



**Minutes of the Management Committee meeting  
held on Thursday 2<sup>nd</sup> September 2021 at 6pm in  
the Community Centre**

Committee Member	Attended	Apologies
Linda Brown (LB) ( <i>Chair</i> )	X	
Gerry O'Donnell (GO'D)	X	
Jamila Flynn (JF)	X	
Kristina Bowie (KB)	X	
Elizabeth Doherty (ED)		X
Claire McGraw (CM)		X
Stewart MacKenzie (SM)	X	
Helen McNab (HN)	X	
Adele Fraser (AF)		X

In Attendance	
Jill Cronin (JC)	Interim Director
Pamela Milne (PM)	Chief Executive ( <i>from 20<sup>th</sup> September</i> )
Lesley Carnegie (LC)	Business Improvement Manager
David Edgar (DE)	Housing Manager
Charlie Wood (CW)	Asset Manager
Fettes McDonald (FMD)	FMD Financial Services
Scott Gillon ( <i>via Zoom</i> )	Wylie & Bisset

Observers
Stephanie Harverson
Thomas Mellor,
Maisie O'Brien
Robert Wright

Agenda Item	Description	Action By
<b>1.</b>	<b>Apologies</b>	
	LB welcomed everyone to the meeting including the four observers. Apologies were noted from E. Doherty, C. McGraw and A. Fraser.	
<b>2.</b>	<b>Declaration of Interest</b>	
	There were no declarations of interest.	
<b>3.</b>	<b>Minutes and Matters Arising</b>	
3a)	Meeting on 29 <sup>th</sup> June 2021	

Agenda Item	Description	Action By
	Management Committee <b>approved</b> the minutes of the meeting held on 29 <sup>th</sup> June 2021. These were proposed by HN and seconded by GO'D.	
3b)	Matters Arising	
	There were no matters arising not covered by the agenda.	
<b>4.</b>	<b>Governance</b>	
4a)	Interim Director's Report	
	<p>JC provided an update on key areas of work including:</p> <ul style="list-style-type: none"> <li>▪ Staffing structure and recruitment.</li> <li>▪ The Community Centre.</li> <li>▪ Governance.</li> </ul> <p>Management Committee <b>noted</b> the contents of the report.</p> <p>The Chair advised that item 4b) would be taken at the end of the meeting in the confidential section, as it involved the observers of the meeting.</p>	
<b>5.</b>	<b>Finance &amp; Corporate Services</b>	
5a)	Annual Accounts (audited)	
	<p>Scott Gillon (SG) from Wylie &amp; Bisset summarised the key highlights of the Annual Accounts and External Auditor Report, both of which had already been reviewed by Audit &amp; Staffing Sub Committee meeting on the afternoon of 2<sup>nd</sup> September 2021.</p> <p>SG confirmed that they had given a clean audit opinion in relation to the accounts and in relation to internal financial controls. There were no concerns in relation to fraud, and Committee confirmed that they were not aware of any fraudulent activity.</p> <p>SG confirmed that they were comfortable with the accuracy of the figures in the accounts and that there had only been minor adjustments made. SG noted that the bulk of the reconciliations required related to the pension scheme.</p> <p>SM joined the meeting at this point.</p> <p>SG advised that two recommendations from the previous audit had been addressed, however one new recommendation had been added in relation to reconciliation of arrears accounts. This was not a major concern and an appropriate management response had been provided.</p> <p>SG advised that Management Committee were being asked to sign the draft Letter of Representation, confirming that the content was all standard representations asked of all organisations.</p>	

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	<p>SG noted that section 5 in Appendix A set out the items that were uncovered that it was agreed not to adjust as they were immaterial, while section 6 showed those that had been adjusted.</p> <p>Management Committee <b>approved</b> the annual financial statements for the year to 31<sup>st</sup> March 2021.</p> <p>Management Committee <b>agreed to sign</b> the Letter of Representation to be issued to the external auditors. The signing then took place following the meeting.</p> <p>Management Committee <b>agreed</b> the response to the Management Letter. This was then signed following the meeting.</p>	
5b)	Budget 2021/22	
	<p>FMD presented an update on the current year's budget, drawing attention to the Statement of Comprehensive Income that showed a bottom-line surplus of just over £360k. FMD also noted the projected cash balance of over £3m shown in the Statement of Financial Position.</p> <p>FMD advised that there was nothing to note in terms of concerns around the viability of the Association, and no indication of any likely breach of loan covenants. Management Committee noted that the budget was more positive than the original presented in February.</p> <p>Management Committee <b>approved</b> the updated budget for 2021/22.</p>	
5c)	Management Accounts Q1	
	<p>FMD presented the management accounts for the first three months of the financial year. FMD noted that there was a surplus of £174k at the end of the period, which reflected a positive variance from the projected deficit of £24k. The detail of the main variances was included in the covering report.</p> <p>Management Committee <b>approved</b> the management accounts to 30<sup>th</sup> June 2021.</p>	
5d)	Annual Loan Portfolio Return	
	<p>FMD advised that this was the annual return due to be submitted to the Scottish Housing Regulator by 31<sup>st</sup> August 2021. Officers had communicated with the Regulator and agreed that due to the timing of the Management Committee meeting the return could be submitted on 2<sup>nd</sup> September.</p> <p>Management Committee <b>approved</b> the submission of the Loan Portfolio Return to the Scottish Housing Regulator.</p>	FMD/ LC

