

MINUTE  
MANAGEMENT COMMITTEE MEETING  
28 MARCH 2023

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

In Attendance: Paul Immelman  
Ikra Aziz  
Moyra McKenzie

1. APOLOGIES

Jane Atkins, Arlene Martin

2. DECLARATION OF INTEREST

No declaration of interest.

3. MINUTES OF PREVIOUS MEETING HELD 21<sup>ST</sup> February 2023

The minutes of the previous meeting were approved on a proposal by John Barclay, seconded by Kirsteen McLerie

4. MATTERS ARISING

No matters arising.

5. CORRESPONDENCE

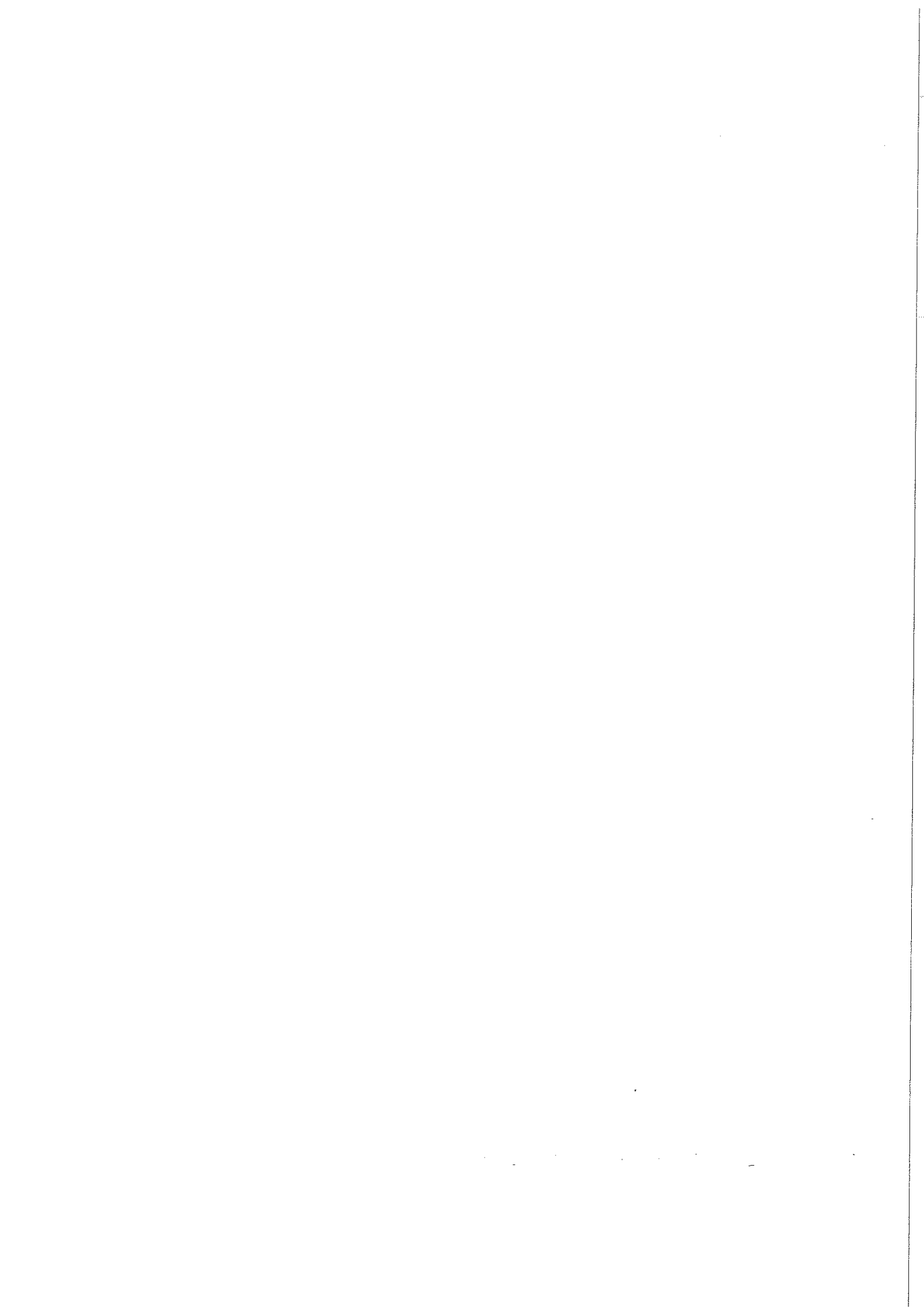
- 5.1 Paul advised MC of the SHR Engagement Plan. Currently SHR do not require any Assurance from KCHA other than annual regulatory returns from all RSLs.

Regulatory returns.

- Annual Insurance Statement
- Audited financial statements and external auditor's management letter
- Loan Portfolio return
- Five-year financial projections and
- Annual Return on the Charter.

Any changes to the Annual Assurance statement, and any tenant and resident safety matter that has been reported or investigated by the Health and Safety Executive or reports from regulatory or statutory authorities or insurance providers, relating to safety concerns must also be notified to SHR.

Paul advised MC that any relevant information required to be sent to SHR will be sent upon completion of the ARC Report:



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- 5.2 Paul advised MC that EVH have sent information to provide guidance and information on pre termination discussions and settlement agreements.

Paul advised MC that following EVH guidelines the association has drafted a Settlement Agreement which will require approval.

- 5.3 Paul advised MC that SHARE have sent their April to June 2023 training course for staff and committee development. He asked MC if anyone would be interested in attending any courses, if so, they can inform him of course they would like to attend.

6. **CASH BALANCE AND PETTY CASH LIST JANUARY 2023**

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

7. **BUDGET 2023-24**

Moyra gave an overview of the draft Budget 2023-24 to MC.

The draft budget indicated a surplus for the year of £461k. Minor changes to staffing costs and office equipment maintenance costs totalled around £8k and the final budget for the year indicates a surplus of £453k. The budget document is based on information provided by and discussed with the Association's staff and the Association's Finance agent, FMD.

A full copy of the budget and the detailed working papers has been passed to the association and shall be sent on to the external auditors. The budget estimates shall form year 1 of the update to the long-term projections.

The Final budget does 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. Any changes in this regard will not be notified to KCHA until after May 2023 (after the year-end).

**Main Assumptions**

- Rent rise of 5% applied from 01/04/2023
- Voids at 1%
- Bad debts at 1%
- Salary increase of 5.25% plus increments where appropriate.
- Only two staff in pension scheme at 12.6% and 13.6% employer cost.
- Reduction in hours for Finance Manager
- Planned maintenance costs of £199k
- Reactive maintenance costs of £150k
- Component replacement costs of £247k
- Sum of £10k spend on other fixed assets
- Gross rent arrears at 5%
- Annual pension deficit payment of £nil

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Overview

The draft annual projects a surplus for the year of £453k.

In the Statement of Financial Position (Balance Sheet) housing property component replacement costs of £247k are assumed. Other fixed asset purchases are projected at £10k. Gross rent arrears are projected at 5% and the cash-flow statement estimates a closing balance of around £2.2m.

There are no material concerns regarding the ratio results projected for the year. There is no debt in place there no loan covenants to comply with.

MC reviewed and approved the Draft Budget.

John Docherty commented that the figures are very promising. The association is doing extremely well.

**8. DRAFT INFORMATION SECURITY POLICY & PROCEDURE**

Paul requested MC to approve the review of the Draft Information Security Policy Procedure.

This policy has been drafted by the Data Protection Officer; no changes have been made.

MC reviewed and approved the Draft Information Security Policy Procedure.

**9. DRAFT EVH MODEL SETTLEMENT POLICY**

Paul requested MC to approve the review of the EVH Model Settlement Policy

MC reviewed and approved the EVH Model Settlement Policy.

**10. DRAFT MOBILE DEVICE POLICY**

Paul requested MC to approve the review of the Draft Mobile Device Policy.

MC reviewed and approved the Draft Mobile Device Policy.

**11. DRAFT WORKING FROM HOME POLICY**

Paul requested MC to approve the review of Working from Home Policy.

MC reviewed and approved the Working from Home Policy.

**12. DRAFT DOMESTIC ABUSE POLICY**

Paul requested MC to approve the review of the Draft Domestic Abuse Policy.

MC reviewed and approved the Draft Domestic Abuse Policy.

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**13. HEALTH AND SAFETY POLICY UPDATES**

Paul requested MC to approve the review of the Health and Safety updates.

Amendments made to wording were highlighted along with relevant EVH updates.

MC reviewed and signed the updated Health and Safety Manual.

**14. KITCHEN RENEWAL – VERBAL CONTRACT**

Paul advised that the contract is on-going. Currently all kitchens in Fasque Place have been completed and works in Ladyloan Place have commenced.

The feedback has been very positive, and all works should be completed by the second week in May.

John Docherty asked if there had been any refusals?

Paul advised there was 1 refusal and 2 Kitchens which were put back as one tenant was in hospital and other did not empty their kitchen on time.

Elaine asked if the refused kitchen would be renewed at void stage?

Paul advised it would be done at void stage however it would not come under void budget.

**15. WINDOW & DOOR REPLACEMENT – VERBAL UPDATE**

Paul advised MC that the contractor Sovereign will be on site on the 27<sup>th</sup> of March to begin the pilot installation on 14 Ladyloan Avenue.

The method of installation is different to others as Sovereign will be installing the windows from the outside in, this is not the traditional method used in previous window contracts. If their method of installation is accepted, they will begin the full contract in 5 weeks.

Elaine asked how long the process would take?

Paul advised it should be completed in 2 days.

**16. BAD DEBT WRITE OFF**

Paul presented a report to the MC requesting the write off of £596.08 former tenant rent arrears, £1,320.79 charge tenant arrears and (£1,134.79) former tenant credits and the approval of a bad debt provision of £19,369.00 for the following financial year, 2023-24.

Following discussion, the MC approved the write off proposals and the bad debt provision for 2023-24.

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Paul presented a report seeking approval from the MC to make provision for a fund of £5k per annum from 1st April 2023 to provide some support to tenants to enable them to sustain their tenancies as well as some assistance with the current ongoing cost of living crisis.

MC members discussed the proposal and agreed that it would be a good idea to have such a fund to aid our tenants at this difficult time. The MC were keen to be seen assisting tenants on the back of the 2 sets of funding from the Scottish Government. The fund will not be used to provide cash payments, but instead food and or energy vouchers would be purchased and distributed. Paul advised that he report on the usage of the fund at the six and twelve month stage.

MC members approved the setting up of the fund unanimously.

18. GOVERNANCE ACTION PLAN MARCH 2023

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

MC approved the Governance Action plan March 2023

19. A.O.C.B

19.1 Paul proposed the date for the AGM to be Monday 7<sup>th</sup> August 2023 @ 6:00pm within the office.

MC approved the date, time and location of the AGM.

20. DATE OF NEXT MEETING

The next meeting will be an Operation Meeting to be held on Tuesday 25<sup>th</sup> April 2023 at 5.45pm within the Association's offices and via Zoom®.

Signed as a true record of the meeting

E Shaw

Date signed

25<sup>TH</sup> APRIL 2023.