

List of Signatures

Page 1/1



Minutes_Finance & Corporate Services Sub-Committee Mee_270521.pdf

Name	Method	Signed at
Brian Corrigan	One-Time-Password	2021-09-14 15:23 GMT+02



This file is sealed with a digital signature. The seal is a guarantee for the authenticity of the document.

External reference: FB1CD331319E462C8EE3DB4F4D660791

Finance & Corporate Services Sub-Committee Meeting

Thu 27 May 2021, 17:45 - 19:45

Virtual

Attendees

Board members

Brian Corrigan (Board Member), Julianne Scarlett (Board Member), Heather Thomson (Vice Chair), Alan Hutchison (Board Member), Paul McVey (Director), Liz Bowden (Corporate Services Manager), Alana Durnin (Finance Director), Louise Carlin (Team Leader (Minutes))

Meeting minutes

1. Apologies & Declarations of Interest **

Information

Apologies had been received from Ken Robertson (Chair). There were no declarations of interest.

Chair

2. Private & Confidential Staffing Report ** (this report shall be issued under separate cover)

Information

Corporate Services Director

The Minute taker left the meeting at 5.50pm and re-joined at 5.55pm.

3. Minutes of meeting held on 25 February 2021 *

Decision


The Chair went through the draft Minutes and no amendments were made.

Chair

- A Board member advised about a change in fire safety processes. When tenants are offered temporary heating by a gas contractor it should be oil filled heaters only; this was due to a recent incident with convector heating. Fire and Rescue departments are now recommending that only oil filled heaters are now provided.
- The Corporate Services Manager (CSM) apologised about the delay in producing the "Outstanding Actions" table and advised this will be available for next meeting.
- The Director advised that following the governance review workshop efforts have been made to condense papers as much as possible. A "Reflections" agenda item has been added at the end of each agenda to allow a discussion to take place about what went well and what could have been better during the meeting.

Resolution:

The minutes were proposed, approved and seconded.

 03 - Draft Minutes of Meeting held on 25 February 2021.pdf

4. Matters Arising **

Information

There were no matters arising.

Chair



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:

FB1CD331319E462C8EE3DB4F4D660791

5. Management Accounts to 31 March 2021 *

The Finance Director (FD) presented the Management Accounts to the meeting.

Key points were noted:

- £15k less rental income due to delays with King's Glen Project.
- Reactive repairs costs lower than budget and against last year's expenditure due to Covid-19 restrictions and an emergency service only for part of the year.
- Void expenditure was up by 35% against last year due to additional expenditure with Wellpark Project and the average void cost per property increasing from £2.4k last year to £3.4k this year.
- £1.25m of the budget associated with major repairs, (non-capitalised and capitalised) and cyclical work is being carried forward to the 2021/22 budget due to Covid-19 restrictions.
- £77k of adaptation funding was not used due to Covid-19 restrictions/impact on work.
- £61k of savings against bad debt budget provision for rent and service charge income due to excellent arrears management.
- £62k less overhead costs, £30k carried forward for tenant portal development / tenant survey software.
- £40k underspend against salary budget, £33k carried forward. In part due to delays in recruiting modern apprentices.
- Association's increase in net worth 10%, however The Pension Trust pension deficit valuation still to be confirmed and updated in Annual Accounts.
- Overall £1.41M budget provision confirmed as carry forward to 2021/22 budget, including capital budgets, however the planned maintenance work plan for 2021/22 is being reviewed due to Covenants.

A Board member asked about the carry over amount and if we will be able to deliver the additional spend. The FD explained, based on the carry forward value and impact on bank covenants, a full review is being carried out to assess if all of the planned work will be delivered in the year. Covenants have been reviewed and are projected to be lower than the interest cover minimum limit requirement due to the high value of carry forward. SDM re-profiling may be required / or discussions with RBS to amend the Covenant calculation for 2021/22 due to the impact of Covid-19 on completing work - a report would come back to the Board.

A Board member asked if this was committed expenditure. The FD explained that some contracts were, through the IFLAIR framework, but others haven't been procured / signed off yet. The review of spend by the Property Services Manager will consider pushing some spend into 2022/2023.

The Director explained that the feasibility of managing such significant planned maintenance may be difficult in a shorter period of time. Our tenants are aware that work is due to be carried out so a realistic picture will need to be made about the work that can actually be completed.

A Board member enquired if the variations with the reactive repairs budget were due to only providing emergency services - £224k underspend v budget. The FD confirmed that Covid-19 had limited routine repairs due to restrictions, with an emergency service only at points in the year. There was also a new contractor in the year / new pricing. The FD highlighted that there was an increase in the average cost per void compared to last year, with more void properties with costs over £3k v last year - 30 voids v 3 last year, linking to the condition of voids when tenants left the properties. However, there was also a new void contract put in place this year, which has also had an effect on average spend.

It was noted that the average Void loss from empty properties was showing as 2.18%, compared with 0.6% last year, primarily due to the Wellpark Improvement project.

A Board member asked if the increase in emergency repairs and void costs was due to the new contractor or Covid 19. The Director advised this was due to a combination of factors, including: taking on a new contractor, losing old contractor. Also the enhanced void works (fitting carpets and carrying out decoration) has increased average costs. Cloch also had a few major spends on voids including £10-£15k spent on one void property for internal and external works.


A Board member enquired further about the proposed planned maintenance carry forward amount of £3.87 million - they had concerns that if procurement / work hasn't started on this year's planned maintenance we could end up at the cliff edge to spend by end of March. Linking this back to the covenants, the FD explained that £972k spend would be required in order that the covenant is not breached. The Property Services Manager is currently working with this figure in mind for the review. The FD highlighted Cloch's loan agreement is being revisited and discussions have taken place with the lender RBS who have been understanding about the impact of Covid-19.


The FD requested approval from the Committee for the Management Accounts and the carry forward provision to 2021/22, noting planned maintenance is being reviewed. Approval was also sought for the £16k budget amendment for insurance costs in 2021/22 and the salary budget being amended to the EVH confirmed 0.8% inflation uplift from 1.25% with the difference going to the staff contingency budget.

Resolution:

The Management Accounts to 31 March 2021 were proposed, seconded and approved, along with the carry forward & other budget amendments.

 05 - Management Accounts Report - 2020-21.pdf

 05.1 - Management Accounts 31.3.21 - Appendix 1.pdf

 05.2 - Mgt Accs Carry Forward Budget to 2021-22 -Appendix 2.pdf



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:

FB1CD331319E462C8EE3DB4F4D660791


6. Policies for Approval *


6.1. Stress & Wellbeing

The CSM asked if there were any questions about the reviewed policy. There were a couple of changes made to previous version, which included the introduction of new stress questionnaire. The questionnaire had already been put into use with 2 members of staff currently using it.

Resolution:

The Stress and Wellbeing Policy was proposed, seconded and approved.

 06.1 - Policy Review - Exex Summary for Stress, Mental Health & Wellbeing.pdf

 06.1.1 - Policy Review - Stress, Mental Health & Wellbeing.pdf

6.2. Smoke Free

The CSM presented the Smoke Free Policy for approval. They explained that "Smoke Free" policies have become standard practice in the work place. Cloch's "Healthy Working Lives" group promotes a smoke free environment and sign posting for staff who wish to give up.


A Board member asked if we have any no smoking initiatives for tenants. The CSM advised that Social media campaigns have been promoted, but nothing directed at tenants.

It was suggested by a Board member that Cloch could look at sign posting tenants as opposed to running a Cloch specific initiative.

Resolution:

The Smoke Free policy was proposed, approved and seconded.

 06.2 - Policy Review - Exex Summary for Smoke Free.pdf

 06.2.1 - Policy Review - Smoke Free.pdf

6.3. Salary Sacrifice

The CSM updated the meeting apologising that this policy was not actually issued. However, the scheme is ongoing. The CSM is waiting on some clarification on issues with pension implications. Once this is received the policy will be presented to the July board meeting.

A Board member asked for an explanation on what salary sacrifice is. The FD explained that staff can "sacrifice" an amount from their salary, which the employer can put straight into pension contributions. The outcome is savings on tax and national insurance contributions.

Action:

The policy is to be presented to the July Board meeting.

Decision
Corporate Services Manager

Decision
Corporate Services Manager

Information
Corporate Services Manager

7. Finance Director's Report **

The FD presented the report and performance on debt recovery was specifically noted as excellent.

The report was noted.

 07 - Finance Director Report Q4 2020-21.pdf

Information
Finance Director


8. Treasury Management Report **

The FD presented the report to the meeting.

Resolution:

The report was noted.

 08.1 - Treasury Report -Appendices.pdf

 08 - CHA Treasury Report Q4 2020-21 -18-5-21.pdf

Information
Finance Director

9. ICT Strategy Report **

The ICT Manager was not at the meeting to present his report.

The CSM explained how an intranet operates and that this will be introduced to the Board. The Association hopes to use this to replace Admin Control which could have a saving to the organisation of approximately £5k a year.

The Director explained how the Association intends to optimise Office 365 through the duration of the Business Plan which will be a more effective use of IT resources.

Information
Corporate Services Manager



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:

FB1CD331319E462C8EE3DB4F4D660791

10. Corporate Services Manager's Report **

Information
Corporate Services Manager

The CSM advised on the following points:

Equality, Diversity and Inclusion training ongoing with 3 members of staff.

- Following training Cloch will be reviewing the information collected on the 9 protected characteristics.
- A 5-year strategy will be developed to call out points we want to examine.
- We need to engage with pockets of our community to ensure there are no barriers to our service - including employment opportunities and Board membership.
- EQIA to be revisited - ensuring we gather sufficient evidence; not just for policies but processes too.
- Staffing KPI's. Short term absence KPI's have been good - the Association still has issues with long term absences.
- Healthy Working Lives. The HWL group were going for gold award just before the pandemic hit. This will be revisited at some point in future.

Resolution:

The report was noted.

10 - Corporate Services Manager Report.pdf

11. Health & Safety Update **

Information
Corporate Services Manager

The CSM presented the report to the meeting noting the following points:-

- A "Home Working" policy has still to be agreed and decisions need to be made about home working and blended working. Cloch is a customer facing organisation so we need to have staff based in office. To be a home worker would require changes to contracts as the official place of work on contracts is 19 Bogle Street, however a more flexible approach may accommodate both.
- July 2021 is the proposed target date for being back in office. The Board to be kept informed of any changes.

A Board member asked about Employer's Liability if a staff member had an accident in their home. The CSM explained that if a staff member was a permanent home worker then a risk assessment would be required. The FD advised that Cloch's insurance company are aware that staff are all working from home.

The Director advised that Cloch will not be issuing contracts to staff for part time home working; we will continue with a blended approach. When the office re-opens risk assessments will be carried out from office to make sure we are clear on the liability in office and our duty of care when working elsewhere.

A Board member reported that the Scottish Housing Regulator had advised they will be back in their office in September and asked how this will affect Cloch staff. The Director explained that we will take a reasonable approach. Non-tenant facing organisations can take a different approach. At the moment regulatory bodies are understandably reluctant to give advice to housing organisations on the next steps. Moving forward we are socially distanced in office - we have enough space. We also have a cap on how many staff can come in at any one time. Some staff want to be in full time, some still nervous and happy to work from home.

A recent Staff Welfare survey has given Cloch an understanding of where staff are at with getting back into the office. Cloch will move forward collaboratively with staff as it's important we retain our culture and positive working environment.

Resolution:

The report was noted.

11 - H&S Updates - February 2021.pdf



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:

FB1CD331319E462C8EE3DB4F4D660791

12. Reflection

The Director asked the meeting for feedback on each of the reports from the meeting and if there was anything they would like changed with the format.

The Board members responded with the following points:

- Happy with revised content and time - there have been 3 meetings in just over a week so it's good to keep to schedule.
- Encouraged by intranet proposal.
- Prefer the FD's method of using slides as this is more of an overview.
- Screen sharing of reports is helpful.
- Requested that the Finance Assistant's great work on Factoring is noted.
- Agreed that summarising reports is preferable.
- Agreed that the presentation would not need issued prior to meeting.
- Focus should be on clear, concise reports- highlighting issues where decisions need to be made.
- The Board do not want staff spending too much time on reports and presentation- there is a balance that needs to be had.
- At times a presentation may not be required, simply sharing a report on screen and highlighting sections for discussion would suffice.
- Important that sub-committee minutes are issued on time.

The Director responded with the following:

- Leadership Team will have a discussion about how to present reports going forward.
- Governance review consultant will make a presentation at July meeting.
- Thanked the meeting for their valid feedback.
- Sub-committee meetings are quarterly with 1 or 2 Board meetings in between. Verbal updates can be given but minutes still need to go to Board for approval.

Action:

LT to have a discussion on future reports/presentations to Board/Sub-Committee meetings.

Resolution:

The discussion was noted.

13. AOCB

A Board member apologised for being late into meeting and asked if the Director would stay online after the meeting to give an update.

The CSM has now added the Business Plan to Admin Control to have a look at. Some changes still to be made.

The FD reminded the meeting that the related parties document has to be signed and returned by Tuesday 1 July 2021. A Board member explained that the pdf version sent was not editable so they had to print off and put in the post. The FD confirmed that typed names will suffice in future and they will ensure any pdf's are editable.

Action:

Ensure going forward that pdf documents are (1) editable or (2) give clarity if typed names are sufficient.

14. Date of Next Meeting - 19 August 2021 (provisional)

The date has been confirmed as 19 August 2021.



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:

FB1CD331319E462C8EE3DB4F4D660791