

# Cernach Housing Association

## Minute of Management Committee meeting held on Thursday 9 March 2023 at 6.00pm in the boardroom



**Ag3**

### 1. Present and apologies

A Biddell (Chair)	J McFarlane	T Bowie
R McGill	F John	M Mellon
S McDonald MBE		

#### In attendance

C Jardine	E McShane	L Cuthbertson
P Baylis	P Long (FMD)	R Rankine

#### Minute taker

E McShane

- 1.1 Apologies were received from J Brannan, S Brannan, C Love, M Dabek and Z Saad Hassan.

**Noted**

### 2. Declaration of interests

- 2.1 There were no declarations of interests.

**Noted**

### 3. Minutes of previous meetings

- 3.1 The minutes of the Management Committee meeting held on 26 January 2023 were proposed by T Bowie and seconded by M Mellon.

### 4. Matters arising from meeting

- 4.1 There were no matters arising from the previous meeting.

### 5. Director's report

#### 5.1 Management accounts to 31 December 2022

- 5.1.1 P Long presented the management accounts to December 2022 and highlighted that turnover stands at £3,569,126, operating costs at £2,665,917, operating surplus at £903,209 for a total comprehensive income of £835,704.

- 5.1.2 P Long highlighted that there was underspend across some areas of maintenance, but no areas of concern, and there is predicted to be more spend in the final quarter of the year.
- 5.1.3 P Long highlighted the figures in the statement of financial position including total fixed assets of £33,337,963 and net current assets of £1,314,502. Following a question from Committee, he clarified the distinction between the pension liability (showing as –£71,000) and the pension deficit.
- 5.1.4 P Long highlighted that loan repayments are higher than initially budgeted to a total of £1,216,842 – this is due to the repayment of the Clydesdale Bank loan.
- 5.1.5 P Long highlighted under the management expenses that staff events include the strategy away day and are split evenly between the staff and Committee budgets.
- 5.1.6 P Long summarised that financial balances are healthy and that there is sufficient headroom with both loan covenants.
- 5.1.7 The Management Committee approved the management accounts to December 2022.

**Collectively approved**

**5.2 Final budget 2023/24**

- 5.2.1 C Jardine presented the covering report on the final budget for 2023/24 and highlighted changes following the Senior Housing Officer going on secondment and the resulting backfilling and the Association's strategy away day on 10 February 2023.
- 5.2.2 C Jardine further highlighted budget provision made following a recommendation from the Assurance sub-Committee to cover a shortfall in funding for the Community Connector.
- 5.2.3 P Long highlighted that the changes highlighted in the cover paper equate to around £14,000, as the forecast spend increases by this amount, and therefore surplus and cash decrease by the same value.
- 5.2.4 The Management Committee approved the final budget for 2023/24.

**Collectively approved**

**5.3 Annual external audit – going concern questionnaire**

5.3.1 C Jardine presented the report and annual external audit questionnaire. C Jardine advised that this will now come to Management Committee for approval following each year's audit planning meeting with the Association's external auditor.

5.3.2 Management Committee approved the going concern questionnaire.

**Collectively approved**

**5.4 Policy review schedule – 2023/24**

5.4.1 C Jardine presented the policy review schedule and this was approved by the Management Committee.

**Collectively approved**

**5.5 Schedule of meetings – 2023/24**

5.5.1 C Jardine presented the schedule of meetings and this was approved by the Management Committee.

**Collectively approved**

**5.6 Committee workplan – 2023/24**

5.6.1 C Jardine presented the committee workplan and noted that, following discussion after the issue of papers, she is suggesting moving the treasury management report to June 2023. The workplan was approved by the Management Committee.

**Collectively approved**

**5.7 Risk management - update**

5.7.1 E McShane presented the paper on risk management and noted that there were no changes to report.

**Noted**

**5.8 Business plan – away day feedback**

5.8.1 E McShane presented the paper detailing discussions at the Strategy Away Day summarising decisions which have been incorporated into the final budget for 2023/24.

5.8.2 The Management Committee noted and formally approved the contents; these revisions will now be incorporated into to the revised business plan scheduled to come to the next Management Committee meeting in April 2023.

**Collectively approved**

**5.9 Internal audit procurement – update on tender exercise**

5.9.1 E McShane circulated a tabled paper detailing the recent tender exercise for internal audit services. This is being procured on a three-year basis, with the possible extension for a further two years. The procurement was carried out in conjunction with Drumchapel Housing Co-operative, although both RSLs will enter into separate contracts with the internal auditor. Management Committee approved the recommendation to appoint Quinn Internal Audit.

