

Minute of the Management Committee Meeting of Rutherglen and Cambuslang Housing Association held on Tuesday 7<sup>th</sup> January 2020 at 5.30pm in the Association's offices at 16 Farmeloan Road, Rutherglen.

**Present**

Robert McLeary (Chair)  
Eveline Thompson  
Jean Stewart  
Geraldine Baird  
Nora Dillon  
Frances Cunningham  
Edward Harkins  
Gary Gow  
Mary Ellen McKeown  
Christine McPhail

**Present**

Dave Anderson  
Howard Dales (part)

**Item One – Apologies**

Apologies noted – Karen McCartney. Noted that Jean Gow was given leave of absence due to illness.

**Item two – Declaration of Interest**

None were declared.

**Item Three- Minutes of previous meeting 8<sup>th</sup> October 2019**

Minutes of previous meeting noted as true record.

Proposed: Maryellen McKeown

Seconded: Frances Cunningham

Some grammatical errors were noted.

**Item 4 - Matters Arising/Committee Digest**

**Regulatory Framework- Assurance Statement**

Noted that our new committee member induction policy and a review of tenants feedback on the format of our performance reporting will be on the February agenda.

**Shop in Hamilton Road**

Noted that Grow 73 are no longer interested. It was agreed to market the shop for rent.

**Annual Accounts/OSCR**

Noted

**Tenant Satisfaction Survey**

Noted

**Rent Levels and Options in the Rent Consultation**

Committee discussed the recent debate about this subject. It was noted that the Association hadn't offered options in the past as it felt that this wasn't good business practice. Our rent increases were based on the income the Association needed to carry out its service and maintenance commitments and it would not be responsible to reduce income and cut services. The Association had in the past followed the SFHA Guidance on the 2001 Housing Act which stated that consultations on options are only required when radical restructuring of rents or services were proposed. Committee agreed that on this basis it would not be introducing options in its rent consultation.

**Item 5 - Sub-committee Minutes**

**Finance and Audit: 26<sup>th</sup> November;** Noted that recommendation on pensions was on the agenda

**Development: 3<sup>rd</sup> December;** Noted

**Housing Management 10<sup>th</sup> December;** Noted

**Staffing Sub-committee 10<sup>th</sup> December;** Noted that these had not been circulated in advance because of some confidential content. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Redacted for GDPR purposes

**Item 6 - Correspondence**

There was none.

**Item 7 – Draft Budget 2020/21**

Howard Dales talked through the draft budget for 2020/21 that had been circulated. He highlighted the following key points;

- ✚ The surplus for the year is down slightly from last year from £428K to £411K
- ✚ Cash is down from £1.129M to £752K as a result of the increased component spend
- ✚ The rent increase is proposed as 3.1%
- ✚ Factoring management fees have been increased to ensure that these cover our costs
- ✚ Planned maintenance replacements amount to £917K
- ✚ Cyclical maintenance is up from £306K to £384K
- ✚ Housing stock will increase to 905 including shared ownership and supported accommodation
- ✚ Pension contributions will be reviewed during the year
- ✚ Insurance premiums are expected to reduce as a result of a tendering exercise
- ✚ All lender covenants will be met

Committee discussed the proposed rent increase and noted that this was in line with our policy and that there was no scope to reduce this because of our business plan/maintenance commitments. Noted that it was based on the RPI figure not CPI which was artificially low.

Committee queried the proposed increase in factoring fees and asked if the income covered the Associations costs. The Director answered that the proposed increase covered actual factoring staff costs including a proportion of the time spent by housing management and maintenance staff as well as office overheads.

Committee noted that there would be a dip in cash reserves as a result of a higher than usual planned maintenance programme but that this would recover in future years. It was also noted that EESSH costs were estimated on the high side as there were some unknowns and that it was expected that insurance costs would decrease as a result of the current tender exercise. Committee discussed the application of the rent increase and agreed to implement a 3.1% across the board rather than a flat rate increase.

After some further general discussion committee agreed the draft budget.

## **Item 8 - Pensions**

Committee discussed the paper that had been circulated and agreed the following;

- ✚ To continue with the current DB option in the short term to allow time to consult with staff

✚ To consult on a proposed move to a DC scheme

✚ To employ Spence and Partners to carry out the consultation process with staff

It was noted that the consultation period should be over by the end of February allowing the committee to make a decision in March and for any changes to be effective from the 1<sup>st</sup> June 2020.

### **Item 9 – 40<sup>th</sup> Anniversary/Length of Service Awards**

Committee had agreed that the 40<sup>th</sup> Anniversary celebrations should be low key and a staff/committee dinner should be organised in Mitchells Restaurant in Carmunnock. The Director will circulate possible dates for an August event.

Committee agreed that a staff/committee event should be organised in the office to celebrate the EVH Length of Service awards i.e. committee over 25 and staff over 30 years service respectively.

### **AOCB**

There was none

### **Item 12 - Date of Next Meetings**

Maintenance sub-committee; 28<sup>th</sup> January 2020

Staffing Sub-committee; 4<sup>th</sup> February 2020

Management Committee; 11<sup>th</sup> February 2020