

Yorkhill Housing Association Limited

Minutes of a Hybrid Management Committee meeting held on 8th December 2022 in the Association's office and via Zoom

Present: M Green (Chair)(in-person), B Docherty (in-person), Y Alexis (in-person) C Armstrong (Zoom), Mic Ralph (in-person), B Hanley (in person from 6.30)

Apologies: P Marsden, N Fitzgerald, J Wilson, N McPherson, M Chang

In Attendance: M Menabney (Chief Executive), S Pattison (Compliance Manager), Gary Watson (Finance Manager), G Kennedy (Housing Services Manager), A Brown (Governance Assistant – Minutes)

From 6.30 – 8.25 J Harvie, Harvie Consulting

1.	<p><u>Welcome and Apologies</u></p> <p>M Green welcomed everyone to the meeting and apologies were noted. Technical issues with Zoom meant C Armstrong joined a little late, so the meeting did not start until 6.15pm.</p>
2.	<p><u>Declarations of Interest</u></p> <p>None to record.</p>
3.	<p><u>Minutes of last meeting 24th November 2022</u></p>
3.1	<p><u>Amendments</u></p> <p>M Green noted that M Ralph was marked as present but was only at the meeting until 6.45. Y Alexis noted on page 6 there was an error. The first paragraph in Report from SFHA states 'Y Alexis and G Watson attended the recent Finance Conference' when in fact only Y Alexis attended.</p>
3.2	<p><u>Approval</u></p> <p>The minutes were unanimously accepted subject to the above corrections and approved for signing off by M Green.</p>
3.3	<p><u>Matters Arising</u></p> <p>There were no matters arising.</p>
4.0	<p><u>Tender Reports</u></p>
4.1	<p><u>46 Overnewton Street Window Project</u></p> <p>Prepared by Robert Calvert, Property Services Manager.</p>

M Menabney spoke to the report on behalf of R Calvert.

Tender Documents were issued via Public Contracts Scotland Limited on the 28th of September and tenders were to be returned on 2nd November. The tender documents included price and a quality assessment.

4 tenderers had confirmed they would tender however only 2 tenders were returned. These were from CCG (Scotland) Ltd and Sovereign Group.

CCG (Scotland) Ltd provided the best price and were the most competitive tender.

Members agreed that there was no need for further discussion as the tender had already been subject to a lot of scrutiny.

Recommendation to award CCG (Scotland) Ltd the project was approved.

RC

4.2

Internal Audit Services

Prepared by Gary Watson, Finance Manager.

Tender Documents were issued via Public Contracts Scotland Limited, and tenders were to be returned on 18th November.

4 firms were invited to tender however only 2 tenders were returned. These were from Quinn Internal Audit Services and Wylie and Bisset. Quinn had submitted their tender late on 21st November, but it had been agreed by Management Committee at the meeting on 4th November that the tender should be included.

Tenders were opened on 25th November and Quinn and Wylie and Bisset attended the office for interviews. Tenders were scored as Quality 70% and Price 30%.

The interview panel agreed to recommend the appointment of Wylie and Bisset for 2023 -2026.

GW

There were no questions, and the recommendation was approved.

5.

Report on Rent Setting Consultation

Presented by G Kennedy, Housing Services Manager.

At the previous meeting Management Committee members agreed that a 6% increase to rents was a reasonable proposal to make, while recognising that a cap may be imposed or recommended by the Scottish Government. It had been agreed to consult tenants on this basis.

The consultation was sent to 427 tenants with a deadline for responses of 7th December. 5 questions were asked in relation to rent. These were:

- Do you agree that increases based on inflation rates are fair?
- Do you think your rent represents good value?
- Do you feel you are provided with enough information on how rental income is used?
- Do you feel your rent is affordable?
- Would you prefer for services such as stair cleaning, reduced kitchen and bathroom upgrades and welfare right advice to be cancelled to reduce your rent?

Telephone calls were also made to tenants to increase the response rate. 50 responses were received by the deadline (compared to 57 last year) and it is believed the rate was lower due in part to the Royal Mail Strikes.

A majority of tenants who responded say they are provided with enough information on how their rental income is used, their rent is affordable, good value, and the increase is fair.

A majority of tenants who responded do not want a reduction in services.

An additional question was included asking tenants to rank how important each of the following was to them.

- Keeping rent charges affordable.
- Ensuring our homes are as energy efficient as possible.
- Having an effective repairs service.
- Helping vulnerable tenants.
- Having a local housing association and committee for the Yorkhill area.
- Allocating our properties quickly and fairly.

This question was included to help plan services over the next 3 years.

46 responses were received, and they indicated that all respondents believe energy efficiency, the repairs service and helping vulnerable tenants were very or highly important.

45 of the 46 respondents felt affordable rents, allocations and local HA & committee were very or highly important.

A member asked what difference it would make if the rent was only increased by 5.5%.

G Kennedy explained that 0.5% was equivalent to £0.5 million over 30 years so it could be quite significant. He pointed out that any increase to rent could be unaffordable for those on low income. He also explained that the Association's rents are already relatively low compared to others in the area and it would not be beneficial to anyone to hold artificially low rents for extended periods of time.

After discussion it was agreed that 6% increase is fair. It was agreed the tenants should be contacted again in early January to allow further responses from tenants who had not received the consultation correspondence as a result of the postal strikes.

GK

6. **Report on Equalities Internal Audit**

Presented by S Pattison, Compliance Manager.

An internal audit on Equalities was undertaken by Quinn Internal Audit Services Ltd on 24th November.

The report indicates full assurance with 2 priority 3 (lowest priority) recommendations. These were:

- To include a progress column on the action plan to track outcomes/progress against equality objectives.
- To include an equalities addendum with tender/quote documents when procuring works and services.

S Pattison recommended that members note the contents of the report and approve the addendum.

M Menabney added that she was very pleased with the result of the audit, given that S Pattison had only 2 days' notice to gather all the evidence. She thanked S Pattison for his ongoing excellent work.

SP

There were no questions and members approved the addendum and noted the report.

7. **Business Plan 2023-25**

Presented by J Harvie, Harvie Consulting.

J Harvie explained that the Business Plan was a lengthy document covering all aspects of the Association's strategic and operational activities and its viability over the next 30 years.

He thanked the Chief Executive and Management Team for their assistance in preparing the plan and expressed his opinion that it demonstrated YHA's financial strength and self sufficiency for the short, medium and long term.

He talked members through the plan advising he would focus on the most important considerations.

These are:

- Objectives and strategy for the next 3 years
- Financial projections for the Association

The Association must show viability first and foremost to tenants.

The core purpose of the Association is the provision of good quality and affordable housing, but the world is changing and there is a benefit to engaging with other organisations.

More is expected from housing associations than ever, and limited resources determine what can be achieved so partnering with others can make a difference to service provision. An example is the Association's benefit advice service purchased from another RSL..

Jim advised satisfaction surveys indicated that tenants would like more involvement. G Kennedy added that plans for engaging more with tenants are already under way with the development of the Customer Engagement Plan. A coffee morning has already taken place and there are plans to set up feedback and scrutiny groups.

M Menabney also explained that the 3 yearly Residents Survey will be carried out early in 2023 which will offer more chances for residents to have their say.

J Harvie pointed out that no organisation is perfect, and all will have relative weaknesses. He outlined the good work of the Association during the pandemic when Glasgow City Council were unable to deal with rats and bulk in the back court areas. He said this placed the Association in a position of having to pick up roles which are not necessarily their responsibility. He further added that way in which the Association brought Management Committee numbers from 8 up to 13 shows it can tackle issues and change them quickly.

In terms of financial viability J Harvie presented the 30-year plan and explained that all housing associations are facing the same problems where rents are not rising as much as costs.

He said for the Association this means things look tight in the first 10 years due to the current challenges of rising costs and high inflation.

He advised members that the 30-year forecast was a realistic picture of the Association's ability to meet its obligations throughout the period of the plan. Initial cost cutting measures such as a staffing restructure and increasing the lifespan of kitchens and bathrooms had helped keep the Association financially strong.

Keeping rents at sub inflation increases for now meant that in the medium term rises at 1% above inflation would be required to ensure long term costs were covered.

He summed up by saying the strengths outweigh the relative weaknesses and there is nothing in the financial plans to be too worried about.

J Harvie then went on to discuss the Strategic Options Appraisal. He talked members through the options available:

- Remain as a community-based Housing Association.
- Remain as a community-based Housing Association but working in partnership with other organisations.
- Become a subsidiary of a larger Housing Association
- Merge with a larger Housing Association.

Jim explained that the Association is attractive to larger Housing Associations as it has low debt, money in the bank and well maintained properties. Also, there are no governance or service provision issues requiring external support or intervention.

The majority of committee members indicated their preference was to remain as a community- based organisation with local services and local control. It was pointed out that the incentives often offered by larger landlords i.e. new kitchens, windows and bathrooms and lower rents were already well established at YHA.

J Harvie agreed that there was no strong argument for the merger option, but there was potential for future partnership arrangements if opportunities arose to increase service provision. He said that some associations had established a position as anchors for their communities.

His recommendation would be to remain as a fully autonomous community-based association with a view to working with more partners.

There was a short discussion about the challenges faced by all social landlords in meeting the requirements of EESH2 and developing long term strategies to combat climate change. It was also confirmed the Association could not be complacent about its financial position and must continually review how rental income is used to provide tenants with value for money. High staff costs could be reduced in the future through natural reasons.

Members had no further questions and confirmed their preference would be to remain as a community-based Housing Association but work in partnership with other organisations.

MM/GW

M Menabney advised that the Regulator wants a copy of the business plan and options appraisal by 2pm on 21st October 2022. Once the Regulator has had a chance to look through the documents, they may wish to meet with members in January to discuss aspects of the plan or the options appraisal.

Committee asked the Chief Executive to request advance discussion points if a meeting is required. Members also confirmed their preference would be for the full committee to meet with SHR rather than just office bearers.

MM

M Menabney also suggested to members that they should begin to discuss a recruitment process for her successor. She advised members should appoint an advisor who can lead them through the process. She confirmed she would take no part in the process and the staff contacts for this recruitment would be S Pattison and A Brown. M Green confirmed he would put this in motion.

MG/MC

8. **Report from GWSF**

Nothing to report.

9. **Report from SFHA**

Nothing to report.

10. **Report from EVH**

M Menabney confirmed that the recent ballots supported the proposal for the wage increase. Staff will receive a 5.25% pay increase from April 2023 and one-off £150 cost of living payments in January, February and March 2023.

11. **AOCB**

11.1 Eviction

G Kennedy advised members that on 2nd December 2022 the Association had been granted a decree of eviction against a tenant who has over £4,000 arrears.

He explained the tenant had come to court for the hearing but was told by court staff the hearing was not going ahead. Because of this [REDACTED] did not attend the hearing.

The tenant has moved out of the property and [REDACTED]; however, [REDACTED] cannot manage to move [REDACTED] belongings out of the flat. Termination of [REDACTED] tenancy cannot happen until [REDACTED] clears [REDACTED] belongings and hands back the keys. G Kennedy has offered to refer [REDACTED] to the Welfare Rights Officer for some advice, but the tenant has so far refused this. As [REDACTED] has not yet cleared the property and the keys have not been handed back G Kennedy is seeking authorisation for Management Committee to go ahead with the eviction.

After discussion about the limited options available members agreed to authorise the eviction providing G Kennedy is satisfied that it is the only way possible, and all other options have been exhausted.

GK

11.2 Fuel Fund

G Kennedy advised the Association has been successful in securing £12,000 of funding from the Scottish Government through SFHA to help vulnerable tenants with fuel bills and energy efficiency measures such as low energy kettles, light bulbs etc.

All members agreed this was very welcome news and thanked G Kennedy for his work in securing this funding. They authorised him to create a fair and accountable process for distributing the items and vouchers and asked that a report is presented at a later date to show how this has helped improve tenants' lives.

GK

11.3 Director of Property Services retirement

M Menabney confirmed that she has now received P Hollinsworth's written resignation. Her last official day at work will be 13th January 2023 however, as she is still due to take annual leave, her last day in the office will be on 23rd December 2022.

Members asked about a leaving gift and M Menabney assured them this was all in hand. She also confirmed the Association will contribute to her night out.

Members gave a note of thanks to P Hollinsworth for all her hard work over the last 43 years and wished her all the best for her retirement.

11.4 Property Services Officer Interviews

M Menabney advised members that 3 candidates had been selected to interview for the post of Property Services Officer. Interviews will take place on 12th December 2022.

MM

There was no further business and the meeting ended at 8.45pm

Date of next meeting 6pm 9th February 2023