



**West
Granton**

HOUSING CO-OPERATIVE
Rebuilding a Community

IF YOU WOULD LIKE TO DISCUSS
THESE MINUTES OR ANY OTHER
COMMITTEE RELATED MATTER,
PLEASE CONTACT YOUR
CHAIRPERSON,

LORNA BROWN ON **REDACTED**

West Granton Housing Co-operative Limited

Committee of Management

Minutes of Meeting – 12th June 2019

Present: Lorna Brown (Chairperson), Marilyn Dickson (Treasurer), George Nicol, Jim Moir, Marlyn Sinclair, Fiona Marshall, Elizabeth Robertson, Pat Cordiner (Co-optee), Jon Douglas

In attendance: Larke Adger (CEO), Alan McKee (Housing & Corporate Services Manager), David Jeffcoat from Alexander Sloan for Agenda Item 5 only.

1) APOLOGIES

George Thomson, Jim Hemphill, Donna Anderson, Joe Moir (leave of absence)

2) MINUTES OF MEETING 8th May 2019

Minutes approved.

3) MATTERS ARISING FROM THE MINUTES

None.

4) DECLARATIONS OF INTEREST

None.

5) FINANCE & ADMINISTRATION

5a) Presentation of Draft Audited Financial Statements 2019

David Jeffcoat from Alexander Sloan attended this part of the meeting. Committee were presented with the final draft of the Audited Financial Statements (AFS), the Auditor's Management Letter and a draft letter of Representation from Auditors, Alexander Sloan for their consideration.

David went through the Management Letter first and advised Committee of the following:

- Page 5 - no areas of concern had been identified from the Audit
- Page 6 – the Going Concern assumption for WGHC had been accepted and there were nothing further to raise in regard to this
- Page 8 – WGHC had made a surplus, after taxation, of £358,834
- Page 9- the level of income had remained static at around £2m over the past 4 years as expected. WGHC had generated more income than expenditure and over time surpluses would be re-invested.
- Page 11 – Alexander Sloan recommended that WGHC engage the services of an Internal Auditor and that the Committee undergo a Skills Assessment with an external assessor. The CEO advised that WGHC were currently joint procuring with Hunters Hall Housing Co-op for an Internal Auditor and that the Committee had undergone their Skills Assessment with Consultant, Annie Mauger-Thompson.

Next, David went through the Audited Financial Statements and advised Committee of the following:

- Page 8 – clarifies the accounts give a “true and fair” of the Co-op's affairs as at 31st March 2019 and of its surplus for the year ended. There were concerns to be raised.
- Page 11 – WGHC's surplus for the year ending 31st March 2019 was £358,834. The past service pension deficit is due to be repaid by February 2022.
- Page 12 – The Balance Sheet shows the cash in bank is £1,975,238 which demonstrates there are plenty of cash reserves. The Creditors total has gone down owing to the fact that WGHC paid back HAG funding of £243,793 which had been sitting as a debt for the past 5 years.

Committee noted the report and also:

- **Approved the letter of representation**
- **Authorised Lorna Brown (Chairperson) and Marilyn Dickson (Treasurer) to sign the letter of representation**
- **Approved the audited financial statements, including the Report of the Committee of Management**

- **Authorised Lorna Brown (Chairperson) and Marilyn Dickson (Treasurer) to sign the audited financial statements**
- **Noted the Auditor’s Management Letter and authorised the CEO to respond to it**
- **Authorised Prospect Community Housing to submit the financial statements online to the Scottish Housing Regulator (after the AGM on 2nd September 2019).**

5b) EESSH RETURN TO THE REGULATOR

Energy Efficiency in Scottish Social Housing

Committee were presented with the EESSH Return and were advised that this should have been submitted to the Scottish Housing Regulator by 31st May 2019. Due to an oversight on the CEO’s part this did not happen. The CEO reported to Committee that the SHR had given their permission for the EESSH to be submitted on 13th June 2019 (the day after Committee approved it at their meeting on 12th June 2019).

Committee were further advised that the CEO has now put in measures to ensure any future deadlines for returns are not missed. These include including a list of all the returns at the beginning of each Committee Report, the CEO has electronically diarised all return dates with 1 week warning reminders and has also electronically diarised these returns with each member of the Senior Staff Team. In addition, the CEO has a hard copy of the Returns deadlines on display in her office.

It was noted that all WGHC’s stock meets the current EESSH standard.

It was further noted that 135 out of WGHC’s stock of 372, have had energy performance tests carried out and certificates issued. 5 energy performance tests were carried out in 2018-19 when the properties were void.

Committee noted the report that WGHC’s EESSH Report was being submitted late to the Scottish Housing Regulator and approved the EESSH Report for submission on 13th June 2019.

5c) Five Year Financial Projections (FYFP)

Committee were advised that the FYFP was due to be submitted to the Scottish Housing Regulator by 30th June 2019.

As the previous CEO had already agreed this year’s budget with Committee in 2018, which then informed the current Business Plan, the key assumptions agreed at that time have informed this year’s return.

The key assumptions are:

- Planned maintenance projects include:
 - upgrading fire alarms within the housing stock in 2019-20 and 2020-21 at a total cost of £150,000.
 - replacing flooring in Area 2 in 2020-21 at a cost of £250,000;
 - replacing fascias and external timber in Area 1 in 2021-22 at a cost of £200,000;
- Improvements (component replacements) to housing include:
 - doors and windows in Area 1 in 2019-20 at a cost of £1,000,000;
 - boilers and kitchens in Area 4 in 2021-22 at a cost of £456,000;
 - bathrooms in Area 2 in 2022-23 at a cost of £348,000;
 - Boilers in Area 5 and Boilers and radiators in Area 1 at a cost of £855K.
- The pension deficit is eliminated by February 2022;
- The one remaining flat in West Pilton Drive is not sold during the period;
- There is no borrowing in the period
- Inflation is 2.5% throughout the period
- Average interest rates are 3.3% in 2018-19 and 2019-20 and 2.5% thereafter.

Committee were further advised that looking further forward, no significant problems are forecast. Cash will fluctuate as component replacement and planned maintenance projects are carried out. The minimum balance currently projected is around £640,000 in 2025 and at present neither reprofiling nor borrowing are considered appropriate. This financial situation will be regularly reviewed.

Committee noted the above and approved the Five Year Financial Plan for submission to the Scottish Housing Regulator.

5d) Loan Portfolio Return to the Scottish Housing Regulator

Committee were advised this return must be submitted to the Scottish Housing Regulator by 30th June 2019.

It was reported that WGHC currently has 5 loans with Nationwide Building Society, secured on 302 properties. The outstanding balance on these loans as at 31.03.19 was £3,722,600.

Committee noted the above and approved the Loan Portfolio Return to the Scottish Housing Regulator.

5e) Internal Auditor Procurement

Committee were reminded that West Granton Housing Co-operative had been working alongside Hunters Hall Housing Co-op to jointly procure an Internal Auditor.

On 4th June 2019, WGHC and Hunters Hall Housing Co-op posted their tender on the Public Contracts Scotland website. Already, 2 notes of interests have been received. The closing date for the completed tender documents is 8th July 2019. We are looking to buy approximately 9 days per year, but this is subject to individual negotiation.

The Scottish Housing Regulator and SFHA guidance recommend that RSLs use the services of an internal auditor to help with their self-assessment process. The last time WGHC employed the services of internal auditor was back in 2009, some ten years ago. Given the Scottish Housing Regulator's new Regulatory Framework, it is recommended that we use an internal auditor to also independently assess that WGHC is meeting its regulatory requirements, including the Standards of Governance and Financial Management for RSLs.

Proposals for WGHC's new Internal Auditor are to be presented to Committee for their approval at the 14th August 2019 meeting.

The timetable for the procurement process was reported to Committee as below:

Open (Single Stage) Procurement		
Activity	Start Date	Complete Date
Issue of European Single Procurement Document, Invitation to Tender documents, & Quality Management Systems	Tue 4/06/19	
Closing date & time for submission of questions	Wed 3/07/2019	
Closing date & time for return of completed ESPD, ITT & QMS	Mon 8/07/2019	
Receive, sort & evaluate submitted ESPD, ITT & QMS	Tue 9/07/2019	Wed 31/07/2019
Management Committee approval	Wed 14/08/2019	
Standstill Period	Thu 22/08/2019	Wed 5/09/2019
Contract Award	Mon 9/09/19	
Contract Start Date	Mon 16/09/2019	

Committee noted the report.

6) GOVERNANCE

6a) Visit from the Scottish Housing Regulator

It was reported to Committee that Carolyn Anderson (Analyst) and Kirsty Porter (Regulation Manager) from the Scottish Housing Regulator met with the CEO and the Senior Management Team in the WGHC Office on Wednesday, 5th June 2019.

Committee were advised that the Regulator wanted to meet with WGHC to discuss their new regulatory framework and the new Assurance Statement required to be completed and submitted by 31st October 2019.

