

ITEM 3 MINUTES OF MANAGEMENT COMMITTEE MEETING
ITEM 4 MATTERS ARISING FROM MINUTE

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

In Attendance: Paul Immelman
Ikra Aziz
Moyra McKenzie

1. **APOLOGIES**

Jane Atkins, Bobby Wards

2. **DECLARATION OF INTEREST**

No declaration of interest

3. **MINUTES OF PREVIOUS MEETING HELD 29th November 2022**

The minutes of the previous meeting were approved on a proposal by Arlene Martin seconded by Jane McDonald.

4. **MATTERS ARISING**

No matters arising.

5. **CORRESPONDENCE**

Paul advised there is an invite from EVH for their Governing Body Leadership Programme 2023 and asked if any MC member would like to attend. No MC member was available to attend.

Paul also advised there is another invite from SHARE for their Annual Conference 2023 and asked if any MC member would like to attend. Elaine Shaw and Arlene Martin confirmed they would like to attend. Paul confirmed he will book them on and send more information out regarding the event.

6. **CASH BALANCE AND PETTY CASH LIST NOV-DEC**

Cash balance and petty cash list approved by Elaine Shaw, seconded by John Barclay

7. **MANAGEMENT ACCOUNTS – Q3**

Moyra McKenzie presented the Management Account to December 2022

7.1 The account represents the day to day trading income less costs for

the Association in the 9 months to December 2022

The annual budget for 22/23 projected a surplus for 9 months of around. Redacted
results to date, per the management accounts, the actual results indicate a surplus
of Redacted There is therefore a positive variance to date of around

Redacted

- 7.2** The Financial position of the Association comprises the cumulative assets less liabilities of the Association at the period end.

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

The debtor and creditor balances are normal business transactions.

Cash balances at the period end total Redacted Loan balances and the pension deficit at the period end totals £nil.

The total net assets of the Association are now. Redacted

- 7.3** There are no material concerns regarding any of the indicators to date.
- 7.4** Updates to the long-term maintenance projections are required in order to allow longer term projections to be completed. The first 5 years of these shall be used for SHR 5 year submission.

MC reviewed and approved management accounts to December 2022

8. DRAFT BUDGET 2023-24

Moyra presented the Draft Budget 23/24 report from Financial Consultant Fettes McDonald.

The draft information is based on information provided by and discussed with the Association's staff.

- 8.1** A copy of the draft budget and the detailed working papers has been passed to the Association. Following discussion any changes required shall be incorporated into the final budget for 2023/24 which shall also be provided external auditors for information.
- 8.2** The draft budget does not take account of the impact of changes in pension scheme actuarial assumptions which will now feature annually (due to change in method of accounting for pensions) and 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).

8.3 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.
- Planned maintenance costs of £199k
- Reactive maintenance costs of £150k
- Component replacement costs of Redacted
- Sum of £10k spend on other fixed assets
- Gross rent arrears a 5%
- Annual pension deficit payment nil.

8.4 The draft Budget projects a surplus for the year of Redacted for the year.

In the statement of Financial Position (Balance Sheet) housing property component replacement costs of Redacted 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

The are no material concerns regarding the ratio results projected for the year.

8.5 Balance Sheet Assumptions:

- Balance Sheet to March 2023 has been amended to reflect actual balances at March 22 and assumes the budget 22/23 is achieved subject to changes to reflect deferral of component replacements, lower property depreciation and added salary costs per EVH agreement.
- Component replacements assumed for the coming year are: Redacted
Window Renewal Ladyloan 1
- Gross rent arrears is assumed at being equivalent of 5% of rental income, with no movement in the bad debt provision % from the 21/22 accounts.
- Cash Balances will fluctuate throughout the year with a final balance of around Redacted
- Payments totalling £Nil will be made in respect of the Past Service Deficit. Redacted

MC reviewed and approved management accounts to December 2022

9. HOUSING MANAGEMENT REPORT

Paul presented the Housing Management report Overview:

- Rent arrears are slightly down 3.07%

- Currently there are 10 Former tenant and 147 Current tenant arrears cases which total to **Redacted**
- From Q3 there has been 5 void properties and 5 which have all been re let. The rent loss total from Q3 is £407.98
- 56% of applicants rehoused have been Section 5 Referrals with the rest being Direct waiting list (22%) and an Internal Transfer (11%)
- Currently there are 290 applications on the waiting list.
- There has been 0 anti-social complaints.
- 27 Closes, backcourts and bins have been inspected and actioned via speaking to tenants or letters.
- 1 breach of repayment arrangement. (Breach of £8.00)

9(i)a Paul Presented the Quarterly arrears report **Redacted**

9(i)b COURT ACTION CASEWORK

CASE No.	CURRENT STATUS	ACTION TAKEN	ARREARS @ 31.12.22	COMMENTS
A002	PAYMENT DECREE	Arrangement	1,190.85	Maintaining repayment arrangement
A048	SISTED	Arrangement	958.95	Maintaining repayment arrangement
A006	SISTED	Default	692.45	Breach of repayment arrangement
A017	SISTED	Arrangement	617.54	Maintaining repayment arrangement
A004	SISTED	Arrangement	493.49	Maintaining repayment arrangement
				5

9(i)c Arrears in excess of £500.00

A comprehensive anonymised list of all rent arrears cases was provided with explanations. There were a total of **26** cases excluding those at 9(i)b above.

9(ii)a VOIDS & ALLOCATIONS

	No. Void	No Offers	No. Lets	Rent Loss
Q1 (April, May & June)	4	2	2	£ 640.45
Q2 (July, August & Sept.)	1	2	2	£ 476.41
Q3 (October, Nov. & Dec.)	5	5	5	£ 407.98
TOTAL	10	9	9	£ 1,524.84

9(ii)b Applicants re-housed to 31.12.22

	Re-let Target	No. of Re-lets to 31.12.22	% of Re-lets to 31.12.22
Direct W/List	25%	2	22%
Internal Transfer	15%	1	11%
Section 5	60%	5	56%
GCC Nom's e.g. Supported Accom.		1	11%
TOTAL		9	100%

9(ii)c Applications on list @ 31.12.22

Direct W/L	Int. Transfer	Section 5	Others	TOTAL Applications on List @ 31.12.22	No. Applications Rec'd in Month	No. Applications Cancelled in Month	No. Applications Suspended
282	8	0	0	290	29	(1)	1

9(iii) Anti-social reports for Q3

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

9(iv) Estate Management

ACTION	CLOSES	B/COURTS	BINS	GDNS	MISC	TOTAL
INSPECTED	27	27	27	0	0	27
SPOKE TO TENANTS	13	6	6	0	0	13
LETTERS TO TENANTS	14	21	21	0	0	14

MC reviewed and approved Housing Management Report Q3.

10. RENT CONSULTATION

Paul advised MC that rent consultation would normally be carried out between November and December each year, however following the implementation of regulation from the Scottish Government/Scottish Parliament in September 2022 brought into effect by The Cost of Living (Tenant Protection) (Scotland) Act 2022, this had been delayed.

Paul advised MC that there is still plenty of time to conduct the rent consultation exercise following recent updates.

The outcome of discussions led by COSLA, in respect of local authorities, and the Scottish Federation of Housing Associations (SFHA) and Glasgow and West of Scotland Forum of Housing Associations for Registered Social Landlords, has reached an agreed position with their members that would see increases of 6.4% and 6.1% respectively, as an average across Scotland.

It is important to note that the agreement of an average figure, rather than a fixed cap, is essential to allow flexibility. The majority of rents will be increased at a level below the agreed 6.4% (for local authority landlords) and 6.1% (for registered social landlords) but there may be some social sector landlords who will, for specific reasons, go beyond these levels. However, all social sector rent increases will be kept below the level of inflation. This approach recognises that in some cases tenant feedback to the statutory rent consultations may be in favour of an

increase higher than the overall averages agreed, for example to allow planned improvements or maintenance to proceed.

10.1 Business Case for Rent Increase

Paul presented the business case for Rent Increase informing that the Association has maintained rent increases generally at the rate of inflation for a number of a number of years.

Paul advised the Management Committee that to suggest a rent increase for 2023/24 at the current rate of inflation 10.5% at December 2022 would be incredibly challenging for some of our tenants.

Paul informed the MC that the average CPI inflation rate from January – December 2022 was 9.05% as seen in the table below:-



In considering the case for below inflation rent rises, Paul advised that for every 1% below the current rate, the cumulative effect on the Association’s cash flows would be approx. £1.8m over a 30-year lifecycle, that would be roughly the equivalent to 3 x window replacement contracts at 2022/23 prices not being carried out.

Paul explained the average cost of reactive maintenance had increased from 2021/22 – 2022/23 by 7% and the planned major repairs/component replacements (kitchens & window replacements) increased 48% over the budgeted assumptions.

