areas of Good Practice” noted on pages 8-10. It</p> 	Mrs K. Tennant	Chairperson	Elected Member	Mr P. Shiach	Secretary	Elected Member	Mr J. Hillhouse	Treasurer	Elected Member	Ms D. Smith		Elected Member	Mr J. Calderwood		Elected Member	Cllr M. McNair		Co-opted Member	Mrs S. Keenan	Chief Executive		Mrs L. Lees	Head of Finance & Corporate Services		Mr J. Farrell	Head of Housing Services		Mrs S. Farrell	Communications Officer		Mr S. Pringle	Wylie Bisset	
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was noted that after the full review, one low grade recommendation would be implemented for the next self-assurance return in October 2020.

Mr Pringle welcomed questions on the report and after discussion, the report was unanimously agreed by the Management Committee.

b) Finance - Purchases & Payments *

Mr Pringle referred to the report circulated prior to the meeting and highlighted that Strong, the highest level of assurance, was determined for the Arrears Management audit carried out in November 2019.

The Management Committee noted the background information on pages 4-5. Mr Pringle highlighted one low grade recommendation and the Management Committee noted that the improvement had already been implemented. Eleven "Areas of Good Practice" were noted on pages 7-9. In conclusion, Mr Pringle referred to the benchmarking on page 10 where it was noted a lower number of recommendations were made (1) than in similar audits (3) and stated this made for a very positive report.

Mr Pringle welcomed questions on the report and after discussion, the report was unanimously agreed by the Management Committee.

Mr Pringle left the meeting and staff members were invited to return to the meeting at this point.

c) Tenders Internal and External Audit

The Chief Executive confirmed that the process of tendering for audit services had commenced with a view to being in place by 01 April 2020.

The Head of Finance & Corporate Services stated it was identified in the self-assurance action plan as an improvement to have Management Committee members involved in the pricing/quality scoring if they wished.

The Management Committee enquired whether the current audit plan would stand going forward. The Chief Executive confirmed it would be closed off and a new plan started from 01 April.

6. Management Committee External Training/Conference Feedback (if applicable)

There was no feedback to report.

7. Secretary's Report

The Secretary provided the following report:

a) Correspondence



- An email had been received from [REDACTED], requesting permission, to have a mural painted on to the Gable end of Alexander Street, Clydebank, to commemorate 40 years of Singer Sewing Factory closing its doors, coinciding with the anniversary in June 2020. This would be carried out with the help of a team of

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artists. It was noted that Ms Armstrong is in the process of pursuing funding from local funding opportunities and local business people who have expressed an interest in supporting something of this nature to celebrate and commemorate a business that had such an impact on Clydebank's rich industrial history. The Management Committee confirmed it was happy for this to proceed subject to appropriate planning, health and safety conditions being met as well as receiving details of future upkeep of mural, etc.

- Information was received regarding the SHARE Annual Conference to be held 13-15 March and the full and varied programme. Several members expressed an interest in attending and the Head of Finance & Corporate Services confirmed that attendance can be accommodated within the budget. Members wishing to attend were asked to contact Lynette of Sharon to arrange their booking.

b) Share Membership Applications

No applications were received.

c) MC Applications

No applications were received.

8. Approval of Minutes & Actions Notes

a) Management Committee – 17 Dec 2019* (For approval)

There were no errors or omissions noted and the Minute was proposed by Mr Shiach, seconded by Mr Calderwood and unanimously approved by the Management Committee. Progress against action notes from the meeting were also noted.

b) Housing Services SC – 21 Jan 2020* (For approval)

There were no errors or omissions noted and the Minute was proposed by Ms Smith, seconded by Mr Calderwood and unanimously approved by the Management Committee. Progress against action notes from the meeting were also noted.

9. Business Arising From Minutes

There was no business arising from the minutes.

10. Ratification of All Minutes (Decision/Approval Required)

Ratification of the Management Committee Minute was proposed by Mr Hillhouse, seconded by Mr Calderwood and unanimously approved by the Management Committee.

11. Rent Policy Review 2020/21* (Decision/Approval Required)

The Head of Housing Services directed the Management Committee to the above report circulated prior to the meeting and read over the various methods of consultation undertaken during the rent setting progress, as detailed on page 5.

