

Finance & Corporate Services Sub-Committee Meeting

Thu 25 February 2021, 17:45 - Thu 25 February 2021, 19:45

Virtual

Attendees

Board members

Julianne Scarlett, Heather Thomson, Ken Robertson, Susan Skelton (Observer)

In Attendance

Kes Cameron (Senior Finance Officer), Ewan Barr (ICT Manager), Shonaid Musgrove (Corporate Services Officer), Liz Bowden (Corporate Services Manager), Paul McVey (Director)

Meeting minutes

1. Apologies & Declarations of Interest

Apologies had been received from Alan Hutchison, Brian Corrigan and Jackie Smith. There were no declarations of interest.

Information

Chair

2. Minutes of 26 November 2020

The meeting was taken through the draft Minutes and no amendments were made.

Resolution:

The Minutes were proposed, seconded and approved.

 02 - Minutes_Finance & Corporate Services Sub-Committee_261120.pdf

Decision

Chair

3. Matters Arising

The Chair of the meeting noted that the 2 items raised at the previous meeting were being presented at tonight's meeting (1) factoring and (2) debt reports.

A Board member enquired if it would be possible to have an outstanding actions plan similar to that presented to the Board. This was agreed. The Corporate Services Manager (CSM) will advise the relevant managers accordingly.

Action:

An outstanding actions table is to be created for the F&CS Sub-Committee and the Housing & Property Services Sub-Committee going forward.

Resolution:

The item was noted.

Discussion

Chair

Musgrove, Shonaid
05/20/2021 14:23:36

4. Corporate Services Manager's Report

Information
Corporate Services Manager

The CSM advised on the following points:-

- Cloch's long-standing housekeeper has now retired and a company has now been engaged to carry out these duties for the office and Elliott Court.
- Lockdown management and working from home continues and there are no changes to what was presented in the report.
- Link to the Young Clochie Club is contained within the report for Board to see.
- All Under 5's whose parent(s)/carer(s) become new Cloch tenants are automatically enrolled into the Dolly Parton Imagination Library.
- Cloch working with local college to see how we can help young people - for example, those with additional support needs. Looking to see if we can assist with living independently. Date for first online meeting is 11 March 2021.
- Both of the new Energy Activators are now in place; both very customer focussed. So far a list of 99 vulnerable tenants have been identified for support. A discussion took place about gas meters being capped during annual servicing when tenant has no money for the meter and testing cannot be done. The Director advised that when this happens the tenant is offered alternative temporary heating. However, he advised that most meters being capped are mainly due to "no access".
- White Goods Hardship Fund. This had been a really worthwhile exercise and was open to all residents within Inverclyde. The funding was on a "first come/first served" basis. The scheme is now closed.

Resolution:

The report was noted.

 04 - Corporate Services Manager Report.pdf

5. KPI Report, Qtr 3 - Absentee Report

Corporate Services Manager

The CSM took the meeting through the report and advised that the target has been missed due to 2 long term absences. One of those came back after Christmas but another staff member is now off on long-term sick leave. The statistics for short term absence is low.

The full time equivalents (FTE) has reduced as 2 Modern Apprentices left but this will rise again when 3 Oak Tree staff members TUPE over in April and become Cloch employees.

Resolution:

The report was noted.

 05 - Staff Absence KPI s Quarter 3.pdf

6. Health & Safety Update - verbal

Corporate Services Officer

The CSM advised that updates are produced twice a year (in January and July) but no January updates have been received to-date.

Resolution:

The meeting noted this update.

The Corporate Services Officer left the meeting at this point - 6.10pm.

7. Rechargeable Repairs Report

Information
Finance Manager

The Finance Manager took the meeting through the report and asked if there were any questions. There were none.

Resolution:

The report was noted.

 07 - Rechargeable Repair Debt Analysis January 2021.pdf

8. Factoring Debt Report

Information
Finance Manager

The Finance Manager (FM) spoke to the report and advised that the additional information requested previously was now included. The FM stated that the cases with decree were due to come to this meeting, however, there is further work to be done and the organisation is in discussions with the Sheriff Officer at the moment. The case studies will come to the sub-committee in due course.

A Board member queried if Cloch has benchmarked its performance to other housing associations as we have consistently good performance and recovery rates (for recharges and factoring). The FM advised that we have looked generally in comparison to Oak Tree and outsourcing is an option (currently being piloted at Oak Tree). However, it's likely not to get as good a result as you could lose the relationship with the owners. The Director noted that benchmarking has been done around the management fee charged and Cloch's is lower than some (including Oak Tree), but it depends on the level of service you offer.

The FM advised that the internal audit for factoring took place last week and it was a good audit for Cloch. A report on this will come to the sub-committee separately. However, the FM informed the meeting that during the audit it was discovered an inflationary increase on close cleaning for 2019/20 was not applied. This amounted to around £800. After discussion with the relevant Leadership Team members it was agreed not to now charge the increase due to it relating to a closed financial year and it being our error. The sub-committee noted this and were happy to accept this reasoning.

Resolution:

The report was noted.


 08 - Factoring report at 31.01.2021.pdf

8.1. Factoring Write-Off Report

The FM advised that all write offs were under £50 and the report was for information only.

Resolution:

The report was noted.

 08.1 - Write Off Former Factoring & Landscaping Debt Feb 2021.pdf

Information
Finance Manager

9. IT Reports

9.1. IT Update

The ICT Manager took the meeting through the report highlighting the following items:-

Information
ICT Manager

- User Profile migration completed for all staff. Minimal disruption and visible benefits such as faster login and faster applications.
- Two-Factor Authentication around 30-40% complete. Should be completed within the next 2 weeks which will significantly improve security when access network remotely.
- DR Testing postponed in November due to Covid Restrictions, still unable to get this work done. Likely cancelled for this year due to Covid restrictions with IT manager confident of DR capabilities having completed tests over last 3 years. As we have already paid for this year's DR test we are looking at running a separate mini project alongside Tecnica instead.

Resolution:

The report was noted.

 09.1 ICT Update Report - CHA - February 2021.pdf

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05/20/2021 14:23:36

9.2. IT Strategy 2021/22

Decision
ICT Manager

The ICT Manager took the meeting through the report as follows:

- Highlighted the key areas of the IT Strategy for 2020/2021 (Cyber Essentials Plus investigation, O365 development). The ICT Manager was asked if the Cyber Essentials Plus was a regulatory requirement. He replied that is not at present. The FM advised that we have asked the insurance broker if getting this accreditation would reduce the insurance premiums. We are still awaiting a response on this. The Director explained to the meeting that the O365 development is a major shift in strategy and will take time to plan and develop. A project plan will be developed for this which will include major milestones. The Board will be kept up to date with this as the project develops. This also forms part of the new Business Plan.
- Explained the IT Security Strategy (Appendix 3) and advised this is a new item to the IT Strategy overall as recommended in the IT Security Audit a few years ago. This shows all the elements of CHA's IT Security and will be updated yearly as part of the IT Strategy. The FM asked if the Association is at risk referring to the recent cyber-attack on SEPA (Scottish Environment Protection Agency). The ICT Manager confirmed that our firewalls are secure and managed by IT Support Provider.

Some members enquired about the Association's IT backup processes. The ICT Manager advised the meeting of the current backup and replication strategy for CHA's IT systems and stated this was originally an appendix in the IT Strategy but was removed due to size of the document. He informed the meeting that this document could be circulated if required.

A Board member asked if the Business Continuity / Disaster Recovery agreement with Oak Tree will continue once the separation takes place. The ICT Manager and Director confirmed it will. The meeting was given further assurances and advised that our external Data Protection Officer (RGDP) has advised that no risk to either association will occur as a result of this.

Resolution:

The IT Strategy for 2021/22 was proposed, seconded and approved.

 09.2 - CHA ICT Strategy 2021-2022.pdf

9.3. Social Media Policy Review

Decision
ICT Manager

The ICT Manager took the meeting through the policy review.

The meeting was advised that there were only a few changes to be made as mentioned in the executive summary of the report.


The ICT Manager advised that the policy covers the importance of Social media as a communication tool for the Association and also covers the guidelines and standards expected of Cloch HA staff and Board members when using Cloch HA social media or referencing Cloch HA on other social media accounts or platforms.

The ICT Manager noted a mistake in the policy with the wrong sub-committee name being used and advised this will be amended before the policy is published.

The Director stated that a communications policy is being worked on and this will include aspects of social media also.

The Social Media policy review was proposed, seconded and approved.

 09.3 - ExecSum, SMP - CHA.pdf

 09.3.1 - SMP - CHA.pdf

9.4. Extension to Defer IT Support Consultation

Decision
ICT Manager

The ICT Manager took the meeting through the report and drew their attention to the following points:-

- The reason for the request to defer the tender process for 12 months is due to the increased risk caused by Covid-19. IT systems are fundamental to allow the Association to continue to work during the Covid-19 pandemic and travel restrictions. The risk of running a tender process for Managed IT Support presents the risk of the incumbent losing the contract and a new provider having no historical knowledge of IT systems and the remote access environment currently in use. Business Continuity and Disaster Recovery would also be disrupted should a new provider win any tender process. Travel restrictions also make any tender process difficult as any providers who get to the preferred bidder status would need to visit site to review current IT infrastructure.
- The current provider has already indicated they are happy to extend the contract for 12 months with standard inflation uplift.
- Also being proposed is to defer the communications line procurement for 12 months for similar reasons.
- Request to extend Managed IT Support contract for 12 months which should get the Association past the current pandemic and restrictions and therefore tender process will involve less risk at that time.

Resolution:

The meeting proposed, seconded and approved the motion.

The ICT Manager left the meeting at this point.

[09.4 - Exceptions Report - Defer IT Support Contract Procurement - CHA.pdf](#)

10. Management Accounts 2020/21- Qtr 3

Decision
Finance Manager

The FM took the meeting through the Quarter 3 Accounts.

The Director advised that the stage 3 adaptations are being discussed with the Scottish Government about the plans for the underspend.

A Board member enquired if the majority of the movements are simply timing variances due to covid-19 and if the Association does intend to spend the money in future years. The FM confirmed anything unspent will be carried into 2021/22 to complete the work. A Board member asked if the Association would require additional resources to complete the work. The Director stated that this was unlikely. The manpower is there and ready - it is Covid-19 restrictions holding up the work. The meeting was advised that here is no plan at the moment to push work into 2022/23 as a result.

The FM advised the meeting that due to work not being done the cash balance was higher. This had resulted in our interest received being higher than what had been budgeted. It also meant that we are paying higher non-utilisation fees. However, we have lower interest costs as a result of not having to draw the loan down as early as planned.

Resolution:

The Quarter 3 Management Accounts for 2020/21 were proposed, seconded and approved.

[10 - Q3\) 20-21 Management Accounts Cover Paper.pdf](#)

[10.1 - CHA Management Accounts to 31.12.2020 Lenders Booklet 12.02.21.pdf](#)

11. Treasury Management Report

Information
Finance Manager

The FM took the meeting through the report.

Resolution:

As there were no questions on this the Treasury Management report was noted.

[11 - CHA Treasury Report Q3 2020-21.pdf](#)

12. Audit Planning Letter

Information
Finance Manager

The meeting had previously been circulated with the audit planning letter and accompanying report. The FM took the meeting through both items.

Resolution:

The report was noted.

[12 - Audit Planning Letter - Cover Paper.pdf](#)

[12.1 - Appendix 1 - CHA Audit Planning Letter 20-21.pdf](#)

13. Business Continuity Report

Information
Finance Manager

The FM took the meeting through the annual Business Continuity report.

Resolution:

There were no questions and the report was noted.

[13 - Annual Business Continuity Report.pdf](#)

14. Policy Review

14.1. Financial Regulations

Decision
Finance Manager

The FM took the meeting through the report.

The Director advised that these will likely be reviewed again as part of the overall governance review.

Resolution:

The Financial Regulations were proposed, seconded and approved.

[14 - CHA Financial Regulations Cover Paper.pdf](#)

[14.1 - Financial Regs - Appendix 1 - Updated Copy.pdf](#)

[14.1.1 - Financial Regs - Appendix 2 - Tracked Changes.pdf](#)

15. AOCB

Chair

No items to report.

16. Private & Confidential - Staffing Report

Corporate Services Manager

A confidential staffing report had been sent under separate cover and as such a separate note would be created.

17. Date of Next Meeting - 27 May 2021

Chair

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Musgrove, Shonaid
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