

GLEN HOUSING ASSOCIATION

MINUTE OF THE BOARD OF MANAGEMENT MEETING

WEDNESDAY 23rd NOVEMBER 2022

PRESENT:

Graham Ross (GR)
Barry Allan (BA)
Isobel Muirhead (IM)
John McArthur (JMc)
Josie Smith (JS)
Alison Crook (AC)
Shane Garrioch (SG)
Trevor Newman (TN)
Stuart Thomson (ST)

IN ATTENDANCE:

T Thomson (TT), Thomson Cooper
A Dickie (AD)
I Byers (IB)
K Milne (KM)

1. APOLOGIES & DISCLOSURES OF INTEREST

Apologies: P Milne (PM)

Declarations of Interest: None

2. MINUTES

2.1 Minute of Board of Management Meeting 19th October 2022

The above Minute was proposed by JMc, seconded by AC and approved as a true record of the meeting with the following small amendments:

2.1.1 Item 2.2.2, typo noted and corrected.

2.1.2 Item 4.3 – AC referred to the 3rd bullet point down and asked that this be amended to better reflect what she said. ‘AC would be interested in seeing the result of the final decision, i.e. have staff made any enhancements to their contributions’

2.2 Matters Arising from the above Minute

2.2.1 GR referred to RM's continued absence from Board meetings and confirmed that he had since resigned due to work commitments. JMc asked that GR/AD formally acknowledge and thank RM for his considerable service and contribution to Glen HA. Noted.

2.2.2 IB referred to Item 2.2.2 and commented as follows:

This case was continued, but unlike a normal continuation, this was for a proof hearing – Sheriff to hear the defence evidence in the New Year. IB confirmed that the tenant's criminal case is at court in December and if a custodial sentence is given, a decision on the eviction could also be made then by the Sheriff.

2.2.3 Item 3.3.1 – GR asked about the letters to tenants informing them about Changeworks project etc – AD advised that this had not yet taken place, however, she would further explain at Item 3.3 on the Agenda this evening.

2.2.4 Item 4.2.2 – AD confirmed she had not yet had the opportunity to approach all Members for volunteers to the Annual Assurance Statement working group.

3. FINANCE AND STAFFING MATTERS

3.1 Financial Report for the year to 31/10/2022

TT presented this item and referred Members to the detailed report accompanying the accounts which were updated to reflect the budget changes from last month. The accounts as presented were **approved**.

3.3.1 GR referred to the Oct '22 budgeted figure of (£12,000) at Cyclical Maintenance Repairs which TT explained was to reflect the reduction from the previously budgeted annual figure of £204k to £90k.

3.2 Arrears Report to 31/10/2022

IB presented this report. The report was **approved** with the following discussed/clarified:

3.2.1 Table 1 – Present Tenant Arrears. IB referred to the increase of almost £12.5k between now and the end of March '22, however, to give some perspective, he confirmed that the increase between now and the same period last year is less, at £6.5k.

3.2.2 Item 5 – IB referred to the case where the decree was granted in October and confirmed that an arrangement for repayment had been

agreed, with one instalment already made by the tenant. Eviction will not go ahead if the arrangement is maintained.

- 3.2.3 AC referred, in general, to the current economic circumstances and the hardships being faced by tenants, acknowledging the difficulty in keeping arrears from rising. Deferring to IB's knowledge and experience, she asked if he had any predictions to share.

IB's comments:

Welfare Reform – he ran a scenario on the business plan with 2½% arrears – this didn't materialise.

Covid Pandemic – ran the same scenario – again, didn't materialise.

Staff are working hard to help maximise the money in tenants' pockets, in turn, addressing potential situations by speaking to us. More time has been spent recently on this, than in the past 3 years.

BA referred to the current % arrears and suggested that most Housing Associations would be delighted with 1.37% arrears – IB concurred, however, stated it was not a situation that this Association is used to being in, however extraordinary that was – the current economic crisis coupled with the turnover of housing management staff has created 'the perfect storm', and we should anticipate a rise in the arrears figures over the coming months.

- 3.2.4 AD referred to discussion last month around the relevance of the quarterly benchmarking graph as it is currently being presented. AC suggested that a bit of added narrative to the graph is all that is required. AD/IB noted.

3.3 Budget and Rent Increase 2023/24

AD invited discussion from Board on the proposed plan, as presented, in addition to the report within the papers:

- 3.3.1 AD referred to the Net Zero Heat Fund application which Changeworks are hopeful Glen will be successful in being awarded. This could mean 50% grant funding towards £4m of heating renewals (air source pumps) and triple glazing for 189 properties.
- JMc asked about the known issue with supplies and contractors and IB confirmed that Changeworks are confident that their procurement team can deliver.
 - ST suggested that condensed work = condensed replacements and asked if IB had considered this in the Business Plan. IB compared the lifespan of a boiler which is 15 years (sometimes only getting 10 years) and that of the air source heating which is 20 – 25 years, that extra lifespan will feature.

