

MINUTES OF MANAGEMENT COMMITTEE MEETING
OF 25 APRIL 2023

Present: Elaine Shaw
Bobby Ward
Jane McDonald
John Barclay
Arlene Martin
Kirsteen McLerie

In Attendance: Paul Immelman
Ikra Aziz
Moyra McKenzie

1. APOLOGIES

Jane Atkins, John Docherty

2. DECLARATION OF INTEREST

No declaration of interest.

3. MINUTES OF PREVIOUS MEETING HELD 28th MARCH 2023

The minutes of the previous meeting were approved on a proposal by Jane McDonald, seconded by Elaine Shaw

4. MATTERS ARISING

No matters arising.

5. CORRESPONDENCE

5.1 Paul advised MC of the 25th EVH AGM on Friday 19th May 2023 at the DoubleTree Hilton Dunblane Hydro. Paul asked if any committee member would like to attend however no committee member would be available on the date.

5.2 Paul advised MC that EVH have sent their Annual Report which was given to MC to review.

5.3 Paul advised MC of Glasgow City Council's Ending Homelessness - implementation of the Local letting Plan 2023/24

Proposed Local Letting Plan 2023-2024 - As the GCC continue to work together with RSL partners' to address the homelessness challenges in Glasgow following the impact of the public health emergency, they require to progress a new Local Letting Plan. Delivery of a new LLP will focus on increasing the number of households accessing settled accommodation whilst reducing their reliance on bed and breakfast type accommodation. Successful delivery of the LLP is a fundamental building block to achieving many of the aims of the Rapid Rehousing Transition Plan and Local Housing Strategy for the city.

The LLP for 2023-2024 has been developed using GCCs demand and RSL partners' supply data as its cornerstones.

The LLP reflects the following assumptions in relation to supply and demand:

- A one-year annual lettings target for 2023/24

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- Projected annual demand of 6,500
- 2022/23 lettings figures
- The current backlog of 4,400 homeless households where the HSCP has accepted a duty to provide settled accommodation.

In order to meet the target, GCC have asked that the Association provide 60% of re-lets to homeless households by way of Section 5 referral, as in 2022-23. Paul advised the MC that the Association could give an undertaking to seek to achieve the target of 60%.

Following discussion, the MC agreed.

6. CASH BALANCE AND PETTY CASH LIST MARCH 2023

The cheque and petty cash list for March 2023 was approved and signed by John Barclay and Elaine Shaw.

7. MANAGEMENT ACCOUNTS TO 31st MARCH 2023

Moyra gave an overview of the Management Accounts to 31st March 2023 to MC.

This account represents the day to day trading income less costs for the Association in the 12 months to March 2023.

The annual budget for 22/23 projected a surplus for the 12 months of around £352k. Based on results to date. Per the management accounts, the actual results indicate a surplus of £416k. There is therefore a positive variance to date of around £64k (Dec-88k)

The variance comprises higher net rents/service charges income (£8k), lower management costs (£42k), higher repair costs (£14k), lower bad debts (£13k) and higher net interest income (£15k).

Statement of Financial Position

This comprises the cumulative assets less liabilities of the Association at the period end.

Changes to fixed assets relates mainly to spend on Cleddans Court kitchen contract and Ladyloan 1 windows/doors contract less depreciation in the period to date. Main contract spend is now deferred into 23/24.

The Debtor and creditor balances are normal business transactions. Cash balances at the period end total £2.05m. Loan balances and the pension deficit at the period end totals £nil.

The total net assets of Association are now £6.1m.
There are no material concerns regarding any of indicators to date.

MC have reviewed and noted the management accounts 12 month report to March 2023

8. SHR 5 YEAR FINANCIAL PROJECTION

Paul presented the SHR (Scottish Housing Regulator) 5 year Financial Projection (5YFP) from Finance Consultant Fettes McDonald.

The Association is required to submit 5 year projections to SHR on annual basis.

The starting point for the figures are the projected results to March 2023 based on the annual projections for 23/24.

Main Assumptions:

- Inflation assumed at 5% year 2 and 2% thereafter.
- Rent rise annually by CPI inflation only.
- Voids and bad debts assumed at 2% per annum.
- Management and maintenance cost rise annually by inflation plus 0.5%
- Planned maintenance based on KCHA estimates and total £977k over 5 years.
- No changes in staffing posts
- Finance and welfare rights costs continue at current levels
- Pension costs based on budget 23/24 assumption
- Other office overhead costs based on 23/24 budget levels
- Other fixed asset purchases of £23k in plan period
- Component replacement expenditure totals £2.35m in 5 year period
- Gross rent arrears increase to level of 8%
- Other debtors and creditors remain at around current levels.
- No pension deficit assumed
- No loan debt in place.

Projected outturn

Surpluses are projected on an annual basis and average around £444k per annum. These surpluses do not take account of the impact of changes in pension scheme actuarial assumptions which will now feature annually. (due to change in the method of accounting for pensions) and which may be volatile from year to year,

Cash balances start at £2m and average just under £2.1m over the five year period. At the end of year 5 cash balances are projected at £1.996m.

There is no loan debt in place. The projections continue to demonstrate a positive financial outlook.

Rent increases will be reviewed on an annual basis and actual increases shall depend on annual budget projections and prevailing economic circumstances. Rent levels are considerably lower than Scottish average rents. Added provision for voids, bad debts, rent arrears and real cost increases are planning assumptions as opposed to targets and the return comments shall note this.

It should be noted that the 5YFP refers to EESH 2 being considered in more detail during 23/24

MC have reviewed and approved the 5YFP for submission to the SHR.

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9. **ARC**

Paul presented to MC the Annual Return on the Charter (ARC). Highlighting and commenting on the following:

Staff

% of senior staff turnover in the year to the end of the reporting year – **100%**
% of total staff turnover in the year to the end of the reporting year – **25%**

The Senior Officer retired in June 2022; the new Director commenced employment on 6 June 2022. The Housing Manager's position was not filled instead a housing assistant role was established, hence the 100% Senior Officer and 25% staff turnover reported

Lets

Number of re-lets during the reporting year, split between 'general needs' and 'supported housing' - **13**

The number of 'general needs' re-lets during the reporting year – **12**

The number of 'supported housing' re-let's during the reporting year - **1**

Two Properties let to local authority for Ukrainian refugees, set up initially as temporary furnished flats, to be flipped to occupants at or about the 6 month stage. 1 property let via nomination from GCC for supported accommodation Paul requested MC to review and approve the ARC

Overall satisfaction

% of tenants satisfied with the overall service provided by their landlord – **96.88%**
Slight improvement from **96.88%** .

The customer / landlord relationship

% of tenants who feel their landlord is good at keeping them informed about their services and decisions – **99.39%**

A further reported improvement from 95.62%.

Housing quality and maintenance

% of tenants satisfied with the quality of their home - **96.32%**

There was a slight reduction in the percentage of tenants satisfied with the quality of their homes this is in part will be down to the postponement of a window replacement program for one of our areas to the financial year 2023-24 - as I report the program is underway.

Tenancy sustainment

% of new tenancies to applicants who were assessed as statutory homeless by the local authority sustained for more than a year – **80%**

1 x S5 Referral terminated after 11 months to move in with partner out with the area.

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Getting good value from rents and service charges

The total amount of rent collected in the reporting year - **£1,209,380**

The total amount of rent due to be collected in the reporting year (annual rent debit) - **£1,206,737**

The total value (£) of gross rent arrears as at the end of the reporting year - **£38.063**

The total rent due for the reporting year - **£1,206,737**

Overall, the performance has improved for the Association. Paul requested the MC to review the ARC and approve the submission for 2022-2023

MC reviewed and approved submission of the ARC 2022-2023

10. HOUSING MANAGEMENT REPORT

Paul presented the figures for the Housing Management performance Quarter 4 January – March 2023 and end of year 2022-23 statistical return to SHR.

Figures show that current arrears (March 2023) are £26,835.34 (2.22%). That's a variance of 11,846.87 from last year (March 2022).

There are currently 94 Arrears cases (85 Current Tenant and 9 Former Tenant).

