

Report To:	Management Committee Meeting
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Agenda Item 5.1:	Minutes of Pineview Housing Association Ltd Committee Meeting Held by hybrid access using MS Teams and Golden Jubilee Hotel on 24 November 2022
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Prepared By:	Joyce Orr, Director
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Date Prepared:	19 December 2022
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Meeting Date:	26 January 2023
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Minutes - Rule 62 - SFHA Charitable Model Rules (Scotland) 2013
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62. Minutes of every general meeting, Committee Meeting and sub-committee meeting must be kept. Those minutes must be presented at the next appropriate meeting and if accepted as a true record, signed by the Chairperson of the meeting at which they are presented. All Minutes signed by the Chairperson of the meeting shall be conclusive evidence that the minutes are a true record of the proceedings at the relevant meeting.

Item Details

1. Sederunt

All papers issued in advance of meeting unless detailed in minute.
The meeting started at 6.15pm.

<p>Present: Richard Bolton (RB) Teresa Brannan (TB) Linda Devlin (LD) Myra Frater (MF) Jamie Graham (JG) Daniel Martyn (DM) Josephine McGinty (JMc) David Syme (DS) - Chair Anna Walsh (AW)</p>	<p>Apologies: John Brechany (JB) Kenny McGinty (KMc) Laura Nahar (LN) Victoria Phelps (VP)</p> <p>Absent: None</p> <p>Leave of Absence: None</p>	<p>In Attendance: Karen Byrne (KB) – Housing Services Manager Isobel Ferguson, FCSO Robert McGinley, FMD Joyce Orr (JO) – Director & Secretary</p> <p>Guest Speaker/Presenter(s): None</p> <p>Observing: None</p>
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David Syme agreed to Chair the meeting as Daniel Martyn would need to leave after Item 4. The Chair welcomed everyone to the meeting. JO advised on apologies and the stepping down of Victoria Phelps due to personal circumstances. Committee were saddened to hear that VP was leaving at this time, wished her well and asked JO to advise she would always be welcomed back.

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2. Declaration of Interest

The Chair reminded everyone of the importance of keeping their Register of Interest entry up to date and declaring any interests and ensuring their ongoing committee eligibility status. The Chair reminded everyone of confidentiality and collective responsibility.

Declarations – Staff and RB in respect of EVH Wages Ballot.

3. Decisions / Approvals Summary Report
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JO apologised for forgetting to issue this – it had been completed 20/11/22.

Item Details	Lead Action	By
4. 2023/24 Rent Charges Review & Rent Setting Policy Review 2023/24 Draft Budget (incl. impact on existing 30 year financial projections)		
<p>4.1 2023/24 Rent Charges Review & Rent Setting Policy Review</p> <p>The Chair asked KB to present the rent charges review and policy review report for decisions on recommendations.</p> <p>KB advised that the proposed changes for rent setting policy contained no material changes. The policy had been updated to include the Scottish Social Housing Charter Outcome 14 and 15 updated wording. There are no proposed changes to the rent setting mechanism, this having been agreed with tenants in 2018/19. The customer forum had also considered the review and had no changes to recommend.</p> <p>KB took the meeting through the information on affordability and comparability of Pineview rents. KB confirmed that work had been undertaken on the basis of a 3% rent increase, as was being recommended. KB highlighted which family compositions would fail affordability criteria for different property sizes. Committee discussed that affordability was, in these cases, more related to the income of the households rather than the rental charges. KB advised that PHA rent charges were below the collective averages of Drumcog, SHN and Scottish average but reminded committee of the restrictions on using averages which can cover a whole range of different property types and services. KB advised on rent increase proposals being considered by other local RSLs and GWSF members. KB advised Committee on the remaining 17 capped rents.</p> <p>Committee discussed the various challenges relating to this year's rent increase, and in particular the financial circumstances facing customer, the national and global economy and the effect of above inflation increases in costs for the Association, especially in property maintenance. Committee discussed the Scottish Government rent restrictions and what was expected – JO advised that it is expected that restrictions of RSLs will be lifted but the Scottish Government have advised they will determine decision by 14/01/23, although SFHA and GWSF are pushing for a decision in December. Committee noted the possible negative impact of the government position on tenant satisfaction.</p> <p>KB presented Committee with proposal to consult with tenants on rent increase using options of 3%, 5% and 7%. Committee discussed the proposed rent increase percentages for consultation. Committee discussed that the 5% option would give greater scope around cost increases, but that 3% might be more manageable for tenants. Committee discussed having something within the consultation to give tenants assurance regarding the Association's viability.</p> <p>Committee considered the 17 capped rents from 2022 (16 remain capped as one was relet). If the rent formula increase was 3%, then increases of no more than 5% would result in only 5 properties remaining capped. The remaining 5 would still remain below the real charge even if given Oct CPI increase of 11.1%. Committee discussed the transfer promise of CPI plus £10 (inflated from 2021) for the capped rents, which would remove the remaining caps if the rent formula was increased by 3%. It was discussed that the CPI increase on its own would already be quite an increase for</p>		

