SHETTLESTON HOUSING ASSOCIATION

BOARD
MINUTES

MINUTES OF	:	Board of Management Meeting (**Non-Confidential**)
TIME & DATE HELD	:	19th August 2025
DATE APPROVED	:	7th October 2025

BOARD MEMBERS	:	Elizabeth Battersby, Tracey Kernahan, Grace Barbour, Brian Barclay, Rae Connelly, Irene McGinnes, Ania Ostrowska, Ross Ramsay and Janice Saunders
APOLOGIES	:	Gillian Johnston, Eddie Robertson and Linda Sichi
STAFF PRESENT	:	Tony Teasdale (CEO) Kirsty Brown (DFCS) Colette McKenna (DPS) Craig Russell (DCCS)
IN ATTENDANCE	:	None

1. **Apologies**

Apologies were as noted as above.

2. **Declarations of Interest**

Grace Barbour and Tracey Kernahan, as SHA tenants, declared an interest in Item 12 (*Rent and Service Charges: restructure update*). In accordance with usual practice however it was agreed that this should not prevent them from taking part in the discussion on the issue.

3. **Minutes for Information**

The draft minutes of the following meetings were noted:

3.1 Audit & Corporate Sub-Committee : 24.06.25

4. **Minutes for Approval**

4.1 **Board Meeting - 17.06.25 (Non-Confidential)**

The draft Non-Confidential Minute was **approved** on a proposal from Brian Barclay, seconded by Grace Barbour.

4.2 **Board Meeting - 17.06.25 (Confidential)**

The draft Confidential Minute was **approved** on a proposal from Brian Barclay, seconded by Grace Barbour.

5. **Matters Arising Schedule**

Members **noted** the following matters arising from the 17thJune 2025 Board meeting:

- *Item 05:* An update on the Association's engagement with EVH.
- *Item 07*: That Members can access John Thomson's presentation about Upkeep's history on Decision Time at *Resources/Subsidiaries/Upkeep.*

- *Item 8.1:* An update on progress with the Board Training Plan and confirmation that a lunchtime briefing session will be held on 4th September (from 1pm) on Regulatory requirements and assurance review after several members expressed interest.

6. **Compliance and Safety Update**

Members **noted** the content of the Compliance & Safety Update Report, and in particular:

- There had been no new Notifiable Events reported since the last meeting.
- All statutory returns and filings due since the last meeting date had been delivered in advance of the required submission dates:
  - The Loan Portfolio Return to the Scottish Housing Regulator
  - The latest quarterly return to the Information Commissioners Office
  - Quarter one Management Accounts to RBS, the Association's lender
- There had been no significant Health and Safety incidents to report since the last meeting date.

7. **Chief Executive Progress Report**

Members **noted** the content of the report and the following in particular:

Staffing Update:

- Proposed changes to enhance the role and grade of the two front-desk staff (now titled Customer Service Advisers) had now been implemented following consultation with the staff in question. The office bearers had signed this off during the recess.
- Staffing pressures within the Customer and Community Services team had significantly improved since June.
- The Community Regeneration Officer post had recently become vacant and, prior to moving to recruitment, consideration was being given as to the type and level of staffing resource that should be recruited to help best develop the Association's "wider role".

***Shettleston Gala*:** Another successful Gala had been held in conjunction with SCGP on Saturday 16th August. Around 540 people had attended, slightly down on last year. Irene McGinnes was particularly commended for giving up her time to help out on the day, and in planning the event.

***Acquisitions**:* There had been considerable activity around potential property acquisitions with two already acquired this year and four others currently in the pipeline. It was noted however that other bids had not been successful over the summer with indications that increased market prices will make it more difficult for us to compete going forward, at current grant levels.

Shettleston Community Centre: Our RCGF application had progressed to the Scottish Government (SG) following prior approval by the Council. A decision would be taken by the SG by 31/8/25 as to whether the application should proceed to stage 2 in which case a detailed bid will be required by end of November. The Board noted the initial report from Community Links Scotland highlighting issues around how the Community Centre might be run on a viable basis going forward. It also highlighted challenges in respect of being able to progress the project, develop proposals and secure consents in time to ensure the grant could be spent within 2026/27 and from this the conclusion was drawn that there would be advantages in starting the detailed work as soon as possible. In discussion the CEO highlighted the potential advantages leasing rather than acquiring the building in terms of both risk reduction and maximising access to currently available capital funding.

