

Cloch Housing Association

Board Meeting

held on Tuesday 10 March 2020 at 6.15 pm
at Cloch's Offices, 19 Bogle Street, Greenock

Present: Julianne Scarlett, Chair
Brian Corrigan, Vice Chair
Eleanor Robertson
Eileen Tamburrini
Kelly Ferns
Heather Thomson
Ronny Lee, OTHA Nominee

Attending: Paul McVey, Director
Kes Cameron, Finance Manager
Paul McColgan, Property Services Manager
Brian Praties, OTHA Development & Technical Services Manager
Shonaid Musgrove, Corporate Services Officer (Minute Taker)

Item	Description
1.	<p>Apologies & Declarations of Interest</p> <p>Apologies were received from Alison Greenhill and the Corporate Services Manager. The Director advised that OTHA Nominee, Jackie McKelvie has tendered her resignation with immediate effect.</p> <p>Eleanor Robertson declared an interest in item 5 as a family member received factoring services from Cloch. The Board decided that this wasn't a conflict of interest and Eleanor need not leave the meeting for this item.</p>
2.	<p>Minutes of Meetings</p>
2.1	<p><u>Meeting held on 21 January 2020</u></p> <p>The minutes were reviewed for accuracy and a few minor amendments were made.</p> <p>Resolution</p> <p>The Minutes were proposed, seconded and approved by the Board.</p>
2.2	<p><u>Meeting held on 18 February 2020</u></p> <p>The minutes were reviewed for accuracy and a few minor amendments were made.</p> <p>Resolution</p> <p>The Minutes were proposed, seconded and approved by the Board.</p>

<p>3.</p> <p>3.1</p> <p>3.2</p> <p>3.3</p>	<p>Matters Arising</p> <p><u>Board</u></p> <p>The Director advised that as well as receiving Jackie McKelvie’s resignation Karen Wilson had submitted her resignation also since the last meeting. The Board was advised that 3 months leave of absence was being requested by Kelly Ferns. Kelly will still keep in touch and involved as much as possible during this time. The Board agreed to this. The Director stated that the Board recruitment drive had already commenced and the Board would be kept informed of progress. The Director advised that if Board membership reaches 7 then this is a Notifiable Event.</p> <p>The Board wished it noted of their gratitude to the 2 Board members for their contributions over the years. It was agreed that leaving gifts would be arranged.</p> <p><u>OTHA/Cloch Separation</u></p> <p>The Director advised that the first meeting of the Special Working Group will take place on 17 March 2020.</p> <p><u>Kings Glen</u></p> <p>The date for a small ceremony has been set for 31 March 2020.</p> <p>ACTION</p> <ul style="list-style-type: none"> • 3-month leave of absence agreed. • Leaving gifts for resigned Board members to be arranged. <p>RESOLUTION</p> <p>The report was noted.</p>
<p>4.</p> <p>4.1</p> <p>4.2</p>	<p>Draft Minutes of Sub-Committees</p> <p><u>Housing & Property Services Sub-Committee</u></p> <p>A verbal update was given that advised of the following:-</p> <ul style="list-style-type: none"> • Domestic Abuse policy approved • Alterations policy approved • Bad debt write off • Tenant Satisfaction Survey <p>There was no report for the Finance & Corporate Services Sub-Committee as it had not been quorate.</p> <p>RESOLUTION</p> <p>The verbal updates were noted.</p>

