

Present: David O'Hara (Chair)
Josephine Barnshaw
Helen Eakin
Elspeth Kerr
David Riddell
Jean Forbes
Alexander Kerr
Graeme MacIntosh
Karen Hogg
Pauline McNaught
Frances McLean

In attendance: Pauline Burke, Director
Jacqueline McGoran, Finance & Corporate Services Manager
Alex Gemmell, Senior Maintenance Officer
Aileen Brown, Corporate Services & Finance Officer (minute taker)

1. Apologies

1.1 Apologies were received from K McKenna, V Ogar, J McFarlane, K Watt, M McCarthy and D Ampofo.

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 24 October 2023 was proposed by E Kerr and seconded by K Hogg.

3(i) The minute of the Special Rent meeting held on 7 November 2023 was proposed by E Kerr and seconded by J Barnshaw.

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 J McFarlane has asked for a special leave of absence for personal reasons for a period of 3 months. Board approved the request.
- 5.2 K Watt has asked for a special leave of absence for personal reasons for a period of 3 months. Board approved the request.

Action – A Brown

6. Director's Report

6.1 Management Accounts to 30 September 2023

- 6.1.1 J McGoran presented the report on the Management Accounts to 30 September 2023.
- 6.1.2 The total comprehensive income (surplus) for the year to 30 September 2023 was £446,589 v budgeted surplus of £230,400 resulting in a favourable variance of £216,189.
- 6.1.3 Board were advised that estate and overhead costs on the whole remain within budget. As detailed within the body of the report positive variances were largely down to timing and those costs are expected to come into line with budget as the year progresses. Board also noted any identified real cost savings.
- 6.1.4 There has been a decrease of **£217,352** in current assets over the period primarily due to a decrease in cash. This is primarily due to the early repayment of loans totalling £260.6k in the 2nd quarter of 2023/24.
- 6.1.5 Equity has increased over the period to £7,129,512 – the main factor being the addition of the **£446,589 surplus** generated for the year to 30 September 2023.

6.1.6 Key Performance Indicator's were touched upon, and Board were advised the Co-operative had met its interest cover and asset cover targets as set out in its loan covenant documentation for the period.

6.1.7 The Board approved the Management Accounts to 30 September 2023.

6.2 Draft Budget 2024/25

6.2.1 J McGoran presented the draft budget 2024/25 to the Board for comment and review before the final approval at the next Board meeting on 23 January 2024. It was based on a range of assumptions as highlighted in the accompanying papers (distributed in advance of the meeting)

6.2.2 The key points from the budget are as noted below:

- Budgeted surplus for the year (total comprehensive income) is £508,812
- Rents & service charges increased by 5.60% (CPI + 1% – October 23)
- Cash balances increase by £259,052 from £2,250,890 to £2,509,942
- Bank loan balances - reduce from £1,268,259 to £1,124,330
- Bank loans – no additional borrowing or refinancing assumed
- Past service pension deficit contributions - £Nil
- Employer SHAPS DC pension contributions - 8.45%
- Planned maintenance expenditure (capital) - £411,108
- Direct employee related costs (excludes restructure) - £522,300
- Consultancy costs (includes legal & finance services) - £106,415
- Total bad debts write-off costs (1.00%) - £24,745
- Property insurance costs - £59,000

6.2.3 The surplus for 2024/25 is approximately £30,800 less than the surplus projected in the recent approved business plan year 2024/25 and the Board were advised of the reasons for this.

6.2.4 Included in the report were rent increase/options scenarios summarising various scenarios of 2024/25 rent increase % which noted the impact on cash. It also showed effects on surplus, covenant headroom/compliance.

6.2.5 The Board after considering the budget had no recommendations. The final budget will be presented at the meeting on 23 January 2024.

6.3 Risk Management Review – mid year

6.3.1 P Burke presented the mid-year Risk Management review. Members were asked to note;

- an update to the Bank of England Base rates have now reached, and they are currently being held at 5.25% in the Bank of England's fight against inflation. October CPI was 4.60% which is still higher than the Bank of England 2% long-term target.
- Board recruitment will continue as despite a full board membership there may still be a need to fill casual vacancies in the future. P Burke explained that the idea is to get a pool of people to complete a longer entry process on to the board. E Kerr asked if casual vacancies could be used to fill in for leave of absences. P Burke explained that leave of absences would not be filled as those members are expected to return to their role at the end of their leave of absence.
- G MacIntosh noted that staff absence rates were high. A lengthy discussion took place and it was agreed by Board that staff absenteeism remain a medium risk within the risk matrix.

6.3.2 Board were advised that work on becoming Cyber Essentials Accreditation is still outstanding, but it is progressing with staff training set to begin in the next quarter.

6.3.3 Board approved the Risk Management Review.

6.4 Board Appraisals mid-year review report

6.4.1 The Board Appraisals mid-year review report was presented to Board Members. The updated Personal Development Plans are being prepared by consultant, P Bradley for board members following his meetings with them. Once prepared the Corporate Services & Finance Officer will liaise with members to ensure their training requirements are met.

6.4.2 Board noted the contents of the report.

6.5 Donation request

6.5.1 Board was asked to consider the £250 donation request from New Hope Community. A lengthy discussion took place around donations and how best

to apportion the funding as the budget is not advertised and organisations may not know they can apply for funding. Board decided not to approve the request from New Hope Community as they had previously received a donation of £500 a further £250 would mean they would receive half of the yearly budget. It was decided that £250 should be donated to the food bank before Christmas and the remaining £750 budget could be discussed at the next meeting on 23 January 2024.

- 6.5.2 Board did not approve the request from New Hope Community however Board approved a donation of £250 to the food bank.

Action A Brown

G MacIntosh left the meeting at this point (7pm)

7. Housing and Technical Report

7.1 Housing Management Performance Exceptions report

- 7.1.1 There were no exceptions to report.

7.2 Maintenance Spend Report to 30 September 2023

- 7.2.1 A Gemmell presented the report to the board.
- 7.2.2 A Gemmell advised Board of spends within maintenance and the reasons behind variances.
- 7.2.4 Board noted contents of the report.

7.3 Maintenance performance report to 30 September 2023

- 7.3.1 A Gemmell presented the report to Board.
- 7.3.2 A Gemmell advised that all Key Performance Indicators had been met during the quarter. However, asked Board to note that although 28 emergency repairs were completed late, the contractors did attend within the 4 hour emergency repair target.
- 7.3.3 A Gemmell advised Board that there was an improvement in the number of gas service audits completed in the quarter and it is expected that the target will be met by the end of quarter 3.
- 7.3.4 Board noted the contents of the report.

7.4 Planned Maintenance report

7.4.1 A Gemmell presented the report to Board and confirmed the kitchen and boiler replacements for 2023/24 are now complete and feedback from tenants had been very positive. A reduction in the number of units, caused by boilers and kitchens having been previously replaced out with the planned maintenance program, has resulted in an underspend of £110,954.

7.4.2 A Gemmell had identified properties within Phase 9 which had been scheduled to receive a new kitchen or a new boiler through planned maintenance in 2024/25. He proposes to bring this work forward to be completed prior to 31 March 2024 to make use of the underspend.

7.4.3 Board approved the proposal to bring forward the planned maintenance work.

7.5 Procurement report

7.5.1 A Gemmell presented the report to Board. He sought approval from board to:

- Agree to appoint Ramora Ltd as the gutter cleaning contractor for a three year duration
- Agree to appoint Reid Associates as the consultant for planned maintenance programs for a two year duration.
- Agree to appoint David Adamson and Partners Ltd to carry out stock condition surveys and 30-year life cycle costings for 2023/24.

7.5.2 J Barnshaw asked why the figures for gutter cleaning varied from year to year. A Gemmell explained this was due to some gutters needing cleaned every year and others only requiring cleaning every two years.

7.5.3 Board approved the appointment of Ramora, Reid Associates and David Adamson.

7.6 Approved contractors report

7.6.1 A Gemmell presented the report to Board.

7.6.2 Board approved the Approved Contractors list.

7.7 Void report

7.7.1 A Gemmell presented the report to Board. The number of voids and the average cost per void has reduced from the same period last year.

7.7.2 Members noted the update.

8. Policy review

8.1 Policy Review report

8.1.1 P Burke advised the Board that the Reward and Recognition Policy had been on the policy schedule for 2023/24, however this was in error, and it was not due to be reviewed until August 2025.

8.1.2 Board noted the contents of the report.

9. Governance

9.1 Membership Report

9.1.1 There were 27 prospective members and 2 Share Certificates for approval.

9.1.2 Board approved 27 prospective members and 2 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 The minute of the meeting on 17 August 2023 was approved by Members.

10.2 Recommendations from the meeting held on 17 August 2023, were discussed, and approved by Board.

11. Any Other Competent Business

11.1 P Burke asked Board to approve joining Scottish Co-ops Partnership Group which is a group of fully mutual Housing Co-operatives. The group would be used to share information, good practice and provide support in relation to issues affecting Co-operatives.

11.1.2 Members approved joining the Partnership Group.

Action P Burke

11.2 P Burke advised Board that a Board Member had graduated from University with a PHD and asked Board to approve giving him a card and gift voucher to congratulate him.

11.2.1 Members were delighted to hear of his achievement and approved a card and voucher.

Action A Brown

11.3 P Burke advised that The Asset Management Officer has resigned. Their last date of employment will be 01 January 2024.

11.3.1 Board noted the resignation.

There was no other competent business and the meeting finished at 7.45 pm

12. Date of next meeting

12.1 The next Board meeting will take place on **Tuesday 23 January 2024 at 6.00pm**

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