

Abronhill Housing Association

Remote Meeting of the Management Committee held on Thursday 25 February 2021 via Zoom at 17:00hrs

Minutes

Present:	P Broadwith	R Russell	L Black
	I Smith	A Smith	C Burns
	D Brown	W Noon	
In Attendance:	S Macintyre	J Daisley	P Long, FMD
	L Bacon, Community Links		

	Agenda Item	Action
1.	<p>Apologies</p> <p>There were no apologies.</p> <p>P Broadwith welcomed P Long and L Bacon to the meeting.</p>	
2.	<p>Declarations of Interest</p> <p>There were no declaration of interests.</p>	
3.	<p>3.1 Minutes of previous meeting (held on 4 February 2021 and 27 January 2021)</p> <p>Item 11.2 Maintenance Quarterly Report, R Russell asked for clarification on the adapted properties at the Woodcutter site. S Macintyre advised that it is a planning requirement that a proportion of the properties are adapted. S Macintyre will contact Clyde Valley Housing Association regarding this and will report at the next Development Sub-committee.</p> <p>P Broadwith asked if the notifiable event of the overdue gas service has been reported to the Scottish Housing Regulator (SHR). S Macintyre advised that this would be done on Friday 26 February 2021.</p> <p>Item 7.3 Charitable Donations Policy, last sentence should read. "The committee approved the policy subject to the word sympathetically being removed."</p> <p>Item 13.2 P Broadwith asked if vacancy on the Management Committee had been followed up. S Macintyre advised that he had emailed the prospective Committee member.</p>	

	<p>C Burns asked if a property has been adapted does this prevent the Association from offering it to an applicant who does not require this type of property. S Macintyre confirmed that Housing Officers would try to identify medical needs from applications.</p> <p>Acceptance of the minutes, which, had been circulated in advance, was proposed as a true record of the meeting of 4 February 2021 by C Burns and seconded by I Smith.</p> <p>Acceptance of the minutes, which, had been circulated in advance, was proposed as a true record of the meeting of 27 January 2021 by L Black and seconded by D Brown.</p> <p>3.2 Decision List from Meeting held on 27 January and 4 February 2021</p> <p>C Burns asked if there was any update on the meeting with North Lanarkshire Council (NLC) regarding communal repair works. S Macintyre advised that A Moore had attended a meeting with NLC who provided an indicative cost for external works to flatted properties. The cost to the Association is substantial and A Moore asked if the Association would be able to pay for the works to the properties over a 3-year period. NLC have confirmed that they would require payment in full for the works. They have advised that the Energy Savings Trust might be able to provide funding to the Association.</p> <p>The Appraisal of Director will take place before the end of March 2021.</p>	
<p>4.</p>	<p>Matters Arising</p> <p>S Macintyre asked if he can have delegated authority to sign the loan offer from the Bank of Scotland on behalf of the Association as it is due to be sent back tomorrow. This was agreed.</p>	
<p>5.</p>	<p>Health & Safety and Cyber Security</p> <p>5.1 Corona Virus Update Report</p> <p>S Macintyre provided an update on the void properties. As at 22 February, there were 4 void properties, 2 that require major repairs, 1 that has been accepted and 1 that is under offer.</p> <p>S Macintyre advised that the cyber essential accreditation has been completed for this year. C Burns ask about cyber security for the committee. S Macintyre advised that staff are currently completing online cyber security courses and he might be able to extend this to the committee. Our website designer Kiswebs are looking at a secure</p>	

