

**Cloch Housing Association**  
**Minutes of Board Meeting**  
**held on Tuesday 21 February 2023 at 6pm**  
**via MS Teams and in the office**

**Present - online:** Kelly Ferns (Chair), Heather Thomson (Vice Chair), Ken Robertson, David Brown, Hristina Tarpanova, Victoria Weir

**Present – office:** Eleanor Robertson, Eileen Tamburrini (Secretary)

**Attending (online):** Alana Durnin (CEO)  
(in office) Louise Carlin (Head of Housing Services)  
Valerie Wilson (Finance Director)  
Paul McColgan (Head of Property Services)  
Shonaid Musgrove (Corporate Services Officer, Minute Taker)  
Carolyne Swinney (Corporate Services Assistant – Training)  
Angela Spence (Consultant)

**Apologies:** Jackie Smith, David McIndoe (Observer)

<b>1.</b>	<b>Apologies, Declarations of Interest</b>  Apologies had been received from J Smith and D McIndoe (Observer). The CEO advised that joining the meeting was our Housing Consultant, A Spence. E Robertson declared interest regarding Financial Fitness (on the Board).
<b>2.</b>	<b>Minutes of Board Meetings</b>
2.1	<u>6 December 2022</u>  There were no amendments noted.  <b>RESOLUTIONS</b>  The Minutes were proposed, seconded and approved.
2.2	<u>31 January 2023</u>  There were no amendments noted.  <b>RESOLUTIONS</b>  The Minutes were proposed, seconded and approved.
2.3	<u>31 January 2023 – Private &amp; Confidential</u>

	<p>The Minute had no amendments</p> <p>RESOLUTION</p> <p>The Minute was proposed, seconded and approved.</p>
<p><b>3.</b></p>	<p><b>Matters Arising &amp; Outstanding Actions</b></p> <p>The Board approved of the colour-coding for the items and noted that all had (1) been completed or (2) were on-track.</p> <p><b>RESOLUTION</b></p> <p>The Board noted the contents of the report.</p>
<p><b>4.</b></p>	<p><b>CEO Report</b></p> <p>The CEO advised that discussions with the Chair on the content of the report had taken place prior to the meeting and it had been agreed to add in a section that provided an update on actions agreed at previous meetings, however with the action tracker now in place, this may be duplication and feedback from the Board will be sought during reflections of the meeting.</p> <p>The CEO made a presentation based on the report and took the Board through this. Within the report were a couple of matters that required approval by the Board.</p> <ol style="list-style-type: none"> <li>1. GWSF Affiliation Fee 2023-24</li> <li>2. Internal Audit Extension – 1 year</li> </ol> <p>The Board was advised that the GWSF fees had increased quite substantially to align with 50% of the Glasgow based Associations and the H&amp;PS Sub-Committee had asked the GWSF if the fee increase could be phased over a 2-year period in response to their consultation. The GWSF had reflected this in the new fee structure. The fees for 2023/24 would be £2,011 and for 2024/25 would be £2,704.</p> <p>The CEO advised the Board that the internal audit contract is due to go out to tender in 2023/24 but permission is being sought to extend the contract of our existing internal auditor by 1-year based on a review of works for 2023/24, linking to the risk register. The auditor has agreed to extend the contract at a daily rate cost of £440 + VAT, which was an uplift slightly below inflation. It was also confirmed, the contract would no longer be joint with OTHA and would be a Cloch-only service.</p> <p>Discussions took place on the above approvals. A Board member agreed that the stepped increase for GWSF was the right way to go and noted that the appointment of Cloch’s FD to the Board could only be advantageous for the Forum, Cloch and the FD. The CEO advised that the Association gains a lot of good advice from the membership.</p>