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<p>these tenants so the plus £10 (inflated) could perhaps be dropped for the 2023 increase. Committee advised that they would now consider the draft budget for 2023/24 before deciding on the rent increase consultation.</p> <p>4.2 2023/24 Draft Budget (incl. impact on existing 30 year financial projections) The Chair asked RM to present the draft budget report for decisions on recommendations. RM took the meeting through the draft budget and updated on the questions raised in Decision Time and the answers provided – Committee noted queries and confirmed satisfaction with answers provided. Committee considered the assumptions used within the draft budget. It was noted that the budget worked with a 3% increase, although there was an impact on the longer-term projections (LTPs), especially around year 17, that would require to be addressed. Committee noted that the rent increase would normally be a minimum of CPI and noted the impact this had on long term projections. RM presented the impact of increases below the Oct CPI level. With the compound impact of an increase below CPI, at year 30 a 3% increase results in £12.4m being lost in cash, 7% results in £9.3m being lost and 7% results in £6.3m being lost. Committee discussed that such financial losses would result in likely reductions in spend, especially as major cost increases (such as planned maintenance and renewals) are vastly greater than CPI and are unlikely to reduce by much any time soon. JO advised that the impact on the LTPs related to the existing LTPs and that these required to be updated beyond Year 1 to reflect the updated stock condition survey review. JO advised that the costs were anticipated to rise considerably given the current costs in the sector and as seen through tender returns. JO advised that KB and RM would be working on these during Dec in order to update for the Jan 2023 final 2023/24 budget and longer terms.</p> <p>Decisions Made:</p> <ul style="list-style-type: none"> - Approved revisions to Rent Setting and Service Charges Policy. - Approved assumptions within budget. - Approved proposal to consult on increase options of: <ul style="list-style-type: none"> > 3%, 5% and 7% for standard rents; > sharing owners and owners same increase options; > maximum of Oct CPI (11.1%) for capped rents; > HMO frozen; > service charges at cost (excluding HMO). - Final draft budget, taking account of consultation responses and review of long term maintenance costs from stock condition survey, to be issued for consideration at 26/01/2023 committee meeting. 	<p>KB RM KB/IF RM/KB</p>	<p>23/12/22 16/12/22 19/01/23</p>
<p>5. Minutes of Previous Meeting(s) / Matters Arising</p>		
<p>5.1 Minute of the Management Committee Meeting of 29 September 2022 noted. Chair advised on spelling/grammar changes noted in Decision Time notes. Committee advised no changes required.</p>		

