

**CALVAY HOUSING ASSOCIATION MINUTES OF 2020/2021
MANAGEMENT COMMITTEE: 24 JUNE 2021**

1 SEDERUNT

Present:	Anna Ellis	-	Chairperson
	Chris Warwick	-	Treasurer
	John Lyon	-	Committee Member
	Sandra McIlroy	-	Committee Member (From Item 2 onwards)
	Jim Gourlay	-	Co-opted Member
Apologies:	Alison A'Hara	-	Vice Chair
	Pauline Barr	-	Secretary
	Margaret Lynch	-	Co-opted Member
In Attendance:	Nick Dangerfield	-	Director
	Tracy Boyle	-	Corporate Services Manager
	Fettes McDonald	-	Finance Consultant (Items 1-7 only)
	Gill Montgomery	-	Development Consultant (Items 1-9 only)
	Tricia Thomson	-	Property Services Manager (Items 1-10 only)

The Chair advised that some of the items marked 'for information' on the agenda would be brought forward, as the meeting was not yet quorate. However a further full Committee Member was expected to join the meeting a little bit later.

2 TREASURY MANAGEMENT – WRITTEN REPORT BY FINANCE CONSULTANT NOTED

A written report by the Finance Consultant was circulated to Committee Members prior to the meeting and noted. Committee noted the salient points as below:

- 632 properties secured against the Clydesdale and new Nationwide loan, none of which has been drawn down yet

Sandra McIlroy joined the meeting at this point.

- Fixed rate loan with the Clydesdale about to expire
- High level of excess security with the Clydesdale
- Asset release clause contained within the Nationwide loan
- Currently £5m of unencumbered stock, i.e. properties not secured against any loan
- On assumption the Nationwide loan is drawn down, further discussions should take place on fixing an element of the debt.
- Currently have the headroom ability to borrow further if the need ever arose.
- Cash at end of March = £5.1m
- No issues re. loan covenants
- No non-compliance with Treasury Policy
- Relatively low level of debt

The Finance Consultant asked Committee if they had any queries. In response to a question from a Committee Member about recommendations for using reserves, the Finance Consultant advised that if the long term figures were finalised and there were no future liabilities, then he would probably

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recommend using cash to pay down some of the Association's debt.

In response to a further question from a Committee Member, the Finance Consultant confirmed that the current loans allow for overpayment. With regard to the amount permitted for overpayment, it would be prudent to wait to see what is happening with the new build and the Nationwide loan. In response to a further question, the Finance Consultant advised that even if it is not written down in the Treasury Management Policy that excess cash can be used to pay borrowings.

The Treasury Management report was duly noted by Committee.

The Chair advised that now the meeting was quorate, she would return to the original order of the agenda, but would bring the finance and development reports forward to allow the relevant attendees to leave the meeting.

3 DECLARATIONS OF INTEREST

There were no declarations of interest.

4 MINUTES OF MANAGEMENT COMMITTEE MEETING HELD ON 20 MAY 2021 APPROVED

The minutes of the Management Committee meeting held on 20 May 2021 were circulated to Committee prior to the meeting and noted.

5 MATTERS ARISING FROM PREVIOUS MEETING

6. Annual Return on the Charter

In response to a question from a Committee Member about the issue of external validation, the Director advised that although this had been raised recently by a new Committee Member, Committee had previously made a decision not to pursue external validation.

Otherwise the minutes were approved on a motion by John Lyon, seconded by Chris Warwick.

6 FIVE YEAR FINANCIAL PROJECTIONS TO SCOTTISH HOUSING REGULATOR – WRITTEN REPORT BY FINANCE CONSULTANT APPROVED

A written report by the Finance Consultant was circulated prior to the meeting and the main points were highlighted. The Finance Consultant advised he is seeking approval to submit the FYFP to the Regulator. Committee's attention was drawn to the higher surplus of £710k – this is attributed to a change to the component mix and more components will be getting done in 21/22. The Finance Consultant advised there was nothing else of note contained within the submission and it was showing good, positive figures. Committee were asked if they had any questions.

In response to a question from a Committee Member on the reduction in planned maintenance and how this reconciles with rent increases, the Finance Consultant advised that the planned maintenance spend is based on the lifecycle costings, therefore spend will always fluctuate depending on where we are on the cycle. There will also be an element of catch up on works due

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to Covid.