5 Court Arrears Cases which are all adhering to an repayment arrangement.

12 Properties were re-let in 2022-23, with 2 properties rehousing Ukrainian refugees.

Annual Rent Collection

ELEMENT	YEAR END
Balance brought forward	23,973.26
Gross Rent	1,206,737.39
Voids	(2,175.37)
Total Due	1,228,535.28
Collected (<i>Net of adjustments</i>)	1,209,380.22
Arrears C/F	19,155.06
% Collected (<i>excluding B/F</i>)	100.22%
DWP % (<i>UC & HB & DHP</i>)	47.9%
DWP Payment	578,067.59

Rent Arrears

MONTH	MARCH 23	%	MARCH 22	%	VARIANCE
Balance B/F	40,150.52		41,216.63		(1,066.11)
Gross Rent Charge	100,569.09		96,478.36		4,090.73
Void Loss	(31.93)		(69.02)		(37.09)
Payments to Account	121,532.62		113,652.71		7,879.91
End of Period Balance	19,155.06		23,973.26		(4,818.20)
- Gross Arrears	38,063.33	3.15%	39,676.46	3.43%	(1,613.13)
- Technical Arrears	6,720.61	0.56%	779.61	0.07%	5,941.00
- Former Tenant Arrears	4,507.38	0.37%	2,034.64	0.18%	2,472.74
- Current Tenant Arrears	26,835.34	2.22%	38,682.21	3.18%	(11,846.87)

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Accounting Banding

ACCOUNT BANDING	MARCH 2023	VALUE £'S
Prepaid	155	(£ 18,756.65)
NIL	56	£0.00
< £ 499.99	60	£ 11,850.61
£ 500 – 999.99	17	£ 11,421.62
£ 1,000 – 1999.99	8	£ 10,283.72
> £ 2,000	0	£0.00
Former Tenant	9	£ 4,507.38
Current Tenant Arrears	85	£ 33,555.95
TOTAL ARREARS CASES	94	£ 38,063.33
No. Tenants >= 3 Months	7	
% Tenants >= 3 Months	2.4%	

Court Casework

CASE No.	CURRENT STATUS	ACTION TAKEN	ARREARS @ 31.03.23	COMMENTS
A048	SISTED	Arrangement	928.95	Maintaining repayment arrangement
A002	DECREE	Arrangement	767.33	Maintaining repayment arrangement
A017	SISTED	Arrangement	527.54	Maintaining repayment arrangement
A004	SISTED	Arrangement	405.45	Maintaining repayment arrangement
A004	SISTED	Arrangement	359.53	Maintaining repayment arrangement
				5

Waiting List

Direct W/L	Int. Transfer	Section 5	Others	No. Applications Suspended	No. Applications Rec'd in Month	No. Applications Cancelled in Month	Total No. Applications @ 31.03.23
509	8	0	0	1	65	0	518

Voids and Allocations

	No. Void	No Offers	No. Lets	Rent Loss
Q1 (April, May & June)	3	2	2	£ 640.45
Q2 (July, August & September)	2	3	3	£ 476.41
Q3 (October, November & December)	5	5	5	£ 407.98
Q4 (January, February & March)	3	3	3	£ 650.53
TOTAL	13	13	13	£ 2,175.36

Applicants re-housed to 31.03.23

	Re-let Target	No. of Re-lets to 31.03.23	% of Re-lets to 31.03.23
Direct W/List	25%	2	15.4%
Internal Transfer	15%	1	7.7%
Section 5	60%	7	53.8%
GCC Nom's e.g. Supported Accom. Ukrainian Refugees		3	23.1%
TOTAL		13	100%

Anti-social complaints @ 31.03.23

CATEGORY 'A'	CATEGORY 'B'	CATEGORY 'C'	TOTAL
0	0	0	0

Estate Management

	CLOSES	B/COURTS	BINS	GARDENS	MISC	TOTAL
INSPECTED	8	8	8	45	0	53
ACTION – SPOKEN TO TENANT(S)	4	4	2	13	0	19
ACTION - LETTER TO TENANT(S)	4	4	2	13	0	19

MC reviewed and noted the Association's continuing improvement and approved the reported outcomes for Q4 (January – March 2023) & end of year 2022-23 statistical return to SHR.

