

Cloch Housing Association
Minutes of Board Meeting
held on Tuesday 8 October 2019 at 6.15pm
in Cloch's Offices, 19 Bogle Street, Greenock

Present: Julianne Scarlett, Chair
 Brian Corrigan, Vice Chair
 Eileen Tamburrini
 Karen Wilson
 Heather Thomson
 Ronny Lee (OTHA nominee)
 Jackie McKelvie (OTHA nominee)

Attending: Paul McVey, Director
 Alana Durnin, Finance Director (OTHA)
 Kes Cameron, Finance Manager (OTHA)
 Andy Thomson, Housing Services Manager
 Paul McColgan, Property Services Manager
 Shonaid Musgrove, Corporate Services Officer (minute taker)
 Brian Praties, Development Manager (OTHA)

Item	Description
1.	<p>Apologies & Declaration of Interest</p> <p>Apologies were submitted from Kelly Ferns and Alison Greenhill. The Director advised that Jackie McKelvie was on her way but was delayed due to the bad weather.</p> <p>There were no declarations of interest submitted.</p>
1.1	<p>The new Finance Manager was introduced to the meeting and would be presenting the finance items at agenda number 7 & 8.</p>
2.	<p>Minutes of 6 August 2019</p> <p>The Director advised that these minutes were the first set that would be published on our website and available to the public.</p> <p>The Chair asked if the members were satisfied with the content and style of the minutes.</p> <p>Resolution</p> <p>The minutes were approved as a true record of the meeting.</p>

<p>3.</p>	<p>Matters Arising & Outstanding Actions</p> <p>The Director highlighted the following points that had now been actioned: -</p> <ul style="list-style-type: none"> • The Board now had the mobile numbers of the senior team. • Business Strategy Planning day would be covered in the Director's report. • Rent re-structure letter has been issued to our tenants. • Our newest Modern Apprentice in Housing has now started working with us. • The Disposition for the sale of the property at Killearn Road has been signed. <p>Resolution</p> <p>The Board noted the contents of the report.</p>
<p>4.</p> <p>4.1</p>	<p>Draft Minutes from Sub-Committees</p> <p><u>Joint Audit Sub-Committee – 03.09.19</u></p> <p>The minutes of the meeting were noted.</p>
<p>4.2</p>	<p><u>Finance & Corporate Services Sub-Committee – 20.08.19</u></p> <p>The Board were pleased to note that the Association had achieved “Compliance Plus” in 4 areas of business following their Customer Excellence review. It was observed that this result was an improvement from the initial assessment. The remainder of the minutes were noted.</p>
<p>4.3</p>	<p><u>Housing & Property Services Sub-Committee – 27.08.19</u></p> <p>The minutes were noted.</p>
	<p>A member asked if the sub-committee minutes were being published too. The Director confirmed that they would be once approved at the next respective Sub Committee meeting.</p>
<p>5.</p>	<p>Kings Glen Update</p> <p>The Development Manager took the Board through his report highlighting the most pertinent points.</p>

	<ul style="list-style-type: none"> • Contractor costs for the project had increased. • Proposal by Cloch to CCG to reduce costs by £250k had been rejected. • Proposal to reduce costs by £100k to £150k accepted and is sustainable by Cloch. The Finance Director advised that savings made from a 10yr interest free loan from the model produced for the smoke detectors could be diverted to the Kings Glen costs; £700k. This offsets the additional £700k less in cash by Year 30. • Approval to planning consent. • Possible delay to the building warrant still exists. • Project value estimated at £8.7m with £4.2m of private finance. • Next step is to approach Scottish Government for grant funding. • Meeting with Scottish Water and Roads Department still to take place to resolve issues including the sewer connections. • If application not through in November, then realistically contractor will not be on-site until after Christmas. In this regard, and following regular updates, it was agreed that electronic approval to proceed with the Kings Glen Project could be sought and accepted if a decision is required in between meetings. It was considered that the financial and risk information received to date has been more than sufficient to provide the Board with confidence in the way forward. <p>Resolution</p> <p>The Board noted the report and to be kept advised of progress, and participate in an electronic approval process if required.</p>
	<p>The Development Manager left the meeting at 6.45pm.</p>
<p>6.</p>	<p>Director's Report</p> <p>The Director thanked the Board for completing all the surveys/polls that he had issued recently and reported the following: -</p> <ul style="list-style-type: none"> • One to one meetings with Alison Smith, consultant, taking place this week. • Date for meeting with both governing bodies to agree the options and the criteria for selection has been set for 5th November at Oak Tree HA's offices. • Away Day for both governing bodies and leadership teams will be held on Saturday 7th December which is where the Options Appraisal will be considered. Venue still to be confirmed. • Office bearers for Chair and Secretary remain the same but change to Vice Chair with Monica standing down and Brian Corrigan taking on the mantle. • Business Strategy day will take place after the organisational review is completed. Following recent discussion with the Consultant who is working on the Organisational Review, the Director has asked for some areas to be given consideration. Board asked to think about these areas for discussion. • Freedom of Information work is on track. Date going live is 11/11/19.

	<ul style="list-style-type: none"> • Good support from local MSP on lack of strategic focus in Inverclyde regarding housebuilding, following recent update meeting. • Positive meeting with a consultant looking to develop a “children’s college” in Inverclyde to encourage teenagers and their parents/guardians to attend. • Board portal looks like a good tool to invest in but further demonstration to be received and including Oak Tree in this too. • Recruitment for a Property Services Officer ongoing. • Pensions Working party will convene soon for their inaugural meeting to consider the changes being proposed. Future contributions increasing to 5% from 2020. Up to individual employers to decide on the split of this. No requirement for a staff ballot but consultation will take place. Pensions Trust to be advised of outcome by January 2020; so not much time. <p>Resolution</p> <p>The Board noted the contents of the Director’s report.</p>
<p>7.</p>	<p>Mid-Year Budget Review – 2019/20</p> <p>The Finance Manager was in attendance to take the Board through the report. Budgets had been approved in January and this report was highlighting the variances and movement of the surplus.</p> <ul style="list-style-type: none"> • Increase to door entry costs, although still being analysed. Components were more expensive. However, costs relating to cyclical maintenance should reduce as doors won’t need painting. Some owner costs still to be apportioned to it also. • Increases in pensions wasn’t known in January. • Amortisation of grants; more accurate estimations now known. • No risks to covenants; all good. • Increase in voids of £30k. The Housing Services Manager advised that the number of voids had decreased from last year but the unit costs to re-let had increased due to “enhanced void initiative”. <p>The revised annual surplus, following the mid-year budget review, is projected to be £441k within the Statement of Comprehensive Income, (a <i>reduction of £198k</i>), this includes £81k (net) of non-cash items such as depreciation and movement in the pension liability.</p> <p>This gave a £46k overall reduction in cash when taking account of changes to the Statement of Comprehensive Income and capital expenditure impacting the Statement of Financial Position.</p> <p>Resolution</p> <p>The Board approved the mid-year budget review for 2019/20.</p>

<p>8.</p>	<p>The Scottish Charity Register (OSCR) Annual Report</p> <p>The Board was advised by the Finance Manager that this report should be registered by the deadline of 31 December 2019.</p> <p>Resolution</p> <p>The Board approved the annual report for submission by 31/12/19.</p>
<p>9.</p>	<p>Draft Annual Assurance Statement</p> <p>The Board had been circulated with the report previously. The Director advised that the Association and sector were currently involved in two major pieces of work that had very short timescales to be completed. One was for the Freedom of Information (FOI) and the second was an Annual Assurance Statement.</p> <p>Areas that the Director wanted to highlight were as follows: -</p> <ul style="list-style-type: none"> • As a subsidiary of Oak Tree, Cloch is not required to submit this; should just be Oak Tree. However, the Director wanted to complete it to show the Board Cloch's outcomes, having gone through the assurance self-assessment process. • No areas of non-compliance visible. • Timescales were tight. In future years a small team of staff and Board will be involved more. • The Director read out the statement to the Board. • From the statement an Action Plan has been formulated to make improvements and focus strategy. • The Board agreed that more attention needs to be given to the various Action Plans previously derived from pieces of work, such as the Governance Self-Assessment, Board Appraisals etc. • The Director advised that a 6-monthly report (a performance digest) will be provided by the Corporate Services Manager going forward. This will include items such as the Key Performance Indicators (KPI's) and other governance matters. The first one will be brought to the November meeting. • The Director had added 2 extra columns to the SFHA Toolkit which were (1) Actual Evidence and (2) Areas for Improvement. • Anecdotally, the sector is concerned at the level of complexity of governance for voluntary members; especially concerned at loss of tenant members as a result of this. Also that the assurance statement and preparatory work involved is a "one size, fits all" approach. Is it fair for small organisations to have to provide the same amount of information as larger ones? • Cloch has recently signed up to EVH's Landlords Health & Safety Manual which provides specialist support for housing associations; this will be helpful in many respects including the specific requirements for Houses of Multiple Occupation (HMO's). • The internal audit processes and contract which both Cloch and Oak Tree work to will help with many aspects of assurance.

	<p>Resolution</p> <p>The Board approved the Annual Assurance Statement.</p>
<p>10.</p>	<p>6- Monthly Procurement Update</p> <p>The Property Services Manager took the Board through his report highlighting the following points: -</p> <ul style="list-style-type: none"> • Legislation dictates that should an organisation have annual procurement over the £5m threshold then there needs to be a procurement strategy in place. The addition of the expenditure likely for the Kings Glen development has taken our expected procurement over this threshold. A contracts register is also in place that monitors this. The strategy also identifies issues such as difficulties or other challenges, as well as community benefits. • Still an issue getting contractors to deliver on community benefits. Contractors are generally performing well but slow to get the community benefits in place. • Our main contractor has employed a local, young person via “the Recruit” programme as an electrician which is really positive – 4yr apprentice. <p>Resolution</p> <p>The Board noted the contents of the report.</p>
<p>11.</p>	<p>Freedom of Information Policy</p> <p>The Director advised that, in line with legislation, the FOI Policy needs to be in place by 11 November 2019. This policy will be uploaded as part of all the FOI documents that will be available electronically on our website.</p> <p>A separate policy on Environmental Information Regulations (EIR) and charges will be presented to the November meeting.</p> <p>The Guide to Information document is currently being completed by staff and will be ready for the submission date.</p> <p>Resolution</p> <p>The Board approved the policy</p>

12.	AOCB
12.1	<p><u>Incident in River Clyde Homes Office</u></p> <p>A member asked if there would be any requirement to have Cloch's offices looked at for a potential similar incident to occur.</p> <p>A debate took place with the Director advising that the layout of the RCH office was completely open-plan and the general public had access to all areas. Cloch's offices were different in that a large reception desk separated the staff from the public. However, further discussion would take place with staff/senior team.</p>
12.2	<p><u>Unacceptable Behaviours Policy</u></p> <p>The Board were advised that this policy had been implemented with a tenant recently. This would restrict the tenant's ability to communicate with the office; by letter format only.</p>
12.3	<p><u>Resignation of Monica Sheekey</u></p> <p>The Director advised that the Board knew Monica had resigned and thanked everyone who had contributed to a gift for her. The Director would be purchasing a gift and arrange to visit Monica in the near future.</p>
12.4	<p><u>Use of Seal Register</u></p> <p>The Director advised that our solicitors had intimated that the Secretary is not required to sign all documents where the seal needs to be used. It can be signed by the Director and 1 other witness; doesn't always have to be the Secretary.</p>
12.5	<p><u>Anti-Social Behaviour Policy</u></p> <p>The Housing Services Manager (HSM) discussed a case whereby he was requesting permission to deviate slightly from this policy in dealing with a potential eviction of a tenancy. The circumstances were discussed at length.</p> <p>If the Association decided to evict there could be a reasonable challenge to this decision from the Legal Services Agency (LSA) which would involve hefty legal costs. The HSM will advise the Housing & Property Services Sub-Committee of the outcome.</p> <p>Resolution</p> <p>The Board gave approval for the HSM to have delegated authority allowing him to proceed and liaise with the Association's solicitors in connection with future action, understanding that this may result in a possible deviation from the policy in this case.</p>
	<p>There being no other business the meeting closed at 8.15pm.</p>