<p>5.</p> <p>5.1</p> <p>5.2</p> <p>5.3</p> <p>5.4</p>	<p>FINANCE</p> <p><u>Factoring Fee for 2020/21</u></p> <p>The Finance Manager advised that the fee being proposed is 2.8%; which is the projected average annual inflationary rate for 2020/21. This increase is the same as our rental increase for the year. The Finance Manager stated that with this increase the factoring service would result in a break-even situation.</p> <p>The Board approved the factoring fee of 2.8%.</p> <p><u>Factoring Write-Offs</u></p> <p>The report detailing the factoring debt write-offs was approved.</p> <p><u>Closure of Companies</u></p> <p>The Board had been circulated with a report that advised of 2 now dormant companies:-</p> <ul style="list-style-type: none"> • Care & Repair Service • Cloch Property Services <p>The Board was advised that in both instances bank accounts shall be closed and the relevant submissions made to Companies House.</p> <p>The Board approved the exercise to close both companies.</p> <p><u>Disposal of Assets Report</u></p> <p>The Board had been issued with this paper yesterday and the Finance Manager apologised for the lateness of it. The paper detailed the disposal of assets relating to computer equipment and some furniture. The Finance Manager stated that these items shall be removed from the Assets Register as they no longer have any value having been depreciated over time.</p> <p>A discussion took place about the approval limits and the Board thought these could be increased. This would be discussed as part of the Business Planning meetings.</p> <p>The Board noted the report.</p> <p>ACTION</p> <p>The Board to discuss approval limits as part of their Strategy/Business Planning meetings.</p> <p>RESOLUTION</p> <p>Having been proposed and seconded, approval was given for the Factoring Fee increase of 2.8%, the Factoring Write-Offs and the Closure of Companies.</p>
	<p>The Finance Manager left the meeting at 6.45pm.</p>

<p>6.</p>	<p>Kings Glen Update</p> <p>The Development and Technical Services Manager advised that Inverclyde Council has released £420k of the £430k due to be recovered from the acquisition. There was still an outstanding sum of £10k due from the Council before Cloch can pay the £430k back to the Scottish Government.</p> <p>A meeting is due with the contractor to discuss some variations on the specification. Any cost implications will be brought back to a future meeting.</p> <p>The Board was advised that the site is progressing well.</p> <p>RESOLUTION</p> <p>The Board noted the report.</p>
<p>The Development and Technical Services Manager left the meeting at 6.50pm.</p>	
<p>7.</p> <p>7.1</p>	<p>Director's report</p> <p><u>Options Appraisal Outcome - Separation</u></p> <p>The Director advised that all staff have been made aware of the Board's decision to separate from the parent organisation (Oak Tree HA).</p> <p>The Board was advised that OTHA has informed the Scottish Housing Regulator (SHR) of the decision to separate and further documentation was requested by them. This has been provided and we await their comments. The SHR have initially been looking for Cloch to carry out a tenant ballot of the separation but the Director has sought independent advice from lawyers who are advising that there is no legal requirement to have a tenant ballot. Any ballot will be an additional cost to the Association of around £10k-£20k.</p> <p>The Board enquired as to the feeling of staff regarding the decision to separate. The Director replied that the sentiment from both organisations is that staff are, on the whole, happy with the decision. He added that there had been more concern around the uncertainty before the decision.</p> <p>The Director advised that other areas for consideration will be:-</p> <ul style="list-style-type: none"> • Looking at the VAT implications for Cloch (will we need to register/de-register for VAT); • Do our current lending arrangements need to change?; • Will it affect or factored owners?; • Continuation of our shared services (how will this work)?
<p>7.2</p>	<p><u>Business Strategy</u></p> <p>This is being held in the Tontine Hotel on Saturday 14 March 2020. The Director has been in touch with the consultant who is hosting the event to ensure that they can make it enjoyable as well as productive. The key aims will address the separation, governance and brand identity.</p>

	<p>The Director advised that the Leadership Team had a refresher away day today as part of their ILM Level 9 training. A good discussion had taken place around values and change management.</p>
7.3	<p><u>Internal Audit – Allocations</u></p> <p>The Director advised that the audit had highlighted a failure to follow up with visits to new tenants. This had been rectified. A Board member commented on how detailed the report was. The Director would pass this acknowledgment to the Auditor.</p>
7.3.1	<p><u>Employee Issues</u></p> <p>The Director informed the Board that absence levels had improved greatly. However, with the real threat of Covid-19 on the horizon, this could change. He stated that a lot of work has been done reviewing the Business Continuity Management Plan before the outbreak happened and a test of the plan would take place in March. The Leadership Team will take advice from the government about staff who need to self-isolate and how to manage the service if staff reduced.</p>
7.3.2	<p><u>Succession Planning</u></p> <p>The Board was advised that the SFHA guidance “Senior Staff Succession Planning”, which had been an appendix, was an excellent plan on how to prepare if a senior member of staff left the business. This will be addressed at a later date once the separation from OTHA had been finalised. An EVH policy on settlement agreements had also been issued. The Director stated that a detailed policy will be prepared for a future Finance & Corporate Services Sub-Committee.</p>
7.4	<p><u>Wider Action</u></p> <p>The Board was disappointed to note the ending of the Energy Activators project but understood that the funding would not be continued.</p>
7.5	<p><u>Statutory Notice</u></p> <p>The Director informed the Board that the Association had received a statutory notice for a tenement block that is factored by us. The Board noted that works to remedy this were underway.</p>
	<p>RESOLUTION</p> <p>The Board noted the Director’s report.</p>
8.	<p>Business Planning Update</p> <p>The Director took the meeting through the KPI summary and the risk map highlighting the following areas:-</p> <ul style="list-style-type: none"> • Improvement in our lettings; • Arrears slightly higher but still good; • Improvement in emergency repairs; • Gas servicing still 100%; • Finance all good and on-track

	<p>The Director advised that a couple of new risks had been identified and these were:-</p> <ul style="list-style-type: none"> • New risks relating to separation – get support for this; • Kings Glen now on-site; • Governance – retain numbers of an experienced and knowledgeable Board; • Covid-19 (or any other similar virus/disease) <p>RESOLUTION</p> <p>The Board approved the Quarter 3 update.</p>
<p>9.</p>	<p>Procurement Policy</p> <p>The Property Services Manager advised that the changes to the policy had been detailed in the executive summary and these were:-</p> <ul style="list-style-type: none"> • Amendment to explain the use of the quality/cost ratio to identify the preferred bidder; • Amendment to identify the reasons for the quality/cost ratio change; • New threshold values on 1 January 2020. <p>A discussion took place about a Procurement training session that a Board member had attended. The ethos of this was about being more flexible to encourage smaller businesses to tender.</p> <p>RESOLUTION</p> <p>The Board approved the policy.</p>
<p>10.</p>	<p>Customer Services Standards Policy</p> <p>The Board was advised that this policy was up for renewal. Only a few minor changes were being proposed and these had been highlighted in red font. The main change was the switch to digital newsletters which was making savings in the region of £3k per issue. Only a few customers had requested to still receive a paper version.</p> <p>A discussion took place about the wording of a couple of areas whereby the Association may not be able to provide the solution that a customer is wanting. The sentences were to be reworded.</p> <p>RESOLUTION</p> <p>The Board approved the policy with the wording changes being made.</p>
<p>11</p>	<p>Affiliations</p> <p>The Board was advised that this report was produced annually to monitor which organisations the Association is affiliated to and whether or not we received value for money from them.</p> <p>The Board noted the contents.</p>

12	Health & Safety <u>Board responsibilities</u> The Director stated that the Board had previously agreed to have H&S on as a standard agenda item. The appendix laid out the responsibilities of the Board concerning the Landlord's Safety Manual. The Property Services Manager advised that the Association had put in a small narrative with the date that it had adopted the plan. This differed from the date that EVH had created the plan. All Board members will be required to sign up to the manual's responsibilities. RESOLUTION The Board approved the plan.
13	AOCB <u>Gifts, Hospitality & Donations Report</u> The Board was advised that this report is presented twice a year and details all the gifts/hospitality that the Association has received as well as donations made. A discussion took place whether this register is a public register and therefore, following GDPR guidance, all personal details should be removed. The Corporate Services section will investigate this. The Board noted the report.
14	Date of Next Meeting The next meeting is scheduled for 28th April 2020. There being no other business the meeting closed at 8pm.