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5e)	Treasury Management	
	<p>FMD presented the report on Treasury Management, advising that the Bank of Scotland's valuation of the Association's properties had now been updated and that there had been an increase in the value of the stock of just under one third.</p> <p>Management Committee noted that Appendix 1 referred to Nationwide but that the Association had no loan with them. FMD confirmed that this was a mistake and that this should read the Co-op Bank. This would be corrected in the report.</p> <p>Management Committee <b>noted</b> the Treasury Management report.</p>	FMD/ LC
<b>6.</b>	<b>Operational</b>	
6a)	Housing Management – Debt Write off	
	<p>DE summarised the current position and the recommended amounts of former tenant debts to be written off. DE confirmed that as a new member of staff at the Association he had found that former tenant rent arrears were well managed.</p> <p>DE advised that the write off amounts for court expenses and rechargeable repairs reflected a significant amount of historical arrears, suggesting that these areas had not been as tightly managed in the past. A new process for recovering the costs of rechargeable repairs was being developed to ensure improvement in this area.</p> <p>Management Committee asked whether amounts could be re-instated if a former tenant came back to the Association at a later date. DE confirmed that if this happened the amount for that former tenant would be written back on and pursued.</p> <p>Management Committee noted the large costs for some individual rechargeable repairs and asked what types of repairs these were. DE advised that the records were not available due to the age of the arrears. DE advised that record keeping was now improved and that everything could now be found in the one place moving forward.</p> <p>Management Committee <b>approved</b> the write off of:</p> <ul style="list-style-type: none"> <li>▪ £2,653.34 of former tenant rent arrears.</li> <li>▪ £23,350.80 of former tenant rechargeable repairs.</li> <li>▪ £7,010.33 of former tenant court expenses.</li> </ul>	DE
6b)	Housing Management – Q1 Performance Report	
	DE summarised the key achievements and areas of concern in relation to housing management performance. DE noted the improved position	

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	<p>in rent arrears and confirmed that this improvement was continuing in quarter 2. DE advised a note of caution with regards to the Universal Credit uplift and the end of furlough scheme both of which were coming up and may have an impact on rent payment.</p> <p>DE noted that the main area of concern was the average days to let. DE advised that a number of voids had been held during the move from an in-house trade team to use of a contractor, but also that there had been poorer performance during the first few months of the new contract. Performance in this area was likely to remain a challenge in quarter 2. However DE and CW were now meeting with the repairs contractor on a weekly basis to ensure performance was improved.</p> <p>DE noted that another area of concern for quarter 1 was former tenant arrears, however a significant part of this was an eviction with a large arrears balance.</p> <p>DE noted that factoring arrears were also high. The team have been pursuing this debt and the figure has been improved slightly, however the key to improving this performance would be improving services to then ensure factored owners pay their charges promptly. A new procedure for arrears had now been written and full training provided for staff, along with all arrears letters now being automated, all of which would assist with improving all areas of rent collection and arrears management.</p> <p>Management Committee asked about the frequency of the contract management meetings for reactive repairs. DE confirmed that this was weekly at the moment and would only be pushed out to fortnightly or monthly once the Association was happy with the performance. CW advised that the weekly meetings had been very effective and the contractor was now much more engaged with officers.</p> <p>Management Committee asked if the handyperson was still being used for simple repairs. CW confirmed that this was the case.</p> <p>Management Committee <b>noted</b> the reported performance for quarter 1 of 2021/22, noting that it was good to see things starting to improve.</p>	
<b>7.</b>	<b>Confidential Items</b>	
4b)	AGM Arrangements	
	<p>LC provided an update on this year's AGM, advising that the Management Committee recruitment campaign was coming to an end and that applications from tonight's observers would be considered and successful candidates co-opted onto the Committee following the AGM.</p> <p>Management Committee <b>approved</b> the proposed arrangements for election of Committee Members at this year's AGM.</p>	

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	Management Committee <b>agreed</b> that a further paper be brought to the next meeting to approve new Membership applications and to co-opt on new Committee Members once the outcome of the recent recruitment exercise had been decided.	LC
7a)	Staffing and Committee updates	
	Management Committee <b>agreed</b> to change the title of the governing body from Management Committee to Board and to amend the Standing Orders and relevant paperwork accordingly.	LC
	Management Committee <b>agreed</b> that Sub Committees would also be changed to simply be called Committees, and that Audit & Staffing would be changed to Audit & HR. It was requested that officers check the remit of Audit & Staffing to determine whether Finance should also be added to the title as one of its key responsibilities.	LC
	Management Committee <b>agreed</b> that the Code of Conduct should be updated in line with the new model from the Scottish Federation of Housing Associations (SFHA) and circulated to Committee Members for approval. This would allow the new version to be signed off following the AGM.	LC
	LB left the meeting at this point.	
	Management Committee <b>agreed</b> that the term of the current Chairperson be extended for a further 12 months to provide a level of continuity given the recent change in the organisation and to support the new Chief Executive starting in September. JC would contact the Scottish Housing Regulator to advise of the arrangements.	JC
	LB re-joined the meeting. JC and PM left.	
	Management Committee <b>agreed</b> the proposed 3-day handover period for the new Chief Executive.	
	JC and PM re-joined the meeting.	
	Management Committee <b>agreed</b> that the Schedule of Registers for 2020/21 be signed by the Secretary. The signing then took place following the meeting.	
8.	<b>A.O.C.B.</b>	
	There was no other business.	
9.	<b>Date of Next Meetings</b>	
	Management Committee – TBC	

Agenda Item	Description	Action By
	Audit & Staffing Sub Committee - TBC	

Signed: \_\_\_\_\_

Date: \_\_\_\_\_