

**Cernach Housing Association
Minute of Management Committee meeting held on
Thursday 7 March 2024 at 6.00pm in the
Boardroom**



1. Present and apologies

Present

A Biddell (Chair)	M Mellon	T Bowie
M Dabek	J Brannan	C Love

Via Zoom

J McFarlane

In attendance

P Baylis	K Dyson	L Crawford
P Long (FMD)	K McGinley (observer)	

Minute taker

L Crawford

- 1.1 Apologies were received from R McGill, S Brannan and S McDonald.

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 25 January 2024 were proposed by M Mellon and seconded by M Dabek.
- 3.2 The confidential minute extract of 25 January 2024 was proposed by M Mellon and seconded by M Dabek.

4. Matters arising from previous meetings

- 4.1 There were no matters arising.

5. Governance report

5.1 Corporate value for money statement

5.1.2 L Crawford presented the report outlining that the Association is due to renew the Value for Money (VfM) statement. The current statement was last reviewed in January 2023. We are proposing to include and review the VFM statement in line with the business plan in April 2024. There is significant crossover between these documents, and we believe that retaining the VfM statement as a standalone document is inefficient to the planning process.

Collectively approved

5.2 Governance report – standing items

5.2.1 L Crawford presented the report, which contains governance standing items we report on every month. There were two areas for update:

- There have been six entries in the entitlements, payments and benefits register to report this month. All six were paid in line with agreed procedures and the Committee member/ connected person status did not have any impact on the awards.
- There are two up and coming conferences, Share (March 15-16) and EVH (17-19 May). Four members have signed up for the EVH conference. One member had signed up for the Share conference but is no longer able to attend, if any Committee members wish to take up this place, please contact the Corporate Services team.

Noted

6. Director's report

6.1 Management accounts to December 2023

6.1.1 P Long presented the report highlighting that the operating surplus is £853,700, which is higher than the budgeted of £690,000. This is a result of lower management and maintenance costs at this stage in the year. We also had sales income of £45,000 as result of one sharing owner purchasing the remaining part of their property. This will increase the net surplus to £888,000, which is more than is budget.

6.1.2 P Long, highlighted that void loss was performing well and management costs are a bit lower than thought. Reactive maintenance cost has increased quite a bit which is reflective of the market.

6.1.3 One member asked about boiler renewal process and whether there were follow up works or breakdowns. P Baylis advised that we are not aware of any issues and if there were these would be raised directly with the contractor.

6.1.4 P Long concluded by confirming that covenants are being complied with and asked for the Management Committee to approve the accounts.

Collectively approved

6.2 Final budget – 2024/25

6.2.1 P Baylis introduced the budget for 2024/25, providing an update to the draft budget, which was discussed on 7 December and at the away day on 23 February. P Baylis advised there have been four additions to the budget: member subscriptions for decision time and tenant safety, ICT procurement and staff recruitment costs. There had also been 3 reductions to the budget: professional fees for the employee stress survey, CCTV and pensions costs. The total reduction since the draft budget is £51,100.

6.2.2 P Long presented the report outlining the figures behind the draft budget stating that predicted turnover will increase by £6,100 to £4,948,200 and operating costs will increase by £8,600 to £4,289,200. The net surplus for the year will decrease by £2,500 to £682,175.

6.2.3 P Long also advised that the value of non-current assets will decrease by £47,000 to £33.588m.

6.2.4 P Long concluded that the net effect of these changes is relatively minor and will not significantly affect the Association's key performance indicators. The Association will also continue to comply with all financial covenants.

6.2.5 The Management Committee collectively approved the draft budget for 2024/25.

P Long and K Dyson left the meeting

6.3 Policy review schedule – 2024/25

6.3.1 L Crawford presented the report, highlighting that the Association has a four-year policy review timetable which is updated on an annual basis. The last comprehensive reviewed was in March 2021, so the next comprehensive review will take place in or before March 2025. Committee are asked to review the schedule and approve.

Collectively approved

6.4 Schedule of meetings – 2024/25

6.4.1 L Crawford presented the proposed schedule of meetings for 2024/25, suggesting we follow the same pattern as previous years, with the only notable change being to the AGM, which we proposed to have on Monday 2 September, rather than the last week in August. This better aligns with the other meetings in August and avoids a bottleneck of papers.

6.4.2 P Baylis highlighted that a provisional date had been planned for a special rent increase meeting which had taken place in November for the past two years. We are proposing to agree nearer the time whether this special meeting would be necessary.

Collectively approved

6.5 Committee workplan – 2024/25

6.5.1 L Crawford presented the proposed Committee workplan, outlining the scheduled items, policies and reports that will be presented at each meeting. It is important to note that the workplan represents what we currently know we'll be considering at each meeting, but there may be other items included as the year progresses.

Collectively approved

6.6 Cyber Essentials +

6.6.1 L Crawford presented the report, outlining that the Cyber Essentials + Accreditation is an internationally recognised scheme which assesses organisations against cyber security standards to assist them in minimising the likelihood of cyber-attacks. We have currently submitted everything and are awaiting the final outcome.

Noted

7. Depute Director's report

7.1 Operational key performance indicators (KPIs) – 2024/25

7.1.1 P Baylis presented the report asking for Management Committee approval for 2024/25 KPIs.

7.1.2 KPIs were explored at our staff and Committee away day on 23 February 2024. Of the existing indicators, 11 were met, two were partially met and two were not met.

7.1.3 At the away day we agreed retaining 11 of the KPI targets with four being amended.

- 7.1.4 One member asked about the threshold for taking action against rent arrears and changes to the law. P Baylis recapped on legislation and advised that this is £2,500, but we are always trying to engage with tenants at all times over any arrears.
- 7.1.5 One member asked about tracking through voter tracing for former tenant arrears. P Baylis advised that we were looking at a debt tracing company. She advised that it is about balance as there are costs associated with this and even if we do find the tenant, they may not be in position to pay.
- 7.1.6 P Baylis highlighted the five new KPI's that have been proposed, these are primarily around tenant safety, property inspections and satisfaction surveys.
- 7.1.7 One member asked about the process after the property inspections and the repairs timescales for when identified works are to be carried out. P Baylis stated that identified repairs were referred to the maintenance team immediately, with an aim to respond withing normal repair timescales.

Collectively approved

7.2 Bathroom renewal procurement 2023/24

- 7.2.1 P Baylis advised that the bathroom procurement for 20 properties across three schemes: Kingsmore Court, Dunkenny Place and Dunkenny Road was recently tendered on PCS, and we received six responses.
- 7.2.2 Following the opening, the tenders were assessed on a quality/price basis by a three-person panel comprising of staff from Cernach Housing Association and Reid Associates.
- 7.2.3 P Baylis took the Committee through the specifics of the contract and budget highlighting that the budget was lower than the lowest priced tender return. As a result, we have considered potential cost savings.
- 7.2.4 P Baylis recommended that we award the contract but asked for Committee to consider alternatives such as retendering to get a more competitive price, delaying the contract and tendering with a larger number of units or take no action as we consider current prices to be prohibitive.

Cheryl Love left the meeting 7pm

- 7.2.5 One member asked that if we have larger numbers of units in the one contract, would that be more attractive to contractors. P Baylis explained the

pros and cons of this option, stating that the procurement is a relatively small contract in terms of costs and quantity, and by making adjustments, we can afford to go over budget by a small sum, however it is not sustainable to adopt a 'just this one time' approach as tenders could continue to run over budget.

- 7.2.6 There was some discussion around retendering to seek better value for money and changing some of the specifications e.g. an alternative shower brand. P Baylis advised that some contractors have better rates with certain suppliers, therefore they can offer some products at more favourable prices.
- 7.2.7 One member discussed the merits of considering contracts on an individual basis rather than rolling them up, as the market is so unstable, and we don't know how it may change. They did not agree with retendering, however they concluded that they would prefer doing a tender with more units. Other members agreed with this approach.
- 7.2.8 As a result of discussions, P Baylis recommended including the 20 bathrooms in line with the next planned maintenance scheduled, where works would be retendered for a higher number of units.

Collectively approved

7.3 Ground maintenance 2024/25

- 7.3.1 P Baylis presented the report outlining our current position with regards to the ground maintenance contract. A tender opening meeting was held in the Association office on Monday 26 February at 3pm. In attendance were staff and Committee from Cernach Housing Association and a representative from Reid Associates.
- 7.3.2 P Baylis advised that the tender report would be available next Wednesday (13 March), and the successful contractor will be awarded. We are still on track to get new contractor on site in April/May.

Noted

7.4 Operations sub- Committee workplan – 2024/25

- 7.4.1 P Baylis set the Operations Sub-Committee workplan to cover the period from 1 April 2024 to 31 March 2025. P Baylis highlighted that the lettings plan review is set to come in August 2024, although this may be brought forward based on new homeless statistics and recent sector discussion. P Baylis advised that at a Housing Conference this week it was noted that 10,000 households in Glasgow are living in temporary accommodation and possible referrals of refugees coming to Glasgow may cost the local authority upwards of £50m to

rehouse these households. Committee discussed the context of bringing empty homes back into use and recent liquidations of housebuilders impacting the sector.

- 7.4.2 The Management Committee collectively approved the Operations sub-Committee work plan and noted the sector feedback from P Baylis.

8. Policy review

- 8.1 There are no polices due for renewal at this meeting.

Noted

Karen McGinley left the meeting 7:17pm

9. Sub-Committee minutes and recommendations

9.1 Operations sub-Committee

- 9.1.1 The minute of the meeting on 18 January 2024 was noted. There were no recommendations from the meeting on the 29 February 2024.

Noted

- 9.1.2 P Baylis provided an update on the special Assurance sub-Committee meeting on Thursday 8 February 2024. Committee noted the update.

- 9.1.4 P Baylis informed that the Assurance sub-Committee decision on the salary ballot was fed back to EVH, however the ballot process was withdrawn and EVH are now in discussion with ACAS.

Noted

10. Membership and use of seal

- 10.1 L Crawford presented the report and highlighted that there was one request for membership, which had been received in accordance with our rules. The membership was approved.

Collectively approved

11. AOCB

- 11.1 P Baylis asked the Committee to approve our Maintenance Officer's request to join the Management Committee of Clydebanks Housing Association.

Collectively Approved

- 11.2 One member asked about committee subsistence allowance and queried why they had not changed in ten years. P Baylis will report back on this issue.



12. Date and time of next meeting

12.1 The next ordinary Committee meeting is due to be held on **Thursday 18 April 2024** at 6.00pm.

Chair: Date: