

**Minutes of Management Committee meeting – Thursday 25th July 2019
In Southside House, 135 Fifty Pitches Road, Glasgow at 6.00pm**

Action

Present: Jonah Chireka, Munir Choudry, Iain Dyer, Alan Ferguson, Betty Macneill, Margaret McIntyre (Chair), Kenneth Ross, Bob Turnbull, Alex Cameron.

In Attendance: SHA Staff - Norma Taylor, Mandy Wright, Donna Reilly, Des Phee, Allan Forfar.
Allison Devlin (Observer), Lisa Peebles (Observer).
Lorna Shaw – Research Resource, Jordan Henderson – Arneil Johnston.

Item 1: Apologies The Chair welcomed everyone to the meeting.
Lucy-Anne Cowan, Surjit Singh Chowdhary

Item 2 Conflicts of Interest Jonah Chireka, Betty Macneill and Margaret McIntyre declared an interest in Item 6 - Rent Restructuring Proposals.

Item 3: Minutes of meeting 27.06.19 & Confidential Meeting 27.06.19 The minutes of the meeting held on Tuesday 27th June 2019 were approved.
Moved: Iain Dyer
Seconded: Alan Ferguson

It was noted that Chris Milborrow was not recorded on the minute as being present at this meeting.

The minutes of the confidential meeting held on Tuesday 27th June 2019 were approved.
Moved: Munir Choudry
Seconded: Jonah Chireka

Item 4: Matters Arising Schedule Item 1 – Information on Passive Haus was available at the meeting.

Item 13 – Norma Taylor would report back at a later date on the Care & Repair Review. Committee were advised that 'Home & Hospital' funding has been confirmed until 31st March 2020.

NT

Item 5: Tenant & Owner Base Line Satisfaction Results Margaret McIntyre introduced Lorna Shaw who gave a presentation on the key headlines from the recently completed Tenant and Owner Base Line Satisfaction Survey.

The Management Committee considered and discussed the previously circulated report.

Committee noted lots of positive results from the survey, however recorded their disappointment with the more negative results.

Committee requested that the Director prepare an Action Plan and report back on the proposals to address the issues where there was recorded high levels of dissatisfaction.

PMcG

The Chair thanked Lorna for her presentation.

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Item 6: Allan Forfar gave Committee some background on the proposal.
Rent
Restructuring Committee were reminded that the Association introduced a new rent
Proposals structure in April 2015 with the express aim of having a more consistent approach to setting rents and a rent structure that was fairer, easier to understand and more transparent. Affordability was a major consideration.

The purpose of this new proposal is to evaluate whether the above principals are being met in our current rent structure, especially affordability of smaller properties and the fairness of rents throughout our stock types and consider any changes or developments since the inception of the rent restructure in 2015.

Allan introduced Jordan Henderson who gave a presentation on the 2 options being proposed to Committee for consideration.

After much discussion and assessment of the 2 options being proposed, Committee approved Option 2, noting however the proposed deficit to the Business Plan of circa £96,000 in year 1. Committee were assured that the proposed losses would be recovered from year 3 forwards following the installation of new heating systems across a large number of properties which would attract an additional payment onto the monthly rent amount. The additional income generated in future years as part of the Option 2 proposal may also allow further rent reductions further down the line.

The option 2 proposal was approved.

Moved : Alan Ferguson

Seconded: Jonah Chireka

Kenneth Ross requested that his rejection of both options be recorded, stating that he felt any options to be considered should be cost neutral to the Association.

SMT

Committee were advised that other areas of expenditure included within the Business Plan would be scrutinised further to find efficiencies to ensure the plan is affordable.

AF

Committee noted that tenant consultation would be carried out on the proposal.

Item 7: **Management Accounts**
Quarterly The Management Committee considered and discussed the
Performance previously circulated report.
Reports April
– June 2019 The Management Accounts were approved:
Moved: Betty Macneill
Seconded: Iain Dyer

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ARC Performance

The Management Committee considered and discussed the previously circulated report.

Committee highlighted the following:

1. Void target days - Allan Forfar acknowledged that the recorded 22 days was above the Associations internal target of 15 days and cited the increasingly poor condition properties were in at the termination date as a challenging factor in this performance indicator. The Staffing Sub Committee has approved a dedicated resource to deal with void works as part of a proposed restructure of the Repairs and Maintenance Team, although the target implementation of this proposal is likely to be in 12 – 18 months.
2. Arrears – both current and former tenant arrears – Universal Credit has had an impact on the arrears position.
3. Gas Safety – Committee requested additional information on the current Gas Safety record. Committee queried if gas certificates were issued for all properties, including those where the gas supply was capped. Allan Forfar to confirm for next meeting
4. EEESH Targets – Committee were advised of the recent discussions with the Housing Regulator regarding our EEESH Targets.

AF

AF

Tenant Safety

AF

The Management Committee considered and discussed the previously circulated report.

Allan Forfar is in discussions with TC Young Solicitors regarding the proposed Fire Safety works required at a number of T'84 properties where there are a large number of owner occupier's properties. Allan Forfar to report back to Committee on the proposals.

AF

Projects

The Management Committee considered and discussed the previously circulated report.

Committee were updated on the current position with the projects at:

1. 166 Gorbals Street
2. Mossbank Boulevard

Complaints

The Management Committee considered and discussed the previously circulated report. Key points from the report:

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- Significant increase in number of complaints recorded
- Number of complaints escalated to Stage 2 after previous investigation at Stage 1 is low.
- Although a significant increase in the volume of complaints, evidence that there may be some under-recording from some business areas.

Complaints trends identified were infestation issues in the Pollokshields East neighbourhood, issues regarding communal paintwork at Hartlaw Crescent, and repairs issues not being correctly logged on the system.

Jonah Chireka enquired about the details of a Data Protection related complaint, Des outlined that this related to dissatisfaction that company carrying out tenant satisfaction survey on behalf of the Association and sharing data for this purpose is clearly outlined in Association's Fair Processing Notice.

Munir Choudry enquired about the reason for a significant increase in the number of complaints. Des advised that this may be attributable to improved internal processes for recording, with a responsible officer having responsibility for the Association's enquiries inbox.

Bob Turnbull raised the issue of a notable increase in the number of complaints received from Cardonald and Halfway neighbourhoods and enquired if there was any reason for this. Des advised that previous reports had noted possible issues with under-recording of complaints from these neighbourhoods and it was encouraging to see a marked increase in the number of complaints during Q1.

**Item 8:
Secretary's
Report of
Compliance
with Rules 62
to 68**

The Management Committee considered and discussed the previously circulated report.

Committee discussed the timescales for the re - appointment of both internal and external auditors and noted the timescales for same.

**Item 9:
Regulatory
Standards of
Governance
& Financial
Management
Standards 4 -
6**

The Management Committee considered and discussed the previously circulated report which provides a 2019 update on the self-assessment against regulatory standards carried out by North Star Consulting and Research in May 2018

Alan Ferguson commented on a range of issues contained in the report and raised a number of points for consideration

4.1 Could the Association look at other methods of reporting to Management Committee which may engage members more, as currently information provided is paper based and numerous.

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5.1 Helpful for members if an annual briefing on the Code of Conduct could be prepared. There is a need also for Management Committee members to be more involved and contribute to the Business Planning process.

5.3 More work required to consider human rights and to demonstrate how the Association meets its legal obligations.

5.7 Management Committee has not seen the Settlement Agreements Policy. Policy approved by Staffing and General Purposes Sub-Committee earlier today.

6.1 Succession Planning – Management Committee Review and Renewal Policy due for review in July 2018 but has so far no revised policy. In terms of 'skills gaps', do we know what these are and target Committee member recruitment accordingly?

6.4 Skills gaps have been identified in terms of SFARS Board member recruitment, why not in relation to SHA? In terms of encouraging a diverse membership of the Association, how are we actively promoting this?

6.7 Are the Senior Officer's goals and objectives set out, monitored and reported to the wider Management Committee? Chair updated Management Committee at June 2019 meeting.

Des advised that Management Committee member's feedback would be taken on board and reflected in the Improvement Plan. Improvement Plan actions to be included in standard Matters Arising report.

**Item 10:
Tender
Reports**

New Build Housing at 43 Allison Street

The Management Committee considered and discussed the previously circulated report and approved acceptance of the tender submitted by AS Homes in the sum of £6,681,560.00 for the above development. Committee noted that the Planning Application is expected to be submitted to Glasgow City Councils Planning Department on 6th August 2019.

Moved: Iain Dyer

Seconded: Betty Macneill

ERP Tender Approval

The Management Committee considered and discussed the previously circulated report.

The Management Committee approved the proposed due diligence, award and commencement timeline for the above and as the next Management Committee meeting is not until 26th September 2019, delegated authority to Director to sign the contract and commence the project in August, subject to successful completion of the timeline and

DR

SMT

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the Senior Management Team being satisfied with the information gathered through the due diligence process.