Paul further advised the MC in respect of Management costs, there had been an agreed wage settlement of 5.25% from 1st April 2023 however some efficiency savings had been made by reducing staff salary costs in the forthcoming budget for 2023/24 by approx. £50k as a result of the restructure from August 2022.

Paul advised that in order that we continue to provide the services to our tenants and customers there was we continue to seek other efficiencies by cutting waste and partnering with external agencies to fulfil our statutory and regulatory obligations.

In response to the external cost environment, Paul advised the MC that he had instructed Campbell Martin Associates to conduct a full 30 year life cycle costings exercise using current updated costs as a baseline to inform our future budgeting requirements. In addition Paul advised that the Association should review the Business

Plan and update/urate the assumptions within based on the reduced predicted income from rents.

10.2 Rent Increase Proposal

By way of further background, Paul informed the MC that Glasgow & West of Scotland Forum (GWSF) canvassed all members to ascertain consultation proposals for the forthcoming year. There were a total of 42 respondents (*at time of report*) with a number of RSL's still to provide figures:

- The average 1st proposal was 5.01%,
- The average 2nd proposal was 6.53% and
- The average of those stating a possible or actual 3rd proposal was 7.8%,
- a further 2 organisations were yet to consider a proposal for an increase from 1st April 2023

Paul advised having looked at the evidence from other RSL's, the Scottish Government and taking note that the Bank of England predicts the inflation rate, although remaining high throughout the coming financial year, this will reduce possibly to half the current rate.

Set against the real cost implications for continuing to provide services and taking full account of the current cost of living crisis affecting all of our tenants, Paul proposed that the association should consult on a **5% increase to all rents and service charges for 2023/24.**

This remains 5.5% lower than the inflation rate of December 2022 and 4% lower than the average of 9.05% over the year January – December 2022 as well as being 1.1% lower than the Scottish Government's reported average increase of 6.1% for Housing Associations.

In proposing a 5% increase, Paul emphasise that the coming years may be challenging both in relation to maximising our income, reducing costs where available and appropriate, and subject to the revised 30 year life cycle component replacements, and updated 5 year budget and business plan.

This year may be a once in a financial cycle event, however it would be prudent of the Association to review current spending priorities to ensure that we achieve best value for money.

John Docherty advised the costs of contractor have gone up significantly. Inflation is very challenging from the business point of view.

Paul agreed, contractor costs have increased (3.5%-7.7%) which makes it imperative that the Association increase rent to continue to provide services.

Elaine said everything is going up in price from food costs to gas and electricity. She feels it will be very difficult for tenants to cope.

Paul advised he understood this however from a business point of view it would have a negative impact on the business not to consider an increase of at least 5%. For every 1% under inflation the Association is, the Association would be losing £60,000.

MC were asked for approval to consult on a 5% rent increase, MC reviewed and approved proposal for to consult on a 5% rent increase.

11. MAINTENANCE CONTRACTORS PERFORMANCE REPORT – Q3

Paul presented the Maintenance Contractors' Performance Report Quarter 3 (October, November, and December 2022)

There was a total of **290** orders carried out during the period, **267** response works (day to day) and a further **23** void property works completed within the period. Average response times were:- emergency **1hrs 53mins.**, non-emergency **2** days. Average cost per job day to day and void was **£144.59**, cost of all jobs was **£42,075.42**.

All jobs were completed first time, and all completed within target. MC reviewed and approved the Maintenance Contractors' Performance Report Quarter 3

12. GAS SAFETY REPORT – Q3

Paul presented the Gas Safety Report, the figures reflect that all Gas Servicing for the month of October, November and December 2022 were completed 100%. Currently all Gas Servicing have been completed for the month of January 2023 and 6 left to be completed for February 2023.

GAS SAFETY MANAGEMENT REPORT – Q3					
Month	No. Service Visits	Completed	Not completed	Sub-total	% Completed
October	19	19	0	19	100%
November	25	25	0	25	100%
December	33	33	0	33	100%
TOTAL	77	77	0	77	100%
CUMULATIVE					
Q1, Q2 & Q3	257	257	0	257	100%

MC reviewed and approved the Gas Safety Management Report Quarter 3.

13. ABSENCE MANAGEMENT REPORT – Q3

Paul presented the Absence Management Report – Q3 The figures reflect that the reported sickness absences for the period 1st April to 31st December 2022. The absence level remains within the 5% maximum target. Showing the continued good performance.

	APRIL	MAY	JUNE	Q1	JULY	AUG.	SEPT.	Q2	OCT.	NOV.	DEC.	Q3	ANNUAL TO DATE
SICK DAYS	0	0	3.5	3.5	1	0	1	2	0	0	5	5	
WORKDAYS	76	84	88	248	76	115	100	291	105	105	95	305	
% OF WORKDAYS	0%	0%	4%	1.4%	1.3%	0%	0.9%	0.7%	0%	0%	5.3%	1.6%	
CUMULATIVE SICK				3.5				5.5					10.5
CUMULATIVE DAYS		Q1		248	Q2			539		Q3			844
CUMULATIVE %				1.41%				1%					1.2%

MC reviewed and approved the Absence Management Report Quarter 3.

14. KITCHEN RENEWAL CONTRACT - CLEDDANS COURT UPDATE

Paul gave an update on the progress of Kitchen Renewal contract for Cleddans Court: The contract was initially due to commence from Monday 23 January 2022, however due to personnel and production issues, the contract will now commence from **Monday 20 February 2023 and complete by 24 April 2023**

Letters have been sent to all tenants within the scope of the contract (Ladyloan Place & Fasque Place) with the dates for the stripping out of the existing kitchen units, electrical changes, installation of new kitchen units, tiling and floor covering this should be over a 4 days process.

City Building Personnel

- :- Scott Ramsay replaces Barry Burke as Contract Manager
- :- Alex. Wright, Site Manager
- :- Amy Cairns, Contract Tenant Liaison Officer

Tenant choices of doors in relation to the request for white to be included within the available choices (*as originally understood by KCHA*) Paul has instructed City Building to expand the choices available to include White.

The next meeting with contractors will be on the 3rd February.

Elaine advised that her kitchen renewal is scheduled over a weekend, and it does not suit her. Paul advised anyone who can't manage the dates given can call the office to rearrange.

15. WINDOW & DOOR REPLACEMENT LADYLOAN 1

Paul gave an update on the progress of the window and door replacement contract for Ladyloan 1. Paul advised the Management Committee Members that they would recall the decision made at their meeting on 29 November 2022 to appoint Sovereign Windows for the contract.

The Tender acceptance letter was notified to Sovereign Windows by Campbell Martin Associates, acting on behalf of the Association, on 23 December 2022.

The *revised* tender price for the contract is. Redacted The contract and installation works should commence from **Monday 27 March 2023** and complete by **Monday 22 May 2023**, therefore of 8 weeks duration. Site surveys will be carried out week commencing **6 February 2023**.

A detailed installation schedule will be provided by the contractor to the Association after completion of the surveys and no later than two weeks from the proposed commencement date. Letters will be sent to all tenants as soon as the schedule has been received and agreed to advise of their respective fitting date.

16. DPO

Paul informed MC that the following policies require approval.

16.1 Data Protection Policy

This Policy applies to all personal data held by KCHA that relates to living identifiable individuals regardless of the category of data or the format of the data. Personal data is any data which could be used to identify a living individual including, for example, name, address, email, postcode, CCTV image and photograph and video recordings. Special Category personal data is any information relating to racial or ethnic origin, political opinions, religious beliefs, health (mental and physical), sexual orientation, trade union membership and criminal convictions.

Paul requested MC to approve the review of the Data Protection Policy.
MC reviewed and approved the Data Protection Policy.

16.2 FOI & EIR Policy

The Freedom of Information (Scotland) Act 2002 ("FOISA") and the Environmental Information (Scotland) Regulations 2004 ("EIR") place a general obligation on Scottish Public Authorities to allow the public access to information that they hold. Both FOISA and EIR are overseen by the Scottish Information Commissioner ("SIC").

From 11 November 2019 Kingsridge Cleddans Housing Association Ltd. has been designated as Scottish Public Authority and will need to make information available in accordance with FOISA and EIR.

The Freedom of Information and Environmental Information Policy of Kingsridge Cleddans Housing Association Ltd. will:

- provide a general understanding of FOISA and EIR; and
- outline where responsibility lies for complying with the legal duties of Kingsridge Cleddans Housing Association under FOISA and EIR

Paul requested MC to approve the review of the FOI & EIR Policy.
MC reviewed and approved the FOI & EIR Policy.

16.3 Data Retention Policy and Schedule

This policy details KCHA approach to the retention, deletion, and destruction of personal data. All KCHA personnel are obliged to familiarise themselves with this policy and refer to it on an ongoing basis to ensure that its terms are implemented and complied with.

This procedure applies to all directors, associates, members, employees, volunteers, contractors (temporary and permanent) (referred to herein as 'KCHA personnel').

Paul requested MC to approve the review of the Data Retention Policy and Schedule. MC reviewed and approved the Data Retention Policy and Schedule.

16.4 Data Disposal/Destruction Procedure

In compliance with data protection law, Kingsridge Cleddans Housing Association (KCHA) will ensure that any personal data it processes will be protected at all times, retained only as long as is necessary in accordance with KCHA's retention Policy and Schedule, and disposed of in the most appropriate manner.

Paul requested MC to approve the review of the Data Disposal/Destruction Procedure. MC reviewed and approved the Data Disposal/Destruction Procedure.

16.5 Data Subject Rights Procedure

The purpose of this procedure is to explain how a data subject can make a rights request in relation to their personal data, as defined in Article 15 to 21 of the GDPR, and how KCHA will handle requests to ensure compliance with the GDPR and any other relevant legislation.

Where personal data is being processed by KCHA and the identity of the data subject has been verified, KCHA will respond to the request and provide the data subject with a response within the obligated timeframe.

Paul requested MC to approve the review of the Data Subject Rights Procedure. MC reviewed and approved the Data Subject Rights Procedure.

16.6 Data Breach Management Procedure

KCHA is required to record all incidents that could result in a breach of the data protection regulations. The Data Protection Officer, RGDP, will maintain a register of incidents and whether these have resulted in personal data breaches for KCHA.

Paul requested MC to approve the review of the Data Breach Management Procedure. MC reviewed and approved the Data Breach Management Procedure.

16.7 Privacy Policy (Website)

The website is operated by Kingsridge Cleddans Housing Association. We at Kingsridge Cleddans Housing Association take your privacy seriously and we ask that you read this summary policy statement carefully, as it contains important information on:

- the personal information we collect about you;

- what we do with your personal information; and
- who your personal information might be shared with.

Paul requested MC to approve the review of the Privacy Policy.
MC reviewed and approved the Privacy Policy.

16.8 Management Committee Member Privacy Notice

This notice explains what information we collect when we collect it and how we use this. During the course of our activities, we will process personal data (which may be held on paper, electronically, or otherwise) about you and we recognise the need to treat it in an appropriate and lawful manner. The purpose of this notice is to make you aware of how we will process your personal data.

Paul requested MC to approve the review of the Management Committee Member Privacy Notice

MC reviewed and approved the Management Committee Member Privacy Notice.

16.9 Employee Privacy Notice

KCHA as an employer is a data controller and collects and processes personal data and special category personal data relating its employees to manage the employment relationship it has with an employee and after ceasing to be an employee. We want to be transparent about how we collect and use your data and to meet our data protection obligations.

Paul requested MC to approve the review of the Employee Privacy Notice.

MC reviewed and approved the Employee Privacy Notice.

16.10 Tenant Privacy Notice

This notice explains what information we collect when we collect it and how we use this. During the course of our activities, we will process personal data (which may be held on paper, electronically, or otherwise) about our tenants and we recognise the need to treat it in an appropriate and lawful manner. The purpose of this notice is to make the tenant aware of how we will process their personal data.

Paul requested MC to approve the review of the Tenant Privacy Notice.

MC reviewed and approved the Tenant Privacy Notice.

17. GOVERNANCE ACTION PLAN – JANUARY 2023

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

MC approved the Governance Action plan January 2023

18. A.O.C.B

Paul advised committee that the Association placed a bid 3 months ago for the Fuel Poverty grant and were successful.

The amount awarded is for and was *Redacted* received into the Association's account in December.

The Housing Officer, Jillian Fearnside, has identified single people, single parents and vulnerable people to be targeted first. She will be in contact with them soon to arrange dispersal of the funds

Elaine said not every vulnerable person doesn't work. Paul advised that we will look at people in work, Jillian will be in touch with the tenants who need the support regardless of their employment status.

In addition the Association is submitting a bid from the Scottish Government's Winter Hardship Fund as a further Cost of Living Crisis mitigation measure.

19. DATE OF NEXT MEETING

The next meeting will be an Operation Meeting to be held on **Tuesday 21st February 2023 at 5.45pm** within the Association's offices and via Zoom®.