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JF	<p>The Management Committee noted the preferred option of the 161 tenants/sharing owners who responded was Option 1 - rent increase of 2.5% with existing services with 68% (109) choosing this option. The Management Committee enquired regarding the options available for response and it was noted that responses were received by email/online return (72) and post/Radnor Park laundry letterboxes (89). The Management Committee noted the increase from 2019/2020 of responders choosing Options 2 and 3 from 25.9% to 32.3% this year. The Management Committee requested a breakdown/evaluation of responses into areas and category of tenants and the options chosen and the Head of Housing Services indicated that this would be carried out and included in future.</p> <p>The Head of Housing Service confirmed that feedback received from the tenants group last year had enhanced the rent setting process and indicated that positive comments regarding the process had been received this year.</p> <p>The Head of Housing Services directed the Management Committee to the updated rent affordability comparisons generated using the SFHA's Rent Affordability Tool on pages 20-29. On the basis of the consultation results, the Head of Housing Services had added a rent increase of 2.5% to all properties and, whilst not required, Council Tax costs (Band B) were also added.</p> <p>The Management Committee noted that all property types were a pass (<30% of household income) and particularly highlighted the Graham Avenue 2 apartment, single person illustration passed at 29.7%.</p> <p>Discussion ensued and it was noted the RPI for December 2019 was 2.2% and the Glasgow and West of Scotland Forum rent increase average was 2.6%.</p> <p>The Management Committee was referred to Table 5A Viability where it was illustrated a rent increase of 2.5% was sufficient to cover all of the Association's costs with an adequate surplus.</p> <p>After discussion and based on tenant consultation and the information provided within the Policy, the Management Committee unanimously agreed the Rent Policy and a rent increase of 2.5% for 2020/2021.</p> <p>12. Service Charge Policy Review 2020/21* (Decision/Approval Required)</p> <p>The Head of Housing Services referred to the above report circulated prior to the meeting.</p> <p>The Management Committee noted that the draft, which had been agreed in principle in November 2019, had remained unchanged and demonstrated that no tenant would pay more than £14.96 per month for services they receive (2019/2020: £14.05). The Management Committee</p>

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was satisfied the service charges represented value for money and unanimously approved the Policy as presented.

13. Factoring Management Fee Review 2020/2021 (Decision Required)*

Mr Hillhouse declared an interest in this Agenda item and excluded himself from the meeting at this point.

The Head of Finance & Corporate Services referred to the above report circulated prior to the meeting and confirmed a clear and transparent approach to setting and increasing management fees and ensuring owners receive a value for money service was required, per the Thematic Study on Factoring Services in Scotland 2016.

The following points were highlighted:

- The fee is based on the estimated amount of staff time and projected and accurately apportioned direct costs to provide the service as detailed within the report
- The Association exceeds the average factoring satisfaction levels of RSLs used in the Thematic Study (64%) at 92%
- A 2.59% increase was proposed, increasing the management charge by £3 to £119 per annum (2019/2020: £116)
- The proposed increase meets the Association's target to restrict increase to no more than inflation (December) + 1% (3.20%)

The Management Committee noted a positive trend, with increases reducing in % from 2018/2019 onwards. The Management Committee enquired as to the level of bad debts and the Head of Finance & Corporate Services discussed the stringent debt management processes which are followed and the range of recovery methods at the Association's disposal.

Based on the information provided within the report, the Management Committee unanimously agreed a Management Fee increase of 2.59% to £119.00 for 2020/2021.

14. Draft CHA Budget 2020/21

The Head of Finance & Corporate Services referred the Management Committee to the above document, which had been circulated prior to the meeting. The Head of Finance & Corporate Services welcomed questions at any point, referring members to the recent finance committee training regarding questions to ask of finance, and read over the Executive Summary, highlighting the following:

- Budget fully backed up by a costed out Life Cycle Costing plan
- Total Management Expenses of c. £1.47m
- Office overheads scrutinised and prudent
- £4.2million net Rental Income expected

The Management Committee noted the following points which were highlighted throughout the report:

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- In the **Income & Expenditure Accounts**, **total income** of c. £4.79m is expected and rental **voids and bad debts** have been adjusted down to 5% (1% and 4% respectively)
- Spend of c. £3m on **major repairs** is expected in the year but significant carry over from 2019/20 was noted. The Head of Finance & Corporate Services had discussed this with Senior Staff to confirm that an action plan in place for contract procurement and gained assurance that contracts will be appointed timeously to ensure spend of carry over and procurement of c. £2.3million of work from 01 April 2020. The importance of carrying out this work after confirming timescales to tenants and owners (where communal) was noted and the Head of Housing Service stated procurement procedures were being looked at to ensure this would not happen again. C. £347k of **major repairs transfer from reserves** will be required in the year
- Annual **property purchases** of £100k had been adjusted down to take account of an agreed overspend of c. £19k in 2019/2020
- The projected **surplus** for the year of c. £116k was noted
- At the **Non-Housing Account** all other activities were noted. Figures include a 2% increase in rents for Social Economy Centre and Centre81 tenants and a 2% increase for disaster recovery suite customers. A full breakdown was included in Appendix 4 for Centre81. It was noted consultation with commercial customers for increases was not required
- At **Performance Reporting and Internal Targets** budget figures have been benchmarked with the SHR Peer Group Statistical Information tables to provide comparison with and reassurance of financial performance

The Head of Finance & Corporate Services concluded by confirming a strong cash flow but that it will be closely monitored in the coming years given the level of planned spend.

Following discussion, the Draft CHA Budget 2020/2021 was unanimously agreed by the Management Committee.

15. Draft CHA Power Budget and proposed price increase 2020/21

The Head of Finance & Corporate Services referred to the above report circulated prior to the meeting and confirmed she was again proposing a price freeze at £11.38 + VAT per week. The Management Committee noted this was a tight but achievable budget and it would be opportune, with several generator failures in the year, to provide a price freeze to ensure continued customer satisfaction.

The Management Committee noted a proposed 10% reduction in the charge to Radnor Park Church based on actual consumption over the last 12 months.


The Management Committee enquired as to performance of the system and potential full replacement. The Head of Finance & Corporate Services stated performance is c. 80% due to age but is currently

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b) Queens's Quay Development (37 units)  (Decision Required)

General – The Management Committee was pleased to note the Development Agreement between ██████████ and Clydebank HA was currently being finalised and will reviewed by the ██████████ on 31 January, ██████████ was imminent and the position on Scottish Government funding due to the site being revalued. The Chief Executive touched on new Scottish Government planning guidance supporting the building of developments by the river.

After discussion, the Management  Committee agreed that it was happy to proceed with the development if all outstanding items/legal formalities are satisfactorily resolved by ██████████ and the Association's solicitors. The Management Committee authorised the Chief Executive to sign off the Development Agreement between CHA and Cube H. A. once finalised.

The Management Committee noted the update contained within the report in regards to the District Heat Network and undertaking.

Legal Fees – The Management Committee noted and approved the proposed revised fee for extended work for this development as detailed in the report.

Private Finance – The Management Committee noted the update provided within the report regarding the loan facility being officially sanctioned and the intention to move the financial close to August to minimise non-utilisation fees. The Chief Executive confirmed that adequate security for the loan was in place. The Chief Executive added that the Association had now engaged the services of Harper Macleod in relation to the private finance as previously agreed by the Management Committee.

Contracts Register – The Management Committee noted the update provided within Appendix 2 of the report.


c) Dumbarton Road, Dalmuir – ██████████  (50+ units)
The Management Committee noted there is no progress to report.

d) Former ██████████  – Linnvale (20-25 units) (Approval Required)

Mr Calderwood declared an interest in this item and did not take part in discussions.

The Management Committee noted the thorough update on all matters and the following was highlighted:

Draft Programme – The draft programme in Appendix 2 was noted.

Acquisition – The Management Committee  noted the update on discussions with ██████████ regarding the additional land and that a valuation had now been received. The Management

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Committee confirmed it was happy to proceed with negotiations with [REDACTED] on the basis presented.



Design for Planning – Councillor McNair declared an interest in this report item and did not take part in discussions.

The Management Committee noted the update provided within the report that revised proposals of a 24-unit, 3 storey development were well received by the Planners as was the 100% parking achieved and final comments are awaited with an aim of final submission on 31 January. The Head of Housing Services confirmed he was satisfied with the proposed housing mix in terms of the Association's waiting list. The Chief Executive referred the Management Committee to the on-screen presentation by Coltart Earley Architecture. The Management Committee noted the brick colour was purely for illustrative purposes and would be discussed in detail once the design is approved by the Planning Department. The Management Committee confirmed its approval of the designs as submitted.

Contractor Selection – The Management Committee [REDACTED] the update contained within the report regarding the Link Framework and that a direct award could be made to minimise the preselection process due to tight timescales. The Chief Executive confirmed [REDACTED] had been approached to discuss our proposals including their availability and whether our timescales could be met. The Management Committee was happy to progress negotiations with the developer and noted that the Scottish Government had been kept informed of progress. The Management Committee also noted a programming meeting with the Scottish Government and West Dunbartonshire Council was scheduled for 19 February 2020.

Community Consultation – The Chief Executive confirmed the design team would present updated designs to the Linnvale and Drumry Community Council in February/March.

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e) Other Sites

The Management Committee noted that there was no update available.

f) Development Risk

The Management Committee noted the risk register detailed in Appendix 4.

19. Staff & Committee Expenses

a) November 2019*

The Chief Executive referred to the report, which had been circulated prior to the meeting. Following review, the Management Committee unanimously approved the expenses as submitted and the Chairperson signed accordingly.

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b) December 2019*

The Chief Executive referred to the report, which had been circulated prior to the meeting. Following review, the Management Committee unanimously approved the expenses as submitted and the Chairperson signed accordingly.

c) January 2020*

The Chief Executive referred to the report, which had been circulated prior to the meeting. Following review, the Management Committee unanimously approved the expenses as submitted and the Chairperson signed accordingly.

20. Cart Street Update

The Chief Executive provided a verbal update on the above  and the Management Committee noted there had been numerous exchanges between the Association and its solicitor regarding the matter and a [REDACTED]. It was noted that the [REDACTED] requires to be signed and the Management Committee authorised the Chief Executive to do this on behalf of the Association.

21. Complaints and Compliments to 31 Dec 2019*

a) Complaints

The Communications Officer referred to the above report which was circulated prior to the meeting detailing the outcome of the 13 complaints received in the quarter, 7 (54%) of which were upheld including 2 which went to investigation and highlighted the service improvements identified in both upheld and not upheld complaints as the Association is committed to continuous improvement. It was noted that overall year to date 45 complaints had been dealt with, 23 of which were upheld.

The Management Committee noted the contents of the report.

b) Compliments

The Communications Officer referred to the above report which was circulated prior to the meeting detailing 18 compliments received in the quarter, although multiple compliments were entered within one row at 8 and 12. The Communications Officer confirmed that all compliments are passed on to the relevant staff/contractor.

22. Policy Review – Standard Design Guide* (Decision/Approval Required)

The Chief Executive referred the Management Committee to the above draft Policy which was circulated prior to the meeting and highlighted that it was a new Policy approved in November 2018 and as such the Association endeavour to review after one year. The Management Committee noted the minor tracked changes proposed.

The Management Committee unanimously approved the draft Policy as presented.

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SF	<p>23. New Policy – Communications Strategy – 1st Draft* (For info) The Communications Officer referred to the draft Policy which had been circulated prior to the meeting and informed the Management Committee that it is a new Policy being presented as a 1st draft to show progress as developing a Communications Strategy was identified during the self-assurance process. The Management Committee noted that further good practice examples would be explored to expand on the draft, particularly relating to internal communications, and the Policy would be brought back for approval.</p> <p>The Management Committee noted the progress made.</p>
SK	<p>24. New Policy – Sustainability Policy* (Decision/Approval Required) The Chief Executive referred to the draft new Policy, which had been circulated prior to the meeting and informed the Management Committee its aim is to provide a robust framework within which informed decisions can be made that ensure the long-term future of Clydebank Housing Association both from an organisational and community anchor perspective. The Management Committee noted the Policy describes how the Association will integrate sustainability into our day-to-day activities and longer-term planning.</p> <p>The Management Committee unanimously approved the draft Policy as presented. It was noted that the Policy would be reviewed in full after one year as per all new Policies.</p>
SK	<p>25. New Policy – Senior Staff Succession & Plan* (Decision/Approval Required) The Chief Executive referred to the draft new Policy, which had been circulated prior to the meeting and informed the Management Committee that it details how the Association will support the development of its people and prepare for change. The Management Committee noted that the Policy will help the Association meet the new Regulatory Standards and reflects good practice from the SFHA senior staff succession guidance.</p> <p>The Management Committee unanimously approved the draft Policy as presented. It was noted that the Policy would be reviewed in full after one year as per all new Policies. The Chief Executive confirmed the Policy will also be monitored closely throughout the year and the elements of the Policy required to be in the Business Plan will be incorporated.</p>
	<p>26. Health and Safety Report including Risk* (Decision/Approval Required) The Chief Executive reminded the Management Committee that the Health and Safety manual is available for reference on the Intranet during the temporary office relocation.</p>

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* Indicates report issued with agenda