

**GOVANHILL HOUSING ASSOCIATION
DRAFT MINUTES OF MANAGEMENT COMMITTEE MEETING
WEDNESDAY 19th JUNE 2019 AT 6.30PM
SAMARITAN HOUSE, COPLAW STREET**

PRESENT: Annie Macfarlane (Chair)
Elizabeth Klein
Robert Findlater
Keith Kintrea
Wilma Logan
John McLardie
Celine Lecompte Whitby

IN ATTENDANCE: Shannon Watson, Finance & ICT Manager (FM)
Alison Kevan, Corporate Services & HR Manager (CSHR)
Ken MacDougall, Development & Regeneration Manager (DRM)
Alan McDonald, Housing Services Manager (HSM)
John Quinn, Director
Liz Campbell, Minute Secretary

1. Apologies

Apologies were received from James White, Barbara Robertson, Iain Doherty, Mujeeb Ur-Rehman, Jessica Yuill and Ghazala Hakeem.

Introductions were made and a warm welcome extended to Celine Lecompte Whitby on her first meeting.

2. Declarations of Interest

None

3. Minutes of Management Committee Meeting Held On 22nd May 2019

Apologies for John McLardie should have been noted in minute.

The minutes were approved by Elizabeth Klein and seconded by Robert Findlater.

**Matters Arising
Notifiable Events**

Property incident – An update has been provided to the Regulator. A second offer has been made by the insurance company. Tenant needs time and space to fully consider the offer. A progress meeting has been scheduled for Friday 21 June 2019.

Mice In Flat – An update was provided to the Regulator. Meeting to review tenant's housing options will take place next week. There has been no take on any of the bait laid. One mouse has been found. One small hole filled and sealed. Situation will continue to be monitored for the next two weeks.

Memorial Plaque – the memorial plaque for Ann Scott has now been fitted. It was asked if this update could be shared in newsletter and/or social media.
The Director will action this

4. Regulatory Self-Assessment

The paper presented by the CSHRM outlined the process required to complete Annual Assurance Statement to the Regulator. An action plan was provided for noting to show the work which is required to pull the information together and produce papers in a timeframe which allows Committee to give full consideration in order that they can provide a response to the Regulator.

A detailed paper assessing compliance with each regulatory standard and additional requirements will be brought to the August Finance & General Purposes Committee and to Management Committee for further consideration with the submission being made in October.

An enquiry about the tight timescale of the project was made. There will also be some crossover with new Freedom of Information regulations. It was noted that it would be useful to note hours spent on this piece of work.

It was agreed that this should be done

5. Annual Financial returns to the Scottish Housing Regulator (SHR)

Appendix 1 – Financial Projections & Assumptions

Financial Ratios

Appendix 2 – SHR Loan Portfolio Return

There are two returns to be made to the Regulator in June. The first is the five year projections and assumptions. The regulator requires that the bank balance in the projections be updated to reflect the actual closing bank balance at the yearend and so the following changes were made. The bank balance has increased on what was predicted in the budget and capital expenditure was increased in quarter 1 to compensate for the increased bank balance. Salary costs have reduced slightly to reflect the lower inflationary increase negotiated by EVH.

It was asked what the ratios of debt burden in the final table were a measure of – 1:1, 1:4 and 1:3. It was explained that they were ratio of the debt to the costs of the assets. It was noted that the ratios expressed in the regulator's return are automatic

calculations and do not represent the ratios which are monitored by the Association's lenders.

It was observed that the debt per unit rises slightly for a few years but then decreases and an increasing debt per unit is not a trend that the Management Committee would want to see continuing. It was noted that new build project in 20/21 requires the draw down of further debt.

The Loan Portfolio is reviewed each quarter by the Finance and General Purposes Sub Committee. The Association has total facilities of £23.25m at the end of March 2019 with £18.5m already drawn down and the remaining £4.75m still to be drawn down. The detailed preparation work for the return was carried out by a member of the finance team and then reviewed by the FM. The FM is content that the return details are accurate.

The Management Committee approved the submission of the two returns to the regulator by 30 June 2019.

6. Restatement of Barclays Financial Covenant

Background was given to the Barclays agreement and key accounting changes since the original loan facility agreement was signed and a discussion on the technical process of the accounts structure took place.

The Bank is trying to achieve a view of the accounts before those changes were made, aiming to get back to a theoretical cash position. The full cost of all major repairs will not be deducted from profits and grants for South West Govanhill are netted off the costs in the same ratio. The appendices to the paper reflect the annual declaration made last year in anticipate of the restatement of the covenants together with the results of the revised covenant wording per the budgets approved.

