

## CLOCH HOUSING ASSOCIATION LIMITED

**Minutes of the Finance & Corporate Services Sub-Committee held on Tuesday 20 August 2019 at 6.15pm in the Association's offices at 19 Bogle Street, Greenock.**

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Present: Ronny Lee (Chair)  
 Julianne Scarlett  
 Alison Greenhill

Attending: Paul McVey (Director)  
 Alana Durnin (Finance Director)  
 Liz Bowden (Corporate Services Director)  
 Ewan Barr (ICT Manager)  
 Kes Cameron (Finance Manager)  
 Shonaid Musgrove (Corporate Services Officer)

Item	Detail
1.	<p><b>Apologies &amp; Declarations of Interest</b></p> <p>Apologies were received from Kelly Ferns and Monica Sheekey. There were no declarations of interest.</p>
2.	<p><b>Minute of Meeting held on 21 May 2019</b></p> <p>The Chair pointed out an error in the Agenda. It stated the date of the meeting was 27 May 2019 where in fact it was 21 May 2019.</p> <p><b>Resolution</b></p> <p>The Minutes were approved.</p>
3.	<p><b>Matters Arising</b></p> <p>There were no matters arising</p>
4. 4.1	<p><b>Factoring</b></p> <p><u>Factoring Report</u></p> <p>The Finance Director took the Committee through the report highlighting the following main points.</p> <ul style="list-style-type: none"> <li>• Lowest historical July debt - £53.2k (but a £4k increase from April; mainly due to invoices being raised in June). A 23% reduction in debt compared to same period last year.</li> </ul>

	<ul style="list-style-type: none"> <li>• Debt relates 109 owners (out of a total of 322).</li> <li>• Debts under £50 will still be contacted (via letter) but no pursued throughout the three stage the debt recovery processes, e.g. Sheriff Officer Letters / Legal Action.</li> <li>• Over half of our debtors are on direct debit payment plans.</li> <li>• There are 9 cases where decrees have been granted.</li> <li>• Case discussed of £1.6k debt with 1 owner. Recorded pre-exceptional attachment order letter sent to owner signed by Director. Still no response. Owner does not appear to answer the door to the Sheriff Officer. Further legal advice would be sought to see if security could be applied against a mortgage/re-mortgage. It was also noted that the owner could be in financial difficulties already and a softer approach was recommended. The Director advised that he had spoken to the Housing Services Manager to see if Housing staff would be able to engage with the owner. Discussion also raised a procedure whereby the owner is “set aside”.</li> </ul> <p><b>Resolution</b></p> <p>The Committee was satisfied that the Finance Director seeks further actions available from the solicitors and an approach from Housing Staff be attempted.</p>
<p>4.2</p>	<p><u>Rechargeable Repairs</u></p> <ul style="list-style-type: none"> <li>• £45.7k debt split between current and former tenants.</li> <li>• Debt of £14.3k relates to 58 former tenants; £34.5k to 198 current tenants. Of the 198 there are 156 tenants who also have rent arrears and collection of this takes priority over rechargeable repairs.</li> <li>• Customer Connectors are trying to get upfront payments.</li> <li>• Rent arrears should reduce with the 13<sup>th</sup> Housing Benefit payment and at this point any credit value over a month rent could be transferred to the recharge repair debt.</li> <li>• Finance and Property services are working closely to see what rechargeable repairs are actually for prior to pursuing old, historical debt, (e.g. Property Services are checking and verifying the historical debt is due).</li> </ul> <p><b>Resolution</b></p> <p>The Committee noted the report.</p>
<p>5.</p>	<p><b>ICT Report</b></p> <p>The ICT Manager took the meeting through his report highlighting the main areas.</p> <ul style="list-style-type: none"> <li>• Multifunctional devices (copiers) about to be replaced. The Canon contract and machines will be replaced by Annodata’s contract, which utilises Kyocera software. Savings estimated of £4k per year for each Association, (<i>this was a joint tender with OTHA</i>). Installation taking place in Cloch on 27<sup>th</sup> August with removal of Canon machines on 3<sup>rd</sup> September. It was noted that there was plenty of space to house the old ones until they are removed.</li> <li>• Thin clients have now been delivered and will be issued in due course.</li> <li>• Windows 7 removal will be completed by target date of January 2020.</li> </ul>

	<ul style="list-style-type: none"> <li>• Mobile App has now been launched. This provides a portal into Cloch’s website so customers can log into their own account. ICHR (Inverclyde Common Housing Register) is also accessible. A campaign will be launched to promote social media, e.g., the Mobile App. Costs are free for the first 3 months then £600/year. It is likely we will keep the App.</li> <li>• Development of new start/leaver form came about following the audit process. The IT Assistant has worked on this. Once an employee leaves the IT department closes down the email address but gives the manager access to this for 8 weeks.</li> <li>• Breakdown of helpdesk statistics now in place. This can be further broken down to show calls logged/closed by Tecnica and Cloch’s IT staff.</li> </ul> <p><b>Resolution</b></p> <p>The Committee noted the report.</p> <p>The ICT Manager left the meeting - 7.00pm.</p>
<p><b>6.</b></p> <p>6.1</p>	<p><b>Finance</b></p> <p><u>Management Accounts to Quarter 1 (Apr-Jun 2019)</u></p> <p>The Finance Director took the meeting through her presentation highlighting the following points.</p> <ul style="list-style-type: none"> <li>• Surplus higher by £94.5k than anticipated.</li> <li>• £2.4k less rent due to 26 Auchendarroch Street (error in report states 26 Aberfoyle Road) loss of rental income and sale of 11J Killearn Road.</li> <li>• Tender process for close cleaning resulted in slightly higher service charge costs; increase service charge income by £3k.</li> <li>• Planned maintenance was in line with budget.</li> <li>• Staff costs on track with budget (some of the contingency budget used to cover absence from sickness).</li> <li>• Increase in interest received due to higher rates, (Finance Staff shopping around for the best rates). Interest payable reduced as LIBOR rates did not increase to the level projected within the budget, e.g. 1.5%.</li> <li>• The Pension deficit was in line with budget.</li> <li>• Breakdown of expenditure per £1 of income shown via a graph.</li> <li>• The value of the Association’s properties stands at £71m.</li> <li>• Net current assets were £2.4m; very strong position for the Association. It was noted this value has increased year on year over the past years, in the main due to re-negotiating loan repayment periods and building up surplus reserves from annual operating performance.</li> <li>• Covenants were all met and the headroom, (buffer above the minimum Covenant), was confirmed.</li> </ul> <p><b>Resolution</b></p> <p>The meeting approved the Q1 2019/20 Management Accounts.</p>
	

