

**MINUTES OF THE MEETING OF
MANAGEMENT COMMITTEE HELD ON
WEDNESDAY 21 FEBRUARY 2024 AT 6.30PM
HYBRID MEETING**

MEMBERS PRESENT: Cheryl Miller (Chair)
Elizabeth Klein
Keith Kintrea
Barbara Robertson
Ghazala Hakeem

IN ATTENDANCE: John Quinn, Director
David Robb, Head of Finance & IT
Sharon Flynn, Head of Tenancy Services
Jim Harvey, Consultant (Joined the meeting at 7.00pm)
Nicki Bruce, Minutes

1) Apologies

Audrey Flannagan Mujeeb Ur-Rehman, Iain Doherty, Jen Cassell and Conor Walker.
Alison Kevan, Head of Corporate Services & HR
Alan McDonald, Head of Development & Property Services

Leave of Absence Update

John advised he spoke to [REDACTED] regarding [REDACTED] 6 month leave of absence as the end of this period has been reached. [REDACTED] has decided to stand down from the Management Committee at this time [REDACTED] but has expressed an interest in re-joining in the future.

John also noted the Association will actively look for new members. This will be discussed later in the agenda.

2) Declarations of Interest

None

3) Approval of Minutes of Meeting Held on 13 December 2023

The minutes were proposed by Ghazala Hakeem and seconded by Keith Kintrea.

Matters Arising

None

4) Minute of F&GP Meeting Held on 8 November 2023

The F&GP Sub Committee requested the minutes of the November meeting be brought to the Management Committee for approval as not enough members were present at the meeting held on the 8 February 2024 to approve them.

The minutes were proposed by Elizabeth Klein and seconded by Keith Kintrea.

5) Rent Consultation report 2024/25

The rent consultation commenced on the 12 January and ended on the 9 February with a response rate of 12% (305 responses) of the 2569 consultation packs issued. This is a lower rate than last year but in line with response rates in previous years which were between 10% and 13%. It was noted that last year included rent harmonisation issues that generated more interest. The rent consultation was based on CPI +1% which was 6.7% in September 2023. The tenants were consulted on 6.7%, 7.7% and 8.7% and were advised a 7.7% increase would support the Business Plan needs.

The F&GP reviewed the draft budget at the February 2024 meeting and agreed a 7.7% rent increase would be appropriate to support the business plan priorities for the year.

At the current rent rate all property types are below 25% ASHE rate apart from 2 bed with a single person which is 25.8%. If the rent increase is set at 7.7% all are below the 25% except for 1 bed (25.7%) and 2 bed (27.8%) with a single person.

Tenants were also asked about value for money (VFM) and 66% responded the rent paid was good VFM and 33% advised it was not. 77% of tenants also advised they were happy with the level of information provided in the rent consultation. The 3 top priority areas for tenants in terms of spend were General Repairs (19%), Environment and Backcourts (17%) and Bathroom/Kitchen Replacements (17%).

It was also noted the GWSF average rent increase for member organisations is between 4% and 8%.

Questions/Comments

It was noted by members that it was difficult to take the response into account given the low return figure of 12%. It was suggested that the technical issues with SurveyMonkey or the timing of this being issued could have impacted on the rate but noted the issues were resolved quickly and as soon as the Association were made aware. It was noted this was not a random sample and people respond for many different reasons. It was also suggested by a member that the lack of a return envelope included with the consultation could also have contributed to the low response rate, the HTS advised that this was due to the cost implications and that we had not provided this last year. Costs were 10p per envelope and £1.08 each for postage which when multiplied by the total of 2569 = £3,031.42 and was

quite an expense for a projected low return. The higher response rate was noted as more likely to come from the text message system.

It was suggested that in future a random sample of 10% of tenants could be interviewed but noted that this was required to be a consultation of all tenants. The HTS noted that rent consultations typically have low level of response unless there is resources available to target towards more responses. Rent consultation exercises will be featured in forthcoming newsletters to keep this high profile.

The Management Committee approved a rent increase of 7.7%

It was queried if the Customer Satisfaction Survey has been started, the HTS advised that this was launched on 5 February 2024. It was advised the survey had been presented to the Tenancy Services Sub Committee at the end of last year. The consultation comprises of 43 questions along with several equalities questions and is a face to face project. It was suggested the rent increase could be included in the next survey as a means to gather a higher level of feedback. The HTS advised that this is a 3 yearly survey and that some aspects of rent value for money will be included in the report with the results will be presented to Management Committee in May this year.

7:00pm - Jim Harvey joined the meeting.

6) Budgets 2024-25

The HFIT presented the report and asked if there were any questions, comments or further details required.

It was noted the assumptions made in the report contained changes to the investment strategy, but the Management Committee had not received a report regarding this. An update regarding the Asset Strategy was provided last year but there have been no updates since then apart from at the recent Special Management Committee meeting on the 2nd February. It was noted changes to the approach had not been highlighted to Management Committee and a further update regarding the Asset Plan was required. As well as changes to the assumptions low energy requirements appeared to have been removed.

The HFIT advised the Association has not received information or guidance about the low energy requirements so they could not be included. The Director also noted the focus has been to reduce the backlog relating to the component replacement programme.

It was also queried why back court investment and environment were not included and a further report was requested including this information. The Director advised this will be actioned for the next meeting.

The Management Committee approved the 1 year, 5 year and 30 year budgets.

Factoring Management Fee Increase

The HFIT advised Factoring fees also require to be considered for an increase and the report proposes a 7.7% increase in line with the other increases already approved for GCDT, leases and commercial property.

The Management Committee approved the 7.7% increase to Factoring Management Fees.

7) Management Accounts – Q3 – September to December 2023

The HFIT advised the report should have been presented to the February 2024 F&GP Sub Committee but information required for inclusion was not received in time therefore the report is being presented to the Management Committee.

Points to Note:

- The Association currently has £14.7 million in cash which will be spent over the next 12 months.
- There is a surplus of £1.5 million for the 9 month period.
- Reactive and Cyclical Repairs are ahead of budget due to costs being higher than budgeted for. It was noted reactive repairs are difficult to budget as it is difficult to predict the budget requirements.

It was queried how £14.7 million had been accumulated and the HFIT advised it was not one specific thing but lack of spend had contributed and the amount comprised of:

- Cash drawn down as pre-covid loans had not been spent.
- Accumulation during covid and works not being carried out.
- CAF Bank – the Association had to draw down £6 million or lose it.

It was queried what the number would be next year and the HFIT advised the money would be spent and more money borrowed and a dip in year 4 is predicted when more cash will be drawn down.

The Management Committee approved the Q3 Management Accounts.

8) Proposed Changes to Committees

The Director advised a number of reports were including in the appendices with supporting information relating to:

- Current Committee Meeting Schedule
- Number of Meetings for Each MC Member – Demands on MC Time
- Number of reports to each meeting - % for Approval, Decision, Information

It was highlighted that only one member is currently expected to attend less than 20 meetings per year and the highest total is 27 meetings in a year. It was noted this did not include the monthly Office Bearers meetings.

The SMT have been looking at possible ways to re-align meetings and reduce the time pressures on Committee Members. One suggestion from SMT was to combine the Development & Property Services Committee (D&P) with the Tenancy Services Sub Committee (TS) to create an Operations Committee which could deal with performance reporting as is common at other housing associations.

The Director asked the following questions to prompt discussion:

- There were currently too many meetings?
- Are the meetings too frequent or is it not an issue for Committee Members?
- Consider the capacity for Members to attend meetings?
- Is the balance of information presented at meetings right?
- Is such a time commitment attractive to new members?
- What elements of information the Committee want/need to ensure the business is operating correctly?
- Can it be delivered in a different way? E.g. afternoon sessions?
- How well do the Association use IT to inform Committee?
- How much does the Scottish Housing Regulator (SHR) need Committee to know?
- How can it be built into the Standing Orders review which is due later this year?
- What components should be included to meet assurances as a Community Controlled Association?
- Could all of the reports requiring approval or a decision be presented to Management Committee and reports for information be presented to Sub Committees?

The Director noted this was a discursive report to prompt debate amongst Committee.

Questions/Comments

It was noted meetings used to be more frequent and this was reviewed a number of years ago and reduced. It was agreed it was good to review the current schedule as if there are too many meetings this could be too big a commitment for some.

Another point was the need for more Committee Members. This has never been advertised and the free local Govanhill magazine was suggested as a possible place advertise as some Sub Committees are struggling to be quorate.

It was suggested 5-10 minutes could be spent at the end of each meeting as a form of post mortem to discuss the quality of the meeting, the reports and information presented.

It was agreed the scheduling of meetings could be changed and queried who would attend the Operations meeting as there were not many members on either of these and if all attended not much is gained in terms of quorate numbers.

The number of Management Committee meetings could be reduced to 6 per year and powers to Sub Committees could be amended via the Standing Orders review.

It was also suggested that some of the decisions could be deferred to the Office Bearers if the rest of the Management Committee was happy to approve this.

Emergency meetings could be used as a method to deal with any issues that pop up out with the meeting schedule. Jim Harvey advised the Association Rules would prevent this as 7 days notice is required for Committee meetings.

It was queried how quickly Members responded to emails and the Director advised that some respond very quickly. This method has been used for some D&P decisions which are sometimes required at very short notice.

A Member asked for the opinions of the HTS and HFIT.

The HTS noted she was new to the organisation but had thought the number of meetings was quite high compared to other associations. The HTS recently presented a report to the TS Committee which was then presented to the F&GP the following night and queried if the report should possibly go straight to the F&GP for approval.

The HTS is a Committee Member at another association which has far less meetings. Operation reports go to Management Committee, there is an Audit & Risk Committee (A&R) and a Development Committee but no Tenancy Services Committee as all performance reports are presented to their Management Committee.

A Committee Member who was previously a member of another association advised they had an increased number of Management Committee meetings which covered the need for Sub Committees.

It was suggested that reports to Committee could be used more for decisions rather than information. It was noted that information about the Association was required to ensure community control can be exerted and if information is cut from reports some of the interesting information could be lost.

A member noted they did not have an issue with the number of meetings or the information included but if things were to change this would not be an issue.

Another member noted they do not have enough time and allowances have to be made to allow them to attend meetings.

The Director advised that previously Tenant Participation was used to generate new members from tenant and resident groups and this will be focused on. It was suggested the Association could also advertise in EVH for new members.

The Director advised he was a member of another Association's Committee and they have 4 Management Committee meetings per year which involve a Friday evening to Saturday. This is something the Association used to do previously but a member noted this would be a big time commitment.

It was queried how often other Association's met and the HFIT advised a smaller Association, about a quarter of the size with no development work had far fewer meetings but the meeting packs were enormous.

Jim Harvey noted the Association's remit should be taken into account and previously when the idea of fewer meetings was raised the Committee was not receptive but things were very different now and Community Controlled Associations had seen a trend change across the board.

Jim Harvey noted other organisations had operational/services based sub committees, business committees and audit committees. He also noted that overnight events for committees were seen as a 'jolly'.

It was suggested fewer meetings could be supported by workshop style meetings to focus on an area which allows members to voice their opinions on the topic and then present the item for a decision at Management Committee.

It was also queried if additional staff could be brought to meetings and the HTS advised her team would welcome the opportunity to make connections with Committee. The Director noted staff attendance was not a requirement as section heads represent them. It was suggested this could be a good development opportunity for some staff. It was queried if this took place earlier in the day would it be more viable. Staff have other commitments as do members and it was queried if childcare costs were provided to allow members to attend. It was noted these costs can be covered but a member noted they don't currently have the option of paying a child minder.

It was suggested the A&R Committee could be combined with the F&GP Committee and the HFIT noted the accounts are required to be presented to the A&R Committee as well as risks, internal audit reports and external audits. ***It was noted there is an option to make a change here.***

In terms of the suggested Operations Sub it was noted the D&P had changed as there was now less development work and the TS has also changed but if they were to be combined, appropriate timing of the agenda would be required to ensure both services had sufficient time to deal with matters.

It was noted the main area for D&P and TS was void management and it could be helpful to bring the 2 Committees together on this matter.

It was queried when the changes would take place and the Director advised the Standing Orders require to be reviewed and the changes could potentially come in round the time of the AGM.

It was agreed that at present Committee feel it is more important to attract more Committee Members than reduce the number of meetings. It was questioned if this was a requirement or an expectation and it was advised that meetings being quorate is becoming more of an issue due to low attendance at meetings. The D&P has been badly impacted by this with only 3 members at present. It was also noted there is never full attendance for Management Committee meetings either. It was agreed attendance is not as good as it previously was. If the number of meetings was reduced this could possible solve or improve the attendance issue.

