

**Minutes of Management Committee Meeting – Thursday 22<sup>nd</sup> February 2024  
In Southside House at 6.00pm**

	<b>Action</b>
<b>Present:</b>	Alex Cameron (AC), Alison Devlin (AD), Munir Choudry (MC), Surjit Chowdhary (SC), Betty Macneill (BM), Ruth McCluskey (RM), Margaret McIntyre (MM), Shirley Robison (SR)
<b>In attendance:</b>	Paul McVey (PM), Laura Brennan (LB), Donna Reilly (DR), Pauline Fletcher (PF), Steven Good (SG), Des Phee (DP), Aileen Radford (AR).
<b>Item 1: Apologies &amp; Attendance</b>	Apologies received from Liz Ely.  Committee were also advised that Elisa Campanaro has resigned from the management committee due mainly to family reasons. AC commented that he has responded to Elisa and wished her well.
<b>Item 2: Conflicts of Interest</b>	A conflict of interest was noted by MM, BM and AD in respect of Item 6 Rent Increase Report.
<b>Item 3: Minutes of meeting 25.01.2024</b>	No corrections and no matters arising.  Minutes approved by committee – proposed by MC and seconded by BM.
<b>Item 4: Matters Arising</b>	PM highlighted some of the main issues within the report.  <i>150 Berryknowes Avenue</i> – Given the complexity and potential level of funding required for this project a separate meeting will be arranged with the Management Committee to discuss the project in more detail. Arneil Johnson has been appointed to prepare a Strategic Options Report and it is hoped to have the details of this over the next month or so. A meeting will be arranged for 6-8 weeks' time. <span style="float: right;"><b>PM</b></span>  <i>St. Andrews Drive Feasibility Play Park</i> – <b>*Minutes redacted to remove commercially sensitive information*</b>  <i>Mosspark URC</i> – report will be brought to a future meeting.  <i>Factoring Design</i> – work is ongoing, and meetings being held. An arrangement for ID to meet with the solicitor will be arranged. <span style="float: right;"><b>DR</b></span>  <span style="float: right;"><b>PM</b></span>
<b>Item 5: Quarterly Performance Reports</b>	<b>Management Accounts</b> LB has restructured the management accounts and in future will put in financial KPIs e.g. ratios and operational KPIs e.g. repair costs, better analysis of salary costs. The format for future reports will include: <ol style="list-style-type: none"><li>1. Financial and Operational KPIs</li><li>2. Statement of cashflows</li><li>3. Statement of comprehensive income (SOCl)</li><li>4. Statement of financial position (SOFP)</li></ol>

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5. Overview of loan covenant position
6. Statement of outstanding loans
7. Investment budget update – (Asset Management & Development)

The net surplus shows £924k vs a budgeted net surplus of £228k. The key variances include:

- Queensland Grant - £750k (received just over £1m)
- Reactive Repairs – key area of overspend – relates to City Building legacy. More transparency with new contracts.
- Overspend in planned maintenance – again relates to Queensland.
- Underspend with servicing – lower cost for utilities spend.
- Underspend in employment costs – consultancy fees

The improved surplus has helped offset the overspend.

The debt covenants - £1m was drawn down in November to support investment projects. £1m will be repaid tomorrow due to grant received for Queensland.

Appendix 1 shows the salary spend against departments and a summary of investment and development spend.

There is an overspend with IT due to under budgeting of licences etc.

SR asked if there was any concern in producing cash flows to the end of the year and why does the re-chargeable income show a significant overspend. LB is working on the cashflows and the overspend relates to heating for moss heights. LB will follow up with SR.

**LB**

AC commented that the format is clearer and easier to understand. Projected outturns and cashflow would be helpful.

Committee approved the management accounts

Proposed by AD and seconded by RM.

**Item 5.2  
KPI  
Framework**

The report is for noting and the appendix attached looks at benchmarking. PM highlighted the main points.

- *Re-let times* – significant improvement and now at 12.5 days.
- *Arrears* – these are reducing.
- *Refusals* – not a concern and hopefully will lessen in future.
- *Types of lets* – PM attending a meeting tomorrow with GCC, who may look for more properties.
- *Repairs* – good news and good feedback from tenants. Contractors portal now in place.
- *EICR* – backlog but improving.

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- *Factoring debt* – this is not good.
- *Staff costs* – savings have been identified for next year.
- *Absence rates* – high but being monitored.
- *Complaints* – okay

SR commented that the picture is improving. However is the EICR target optimistic. SG will talk about this in the next report.

Committee noted the report.

**Item 5.3:  
Tenant  
Safety**

**EICR** – 78% at the start of the year. SG advised that there were 1100 to be carried out this year. SG explained that there were failures in 2022/23 with the contract administration. Next year there will only be 200 to carry out. A further 100 will be required to hit target and this will balance out over the next few years.

SG advised that the association continues to be compliant across all areas.

**Gas** – moving towards a new IT system will help ensure compliance. Acquisitions were not properly recorded but this has now been tightened up. Housemark have been asked to carry out an audit of our processes which will help us identify any other procedural improvements that can be made.

PM advised that the gas servicing was held on Omniledger prior to Orchard. A significant piece of work was carried out to move the information to Orchard which will allow an easier transition to a new system.

Committee noted the report.

**Item 5.4:  
Projects**

DR commented that this is a first draft of a more user-friendly report. It notes the current status of each project and will record the status of each project in terms of cost and programme. Committee were asked to note that this is a first draft of the new project report layout and going forward each project will include cumulative and annual spend against budget. There will also be separate reports for any new projects requiring approval.

AD asked about the pilot for metering & billing meters at Moss Heights. DR advised that resident consultation events would be set up over the next few weeks.

Committee noted the report.

**Item 5.5:  
Complaints**

The Q3 Complaints Report covering the Q3 period from 1 October to 31 December 2023 was presented. Some of the key headlines were:

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- Overall complaints volumes have decreased slightly from the previous Quarter down from 60 to 57. For comparison the Q3 period for last year we received 85 complaints, so markedly down on the corresponding quarter last year.
- 50% of Stage 1 complaints upheld, 53% of the seventeen Stage 2 complaints were upheld. Resolved outcomes 25% for S1 complaints 65% for Stage 1 complaints and 1 Stage 2 complaint.
- Average timescales to resolve complaints – Stage 1: 5.1 days Stage 2: 11.5 days. Only 58% of S1 complaints were closed within timescales, still an improvement on the 50% in Q2 but down on the 71% during Q1. 88% of S2 complaints closed within timescales.
- Repairs and Maintenance related complaints is the main complaint area with repairs related complaints accounting for 38% of total complaints during Q3 (23 complaints), down both in terms of volume and proportion of overall complaints.

Q3 represents the first complete quarter where the new reactive repairs contract and the complaint figures provide evidential weight that the new contracts are working well.

- As we reported previously, we have tried to capture the volume of complaints reported which have a dampness, mould and/or condensation element to them. 4 complaints recorded during Q3 slightly up from 2 complaints recorded in Q2 and down from 5 and 8 complaints in the previous quarters when we started reporting in relation to dampness and mould.
- Section 6 - Complaints volumes by SHA neighbourhoods, in line with expected volumes, only Pollokshields showing a noticeable increase of six (delays in new build at Phase 3 Pollokshields and other associated new build related issues).
- Section 8.3 of the report details a case involving an SFARS factored homeowner which was due to be considered at the First Tier Tribunal for Scotland (Housing & Property Chamber) on Monday. This case has been adjourned again by the tribunal.
- Appendix 2 shows benchmarking in relation to complaints performance covering the Q3 period, so we have up to date or as current as we can benchmarking.

It was agreed that there will be more information available for year end within the Quarter 4 report.

**Item 5.6:** Two Freedom of Information requests were received and responded to during the period from the last report to Committee:

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- One request was received from a university researcher, possibly on the back of high-profile UK news stories and misinformation about allocations of social housing. Wished to know how many of our lead tenants were UK born and how many were not.
- One other request from a SFARS Factored homeowner wishing information about the decision of SFARS to stand down from providing property factor services.

No requests received or responded to under the EIRs.

Four Subject Access Requests received, two responded to and two in progress, one further request received between the time lag between papers being issued and this evening meeting. All from SHA tenants

Quarterly statistical return to the Scottish Information Commissioner for Q3 period was submitted on 26 January 2024.

Section 5.2 outlines one minor personal data breach was reported during this period, in relation to an email sent to an unintended recipient.

Section 5.3 details on-going review work in relation to our Data Protection key documentation

Committee noted the report.

### **Item 6: Rent Increase Report**

PF advised that the consultation with tenants was on 6.7% increase which is high compared to previous years.

2140 households were consulted and there was a 19.6% response. This is higher than previous years.