	<p>The Board felt it was prudent to extend the existing internal auditor’s contract by 1-year in order to help with current workloads.</p> <p>The appointment of a Graduate Apprentice was discussed. The main aim of this appointment would be to help the Property Services section and would be based on upgrading the Modern Apprentice role, currently approved within the staffing structure. This would have the benefit of employing someone who has work experience, receives a salary but also gains a formal qualification at the end of the course. It also means that the Association gets an additional temporary resource without having to make a permanent change to our staffing structure, e.g., if this were a 2-3 year post. The CEO confirmed a proposal would be brought back to the Board for decision.</p> <p><b>RESOLUTION</b></p> <p>The motion to approve the phased GWSF Affiliation Fee for 2023/24 and the extension to the internal audit contract were proposed, seconded and approved.</p> <p>The Board noted the contents of the report and the presentation.</p>
<p><b>5.</b></p>	<p><b>Rent Increase 2023/24</b></p> <p>The HofHS had prepared a report that had previously been circulated to the Board. A presentation was made based on the key points.</p> <p>The Board was asked to approve the following:-</p> <ol style="list-style-type: none"> <li>1. Rent increase of 6% to be applied.</li> <li>2. Postpone the rent rationalisation by 1 year for 122 identified properties with the 6% rental increase still applying.</li> <li>3. Reduce the rent for 5 identified properties (above the rent rationalisation target rent).</li> </ol> <p>The Board acknowledged that some of Cloch’s rents are slightly higher than peer groups, but this included service charges. The HofHS was asked to prepare costs for next year separating out the service charges being applied and undertake a benchmarking review to assess our product offering versus others to put our rent and service charge structure into context in terms of value for money.</p> <p>The HofHS advised that the Customer Involvement Team had met with tenants to discuss and consult on the rental increase and those attending had been put into a prize draw. The tenant that won the iPad was delighted.</p> <p>The Board asked if those tenants whose rent was being reduced or those with the rationalisation process being postponed had been informed of the possibility of this happening. The HofHS advised that this would be communicated if the Board approve the motion.</p>

	<p><b>ACTION</b></p> <p>Rent figures to be prepared minus the service charges and a benchmarking exercise to review Cloch’s product offering versus others to put the rent and service charges into context.</p> <p><b>RESOLUTION</b></p> <p>The Board proposed, seconded and approved the 3 motions put to them as stated above.</p>
<p><b>6.</b></p>	<p><b>Policy Review – Joint Allocations Policy</b></p> <p>This item was removed from the agenda as it had been dealt with at the joint Sub-Committee meetings held on 16 February 2023 and there was no additional update.</p>
<p><b>7.</b></p>	<p><b>Budget 2023/24 and Financial Plan</b></p> <p>The FD made a presentation to the Board that was based on the report previously issued which demonstrated the highly volatile environment that the Association was having to work in. However, the forecast is still for a surplus of £1.3m that would be reinvested into our stock.</p> <p>During the Stress Testing part of the presentation the Chair enquired if there was a line missing from the graph as well as from the corresponding report at item 7.4. The FD replied that an additional line at zero had been included on the graph in the report. This was noticed when preparing the presentation and the additional line removed.</p> <p>The FD highlighted that different scenarios have been depicted and the Association would effectively run out of cash if a rent increase of CPI only was applied, with no mitigating action. Stress testing of the budget highlights capacity within the Business Plan but strong financial and budgetary controls will ensure that this not be allowed to happen, and the Association remains sustainable.</p> <p>A Board Member enquired if it was feasible to leave out one years’ planned maintenance and just complete ad-hoc works and repairs. The HofPS advised that these had been considered but could not be justified, with the plan to carry out work associated with the 2022/23 programme that had been affected by the contractor going into administration – this was the first priority of work to be procured. A review of the planned maintenance programme identified work that could be pushed back, however the window and boiler replacements would proceed. The CEO reiterated that there is still a programme of works but it has been scaled back due to the below inflation rent increase, the current economic climate and the high cost environment. She confirmed the costs for planned maintenance are expected to reduce the</p>

	<p>following year and by scaling back on work in 2023-24, value for money could be achieved via the delay.</p> <p>The FD advised that a review of the 5-Year Financial Plan will be brought to the April Board meeting for final approval prior to submission to the Regulator.</p> <p><b>RESOLUTIONS</b></p> <p>The Board proposed, seconded and approved the final draft budget for 2023/24.</p>
<p><b>8.</b></p>	<p><b>Factoring Fee Review 2023/24</b></p> <p>The Board had previously been issued with the report. A Board Member enquired if we were required to consult with owners on a potential increase. The FD replied that we were not required to do this.</p> <p><b>RESOLUTION</b></p> <p>The Board proposed, seconded and approved the 6% increase in the admin factoring fee.</p>
<p><b>9.</b></p>	<p><b>Reactive &amp; Voids Contract</b></p> <p>The HofPS advised that there was no presentation but that they would talk the Board through the report that had previously been issued, however a presentation would be made to the next Board meeting.</p> <p>The HofPS stated that the accompanying appendix is a historical summary which provides additional information but will not form part of the verbal update, however had been provided for new members of the Board as background information.</p> <p>The “Meet the Buyer” event had been very successful with 37 contractors attending and the proposed contractor portal was demonstrated. A framework for procurement for the void contract is currently being worked on and it is likely that 4 contractors will be invited to tender. This would give scope for “value for money”. The HofPS stated that it was unlikely that TUPE regulations would apply for both contracts, but this will be monitored.</p> <p>A Board Member stated that the benefit of using a multi-trade organisation was their own software/portal keeping up-to-date with the likes of completion times for jobs. They asked if the potential new portal would be able to match this. The HofPS acknowledged this point but was confident in the new app/portal being investigated. They stated that there would be a demand on the services of Cloch staff to help with the transition and training re: the new contracts.</p> <p>The Chair commented that they liked the historical update that accompanied the report.</p>

