

**GOVANHILL HOUSING ASSOCIATION
MINUTES OF MANAGEMENT COMMITTEE MEETING
WEDNESDAY 19th APRIL 2023 AT 6.30PM
HYBRID MEETING – ELIM CHURCH AND ONLINE**

PRESENT: John McLardie (Chair)
Cheryl Miller
Jen Cassells
Audrey Flannagan
Ghazala Hakeem
Barbara Robertson
Elizabeth Klein

IN ATTENDANCE: John Quinn, Director
Alison Kevan, Head of Corporate Services & HR
Alan McDonald, Head of Development & Property Services
David Robb, Head of Finance & IT (HFIT)
Jim Harvey, Consultant
Liz Campbell, Minute Secretary

1.Apologies

Keith Kintrea, Iain Doherty, Mujeeb Ur-Rehman, Wilma Logan and Claire McGraw, Head of Tenancy Services.

2.Declarations of Interest

None

3. Minutes of Special Management Committee Meeting held on 22nd February 2023

The minutes were proposed by Ghazala Hakeem and seconded by Jen Cassells.

Matters Arising

Reception – It was reported that the lighting will be dismantled by the 28th April and scaffolding will be erected to allow new lighting to be installed over that weekend. Thereafter the glass screens will be installed. There are delays with the air conditioning units and it is hoped an update can be given at the Development Sub meeting tomorrow night. Quotes for painting and flooring are underway and work is now gathering pace.

Item 7 – Page 6 – Forsyth House – Solicitors have been engaged and they are reviewing the titles. There are no burdens on the titles and checks are being done on HARP – grants received to make sure there is no remaining burden of grant so that the transfer can be progressed.

Item 8 – Page 6 - Link Site – Solicitor has been looking at the development agreement. They have advised that if a staged payment plan is used it will be difficult for the land to also be transferred in stages. This would mean that whilst the Association would take ownership of the flats on a phased basis they would not own the land that they were placed on at that time. Link have been asked to provide a price for a completed – turnkey – development agreement. An insurance policy to reduce the risk if the staged payment plan is used is also being investigated. An update will be given at the Development Sub meeting tomorrow night.

Item 9 – Page 8 - 181/189 Langside Road – Close meetings have taken place and there is approval in 2 closes to proceed with planned works. Glasgow City Council (GCC) grants have not been completed but progress is being made.

Item 10 – Page 8 – Redundancy Report - Head of Corporate Services & HR reported that group meetings had been completed for group 1 and group 2 of staff involved in the redundancy consultation process.

2 staff left GCDT and 1 member of staff left the Association on the 31 March 2023.

[REDACTED]

[REDACTED]

[REDACTED]

It was reported that legal and contractual processes are being followed and committee will be updated of the process.

4. Insurance Report

It was reported that the market is tumultuous and some insurers have withdrawn from the market so there is less choice of providers when looking at renewing the policy. There is full cover policy in place but this is very expensive. The only change that can be made is on the amount of excess due on each policy. If a factored owner makes a claim for escape of water the Association pays £500 per claim and if it is a factored property, the excess is £100.

If a factored owner makes a claim for escape of water from the flat above, they are unable to claim the excess from the insurer of the flat above, as the whole close is insured by the same insurer.

Discussion took place and it was stated that if there was a dramatic increase in insurance costs there was a danger that some people may not renew their policy or remove the Association as the factor of their property. If there were less people covered on the policy, it could expose the Association to more claims and that would in turn increase the policy costs even more. It was reported that the insurance is included in the management fee so there is comprehensive cover for owners. The Association pays the block policy and then collects it from owners.

Approval was given for the current excess charges of £500 for Association stock and £100 for a factored property to remain in place.

5. Contract Report

5.1 - South West Govanhill

The Scottish Housing Regulator (SHR) has now closed the notifiable event and they are content with how the issues around this were dealt with.

5.2 – Common Repairs Contract 1

7 closes – A final tender cost of [REDACTED] ex vat has been received from Morris & Spottiswood.

Approval was given for the Secretary to sign the formal contract award and assurance given that the contract will continue to be monitored through Development & Property Services Sub-Committee.

5.3 – Major Repairs Contract 4 – there are 36 flats in this contract that were unfinished by McGills. The 12 flats that were closest to completion were given to MEARS to complete via void repair contract. This has taken longer than expected due to further defects being uncovered and a break in on site.

The next phase of 9 flats that had architectural drawings available were issued to Morris & Spottiswood & MEARS to provide a quote for the required works on the major repairs framework.

[REDACTED]

Approval was given to award Major Repairs Contract 4 to Morris & Spottiswood for them to complete the works. This contract will continue to be monitored through Development & Property Services Sub-Committee.

5.4 243 Allison Street Common Repairs & Flat Upgrades

Two tenders were assessed for the completion of these works.

Approval was given to appoint Morris & Spottiswood to carry out the works subject to approval being given at close meetings.

30 Annette Street – costs have increased by 25% and discussions are ongoing with GCC regarding increased grant awards.

5.5 Westmoreland Street Newbuild

The Association had previously been approached to purchase this site and the offer made in 2020 was rejected by the owner.

A new approach has been made asking if the association would be interested in purchasing the site at 85 Westmoreland Street with 16 completed units on it –on a turnkey basis. There is also possibility of redeveloping the commercial workspaces at 75 Westmoreland Street with 4 units. This would give a total of 20 units and the unit costs would be [REDACTED] per unit. This could also address the need for increasing the number of larger homes in the area. A site start date of December 2023 may be possible.

Approval was given for HDPS to continue discussions with the owner and Architect and for TC Young to be contacted to discuss a development agreement.

5.6 Acquisitions Update, 31st March 2023 – Since the start of the SWG project the Association has taken ownership of 430 flats and of these 108 are either under repair or moving towards refurbishment.

A social survey has still to be carried out by GCC and the association at the end of the SWG project.

The updates for SWG were noted.

8. EVH Job Evaluation

This item was moved forward on the agenda to allow remainder of meeting time to be given to discussion with Jim Harvey.

EVH were asked to evaluate the role of a grade 6 post. The duties of the role were unique and different to the more traditional aspects of that role.

EVH review confirmed that it should be a grade 7 role and as full members of EVH the Association is required to implement their recommendation.

This would usually be taken to FG&P meeting but has been brought to this meeting so that the increased payment can be made in the April salary of the employee.

The outcome of the job evaluation was noted and the requirement to implement the increased salary was also noted.

HCSHR also took this opportunity to inform Committee two students from Caledonian University were being offered student placements with the Trust and Association.

[REDACTED]
[REDACTED] The placements are for up to 20 days and are unpaid. They will be overseen by the Sustainable Communities Co-ordinator during that time.

It was stated that staff have to be willing to provide supervision, but it is a two-way process that can benefit both parties and it is hoped that the relationship with the University will develop and expand.

The student placement update was noted.

Head of Corporate Services & HR left the meeting at 7.30pm.

6. Business Plan Update – Strategic Risks

Jim Harvey reported that the Business Plan is due to be approved by Management Committee in June. Jim has been working with the Senior Management Team on the Business Plan.

The first year of a three-year plan was last year and the objectives listed in it are broad enough to adapt to changes in circumstances. The main difference this year is the Community Regeneration work, and this is due to the position of GCDT and its funding. This year is financially challenging for tenants and economic conditions are very tricky. It is important to navigate this without falling down these traps but to understand them and still be willing to work around them.

The following points were highlighted:

Economic Conditions – inflation has had a significant impact on tenants. The rent freeze and low rent increases have had a devastating impact on finances. Sustained reduction in rental income could impact over several years, not just one. Govanhill has done well to keep rent arrears at a manageable level.

The roll out of Universal Credit could have an impact on rent arrears – particularly with the delay of payments in the first few weeks of a claim.

Rent increases restricted by Scottish Government – a voluntary restraint by housing associations. This has a snowball effect and brings added pressures. It reduces the amount available to invest in homes.

Maintenance – planned maintenance costs have increased, and some associations have stopped renewing kitchens and bathrooms. There needs to be flexibility to manage the planned maintenance programme.

Will tenants understand – the communication of this is a difficult task. It was stated that expectations need to be managed.

Discussion took place and it was stated that the Association has a high proportion of older properties and the diversity in its stock brings its own challenges. Wiring checks are required every 5 years, kitchen and bathrooms costs have tripled and there is a need to look at the specification of boilers etc. Some roofs are 45 years old, and some costs have increased by 30-40% and have not yet stabilised.

Resources are being continuously stretched and there must be reasonable outcomes for tenants.

Neighbourhood – there are a lot of environmental issues, and the Association are dealing with issues such as bulk uplift because GCC are not dealing with it as they should. GCDT is an asset to the Association and has staff dealing with backcourts and litter.

Cyber Attack – this was discussed at Audit & Risk committee last year.

Decarbonisation of Housing – no one knows how this will be paid for. It was stated that the risk is climate change and the actions taken are mitigatory factors. Looking at it like this helps on how to approach it. This should be the golden thread running through everything that the Association does. Small steps can be taken to start this off – where are we – where do we want to be?

Discussion took place and it was stated that there was a good list of things to consider, and they were being looked at holistically and changes that could be made locally.

Any further comments can be forwarded to Jim, and he will draw them into the draft Business Plan.

It was stated that it is important to:

- It is an economically challenging time - Stick to planned budgets.
- Profiles – more use of options appraisals ties in with annual assurance statement around governance.
- Planning has to be done carefully so don't get bogged down in endless appraisals.
- Keep focussed on what big issues are and what view committee will take on them.

Ghazala Hakeem left the meeting at 8.16pm

7. Assurance Review Plan Update

This is sent to SHR and is to evidence that the Association complies with standards set out by the regulator. The minutes of the meetings is part of the evidence submitted each year.

It is important to ensure that the right things are reviewed and in the right level of detail.

It was asked if members wanted a sub committee to look at this, but there was no agreement that that was necessary. The Committee were also reminded if they want more information on finance etc that can be provided and meetings with SMT around particular issues can take place out with Committee cycle if required. It was reported that the Chair is in the office on a weekly basis to speak with the Director.

The guidance notes from SFHA is 100 pages long and it is about finding a balance and perhaps being imaginative in how that evidence is recorded.

Jim will have a chat with Director on this and will report back at a future meeting.

9. Minutes of Sub-Committees

GCDT meeting held on 18th January 2023

The content of the minutes was noted.

10. Report Back from Other Organisations

Employers in Voluntary Housing (EVH)

SHARE

Glasgow & West of Scotland Forum (GWSF)

Information is circulated as it becomes available.

11. Documents for Execution

None

12. Correspondence

Correspondence from SHR – Engagement Plan. It was noted that the Association is compliant with regulatory standards.

13. A.O.C.B.

None

14. Date of Next Meetings

4th May 2023 at 6.30pm

The meeting closed at 8.31pm