

**The Minutes of Ruchazie Housing Association Management Committee
Meeting held on Thursday 26th February 2021 by zoom 6.30pm (amended minute)**

Present:

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| Hugh Holland (HH) | Chairperson |
| Brian Tollett (BT) | Vice Chairperson |
| Ann Macdonald | Secretary |
| Chelle Caldwell | Committee Member |
| Tommy McGuigan | Committee Member |
| David McKenzie | Committee Member |
| David Khan | Committee Member |
| Gillian Bell | Committee Member |
| Katrina Phillips | Committee Member |

In Attendance:

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| Janice Shields | Director |
| Fiona Jolly | Minute Secretary |
| Moira Smith | Finance Officer |
| Sheree Colclough | Property Management Officer |

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| | Welcome | <p>The Chairman gave committee update on recent meeting with Scottish Housing Regulator. HH advised it was a good and positive meeting, the Regulator may attend a future Management Committee meeting, however it does look like we will now be signed off. The regulator will now produce an intervention report based on their time with Ruchazie Housing Association, this report will be available to the management committee before publication. JS advised that there may be a new style of report and there were a few waiting publication that will be similar in style. JS and HH did ask the regulator about the how the false start would be recorded, however, they did not commit to anything except to say that we would get sight of the report before it is published and give us an opportunity to comment. It is fully expected that the regulator will issue a standard engagement plan, which is the old style low engagement, which I think many will be glad to hear. It was a good positive meeting.</p> <p>TMcG – Expressed that this is a good place to be now and we just need to carry on and congratulated the Committee and Staff for getting to this stage.</p> |
| | Apologies | |
| | | Register and Declaration of Interest – None to be Recorded |
| 2. | Minutes of Previous Meeting and matters arising | <p>Minutes of meeting held on 28th January 2021 T McGuigan - requested that he is noted as Tommy McGuigan on the minute and on future correspondence - Noted</p> <p>Resolution to approve the minutes: Proposed: M Caldwell Seconded: K Philips</p> |
| 3. | Matters arising and Action Log | Matters Arising and Action Log - Noted |

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| | | <p>the Director of any Declarations of Interests.</p> <p>Item 62 - Committee reports to be reviewed for effectiveness in April 2021</p> <p>Item 68 – Eviction – Pending awaiting further government guidance and legislation. Monitoring the case, to date that has been no change and no payments received.</p> <p>Item 71 - Business Planning, first session complete, second session to be held 4th of March 2021. Amended commentary from the Business Report to be circulated prior to the second session. Financial information to be updated and circulated for comment which will drop out of the approved budget)</p> <p>Item 72 – KO Prospective new committee member will be observing next available meeting. JS & HH will have the opportunity to speak to KO in advance of the next meeting before we take things forward.</p> <p>Waiver from the Lenders now received.</p> |
| 4 | Minute of Audit and Risk Committee Management Sub Committee | <p>The Minutes of the Audit and Risk Committee 11th February 2021 presented to committee, members noted the minute.</p> <p>The Chairman thanked DK for his assistance with the Audit and Risk committee.</p> |
| 5. | Contract Ground Maintenance | <p>Ground Maintenance Contract Report</p> <p>JS presented Ground Maintenance Contract Report 2021/22. Committee noted that two quotations had been received following tendering via Public Contracts Scotland.</p> <p>Clyde Valley Landscapes £39,000 this figure includes: Ground Maintenance, Bulk Uplift & Stair Cleaning Service.</p> <p>Total Homes £20,542 + Vat, initial quote received from total homes was for £30k, however this quote had some discrepancies surrounding the number of cuts for the open space along Bankend Street.</p> <p>Committee noted that the original figure in the budget was 21k and that there would be a change to that if the committee agree that we go with Total Homes, Total cost will be approximately 24k.</p> <p>JS confirmed that both companies have quoted for the exact same work spec. The initial quote from Total Homes had included for eight cuts when it should only have been 4. JS confirmed that there are eight cuts in total but we share this with Cube Housing Association.</p> <p>The management committee were asked to approve the appointment of Total Homes for a period of two years to deliver Estate Services as outlined in the contract.</p> <p>Two quotes were received as follows (annual cost) Total Homes - £24650 (inc VAT) Clyde Valley - £39000(Inc. VAT)</p> <p>Committee noted that there might be some adjustments that we need to do to the rent account which affects the income as tenants are currently charged for the state cleaning service, but to be able to deliver that at no</p> |

