

**COMMITTEE
MINUTES**

MINUTES OF	:	Management Committee Meeting
TIME & DATE HELD	:	3rd November 2009
DATE APPROVED	:	8th December 2009

COMMITTEE PRESENT	:	Mrs. McAllister, Mr. McDonald, Mr. McWhinnie, Mr. Dick, Mrs. Hain, Mrs. Allan, Mr. Quinn, Ms. Sangster, Mr. Tominey, Ms. Johnston, Mr. Hastie, Mrs. Pryce, Ms. Scoffield
APOLOGIES	:	Mrs. Thomas, Mrs. Finnen, Mrs. Brown, Mrs. Boyle.
STAFF PRESENT	:	Chris Cunningham, Margaret Paton, Mary Hunstone.
IN ATTENDANCE	:	None

1. Minutes for Information

- Management Committee Meeting - 1st September 2009
- Management Committee Meeting (P&C) - 1st September 2009
- Technical Services Committee Meeting - 8th September 2009
- Housing Management Committee Meeting - 15th September 2009
- Management Committee Meeting - 17th September 2009
- Finance and Staffing Committee Meeting - 22nd September 2009

The above minutes were noted for information by the Management Committee.

2. Minutes for Approval

- Management Committee Meeting - 6th October 2009

The above minutes were passed as a correct record on a motion by Mr. Hastie and seconded by Ms. Johnston.

3. Committee Restructuring

The Director introduced this report to seek agreement from committee on committee remits and delegated responsibilities in relation to the new committee structure.

Committee recalled that at the last meeting they had agreed on the core of the new structure in relation to sub-committees. Specifically it was agreed that we would operate with three committees:

- **Operations Committee** - involving both Housing Management and Maintenance.

- **Development/Wider Role** - including Springboig modernisation.
- **Corporate Services** - bringing together Finance and Staffing, Internal Audit and Health and Safety.

The Committee had also agreed at their last meeting to consider key responsibilities for the Management Committee, Sub-Committees and staff and remits for the various committees.

The Director introduced both these documents which were attached to the report.

Committee considered the contents of the report and both documents and following discussion agreed:

- The Scheme of Delegated Authority
- The Committee Remits
- Authorised staff to prepare revisions to the Standing Orders in accordance with the above and prepare the final outline of the new committee structure for the December Management Committee meeting.

4. Rent Review 2010/2011

Committee considered the report regarding the annual rent increase to take effect on 1st April next year. Committee noted that the consultation provisions of the Housing (Scotland) Act 2001 required the Association to consult with tenants before making a final decision on any increase.

The Director advised Committee that in recent years the Association has consulted on the proposed increase in the November/early December period, thereby avoiding the Christmas/New Year period. Last year we delayed the consultation to January to allow for an expected drop in inflation to come through late in the year. Staff proposed the same this year, albeit for different reasons.

Committee noted that the rent increase must come into effect on 1st April and the Association must give tenants at least 28 days notice of the actual increase. This required a final notice by 28th February and in turn this required the Association to make a final decision by the February Management Committee.

Committee noted that there were a number of factors that must be taken into account in arriving at a rent increase proposal.

- The inflation figure for September was - 1.4%. This represented both a dramatic change on last year, when the equivalent figure was +5% and a challenge in terms of any increase we may wish to apply.
- For a large number of our tenants there were no legal constraints on the rent increase we may wish to propose. For others there are clear limits to any increase. Committee noted the various categories of tenants involved:
 - Springboig Scottish Homes transfer tenants: Increases of no more than RPI plus 1%

- Tenants of ex GHA property: Increases of no more than RPI plus 1%.
- All other pre 2009 tenants: No legal constraint.

Committee noted that our commitments to tenants of both the Springboig transfer stock and the ex GHA stock make reference to us not increasing the rent by more than inflation plus 1%. However Committee noted that did not require us to **adjust** the rent by inflation plus 1%. It was noted that were we to decide that our rents remained as they currently were, we would not be breaking any promises to tenants.

Committee discussed and considered the contents of the report and, on a proposal by Mr Hastie and seconded by Mr McWhinnie, agreed that no rent increase be applied at all for 2010/11. They further agreed that tenants should be notified of this before Christmas.

5. IMP Quarterly Review

The Performance and Compliance Manager introduced this report which summarised the findings of the quarterly review of the Internal Management Plan for the period 1st June 2009 to 30th September 2009.

The Committee considered the performance table which was attached to the report. Committee noted the Association's performance over the quarter and noted that the Association had achieved the majority of set targets, meeting or exceeding the targets in 13 of the 20 measures.

The main area of concern remained with arrears and the amount of housing benefit received, which the Association has no control over. As previously indicated staff would propose an adjustment to the quarterly target to reflect this issue. It was noted that more intensive monitoring of arrears would continue as a standard procedure.

In conclusion the Performance and Compliance Manager reported that the majority of indicators had been maintained or indeed improved in the quarter. This suggested that there had been a relatively smooth transition of the transfer stock and staff into the systems of Shettleston Housing Association in this first six months following the transfer in march 2009.

Committee noted the contents of the report and the performance to target over the three month period.

6. Report on Upkeep (inc Accounts)

The Director presented this report to provide committee with information on the operation of Upkeep over the last twelve months so that committee may be satisfied with the overall operation of the subsidiary.

Committee recalled Upkeep had been established as a social firm in April 2005 as a wholly owned subsidiary of the Association under the name of Shettleston Community Enterprises. It was established to provide services to the Association and to other organisations.

Committee further noted Upkeep's Board of Directors which was made up of the following:

Mary Thomas

Annie McAllister

John Hastie

Chris Cunningham

Theresa McIntrye

Sean Connor

The Director then took committee through aspects of Upkeep's work.

In relation to its current finances the Director brought committee's attention to the Upkeep accounts for 31st March 2009 financial year which was attached to the report. Committee noted that the overall position had changed significantly for the better in the first six months of the current financial year.

Committee further noted that Upkeep is now looking at generating a healthy surplus after all costs are taken into account. The organisation had grown and now employs 20 staff with two separate divisions, one dealing with the traditional core activities relating to stair cleaning and back court clear out, and the second dealing with void maintenance including skilled trades staff.

In concluding, the Director reported that Upkeep is becoming a successful company which is an asset to the Association and the community. The work of those staff within the Association and in particular Upkeep's Manager in arriving at this position is to be commended.

Committee noted all of the above, the contents of the report and the accounts.

7. East End Housing Loan Agreement and Floating Charge

The Director presented this report to seek Committee's authority to the formal signing of the loan agreement to East End Housing and to put in place the bond and floating charge between the Association and its subsidiary.

Committee recalled that they had agreed to make available to East End Housing a loan of £59,000 for the purchase of 1278 Shettleston Road 1/1. The broad terms of this agreement were that East End Housing will pay an interest rate on that loan of 1% above the rate applicable to the Association's borrowing.

Committee noted that the loan agreement itself was straightforward and had been prepared by the Association's solicitors. The bond and floating charge document provided the Association with security for that loan. Both documents were attached to the report for committee members' information.

Committee further noted that the loan agreement and floating charge complemented one another. The Management Committee had agreed previously that the Association would take out security over East End Housing at the time it agreed to the loan in principle.

Committee considered the contents of the report and both documents and agreed to:

- Formally authorise the signing of the loan agreement
- Formally authorise the signing of the bond and floating charge

8. East End Housing : Association Lending

The Director presented this report to seek committee's authority to further lending to the East End Housing Development Company for the purpose of purchasing a property at 73 Kenmore Street 0/2.

Committee were aware from previous meetings that the Association had previously made a loan to the East End Development Company for the purchase of a property on Shettleston Road.

The property in question is a one bedroom inter-war tenement flat and the Association owns the other five properties in the close. The property has come on to the market at a fixed price of £54,000 and staff have instructed a valuation to establish whether or not this is accurate.

Based on our previous experience, the rental income that can be generated from such a property is more than sufficient to cover the costs, including loan charges.

Committee considered the contents of the report and after a brief discussion agreed to sanction lending to the East End Housing for the purposes outlined above at 1% above the blended rate applicable to the Association and subject to a satisfactory valuation being obtained.

9. GCC Strategic Housing Investment Plan: Consultation

The Director introduced this report to bring committee's attention to the draft Strategic Housing Investment Plan prepared by Glasgow City Council.

The Strategic Housing Investment Plan or SHIP is part of the overall development funding process and Glasgow City Council is required to submit its plan to the Government each year. The Plan sets out the basis on which investment will take place in the city, setting out the key priorities over the coming five years.

Committee noted that the consultation for this draft is very tight. It was circulated by the Council on 14th October and comments on the draft are required by Wednesday 4th November.

The Director took committee through a number of the key priorities that the City Council sets out over the coming five years.

Committee noted that staff had attended a consultation event on Wednesday 28th October and a number of issues had arisen from this.

The Performance and Compliance Manager circulated the Association's draft response to the Plan and committee agreed:

- To note the publication of the Draft Strategic Housing Investment Plan.
- Considered the issues raised in the report
- Considered and agreed the draft response for submission by the deadline of 4th November.

10. Report on BEET

The Director presented a report prepared by the Project Officer to bring committee up to date with certain issues concerning the Fuse Youth Café and the BEET charity and to ask for a decision on a proposed course of action aimed at addressing the current situation.

Committee recalled the Association became involved with the BEET charity at the beginning of 2007. From November 2007 until November 2008, the Association's project officer served on the BEET board as a director. Following a series of concerns about BEET's governance, the Project officer had stood down as a Director of the company.

Over the past few months it had become clear that those issues had not been resolved. BEET held its AGM on 13th October and the manner in which this was conducted raised further concerns about BEET governance as a whole. The Director then highlighted issues with regard to the AGM.

The Director then summarised the Association's concerns about BEET governance as a whole.

Committee considered all of the above and the contents of the report and agreed to make its concerns known to the Office of the Scottish Charities Regulator. Committee further agreed that they wished their concerns made clear to local councillors.

11. Mortgage to Rent : Cullen Street

The Performance and Compliance Manager introduced this report to seek a decision from the Management Committee on the purchase of a 4 apartment, 6 person end terrace at 34 Cullen Street under the Scottish Government initiative, Mortgage to Rent. The property is located within an area of stock in SHA ownership.

Committee recalled that they had agreed in principle to participate in the Mortgage to Rent scheme in January 2003 but until recently there were no formal applications to the scheme.

An independent surveyor prepared a Scheme 2 Survey of the property for the Scottish Government and the Association also carried out the necessary gas and electrical checks and made its own assessment of the property and repairs required.

Committee considered the contents of the report and agreed to participate in the purchase of this property via Mortgage to Rent on the basis of the subsidy and rent level set out in the report.

12. Office Modernisation : Progress Report

The purpose of this report was to bring committee up to date with progress on the office modernisation and to raise issues relating to our return to the office in early December.

The Director then gave a short presentation providing Committee with a better understanding of the current position.

The Director discussed the potential for a committee visit following the building's completion but prior to our actual return. Given the tight deadlines it was agreed that this was impractical. In addition, a visit to the office prior to its formal completion would mean that the lift is not available for use and this may prove a further restriction for some committee members.

It was however noted that the December Management Committee meeting was scheduled to take place on Tuesday 1st December and the only remaining meeting following that will be Technical Services meeting on 8th December.

The Director was proposing to committee that these dates be adjusted as follows:

- Management Committee: Tuesday 8th December at Pettigrew Street.
- Technical Services Committee: Tuesday 15th December at Pettigrew Street

This would give the committee the opportunity to tour the building from 5.00pm on 8th December.

The committee noted the contents of the report and presentation and agreed to the above proposal. Committee further noted that staff will make the appropriate arrangements closer to the time to ensure that everyone is aware of how this will work.

13. Complaints

Committee noted that there had been no new complaints received by the Association over the course of October.

14. Membership Applications

Committee received the report from the Director and considered the following membership application:

Ms Carol Obafemi - 22 Blair Street 2/2 Shettleston G32 7EJ

Committee noted that this application had been confirmed within our existing procedures.

Committee approved the above membership.

15. E-Mail Policy

The Director introduced this report to seek the Management Committee's formal approval of the following policy which had been considered and agreed by the Finance and Staffing Sub-Committee meeting on 29th October 2009.

General 10 - E-Mail Policy

The Management Committee considered the contents of the report and agreed to formally approve the policy listed above.

16. AOB

16.1 Opening Vesalius Street

The Director informed committee that Alex Neil, Minister for Communities, had now confirmed that he will officiate at an opening for the Vesalius Street Scheme on Friday 11th December. Staff would now proceed to make the appropriate arrangements.

16.2 Christmas Lunch

The Director informed committee that a Christmas lunch will be held in the new offices at Pettigrew Street on 18th December.

Committee were further informed that George Andrew has been invited to the Christmas lunch and a formal presentation will be given to George on his retirement.

16.3 Springboig Phase 5/6

The Performance and Compliance Manager informed Committee that the Association had formally received a building warrant and planning permission for Springboig Pilot and for Phases 5/6.

The pilot scheme will be ready to go on site at the end of November.

Minutes prepared by Mary Hunstone, Office Manager

SIGNED:

DATE: