



**MINUTES OF THE MANAGEMENT COMMITTEE MEETING  
HELD ON WEDNESDAY 28 FEBRUARY 2024 at 6.30p.m.  
MEETING HELD IN THE COMMITTEE ROOM OF THE ASSOCIATION'S OFFICES**

**1. SEDERUNT**

<b>PRESENT:</b>	P. Waddell, D. Barnes, F. Lavery. C. Cooper, A. Cushingam C. Harvey (Zoom), B. Hartness – Co-optee
<b>IN ATTENDANCE:</b>	K. Mollins – Director, F. Nicholl – Finance Agent – FMD Financial Services. N. Smith – Business Improvement Officer.
<b>Apologies:</b>	D. McNulty
<b>Leave of absence:</b>	None

**2. MEETING OF THE MANAGEMENT COMMITTEE**

**a) 31 January 2024**

**i) Minute**

The minutes of the Management Committee meeting on 31 January 2024 were approved by F. Lavery and seconded by D. Barnes.

**ii) Matters Arising:**

**a) Page 3, Section 5. Procurement – Kitchen & Bathroom Contract**

The Director informed the Committee the contract to replace kitchen and bathrooms in Wardie Place commenced on Monday 26 February 2024. The interim Maintenance Manager will commence work on the procurement of the Kitchen & Bathroom contract for 2024-27.

**b) Page 4, Section 9 , Committee Performance Reviews**

The Director confirmed the majority of appraisals were completed and the Chairperson would make arrangements to meet members unable to attend the scheduled meetings.

c) Page 6, Section 12 – Staff Salary Increase

The Director confirmed there was a failure to agree and EVH has referred the matter to ACAS to facilitate formal negotiations. EVH have confirmed a high majority of members were agreeable to the proposed 5.5% and they felt it was reasonable offer to staff.

d) Page 7, Section 14 – Incident Reported to the ICO

The Director advised the Committee of the ICO's response where they will take no further action in relation to the matter and acknowledged the Association's actions and Action Plan to mitigate cyber-attacks. He further stated the Scottish Housing Regulator had closed off the notifiable event following the response from the ICO.

There were no other matters arising.

**b) Master Tracker**

The Director presented the progress report on the Master Tracker from the meeting in November 2023 and advised there had been good progress with achievement of many tasks on the Master Tracker. He highlighted to the Management Committee progress with key tasks:

i.. Development of In-House Trade Team

The Director advised the Committee there had been slippage in programme to develop the in-house Trade Team. He further stated there had been recent progress with I.T arrangements, report on the fleet vehicles and advertisement of the Repairs Operatives. The Director confirmed a likely 'go live' date was Monday 15<sup>th</sup> April 2024.

ii. Variation to Terms & Conditions

The Director advised has discussed this matter with EVH and there is no requirement for a variation form, as arrangements are in keeping with the T&Cs.

The Committee noted the content of the report.

### 3. MEETING OF AUDIT & FINANCE SUB-COMMITTEE – 12 FEBRUARY 2024

#### i) Minute

The minutes of Audit & Finance sub-Committee is for information only.

#### ii) Matters Arising:

##### a) Common Housing Register

The Director referred the Committee to the recommendations in the Allocations audit in relation to the Common Housing Register and advised it was being disbanded due to reduced membership and shortcomings in its effectiveness.

There were no other matters arising.

### 4. DECLARATIONS OF INTEREST AND NOTIFIABLE EVENTS

It was noted that Committee and staff will declare an interest as follows:

Staff Members would leave the meeting for agenda for the following agenda Items:

- Agenda Item 14 – Implementation of the Staff Structure.
- Agenda Item 16. – Confidential business

A Committee member would declare an interest in Agenda Item 9 – Membership Report

Notifiable Events - The Director confirmed there were current no 'live' notifiable events, as the Regulator had closed off the staff structure and reportable incident to the ICO.

### 5. DRAFT ANNUAL BUDGET 2024-25

F. Nicholl presented a first draft of the annual budget 2024-25 and highlighted the following information and outturns;

- The Baseline assumptions in the draft budget i.e. rent increase, void lost rent, staff salary increase, insurance and the general inflation rate. These will be subject to decisions by the Management Committee in February / March 2024
- Turnover in the year was expected to be £4.134m with operating costs being deducted of £3.311m
- An operating surplus of £823k in the year
- Cash in the bank would be £3,205m
- Loans would reduce by £277k to 4,920m outstanding at the year end.
- Compliance with all loan covenants, specifically £748k of headroom for the interest cover with RBS

- Interest receivable was £89k and interest payable of £226k on loans.
- Cyclical maintenance expenditure was £224, which included asbestos surveys, EICRs, Painting, Gas Servicing, Gutter Cleaning and Water Tank Inspections.
- Some of the office overheads were explained and specifically where these had increased from the current year.
- Planned major repairs was £975 (bathrooms, boilers, front doors, kitchens, etc in the year
- Benchmarking performance against EHRA organisations in 2022-23
- The statement of financial position is showing that total housing fixed assets are £543 with depreciation of £20.5m. Other fixed assets are £627k and total fixed assets of £33.2m. Current assets are expected to be £3.28m at the year end and Creditors / current liabilities £1.48m, resulting in a net assets position of £1.92m. Long term creditors of loans and grants will be £24.2m. This results in a total net assets position of £10.8m.

F. Nicholl advised that she is continuing to work with the SMT to finalise the budget.

F. Nicholl advised she is continuing to work with the SMT to finalise the budget, which will take account of the delivery plans within the Operational Plan 2024-25

The Committee raised the following queries or questions in relation to the draft Annual Budget 2024-25

- A Committee member asked when the 5/30 financial plans would be prepared following the preparation of the final version of the Annual Budget in March 2024. F. Nicholl confirmed this would be presented to the Management Committee in March 2024.

F. Nicholl advised the Committee that the final draft budget would be presented in March with the 5 & 30 Year Financial Plans.

The Committee noted the content of the report.

C. Harvey left the meeting

## **6. REPORT ON THE VERANDA / VENTILATION PROJECT**

The Director presented his report on the veranda and ventilation project, which sought the Committee's approval on the design to inform tenant consultation.

The Director covered the following:

- The background to the project.
- Indicative cost information provided by our consultant and a contractor.
- Design options for the front and rear of the property.
- Design option for a ground floor veranda in Wardie Road.
- Arrangement to consult with tenants / owner-occupiers on the design options.

The Management Committee raised the following queries or questions in relation to Veranda / Ventilation Project.

- A Committee member queried the provision for Community Benefits. The Director provided an overview of community benefits associated with the contract cost schedule which would benefit the residents and the , community
- The Committee discussed the cost and in particular the viability of the project in the absence of the stock condition data. The Finance Agent confirmed the financial position had not changed since the report in August 2023. The Director gave the Committee an update and timeline on the stock condition survey, which would now be undertaken by Hardies.
- A Committee member asked about the installation of the door access from veranda to the front garden only being in Wardie Road. The Director confirmed the verandas would be installed on a like for like basis and to extend this would have major cost implications.

The Committee discussed the design and agreed for the design options and colours for consultation with tenants and owner-occupiers at a consultation event in March 2024.

The Director confirm he will report the findings of the consultation event to the Committee for them to finalise the design. Thereafter, applications will be made for statutory consent and tendering of the contract to appoint a contractor.

## **7. REPORT ON FLEET VEHICLES**

The Director presented his report on purchase of the vehicles for the Trade & Estates Team and highlighted the following:

- The reasons for a purchase of another tipper van for the EC service, as opposed to another transit van to replace the Citroen van.
- A proposed increase in the budget to £30k for the purchase of used tipper van and installation of a cage for storage and tracking devices to monitor usage.
- The Citroen van will either be a trade in or sold.
- The assessment on whether to lease or purchase transit vans for the new in-house Trade Team.
- The best value option was to purchase the vans due to the cost of leasing and having a residual asset at the end of the term.
- The Director proposed a budget of £50,000 for the purchase of 2 used transit vans.
- The Director provided details of the financial position with the purchase of the vans in 2023-24.

The Management Committee raised the following queries or questions in relation to the report on Fleet vehicles.

- A Committee member asked about the value of the Citroen Van. The Director advised this had not been assessed and he was optimistic for a positive valuation due to its age, mileage and MOT of the van, although its valuation will be affected by its condition.
- A Committee member asked if we had considered replacing the Citroen Van with another transit van, as opposed to a second tipper. The Director confirmed this was considered and a second tipper would enhance the efficiency of estate service in void clearances, bulk removal and landscape works.

The Committee approved the following:

- The increase of the budget to £30k for a single cab tipper van with a cage
- The trade-in or sale of the Citroen transit van
- The purchase of two transit vans for the Trade Team Repair Operatives with a maximum budget of £50,000

## **8. REPORT ON THE PROPOSED RENT, MANAGEMENT FEE, SERVICE CHARGE INCREASE 2024-25.**

The Director presented the Interim Housing Manager's report on the rent, management fee and estate service charge 2024-25 and highlighted the following:

- The Committee gave 'in principle' agreement at their meeting in November 2023 for the following increases, which would be subject to consultation with tenants and owners:
  - Rent Management Fee- Consult tenants on 5%, 6% and 7% increase;
  - Management Fee – Consult owner-occupiers on a 8.5% increase; and
  - Estate Service Charge – Consult owner-occupiers on a 6% increase (This service is included in the rents for tenants)
- There were 108 responses to the consultation, 74% of respondents favouring a 5% increase, 20% wanting an increase of 6% or 7%.
- The tenants' views on affordability and value for money:
  - 21% felt the rent was not affordable; and
  - 27% felt the rent was not good value for money.
- The Director drew Committee's attention to appendix 1 and tenants' comments on the proposed rent increase.
- The rent increase of 5% favoured by tenants is comparable to other housing organisations in Easterhouse as listed in section 11 of the report.
- There were 4 owner-occupier and 75% did not agree on the proposed increase for the Management Fee and Estate Service Charge. The Director confirmed these increases were necessary to cover costs.



- The Director recommended the Committee decide on the rent, management fee and estate service charge increase as follows:
  - Rent - 5%
  - Management Fee – 8.5%
  - Estate Service Charge – 6%

The Committee raised the following queries or questions in relation to the consultation on the proposed increases for 2024-25:

- A Committee member about the proposed rent increase and need to apply an increase to ensure there was sufficient monies and cash reserves for the future investment in plan. The Director agreed and the stock condition survey and investment plan would confirm the funds required in the short, medium and long term. He advised the Committee the objective is to keep rent low and affordable, whilst ensure we are prudent in our spending.
- The Committee discussed the Association's position with our rent levels. The Director confirmed average rent levels were comparable with other associations in Easterhouse, although the Association had a greater proportion of main door type properties, which would normally have a higher rent.
- A Committee member queried the increase in the Management Fee. The Director confirmed the proposed increase of 8.5% was to ensure we covered our costs in the delivery of the service to owner-occupiers. If this wasn't applied then our tenants could be seen to subsidising this service, which was not permissible.
- There was discussion on the Estate Service Charge increase and the position for tenants. It was highlighted that an increased to the rent or service charge had never been applied for estate services including close cleaning, bulk removal, garden maintenance etc. The Association will programme a review of this service.

The Committee approved the following increases for 2024-25:

- Rent - 5%
- Management Fee – 8.5%
- Estate Service Charge – 6%

## **17. ANY OTHER BUSINESS**

### **a) Report on Fencing / Window Replacement**

The Director presented his report and highlighted the following:

- The damage caused to perimeter wooden fencing due to storms in January 2024;
- The options for replacement, where wooden posts with slats was the viable option in the short and long term.
- The position with the 30year and provision for environmental works
- The options and costs for replacement of windows and patio doors i.e. wooden or UPVC



The Director proposed the following:

- Replace damaged perimeter fencing on a like for like basis with wooden posts and slats;
- A budget of £45,000 is set for replacement of perimeter fencing
- Replace windows or patio doors with UPVC as a best value sustainable option.

