

HILLHEAD HOUSING ASSOCIATION 2000

Minutes of the Management Committee Meeting held on Wednesday 7 October 2020 at 5pm via Zoom

Present: C Taylor S Niven
W Hassan G Jackson
D Wilson L Scott

In Attendance: S Macintyre, Director
C McKiernan, Housing Manager / Depute Director
S Tait, Head of Development & Property Services
P Long, FMD Financial Services
O Gaffney, SFHA

1. APOLOGIES

Apologies received from Cllr J Jamieson, Cllr S MacDonald. M Docherty is on a continued leave of absence.

2. DECLARATIONS OF INTEREST AND DEFERRED ITEMS AND ELECTION OF OFFICE BEARERS

S Macintyre declared an interest in agenda item 5iii) Tenant Complaint.

There were no declarations of interest.

The following committee members were elected as office bearers:

Position	Name	Proposed by	Seconded by
Chairperson	C Taylor	S Niven	G Jackson
Vice Chairperson	L Scott	G Jackson	S Niven
Secretary	M Docherty	C Taylor	L Scott
Treasurer	S Niven	L Scott	C Taylor

3. MINUTES AND MATTERS ARISING FROM PREVIOUS MEETINGS

Management Committee Meeting – 2 September 2020

S Niven asked if any update had been received from CALA Homes regarding the development sites at Chryston/Fauldhead. S Tait confirmed no contact to date, however he would e mail CALA once again.

4. Finance Report

Business Plan Review

P Long of FMD Financial Services was in attendance to present to Committee the 30 Year Business Plan Review.

Pat explained the Association reviews its longer term business plan annually. Although no longer a requirement of the Loan Agreement we continue to engage with RBS in the process. This year the review has been delayed as the Stock Condition Survey had not been completed by the time of the Lockdown in March. Due to ongoing restrictions it has not been possible to restart the property surveys, although we anticipate that this work will be completed in time for next year's Review.

RBS are comfortable for us to continue with estimates based on the last survey.

Pat confirmed in short term there are no particular concerns so this enables time for continued consideration as impact of Covid materialises. It is expected over time things will get back to normal, inflation is likely to be nearer to the 2% Bank of England target and we have already built in gradual rises in interest rates.

Bad debts modelled long term on twice the average rate for last 3 years with voids rising by 33%.

Increases in arrears are assumed over the short to medium term and real cost rises on management costs for the first 10 years and on all repair costs for the full 30 years are also assumed.

Rent Affordability remains a big factor and the next task will be to update the annual rent affordability tests which are based on the SFHA affordability models. This analysis will show if reduced rises are necessary. The sensitivity analysis highlights the impact of inflation only rent rises on cash balances which would require some other form of mitigation to offset the loss of cash.

The necessity for updated costed plans remains a main factor, but for the reasons outlined above we are using estimates. Overall provision is probably at the higher end and once actual costs are available we would need to consider how these can be spread across future years taking into account planned investment needs and affordability.

There is added borrowing in years 7 and 12 due to some large capital repayments that fall due in those years. However if we drop real rent rises then added borrowing may rise; albeit potentially spreading of costs on updated projections may help to offset the impact.

Cash balances currently remain very healthy and all debt is shown as being repaid fairly early on at year 14.

The potential new build programme would change the forecasted outputs again, but with more rental income coming in and limited repair costs in the early years. It should be note noted that building costs are currently on the rise and therefore schemes would probably require (as others do) added levels of grant. Any added new build would also impact on scale of added borrowing, if any.

With regard to the sensitivity analysis, we have modelled the impact of higher write offs, lower inflation over the long term. An inflation only rise this year would not in itself be a threat on the long term financial position of the Association. The Committee may wish to consider which measure of inflation it wishes to tie future rent rises to, either RPI (current measure) or CPI?. The latter has in the main always been lower than RPI. At present RPI is at 0.5% CPI is at 0.2%. (August 2020). The business plan assumption for inflation is 2%. C McKiernan noted policy had now been reworded so either CPI or RPI could be used.

S Niven thanked Pat for the presentation.

Pat stressed there were many uncertainties due to Covid.

G Jackson asked what other tools were used to manage income and expenditure. S Macintyre confirmed quarterly management accounts are followed and reviewed. Access to cash is monitored with the target always being £1million and the new monthly returns to the regulator also record financial information.

Committee duly approved the content of the report and financial information.

5(i) DIRECTOR'S REPORT

1. Scottish Housing Regulator

S Macintyre informed Committee that the Association had submitted its monthly return to the Regulator for the month of August by the submission deadline date of the 7th of September. He added that the September submission would be sent in the coming days.

Committee noted that staff are currently working on a draft assurance statement, and is also reviewing the Association's ongoing compliance with the standards of governance and financial management. It is planned to present a detailed report to Committee in November 2020.

Annual Assurance Statement

The Annual Assurance statement is due for return by 30 November 2020 and should include details of the impact of COVID 19 and how this has affected the ability to comply with the Regulatory framework.

Charter Return and publication of Annual Report for Tenants

The report is due to be issued to tenants by the end of the calendar year.

Publications of Engagement Plans

Engagement plans will only be published this year where intervention is already in place.

2. Recovery Planning – Post Lockdown

Committee agreed due to recent Scottish Government guidelines it was unlikely the office could open to the public anytime soon.

As home working where possible remains the default position, it was agreed minimum staff will continue to man the office until at least January (unless an unlikely improvement in the Covid situation arose).

New smart phones have been issued to a number of staff who have regular contact with tenants.

A gazebo has been purchased to allow essential meetings to take place in private car park area within office grounds. This will only be where face to face discussion is more appropriate than telephone.

3 Current Position

3.1 Housing Management

Committee noted the August rent arrears levels as highlighted in the report. C McKiernan confirmed September's arrears were down £20k however a large arrear had been moved from a current tenant arrear to a former and a large Universal Credit payment had been received. In real terms the arrears balance remains static although current arrears have dropped and former tenant has increased.

Allocations and Voids

Tracy is in office two afternoons per week to scan applications to system to ensure housing team have access to up to date information. C McKiernan confirmed this is working well.

S Tait explained the procedure for accommodating house viewings, Property Services Officer will meet prospective tenant and open up property. Tenant will then view property and officer stays outside. Prospective tenant can ask questions following viewing.

C McKiernan explained sign up process has been changed, however with new smart phones now issued to housing staff this makes things easier. Staff and applicants seem to be happy with the process, with office based staff assisting with sign up.

D Wilson asked if staff were aware if the SHR had given any guidance on how "number of days to let" are calculated in light of Covid. C McKiernan advised she was not aware of any changes. D Wilson confirmed Parkhead H.A have asked David Bookbinder of GWSF to take this point up with the regulator.

S Niven asked if any guidance had been given or changes made on how "number of days to let" are calculated. C McKiernan advised she was not aware of any changes. D Wilson confirmed Parkhead H.A have asked David Bookbinder of GWSF to take this point up with the regulator.

Tenancy Support and Advice

The content of the report was discussed and confirmation that additional funding received allows us to work alongside the family support officer based at Hillhead Primary School.

New smart phones also allow Welfare Rights team to make video calls to tenants.

3.2 Property Services

As detailed within the report, a full repairs services is now operational. Regular dialogue is ongoing to ensure contractors are able to maintain both labour and material resources.

All addresses with gas appliances (gas central heating) now have a valid gas safety certificate.

It was noted the Gas Service and Repairs contract ends on 31 March 2020 and we will soon commence a joint procurement exercise with Abronhill Housing Association.

Nurture Landscapes are due to complete the final grass cut of the season in the next week or so. A review of performance and recommendation will be brought to committee in November to consider if Nurture continue as contractor in 2021.

4 Finance & Corporate Services

Nationwide Account

The new savings account was opened today. As noted within the report funds will be transferred from one of the two Close Brothers accounts meaning savings are spread across 3 approved investing organisations, RBS, Close Brothers and Nationwide.

Strategic Planning

Work has commenced on a revised plan and will be presented at the December meeting.

Human Resources

G Jackson shared his experience of "In Touch Days" where home workers are contacted informally via phone call to check on their wellbeing. G Jackson will share the questions that are asked and we can look to introduce them where appropriate when contacting the staff team.

5ii Committee Appraisal Report

Olwyn Gaffney of SFHA explained the procedure followed during the appraisal process and all committee in attendance confirmed they had site of the report.

Olwyn confirmed the development plans were not quite complete but these would be issued in due course.

Observations from Committee meetings found that the meeting was well chaired and discussion took place at a strategic level without getting bogged down in operational matters. Although the committee may have at times had differing opinions, all opinions were respected and considered.

It was noted that Committee had a brought knowledge base, however in terms of future procurement, members with a knowledge of procurement and marketing would fill a knowledge gap.

Committee were found to have a sound knowledge of the 7 Regulatory Standards.

Consideration should be given to succession planning. G Jackson asked how best to do this. S Macintyre confirmed Abronhill HA had recently advertised for Committee Members with around 9 people showing an interest.

In Conclusion the appraisals found committee to be confident in their abilities and that they work well together. A learning and development plan will be issued for committee to consider. Individual development needs will be highlighted in the learning statements for each Committee member.

5iii Tenant Complaint

Committee considered the content of the report presented by C McKiernan.

It was noted that unfortunately none of the Council members of committee were present at the meeting and the complaint had been sent to each of them by the complainer individually.

D Wilson agreed that advice should be sought from our solicitors and future correspondence should perhaps be dealt with by them.

C Taylor asked what auditors would review, C McKiernan confirmed the internal auditors would seek to ensure HHA had followed all appropriate procedures correctly and report back to the Committee.

Committee unanimously agreed we should seek advice from our solicitors and also contact our engagement manager at SHR to seek clarification if the issue is classed as a notifiable event. The Committee noted that the Association's complaints policy and Notifiable Events Policy refers to the handling of complaints about the Senior Officer.

5iv Review of Chairs Fund

S Macintyre explained the background of the Chairs fund and provided details of previous awards. All Committee present agreed that the fund was appropriate and would be very beneficial to help support young people.

A general discussion took place on how to widen the scope of the fund and it was agreed to increase the maximum award to £500 and extend the age limit to encompass young people between 16 and 25 years old.

Committee also suggested further thought be given on how the Chairs fund could help in a broader scope, perhaps to encourage young people onto the committee and also to explore if there was a mechanism to help the youngsters with CV writing etc. which may help them when seeking employment.

The Welfare Rights team will be tasked with drafting a proposal of the scope of the fund along with an overall budget figure, which will be presented to committee for

approval in due course. However in the meantime the points noted during the general discussion are approved and awards can be made on that basis.

6. A.O.C.B

Festive Holidays

Committee approved the following closure of the office over the festive period

24 December 2020 – close 12 noon

6 January 2021 – reopen 9am

30 & 31 December – staff use 1 annual days leave and 1 day paid leave granted

8. DATE OF NEXT MEETING

Management Committee Meeting Wednesday 4 November 2020

Minutes prepared by; S. Tait, Head of Development & Property Services
07/10/2020

Chairperson's Signature:

Date:

Copies of the above reports are available on request.