<p>6.2</p>	<p><u>Treasury Report</u></p> <p>The Finance Director then took the meeting through the Treasury Report.</p> <ul style="list-style-type: none"> <li>• £4.35m cash in the bank which is a great position to be in.</li> <li>• Accounts held with reputable banks so investment risk is low; ratings on them are checked quarterly.</li> <li>• The non-utilisation fees have been incurred for Kings Glen – loan facility has been in place since March 2018. Completion date for Kings Glen now forecast as April 2021.</li> </ul> <p><b>Resolution</b></p> <p>The Committee noted the contents of the Treasury Report and the strong, financial position that the Association was in.</p> <p>The Finance Director and Finance Manager left the meeting – 7.25pm.</p>
<p>7.</p>	<p><b>Corporate Services Manager Report</b></p> <p>The CSM took the meeting through the report.</p> <ul style="list-style-type: none"> <li>• The Recruit Gala Evening. The publicity for this would be out soon. Cloch’s Modern Apprentice is due to start around 18 September 2019. The evening was well attended by the young people/their parents/employers. Not all the candidates got apprenticeships/posts. However, some of the young people would be going to university/further education. It was a very inspiring event and Cloch was glad to have participated. Our main contractor, MPS, also agreed to take part and offered a 4-year electrician’s apprenticeship. Monies from auctions/raffles had raised £7k for Ardgowan Hospice. The Association intends to participate again next year.</li> <li>• The Association has just finished its latest recruitment exercise, which was for the post of Housing Assistant. A candidate has been offered the post and will start in post in mid-September.</li> <li>• Cloch’s newsletters are no longer being sent to the printers and are online now. However, a few customers have indicated they would still prefer a copy to be posted out and this is being done.</li> <li>• Freedom of Information. This is a big challenge for the Association but work has started on this in preparation for the launch in November. Cloch will endeavour to get as much information up onto its website by 11 November.</li> <li>• Customer Excellence. Review of our status is taking place on 21 August and involves input from staff and customers. Reviewer is meeting with some tenants over lunch to discuss service.</li> </ul> <p>The CSM was asked if staff have been trained in FOI. She replied that draft policies should be in place by mid-September and staff training given at the end of September.</p>

	<p>The Board would also need trained up but this maybe in the form of video training. Some Board indicated a preference for training after Board meetings which would be considered.</p> <p><b>Resolution</b></p> <p>The Committee noted the report.</p>
<p><b>8.</b></p> <p>8.1</p>	<p><b>Policy Review</b></p> <p><u>Lone Working</u></p> <p>Discussion took place about whether the onus was on the employee or the employer. The CSM advised that the employer was putting procedures in place to protect employees but that employees needed to ensure they follow the procedures. The Director stated that the Association provides PPE (personal protective equipment) for the relevant staff and it is their responsibility to wear it.</p> <p><b>Resolution</b></p> <p>The Committee approved the review of the Lone Working Policy and risk assessment.</p>
8.2	<p><u>Personal Relationships at Work</u></p> <p>The CSM stated that this was not a new policy but Cloch has not adopted it until now so was therefore new in this respect.</p> <p><b>Resolution</b></p> <p>The Committee approved the adoption of the policy.</p>
8.3	<p><u>Reservist Policy</u></p> <p>This policy was being reviewed as EVH had updated their model. The Committee noted that there were no costs associated with this as the Association was not liable for salaries if a reservist was called up.</p> <p><b>Resolution</b></p> <p>The Committee approved the review of the policy.</p>
<b>9.</b>	<b>Sickness Absence – KPI Quarter 1</b>

	<p>The Committee noted that the sickness figures had been affected by long-term absence. One of these was a planned operation that resulted in a longer absence for recovery. One of the employees with long-term absence had since left.</p> <p><b>Resolution</b></p> <p>The Committee noted the report.</p>
<p><b>10.</b></p>	<p><b>Westfield Health Report</b></p> <p>The Committee had been circulated with a report giving a breakdown of the usage of the Westfield Benefit. A comparison with the previous year was also presented. Refresher training on the scheme and its updates will be taking place next week.</p> <p><b>Resolution</b></p> <p>The Committee noted the uptake of the Westfield scheme.</p>
<p><b>11.</b> 11.1</p>	<p><b>AOCB</b></p> <p><u>Confidential Staffing Report</u></p> <p>The Director would report on this item separately</p>
	<p>The Corporate Services Manager and Corporate Services Officer left the meeting – 8pm.</p>