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| 6 | Budget | <p>additional cost is a positive.</p> <p>Approved DMack Seconded T McG</p> <p>Budget 2021/2022 presented by MS The Finance Officer presented the second draft of the budget for next year previously circulated for comment.</p> <p>The Budget reflects a rent increase of 1.7% . Committee asked to note the movement in draft 2, being increase in planned maintenance – carrying over maintenance planned but not carried out in 2020/21. The expectation is, assuming everything else in the budget remains constant the closing cash position at the end of next financial year will be where we were expecting it to be. The main issue with this is that our covenants for the next year will be very tight. Our covenant with the RBS requires us to have 110% cover for our interest payments.</p> <p>Prior to any adjustment for the ground maintenance contract and the revised spend on components and planned maintenance covenant calculation was sitting at 150%. It then drops to 138% (headroom of £9K) if costs rise, we are at risk of breaching our covenants. The Finance Officer confirmed that RBS indicated that they are conscious that many housing associations will possibly be in this scenario due to COVID restrictions causing delays in programmes of work. The working assumption is programmes are all in there and we will monitor as we move through the year.</p> <p>Following an open discussion about concentrated levels of spend, impact on covenants and headroom cover, delaying non- urgent work, the Co-op balloon payment being due and consideration to refinancing the Co-op loan. Committee discussed the impact of breaching covenants and this is not an option, therefore consideration be given to reviewing the Co-op loan, scaling back planned maintenance and demonstrating good treasury management. The two drivers are impact of COVID restrictions and the balloon payment due. Whilst we have known about the loan, it is not our fault that Covid hit and provided a perfect financial storm. If there is a way to alleviate the pressure from that then we should consider it as an option. All options need considered to minimise risk of breaking covenants. Committee agreed to ask staff to review options again and return with revised Budget next meeting.</p> |
| 6 | Treasury Management | <p>Treasury Management Policy and Strategy 2021/22 MS presented the revised Treasury Management Policy and proposed treasury management strategy for 2021/22 for consideration and approval.</p> <p>Treasury Management Strategy Updated to reflect the draft budget and committee agreed to review along with budget at next meeting.</p> <p>Treasury Management Policy – Changes Noted Members note the Treasury Management Policy approved February 2020, was presented with a small number of changes as follows</p> <p>6.1f- Amendment to one paragraph referring to a minimum working capital of 300k, remove that from the policy. A minimum working capital could</p> |

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| | | <p>change from year to year, removing that and then just really setting out how we would calculate the basis upon which we would define our working capital and how we would arrive at what available funds we would then have for investment purposes</p> <p>Approved - A Macdonald Seconded – C Caldwell</p> |
| 7 | Policy Review | <p>JS Presented to the committee an overview of policies presented for review and approval.</p> <p>Members noted that all three policies presented are new policies for Ruchazie. Any previous version of these policies are too old for update and a new policy is presented.</p> <p>We are now coming to the end of our original timetable that was prepared 18 months ago where over 60 policies have been reviewed or put in place,</p> <p>ICT Policy</p> <p>This has been reviewed by ICT provider Internal Audit (still to provide comments) and staff. RHA do not have a complex equipment or services. This standard policy sets out how we manage our equipment, services and packages. It also provides for laptops, tablets, emails, internet use and data protection.</p> <p>A recommendation from our IT provider was to place server in a secure cupboard. And this has been arranged.</p> <p>Value for Money Statement</p> <p>SFHA are keen that associations adopt a VFM statement/policy/strategy. . This statement sets out RHA; s approach to achieving value for money, not just in rent, but also in savingsthrough procurement, service provision and other funding opportunities to support our tenants. By attracting funding we have been able to provide services/support to tenants that would otherwise be funded from rents. This has not be underestimated.</p> <p>JS – Comment to be inserted at 3.4 to reflect the grant funding obtained.</p> <p>Wider Role Statement</p> <p>A wider role statement is quite difficult to do when you are a small organisation. Looking at what we think wider role is and how we fit into the larger community and then and just really how the partnerships with organisations that we use allow us to participate in wider role activities.</p> <p>Confirmed that we do not work with Connect Community Trust, we are more likely to collaborate with Cranhill Development Trust, and that we work indirectly with FARE through the Pantry.</p> <p>Committee approved all three policies. Approved – C Caldwell Seconded – K Philips</p> |
| 8. | Directors Report | <p>JS presented the report which had been previously circulated. Topics covered</p> <ul style="list-style-type: none"> - Business Continuity - EVH Ballot - EVH Nominations - Funding application |

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| | | <p>- Covid report to SHR</p> <p>Committee noted that the change in CPI for October triggered a renegotiation of proposed wage increase for 2021/22 the last year in the previous agreement. EVH present the paper which reflects the negotiations to date and recommends that members accepts a 2-year proposal as outlined in the paper attached. Ballot closes on the 26th March.</p> <p>April 2021 - an increase of 0.80% on all salary points, applied to allowances with the exception of the long service/retirement award and HMRC fixed profit mileage allowances.</p> <p>April 2022 – an increase of October 2021 CPI plus 0.1% on all salary points, to be applied to all allowances except those as above. To be a minimum award of 1% and a ceiling of 2.5%.</p> <p>Recommendation accepted JS to notify EVH.</p> <p>Business continuity report circulated previously, Staff have had to work in the office over the past week because we have had funding streams that we have had to get out, and we have started to see a bit more positivity from the tenants around the help that we have been giving them. Total funding received to date is over £60k and Committee asked to note the record of funding and spend attached.</p> <p>All returns have been submit to the regulator on time, no return was completed in January, all returns complete in February.</p> <p>Combined Insurance, Bruce Stevenson (insurance broker) reviewing costs for combined Insurance and will provide quotes for the following years costs. This is the first review for a number of years and may attract savings. Follow up to be brought to March meeting.</p> <p>Committee noted report and there were no further comments.</p> |
| 9. | Procurement | <p>As part of the Governance Improvement Plan approved by Management Committee in May 2019 RHA committed to reviewing their procurement procedures and in particular those relating to planned and cyclical maintenance. Following a full review of its procedures in June 2020, committee agreed to procure services to develop a framework.</p> <p>Other arrangements have been made to explore partnership working with Wellhouse HA for day to day repairs, void repairs and OOH.,and this work is ongoing. The tender should be available in the next few weeks, but unlikely to start for 1st April. We will continue with our current arrangements in the meantime.</p> <p>Committee are asked to approve membership of Scotland Excel at a cost of £500 per annum. This will enable staff to aces a framework to draw down service contracts and other contracts that we may be seeking and help to deliver savings.</p> <p>Douglas Golds proposal to support RHA to develop a framework includes doing the framework for procurement of planned maintenance and component replacement, is an important piece of work and requires expertise that RHA do not have. There are two elements to the work</p> <ul style="list-style-type: none"> - The contract work (QS) (£4500) |

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| | | <p>- Procurement framework (£5000)</p> <p>Committee approved the appointment and noted that this provides comfort to them in ensuring compliance with procurement regulations..</p> <p>Approved - A Macdonald Seconded – D McKenzie</p> |
| 10 | Membership Applications | <p>Membership Application</p> <p>Membership applications received both applications meet the criteria and have paid the membership fee of 1 pound. Approved by committee</p> <p>Approved – A Macdonald Seconded – G Bell</p> |
| 11 | AOB | <p>The chairman sought approval to apply for a company credit card with a value limit of £1k to enable ease of making small purchases</p> <p>Approved</p> |
| 11 | Date of Next meeting | <p>Thursday 26th March 2021 at 6pm Business Planning Meeting Thursday 4th March 2021</p> |

I certify that the foregoing minute has been approved as a true and accurate reflection of the meeting held on Thursday 26th February 2021

Date

Signed

Chairperson