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11. MAINTENANCE CONTRACTOR REPORT – Q4

Paul presented the figures for the maintenance contractors' performance Quarter 4, January – March 2023.

There were a total of **343** orders carried out during the period,

- **4** emergency response works
- **265** non-emergency works
- **43** 1 day qualifying works
- **8** 7 day qualifying works
- **23** void works

Average time to completion:-

- Emergency: **2:00hrs**
- Non-emergency: **2 days**
- Voids: **3 days**

Average cost of jobs:-

- Emergency: **£84.24**
- Non-emergency: **£186.20**
- Voids: **£775.24**

Day to day maintenance spend Q4 was **£59,174.80**

Void work spend Q4 was **£17,830.56**

Total maintenance spend for Q4 was **£77,005.36**

Average maintenance spend per job; **£224.51**

All jobs were completed first time, and all completed within target timescales.

MC reviewed and noted the Maintenance Contractors' Performance over Quarter 4.

12. GAS SAFETY PERFORMANCE REPORT – Q4

Paul presented the figures for the gas safety performance Quarter 4 January – March 2023.

The Association have a statutory responsibility under existing Gas Safety Regulations to inspect, test and service gas central heating boilers on an annual basis and issue a Landlord Gas Safety record certificate (CP12) to confirm that the inspection and service has been carried out and that the appliance is working satisfactorily, and any action required is highlighted.

GAS SAFETY MANAGEMENT REPORT – Q4 & YEAR END 2022/23					
Month	No. Service Visits	Completed	Not completed	Sub-total	% Completed
January 2023	28	28	0	28	100%
February 2023	25	25	0	25	100%
March 2023	21	21	0	21	100%
TOTAL Q4	74	74	0	74	100%
CUMULATIVE 2022-2023	292	292	0	292	100%

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There was 100% compliance, within Q4 and Cumulative 2022-2023. The 292 properties, being the office, 279 mainstream tenancies & 10 sharing owners. (1 sharing owner is not within the scheme) and the two supported accommodation units.)

MC reviewed and noted the satisfactory Gas Safety performance within Quarter 4 and cumulatively for the financial year 2022-2023.

13. ABSENCE MANAGEMENT REPORT Q4

Paul presented the figures for the Absence management Report Q4

The reported sickness absences for the period April 2022 to March 2023. As noted, the absence level remains within the 5% maximum target.

	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	TOTAL
SICK DAYS	0	0	4	1	0	1	1	0	5	17	4	2	35
WORKDAYS	76	84	88	76	115	96	101	106	64	91	96	111	1104
% OF WORKDAYS	0	0	4.5	1.3	0	1	1	0	7.8	18.7	4	1.8	3.17%

MC reviewed and noted the good performance regarding absence management with Quarter 4 and cumulative 2022- 2023.

14. KITCHEN RENEWAL – VERBAL UPDATE

Paul advised that the Kitchen Renewal contract is still on going and progressing.

The contractor was due to finish by the end of the week however one property requires a special adapted work top. Parts for this adaption are being imported from Germany by the end of May.

The feedback has been very positive, and all works for the last kitchen should be completed by end of May/early June 2023.

The MC acknowledged the update report.4

15. WINDOW AND DOOR REPLACEMENT – VERBAL UPDATE

Paul advised MC that the pilot installation on 14 Ladyloan Avenue went well. There was a fault in one window which was replaced.

Works have begun on 1-3 Ladyloan Court. A few snagging issues have been highlighted regarding with the windows however overall feedback has been positive.

All works should be completed by the end of May 2023.

The MC acknowledged the verbal report on the commencement of the contract.

16. GOVERNANCE ACTION PLAN MARCH 2023

MC have confirmed that all reports and actions were complete or given outcomes.

MC approved the Governance Action plan April 2023

17. A.O.C.B

No other competent business.

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18. **DATE OF NEXT MEETING**

The next meeting will be an Operation Meeting to be held on **Tuesday 30th May 2023** at **5.45pm** within the Association's offices and via Zoom[®].