



Minutes of the Management Board meeting held on Tuesday 8 September 2020 at 6.00pm using ZOOM Video Communications.

Present: Joan McFarlane (Chair)
Tiffany Harvey
Helen Eakin
Andrew Loen
Elspeth Kerr
Paul McBride
Tanith Diggory

In attendance: Pauline Burke, Interim Director
Sharon Flynn, Temp. Depute Director
Duncan McKnight, Technical Manager
Jackie McGoran, Senior Finance Officer
Stephen Watt, Corporate Services Assistant
David Ampofo, FMD Consultant

In light of the current coronavirus situation and Government guidelines, Board and staff agreed that the meeting would be via Zoom video communication.

1. Apologies

- 1.1 Apologies were received from J McAllister, G Rankin, and M Bowie.
- 1.2 T Diggory highlighted that her name had been omitted from the apologies in last month's minute and asked for this to be noted.

2. Declaration of interest

- 2.1 There were no declarations of interest.

3. Minute of the previous meeting

- 3.1 The minute of the meeting on 4 August was proposed by E Kerr and seconded by H Eakin. These minutes will be signed at the first available date after lockdown.

Action – S Watt

4. Matters arising

- 4.1 There were no matters arising.

5. Acting Director's report

5.1 Management Accounts to June 2020

- 5.1.1 J McGoran presented to the Board the management accounts for the period to 30 June 2020. The total comprehensive income (surplus) for the year to 30 June 2020 was £220,214 v budgeted surplus of £75,283 resulting in a favourable variance of £144,931.
- 5.1.2 Most of the operating costs are showing positive variances which can be largely attributed to the reduction or postponement of services/ programs due to lockdown measures imposed by the government due to the global Covid-19 pandemic. J McGoran advised that as restrictions are lifted, services and programs will restart and spends should come more into line with budgets by year end.
- 5.1.3 J McGoran highlighted KPI results in particular Arrears Ratio which is 2.15% against a target of 1.85% for the first quarter. Board were advised that in real terms arrears have increased by just under £13k and although the situation is very challenging, staff continue to monitor arrears closely, supporting tenants to maximise their income and agree repayment arrangements where applicable.
- 5.1.4 The Co-operative's financial position remains robust however the UK is still impacted by Covid-19 and therefore there is still an element of uncertainty as to what the coming months will bring. J McGoran advised that staff will continue to monitor the situation for early signs of potential impacts on the Co-operative's finances.
- 5.1.5 The Co-operative met its loan covenants in the first quarter to 30 June 2020
- 5.1.6 The Board approved the Management Accounts to 30 June 2020.

5.2 Shawbrook Bank – 1-year fixed term deposit rollover

5.2.1 D Ampofo advised the Board that the Co-operative's £85,000 1 Year Fixed Interest deposit with Shawbrook Bank will mature on 13 September 2020 which is one of the better rates on the market. It is therefore recommended that £85,000 should be rolled over into the Shawbrook 1 Year fixed term deposit.

5.2.2 Board approved the rollover of the 1 Year Fixed Interest deposit.

Action – J McGoran

5.3 30-year long term projections

5.3.1 D Ampofo presented a summary of the Co-operative's 30 year projections highlighting the key issues facing the business which include rent levels, higher rent arrears, interest rates, inflation, welfare reform and the possible impacts of Covid-19 amongst others.

5.3.2 The Board were informed of the main assumptions used and outcome projections based on these assumptions. This showed there were no material concerns regarding financial indicators and no issues expected regarding loan covenants. Additionally, sensitivity analysis and stress testing using various scenarios was carried out, the results of which D Ampofo discussed with Board.

5.3.3 The Board approved the 30-year long term projections.

D Ampofo left the meeting at 7.00pm.

5.4 Annual Assurance Statement – update

5.4.1 Following the outcome of SHR consultation which had been issued to Board, the deadline for landlords to complete their Annual Assurance Statement was extended from October to November; and the Tenant Report Card covering the Scottish Social Housing Charter had been extended from October to December. P Burke advised that although we are in an advanced position with this work, Board were asked to approve the new deadlines to assist staff, Board and tenants as is often the case that additional guidance is provided when deadlines are extended, and it would be prudent to anticipate this.

5.4.2 S Flynn requested that, if Board approved the new deadlines, a special meeting would be required to approve the Annual Assurance Statement and suggested this takes place on 24 November 2020 over Zoom video

conferencing. The Tenant Report Card could be approved at the Board meeting on 1 December.

5.4.3 The Board approved the new deadline dates for the AAS and Tenant Report Card, and for the Special Meeting to take place on 24 November 2020.

5.5 Board Induction Report

5.5.1 P Burke advised the Board that a Board Induction paper was due to be presented at this meeting following the Annual General Meeting (AGM). Due to the re-scheduling of the AGM to 10 September after Covid-19 restrictions impacted, this paper will now be presented after the rescheduled AGM.

5.5.2 Board note the Board Induction update.

5.6 Management Team report

5.6.1 The Senior team presented a report on the broader impact of Covid-19 on the Co-operative. Remote working remains the default position although the Government position is that non-essential offices may be deemed feasible to be re-opened no earlier than 11 September 2020. P Burke advised that we remain in Government Route Map Phase 3 and still following directive of working from home, however this is subject of review.

5.6.2 Updates were provided on face to face meetings with staff, stress questionnaires, and that some staff roles had changed to support business needs.

5.6.3 One staff member remains on furlough at present, with the scheme due to close on 31 October 2020.

5.6.4 The reactive repairs service re-commenced on 7 September 2020.

5.6.5 The Board noted the Management Team report.

6. Temporary Depute Director's report

6.1 Exceptions Report – Arrears performance

6.1.1 S Flynn provided the Board with the exceptions report to highlight the current position on rent arrears at 31 August 2020 which have increased since 31 March 2020. Gross rent arrears at 31 August 2020 were £100,215.69 (4.6%). Board noted that net arrears following expected payment of HB and UC are

£52,948 (2.44%) and therefore an increase of approximately £3,000 since 31 March 2020.

6.1.2 Board noted that the two tenancies that had court actions put on hold had now ended due to abandonment with debts of £8,627 and has seen an increase in the former tenant arrears to £24,721.

6.1.3 The Board noted the Exceptions report.

6.2 Maintenance spend to 30 June 2020

6.2.1 D McKnight presented the report and updated Board on expenditure incurred on reactive repairs, general repairs, technical surveys and cyclical repairs to 30 June 2020.

6.2.2 Board were advised that an overall favourable variation of £89,657 presently exists across all categories. This primarily related to the impact of Covid-19 suspending/interrupting programmes, however, the majority of services had subsequently commenced or were in the process of recommencing and it was anticipated that as restrictions eased, actual spend will come into line with budgets.

6.2.3 The Board noted the maintenance expenditure update.

6.3 Maintenance progress report

6.3.1 D McKnight provided a report on tenders for kitchen and boiler replacement and advised the Board that since the papers were issued he had revisited project costs for kitchen and boiler replacements, taken from the 5-year financial plan.

6.3.2 This has identified that the projected costs for year 1 incorporated an element of ad-hoc replacements for kitchens and boilers. For the purpose of this procurement, the ad-hoc costs require to be deducted. This has resulted in the projected expenditure for this project being revised from £678,770 as originally reported to £626,023.

6.3.3 Board were asked to note this information and approve the appointment of L & D Plumbing & Tiling Services Ltd, subject to negotiation and the contract value being brought in line with the revised projected expenditure of £626,023.

6.3.4 Updates were provided on the procurement of window and bathroom replacements and the possibility of progressing a special Board meeting was

discussed to accommodate the early appointment of contractors and progression of the projects.

- 6.3.5 The Board noted the progress in relation to planned maintenance, agreed to:
- award L&D Plumbing & Tiling Services Ltd. the contract for kitchen and boiler replacement contract, subject to negotiations and the contract value being brought in line with revised projected expenditure of £626,023.
 - holding a special meeting on 24 September 2020 at 6.00pm to award contracts for window and bathroom replacement

Action - DMcK

6.4 Report on tenders – Electrical inspection and testing

6.4.1 D McKnight presented the report on tenders for electrical inspection and testing. The most economically advantageous tender, in terms of quality and price was submitted by Magnus Electrical Services Ltd.

6.4.2 Board noted the report and agreed to award Magnus Electrical Services Ltd. the contract for electrical inspection and testing.

