

Item 3.1 Minutes

Management Committee meeting held on **11 December 2019**, 7pm at Dalmuir Park Housing Association, Beardmore House, 631 Dumbarton Road, Dalmuir, G81 4EU

Attendance:	Gordon Laurie	Committee Member
	Craig Edward	Committee Member
	Ian Lennox	Committee Member
	Audrey Simpson	Committee Member
	Jack Marshall	Committee Member
	Loraine Lester	Committee Member
	Melanie Cameron	Committee Member
	Karen Johnson	Committee Member
Leave of absence	Matthew Reid	Committee Member
Staff/Adviser(s) Attendance:	Catherine Lowe	Interim Director
	Pauline McDaid	Corporate Services Assistant (minutes)
	Graeme Bruce	Financial Consultant
	Jill Cronin	Temp Customer Services Team Leader
	Anne Marie Brown	Observer

NO.	ITEM	ACTION
	<p>WELCOME AND ORDER OF BUSINESS</p> <p>G Laurie opened the meeting and informed members of B McDougall's resignation from Management Committee and from The Beardmore Trust.</p> <p>Members were advised of C Lowe and C Edward's attendance at the Annual SHARE conference where they delivered a presentation 'The DPHA Experience'. Feedback of the presentation was good as it highlighted our positive experience with the Regulator and how we worked through the issues raised as a result of high engagement.</p> <p>The mid-year review of the Director was carried out by G Laurie and C Edward with C Lowe; arrangements are in place for AM Brown's joining DPHA with a handover of workload from C Lowe to AM Brown. C Lowe will reduce working week until end of March 2020.</p> <p>G Laurie informed members that our Engagement Plan requires us to have two visits from the SHR per year. The next meeting that they will attend is 19 February 2020.</p>	
1.0	<p>APOLOGIES</p> <p>Apologies were received from R Murray, J Henderson and A Williamson.</p> <p>M Reid's leave of absence will continue with an expected return date for February 2020.</p>	

2.0 DECLARATIONS OF INTEREST

C Edward declared an interest in section 8.2; regarding sheltered housing service charge increase.

3.0 PREVIOUS MINUTES FOR APPROVAL

3.1 Minutes of Previous Management Committee Meeting (16 October 2019)

With the following amendments at:

7.1; Amend 'McDougall' to 'Marshall'

7.5; Amend 'complaint' to 'compliant'

The minutes were **approved** on a proposal by C Edward and **seconded** by J Marshall.

3.2 Confidential Minutes of Previous Management Committee Meeting (16 October 2019)

See confidential minute

3.3 Policy Review Working Group Minutes (30 October 2019)

The minutes were **noted**.

3.4 Audit & Risk Sub Committee Minutes (6 November 2019)

Following amendment at:

Attendance; J Marshall – amend to Chair

Internal Audit ratings to be added to the minute

The minutes were **noted**.

3.5 Budget Planning Session Action Note (20 November 2019)

The note of the budget planning session was **noted**.

4.0 MATTERS ARISING SCHEDULE

C Lowe apologised to members as the matters arising schedule had not been issued in the pack. A copy was issued to members to review.

C Lowe presented members with an update on the following points:

Item 1; Confirmation was given to members that a letter of understanding had been issued and signed by CIRS in relation to the commercial property lease.

Item 2; TC Young were in the process of checking the 34 missing title deeds

Item 5; On investigation, the stonework repairs was not an eligible project for the funding offered through Building Scotland Fund as the scheme provides a loan, looking at projects generally over £1m, with additional criteria that we do not meet.

Item 14; The only hardship fund available to tenants is via the Scottish Welfare Fund. Staff are aware of this fund and do help customers to apply.

C Edward noted that item 6, meeting with local councillors and the leader of the Council had not been arranged due to the General Election. As the Community Centre feasibility study was underway, it was agreed that invitations to meet with us should be

issued now that the general election was over to discuss our proposals directly with elected members.

Members **noted** the matters arising schedule.

CL

5.1 **Confidential Interim Director Progress Update**

See confidential minute

6.0 **Governance**

6.1 **PRWG Report**

C Lowe advised Members that the policies have now been consulted on and following consultation with tenants are now recommended for approval.

Members were advised that changes to policies had been tracked and they asked for the following additional changes to be made:

Appendix 1

3.1 – AGM; ‘All customers’ amended to ‘All Shareholders’

3.1 – AGM; remove ‘and budget setting’

Appendix 3

Pg3 – Point 3 amend spelling of ‘Environment’

Pg4 – 1.2; after ‘stimulating’ insert ‘for children’

Pg4 – 3; amend spelling of ‘Environment’

Pg5 - 7; amend spelling of ‘Children’s’.

Following discussion and subject to the changes above being made, Management Committee:

5.1.1 **Approved** the Customer Engagement Plan at **Appendix 1** to the report.

5.1.2 **Approved** the Rechargeable Repairs Policy at **Appendix 2** to the report.

5.1.3 **Approved** the Learning and Play Policy at **Appendix 3** to the report.

5.1.4 **Approved** the Volunteer Policy at **Appendix 4** to the report.

6.2 **Finance and Governance Improvement Plan**

C Lowe presented Members with an update presenting of the Governance & Financial Management Improvement Plan.

Section 6.5; Staffing review; not yet complete, scheduled for January 2020. Managers’ recruitment packs ready for January and meeting with staff will be scheduled.

CL

Additional information was provided to Committee regarding a letter from Ian Brennan of SHR. A paper to A&R Sub Committee and letter from SHR was included for assurance to Committee.

It was noted that the last sentence of Section 2.4 of the report was to be removed.

Following review and consideration:

5.1.1 **Noted** progress on delivering the GFMIP for 2019/20.

5.1.2 **Noted** progress on delivering the Action Plan on the three remaining major tasks of strengthening governance, ensuring strong leadership and restructuring the staff team to support delivery of the Business Plan and future ambitions.

5.1.3 **Noted** the report presented to Audit & Risk Sub Committee following a letter from the Scottish Housing Regulator.

7.0 **Strategy**

No reports

8.0 **Finance**

8.1 **Management Accounts – 2nd quarter**

G Bruce presented the Management Accounts for the six months ended 30 September 2019 for approval.

Members were advised that while there a surplus was reported, this was due to a time delay in spends within quarters and that spends have now taken place.

G Laurie suggested a review of our component accounting at an appropriate stage and members were advised that our position was stable at moment.

Following discussion, Management Committee:

5.1.1 **Noted** the report contents

5.1.2 **Approved** the Management Accounts for the period to 30 September 2019

8.2 **Draft Budget, Rent and Service Charge Consultation 2020/21**

G Bruce presented 2020/21 draft budget and rent proposal for consultation with tenants and other service users which has been to Audit and Risk Sub Committee of 6 November 2019 for discussion and comment.

G Laure advised Members that there will be a final budget for approval in March 2020 however, proposed rent increase needs to be agreed to allow time for consultation with tenants.

Members discussed the proposed rent increase advising that options did not need to be given to tenants if a single proposed level of increase had been considered by Committee and recorded in the minute. It was **agreed** that tenants would be consulted on rent increase of 2.5% only. Assurances were given to J Marshall that the increase would not have a materially adverse impact on 30-year plan.

Following discussion regarding sheltered housing service charge; members **agreed** that the increase would be phased over 3 years for existing tenants however, new tenants would be charged the new rate as soon as their tenancy commenced.

C Lowe advised members that we have compared our factoring charges with other local housing associations, and we were on a par locally.

Following discussion, Management Committee **discussed** the contents of the report, appendices, presentation made and reviewed the budget and rent options for consultation with tenants in early 2020.

Management Committee:

5.1.1 **Noted** the report contents

GB

5.1.2 **Approved** that staff consult on the rents and service charges as outlined in the report offering one increase option of 2.5%.

8.3 **Debt Write Off**

G Bruce presented report to Management Committee to approve write off debt where there is no prospect of recovering the debt/arrear.

Members were advised that a write off report will be presented every quarter however, this was the first for this financial year. The write offs were for factoring, rent and rechargeable repairs from former tenants.

G Bruce confirmed that the yearly provision within the budget for write off is £60,000 for the current financial year and that every endeavour had been made to recover the debt and, that if the tenant returned, where possible, debt would be pursued.

C Edward requested information regarding value for money in using Stirling Park to trace and recoup money; to measure their success rate in collection versus the cost of their service. J Cronin advised that Stirling Park had good feedback from other Housing Associations however, she was meeting with them in January 2020 to discuss their performance since their employment in September 2019.

JC

Following discussion, Committee:

5.1.1 **Noted** the contents of the report.

5.1.2 **Approved** the debt write off contained in Appendix 1 to the sum of **£47,858.53**.

8.4 **Review of DPHA Defined Benefit Pension Scheme**

G Bruce presented an update to Management Committee following the review of the SHAPS Defined Benefit Pensions Scheme.

A report was commissioned from Spence & Partners on the SHAPS Defined Benefit Scheme, this report has now been received and forms part of the Committee paper. Members were advised that past service deficit should be cleared by 2022 but this will depend on further valuations which may require a higher contribution. Payment of the deficit was paid out of rent income and any % increase was reflected in overall rent % increase. Going forward this increase will be 3%. Members were advised that DPHA cannot afford another valuation where we are asked to pay higher contribution.

Members discussed the schemes affordability and it was acknowledged that payment towards the deficit could not be avoided. The two main reasons for considering closing the Defined Benefit scheme are to allow DPHA to manage future risk and to provide all staff with consistent pension benefits. J Marshall advised that the general trend was to move away from defined benefit scheme to avoid the risk of costs being incurred being passed on to tenants.

G Bruce advised that five staff members were members of the defined benefit scheme with all other and new staff members on the defined contribution scheme. He had also met with Spence and Partners to discuss their report.

Members discussed the wish to minimise financial risk and to be consistent to staff and asked that a period of consultation with staff commence to discuss the options to close

the Defined Benefit scheme and move to the Defined Contributions scheme. Committee will be advised of the consultation outcome.

Members were advised that the five staff members are aware of the changes and the increases to their contributions from April 2020.

Following discussion, Committee:

5.1.1 **Noted** the contents of the report

5.1.2 **Agreed that** closing the Defined Benefit scheme was the preferred option, subject to appropriate consultation with affected staff.

9.0 Staffing

No reports

10.0 Operations

10.1 Performance Report – 2nd quarter

J Cronin presented a report outlining progress of the performance measures of the Association to the end of Quarter 2 at 30 September 2019.

Members were advised that overall performance was good; only three indicators were not within 10% target however, sheltered tenants gave input on close cleaning and ground maintenance and as a result there is now a strict monitor of the contractor's work. J Cronin confirmed that rent arrears were down again but that issues remained with UC benefit.

Members were advised that the following information was incorrect:

Table 3.11; totals figure is incorrect and should be 387 not 689

Pg5; figure of 10 days to re-let is wrong – it is 9.4.

C Edward thanked staff for their work in reducing and improving the figures.

J Cronin advised that we continued working with the police and had a good relationship with them in tackling anti-social behaviour and that we were serving our first ASBO. Police Scotland held evening sessions in our office for tenants to attend to assist tenants who are reluctant to call police. C Edward suggested that tenants may want to know that we are taking action against anti-social behaviour and that we have served an ASBO

G Laurie commented that the content is encouraging and that the report was well presented.

Following discussion, Committee:

5.1.1 **Noted** the contents of the report and the next steps to improve performance

J Cronin left the meeting at this point.

10.2 The Crescent Heating Tender Report

J Marshall left the meeting at this point.

C Lowe presented a report, reporting the outcome of the tender process for the replacement of the electric heating at 38 properties at The Crescent.

C Lowe apologised for the late paper advising members that once the tender was received some further work was required. This has resulted in a significant cost saving for this contract.

A Simpson voiced concern regarding the scoring as it was very close and sought assurance that the QS has scored correctly. Following discussion, C Lowe confirmed that a check would be made against the quality score by the QS.

CL

Subject to checks and qualifying the QS's scoring, Committee:

5.1.1 **Noted** the contents of the report.

5.1.2 **Approved** acceptance of the tender from [REDACTED] to the value of [REDACTED] for the replacement heating systems to 38 properties at The Crescent.

11.0 Health and Safety

No reports

12.0 AOCB

12.1 Correspondence

No items were discussed

12.2 Updated Committee Work Plan

C Lowe gave a brief overview of the updated work plan

13.0 DATES OF NEXT MEETING

PRWG 29 January 2020 @ 5.30 pm

A&R Sub Committee 5 February 2020@ 6pm

Business Planning Strategy Session Saturday 8 February 2020 9.30am – 1pm*

Management Committee 19 February 2020 @ 7 pm

*C Lowe to check the date of the business planning session as this may clash with school holiday.

CL

Signed _____ Date _____

(Chairperson)