It was stated that the FM should be commended on the work that has been done to achieve this result.

Authority was given for the Secretary to sign the legal paperwork for the restatement of Barclays Financial Covenants.

7. Report on Core Principles for a Housing Asset Strategy for the Association

To continue investment in existing stock and delivering new housing, the Association needs to be more proactive in looking at funding opportunities. If funding is in place in advance of opportunities arising then the Association can respond to these more quickly. Additional borrowing facilities may also allow for the reconfiguration of existing stock. Small 1 bedroom properties that have been difficult to let could be reconfigured or amalgamated to achieve better space standards.

Approval is sought to engage with private lenders on a more formal basis regarding potential borrowing. CAF Bank, Charity Bank and Barclays as existing lenders have been approached to gauge their appetite for lending. The Association has been used as a case study to ask the CAF Bank Board to increase the maximum loan they will make to one borrower to £9m and it is also possible to lend a further £0.75m to the existing Charity Bank loan.

Allia is more expensive but an interesting option. Appendix 2 shows the differences in costs. Lending from Allia is on a 5, 10 or 15-year basis. The rate for 5 years is less costly. Typically, a new home takes 25/30 years to be paid for and so alternative finance would need to be found for the balance of the payback period.

Using revolving credit has also been looked at and this would be good for something that becomes available suddenly and will speed up reaction time to opportunities as they arise, allowing time to find term funding which will repay the revolving credit borrowing.

It is a complex piece of work and requires the details of possible projects which could be built into long-term financial projections which would need to be given to lenders.

Discussion took place and it was stated that if it smooths the way for further development then there is no objection to conversations with lenders on the basis that any formal agreement would need to be approved by the Management Committee. It was also stated that it makes sense to have funding in place so that the Association doesn't lose out on possible development opportunities.

It was noted that there are a lot of needs in the community that cannot be met from existing stock and if prudent financially to expand that then it should be progressed.

It was asked what kind of timescale is being looked at. The reply was that it would be around October or November before budget proposals could be made.

It was also noted that the statement from the business plan did not mention new build possibilities.

Resolution: The Management Committee authorised the FM and DRM to engage with Private Lenders on a more formal basis with regards to potential borrowing facilities

8. Strategy & Development Funding Plan 2020/2021 – 24/25 – GCC DRS

Govanhill Housing Association Strategy & Development Funding Plan 20-21 to 24-25

The SDFP submission is the Association's bid to Glasgow City Council for grant funding to support its development proposals. The submission is required by 28th June 2019 and requires the approval of the Management Committee

Resolution: The Management Committee approved the SDFP submission to GCC by the due date.

The Programme Agreement from Glasgow City Council for 2019/20 has now been received in the grant sum of £7.800m. This includes £7.500m for South West Govanhill and £0.300m for demolition and pre-contract costs for the next newbuild on the site at 159 Butterbiggins Road.

Stage 3 grant for aids and adaptations is additional in the sum of £0.025m – subject to review at the mid-year.

Resolution: The Management Committee approved the acceptance of the Programme Agreement and grant funding for 2019/20 from GCC

9. Freedom of Information Implementation Action Plan – For Information

A report was given at Finance and General Purposes Sub Committee and this update was provided by CSHRM following detailed training provided by the Scottish Information Commissioner. The report includes links and background to the new regulations.

Appendix 3 to the report details the action plan outlining work required to meet the regulations and ensure we are ready for implementation by 11 November. CSHRM outlined the detail of the Model Publication Scheme (MPS) (appendiced to the report) and sought Committee approval for its adoption. This then allows the Association to produce its own Guide to Information which will form the back bone of how we respond to FOISA requests.

It was asked if the position of GCDT had been clarified at the training. The reply was that discussions were ongoing and further advice offered by the Information Commissioner. Legal advice will also be sought as required.

It was also asked if the website has the capacity for links and detailed information to be shared. The Media Worker has confirmed this with the web designers and we will start to populate the website once the Guide to information is complete.

The Corporate Services & HR Manager was thanked for the presentation and her work on this so far.

Approval to adopt the MPS was given.

10. Tenant Participation Review and Action Plan – For Approval

The Corporate Services & HR Manager presented the paper in her capacity as the line manager for the tenant participation worker. She asked that such update reports now be considered at Management Committee instead of the Housing Services Sub

Committee both as this makes sense in terms of the line management structure but also raises the importance and profile of TP within the Association.

The paper reports on work already undertaken and an action plan for the coming year.

The Scottish Government are funding, through TIS/TPAS a number of organisations to undertake a review of their TP activities. One round was undertaken last year with 5 organisations chosen and a further round is now open. At this stage a short document is to be submitted giving reasons why they would like to be involved. There is no guarantee that a potential application from the Association will be successful. **Approval was given to apply for this.**

It was stated that this was a good and informative report. It was asked if there could be a breakdown of the people who are participating to see if it is the same people going to different events or if it is different people engaging at different events. It was also asked if there was a breakdown of the groups that are participating or if it was obvious that there were groups that were not being reached. It was suggested that this information could be useful as the basis of involving people more with the Association.

CSHRM agreed to investigate further analysis

11. Procurement

This is an annual report showing regulated and non regulated procurement undertaken in the past year and outlining procurement planned for the next two years. It is listed on our website.

12. Staffing Report

Appendix 1 – P/T Development Assistant

Appendix 2 – Development Assistant Job Description

Appendix 3 – Factoring and Finance Assistant

Appendix 1 – The DRM advised that there has been a change in circumstances since the report was issued and recommended that this proposal be put on hold at the moment. A further paper will be presented at a later date. An extension of 3 months was requested for the temporary Development Assistant post.

Resolution: The Management Committee approved a 3 month extension to the temporary Development Assistant post.

The Housing Services Manager has two part time vacancies in the team and he is looking to build flexibility into the section. There are some cross over skills in maintenance, invoicing and factoring enquiries so it would be of benefit if someone

could work in both sections. This will result in a small saving in salaries. Appendix 3 – there has been a slight amendment to the paper in that the new post will be named as Property Assistant.

The amalgamated post was approved.

In discussion it was noted that the wording of general characteristics on Development Assistant and Factoring Assistant were both different. It was asked if same level jobs should have consistency in general wording and descriptions. CSHRM noted that a review of all job descriptions is underway not only but also for GDPR, FOI etc. and same level jobs would have the same job characteristics where appropriate.

13. Association Registers – April 2018 to March 2019 – For Information

There was an IT glitch and the paper should have stated that there are 2 books to log incidents and the 'racial hate crime' log book had been omitted.

The contents of the report were noted and approved.

It was asked if version numbers could be used when amended paperwork is sent out.

It was agreed that this will be implemented.

14. Media Report – For Information

In discussion it was noted that the number of good news stories outweighs the bad news. There are 1000 people looking at social media and this suggests that our community is linked into the site.

It was noted that the report was only up to March and more recent updates would be welcomed.

It was also asked if Committee Members could be informed when there are significant articles in the news. It was suggested that this could be in the form of a weekly or fortnightly email with links to the article.

The Director will discuss this with Media Worker.

15. Election of Committee – For Information

The AGM is on 15th September 2019 and 1/3 of the Committee must stand down.

There were no volunteers so names were placed in bowl and picked at random.

Barbara Robertson, Jessica Yuill and James White are to stand down.

Office Bearers were asked to confirm if they wished to stand again. Annie MacFarlane, Keith Kintrea, Elizabeth Klein and John McLardie confirmed that they wish to do so.

Discussion took place around the AGM and it was agreed that Big Noise be invited to give a presentation and performance. Benny Higgins, new Chair of Sistema was also suggested.

The Director will progress this.

Post Meeting Minute

Due to a clerical error James White was mistakenly included within the draw and should not have been as he stood for election at last year's AGM. Annie Macfarlane volunteered to be the 3rd committee member to stand down at this year's AGM.

16. Community Benefits Art Project – Proposal for Implementation

Discussion took place about how to implement the community arts project that will be funded by community benefit clauses in various contracts.

It was suggested that either the Management Committee makes decisions or the proposals are discussed with the wider community through the Registered Tenant Organisations and community conversations. Agreement was reached that it should be in consultation with the community and it was suggested that arts organisations such as Tramway be asked for advice. It was also suggested to ask other organisations who have carried out similar work for support. Helen at Reidvale Housing was suggested along with one that recommended that Caroline Scott be consulted because of her previous experience of art projects. Celine also volunteered to assist. It was also suggested that the Community Engagement Officer from MEARS be consulted regarding this. As the project develops a sub-committee could be formed to progress through to implementation and installation of art works in the area.

It was agreed that the main points to be considered are what is wanted, where it should be placed and reasons why.

Discussion took place around using the budget of £5,000/£6, 000 per year for projects or accumulating funds over a couple of years to commission a larger piece of work. There may also be other funding available to supplement this budget.

17. Minutes of Sub Committees – For Information

GCDT Meeting held on 24th April 2019

Development Sub Committee meeting held on 9th May 2019

F&GP Sub Committee meeting held on 19th May 2019

The contents of each were noted

18. Report Back from Other Organisations – For Information

Employers in Voluntary Housing (EVH) Monthly Report – June

Glasgow and West of Scotland Forum of Housing Associations (GWSF)
SHARE

Govanhill Community Action (GoCA)

SHARE AGM is 20th June 2019 so further update may be available after that. John McLardie will attend.

EVH Annual Conference – John McLardie would like to attend this. It was suggested spaces may be able to be booked without specifying names.

If interested in attending Corporate Services & HR Manager to be informed.

19. Documents for Formal Execution – For Approval

Discharge of Rights by Govanhill Housing Association in favour of Glasgow City Council Relative to Retained Areas at Kingarth Street and Calder Street.

The Association has retained rights in some areas which were acquired in the stock transfer of 2011/12. The rights are servitude rights of access. Ownership of these areas is by Glasgow City Council. A presentation by the DRM showed the exact areas being discussed. The discharge of these rights is to enable a clean sale of Govanhill Baths building by Glasgow City Council to Govanhill Baths Preservation Trust.

Resolution: The Management Committee approved the Discharge of these rights for no financial consideration

Minute of Agreement between Glasgow City Council and Govanhill Housing Association Relative to the Glasgow City Council Compulsory Purchase Order at 97 Westmoreland Street

On completion of the CPO, the properties will be transferred to the Association and the acquisition and repair costs will be funded through the SW Govanhill grant funding so there will be no additional costs incurred

Resolution: The Management Committee approved the terms of the Minute of Agreement.

Glasgow City Council Programme Agreement Relative to the Grant Funding and Grant Planning Target available to Govanhill Housing Association for 2019/20 – in the sum of £7.8million

Resolution: Previously approved by the Management Committee

The Secretary signed the documents on behalf of the Association

20. Correspondence – For Information

Draft Memorandum of Understanding

Sistema document is for the Investing in Communities Fund and they have asked for a Memorandum of Understanding to be signed.

Item 11 – responsibilities – delivery will be by Sistema

Item 13 – match funding is clearly stated as being Sistema's responsibility

Item 14 – Governance – Sistema have been asked to provide quarterly reports from Big Noise.

Item 17 – to note that this is a 3 year funding award and not an annual one.

It was proposed that this be signed by the Chair.

It was noted that the definition of Housing Association is incorrect and needs to be changed.

Office Bearers will be consulted before the document is submitted but Committee approval was sought for the draft document.

Approval was given.

Finance Manager required a letter to be signed authorising Auditors to contact office bearers.

Approval was given for Chairperson to sign this document.

Correspondence has also been received from Christina Roche to tender her resignation from the Committee

It was agreed to send a card of thanks to Christina Roche for the time given to the Committee and also to pass on very best wishes.

A call was received via the regulator's interim officer working with Thistle Housing Association asking for some support with technical matters.

Approval was given to explore this matter further and provide support if required.

21. A.O.C.B

(a) The DRM provided an update on the Larkfield bus depot site and in particular the part that had previously been earmarked for commercial use.

That part of the site is still owned by Park Lane Developments. Govanhill Housing Association has been approached by GCC with a proposal to develop the site in conjunction with Link Housing Association to provide units for amenity housing (GHHA) and retirement living accommodation (Link HA). Subject to agreement with Park Lane, the site would be developed by Link HA under Development Agreement and then transferred to Govanhill HA on completion.

In discussion it was stated that the logic of taking over a finished product could be seen.

At this stage it is just an expression of interest.

Resolution: The Management Committee gave approval to continue investigating the options for this site with GCC and Link HA.

(b) HSM stated that there was a loan available to assist with the fitting of new smoke alarms and carbon and fire detectors. This would spread the cost of fitting these in all properties. Approximately 350 have already been fitted.

Approval was given to apply for this loan with application form signed by Secretary.

Staff members and Chairperson left the meeting at 8.30pm for the final item – a confidential paper- to be discussed.

22. Date of Next Meeting

Wednesday 21st August at 6.30pm