The Director summarised the main points raised so far:

1. Increase membership of Management Committee - advertise locally and EVH
2. Consider future options for number and focus of sub committees over next few months e.g. Less MC meetings. Converge TS and Property. Converge Audit and F&GP.
3. Include a post mortem at end of each meeting
4. Consider best practice elsewhere
5. Consider also how committee members can engage with less senior staff. (eg. Staff being at formal committees)
6. Make childcare and other supports more readily available
7. Prepare options to be part of Standing orders review in August

It was queried if membership of Management Committee could be opened to allow members who were not tenants or residents in the area and it was advised the Standing Orders had been changed to allow for this already.

It was noted the skills of new members should also be taken into account such as finance. The Director noted that if skilled members cannot be found locally the search area should be broadened. It was agreed an advert for new members should be placed in the free Govanhill magazine which is distributed locally.

9) Procurement of New Telephone System

The HFIT presented the report and advised the current phone system requires to be updated and a 2 stage procurement process was carried out for a new unified communication system. The contract is for 2 years with a further 3 year extension option. 3 quotes sought from the following market leading companies:

- Babble Cloud
- Ring Central
- 8x8

All 3 quotes scored similarly in terms of quality and the cheapest quote received came from the company with the highest quality score. Company House checks have been made and there are no conflicts of interest.

Committee noted the procurement process undertaken for the unified communication system and approved the awarding of the contract to 8x8 for 2 years with a further 3 year option.

10) Business Planning and Assurance Session – Jim Harvey

The Annual Assurance Review was discussed at the recent Special Management Committee session on the 2 February where a rolling programme of reviews was presented. It is suggested a working group of 4 Committee Members and an SMT Lead is set up who will report back to Management Committee for Assurances prior to being submitted to the Scottish Housing Regulator (SHR).

Page 9 of the report outlines where the Association are now and how they will reach the end point of the process. The process will incorporate 4 meetings around 2 hours long and the timing of these will be spaced out.

The first meeting would be a preparation meeting followed by 2 further meetings to look at the main areas of evidence. There is a series of standards that requires to be backed up by evidence which will be provided by the Association's Senior Managers which either complies or does not. This evidence would then be written up and presented to Management Committee for approval prior to being submitted.

It was advised the SHR are keen for the Assurance process to be led by Management Committee and there is a lot of information to get through. The Working Group could request a paper from SMT advising which areas of the Assurances required review.

It was advised Alison Kevan has noted an interest in being the SMT Lead on this project and would ensure the group received the required information and it would also be useful for the group to have a staff perspective. Pages 11-23 contains the list of Regulatory Standards for Governance & Financial Management and some of the standards are mandatory. These would require to be reviewed rather than receive a full assessment. Some have been marked with a small box and this indicates that a conversation is required to decide if a review is needed. Some standards are binary and can be listed as either complying or not complying. Jim advised that requesting a paper from SMT on what areas required review could speed up this part of the process.

Barbara Robertson advised she would like to join the Assurances Working Group for the first year of the 3 year programme and Jim noted Jennifer Cassells had also expressed an interest in joining.

8:30pm – Standing Orders – Request to extend the meeting was approved by Management Committee.

Jim advised he and Alison will look at what work can be done in advance and it was noted the process being heavily supported by staff was a good idea.

It was agreed the Management Committee will be contacted to find other members who would be interested in joining the group.

11) Minutes of Sub Committees

Tenancy Services meeting held on 23 August 2023

Tenancy Services meeting held on 23 November 2023

The minutes of the Sub Committees were noted.

12) Report Back from Other Organisations

Employers in Voluntary Housing (EVH)

EVH Conference – 17-19 May 2024.

The conference is open to Committee Members to attend and Committee asked for the invitation to be extended to staff.

Glasgow and West of Scotland Forum of Housing Associations (GWSF)

SHARE

SFHA Conference – 6-7 June

Keith advised he was interested in attending and it was agreed the conference information will be circulated to Committee when it becomes available.

EVH Pay Increase Update

The Director advised EVH and Unite had drafted a proposal for a 5.5% increase but, unknown to EVH, Unite had consulted with their members to not accept this offer and EVH have now withdrawn the offer. The next stage is for talks to be held at the ACAS offices on the 5 March.

13) Documents for Formal Execution

None

14) Correspondence

None

15) AOCB

The Director advised Patrick Harvey MSP's office contacted the Council's Retrofit team to arrange visits to retrofit projects and they wish to visit the Association. An email was received late yesterday and the details of the visit are not known at this stage.

The issue with the catering of a recent Sub Committee meeting has been resolved and does not require further discussion.

16) Date of Next Meeting

17 April 2024

The meeting closed at 8.50pm