Moved: Alan Ferguson

Seconded: Munir Choudry

Stock Condition Survey

The Management Committee considered and discussed the previously circulated report.

Committee approved delegated Authority to the Head of Housing Service to appoint the successful consultant following final tender evaluations.

Moved: Alan Ferguson

Seconded: Munir Choudry

AF

**Item 11:
Consolidated
Annual
Accounts for
the SHA
Group**

The Management Committee considered and discussed the previously circulated report.

Mandy Wright advised that at the June 2019 meeting, the Management Committee approved the SHA and SFARS Annual Accounts for the year ended 31 March 2019. The Consolidated Accounts for the Group represents the combined figures for both entities, excluding any inter-company balances.

Mandy Wright raised a potential issue that had arisen post balance sheet and since signing the SHA Accounts in June.

The “McCloud judgement” relates to a Court of Appeal ruling that “transitional protection” offered to some members of public sector pension schemes amounted to unlawful discrimination.

As a result, the UK Government issued a written statement that the transitional protection would be remedied across all public sector pension schemes.

The Strathclyde Pension Fund (SPF) wrote to members in July to state they could calculate the impact of this decision in to their actuarial assessment. SHA has requested this valuation. Should the valuation show a material difference, the Consolidated Accounts would require to be amended prior to signing.

SHAPS confirmed they are not impacted by the judgement.

Mandy Wright advised that valuations received by other Housing Associations so far had not resulted in a material difference arising and we were hopeful the same would apply to SHA.

The Management Committee agreed to approve and sign the Consolidated Accounts on the basis they would be amended should the valuation turn out to be material.

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The Consolidated Accounts were approved.

Moved: Munir Choudry

Seconded: Jonah Chireka

- Item 12:
Risk
Management
Framework
and
Corporate
Risk Register**
- The Management Committee considered and discussed the previously circulated report
- Committee were advised that the Association had recently commissioned our Internal Auditors, BDO to develop a new Risk Management Framework (policy & methodology).
- As part of this Framework, the Association has prepared new Risk Registers for every area of the Association, including SFARS.
- In addition there is also a new Corporate Risk Register which amalgamates both the Strategic Risk Register and the Operational Risk Register. Under the new Framework, the Senior Management Team, with input from both the Audit Committee and Management Committee, will maintain the Corporate Risk Register.
- Committee were advised that the Audit Committee approved the new Framework in June 2019.
- The Framework and Corporate Risk Register was approved by the Management Committee.
- Moved: Betty Macneill
Seconded: Alex Cameron
- Item 13:
Succession
Planning**
- Given the constraints on time this item was deferred to the next Management Committee meeting in September 2019. **PMcG**
- Item 14:
Directors
Report**
- The Management Committee considered and discussed the previously circulated report.
- The Management Committee approved the cost of additional security improvements at Hartlaw/Chirnside in this year's budget. The cost being £29,500 + VAT. **AF**
- Item 15:
Application
for
Membership**
- No applications for noting.
- Item 16:
Proposed
use of the
seal**
- No proposed use of the seal.
- Item 17:**
- Membership Certificate No. 646 was approved for use of the seal.

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Use of the seal

**Item 18:
Minutes of Sub-Committee meetings** Committee noted the Minutes of the following meetings:

1. SFARS Board Meeting 12th June 2019
2. Audit Sub Committee Meeting 20th June 2019

**Item 19:
Relationship with other bodies** No items to report.

**Item 20:
Disposals & Acquisitions** The Management Committee considered and discussed the previously circulated report.

The Management Committee approved for the disposal of the following properties from SHA to SFARS for the purpose of allocating the property for Mid-Market Rent (MMR):

- 120 Hartlaw Crescent, [REDACTED]

DP

**Item 21:
SHR
Guidance etc.** No items to report.

**Item 22:
Any other competent business** **AGM Nominations**
The Chair advised that one third of the Association's Management Committee is required to stand down and seek re - nomination.

Committee noted the recent resignation of both Lucy Anne Cowan and Alan Ferguson from the Management Committee.*

After discussion it was agreed that both Iain Dyer & Surjit Chowdhary would stand down and seek re-election.

AGM is on 29th August at 7.00pm in the main office.

**Item 24:
Date of next meeting** Next meeting will take place on **Thursday 26th September 2019** at 6.00pm.

** Post meeting note – Lucy Anne Cowan and Alan Ferguson standing down from 2019 AGM.*