The responses were overwhelmingly that the increase was too high. However, that was only 19.6% of tenants and you could conclude that the remaining 80.4% did not have a view either way, or to consider it another way, that only 12% of our tenant population felt the increase was 'too high'. The report noted some examples of tenant comments.

The consultation also asked tenants to select their preference in relation to how the Association invests their community benefits gained through our reactive maintenance procurement. The top priorities for respondents were to invest in addressing fuel poverty, activities for children and food poverty.

Figure 5 details the short- and longer-term impact on the Association for a range of increases from 6% through to 6.7%.

MM feels that the rent and the proposed increase is too high considering that in general salaries are not increasing at the same rate.

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PM commented that proposals from other associations vary – between 5% and 8% in the main. However, context always needs to be taken into account – what do individual associations need based on their maintenance and investment plans, and their own financial situation.

The Committee discussed the proposals at length and considered the response from the consultation – it was considered that it would be reasonable to reduce the proposal by 0.5% - and therefore increase rents by 6.2%.

Proposed by RM and seconded by SC.

### Item 7: Draft Annual Budget

LB gave a presentation to committee and advised that the figures in the budget had assumed a rent increase of 6.7%.

- Projected surplus (at 6.7%) is £610,000 or £513,000 (6%).
- Planned development spend after HAG is £2.75m
- Planned capital spend (major repairs and IT) £3.43m
- Loan finance required £4m.

The assumptions within the budget are:

- Rent increase of 6% to 6.7%
- Insurance increase of 22.5%
- EVH pay award of 5.5% (no conclusion on this to date)

Key notes within the operating expenditure:

- Reactive repairs 5% increase applied.
- Insurance increase of 22.5%
- Planned maintenance £1.3m
- IT (includes allowances for Office 365 training)
- Loan interest in line with planned drawdown
- £225k contingency
- Salary costs 5.5% - largely offset due to a reduction in staff.

Capital expenditure – major repairs.

- £1m for heating which could change depending on discussions around Berryknowes Avenue

Capital expenditure – development.

- Majority of works are grant funded.
- Biggest spend is Pollokshaws Road - £1m+ which may change as there is a delay in the programme and could move to the next financial year.

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Committee noted the private acquisitions at £750k is high. DR advised that the Council pay 50% towards any works carried out and this allows the association to meet ESSH standards in these properties.

Financial Requirements – a draw down of £4m is required to carry out the plans.

### Next Steps

- Meeting Handelsbanken for annual review
- Incorporation of factoring following approval of SFARS budget
- Final draft to committee in March
- Business Plan – full update

Committee noted the report.

**Item 8:** LB explained that these are last years accounts as the SFARS accounts were not signed off until December 2023.

### **SHA Consolidated Accounts**

Committee approved the consolidated accounts.

Proposed by AC and seconded by AD.

**Item 9:** PM went through the main highlights.

### **CEO Report**

*Strategic Plan 2024-2029* – appendix 1 details the comments taken from the recent session to work on findings from the previous Business Strategy Day back in November. Next steps involve consulting with staff on the proposed values, and preparing the operational actions to support the strategic priorities and objectives.

**PM**

*Factoring* – meetings are ongoing and progressing well. Southside Lettings will become the subsidiary and take over MMR.

*Staffing Update* – the recent employee engagement survey was very positive. Will now follow on with an action plan on points raised.

*Staffing Changes* – highlighted changes internally and operationally. Savings of around £50k per annum will be made as a result of the changes. Pulling CSD staff into other teams and currently consulting with staff on this.

*Project 24* – demos with four companies taking place over the next few weeks. Also recently agreed to procure CPL system to provide our factoring I.T.

*Tenancy Agreements* – **\*Minutes redacted to remove confidential information\***

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*Committee Member applications* – now have 6 applications. May look to co-opt some onto the sub-committees.

### Item 10: Review of Standing Orders & Remits

#### **Review of Standing Orders**

Following Management Committee approval of the proposed new Committee structure at last month's meeting, we are presenting a draft revised set of Standing Orders and associated Governance documents to reflect the terms of reference, remits and delegated authorities for the new sub-committees.

To recap for Committee the approved new governance structure will dissolve the existing Audit Committee and Staffing and General Purposes Sub-Committee. The current remits for these Committee will largely be incorporated into a new Finance and Corporate Services Sub-Committee. A newly incorporated Operational Services Sub-Committee will provide review and scrutiny of policy, performance and other areas in relation to housing, property services and other frontline operational areas.