The Board **agreed** that work on this project should continue and that potential design consultants be identified with the possibility of front-funding (at risk) design/consultation work. It was **agreed** that a formal expression of interest in the Centre now be lodged with Glasgow Life /PMGC and that arrangements should be made for the Board to view the inside of the building. An update report would be made to the Operations Committee meeting in September. It was further noted that what happens with the Centre would have potential implications for the review of the Association's wider role strategy and also for recruitment to the vacant CRO post.

Shaping Shettleston: FUSE had issued a draft Locality Plan for comment at the end of June. The Board noted the Association's detailed response that had been submitted in July and could be found on Decision Time. FUSE had since advised that in light of our feedback, and others, it was reviewing the draft Locality Plan and a revised version is awaited.

Issues with Council Refuse Service, Bulk Uplift and Condition of Common Areas: Work had been ongoing over the summer to address the issues reported to the May and June Board meetings and progress was being made. Members' attention was drawn to the recent press report that only 6% of household waste from Glasgow flats is recycled. The Council was known to be developing new approaches to the collection of household waste from flats, including on-street "bin-hubs". It was hoped to be able to get a senior manager from the Council to speak on these issues at the AGM.

Sustainability: Details of the new recycling arrangements for the office were noted.

Local and National Housing Policy: The following were noted:

- GCC/HSCP had written regarding the continuing homelessness crisis in the city, requesting that 67% of all lets be made to homeless referrals. The current agreed quota is 50% (up from 25% pre-Covid). The matter would be discussed further at the Operations Committee meeting in September.
- GWSF had published a new report on wider role activity by CBHAs in the city.
- EVH had issued a new SHA user-name and password for its website.

Scottish Housing Regulator: SHR had published a new "thematic review" of Assurance Statements based on a series of sample visits to social landlords. The CEO reported back from a meeting with SHR he had attended on behalf of GWSF to discuss key issues/recommendations in this, including:

- Getting tenants and service users' views
- Ensuring Board members have ownership of the self-assurance process.

It was noted that these issues were also covered in the report to agenda item 8.2.

8. Governance

8.1 Governance issues

Members noted the content of the report and the update given on actions to promote Board Membership and recruitment over the summer. The first new Member Bulletin was issued to all share-holders in July, which encouraged members to think about joining the Board. Staff were also asked again to identify potential candidates. A "taster session" on 29th July was advertised in the Bulletin and through social media and three people took the opportunity come along and meet the Office Bearers.

The formal invite to nominate had been issued at the end of July in accordance with the Rules.

The Board noted that three nominations had been received – from Kieran Agnew, Lisa Miller and Ania Ostrowska. It was noted that all candidates met at least one of the recruitment targeting criteria agreed within the Board Development Plan.

The Board was reminded that under Rule 39.6 it has the power in specific circumstances to block a nomination for election. Members agreed that, once again, there were no grounds to consider doing so this year.

At the June meeting its had been noted that Elizabeth Battersby, Eddie Roberston and Janice Saunders were due to retire from the Board at this year's AGM. All had decided to stand again. As such there was a total of 6 candidates for the ten available spaces this year, and therefore a ballot of the members prior to the AGM would not be required.

It was noted that the Board already has its full quota of co-optees (no more than 1/3 of all Board Members) but that the Rules also provide that a "Casual Vacancy" is created where an elected Member has resigned since the last AGM (and there have been three in the past year).
Kieran Agnew, already an East End Board Member, had been interviewed by the office bearers about his interest in joining the Board and it was recommended that he be temporarily appointed to fill a casual vacancy, until the AGM, to give him Board experience. This was **approved** by the Board.

It was noted that the Office Bearers, supported by consultant Freya Lees, had completed the annual appraisal of the CEO. It was agreed that the Chair would report back to Members on this under Other Business.

