



**Drumchapel  
Housing**  
Co-operative Limited

Management Board meeting to be held on Tuesday 23 January 2024 at 6:00pm.  
hybrid meeting using ZOOM Video Communications at 4 Kinclaven Avenue,  
Drumchapel Glasgow G15 7SP

**Ag3**

**Present:** David O'Hara (Chair)  
Josephine Barnshaw  
Helen Eakin  
Elspeth Kerr (Via Zoom)  
Graeme MacIntosh  
Vincent Ogar  
Karen Hogg  
Karen McKenna  
Pauline McNaught

**In attendance:** Pauline Burke, Director  
Jacqueline McGoran, Finance & Corporate Services Manager  
Marisa McCarthy, Senior Housing Officer  
Aileen Brown, Corporate Services & Finance Officer (minute  
taker)  
Allan Briggs, Jones Lang LaSalle Limited (JLL) for item 6.1 only

## **1. Apologies**

1.1 Apologies were received from D Riddell, F McLean, A Kerr, J McFarlane, K Watt.

## **2. Declaration of interest**

2.1 There were no declarations of interest noted.

## **3. Minute of the previous meeting**

3. The minute of the meeting on 05 December 2023 was proposed by J Barnshaw and seconded by V Ogar.

## **4. Meeting Action list 2023/24**

- 4.1 P Burke presented and asked for approval of the meeting action list 2023/24.
- 4.2 The Board approved the meeting action list.

## **5. Matters arising**

### **5.1 Donations Report**

- 5.2 P Burke presented the Donations Report. The Board were provided more information on projects run by 3D Drumchapel and Drumchapel High. Board was advised that there is £750 remaining in the budget for 2023/2024. Discussion took place around the projects and how much should be donated to each. G MacIntosh asked if all donations had to be £250 or if smaller donations could be made to more organisations in the Drumchapel area. P Burke advised the amount is at the Board's discretion as long as it was within the budgeted amount. Members asked for a list of 3<sup>rd</sup> Sector charities within the area of Drumchapel for the next meeting to explore more options for donations.
- 5.3 Board approved donations of £250 to 3D Drumchapel and £250 to Drumchapel High and will decide on the remaining £250 at the next meeting.

**Action – A Brown**

## **6. Director's Report**

### **6.1 Portfolio Valuation Report**

- 6.1.1 Allan Briggs from JLL presented his Portfolio Valuation Report covering the key points within his report.
- 6.1.3 A Briggs explained to the Board considerations taken into account when valuing stock which includes what the area looks like, what constraints are on the area and what residential trends are. He then went on to explain the various methods used for valuing stock and gave Drumchapel Housing Co-operative valuations for the three methods of valuation, namely:

Existing Use Value for Social Housing (EUV-SH) - £17,850,000.  
Market Value subject to Tenancies (MV-T) - £29,780,000.  
Market Value subject to vacant possession (MV-VP) - £42,615.00

6.1.4 He advised that currently the market in Scotland is stable and that the Co-operatives portfolio of properties is performing ahead of peers in the area.

6.1.7 A Briggs invited questions from the Board and added they should be assured that the Co-operatives portfolio is performing well. There were no questions and Board thanked him for coming along. A Briggs advised if anyone had any questions, they could contact him directly.

6.1.8 Board approved the Portfolio Valuation Report.

## **6.2 Rent Review 2024/2025**

6.2.1 M McCarthy presented the report to members, covering the detail contained within the report.

6.2.2 69 tenants responded to the rent consultation on the proposed 5.60% rent increase for 2024/2025.

6.2.3 Of those responding 46% agreed with the rent proposal, 26% disagreed and 28% were unsure.

6.2.4 M McCarthy discussed the results of the consultation and the comments received from tenants. Board noted the comments had been largely positive and M McCarthy advised that the housing management team continue to be proactive in contacting tenants to establish if they are experiencing difficulties with living costs.