**Collectively approved**

**6. Depute Director's report**

**6.1 Operational key performance indicators (KPIs) – 2023/24**

6.1.1 P Baylis presented the report on key performance indicators for 2023/24 following the discussions from the Strategy Away day. The Management Committee approved the revised targets.

**Collectively approved**

6.1.2 P Baylis also discussed the garden maintenance pilot which was discussed at the away day. The Management Committee agreed that more investigation was needed to monitor pricing of individual cuts in the longer term now that gardens were brought up to standard and this would be looked at over the course of the year, with papers being taken to the Operations sub-Committee.

**Noted**

**6.2 Operations sub-Committee workplan – 2023/24**

6.2.1 P Baylis presented the report on the Operations sub-Committee workplan and noted that in future years, this would be taken directly to the sub-Committee in March each year. Management Committee approved the workplan.

**Collectively approved**

**6.3 COPE – funding update**

6.3.1 E McShane presented the report on COPE funding and the Management Committee noted the contents.

**Noted**

**7. Policy review**

**7.1 Financial regulations and procedures – interim update**

7.1.1 C Jardine presented the report on the proposed amendments and the Management Committee approved the changes.

## **8. Notifiable events and regulatory engagement**

### **8.1 Notifiable event**

8.1.1 There are currently no live notifiable events.

**Noted**

### **8.2 Regulatory engagement**

8.2.1 There is currently no regulatory engagement, however C Jardine updated that our current regulation manager, Kirsty Anderson, will be retiring in the next few months.

8.2.2 C Jardine further updated that the Association should receive the Regulator's annual risk assessment prior to the end of March 2023, and this will be circulated on Decision Time prior to the next meeting on 20 April 2023.

8.3.3 C Jardine further highlighted guidance on damp and mould and advised that future updates will be taken to the Operations sub-Committee at each meeting.

**Noted**

## **9. Sub-Committee minutes and recommendations**

### **9.1 Operations sub-Committee**

9.1.1 The minute of the meeting on 19 January 2023 was noted.

**Noted**

9.1.2 There was a recommendation from the meeting on 2 March 2023 to approve two policies, the Rent policy and Rent Management policy. These were approved by the Management Committee.

9.1.3 There was a recommendation from the meeting on 2 March 2023 to approve the former tenant write offs for credits and debits to the value of £676.89. This was approved by the Management Committee.

### **9.1 Assurance sub-Committee**

9.1.1 The minute of the meeting on 11 August 2022 was noted.

**Noted**

9.1.2 There was a recommendation from the meeting on 9 February 2023 to approve some very minor changes to our data protection policies, these having been suggested by our Data Protection Officer. These were approved by the Management Committee.

9.1.3 A recommendation on providing gap funding for the Community Connector's post had been discussed under item 5.2 (final budget for 2023/24).

**Noted**

## **10. Membership and use of seal**

10.1 R Rankine presented the membership report noting that there were no changes to membership and no uses of the seal.

**Noted**

## **11. AOCB**

11.1 E McShane noted that the Association has received funding from SFHA for several initiatives in the past few months and that there may be other opportunities for funding in the future. It is likely that some tenants who are eligible for receipt of these funds will be connected persons and so the Association has considered how to note these whilst maintaining confidentiality, particularly as some of these funds will be based around personal circumstances such as financial hardship. It was determined that an entry will be made in the Entitlements, Payments and Benefits register but the names will not be recorded, and so will not be available to view by the public. However, the Association will keep a separate hard copy register which will include names and will be viewed only by staff and any professional bodies which may need to inspect them, such as auditors. The Management Committee approved this approach.

11.2 The Management Committee further discussed the funding and noted that some of these schemes are based upon the ability to immediately issue funds in situations of financial hardship. It was determined that it will be appropriate for staff to issue these funds to all tenants and report to Committee on the amounts at the following meeting for retrospective approval. This effectively waives, on an exceptional basis, the need for the Committee to pre-approve these payments. In line with accountability, the internal auditor will be asked to examine all grant payments released via any of the external funding schemes so that the Committee can be assured of the appropriate disbursements of the funds.

**Collectively approved**



**12. Date and time of next meeting**

12.1 The date of the next meeting will be Thursday 20 April 2023 at 6.00pm.

Chair: ..... Date: ... ..