8.2 Assurance Review

The DFCS provided an overview of the assurance review process for the 2025 year and progress made so far. Members were reminded that the self-assessment checklists were available for viewing on Decision Time with the location detailed in the report.

The CEO provided an update on the agreed route for Board Member involvement in the process. Those Members taking on the role of 'champions' discussed how this would work in practice.

The CEO highlighted the 'Annual Report on Compliance with the Rules' and Members noted that the Board Secretary had been involved in the self-assessment against compliance with the various constitutional requirements set out in Rules 62-67. Members noted that the checklist confirms compliance and provided assurance that the rules were being complied with.

Members were reminded of the Assurance Review timetable for 2025 and noted that we were on track to complete the 2025 review as expected.

The Management Board **noted** the content of the report and **approved** the Annual Report on Compliance with the Rules.

9. Finance Report

9.1 Formal Approval of 31 March 2025 Annual Accounts and Reappointment of Auditor (recommendation from Audit & Corporate Sub-Committee)

The DFCS provided an overview of the report which was a recommendation from the Audit & Corporate Sub-Committee that the Group Annual Accounts for the year ended 31st March 2025, Audit Findings Letter and Letter of Representation be formally approved by the Management Board.

Members noted that Jennifer Spence, Audit & Assurance Director at Azets, had presented the draft accounts and supporting documents to the Sub-Committee at its June meeting. The Sub-Committee conducted a thorough review of all documents and were satisfied with them. No material changes were required, with the only amendments being in relation to board composition due to turnover since the audit field work had taken place.

The Sub-Committee also recommended that Azets be reappointed as auditors for the year ending 31st March 2026.

The Management Board **approved** the recommendations from the Audit & Corporate Sub-Committee in relation to:

- approving the Group Financial Statements, Audit Findings Letter and Letter of Representation; and
- agreeing to recommend to its Members that Azets be reappointed as auditors for the year ended 31 March 2026.

9.2 <u>Management Accounts to 30 June 2025</u>

The DFCS provided an overview of the results for the period to 30th June 2025. The Board noted the surplus position of £791k compared to a budgeted surplus position of £392k.

The main points to note were:

- Total turnover for the period was £3k less than the budget expectation of £3,333k. However, within this was a £12k adverse variance on services charges resulting from the reduction in Retirement Housing Services Charges of £3k and a £9k budgeting error.
- The favourable operating costs position was discussed and the DFCS confirmed that the majority of expenditure categories were reporting a favourable surplus position. In particular the spend on both reactive and planned repairs was significantly less than budget amounts for the period to date.
- The accounts were reporting a healthy cash balance of £3,531k, which was higher than the budgeted cashflow had assumed due to the favourable variances on reactive, planned and capital repairs spend in the first 3 months of the year.
- Overall, Members noted that these were a strong set of results, reporting positive KPI's and covenant compliance.

The Board approved the Draft Final Accounts to 30th June 2025.

10. <u>Annual Procurement Report & Review of Procurement Strategy</u>

The DPS outlined the proposed revisions to the Procurement Strategy highlighting the insertion of the section on data privacy and clarification of the key role of the Board in procurement decision making. She also drew attention to the proposed procurement activity for 2025/26 and 2026/27.

The DPS confirmed that the Strategy covers all procurement activity undertaken by the Association, for goods, services and works contracts. One member asked whether the Strategy considers business critical contracts and mitigation measures to ensure continuity of service in case of default by the supplier. The DPS confirmed that the Strategy and Procurement & Tendering Procedures include measures that should be considered at procurement stage for implementation and withdrawal / termination of contracts and that these would be determined on a case-by-case basis. The CEO added that a review of business-critical contracts would be undertaken as part of the review of business continuity / resilience planning.

One member queried whether the Association is able procure without seeking multiple tenders each time. The DPS confirmed that direct award to a supplier is permitted where the Association uses a framework that has been compliantly procured under the Regulations. In these circumstances the Association must ensure it has permission to use the framework and that the terms of the framework meet our requirements and permit direct award. She added that this can be a more efficient approach for both the Association and the contractor / supplier as it avoids duplication of resource intensive tendering processes.

A member noted the introduction of the Community Wealth Building Bill by the Scottish Government and asked whether this will impact how the Association procures. The DPS noted that there are some potentially conflicting requirements between the Procurement Regulations, where we must be inclusive and give opportunity to all qualified parties, and the Community Wealth Building drive where we would look to promote local economic development by procuring locally. She added that the Strategy and Procedures include objectives to offer and promote opportunities to local suppliers and cited the recent Repairs & Maintenance Framework where we actively promoted the tender to local smaller contractors and ran events to explain the bidding process so that they could compete fairly with more experienced firms. A number of local contractors were successful in that procurement exercise. The CEO confirmed a review of the Community Wealth Building Bill requirements will be completed to clarify any further impacts on our procurement activity.

The Board approved the proposed revisions to the Procurement Strategy and approved the planned procurement activity for 2025/26 and 2026/27.

The draft Annual Procurement Report was summarised by the DPS. Members noted that the report covers the two regulated procurements undertaken in 2024/25 and were pleased to note that these were undertaken in in accordance with the objectives set down in the Procurement Strategy and Business Plan.

The Board approved the draft Annual Procurement Report for 2024/25 and authorised submission to Scottish Ministers.

The Board noted that both the Procurement Strategy and Annual Procurement Report for 2024/25 will be published on the Association's website.

Members were pleased to note that all actions from the Procurement Improvement Action Plan are now complete.

The DPS outlined the requirement to deliver social value through our procurement activity and highlighted the recent community benefits delivered by suppliers as part of their contracts with the Association. She noted that a stronger focus has been placed on securing wider benefits from all procurement activity this year, noting that benefits should be proportionate and relevant to the contract being delivered.

The DCCS advised that he has collated a 'wish list' of local projects and activities that could be provided either directly by suppliers or using funds contributed as community benefit. Some of these are being delivered this financial year, and the aim is to involve local communities in this and include further projects as these emerge from community engagement. The CEO noted that there is a need to establish how the Board/ sub-Committee will exercise control over awards from this source of income.

11. Procurement Proposals

11.1 Proposal to procure ICT system

The Board noted the detailed report from the ICTBTM which provided an overview of the ICT procurement proposal.

The Board were aware of the need to review the existing Capita housing management system which has been in place since 1999 and was no longer being supported. It was always envisaged that we would move to a cloud-based version of Capita's system however given the limitations of the current Capita system, the ICTBTM explored alternative options. The Board noted the detail on the assessment that had been carried out of three potential systems, and the recommendation that the Association procure the HomeMaster system.

At the same time it was being proposed to the Upkeep Board (on 26th August) that it adopt the Simpro system. That is independent of HomeMaster but there are indications that the two systems can work well together.

The aim would be to achieve the switch to HomeMaster by the end of March 2026. The Board noted the financial and risk implications of moving to HomeMaster as per the report. It also had regard to staff survey feedback and a recent report from GWSF on systems in use by other members.

A number of Board Members spoke to welcome the proposal. One Member commented on their direct positive experience of HomeMaster, as an employee of another RSL.

Another Member highlighted the potential benefits for more integrated working, including with Upkeep. Also, the CRM element of the new system which would likely open up new opportunities.

Some queries were raised. A Member sought clarification regarding the overall financial savings that were envisaged. The ICTBTM advised that the HomeMaster option does result in savings when you compare to the migration path of Capita with their One Housing solution. The current Capita system is being retired from April 2026 and we would be required to move to One Housing if we were staying with Capita. Savings over five years are estimated at over £430k.

Another Member highlighted the potential risks involved in any transition to another system and asked about the timetable and whether the decommissioning of the existing servers would be treated as a separate project. The ICTBM said it would and that the servers would be kept for now as possible back-up but sold in due course.

Assurances were also given in relation to a query about the possible risks of service degradation. The ICTBTM advised that the current service level being received was not great, was frequently slow and any future service requests would purely be of a support nature. It was suggested and agreed that, in light of possible risks, that the Board would continue to receive regular progress updates on the migration process.

Following discussion, the Board **approved** the recommendation to procure Home Master via the G-Cloud 14 Framework as a direct award and to transition our housing management systems to this.

It also then **approved** unbudgeted spend of £13,050 to purchase required laptops and docking stations to renew software.

11.2 Group Gas Supply Procurement

The DFCS provided an overview of the ongoing Gas Supply Procurement exercise. This included the reasons for seeking a 32-month contract and a comparison of the quotes received to date.

A Member queried if we had received any feedback on the suggested supplier. The DFCS noted that we had received this via the Broker, Citrus Energy. Members noted that Citrus Energy was also overseeing the electricity supply for the Association. The DPS further noted that Citrus Energy was a social enterprise, providing impartial advice and recommendations.

Board Members **noted** the report and **approved** the recommendation that the Association seek a 32-month contract from the most cost-effective supplier, noting that updated quotations would be sought before the renewal date.

12. Rent and Service Charges: Restructure Update

The Board noted progress to date in accordance with the previously agreed timetable for the rent restructure process. The initial survey of tenants' views, being undertaken by consultants the Knowledge Partnership, had begun and was being extended by a week to encourage a greater response rate. It was noted that a prize draw was also being offered, following prior consultation with the Office Bearers.

It was noted that formal proposals for the restructure were due to be presented to the Board in September but in the meantime the following changes under consideration were flagged for initial Board consideration and feedback:

- To base the new policy on the structure that has been applied to all new tenancies since April 2015, but with a number of changes.
- To reduce the number of "base rents".
- To maintain a higher rent level for new build properties built since 2005.
- To retain existing property characteristics relating to property type and garden.
- To reduce the number of other property-related differentials to further simplify the system, whilst still recognising that properties with the same number of bedrooms can have much less space.

It was noted that work was ongoing with the checking and updating of data about property characteristics for each home. Accurate modelling of policy change options would depend on this data being accurate.

The Board also noted that the approach to service charges was also being reviewed. The historic position regarding the setting of charges was noted and that charges hadn't always reflected the cost of providing the service. In particular, most residents hadn't traditionally been charged for common landscaping works. It was noted that the amount of landscaping attached to each group of homes can vary a lot without necessarily reflecting the level of amenity benefit for those tenants. After discussion it was agreed in-principle that the Association should continue to treat landscaping works as an overhead to be recovered through overall rental income. This would require the lifting of the service charges currently being paid by a small proportion of tenants (around 8%) and the financial implications of this were noted.

It was also noted that consideration was being given to re-introducing the close cleaning service where residents had previously been allowed to opt out. The experience had often been that tenants didn't then fulfil their responsibility to do it themselves and the condition of these closes can be poor. However, a number of members expressed the view that the quality of the close cleaning service needed to improve going forward before this happens and there was some discussion about how the current service is delivered.

13. **Business Plan: Delivery Plan Progress Update**

Members noted the detailed update on the Delivery Plan and that, after the first four months of the year, good progress had been made with most key projects, with some exceptions.

Key service delivery performance targets were also generally being met, despite some staffing challenges in this period.

14. **Payments and Benefits Policy: Proposed Offer of Tenancy**

In line with the Payments and Benefits Policy, Members considered the proposal from the DCCS that East End HDC offer a MMR tenancy to the close relative of a SHA staff member, on the basis that:

- This was in accordance with East End's Housing Lettings policy.
- The staff member had had no involvement in the allocation.
- The offer of tenancy would be recorded in the Payments and Benefits Register.

The Board approved the offer of tenancy.

15. **Membership Applications**

There were none but it was noted that since the report was issued, five applications had been received at the Shettleston Gala on 16th August, and it was intended to present these for consideration to the Special Board meeting on 9th September. It was noted that this would be just before the 14 day prior to the AGM cut-off period set down within the Rules.

16. **Any Other Business**

All staff left the meeting at that point and the Chair reported back to the Board on the recently completed CEO appraisal.

Minute prepared by Tony Teasdale (CEO), Kirsty Brown (DFCS) and Colette McKenna (DPS).

SIGNED: A Monahan ....
(Chairperson)

DATE: 7/10/2025 ....