6.2.5 Board approved the rent increase of 5.60% for 2024/2025.

**Action M McCarthy**

## **6.3 Final Budget 2024/25**

6.3.1 J McGoran presented the final budget for review and approval.

6.3.2 Board were advised the budget was based on the Board approved rent increase of 5.60% for 2024/25. J McGoran advised Board of the changes made to the draft Budget presented at December 2023 Board meeting.

6.3.3 Changes (net decrease in expenditure) have been made to the initial draft budget previously presented at the meeting of 5 December 2023 (surplus £508,812):

- £ + (12,741) Maintenance : Reduction in EPC Certificates
- £ - ( 2,00) Other Estate Costs : Higher Depreciation estimate

- £ - ( 2,000) Premises Costs : Higher Heat & Light estimate
- £ - ( 1,364) Administrative Costs : Higher SHARE membership fee
- £ - ( 2,000) Consultancy : Higher HR support
- £ - ( 564) Finance & Other Operating Costs : Increase in OFA depreciation
- £ + ( 101) Finance Income : Lower interest receivable

6.3.4 The net effect of these adjustments results is an increase of the budgeted surplus by £6,512. The final surplus for the 24/25 budget is now forecasted at £515,324.

6.3.5 J McGoran asked Board to note that pay negotiations were still ongoing with EVH with a meeting planned for the end of January and that a prudent provisional estimate of 4.6% had been included for budget purposes. It was hoped that negotiations would be finalised and brought to the Audit, Risk & Staffing meeting in February 2024.

6.3.6 J McGoran invited any questions or comments after which the Board approved the Budget.

## **7. Housing and Technical Report**

### **7.1 Housing Management Performance report – quarter 3**

7.1.1 M McCarthy presented the quarterly Housing Management report providing performance against KPI's for the third quarter. Key areas were highlighted.

7.1.2 Rent collected has decreased from 101.18% to 99.43% in Quarter 3 as a result of Housing Benefit technical days increasing to 14 days in December. This has taken the rent collected below the target of 100% for 2023/2024.

7.1.3 Gross rent arrears have increased from 2.13% to 2.23% in Quarter 3 but remain within target. There was an increase in tenants failing to make sufficient payments in December and the Housing Management team continue to work closely with those tenants who are experiencing difficulties paying their rent.

7.1.4 The number of days to re-let has increased from 10.79 days to 11.22 days in Quarter 3. This is a result of four offers of housing being refused and delays in applicants responding to attempts to contact them which has caused a delay in properties being let.

- 7.1.5 SPSO complaints received to date totalled 18 with all being responded to within appropriate timescales. No complaints were received in quarter 3 and all staff have been reminded to ask anyone who expresses dissatisfaction in the service if they want to raise a complaint.
- 7.1.6 Welfare rights outcomes continued to prove crucial to the tenants of DHC with a total of 42 appointments attended, with financial gains totalling £103,731.32.
- 7.1.7 The Housing Management Team administer the Tenancy Sustainment Fund (TSF) and manage the budget on an annual basis. A TSF budget of £8,500 was approved for 2023/24. A total of 15 Emergency food vouchers, 9 energy vouchers and 1 starter pack were administered to tenants in quarter 3.
- 7.1.8 Board noted the contents of the report

## **7.2 Bad debt write-off report – Quarter 3**

- 7.2.1 M McCarthy presented the report to Board asking for approval of bad debt write offs totalling £3,417.63 for quarter three.
- 7.2.2 Board approved former tenant rent arrears totalling £3,417.63 to be written off.

## **7.3 Tenancy Allocation**

- 7.3.1 M McCarthy presented the report to Board asking for approval of a discretionary let in-line with the Choice-based Lettings Allocations Policy.
- 7.3.2 M McCarthy explained the circumstances surrounding the case and advised Board that if the let was granted it would prevent a family member from becoming homeless and added there would be no rent loss as the tenancy could be backdated. K Hogg asked if the affordability checks had been carried out and M McCarthy confirmed they had.
- 7.3.3 After discussion Board approved the tenancy allocation.