	committee portal for another one of their clients which we could also look into.	
6.	<p>Correspondence</p> <p>6.1 Glasgow & West of Scotland Forum (GWSF) – Affiliation Fee for 21/22</p> <p>A summary of the work carried out by GWSF for this year and their proposal for next year was included with the report. The affiliation fee for 21/22 is £883. The committee agreed to renew the membership for 21/22.</p> <p>6.2 Employers in Voluntary Housing (EVH) Members Report</p> <p>This was included for the committee’s information.</p> <p>6.3 Pay Award Ballot April 2021</p> <p>S Macintyre declared J Daisley’s interest in this item. He outlined the wage proposal for the next two years which is: 0.8% award on all salary points from 1 April 2021 and an increase of CPI plus 1% from 1 April 2022 with a minimum award of 1% and maximum award of 2.5% based on CPI rate in October 2021. Committee agreed this. S Macintyre advised that he will complete and return the ballot paper to EVH and will advise P Long, FMD once the pay award has been agreed for the budget.</p>	
7.	<p>Governance</p> <p>7.1 Assurance Statement Action Plan – Update</p> <p>S Macintyre advised that the Action plan had been provided to update the committee to highlight which actions have been completed and which remain outstanding. It is anticipated that most of the outstanding actions will be completed by March 2021. There are two actions that might not be completed by the of March they are: The Equalities Reporting as the SFHA guidance has yet to be published. The stock condition survey as progress has not been possible due to the COVID-19 restrictions that limit contact with tenants. C Burns asked if the stock condition survey being outstanding would affect the loan offer. S Macintyre advised that a desktop valuation was completed by Jones Lang LaSalle in December 2020 and has been accepted by the Bank of Scotland. Committee training was discussed and it was agreed to include this as an agenda item at a future meeting. SHARE have provided a learning and development plan and individual training plans for committee.</p>	

8.	<p>Strategy/Development</p> <p>8.1 Business Plan – Draft set of Goals/Strategic Objectives</p> <p>S Macintyre advised that a draft of section 6 and 7 of the Business plan that refers to the Association’s Strategic Objectives and a delivery plan had been attached to the report for the committee’s consideration and discussion. Any new objectives have been added in red. The committee discussed item 6.5 in relation to seeking out options for better management of our pepper-potted stock and exploring means of acquiring additional properties to maximise our majority ownership in mixed tenure blocks. The committee discussed purchasing properties to give the Association a majority share. S Macintyre advised that this had not been included in the budget for this year. It was agreed to look at options and if grant funding would be available. It was also discussed that the new development should be included in the plan. This was agreed.</p> <p>The committee discussed item 6.8 - to forge relationships with the wider community. S Macintyre advised we would need to gather information on what groups are in the area. We will explore additional funding streams and grants that can be accessed to help support our local community and local groups. S Macintyre advised that the groups would need to meet governance tests and be properly constituted if any were to be supported financially.</p> <p>Item 6.3 we will maintain and enhance strong strategic governance – the committee discussed the current engagement level it has with the Scottish Housing Regulator (SHR) S Macintyre advised that the SHR plans for new risk assessments for each RSL has been suspended in 2020 due to Covid-19 but it is anticipated these will be introduced from 1 April 2021.</p> <p>S Macintyre advised that he is happy to review any changes the committee suggest and will bring the Association’s SWOT analysis (Strength, Weakness, Opportunities and Threats) to the next committee meeting for discussion and review.</p> <p>W Noon asked under item 6.8 how we support our community’s recovery out to the Covid-19 Pandemic. S Macintyre advised that there are further funding opportunities going into Spring 2021 including a community digital support fund. The Association has already secured funding to assist tenants with electric Thermaflow heating systems and shopping vouchers. D Brown advised that she had attended a course on social value toolkit. She also advised that she would be keen to look at digital inclusion initiatives going forward.</p> <p>8.2 Abrohill – Community Profile SIMD presentation by Louise Bacon, Community Links</p>	
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<p>L Bacon, Community Links Scotland gave a presentation on the Scottish Index of Multiple Deprivation (SIMD). She explained that the SIMD is normally carried out every 3 years and the most recent was published in January 2020. She highlighted the seven domains that are combined to produce the index. These are-Income, Employment, Health, Education, Skills and Training, Geographic Access to Services, and Crime and Housing. The SIMD is based on small areas known as datazones based on a population size of on average 760 people living it. Abronhill has 10 datazones.</p> <p>The income domain shows that none of the datazones fall within the 20% most deprived datazones for income deprivation, four fall within the most deprived 30% and three are located within the most deprived 25%. These datazones cover 50% of the Association's stock.</p> <p>The employment domain shows that four datazones fall within the most 30% deprived for employment and three are within the most deprived 25% and two within the most 20% deprived. Across all datazones this is an average of 11.8%</p> <p>The Health domain shows that all datazones fall within the most deprived 40%.</p> <p>The Education Domain shows that 8 datazones fall within the 50% most deprived and seven within the 40% most deprived.</p> <p>Geographic Access to Services Domain shows that there is good accessibility for the local community. Access to services can be made by car in under four minutes although this increases to 20 minutes if using public transport.</p> <p>Crime Domain – shows that 77% of all of the Association's stock is located within the 20% most deprived crime datazones.</p> <p>Housing Domain – shows that 38.3% of stock is located within the 40% most deprived housing domain.</p> <p>L Bacon explained that the SIMD analysis is based on deprivation and the datazones are ranked relative to all the others. She also advised that the data for the housing domain has been taken from the census in 2011 so is very much out of date. Housing data from the 2021 census would however be included in the next SIMD in 2023/4.</p> <p>Paul thanked Louise for attending and for her presentation.</p> <p>8.3 Feedback from Development Sub Committee Meeting</p> <p>A formal minute of the meeting will be included in the papers for the next committee meeting. J Duncan from Clyde Valley Housing Association agreed to the changes to the development agreement. The sub-committee will meet every 2 months. R Russell commented that he is happy with the progress made.</p>	
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9.	<p>Staffing</p> <p>S Macintyre advised that [REDACTED] is currently on sick leave and [REDACTED] is still currently working full time to cover this period.</p>	
10.	<p>Finance & Audit</p> <p>10.1 Management Accounts to 31 December 2020</p> <p>P Long presented the Management Accounts to 31 December 2020. The Association made an operating surplus of £195k compared to a budgeted surplus of £106k. This is mainly due to lower maintenance costs. Net interest payments and pension deficit payments reduce the net surplus to £161k.</p> <p>The statement of financial position shows the non-current assets at £3.9m. The Association's net reserves are £2.607m.</p> <p>There has been a large underspend in capital expenditure mainly due to the lockdown restrictions.</p> <p>The rent arrears at the end of the period are £53k for current tenants and £19k for former tenants that is higher than at the end of March 2020.</p> <p>There has been an underspend in management expenses of £115k.</p> <p>The ratio performance shows that the Association is able to comply with all the financial covenants of the Coop bank.</p> <p>The forecast outturn for the end of March 2021 shows a gross surplus of £246k and a net surplus of £194k. It is forecast that the Association will continue to meet all financial covenants with the Coop bank.</p> <p>R Russell asked about the pension deficit for the year. P Long advised that the Association has paid £26,885 to the end of December. The Association will receive a report on the pension deficit at the end of the financial year.</p> <p>C Burns asked about the reserves of the Association. P Long advised that these are the share capital and revenue reserves as detailed in the Statement of Financial Position.</p> <p>The heat light and cleaning costs have reduced due to the office being closed.</p> <p>The Committee approved the Management Accounts to 31 December 2020.</p> <p>P L Long confirmed that the Management Accounts had been sent to the Coop bank prior to the meeting due to the timing of the Committee meeting.</p> <p>10.2 Draft Budget 21/22</p> <p>P Long presented the draft budget for 2021/22. Most of the assumptions used in the budget are those that were used in the long-term financial forecasts that were recently approved.</p>	