Committee subsequently approved all the recommendations contained within the report and the Finance Consultant advised he would submit immediately to the Regulator and confirm with the Director/Corporate Services Manager that this has been done.

7 CLYDESALE BANK LOAN REVIEW – WRITTEN REPORT BY FINANCE CONSULTANT APPROVED

A written report by the Finance Consultant was circulated to Committee prior to the meeting and noted. The Finance Consultant advised that a clause in the current loan agreement with the Clydesdale allows them to review the terms after 10 years. They have now returned to the Association with proposals as noted within the report.

A Committee Member asked if the current agreement allowed the Association to walk away and refinance elsewhere. The Finance Consultant advised that this would be possible, however if the loan was to be rearranged with someone else we would need to deal with security release and would need to pay both a higher arrangement fee and solicitors' costs. It would be the Finance Consultant's recommendation to wait until there is clarity on the new build. In response to a further question, the Finance Consultant advised a decision would have to be made on the new arrangement by the end of July.

The proposals from the Clydesdale were subsequently approved by Committee

It was agreed that the Chair and Director would have such delegated authority to finalise the loan.

The Finance Consultant left the meeting at this point.

8 DEVELOPMENT REPORT – BLYTH ROAD – WRITTEN REPORT BY DEVELOPMENT CONSULTANT NOTED

A written report by the Development Consultant was circulated to Committee prior to the meeting and noted. The Development Consultant advised that the Floods Officer has finalised his report, which is with his manager for approval. Committee expressed their disappointment at the lack of progress from the Council's side. The Development Consultant advised that, whilst of little comfort to Committee, the issuing of planning permission is currently a city wide problem. However, she hopes to get some feedback in the next few days. In response to a question about getting Scottish Water involved, the Development Consultant advised it would be advisable to get a formal response from the Council first. Committee noted the report.

9 DEVELOPMENT REPORT – TENDER COSTS – WRITTEN REPORT BY DEVELOPMENT CONSULTANT NOTED

A written report by the Development Consultant was circulated to Committee prior to the meeting and noted. The Development Consultant explained the reasons for the uplift to the original tender costs for the new build development. She has flagged up this issue to NRS with a view to seeking additional grant funding, but has had no response as yet. Once any potential savings have been identified and final revised tender costs have been

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received from the contractor, the Development Consultant will approach NRS again with a formal request for additional grant funding. It is anticipated that an additional £110k grant funding will be allocated and additional £167k borrowings will be necessary. This was noted by Committee.

The Development Consultant left the meeting at this point.

10 BIN STORE UPGRADE – WRITTEN REPORT BY PROPERTY SERVICES MANAGER NOTED

A written report by the Property Services Manager was circulated to Committee prior to the meeting and noted. The Property Services Manager is now in receipt of the final invoice.. The contract sum agreed was £407,970 (Inc VAT) and the final amount due (once VAT for ex-GHA properties had been reclaimed) was £447,966 (Inc VAT) making the overall overspend under 10%. In addition, a further £10,500 can be reclaimed from owners.

A Committee Member noted the report and comments and although Committee have approved changes at each stage, she was interested to hear the Property Services Manager's views on the performance of the Quantity Surveyor and Clerk of Works as it was felt the issues such as thickness of walls, access, etc. should have been picked up by them. The Property Services Manager acknowledged some minor issues, however she reiterated that this was not a standard contract which had been subject to many different issues as outlined in the report. The Property Services Manager did not think that most of these issues could have been foreseen.

The Property Services Manager's report was subsequently noted and she left the meeting.

11 KEY PERFORMANCE INDICATOR REPORT – WRITTEN REPORT BY DIRECTOR APPROVED

A written report by the Director was circulated to Committee prior to the meeting and noted. After some discussion, it was agreed not to reduce any current targets, however it was agreed to increase the anti-social behaviour target from 90.0% to 98.5%, change the factoring arrears to a percentage rather than an amount and increase the Committee Attendance target from 70% to 80%.

12 RISK MANAGEMENT POLICY – WRITTEN REPORT BY DIRECTOR APPROVED

A written report by the Director was circulated to Committee prior to the meeting and noted. The Director advised he had brought this to the previous Audit & Risk Sub Committee but had been asked to bring a more comprehensive version to full Management Committee. He advised that this is now a much more detailed policy, however we are not currently doing everything contained within it.

Otherwise the Risk Management Policy was approved.

13 NOTIFIABLE EVENT – WRITTEN REPORT BY DIRECTOR NOTED

A written report by the Director was circulated to Committee prior to the meeting and noted.

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A question was raised whether or not raising a Notifiable Event in relation to this issue is a breach of loan covenants.

14 CO-OPTION TO MANAGEMENT COMMITTEE – VERBAL REPORT BY DIRECTOR APPROVED

Following on from the previous item, Committee unanimously agreed to the co-option of Margaret Lynch.

15 ELECTION OF CHAIR – STAFFING SUB COMMITTEE/AUDIT & RISK SUB COMMITTEE – VERBAL REPORT BY DIRECTOR NOTED

It was noted that due to Eddie Dunlop's resignation and the situation with Margaret Lynch's membership, vacancies had now arisen for Chair of both the Staffing Sub Committee and Audit & Risk Sub Committee. Anna Ellis nominated Pauline Barr for the position of Chair of the Staffing Sub Committee, seconded by Sandra McIlroy. There being no other nominations, this was duly approved. Chris Warwick was nominated for the position of Chair of Audit & Risk Sub Committee, which he agreed to undertake for one meeting initially. There were no other nominations.

16 APPLICATIONS FOR MEMBERSHIP

There have been no applications for membership since the last meeting.

17 TRAINING AND EVENTS

Committee are carrying on with the in-house training programme and some members are attending other external training events.

18 NOTIFIABLE EVENTS TO THE REGULATOR – VERBAL REPORT BY DIRECTOR NOTED

The Director advised that the same 2 events are still open; the one relating to the former Chair and the ongoing Covid return reports. This was noted.

19 SCOTTISH HOUSING REGULATOR – UPDATE – VERBAL REPORT BY DIRECTOR NOTED

The Director advised Committee that although the Covid returns are now quarterly, they are much more detailed. This was noted.

20 SIGNING OF MINUTES BY CHAIRPERSON

To be done once we are back in the office.

21 MINUTES OF OTHER MEETINGS

i. Operations Sub Committee Minutes – Meeting held on 16 March 2021 noted

The minutes of the Operations Sub Committee meeting held on 16 March 2021 were circulated to Committee prior to the meeting and noted.

ii. Draft Operations Sub Committee Minutes – Meeting held on 1 June 2021 noted

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The draft minutes of the Operations sub Committee meeting held on 1 June 2021 were circulated to Committee prior to the meeting and noted.

iii. **Draft Staffing Sub Committee Minutes – Meeting held on 10 June 2021 noted**

The draft minutes of the Staffing Sub Committee meeting held on 10 June 2021 were circulated to Committee prior to the meeting and noted.

22 OUTSIDE BODIES

i. **Employers in Voluntary Housing**

The representative was not present to give an update on this item.

ii. **Glasgow and West of Scotland Forum**

It was noted we have no representative at the moment, however all GWSF information/updates, etc. are available on their website.

iii. **Easterhouse Housing and Regeneration Alliance**

It was noted that the draft minutes of the last meeting had not yet been received, however one of the topics currently under discussion is returning to the office.

iv. **SHARE**

Refer to the representative's note on Decision Time.

23 AOCB

i. **Committee Member**

The Chair asked if anyone had heard from Julia Okun. It was noted that if she misses the next meeting that will be four in a row.

ii. **Chair's Meeting with Staff**

The Chair advised that she had met with the staff team recently to discuss some of the concerns raised within the staff survey. She thinks that she has reassured staff that they have done well during this difficult period and that the tenants did not really notice any drop in service. She advised that staff were pleased Committee have agreed a 2 hour lunch, paid for by the Association, once we are back in the office. The Chair would also like a separate evening meal for Committee at some point, hopefully before the AGM.

The Chair did advise staff that Committee had also been under pressure with the weight of increased Governance responsibilities, etc. Staff also raised their own issues, such as an increase in abusive behaviour from customers, which had

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been upsetting to deal with whilst working in their own homes.

A Committee Member thanked the Chair on behalf of the Management Committee for arranging this. It seems to have been a good idea, especially if it has helped some staff who may have been feeling unsettled.

APPROVED _____

DATE _____