- AC asked how we propose getting the affordability info for tenants. AD/IB confirmed that Changeworks have already done a similar project with Angus HA and would be able to provide this info.
- JS asked if tenants would get a choice in this – AD advised that this had yet to be discussed fully.
- JS asked if staff have the capacity for this scale of work – AD confirmed this is the benefit of working with Changeworks, however, acknowledged that it will definitely create extra work, but certainly less, if we were doing the programme ourselves.
- JS asked if and how, the effects will be measured, should the project go ahead. AD suggested the Net Zero Working Group meeting in January would give the opportunity to raise such questions/valid points to Changeworks.
- SG referred to the technical issues that can/will arise with such a project and suggested that having Changeworks on board would be a real benefit.
- SG asked if there was any further update on the hydrogen project in Methil, in terms of benefits to our tenants. IB confirmed that a couple of our staff had carried out a door knocking exercise, explaining the benefits to them, i.e. new boiler, new cooker, cash incentives – they reported a positive response with 4 out of 11 households immediately on board.
- SG referred to both projects and commented on the positive statement this would present Glen with in terms of almost 50% of stock meeting Net Zero targets, should both go ahead.

3.3.2 AD referred to the budget/rent increase proposals and asked Board for their thoughts on the 3 Cumulative Cash Balance scenarios presented: (5% increase, 7% increase and 5% increase with a successful Net Zero Heat Fund Application)

- JM suggested the scenarios are fine for starters, however more narrative on the graphs presented would be useful – IB noted.
- AC agreed, asking what inflationary assumptions had been used. IB confirmed the assumptions were the same as the 5 Year Financial Projections – 5% in 23/24, 4% in 24/25, 3% in 25/26; 26/27 and then 2% for the remainder of the plan. Also, £2m of borrowing spread over 25 years instead of 6/7/8 years – no inflationary costs.
- BA questioned a 6 or 7% increase being affordable to tenants and suggested this would have to be balanced against rising arrears. He asked for scenarios of 0% and 3% rent increases, using the same assumptions – IB noted.

After much discussion, Board approved the principle that we will consult on 5% or whatever the Scottish Government cap may be.

3.4 Tenant Support Funding April – September 2022

AD presented this report and also the handout circulated at this meeting – the summary of remaining resources available as of 23/11/2022. A pack going out to tenants soon, will include a newsletter article featuring the type of assistance we are able to provide.

3.5 Wages 2023 Ballot (Paper from EVH)

GR presented this report and asked Members how they were minded to vote in terms of the Recommendation on Salaries for April 2023. Board **approved** a submission of a Yes vote, confirming all staff to receive a non-consolidated monthly payment of £150 in each of January, February and March 2023 and salaries to be increased at 5.25% from April 2023.

GR confirmed that the additional cost to the Association for the 3 x monthly payments of £150, amounting to £6300, will show in staff costs, which is under budget for the year.

GR signed the Ballot Paper and AD to submit to EVH office by 30th November.

4. GOVERNANCE

4.1 Effective Policy Management

AD presented this report which was noted by Board.

4.2 Report from SFHA Finance Conference

Due to time constraints and the fact that some pertinent points had been raised earlier in discussion on the Budget/Rent item, it was agreed that AD would liaise with TN and TT and send a note to all with any other info of note to come from this conference.

5. HOUSING MANAGEMENT REPORTS

5.1 Repairs Report July – September 2022

IB presented this report which was **approved** with the following noted:

- 5.1.1 GR highlighted the downward trend with only 75% of routine repairs being completed within timescale but acknowledging the background to this within the report. IB advised that the Partnering Agreements with contractors are due for review this year.

5.2 Void Report July – September 2022

IB presented this report which was **approved**.

5.3 Recharges Report (July – September 2022)

IB presented this report which was **approved**.

5.4 Complaints & Compliments (April – September 2022)

AD presented this report which was **approved** with the following discussed:

- 5.4.1 SG referred to the complaints upheld, (which were primarily due to missed timescales), and asked what action was taken in these instances. AD confirmed that we had acknowledge and apologise for the delays and give assurances to the tenant(s) that we take this seriously. IB added that it is very difficult at the moment getting alternative contractors to cover outstanding works and SG concurred with that statement.

6. POLICY REVIEWS

AD referred to the following 5 policies that had been reviewed with no fundamental changes and confirmed they would be disseminated to relevant staff.

6.1 Capitalisation Policy

Approved.

6.2 Sequestration Policy

AC referred to General Principal, third para and asked that it be made clearer that the action will only be taken on any new debt after they have been sequestrated – IB noted. Approved with this small amendment.

6.3 Loss of Earnings (Board Members) Policy

Approved.

6.4 Policy on Expenses for Board Members

Approved.

6.5 Policy for Providing for and Writing-off Bad Debt

Approved.

7. APPLICATION FOR MEMBERSHIP

Application for Darren Smith to be admitted to Membership of the Association - **approved**

8 USE OF SEAL

Permission **approved** for the Use of Seal for Membership Certificate Number 336 – Darren Smith.

IM, as Secretary and 2 other members, JMc and JS signed the Certificate.

9. AOCB

- 9.1 AD confirmed that the Business Strategy event will take place on Friday 20th/Saturday 21st January – further info to follow. ST advised that he is unable to confirm attendance at this point due to work commitments.
- 9.2 AD advised that there would be a Risk Management training event on the evening of 07/12/2023 – more info to follow.
- 9.3 Programme of meetings for 2023 being prepared and will be disseminated asap.

Meeting concluded at 8.45pm