## **8. Policy review**

### **8.1 Policy Review report**

- 8.1.1 P Burke asked Board to approve the postponement of the Fraud Policy to March 2024.

8.1.2 P Burke asked Board to consider a Working Group to review the suite of service delivery policies for Housing and Maintenance. The policies will be reviewed by the Working Group at a meeting on 20 February 2024 and ratified by Management Board at the March Board meeting.

8.1.3 Board approved postponing the Fraud Policy until March 2024.

8.1.4 Board approved the Working Group to review the service delivery policies.

**Action A Brown**

## **9. Governance**

### **9.1 Membership Report**

9.1.1 There were 28 prospective members and 4 Share Certificates for approval.

9.1.2 Board approved 28 prospective members and 4 share certificates.

### **9.2 Ethical Conduct and Notifiable Events**

9.2.1 There are no ethical conducts or notifiable events to report.

9.2.3 Board noted the report.

## **10. Audit, Risk and Staffing sub-Committee**

10.1 There are no sub-Committee meetings to report.

## **11. Any Other Competent Business**

11.1 M McCarthy provided Board with an update on the current position with the Collaborative Open Space Maintenance (OSM) contract and asked for approval to appoint Reids Associates to procure a new OSM contract.

11.1.2 She advised that a Collaborative Open Space Maintenance (OSM) contract was procured with Cernach Housing Association (CHA) and Pineview Housing Association (PHA) in March 2022. Following the tender process, a contract commenced in May 2022 for a period of two years with two optional one-year extensions. However poor performance and an increase in Service Delivery Complaints means the contract will not be extended and a new OSM contract will require to be procured.

11.1.3 M McCarthy explained that the new contract will be procured by the Co-operative and a quote has been obtained from Reids Associates to prepare and procure a new

OSM contract through Public Contract Scotland commencing in early February 2024. The cost of this is [REDACTED].

- 11.1.4 Board noted the contents of the update and approved the appointment of Reids Associates to procure a new OSM contract.
- 11.2 P Burke advised Board that the Scottish Housing Regulator had encouraged all Registered Social Landlords to participate in a National Fraud Initiative pilot exercise. The exercise will use computerised techniques to compare information held by different public bodies with the aim of identifying potential cases of fraud and error in the use of public resources. P Burke asked Board for approval to participate in the exercise.

11.2.1 Board approved the Co-operative participating in the National Fraud Initiative.

**Action P Burke**

- 11.3 P Burke advised a quote was received from Proactive Consultancy to facilitate the Business Planning for the Co-operative over the next year. This would involve facilitating core group meetings with Board and staff to discuss strategic planning. The findings from each group would then be presented and discussed at the 2024 Strategy Day.

11.3.1 Board approved appointing Proactive Consultancy to facilitate the Business Planning.

**Action P Burke**

- 11.4 P Burke advised Board that the Citizens Advice Bureau (CAB) are looking to secure funding for an Energy Advisor and have asked if the Co-operative would like to be included as part of their funding application on Energy Redress. This would involve the Co-operative providing a letter of support for CAB and would not involve any costs to the Co-operative. If the application was successful, tenants would be able to use the services of the Energy Advisor.

11.4.1 Board authorised P Burke to provide CAB with a supporting letter.

**Action P Burke**

- 11.5 J McGoran advised Board that our Insurance Brokers, Howden, as part of the renewal process for 2024/25 had requested reinstatement costs for all properties. JLL had been contacted to provide costs for carrying out the work and a proposal was received from JLL. J McGoran advised the costs for work had been quoted at [REDACTED] however JLL were recommending prior to instructing the work that the insurers provided clarity on whether they

require VAT to be applied to the entire reinstatement cost. Board was asked to approve the work to be instructed as this was an unbudgeted item once clarity had been received from insurers regarding Vat issue.

There was no other competent business and the meeting finished at 7.15 pm.

## **12. Date of next meeting**

12.1 The next Board meeting will take place on **Tuesday 05 March 2024 at 6.00pm**

**Chair**.....**Date**.....