

RUTHERGLEN & CAMBUSLANG HOUSING ASSOCIATION

Minutes of Management Committee Meeting held on Tuesday 7th September 2021 at 5.30pm via ZOOM

Present:

Robert McLeary – Chair
Edward Harkins – Vicechair
Frances Cunningham
Jean Stewart
Maryellen McKeown
Karen McCartney
Gary Gow

In Attendance:

Elaine Lister - Director
James McBride - Azets
Robert McGinlay - FMD

Leave of Absence:

Jean Gow
Eveline Thomson

AGENDA ITEM 1 – APOLOGIES

Apologies noted : Geraldine Baird – Secretary
Christine McPhail
Maryellen McKeown

AGENDA ITEM 2 – DECLARATIONS OF INTEREST

No declarations of interest were submitted.

AGENDA ITEM 3 – MINUTES OF PREVIOUS MEETINGS : 10th August 2021

The minutes of the previous meeting held on 10th August 2021 were noted as a true record.

Proposed : Jean Stewart

Seconded : Frances Cunningham

Agenda Item 3.1 Matters Arising

3.1.1 Furlough/Employees Retention Scheme (Previous Agenda Item 3.1.1)

Committee noted that the member of staff previously on furlough had returned to working 3 days a week, remaining on furlough for the other 2 days.

3.1.2 FMD Financial Services (Previous Agenda Item 3.1.2)

Committee noted that Robert McGinlay has been appointed by FMD to provide financial services to the Association following Lucy's resignation.

3.1.3 Committee Recruitment (Previous Agenda Item 3.1.3)

Members considered the proposed places to advertise for new members to the Management Committee and expressed the view that the preference would be to attract members who lived within the Association's area of operation and/or were service users, particularly tenants.

Committee agreed that recruitment adverts should not be placed in sector publications at this time but that this would be reviewed following the outcome of the AGM.

3.1.4 Climate Change Conference (Previous Agenda Item 3.1.4)

Edward advised members that he had not received a response to his enquiry to date. Robert advised that he would see if any of his colleagues on Clyde Gateway had any further information.

AGENDA ITEM 4 – COMMITTEE DIGEST

4.1 Working Arrangements

Committee noted the updated advice from the Scottish Government regarding recommencing office working and opening to the public. Members agreed that a phased return to staff working from the office and opening to service users should be planned.

Committee instructed Elaine to draft a timetable for a phased return.

4.2 Sale of Land

Elaine advised that an owner had requested to purchase a small piece of land adjacent to their property to allow the creation of a driveway. Members discussed the potential risks and benefits of selling the land and the options for covering the Association's legal costs.

Committee agreed to approve the request pending confirmation of the owner's acceptance of the costs.

4.3 Staff Structure Review

Elaine gave an update on the review and advised that job descriptions for all staff had been reviewed and re-written in order to;

- Provide a clear flow of responsibility
- Free the staff at officer level to be out in the communities, have a visible presence and more personal contact with residents
- Free senior staff to be more strategic
- Ensure the job descriptions 'hang together'
- Ensure all staff are carrying out tasks commensurate with their grade and that the Association is getting the best value for money
- Maximises efficiency

She further advised that, in line with the Collective Bargaining Agreement, EVH and UNITE the Union had both been advised of the review.

Committee discussed the objectives of the review and, in particular, getting the best structure to allow a concentration on engagement with residents and development of community support. Members were also keen to see the Association making use of potential external funding sources to allow the Association to provide support services and community activities.

Members also acknowledged the need to ensure that the Association was maximising efficiency and achieving the best value for money in the delivery of services.

After discussion, Committee members agreed with the objectives and aims of the review and instructed that the review be progressed as quickly as reasonably possible.

AGENDA ITEM 5 – LOAN PORTFOLIO RETURN

Robert McGinlay presented the report, highlighting key points including;

- That all covenants have been met
- Level of loans outstanding as at 31st March 2021 was £10.2m
- There were no undrawn facilities
- Loans were a mix of fixed and variable rates
- There was sufficient security based on the recent valuations

After discussion Committee approved the loan portfolio and gave delegated authority to Robert to submit the return to the Scottish Housing Regulator.

AGENDA ITEM 6 – EXTERNAL AUDIT REPORT

James McBride presented audit findings for the Association and Aspire Community Development for the year ending 31st March 2021.

6.1 Aspire Accounts

James confirmed the audit report was unqualified and highlighted the significant movements in the financial statement including;

- Turnover is down £6K due to the drop in the number of lets within the Aspire building (£5K) and income from recharge repairs (£7) with an offset an increase of £6K in rental income
- Admin expenses are down by £9K primarily due to a reduction in the repair and maintenance costs
- £4K drop in bank loan interest
- A healthy profit of £23K
- No tax due to the use of the brought forward losses
- Cash reserves up by £21K

- Decrease in total creditors to £55K due to £18K repayment of bank loans, less £12K increase in the intergroup loan with the Association
- Net assets of £K at the year end

6.2 Rutherglen & Cambuslang HA Accounts

James presented the group financial statement which consolidated the results of the Association with those of Aspire, removing intergroup transactions (i.e loan, management fee, interest charged from the Association).

He advised that the audit report on the financial statements was unqualified and that it also confirmed that there was nothing identified from the audit work which contradicted the Management Committee's Statement on Internal Financial Control.

James gave members a summary of the significant movements in the Association's SOCI and SOFP which included;

- Turnover increased by £193K to £4.1m due to an increase of £172K in rental income as a result of the rent increase and the 55 new units coming off site
- Operating expenditure fell to £2.7m, primarily due to a £224K reduction in repairs and maintenance spend due to COVID restrictions, £120K savings on management and admin spend and a £52K saving on insurance costs
- Interest costs down £117K due to decrease in interest rates
- A surplus of £1.2m
- Actuarial loss of £654K compared to a gain of £715K in the previous year
- Overall total comprehensive income of £559K

6.3 Rutherglen & Cambuslang HA Group Audit Findings Letter

James presented the group Audit Findings Letter (AFL) that covered the audits of the Association and Asoire, referring to the audit adjustments, uncorrected misstatements and recommendations to improve financial controls.

He advised that the AFL confirmed that there were no significant issues with either audits and that all risks identified had been addressed as part of the audit work.

6.4 Rutherglen & Cambuslang HA Letter of Representation

James explained that this confirmed that the Management Committee is satisfied that the financial statements show a true and fair view, that there are no issues with regards the Association being an ongoing concern, that there are no unrecorded PBSEs, provisions, contingencies or commitments and that all instances of fraud, litigation, potential disputes, breaches of laws and regulations that have been flagged to the auditor.

6.5 Post Audit Events

The Director and Committee members confirmed that they were not aware of any post balance sheet events or going concern issues in respect of Aspire or the Association.

Committee noted the contents of the group findings letter and approved the financial statements and the letters of representation for signing by the Chair.

AGENDA ITEM 7 – ANNUAL GENERAL MEETING

Elaine confirmed the arrangements for the AGM which was to be held in the Association's office.

She further advised that;

- the 5 members standing down had confirmed that they wished to stand for re-election
- there had been nominations submitted and, consequently, there would be no need for a vote on the night
- 10 proxy votes had been received
- No apologies had been received
- Committee members would require to complete declaration documents at the first meeting after the AGM
- the register of members would be reviewed to identify members that had missed five consecutive AGMs

Committee;

- Agreed that Azets should be recommended to the AGM for re-appointment as the Association's external auditor for 2021/2022
- Noted the Secretary's declaration that Rules 62-67 had been complied and instructed that this should be recorded in the minutes

AGENDA ITEM 8 – MODEL RULES

Elaine presented the final draft of the Association's new Rules that reflected the SFHA's Model 2020 and the decisions of the Management Committee from previous meetings.

After discussion Committee members approved the draft for presentation at the Special General Meeting to be held immediately after the AGM.

AGENDA ITEM 9 – LANDLORD'S REPORT 2020/2021

Elaine advised that, following the submission of the Annual Return on the Charter, the Regulator had published the Association's Landlord Report and presented the key performance data.

Robert referred to the percentage of the Association's properties that did not meet the Scottish Housing Quality Standards and noted that some homes could not be brought to the required standards due to the type and/or size of properties.

Committee noted that the Association was performing well against the national averages.

Members also noted the data from the Regulator's national analysis headline report.

AGENDA ITEM 10 – REVISED CODE OF CONDUCT FOR COMMITTEE MEMBERS

Committee considered the new Model Code of Conduct which was based on the revised Model issued by SFHA and had been discussed at the previous meeting. Members also considered the accompanying Protocol for Dealing with Breaches of the Code.

Edward expressed concern that some of the wording appeared to be contradictory, the apparent lack of mechanism for members to appeal a decision to remove them from the Committee and the inclusion of the Director in the investigation process.

After discussion, members agreed to;

- A word change to “infringement” in section 5 of the protocol
- The Director seeking clarification from SFHA on the right to appeal
- Removing the Director from the investigation process
- With those amendments, to approve the protocol

AGENDA ITEM 11 – STRATEGIC RISK REGISTER

Elaine presented the Strategic Register which the working group, consisting of the Senior Staff Team, the Vice-Chair and the Secretary, had drafted.

Edward commented that he felt the working group had worked well, with everyone contributing opinions and suggestions. He stated that he felt the format and content was a good starting point that the Committee could continue to review and develop.

Members considered the risks and the safeguards and processes in place to mitigate, minimise or eradicate them before approving The Strategic Risk Register.

AGENDA ITEM 12 – COMMITTEE LEARNING & DEVELOPMENT PLAN

Committee considered the plan produced by SHARE following the Committee appraisals and noted the action plans suggested to address the areas identified for learning and development.

It was noted that many of the actions would be addressed by the proposal to create an Engagement & Communications Manager's post and that some others could be carried out 'in-house'.

Committee approved the Learning & Development Plan for implementation.

AGENDA ITEM 13 – DRAFT SETTLEMENT AGREEMENT POLICY

Elaine presented the draft policy and explained that it was based on the EVH Model.

Committee approved the Settlement Agreement Policy

Elaine presented a brief training session on the use of Settlement Agreements and the responsibilities of the Committee in considering and authorising payments and terms of any agreements.

AGENDA ITEM 14 – CORRESPONDENCE

- EVH Monthly Bulletin
- GWSF Update

AGENDA ITEM 15 – AOCB

Robert asked if the Association adhered to EVH's Health & Safety Manual. Elaine confirmed it did.

AGENDA ITEM 16 – DATE OF NEXT MEETING

The next meeting of the Management Committee would be held on Tuesday 19th October 2021 at 5.30pm via zoom.

As there were no other items of business the meeting closed at 7.25pm.