



# CATHCART & DISTRICT HOUSING ASSOCIATION LTD

## MINUTES OF THE FULL COMMITTEE OF MANAGEMENT MEETING HELD ON TUESDAY 21 DECEMBER 2021 AT 6.30 PM VIA ZOOM CLOUD MEETINGS

### PRESENT:

Committee Member	Attended	Apologies
Marion McMillan (Chair)	✓	
Alastair Penney (Vice Chair)	✓	
Chris Carr (Treasurer)	✓	
Sue Harper		✓
Bruce Strathearn	✓	
Valerie Kyle		✓
Betty Carter		✓
Trudi Tokarczyk	✓	
Gamal Haddou	✓	
Patricia Crockett	✓	
Teresa Gallagher	✓	

### IN ATTENDANCE:

Staff Member	Attended	Apologies
Christine Leitch (Secy)	✓	
Lorraine Glasgow	✓	
Morna Smillie	✓	
Emma Connelly	✓	
Andy Woodburn	✓	
Fettes McDonald	✓	

Attendance 72%

Item No.	Issue	Action by
<b>1.0</b>	<b>Apologies, Declarations of Interest &amp; Notifiable Events</b>	
1.1	Apologies were received from SH, BC, and VK.	
1.2	<b>Declarations of Interests &amp; Notifiable Events –</b> There were no declarations of interest.	
1.3	There were no notifiable events to report.	
<b>2.0</b>	<b>Development Report – Andy Woodburn</b>	
2.1	<i>Section redacted due to commercial sensitivity.</i>  <i>Andy Woodburn left the meeting at 6.50 pm.</i>	
<b>3.0</b>	<b>Management Accounts to 30<sup>th</sup> September 2021</b>	
3.1	MM introduced Fettes McDonald to the Management Committee and Fettes expressed gratitude for the opportunity of working with CDHA.	
3.2	<b>Budget Report</b> Fettes provided an overview of the Management Accounts to 30 <sup>th</sup> September 2021 and went through the main items in the budget report. He highlighted the budget report is largely the same format that Clark used.	

<p>3.2.1</p>	<p><b>Income</b></p> <p>Fettes advised the reason that rental income receivable is below budget is because the Association had a number of properties where major repair works were being undertaken and the housing management team had taken them off the rent records for the relevant periods. Fettes will discuss with housing management if rental income should be left as is and to increase the voids although this would not make any difference to the net position.</p> <p>Fettes explained that budgeted income for medical adaptations was <b>(figure redacted)</b> but the actual income was approx. <b>(figure redacted)</b>. He advised there was nothing in the budget for stage 3 activity and <b>(figure redacted)</b> is included from the previous financial year. This is a task that can be discussed internally.</p> <p>Fettes detailed that other owner income comprises of owner's insurance, close cleaning, and bulk uplift. The actual figure is approx. <b>(figure redacted)</b> above budget. He reported that interest receivable is well below budget and this has been due to the low rates that have been available until now.</p>	
<p>3.2.2</p>	<p><b>Expenditure</b></p> <p>Fettes explained that line 19 capital planned maintenance should be read in conjunction with line 24 planned maintenance. The planned maintenance budget for the period to September was <b>(figure redacted)</b> but the actual spend was <b>(figure redacted)</b>. He advised the planned maintenance figures include planned maintenance works that go through the income and expenditure account so it is non-capital items and also any capital component related items. The purpose of line 19 is to strip out the capital element of the planned maintenance works.</p> <p>Fettes pointed out the spend for current repairs is well above budget and void repairs will feature within the total day-to-day repair costs. Cyclical repairs are also below budget. There is an adverse variance for medical adaptation costs and this is because there was no budget set for stage 3 activity.</p>	
<p>3.2.3</p>	<p><b>Overheads</b></p> <p>Fettes advised the development consultant fees are above budget and due to time constraints, there are a number of matters FMD wants to look at further. There were a number of items within this that they viewed as capital works and some of which will be grant funded. Once these are taken out, we are left with <b>(number redacted)</b> invoices from <b>(Name redacted)</b>. Fettes noted there is a budget of <b>(figure redacted)</b> for feasibility study fees and nothing has been spent against this. FMD will look at the feasibility study fees and development consultant fees in the future management accounts and these may net off.</p> <p>Fettes advised the budget for the office rates and insurance is above budget and the budget has been set too low. He discussed with Lorraine if the Association is getting charitable relief on its rates and Lorraine has emailed the City Council regarding this.</p> <p>Fettes noted legal and professional costs, and subscriptions are over budget. There is an adverse variance for depreciation and it appears the budget was set too low. In addition, there was a small pension adjustment of <b>(figure redacted)</b>. Fettes explained based on the budget FMD was provided with there was a surplus of the year for <b>(figure redacted)</b> and we are sitting with a surplus of <b>(figure redacted)</b>.</p>	

<p>3.3</p>	<p><b>Tables</b></p> <p>Fettes provided a summary of the tables detailing the repairs variances. There is a note stating that there is <b>(figure redacted)</b> included in current repairs for stonework repairs, however, this is likely to be moved out of reactive repairs and moved to planned maintenance. Fettes confirmed this will not change the bottom line position but will change any overspend in terms of reactive repairs. He also added that Craig has no control over external factor repairs or landlord supply but they will discuss internally how to lay out this information in future reports.</p> <p>Fettes reported that planned maintenance capital is mainly component replacement, kitchen and bathroom replacements, works at <b>(address redacted)</b>, and some budgeted costs at <b>(address redacted)</b>. There have been initial discussions with Craig which will continue.</p>	
<p>3.4</p>	<p><b>Statement of Financial Position</b></p> <p>Fettes explained the Statement of Financial Position is an accumulative statement of all assets and liabilities of the Association at the end of the period. He noted the budget for the year did not include any capital activity and will be looked at later. In terms of Debtors, some of this relates to rent arrears and there are noted comments in the narrative report.</p> <p>Fettes asked if anyone had any comments or questions on the accounts. GH asked if there will be an internal discussion with Morna on the rent receivable and the voids. Fettes explained one of his colleagues briefly discussed this and the ARC Consultant had advised this can be stripped out for the purpose of the ARC. He expressed properties should be part of the gross rent and if it is not let because repairs are ongoing this should appear in the voids. If done this way, it would not make a difference in the net figure but the rents would be largely in line with the budget but the voids would be much higher as the property is held back for long-term repairs.</p> <p>GH asked if Fettes knew what the position was at the end of November. Fettes explained we know of one matter which will be referred to in the notes.</p>	
<p>3.5</p>	<p><b>Narrative Report/Notes</b></p> <p>Fettes expressed the cash position remains healthy and rent arrears at the end of September were <b>(percentage redacted)</b>. After accounting for the bad debt provision, this reduces to <b>(percentage redacted)</b> which is a reflection that the bad debt provision is set too low. Fettes advised there was a point noted in the management letter from the auditors recommending firming up the basis of the bad debt provision and we will do that as we move towards the year-end. He expressed the provision for future bad debts seems low given the level of arrears. Fettes has spoken briefly to Morna and she mentioned that UC for September came in late which would have contributed to the higher figure.</p> <p>Fettes explained that FMD has not carried out ratio analysis due to time constraints. He advised RBS received the report but not the notes as these are just points to flag up to Christine. Fettes detailed that FMD had a limited time to prepare the accounts but they are largely happy with what has been produced.</p> <p>The rent and factoring entries will require review and will be finalised after the holiday period.</p>	

	<p>Fettes explained that work is progressing well on the draft budget for 2022/23 and once the workings have been put into the budget document, this will be sent to senior staff for discussion and agreement prior to issue to the Committee. Fettes advised work will progress on updating the long-term projections and this will require details of the updated maintenance costings. The previous estimates were based on planned maintenance costs from 2018 and the cash flows did not inflate the costs on an annual basis. FMD anticipates a reduction in long-term cash compared to the previous version.</p> <p>Fettes explained he received an email from RBS stating they were carrying out their annual review.</p> <p><b><i>The rest of this section is redacted due to confidential information.</i></b></p> <p>The Management Accounts to 30<sup>th</sup> September 2021 were proposed for approval by GH and seconded by AP.</p> <p><i>Fettes McDonald left the meeting at 7.30 pm.</i></p>	
<b>4.0</b>	<b>Minutes of the Full Committee of Management Meeting 16 November 2021</b>	
4.1	The minutes of the Management Committee meeting held on 16 <sup>th</sup> November 2021 was proposed for approval by CC and seconded by PC.	
<b>5.0</b>	<b>Matters Arising</b>	
5.1	<p>GH asked for an update on 8.1 regarding the investigation on the figures for rent collection and void loss. Morna explained she has been working with <b>(Company redacted)</b> and has a new report that <b>(Name redacted)</b> has approved. She advised there were errors in the figures and <b>(Name redacted)</b> from <b>(Company redacted)</b> is looking into this. Morna will provide an update to the Committee when she has more information.</p> <p>GH asked if Fettes has software for component accounting. Lorraine advised Fettes does not and he captures this information from our system.</p>	<b>MS</b>
5.2	<p><b>Follow Up Actions Report</b></p> <p>Emma went through the key highlights and actions taken arising from the Management Committee meeting held on 16<sup>th</sup> November 2021 and the Finance and Audit Sub Committee meeting held on 23<sup>rd</sup> November 2021.</p>	
<b>6.0</b>	<b>Minutes of the Finance &amp; Audit Sub Committee Meeting 23 November 2021</b>	
6.1	The minutes of the Finance & Audit Sub Committee meeting held on 23 <sup>rd</sup> November 2021 was proposed for approval by CC and seconded by BS.	
<b>7.0</b>	<b>Matters Arising</b>	
7.1	There were no matters arising from the minutes.	
<b>8.0</b>	<b>Finance</b>	
8.1	<p><b>Finance Report</b></p> <p>Lorraine provided an overview of the Finance Report and covered the bank reconciliation, transfers, and regular payments. She highlighted we received <b>(figure redacted)</b> in stage 3 grant. Lorraine advised there were a few more factoring refunds and this was due to owners paying by standing order each month and having a credit balance when the next bill was issued.</p> <p><b>(Number redacted)</b> payment runs were made in November and a breakdown has been provided of each one. Lorraine expressed the fortnightly payment runs have made a big difference to the volume of paperwork received.</p>	

8.2	<p><b>Factoring Arrears Report</b> Lorraine summarised the factoring arrears report and highlighted the balance is down compared to this time last year. She reasoned this is attributable to the CPO at <i>(address redacted)</i> and also due to a few NOPL's being issued.</p> <p>Lorraine then provided an update on the arrears cases.</p>	
9.0	<p><b>Directors Report</b></p>	
9.1	<p><b>IT Audit</b> Christine explained we are progressing well with the work on the recommendations arising from the IT audit.</p>	
9.2	<p><b>Landlord Compliance</b> Christine advised work has started on landlord compliance and the maintenance team is collating the required information. She highlighted the Association holds most of the information but some areas have not been previously collected so there is a requirement to start some new work. This information will be added to our housing management and the maintenance team is holding weekly meetings with <i>(Name redacted)</i> who will provide a report at the next Finance and Audit Sub Committee meeting.</p> <p>Christine detailed there is a requirement in the brief to keep a note of where all the stage 3 adaptations are.</p>	
9.3	<p><b>Committee Appraisals</b> Christine confirmed <i>(Name redacted)</i> agreed to give us a discount and will get back to her in January with a date for the Committee appraisals.</p>	
9.4	<p><b>Communication with Tenants</b> Christine expressed communication with tenants is one of our best outcomes for 2021. She explained Grant has secured grant funding for iPads and Chromebooks worth approx. <i>(figure redacted)</i>. She confirmed a Chromebook would be made available to all Committee members and Grant is checking if they can be set up so emails can be received. The devices will be offered to tenants who do not have digital access and they will give us an undertaking that they will engage with us digitally and will use the Tenant Portal.</p>	
9.5	<p><b>Accountancy Services</b> Christine reported Sean is the day-to-day accountant and has been working with Lorraine. She referred to some of Fettes' earlier comments.</p>	
9.6	<p><b>Email from the SHR</b> <i>Section redacted due to confidential information.</i></p>	
9.7	<p><b>Staff Sickness</b> <i>Section redacted due to confidential information.</i></p>	
9.8	<p><b>Christmas Holidays</b> Christine explained that last year staff were given 2 days holiday between Christmas and New Year due to Covid-19 and MM has suggested this be allowed again this year. Christine advised that typically, staff save 2 days of their annual leave entitlement to take these days off. The Committee agreed on granting staff 2 days annual leave.</p>	