#### **Standing Orders**

Standing Orders are effectively the operating procedures for the Governing Body – The revised document does not propose many changes mainly just to reference the new sub-committees throughout. Members will recall the Standing Orders were revised recently to reflect issues arising post AGM.

#### **Committee Terms of Reference and Remits**

These have had to be revised, to effectively transfer the remits of the current two sub-committees to the newly established Finance and Corporate Services Sub-Committee, and to draft new terms of reference and remits for the new Operational Services Sub-Committee which has no 'predecessor' sub-committee as such.

The Administrative arrangements for both sub-committees follow the same arrangements which were in place for the previous sub-committees within the Committee structure and are unchanged.

#### **Scheme of Delegated Authority**

This has been revised in line with the revised remits for the new sub-committees with authorities delegated to the sub-committees reflecting the Committee remits. This means some powers previously returned to the Management Committee following the dissolution of the Neighbourhood Committees being proposed for delegation again to the Operational Sub-Committee.

Section 3.9 of the report also sets out two other areas within the scheme of delegated authority in relation to wayleaves and deeds of servitude and severance and redundancy within conditions of services which were silent or otherwise unclear – the authority for review and oversight of



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severance and redundancy is proposed to be delegated to the Finance and Corporate Services sub-committee.

A lot of reading for management committee and if there are any gaps in the remits and scheme of delegated authority, then this can be caught up in a future iteration.

**Item 11:  
Dampness &  
Mould Policy**

SG advised that this would previously have been noted within the general maintenance policy, however this now has a much higher profile. The attached policy outlines the Association's approach.

Condensation is the biggest issue and treating this can be more difficult. While lifestyle does have a bearing, the main driver is usually something else, like poverty or overcrowding. Our policy will be solutions focused to ensure that the tenant does not continue to suffer.

The association is keen to monitor issues and training will be given internally to staff and working in partnership with residents. Currently working on developing a case management and recording system.

Committee approved the policy.

Proposed by AC and seconded by MM.

**Item 12:  
Capital  
Investment  
Appraisal  
Procedure**

*This was discussed in detail at the pre-meeting held prior to the management committee meeting.*

Committee approved this procedure.

Proposed by AC and seconded by SR.

**Item 13:  
St. Alberts  
Church**

*This project was considered and discussed at a pre meeting held at 5pm.*

Committee considered the details of the report. The project costs and the strategic importance of this project both for the Association and Glasgow City Council were discussed.

LB presented a Project Appraisal template which included a number of standard assumptions as well as HAG level assumptions.

After much discussion Committee approved that the project proceed to the next stage subject to the conditions contained within the report.

Committee agreed to move on with Draft Heads of Terms with the Archdiocese for acquisition of the Church and Presbytery site at the sums identified in section 4.6 of the report.

Proposed by RM and seconded by MC.

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**Item 14:  
Lift Auto  
diallers  
Tender  
Report**

SG advised that this relates to the installation and commissioning of replacement or new auto diallers to 34 lifts within various properties.

The tender prices did come back higher than anticipated, however there is no option in carrying out this work. The analogue controls are being phased out.

Committee approved the tender submission from ADL Lift Services Ltd at a cost of **\*Minutes redacted to remove commercially sensitive information\***

Approved by AD and seconded by MM.

**Item 15:  
Governance  
Matters**

Nothing to report that has not been covered elsewhere in the report.

**Item 16:  
Relationship  
with other  
bodies**

*Cardonald Area Partnership* – MM gave an update from the recent meeting.

- Youth vandalism in the play parks in the area
- Police working with other agencies to try and combat youth issues.

*Pollokshields Community Council* – MC gave an update from the recent meeting.

- Main discussion was around SHA withdrawing factoring services.
- Discussion around traffic calming around the old office at 553 Shields Road
- Police noted a reduction in crime in the area.

MC also noted that he will be withdrawing his position of attending on behalf of the Association.

*Pollokshields Area Partnership* – PF attending on behalf of the Association.

- A letter has been sent to the Police and Roads Department regarding the junction at the old office.

**Item 17:  
SHR  
guidance etc**

Nothing to report.

**Item 18:  
Any other  
competent  
business**

*SHARE Conference* – AR advised that the conference is being held in Glasgow on 15<sup>th</sup> and 16<sup>th</sup> March. If anyone would like to attend, please let AR know asap.

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*Health & Safety Training* – AR reminded all members of the Health & Safety Training session being held in the office on 29<sup>th</sup> February.