

Minutes of the Management Board meeting held on Tuesday 3 August 2021 at 6.00pm using ZOOM Video Communications.

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## Ag3

**Present:** Joan McFarlane (Chair)  
Elspeth Kerr  
David Riddell  
Josephine Barnshaw  
Andrew Loen  
David O'Hara  
Helen Eakin  
Margaret Bowie  
Jean Hunter  
Michele Cameron – observer

**In attendance:** Pauline Burke, Director  
Jackie McGoran, Senior Finance Officer  
Stephen Watt, Corporate Services Assistant  
David Ampofo, FMD Consultant  
Joan Williamson, Findlays Chartered Accountants  
Martin Dobson, Findlays Chartered Accountants

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

The Chair invited the Board to approve Jean Hunter as a new Board member. This was proposed by E Kerr and seconded by D O'Hara. Once approved, J Hunter was welcomed into the meeting.

The Chair invited the Board to welcome Michelle Cameron as an observer for the meeting tonight. M Cameron was welcomed to the meeting.

The Chair welcomed and introduced everyone to Joan Williamson and Martin Dobson from Findlays Chartered Accountants who will present agenda item 5.1.

Welcomes were offered to David Ampofo from FMD Financial Services who will present agenda item 5.3.

## **1. Apologies**

- 1.1 Apologies were received from T Harvey and staff member, D McKnight.

## **2. Declaration of interest**

- 2.1 D O'Hara declared an interest in Ag item 8.1 – Membership report.

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

- 3.1 The minute of the meeting on 29 June 2021 was proposed by D O'Hara and seconded by E Kerr. These minutes will be signed at the first available date due to Covid-19 restrictions.

**Action – S Watt**

- 3.2 The minute of the confidential meeting on 11 June 2021 was proposed by E Kerr and seconded by H Eakin.

- 3.3 The minute of the confidential meeting on 29 June 2021 (agenda item 10.2) was proposed by D O'Hara and seconded by E Kerr.

## **4. Matters arising**

- 4.1 Agenda 8.1 – There is one additional member to be included to the membership list. This person applied after the papers had been circulated to Board members.

## **5. Director's report**

### **5.1 Draft Annual Accounts to 31 March 2021**

- 5.1.1 Joan Williamson of Findlay & Co presented the draft annual accounts for 2020/21 and highlighted the key elements of the financial statements and associated papers for Board information. Particular attention was drawn to the fact that the Co-operative has seen an increase in its short-term financial position by way of an overall surplus. The amount generated has decreased from £1,074,205 in 2020 to £59,054 in 2021. J Williamson highlighted the main reason the overall surplus was significantly less than the previous year is largely due to the actuarial movement on the pension scheme which was a loss of £557,000 (2020 - £486,000 gain).

- 5.1.2 Board were invited to note that the £557k loss on the defined benefit Pension Plan was based on valuation of net liabilities of the SHAPS pension scheme and did not represent a cash outflow.
- 5.1.3 The Co-operative's revenue reserves now sit at a balance of £5,254,461 (2020 - £5,195,407) being carried forward into 2021/22.
- 5.1.4 The Management Letter, which details key risks, system testing and findings of the auditor was presented to the Board. J Williamson advised that due to the current economic environment there was an increased emphasis for the auditors to consider the Co-operative's assessment of going concern. Additionally, as the RSL sector has been significantly impacted with changes relating to recognition of pension net liabilities particular attention was paid to any reported movement in these estimates. The Board were advised that no errors were detected material or otherwise during the audit. The Board was pleased to note the Management Letter contained an unqualified audit report with no significant weaknesses identified.
- 5.1.5 The Financial Statements, Letter of Representation and response to the Management Letter were approved by the Board and arrangements were made with the Chair for signing of the aforementioned documents.

**Action – S Watt**

- 5.1.6 J Williamson wished to thank all staff and financial agent, D Ampofo who were involved in the audit and recognised the provision of information was to a very high standard which contributed to a smooth audit process despite being held remotely due to continued Covid restrictions.

J Williamson and M Dobson left the meeting at 6.28pm.

## **5.2 Business Planning report**

- 5.2.1 Board discussed the Scottish Housing Regulators (SHR), Business Planning guidance timeline for reviewing business plans.
- 5.2.2 Board approved the timeline for reviewing the Business plan and Asset Management plan as per the SHR guidance.
- 5.2.3 The Business plan and Asset Management plan for this year will be presented at the September board meeting.

### **5.3 Treasury Management – Loan repayment**

5.3.1 D Ampofo presented a proposal to allow consideration of early repayment of three of the loans held with Nationwide Building Society (NBS).

5.3.2 The Board gave consideration to the Co-operative's healthy cash position, low interest rates offered on deposits, and current finance loan administration time and agreed to repay three of the LIBOR linked loans highlighted in Board Papers 5.3(i), totalling £240,481 at 30 June 2021. These were originally due to be repaid by years 2025, 2026 and 2028.

5.3.3 The Board approved the early repayment of loans 585266, 585299 and 585365.

D Ampofo left the meeting at 6.31pm.

### **5.4 Secretary's Year-end Report**

5.4.1 P Burke presented the report to Board. It was noted in terms of Rule 63, Rules 57– 62 have been followed.

5.4.2 The Board noted the Secretary's report.

### **5.5 Annual Review of Registers**

5.5.1 Due to Covid-19 and the Government's Directive for social distancing, the Board meetings continue to be held virtually therefore, the registers which are normally presented for signing in the final meeting prior to the AGM would be made available for signing after the Board meeting by way of the Corporate Services Assistant arranging with the Director and Chair or Secretary to sign prior to the AGM.

5.5.2 The Board noted the update re the Annual Review of Registers.

### **5.6 Annual General Meeting**

5.6.1 P Burke informed the Board of the arrangements for this year's AGM which is due to take place via ZOOM on Wednesday 25 August 2021 at 6.00pm.

5.6.2 A standard agenda was proposed and agreed by Board, with a prize draw with three prizes closing the evening.

5.6.3 In accordance with Rule 33.1, one third of elected Board members require to stand down. This year, the following persons are due to stand down:

Longest-serving members (Rule 33.2) and nine-year annual review

- Helen Eakin (re-elected 2016)
- Margaret Bowie (re-elected 2016)

Co-opted members

- Tiffany Harvey

Casual members

- Josephine Barnshaw
- David O'Hara

5.6.4 It was proposed to Board that re-election of the external auditor would choose Findlay & Co to be re-appointed to members. The Co-operative has been satisfied with the current auditor's performance and level of service.

5.6.5 Board noted the above and agree to recommend the re-appointment of the current external auditors.

## **5.7 Model Rules 2020 – amendment**

5.7.1 The Board were presented with papers regarding the 2020 Model Rules adopted September 2020.

5.7.2 Legal advice was sought from our lawyers, MacRoberts Solicitors, concerning a couple of queries of clarity at Rules 7.2 and 7.4. MacRoberts suggested two options to resolve the issues with the Board approving the long term solution of an amendment to the current Rules.

5.7.3 It was agreed that MacRoberts will handle the communication of the amendment to the Rules with the Financial Conduct Authority (FCA), Office of Scottish Charity Regulator (OSCR) and the Scottish Housing Regulator (SHR) on behalf of the Board. It was agreed a Special General Meeting to be held immediately after the AGM for members to consider the amendments for approval.

5.7.4 Board approved the amendment to the 2020 Model Rules adopted September 2020.

## **5.8 Code of Conduct report - Staff**

5.8.1 All staff have agreed and signed their Terms and Conditions and Code of Conduct for the year 2021/2022.

5.8.2 P Burke advised that the Scottish Federation of Housing Associations (SFHA) revised Code of Conduct for the Board will be circulated for signing following the Annual General Meeting.

5.8.3 Board noted the Code of Conduct updates and approved the adoption of the SFHA 2021/2022 Code of Conducts.

## **5.9 Management Team report**

5.9.1 P Burke referred to the Management Team report and the ongoing position with Covid-19 restrictions as directed by the Scottish Government.

5.9.2 The latest review from Scottish Government provides that Glasgow is presently under Level 0 restrictions. The senior team continue to keep abreast of the changes in restrictions and preparing for returning to office working and resuming services for members consideration.

5.9.3 Board noted the Management Team report and written updates concerning the Finance and Technical sections.

## **6. Technical Manager's report**

### **6.1 Performance report – Quarter 1 2021/22**

6.1.1 J McGoran presented the quarterly performance results to 30<sup>th</sup> June 2021, highlighting key areas where performance did not meet target which was noted and discussed by Board.

6.1.2 Referring to the lack of referrals from the Homeless Casework team E Kerr requested that Housing services prepare a list of responses they have received concerning referrals for housing, and pass this to her to take forward in her capacity as a councillor.

**Action – Housing Officers**

6.1.3 Board noted the performance report.

### **6.2 Planned Maintenance progress report**

6.2.1 P Burke provided the Board with an update on the kitchen and boiler, bathroom, and window replacement programmes.

6.2.2 The kitchen and boiler project, along with the window replacements, are now complete with final measurements in progress. The bathroom programme recommended on 27 April and now has 27 installations complete with two

properties hindered due to 'no access'. These continue to be monitored by the Technical Manager and appear to have been resolved.

6.2.3 The Board noted the maintenance progress report.

### **6.3 Fire Safety compliance progress report**

6.3.1 P Burke presented an update on the new standards and regulations due to come into force concerning fire safety.

6.3.2 As previously discussed by Board, 479 properties required smoke detector upgrades. The programme is 93% complete with upgrades to the other 34 properties progressing.

6.3.3 The Board noted the fire safety update.

## **7. Policy review**

### **7.1 Policy Review report**

The Board noted the two policies for review this month.

#### **7.1(i) Entitlement, Payments and Benefits policy**

7.1.1 Board approved the Entitlements, Payments and Benefits policy.

#### **7.1(ii) Bad Debt Provision policy**

7.1.2 Board approved the Bad Debt Provision policy.

D O'Hara left the meeting at 6.54pm due to a declared interest in agenda item 8.1.

## **8. Governance**

### **8.1 Membership Report**

8.1.1 17 prospective members were brought to the meeting and three Share Certificates. One further prospective member was added as a late addition, bringing the total to 18. These were approved by the Board.

### **8.2 Ethical Conduct and Notifiable Events**

8.2.1 The notifiable events report was presented to the Board.

8.2.2 No further notifiable events were submitted to the Scottish Housing Regulator. One notifiable event remains open with updates provided by the Chair.

8.2.3 The Board noted the notifiable events update.

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

9.1 There were no sub-Committee minutes to report this month.

D O'Hara returned to the meeting at 6.59pm.

## **10. Any Other Competent Business**

10.1 Due to the quorum of three Board members required to attend sub-Committee meetings, P Burke sought availability from sub-Committee members for attendance at the Audit, Risk & Staffing sub-Committee due to take place on 12 August. All advised that they would be present.

10.2 S Watt sought confirmation of Board members availability for the AGM due to take place on 25 August. All persons present confirmed they would be in attendance.

## **11. Date of next meeting**

11.1 The next Board meeting will take place on Tuesday 7 September 2021 at 6.00pm using ZOOM Video Communications.

The meeting closed at 7.01pm.