6.5 HCSP Letter on Homeless Lets

6.5.1 S Flynn presented the request received from Glasgow City Council (GCC) and the Health and Social Care Partnership (HSCP) seeking landlords to increase lets for the remainder of 2020/21 from 43% to 90% to assist in the housing of homeless persons.

6.5.2 Following discussion on the request and options presented, it was agreed that the Co-operative was keen to assist with rehousing homeless people and had provided temporary accommodation for this purpose and was willing to increase lets to 65% as 90% felt too high an impact on the area.

6.5.5 The Board approved S Flynn responding to the request with Option 3.

Action – S Flynn

6.6 Quality Efficiency Forum – Annual Statistical report 2019/20

6.6.1 S Flynn presented the Annual Statistical Return (ASR) produced by the Quality and Efficiency Forum (QEF) highlighting top performance on 6 indicators and 3 middle performance indicators. Another organisation had already contacted the temp. Depute Director to ask about our approach to rent management due to ongoing improvements over the last three years. Sharon also noted two typing errors on page 63 – spelling of outcome at 4.1 and page 64 with the regulatory standards incorrect for the paper.

6.6.2 The Board noted the QEF return and thanked staff on good results.

6.7 Asbestos Management

6.7.1 D McKnight updated board on the progress of planned asbestos surveys and impact that Covid-19 had upon works programmed for late 2019/20. It was recommended that the budget for 2020/21 be increased to accommodate the uncompleted work. The provision of additional spend to carry out a review of asbestos management arrangements was also requested to embrace best practice and ensure compliance.

6.7.2 The Board approved the report and agreed to:

- increase the budget for asbestos works by £7,100
- increase the budget for consultancy works by £5,000

At 7.50pm, Standing Orders were suspended.

6.8 Procurement of gas maintenance

6.8.1 D McKnight updated Board in relation to the collaborative (DRUMCOG) procurement of gas maintenance and delay arising from Covid-19. As a consequence, negotiations were taking place to extend the current contract by three months and partners were examining value for money that could be achieved by using the Scotland Excel framework for this procurement.

6.8.2 The Board noted the update on procurement of gas maintenance.

7. Policy review schedule

7.1 P Burke referred to the Policy Review schedule attached at item Ag7.1(i) and sought Board approval for a review of the schedule timescales for policies which have not met the date for review due to the impact of Covid-19. It was also asked of the Board to consider a Board Working Group to work with the Depute Director on policies and the review timescales.

7.2 The Board noted and approved the policy review schedule to:

- Extend the deadline for policies identified on Appendix 3
- Form a working group to review policies that can be combined and agree new timescales to an annual, three and five-year programme.
- Note that HR consultancy support will now be sought to progress the HR policies as per reviewed deadlines.

8. Governance

8.1 Membership Report

8.1.1 There were no prospective members brought to this meeting as per Rule 7.3 as the meeting was held within fourteen days before the date of a general meeting.

8.2 Notifiable Events

8.2.1 The notifiable events report was presented to the Board.

8.2.2 The Board noted the notifiable events update.

9. Audit, Risk and Staffing sub-Committee

9.1 The Board noted the minutes from the Audit, Risk and Staffing sub-Committee on 7 May 2020. There were no recommendations from these.

10. Any Other Competent Business

10.1 P Burke updated the Board that we had received 25 Proxy votes, 10 Board Members attending, and 26 intentions to attend the Annual General Meeting (AGM) on 10 September. With a possible 61 attending, it was recognised that the virtual AGM could feasibly provide us with our highest attendance for an AGM in recent years.

10.2 P Burke sought the Board to agree that Board Appraisals would be carried out via Zoom Video Conferencing or phone call by trainer, Stuart Eglinton for the sum of £2,500. The Board were happy to progress this during October or early November.

Action – P Burke

10.3 P Burke and members discussed the Director's annual appraisal. Board agreed to carry out the appraisal once the Board appraisals had taken place therefore, a date would be scheduled for middle of November 2020 with the Chair and two other members carrying out the appraisal. Stuart Eglinton will facilitate the Director's appraisal for the Board.

Action – P Burke

10.4 A donation request has been received by G15 Bus Service. P Burke to bring this to the next meeting in October after an update is provided by G15 before any decision is taken.

Action – P Burke

11. Date of next meeting

- 11.1 The next Board meeting will take place on Tuesday 20 October 2020 at 6.00pm using ZOOM Video Communications.

The meeting closed at 8.00pm.