The Committee had the following comments or questions in relation to the Report on the Perimeter Fencing / Windows & Patio Doors.

- A Committee member asked if the Association would consider triple glazing in windows and patio doors. The Director confirmed we can assess the costs and consider this is the difference wasn't material.
- A Committee member queried the lack of provision in the 30 year financial plan for environmental maintenance / replacement. The Finance Agent confirmed this was the position and she will make provision ahead of the outcome of the stock condition survey and development of the business plan.
- There was discussion about the life expectancy of wooden posts and slats and the revised installation to mitigate the damage from storms and high winds.

The Committee approved the replacement of perimeter fencing on a like for like basis and a budget of £45,000. They also approved the replacement of windows and patio doors in UPVC in circumstances set out in the report.

F. Nicholl left the meeting

## 9. REPORT ON MEMBERSHIP

B. Hartness left the meeting.

The Business Improvement Officer presented her report and sought Committee approval for the memberships issued and cancelled.

- New Shares                    – Member Numbers 1499, 1500, 1501
- Update Share                – Member Number 542
- Cancelled Shares          – Member numbers 1330, 1474

The Committee approved the report.

B. Hartness rejoined the meeting.



## 10. REPORT ON COMMITTEE SUCCESSION PLAN 2023-24

The Director presented his report on progress against the Committee Succession Plan to December 2023 and highlighted the following:

- The successful Committee mini-conference evidenced through the evaluation report.
- Committee attendance levels
- The current membership and need to recruit new members to the Management Committee.
- He highlighted some areas of slippage, which included:
  - Th Committee annual performance reviews which are now scheduled to be undertaken in February 2024.
  - The review of the Standing Orders, which will now be undertaken in Q1 of 2024-25 and inform the governance structure for the new Committee post the AGM in 2024.
  - Committee members' appraisals were completed and the report from SE Training is awaited to inform the Committee Succession Plan;
  - Committee training, although there were many areas of the Committee Training Plan attended to at the mini-Conference in October 2023.

The Committee raised the following queries or questions in relation to the Committee Succession Plan.

- A Committee member stated that there needs to be an improvement in the Committee's attendance. The Chairperson advised that the average attendance was 70% and this had been affected by long term and frequent absence of some members. He acknowledged the need for an improvement.
- The Chairperson asked the Director for a Training Schedule to be prepared to show members of courses and conferences through SHARE, C.I.H, SFHA and other.,
- A Committee member spoke about in-house training and the option to offer places to EHRA organisations, where this was not specifically related to the Association's business..

The Committee noted the content of the report.

## 11. REPORT ON PROGRESS OF OPERATIONAL PLAN

The Director presented his report on progress against the Operational Plan 2023-24 to December 2023 and outlined the following:

- There continues to be good progress against the work programme as outlined in appendix 1, specifically with the completion of key tasks in the quarter October – December e.g. completion of the Annual Assurance Statemen; the completion of the review of the fully mutual status to become a charitable housing association; the report on the proposed rent increase and an array of work and key tasks in the financial management.
- Good progress in key areas of the performance scheduled (appendix 2), which were financial position – cash reserves, covenant compliance, stable rent arrears position, income collection, gas servicing,

- There are a few areas of slippage included the review of governance and service policies; staff performance reviews due to the implementation of the new staff structure; operational work plans; and deposit of the cash reserves with Barclays, cyclical and planned major repairs.
- A few areas for improved performance included the re-active repair performance through our new network of contractors and governance targets.

The Committee noted the content of the report.