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<p>5.2 Pension Discussion Note from EVH session 29/09/2022. Committee approved note as accurate record.</p> <p>5.3 Previous Minutes Decisions Action Implementation Report and progress updates noted.</p> <p>Decisions Made:</p> <p>5.1 - Minute of 29/09/2022 CoM meeting approved - proposed by LD, seconded by TB. Minute to be signed by Chair of Meeting approving - DS.</p> <p>5.3 – Previous Minutes Decisions Action Implementation Report – Committee noted updates:</p> <ul style="list-style-type: none"> ➤ 30/09/21 6.2.1 & 6.2.4 LCC review - KB advised that work on outcomes would be taking place in Dec/Jan with update to Jan CoM. ➤ 25/11/21 6.5 Fans – approved fans to be replaced on failure and checked at each electrical periodic inspection. ➤ 25/08/22 6.7.3 committee signing requirements - IF confirmed signing requirement for CoM members completed. ➤ 29/09/22 4. Pensions – approved external auditor to attend Feb 2023 CoM meeting to discuss DB pension scheme. <p>Committee confirmed all matters noted and no additional queries to raise.</p>	<p>IF</p> <p>KB</p> <p>KB</p> <p>JO</p>	<p>19/01/23</p> <p>23/02/23</p>
<p>6. Items Requiring Decision / Approval</p>		
<p>6.1 Management Accounts to 30/09/2022:</p> <p>The Chair asked RM to present report for decisions on recommendations. RM explained the updated format of the management accounts. RM presented the report and took Committee through the financial reporting. RM presented outcomes to 30/09/22 and estimated position for the 31/03/23 year end (flexed budget). Committee noted outcome and flexed budget position for SOCI, SOFP, statement of cashflows, ratio analysis and covenant compliance. Committee noted cashflow projection to 30/09/2023. Committee noted increased cost in maintenance costs due to increased labour and material costs RM took Committee through KPI ratio and benchmarking outcomes with RM highlighting the ratio of arrears which was higher than national average and peer group. KB updated on ongoing work on arrears. RM confirmed all financial covenants for loans comfortably met and no matters of concern to highlight. Committee confirmed all matters noted and no additional queries to raise.</p> <p>Decisions Made:</p> <p>Committee approved management accounts for the period to 30/09/2022, with copy to be provided to Clydesdale Bank (as per covenant requirement) and to be published on website.</p> <p>6.2 Treasury Management Quarterly Report:</p> <p>The Chair asked RM to present report for decisions on recommendations. RM advised on updated report format, and that reporting was now being undertaken by FMD.</p>	<p>JO</p>	<p>29/11/22</p>

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<p>RM presented report confirming cash and loan balances as at 30/09/2022 and confirmed no liquidity or loan covenant concerns to report. RM explained to Committee the reasoning behind the recommendation not to alter loan positions with either varying fixed/variable ration or early repayment. RM explained that the increase in variable rate loans (due to increased interest rates) was minimal given the relatively low debt level and the fact that most of the loan portfolio is fixed. Early repayment of any variable loans would result in reduced cash levels at a time when spend costs are increasing.</p> <p>JO update committee on the cash movements since the 30/09/22, with a deposit to Santander for 6 months, a deposit being considered for Nationwide and a maturing deposit due 14/12/2022. Committee noted the investment cash being over the 65% limit for one investment organisation. However, committee recognised the short term nature of this, the best interest return being achieved and that the % with any one organisation is less when all cash is considered.</p> <p>Committee confirmed all matters noted and no additional queries to raise.</p>		
<p>Decisions Made:</p>		
<p>6.2.5. Loan balances – approved recommendation to retain existing loan arrangements, that is, no change to fixed/variable mix and no early repayment.</p>	JO/RM	
<p>6.2.8. Loan security – approved continuation of existing arrangements with no security release to be pursued.</p>	JO/RM	
<p>6.3 Risk Management Quarterly Review:</p>		
<p>The Chair asked JO to present report for decisions on recommendations. JO took committee through the report and recommended revisions and changes to the register. JO highlighted updates for Risks that had planned actions from previous quarter review. Committee noted recommendations within the report and updates given at Appendix 6.3.3.1.</p>		
<p>JO explained reasons behind recommended changes in scoring for Risks 45, 71 and 72.</p>		
<p>Committee noted note in Decision Time with additional planned actions with Tecnica for Risks 39 and 75.</p>		
<p>Committee confirmed all matters noted and no additional queries to raise.</p>		
<p>Decisions Made:</p>		
<p>6.3.4 Committee approved recommended changes to risk register for implementation.</p>	JO	15/12/22
<p>6.4 Business Plan Report:</p>		
<p>The Chair asked JO to present report for decisions on recommendations.</p> <p>6.4.1 KPI Outcomes to 30/09/2022 – committee considered the KPI outcomes to 30/09/2022. JO passed to KB who took committee through the housing services KPIs not met and the associated explanations and proposals to address. Committee noted the work that was being undertaken in respect of debt management following on from the internal audit of August 2022. Alongside debt pursuit, Committee were keen to see improvements in areas of void loss, relet times, neighbour complaints performance and repairs matters within our direct control such as inspections. Committee</p>		

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<p>requested more reporting of KPIs in graph format, with priority given to KPIs not met at quarter ends – to allow easier view of performance and trends.</p> <p>6.4.2 Strategic Delivery Plan Reporting to 30/09/2022 – JO advised on the work undertaken by the HSM, FCSO, SHO and SMO in developing this outcome report. Committee noted outcomes to date and priorities still being worked towards. Committee advised that the reporting was comprehensive and that it would take a few rounds of reporting to consider any changes required.</p> <p>6.4.3 Scheme of Delegation (SoD) update – JO took committee through the sample of SoD populated so far and requested that committee consider if this met their needs before further populating work began. JO advised that SFHA were also due to publish a template intended to provide a high-level Framework for RSLs who are reviewing and/or developing their delegated authorities. SFHA state that ensuring that there are clear arrangements for delegation and effective reporting arrangements will support RSLs in operating to high standards of governance and demonstrating compliance with Regulatory Standards, specifically Standards 1.2 and 1.5. This template will focus on the division of responsibilities between the governing body (GB) and the senior officer, with scope for further delegation from the governing body to sub-committees and working groups and from the senior officer to members of the senior management team (and further onward delegation of operational authorities), depending on the governance and organisational structures of individual RSLs. JO will review this when published and incorporate any relevant good practice.</p> <p>6.4.4 Defined Benefit Pension – JO advised on recommendation for committee to invite the external auditor to the February CoM meeting to external advice and support with this matter. JO advised that all other items within the report were for update and there were no queries raised in decision time. JO asked if any queries at meeting. Committee confirmed all matters noted and no additional queries to raise.</p>		
<p>Decisions Made:</p>		
<p>6.4.1 KPI Outcomes to 30/09/2022 – committee approved proposed actions to address KPIs not met.</p>	KB	
<p>KPIs not met at quarter ends to have graph reporting added to allow easy viewing of performance and trends.</p>	KB	16/02/23
<p>6.4.2 Strategic Delivery Plan – to continue with reporting in this format and review at year end.</p>		
<p>6.4.3 Scheme of Delegation (SoD) update – approved format and approach meets committee requirements. SoD to be completed and brought back to Feb or April CoM meeting.</p>	JO	Feb / April 23
<p>6.4.4 Defined Benefit Pension – committee approved invitation to Jeremy Chittleburgh to attend CoM meeting 23/02/2023.</p>	JO	23/02/23
<p>6.5 Staffing and Health & Safety Quarterly Report:</p>		
<p>The Chair asked IF and KB to present report for decisions on recommendations.</p>		
<p>IF updated on sickness absence to 30/09/2022, and Director's working hours. Committee advised no queries.</p>		
<p>KB took committee through the staffing updates relating to the housing services team. KB advised on position regarding Housing Officer vacancy,</p>		

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<p>advice from EVH and recommendation from KB to advertise and recruit internally, if suitable candidates.</p> <p>KB reminded committee of previous discussions regarding the post of Senior Housing Officer and discussions at previous appraisal of Director on this matter. KB advised that she was seeking formal permission to have this post as a permanent post and confirmed that it had been budgeted for, as had the change from 2 AHOs to 2.5 AHOs on a permanent basis.</p> <p>KB advised that due to the seniority of the SHO position (Grade 8) and in compliance with good practice for such a senior post and the Association's recruitment policy, that the post should be advertised both internally and externally.</p> <p>KB advised of the intention to have all permeant posts filled by 03/04/2023, with temporary positions ending 31/03/2023.</p> <p>Committee noted update on health and safety and wellbeing.</p> <p>Committee considered the wages ballot issued by EVH (staff member and RB had declared an interest and did not take part).</p> <p>Committee confirmed all matters noted and no additional queries to raise.</p>		
<p>Decisions Made:</p> <p>6.5.4 Housing Officer vacancy – committee approved request to recruit internally. If no suitable candidate, then post to be advertised externally.</p> <p>6.5.4 Senior Housing Officer position – committee approved permanent post and that post to be advertised both internally and externally.</p> <p>6.5.6 Wages Ballot – committee determined their vote in favour of proposal and requested that JO advise EVH before ballot closing date.</p>	<p>KB</p> <p>KB</p> <p>JO</p>	<p>23/12/22</p> <p>23/12/22</p> <p>30/11/22</p>
<p>6.6 Housing Services Report:</p> <p>The Chair asked KB to present report for decisions on recommendations.</p> <p>KB updated committee on the window replacement tender, with costs being more than 40% over budget, giving a significant shortfall of circa £106k. KB advised that this was the norm within the sector market at present due to shortages of labour and material pushing prices upwards. KB advised that the windows were in poor conditions and replacement would be of real benefit to tenants. KB advised on proposal for committee to consider. This involved delegating authority to KB, as HSM, to allocate savings from any other contracts to this area of spend. KB advised that an area of virement could be the transfer of spend set aside for 111 Halgreen Avenue works as the previous work carried out was holding and this could be carried out in 2023/24 (if needed) when budgeted spend was lower. JO advised that she was supportive of proposal by KB as this would be of greatest benefit to tenants and it was unlikely that costs would come down in the near to medium future.</p> <p>KB advised on proposal that fans outwith kitchen and bathroom contracts only be replaced when fail or identified as needed replaced. JO advised that in terms of sustainability it may be better to move to all fans only being replaced when they fail or are identified as needing replaced, for example when checked as part of periodic electrical testing at a void or cyclical inspection.</p> <p>Committee noted all other items within the report and asked that staff keep energy efficiency opportunities under review. KB updated on the ESSH review by Scottish Government.</p>		

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<p>Committee were pleased to note the improved work on arrears with a detailed debt management action plan in place. Committee noted the evictions carried out and another due – KB confirmed eviction always a last resort and Court needs to deem any request reasonable.</p> <p>Committee were pleased to note the wider action funding allocated to local groups and the work within the team to seek additional assistance for residents including from the fuel fund and Cash for Kids.</p> <p>Committee discussed the anti-social behaviour around Guy Fawkes night, and less activity than in the past although there were some localised incidents especially at the higher end of Kendoon Avenue. KB advised that the Association was working with Police Scotland to try and identify the perpetrators although this was difficult due to the use of balaclavas.</p> <p>Committee confirmed all matters noted and no additional queries to raise.</p> <p>Decisions Made:</p> <p>6.6.1 Windows Contract – committee approved delegated authority to award window replacement contract and virement of budget allocations.</p> <p>6.6.1 Fans – committee approved replacement of fans only as they fail or are identified as needing replaced.</p>	<p>KB</p> <p>KB</p>	<p>16/12/22</p> <p>Ongoing</p>
<p>6.7 Policy Reviews</p> <p>6.7.1 – G.04 Disaster Recovery Plan review – IF advised that there were no escalated or additional areas of risk to be considered as part of the Disaster Recovery policy review. Committee noted the proposal to update Appendix 11 of the policy to plan for any future pandemic rather than reflect actions taken with Coronavirus. IF took committee through the proposed revisions to the policy and the changes required for updating appendices to ensure current and accurate.</p> <p>6.7.2 – Rent Setting Policy review – considered and decided at Item 4.</p> <p>6.7.3 – Senior Staff Succession Policy – JO explained the proposed new policy. Some committee members advised that they had only had a quick read through and would prefer to delay decision making until they had considered more fully. RB advised that he was satisfied with the proposed policy but was also content to delay consideration until a future meeting. Committee thanked JO for work on developing the Policy and accompanying report and requested that this be brought back to Feb 2023 CoM. Committee confirmed all matters noted and no additional queries to raise.</p> <p>Decisions Made:</p> <p>6.7.1 – G.04 Disaster Recovery Plan review – committee approved proposed revisions and updating of policy and appendices for implementation.</p> <p>6.7.2 – Rent Setting Policy review – considered and decided at Item 4.</p> <p>6.7.3 – Senior Staff Succession Policy – proposed new policy to be presented to February CoM for consideration.</p>	<p>IF</p> <p>-</p> <p>JO</p>	<p>21/12/22</p> <p>-</p> <p>23/02/23</p>

Item Details		Lead Action	By
7.	Items for Update		
<p>7.1 Gifts, Hospitality and Donations Quarterly Report: Committee noted outcomes for period April – Sept and donations due to be made. Committee confirmed all matters noted and no additional queries to raise.</p> <p>7.2 Complaints and Compliments Quarterly Report: Committee noted complaints statistics, trend and outcomes for the year to 30/09/2022, and the sample case study and learning outcomes. Committee confirmed all matters noted, and were pleased to note compliments from customers, and had no queries to raise.</p> <p>7.3 Membership and Committee Report: Committee noted report contents and advised not queries to raise.</p>			
8.	Correspondence		
Nothing additional.			
9.	A.O.C.B.		
No matters raised.			
10.	Date of Next Meeting		
<p>Drumcog Training – Monday 16/01/2023 “Cost of Living Impact”</p> <p>Management Committee Meeting – Thursday 26/01/2023 at 6.15pm Hybrid – Office and/or MS Teams</p>			

There being no other business the meeting closed at 8.15pm.

Minute Approved by: L Devlin

Seconded by: M Frater

Signed by Chairperson:
of meeting approving D Syme

Date Approved: 26 January 2023