In addition, the Regulator wanted to know about WGHC's priorities over the coming year. The CEO advised Committee that she updated the SHR on the Committee's Skills Assessment Audit and their plans for their individual performance reviews and Strategy Away Day.

Committee noted the report.

6b) Committee Check List - assurances

Committee were reminded to ask the CEO at each meeting to give her assurances that the returns and events in the checklist on page 2 of each Committee Report have been achieved or submitted by the required date.

Committee agreed and noted the report.

6c) Committee Performance Reviews

Committee were asked to confirm dates with the CEO so she could arrange the individual performance reviews between the Chair and members and between the Chair and the Office Bearers.

Committee noted the report and agreed dates as follows:

Monday 1st July 2019
Jon Douglas
Fiona Marshall
Marilyn Dickson
George Nicol
James Moir

Monday 8th July 2019
Liz Robertson
Joe Moir
Donna Anderson
Jim Hemphill
George Thomson

It was further agreed that the CEO would arrange a separate date for the Chair to be appraised by the Office Bearers.

6d) Committee Finance Training

Committee were asked to agree on a suitable date/time for their Finance Training so the CEO could make the necessary arrangements.

Committee agreed either Monday 15th July or Monday 5th August would be suitable.

6e) Skills Assessment Audit- Update

Committee were advised that the CEO was still waiting for 2 forms to be returned so that the external assessor, Annie Mauger-Thompson could complete her report.

The CEO also asked Committee if they would like Annie to attend a future meeting to present the report to them.

Committee noted that [REDACTED] and [REDACTED] advised the Chair that they were still to complete their forms. The Chair asked the CEO to send out new forms to them to complete and return. Committee also agreed they would like Annie to send present her report to Committee at a future meeting.

6f) Strategy Away Day for Committee

Committee were advised that the Business Plan needs to be revised every year and that it was important that the Committee actually spend some time on thinking about the direction of the Co-op and planning for the future.

A Strategy Away Day was proposed for a day in July.

The CEO advised Committee that the usual topics of discussion at an away day are:

- Vision: Where are we going?
- Revise our Mission Statement: Why do we exist?
- Strategic Priorities: What do we need to focus on to achieve our Vision?
- Action planning for the strategic priorities

Committee were asked to decide on having an Away day, choose a venue and consultant.

Committee agreed that they should attend a Strategy Away Day on 22nd June 2019 and that Annie Mauger-Thompson should facilitate the session. The CEO is to look for a venue and make arrangements accordingly.

6g) EVH ANNUAL CONFERENCE

Committee were advised that this year's EVH conference is again at the Fairmont Hotel in St Andrews, from Friday, 22nd to Sunday 24th November 2019.

Accommodation, hotel meals and travel are paid for. In addition, delegates receive an allowance for out of pocket expenses.

Members were advised there is an "early bird" reduced rate for booking before 30th June.

Committee were asked to advise the CEO if they want to attend by completing the booking form enclosed in the reports and return it to the WGHC Office.

Committee noted the above and members Donna Anderson, Elizabeth Robertson and Fiona Marshall all advised the CEO they would like to attend.

6h) EVH SHAPS PENSION EVENT

Committee were advised that EVH were holding a training event for Governing Body Members in Glasgow on Tuesday 25th June 2019 from 11-12.30 pm. The session is aimed at a discussion around the Triennial Scheme Valuation Process. Members were invited to advise the CEO if they would like to attend.

Committee noted the report. No members expressed a wish to attend.

6i) HEALTH & SAFETY: MONTHLY REPORT

Committee were advised that there had been no accidents or incidents since the last Committee Meeting.

Committee noted the report.

6j) CHANGES IN MEMBERSHIP OF THE CO-OPERATIVE

Committee were advised of the following two new Memberships:

<u>Mem Number</u>	<u>Date started</u>			<u>Names</u>	<u>WGHC Address</u>	
719	06 May 2019	<u>1st joint</u>	Relet	[REDACTED]	02	Granton Mains Brae
719	06 May 2019	<u>2nd joint</u>	Relet	[REDACTED]	02	Granton Mains Brae
720	06 May 2019	Sole	Relet	[REDACTED]	20C3	West Pilton Park

Committee were advised there had been no terminations of Membership since the May 2019 reports.

Committee noted the report.

6k) STAFFING UPDATE

Committee were advised that [REDACTED] is still working on a phased return to work with a view to increasing her hours back to full time. The CEO reported that a degree of flexibility concerning working hours is required given the long-standing nature of her injury. Committee are to be kept updated of any changes.

Committee noted the report.

7) ASSET MANAGEMENT & MAINTENANCE

a) Updates on Doors & Windows

Committee were advised that works began on 29th April 2019 and that the Maintenance Manager had reported that so far, everything is going well. It was reported that on the day of the Committee Meeting (12th June 2019), 71 properties should have been completed, which amounts to just under 50% of the work.

It was revealed that to date, only two tenants had failed to give access to Contractors but that the Maintenance and Housing Management Teams were both following these up.

The Maintenance Manager is following up some minor snagging issues with Sidey, but these are expected to be resolved within a quick time scale. No other concerns were reported.

Committee noted the report.

8) HOUSING MANAGEMENT

a) Arrears Cases

Committee were advised that WGHC has a small number of tenants with high level of arrears with one case owing £1,741.10, lodged in Court.

It was also reported that WGHC has 15 tenants in receipt of Universal Credit and that we receive direct payments for 5 of these tenants.

Committee will be kept updated through future reports.

b) Ongoing anti social behaviour case

Committee were advised that WGHC had arranged for a group of tenants to meet with WGHC's lawyer to discuss an ongoing, low level case of anti social behaviour. It was explained to the tenants that WGHC would not be at the stage yet to progress this case through the Courts and were advised of the necessary steps needed to ensure that WGHC is provided with sufficient evidence in order

to escalate the case, if and when it is considered appropriate to do so.

c) Estate management

It was reported that Housing Management Staff are now conducting regular estate management walkabouts and that custom workwear was to be ordered bearing the WGHC Logo so tenants can identify staff when they are out and about.

Committee noted the report.

9) This number was omitted from the Committee Reports and the numbers went from 8 to 10). There was no section 9.

10) DONATIONS and SPONSORSHIP

Committee were presented with a proposal from SHE SCOTLAND.

SHE SCOTLAND is currently run from the local community Prentice Centre and supports young women from the local community to improve their life chances through training, empowerment, workshops and activities. They advised their 7 week out of school programme would cost £3,000 and they were looking for a donation to help support this work.

Committee were advised that this financial year they had donated £2,480 and agreed a sponsorship of £850 for the Dolly Parton Book Scheme.

Committee discussed the importance of supporting young girls and women in the local community. Some members said they knew the children of neighbouring tenants who attended the SHE sessions in the Prentice Centre and that it meant these young girls were able to become part of something as opposed to have nothing to do and hanging out on the streets. Committee agreed that they didn't think they should fund the full £3,000 but that WGHC should at least offer a substantial contribution to support this important work.

Committee agreed and approved a donation of £1,500 to SHE SCOTLAND.

11) AOCB

Change in Job Title

██████████ (staff member) left the meeting whilst this agenda item was being discussed.

There is a strong and reasonable business case to change the Housing & Corporate Services Manager job title to Depute CEO. This was presented to Committee as follows:

██████████ is WGHC's Housing & Corporate Services Manager. As per ██████'s job description, he is already the second-in-line post within the organisation. ██████ deputises for the CEO if she is absent on holiday, out of the office at meeting or on sick leave.

Since the creation of the Tenancy Manager post, there has been some confusion amongst staff and external organisations in the difference between the role of the Tenancy Manager (which is an operational manager's position) and the Housing & Corporate Services Manager (which is a Senior Management role). Whilst there is some crossover, the two roles are significantly different.

It appears having the words "Tenancy" and "Housing" in the job titles is the root cause of the confusion, given both are very similar in meaning in the field of housing.

However, as a second-in-line post within the organisation, the Housing & Corporate Services Manager has a much broader remit and more responsibilities than the Tenancy Manager (who deals with day to day operations). These include Corporate Management, Governance and Financial Responsibilities. In addition, this post deputises for the CEO.

In terms of EVH Grading the staff are graded as follows:

- CEO – is a Grade 10
- The Housing & Corporate Services Manager is a Grade 9
- The Tenancy Manager is a Grade 8 – same as the Maintenance Manager

The proposed change in job title is not a promotion or change in grade. These will not change, if approved by Committee.

It is hoped that by changing the job title from Housing & Corporate Services Manager to Depute CEO, it will help to address the confusion surrounding both ██████████ and ██████████ roles internally and externally.

Committee discussed the above and unanimously agreed that the job title of Housing & Corporate Services Manager is changed to Depute CEO with immediate effect.

12)DATE OF NEXT MEETING – WEDNESDAY 14th AUGUST 2019

Approved.

Signed  this signature has been redacted

Date.....

Chairperson