## **12. REPORT ON THE ANNUAL ASSURANCE ACTION PLAN 2023**

The Director presented his report on progress against the AAS Action Plan, where achievement would further strengthen our compliance against the Regulatory Frameworks and Regulatory Standards. He highlighted the following:

- The progress against the plan covered the following areas:
  - Regulatory Framework
  - Regulatory Standards of Governance & Financial Management
  - Scottish Social Housing Charter
  - Landlord Safety
- He highlighted key areas that were to be progressed / finalised, as well as areas of slippage.

The Committee raised the following queries or questions in relation to the Annual Assurance Statement Action Plan.

- A Committee member highlighted the short period for delivery of tasks in the plan between October and December 2023.

The Committee noted the content of the report.

## **13. COMMITTEE MEMBERS**

The Director presented his report on the following Committee matters:

### **a) Leave of Absence Request**

The Director confirmed that a Committee member has requested a leave of absence due to personal reasons through to April 2024.

The Committee considered the member's request and were agreeable for the Leave of Absence to April 2024.

b) Committee member Resignation / Long Service Recognition

The Director presented his report and confirmed that Joe Gracey has submitted his notice to resign from the Management Committee due to personal reasons.

The Director advised the Committee that there are now 8 members / co-optees on the Management Committee and a key priority is to recruit new members. The Director confirmed an advert would be published on the Association's website and in the sector,

The Director referred to his report and the provisions of the Donations, Gifts & Hospitality Policy for the Committee to agree the value of a gift for former long standing members of the Committee and Chairpersons, M. Davidson and J. Gracey

The Committee discussed the provision of the policy and agreed a gift of £100, as well as a commemorative plaque for M. Davidson and J. Gracey

N. Smith left the meeting

## 14. IMPLEMENTATION OF STAFF STRUCTURE

a) Report on Progress Against Implementation Plan.

The Director presented his report on progress against the implementation plan to February 2024 and covered the following:

- An overview of the process and timeline for the review of the staff structure;
- The key areas of the Implementation Plan, which were:
  - The progress on the recruitment of Senior Management Team positions.
  - The phased approach to the recruitment to fill officer, administration and caretaking positions.
- He advised the Repairs Operatives (Plumber & Joiner) posts in the new Trade Team were advertised on 23 February 2024 with a closing date of 8 March 2024.

The Committee raised the following queries or questions in relation to the Implementation of the Staff Structure.

- The Committee discussed the recruitment of the Finance & Corporate Services Manager / Depute Director and agreed this should be readvertised on similar terms.
- The Director confirmed the appointment of the new Housing and Maintenance Managers:
  - Maintenance Manager - David Stewart
  - Housing Manager - Anton Nugent

The Committee noted the content of the report.

b) Minute of the Staff Structure Review sub-Committee – 7 February 2024

i) Minute

The minute of the Staff Structure Review sub-Committee is for information only.

ii) Matters Arising

There were no matters arising.

## 15. CORRESPONDENCE

There was no correspondence.

## 16. CONFIDENTIAL BUSINESS

a) Minutes of Office Bearers Meeting on 7 February 2024

iii) Minute

The minute of the Office Bearers meeting was approved by A. Cushingam and seconded by D. Barnes .

iv) Matters Arising

There were no matters arising

b) Minute of Electronic Business in relation to the grading of the new Maintenance Manager.

i) Minute

The minute of the Electronic Business of 19 February 2024 was approved by P. Waddell and seconded by A. Cushingam

ii) Matters Arising

There were no matters arising

There was no other confidential business.



## 17. ANY OTHER BUSINESS

B. Hartness left the meeting.

b) Casual Appointment

The Committee agreed for B. Hartness to become a casual co-opted appointment.

B. Hartness rejoined the meeting.

K. Mollins left the meeting.

c) Director's carry forward of leave to 2024-25

The Chairperson presented a request from the Director to carry forward leave into 2024-25.

The Committee discussed and were agreeable to the Director's request.

## 18. DATE OF NEXT MEETING

Management Committee Meeting

- Wednesday 27 March 2024 at 6.30p.m. on the Committee room.

Chairpersons Signature: \_\_\_\_\_

Date: \_\_\_\_\_