<p>The rental income will increase to £1.067m as a result of the 1.7% rent increase. Other operating income includes grant income and capital grants amortised. The total turnover for the year will be £1.132m. Staff costs are based on the current staff structure and allow for a 1.2% pay increase.</p> <p>Total operating costs will be £983,400 giving an operating surplus of £148,600. Other income and expenditure include interest receipts, interest payments and other comprehensive income give a net surplus of £68,800.</p> <p>The new housing development at the Woodcutter site will provide 36 new houses and cost £2.124m.</p> <p>The cash balances will total £690k, longer term creditors will total £2.77m due to the new loan facility for the housing development. The net assets will be £2.660m.</p> <p>There are no significant difference in the management expenses, depreciation will be higher due to the new properties.</p> <p>The ratio analysis shows that all loan covenants will be complied with. P Long asked if the Committee had any questions or anything that that should be updated in the budget.</p> <p>R Russell asked about the decrease in professional fees. P Long explained that they were higher last year due to the negotiating fees for the new loan. R Russell also asked about the legal fees budget of £10,600 which is an increase of £100 from last year. P Long advised that the Association is not currently allowed to progress cases at the moment due to the corona virus restrictions.</p> <p>C Burns asked about the cost for included in professional fees for medical reports. S Macintyre advised that a qualified Medical Advisor independently assesses any medical application forms that are returned. C Burns asked if the factor's costs was for the shopping centre where the office is based and this was confirmed.</p> <p>P Broadwith asked if the budget for subscriptions included GWSF that is being discussed this evening and this was confirmed.</p> <p>P Broadwith asked about the cost of the Thermaflow boiler replacement under capital expenditure. P Long explained that the cost of the new gas connections has been incurred this financial year with the new installations being included in 21/22.</p> <p>P Broadwith commented that the staff costs were reducing however, the National Insurance cost is increasing. P Long explained that this financial year the Association was able to reduce the charge due to maternity pay allowances.</p> <p>W Noon asked if there are any other potential changes that the Committee should be wary of. He observed that the Association could generate a higher surplus if restrictions continue. He noted that the level of arrears at the moment could be a cause for concern. P Long advised that the legal fees for housing are separate to the professional fees.</p>	
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	<p>W Noon asked whether the planned maintenance budget is underestimated following the restrictions this year and should the Association roll forward unspent budget, Would there be a need to increase provision in this area? P Long agreed that he would discuss the overall maintenance budget with A Moore, Maintenance Officer. P Long also explained that the forecast outturn in the quarterly management accounts would highlight variances.</p> <p>W Noon asked about the reduction in Director Services cost. P Long advised that this has been adjusted this year as last year the actual spend was lower than the budgeted figure.</p> <p>R Russell asked if costs should be included for voids, security/heating for the new development? P Long will discuss this with S Macintyre.</p> <p>It was agreed that a final budget would be brought to the next Committee meeting for approval.</p>	
<p>11.</p>	<p>Operations</p> <p>11.1 Rent Increase Consultation Report</p> <p>S Macintyre advised that the Association had received 12 responses to the rent consultation on the proposed increase of 1.7%. D Brown commented that the response was low and had the Association offered any incentive to tenants to return their form. It was noted that any tenant who returns or replies to the consultation are entered into a prize draw to win a £50 shopping voucher. P Broadwith has suggested that the Association start the consultation earlier and this was agreed.</p> <p>11.2 Re-appointment of Finance Agents – FMD Financial Services</p> <p>S Macintyre asked the Committee’s approval to reappoint FMD Financial Services Ltd for a further 3-year period. R Russell asked if we need to tender for this contract. S Macintyre advised that normally this service would be tendered but it would be difficult to carry this out at this time due to the ongoing refinancing work that FMD are doing. The Committee agreed to reappoint FMD for a period of 2 years.</p>	
<p>12.</p>	<p>Deferred Agenda Items</p> <p>No items were deferred.</p>	
<p>13.</p>	<p>Any Other Competent Business</p> <p>13.1 SHARE training “What’s on the Horizon for Housing Associations?” SHARE had proposed the following dates for committee training: Monday 19, Monday 26 or Tuesday 27 April 2021 at 5pm or 5.30pm The committee agreed the preferred date for training is 27 April 2021. J Daisley will contact SHARE to arrange.</p>	

	<p>P Broadwith discussed the Committee's role in relation to strategy and operational functions. The operation of the Association is delegated to S Macintyre and the staff team. The role of the Committee is to look at the strategy of the Association and the policies required to support this. It was noted that SHARE hold a governance course and also courses on questions you should ask on a number of topics for Committee Members. D Brown commented that it is important for the Committee to understand/scrutinise the process of how/why things are carried out in a particular way.</p> <p>The committee discussed the SIMD report agenda item 8.2 and whether the Association could access funding. S Macintyre advised that the Association cannot apply for specific funding in relation to the SIMD and a scoping exercise to ascertain what funding is already provided could be carried out. D Brown commented that we could look at supporting the community through community engagement.</p> <p>An email had been forwarded to the Committee regarding its consultation on community hubs. North Lanarkshire Council are holding online events regarding this and the event for Cumbernauld is on 9 March 2021.</p>	
14.	Date of Next Meeting: 25 March 2022 at 5PM via Zoom	

Signed as a true record by the Chairperson

..... **Date**

Copies of committee reports are available on request.