	<p><b>RESOLUTION</b></p> <p>The Board noted the report.</p>
10.	<p><b>Business Planning Workshop</b></p> <p>The CEO reminded the Board that this was taking place on Saturday 25 February 2023 in the morning from 9.30am with a 10.00am start time. The CEO advised that the consultant has carried out exercises with the staff to get their input that would form part of the Board workshop.</p> <p>The Board were asked to concentrate on sections 3 &amp; 4 of the current Business Plan as discussions would be based around this.</p> <p>The CEO asked the Board if they would like a buffet lunch for after the workshop or would they like to go out for lunch. The Board decided that a buffet lunch would suffice.</p> <p><b>RESOLUTION</b></p> <p>The Board noted the report and the details for the workshop.</p>
11.	<p><b>KPI Report &amp; Dashboards</b></p> <p>The Board had previously been circulated with the key performance indicators (KPI's) and performance report.</p> <p>The CEO intimated that there were no surprises in terms of performance against target, with performance associated with repairs and voids below target and referenced in the HofPS report. However, it was noted that one of the contractors was hit with a virus which reduced their capacity to attend to repairs and this had also had an impact. It happened to coincide with a very cold spell when we were subject to an increase in calls for burst pipes.</p> <p><b>RESOLUTION</b></p> <p>The Board noted the report.</p>
12.	<p><b>Health &amp; Safety</b></p> <p>There was nothing to report.</p>
13.	<p><b>AOCB</b></p>
13.1	<p><u>14 March 2023 – Board Meeting</u></p> <p>Due to the additional Special Meeting tonight it was agreed to cancel the March meeting. The next Board meeting would be held on 25 April 2023.</p>

<p>13.2</p>	<p><u>Future Sub-Committee meetings</u></p> <p>The CEO advised the Board that this had been discussed with the team today in terms of the recent joint Sub-Committee meeting. The advantages/disadvantages of having a joint meeting of the Sub-Committees had been put up for debate.</p> <p>The Chair noted that the Sub-Committee meetings normally last 2 hours per Committee. Comments included:-</p> <ul style="list-style-type: none"> <li>• the challenge that 2 separate agendas posed</li> <li>• untenable to expect staff and Board to attend a 3-4 hour meeting</li> <li>• good to have other Members present if meetings may otherwise be inquorate</li> <li>• would combined meetings just end up being like a Board meeting.</li> </ul> <p>It was noted that it was unlikely for the May Sub-Committee meetings to be held on one night due to the ARC (Annual Report on the Charter) needing to be presented.</p> <p>The CEO enquired if the Board would like to revert to office-held meetings for some meetings. Some Board members indicated that this could be problematic for them due to travel restrictions (e.g. ferry timetables).</p> <p>The CEO took note of the comments and will come back to the Board at a later date with some ideas.</p>
<p>13.3</p>	<p><u>Membership Application &amp; Board Application</u></p> <p>The Board was presented with an application for membership and an application for Board membership. The application had been received from David McIndoe.</p> <p><b>RESOLUTION</b></p> <p>The Board proposed, seconded and approved both applications.</p>
<p>13.4</p>	<p><u>Reflections on Meeting</u></p> <p>The Chair commented that the reports had contained lots of information but the inclusion of appendices to hold the supplementary information was very helpful. The Board could then decide individually if the report had enough information for them to make an informed decision or if they needed the appendix for this.</p> <p>The Chair enquired if an appendix booklet could be created. This would be investigated.</p>

	<p>The CEO advised that good feedback from the Scottish Housing Regulator (SHR) had been received on the December Minutes, following their review and feedback of the August to October Minutes. They were pleased to note the comments and questions that the Board were asking.</p>
<b>14.</b>	<b>Date of Next Meeting – 25 April 2023.</b>
	<b>The meeting closed at 7.45pm</b>