9.9	<p><b>Working from Home</b> Christine notified the Committee that staff are back to working from home. The Scottish Government's recommendation was we could continue the way we have been working but to take extra measures and one suggestion was that staff take lateral flows test, however, there were none available at various outlets. Christine explained that we are set up for home working and essential services will still be delivered. The repairs service will continue but extra measures will be put in place.</p> <p>Christine advised an internal audit is coming up for planned maintenance and she received the brief today.</p> <p><i>TT left the meeting at 7.50 pm.</i></p>	
10.0	<p><b>Housing Management</b></p>	
10.1	<p><b>Management Performance Report</b> Morna provided an overview of the rent arrears. She asked Lynsay to prepare a report and explained that just under <b>(figure redacted)</b> of UC was due to be paid in the month but this was received after the period end. Christine would like for Morna to step in and help for the last quarter and Morna confirmed she would work with Lynsay until the end of the financial year. Starting from January more detail will be provided to the Committee.</p> <p>Morna advised she has not provided graphs for this meeting as the benchmarking group she sources this information from reports quarterly and the information for October, November, and December is not available until January.</p> <p>MM pointed out there were <b>(number redacted)</b> referrals to money advice this month. Morna explained this service is often used for tenants who are not prioritising their debts and money advice will speak to companies on their behalf and will negotiate better arrangements. Morna has asked Lynsay to focus on this and to find out where our tenant's money is going and to help get their other debts under control so they can pay more towards their rent arrears.</p>	
10.2	<p><b>Covid-19 Grant Funding</b> Morna attended the GWSF team's chat which provided a lot of good information on the grant funding for those that were affected by Covid-19. Each Housing Association will be given an allocated amount towards their arrears, and once the guidance is published Morna will make sure we are applying for the maximum amount we are eligible for. No documentary evidence is required and it is up to the Association to decide on which tenants to apply for. Morna expressed this is a good opportunity to help tenants who were affected or put into hardship by Covid-19. Morna noted the submission date is 31<sup>st</sup> January 2022 and she has already identified approx. <b>(figure redacted)</b>. She is hopeful to provide a final figure in January.</p>	MS
11.0	<p><b>A.O.C.B</b></p>	
11.1	<p><b>Equality Data Collection Report</b> Morna detailed she attended Scotland's Housing Networks forum which provided excellent ideas on equality data collection and these were very similar to what our Data Protection Officer had explained. <b>(Company redacted)</b> has already started to anonymise our data within our housing management system and they are putting this information into another area with no extra charge to the Association. Morna advised we will publish an abundance of information on</p>	

	our website. She and Grant will go over equality data collection with the Data Protection Officer and is hopeful to have everything in place in the new year.	
11.2	<p><b>Policy Review</b> Before the undernoted policies were approved, an overview was given of each one.</p>	
11.2.1	<p><b>Data Protection Policy</b> Emma explained that our Data Protection Officer has provided us with this policy and it differs from our Privacy Policy as it is for internal use and gives staff more instruction. It also provides a general summary of data protection.</p>	
11.2.2	<p><b>Data Subject Rights and Subject Access Requests Policy</b> Emma advised we already had this policy in place but our Data Protection Officer has provided us with an updated version.</p>	
11.2.3	<p><b>Committee Payment of Expenses Policy</b> Emma reported she has added the levels of allowances and expenses as an Appendix and this information was derived from EVH.</p>	
11.2.4	<p><b>Dignity at Work Policy</b> Emma explained she has added in how Committee members, contractors, consultants, and members of the public can raise a grievance through the policy as there was no differentiation from staff previously.</p>	
	The policies were proposed for approval by TG and seconded by AP.	
<b>12.0</b>	<b>Date of Next Meeting</b>	
12.1	<p>The next Management Committee meeting will be held on <b>18<sup>th</sup> January 2022</b> at 6.30 pm.</p> <p>There being no further business, the meeting closed at 8.00 pm.</p>	