

Cernach Housing Association

Minute of Management Committee meeting held on Thursday 26 January 2023 at 6.00pm in the boardroom



1. Present and apologies

J Brannan (Chair)	J McFarlane	S Brannan
M Dabek	A Biddell	T Bowie
R McGill	C Love	F John
M Mellon		

In attendance

C Jardine	E McShane	C Johnson
P Baylis	P Long (FMD)	A Kyle
L Crawford		

Minute taker

L Crawford

- 1.1 Apologies were received from S McDonald MBE 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 1 December 2022 were proposed by T Bowie and seconded by A Biddell.

4. Matters arising from meeting

- 4.1 Under item 4.3, C Jardine updated Committee that the union membership also voted in favour of the pay offer, so employee salaries are going up by 5.25% on 1 April 2023 plus there will be three £150 payments (subject to tax) in each of January, February and March 2023 for all staff.
- 4.2 Under item 6.2.2, C Jardine advised that we are still considering the potential funding gap in 2023/24 for the Community Connector's salary costs. We will take a paper to Assurance sub-Committee on 9 February, following which a recommendation will be brought back to the Management Committee at the March meeting.

A request was made to the Chair to bring forward agenda item 6.1 as the first item of business and move item 5.6 to the end of the meeting. Committee were in agreement with this. In keeping with the prepared agenda these items are minute under the relevant sections.

5. Director's report

5.1 Draft budget 2023/24

5.1.1 P Long took Committee through the tabled report, highlighting that inflation remained stubbornly high but that we were predicting a good financial performance.

5.1.2 The Committee are asked to consider the details of this report and accompanying draft budget and recommend any changes to be included in the final version to be approved at the meeting on 9 March 2023.

5.1.3 Committee discussed the projected increase of £27,000 on professional fees.

5.1.4 P Long advised that the final budget may differ depending on decisions made at the business planning away day on 10 February 2023.

5.1.5 Committee asked about office equipment maintenance being £37,900 in April. P long advised of larger annual fees and smaller monthly maintenance costs.

5.1.6 Committee highlighted the reduction to the major repairs budget for 2023/24 compared to previous years. P Long advised that spending is varied year on year depending on the activities programmed.

Noted

5.2 Corporate Value for Money (VFM)

5.2.1 E McShane took Committee through the cover paper, highlighting that the statement was last done in January 2020 and that this was the first statement since Covid-19.

5.2.2 E McShane explained that we are limited in our assessment given the volatile financial markets. We are also awaiting new benchmarking figures and we therefore propose considering this document as an interim update, with a review scheduled for April 2024.

5.2.2 E McShane highlighted the dip in tenant satisfaction, particular in relation to value for money. This was comparable with the sector. Our tenant satisfaction

survey was carried out just as we were coming out of lockdown, when we had been operating a reduced service and this has likely impacted the response.

5.2.3 Committee discussed tenant views on value for money and factors that may impact survey results.

5.2.4 Committee asked questions about increasing tenant participation. E McShane said that we had recently had a Residents Panel and we were looking to do a lot more this year, in line with the Annual Assurance Statement (and associated action plan). From the rent consultation, 37 people said they'd like to be more involved, and we will share information with them on various ways they can engage with the Association.

Collectively approved

5.3 **Committee appraisal**

5.3.1 L Crawford took Committee through the appraisal report and asked that they reflect on their individual records, consider if they accurately recorded the conversation they had in with A Smith in summer 2022 and whether there were any new training needs they like to address.

5.3.2 L Crawford encouraged committee to attend Drumcog training and make any training requests to the Corporate Services Team.

Noted

5.4 **Succession Plan**

5.4.1 E McShane took the Committee through the report, reiterating the revised succession planning policy in September 2022.

5.4.2 For staff, all posts have had an assessment completed by members of the senior management team. One of the key elements of the succession plan is that all staff will have a training and development plan in place. We propose that these exercises be carried out by line managers between February 2023 and December 2023.

5.4.3 Due to the relatively sensitive nature of some elements of the plan, including reference to individual staff retirement plans, the plan was not tabled. However, should any member of the Management Committee wish to see this in more detail, please contact the office and this will be arranged.

5.4.4 For Committee succession planning, we are suggesting that following this year's appraisal process, a more strategic approach to training and development and successor identification takes place.

Collectively approved

5.5 Risk management update

- 5.5.1 As agreed in our previous meeting, risk will be a standing item on each Committee agenda. There are no changes to the risks facing the Association since the previous meeting.
- 5.5.2 E McShane confirmed that the risk management methodology policy would come to the Management Committee in September 2023 for approval.

Noted

E McShane, A Kyle and C Johnson left the meeting for the discussion of item 5.6.

5.6 Pension scheme – consultation (discussion confidential)

- 5.6.1 C Jardine took Committee through the tabled report. Overall, the Scottish Housing Association Pension Scheme (SHAPS) is considering closing the Defined benefit (DB) scheme from April 2024. C Jardine advised that the discussion tonight is not about Cernach HA making a decision on the SHAPS-DB scheme (this will be addressed later in the year and following independent financial advice), rather we are being asked to respond to a survey in general terms.
- 5.6.2 Committee discussed the consequences of the decisions.
- 5.6.3 C Jardine clarified that if the majority of members who respond the questionnaire vote to close the scheme, the SHAPS may close it; if the majority of members vote to keep it open, it would be up to individual RSLs to decide whether to keep the scheme open or close it. In this instance a detailed paper with external guidance would be brought to the Committee for further consideration.
- 5.6.4 The minute is has been amended to protect confidentiality – please see separate confidential minute.
- 5.6.5 C Jardine was asked to respond to the vote on the Committee's behalf.

Collectively approved

E McShane, A Kyle and C Johnson re-joined the meeting

5.7 Strategy away day – 10 February 2023

5.7.1 L Crawford presented the draft plan for the business planning away day on 10 February 2022.

Noted

6. Depute Director's report

6.1 Rent review – 2023/24

6.1.1 P Baylis presented the tabled report, recapping the background of the rent increase and the consultation process that ran between 2 December 2022 and 12 January 2023.

6.1.2 Overall 85% of those who responded voted in favour of a 5% rent increase. Responses were received from 240 tenants with 37 saying they would like to get involved with the Association.

6.1.3 Committee were asked to approve a 5% rent increase.

Collectively approved

7. Policy review

7.1 There were no policies due for review.

8. Notifiable events and regulatory engagement

8.1 Notifiable event

8.1.1 There are no notifiable events.

8.1.2 C Jardine highlighted the work of E McShane in sharing our experience of the recent cyber incident with SFHA and GWSF.

8.1.3 GWSF sent out a summary of the incident to its members and suggested they get in touch with us directly if they are looking for more information.

Noted

8.2 Regulatory engagement

8.2.1 There is currently no regulatory engagement.

Noted

9. Sub-Committee minutes and recommendations

9.1 Operations sub-Committee

9.1.1 The minute of the meeting on 24 November 2022 was noted. There were no recommendations from the meeting on 19 January 2023.

Noted

10. Membership and use of seal

10.1 Committee were asked to approve a request for membership which had been received in accordance with the rules.

Collective approval

11. AOCB

11.1 C Jardine advised Committee about Laura- Jane Richards' (Senior Housing Officer) secondment opportunity that would commence on 13 February for one year.

Noted

11.2 E McShane reminded Committee of the team building event on 27 January 2023.

Noted

12. Date and time of next meeting

12.1 The date of the next meeting will be Thursday 9 March 2023 at 6.00pm.

Chair: Date: