

## BOARD OF MANAGEMENT MEETING MINUTES

Tuesday, 29 November at 6.30pm held in person / hybrid at Beardmore House & on-line through Teams

**Attendance:**

**Board Members:** J Henderson (Chair), M Donnelly, I Lennox, D McIndoe, G Waddell and A Williamson

**Staff/Advisor(s):** Anne Marie Brown, Chief Executive  
Graeme Bruce, Lethame Business Services  
Carla Cameron, Finance & Corporate Services Team Leader  
Arlene Dickson, Care Services Manager  
Kimberley Tennant, Corporate Services Officer

**Observer:** None

Board meeting minute prepared by K Tennant, Corporate Services Officer post meeting from the meeting recording.

ITEM	NOTE	ACTION
	<b>WELCOME AND ORDER OF BUSINESS</b>	
	Chairperson welcomed all to DPHA's first hybrid Board meeting.	
1.0	<b>APOLOGIES</b>	
	Apologies received from: N Gerrard, F Polding and L Lester	
2.0	<b>DECLARATIONS OF INTEREST</b>	
	Member advised that previous declaration of interest to be removed for former contractor.	KT
3.0	<b>MINUTES</b>	
3.1	Minute of previous meeting (25 October 2022)	
	No errors or omissions noted.	
	The minutes were <b>approved</b> on a proposal by D McIndoe and seconded by G Waddell	
3.2	<b>Confidential</b> Board Meeting (25 October 2022)	
	No errors or omissions noted.	

The minutes were **approved** on a proposal by D McIndoe and seconded M Donnelly.

### 3.3 Audit & Risk Committee Meeting (14 November 2022)

No errors or omissions noted.

The minutes were **Noted** on a proposal by G Waddell and seconded by D McIndoe.

### 3.4 **Confidential** Audit & Risk Committee Meeting (14 November 2022)

No errors or omissions noted.

The minutes were **Noted** on a proposal by G Waddell and seconded by D McIndoe.

## 4.0 RECOMMENDATION TO THE BOARD FOR APPROVAL FROM AUDIT & RISK COMMITTEE MEETING (14 NOVEMBER 2022)

### 4.1 Management Accounts: 2<sup>nd</sup> Quarter to 30 September 2022

#### Report Summary

C Cameron presented the report to the Board, noting that there has been little movement from the previous report due to the delay in the investment programme. C Cameron highlighted the following to the Board:

Income in the period totalled █████ and total spend equated to █████ providing a positive variance of █████. Income is higher than what was anticipated due to the reduced number of void properties in Quarter 1 and 2. The overall surplus at the end of Quarter 2 is █████.

Kitchen and bathroom replacement programme will be commencing in Quarter 3 in to Quarter 4. Noting to the members that the £865k positive variance is due to the delay in component installation and the timing of invoices for some service contracts. Staff are being proactive in approaching the contractors to have invoices sent in timeously.

The Dalmuir Out of School Care Group (DOSCG) is showing a █████, projections to the end of the financial year are projected to be just under █████. This is compared to the previously budgeted deficit of █████. The staff team have been working to reduce this deficit and hope that it will be lower than the newly anticipated █████ by year end.

Staffing Costs show a positive variance of █████ against the budget, this is due to timing of recruitment. The overheads show a positive variance of █████ due to underspend on H&S, IT, Bad Debts and lower depreciation in the period.

The variance will reduce in Quarter 3 with the new IT system implementation and the planned maintenance programme commencement.

C Cameron highlighted to members that the fixed tangible assets have reduced this is due to the delay in the planned maintenance programme.

Cash in the bank is just over █████ an increase of █████ with a projected slight decrease of cash in quarters 3 and 4 to take in to account spend with the planned maintenance programme and IT software upgrade.

C Cameron advised the Board that the Association is satisfied that it is comfortably meeting all the covenants set out by Unity Bank and that the interest receivable of █████ is in line with the rise of interest rates.

**Discussion**

Members asked what the driver is behind the Statement of Comprehensive Income surplus of █████ and the projected outturn of -█████

C Cameron advised that this is capturing some of the major repair contracts, stonework repairs, and some cyclical contracts like gutter cleaning that have still to be carried out which will be picked up in Quarter 3 and 4. The IT software upgrade is included in this too.

It was asked how the bad debt and arrears were. C Cameron advised that the Customer Service Team have been concentrating on current arrears due to the cost-of-living price hikes across the board. Former tenant debt will be looked at in the coming months, however helping our current tenants is taking precedence.

Member asked in relation to the responsive repairs spend as this has doubled from last year, asking if there are any issues that the Board need to be made aware of?

C Cameron advised that there is nothing untoward or concerning and that the increase in spend is due to the type and age of our properties. G Bruce advised Board that they are not concerned with the figures and agreed with C Cameron that the make-up of our stock is a driving factor.

Members asked what is included in major repairs? C Cameron advised that the stonework repairs is the largest project the Association has at present. AM Brown advised that N Smart from the Customer Service Team will be out on site this year carrying out stock condition surveys and that the window contract will not be on site this year due to delays with the manufacturing of the windows.

C Cameron advised that pathways identified to be renewed have not been progressed yet.

Members asked how long the protective walk-way will be in situ on Dumbarton Road? AM Brown advised that a full update of the walkway will be included in Agenda Item 11.

The Board noted that the report represents a strong surplus and a strong balance sheet, cash in bank is evident and that they have nothing more to add.

Members asked what the interest rate is linked to? G Bruce advised this is linked to base rate and that the base rate at present is █████

**Decision**

Following consideration of the report, the Board:

	<p><b>Noted</b> the report  <b>Approved</b> the Management Accounts for Quarter 2 to 30 September 2022.</p>	
<b>4.2</b>	<b>Internal Audit Reports – Assurance Statement Review October 2022</b>	
<b>Report Summary</b>	<p>AM Brown presented the report to members, highlighting the Annual Assurance Statement received a ‘<i>Strong Assurance</i>’ level from Internal Auditors following their audit visit with 3 low level recommendations and 24 areas of good practice which is a positive outcome.</p>	
<b>Discussion</b>	<p>Members advised that they were delighted with the audit outcome. AM Brown added that one of the recommendations was to add the Annual Assurance Statement to Audit &amp; Risk Committee meetings through out the year as an agenda item, declaring that this has already been implemented.</p> <p>Members advised that after their own testing that they are fully comfortable with the outcome, and it is good practice to have it as a rolling agenda item making it a less laborious task compiling prior to submission.</p>	
<b>Decision</b>	<p>Following consideration, the Board  <b>Noted</b> the contents of this cover report.  <b>Approved</b> Wylie Bisset’s Assurance Statement Review Report (<b>Appendix 1</b>) with management responses, noting the recommendations will be added to the Recommendations Monitor.</p>	
<b>5.0</b>	<b>BOARD MATTERS ARISING SCHEDULE</b>	
<b>Report Summary</b>	<p>AM Brown presented the report to the Board advising:</p> <p>Actions 11 and 4 to be removed from the schedule as they are complete.</p> <p>Some members are required to return their annual declarations, a reminder will be emailed to those members directly.</p> <p>Item 7 Stonework Repairs – AM updated members in D Wilson’s absence. West Dunbartonshire Council (WDC) confirmed that there is a missing share scheme available. This is where expected non-payment of costs from an owner will stop major repair works proceeding, WDC can cover the owner’s costs; it is however, subject to case by case review and stringent criteria. It was noted that DPHA has one owner who is not engaging with the Association and DPHA may have to apply to WDC to cover the missing share of costs.</p> <p>AM Brown advised that in terms of action point 11, unfortunately none of the 4 shareholding members who observed October 2022’s Board meeting wish to proceed with their application to join the Board. In the New Year, AM Brown, C Cameron and K Tennant will review the Board Recruitment process.</p>	KT
<b>Discussion</b>	<p>Member asked if there were any indicating factors to the prospective members not proceeding to join the Board. K Tennant responded that all advised that they did not have the time required to commit to the Board.</p>	AMB/CC /KT





	<p><b>Stock condition surveys:</b> Will be commencing January 2023 onwards. Tenant Rent Consultation meeting has provisionally been set for 11 January 2023. It is hoped that the Tenants' Panel can be relaunched following the consultation and interaction with our tenants.</p> <p>AM Brown met with TPAS regarding their Healthy Engagement Programme and advised the programme will re-start in January 2023.</p> <p>AM Brown advised that the Pension consultation with staff will take place in January 2023 with G Bruce and C Cameron leading on this.</p>	
<b>Discussion</b>	<p>Member commented that they were pleased to see the progress of the EICR project within the plan and it looks positive as we head towards the 31 March 2023 deadline.</p> <p>Member asked: Is there a proposal for rent increases at the moment?</p> <p>AM Brown advised that options are currently being considered and that consultation is likely to take place on a 5%, and 7% rent increase option. The consultation pack with information on the proposed rent increase will be sent out in the next few weeks to tenants followed by an in-person event on 11 January 2023. This issue is being discussed later on in tonight's meeting.</p> <p>AM Brown also advised members that TPAS have issued a template letter that has been used as the basis for DPHA's rent consultation letter. This takes into consideration the context of the rent legislation and why we are consulting with tenants, whilst there is a rent freeze.</p>	DW GB/CC DW
<b>Decision</b>	<p>Following discussion, the Board:  <b>Noted</b> the covering report.  <b>Approved</b> the updated GFMIP at <b>Appendix 1</b>.</p>	
<b>7.2</b>	<b>Business Plan Delivery Plan: Year 2, 2022/2023</b>	
<b>Report Summary</b>	<p>AM Brown highlighted the following from the report:</p> <p>Shortages within the Customer Services Team resulted in the most recent Internal Audit having to be postponed due to lack of available staff. AM Brown is awaiting a new date for the re-scheduled visit, which is expected now to be in the New Year.</p> <p>The Association is still waiting to hear the outcome of the recent funding application submitted to the National Lottery.</p>	AMB
<b>Discussion</b>	<p>There were no discussions relating to the report.</p>	
<b>Decision</b>	<p>Based on the information provided in the report, the Board:  <b>Approved</b> the updated Delivery Plan, Year 2, 2022/2023 as at <b>Appendix 1</b>.  <b>Noted</b> there is a full-day Business Planning session taking place on 24 January 2023, which all Board members and staff have been invited to.</p>	



<b>7.3</b>	<b>New Board Member Applications</b>	
<b>Report Summary</b>	Chairperson advised that this has already been covered until item 5.0.	
<b>Discussion</b>	There was no further discussion on item.	
<b>Decision</b>	The Board <b>Noted</b> the update from item 5.	
<b>8.0</b>	<b>STRATEGY</b>	
	No reports.	
<b>9.0</b>	<b>FINANCE</b>	
<b>9.1</b>	<b>EVH Salary Negotiations</b>	
<b>Report Summary</b>	<p>Prior to G Bruce presenting the report, Chair asked if the Board agreed that the staff in attendance could remain in the meeting. Board agreed staff could remain. AM Brown clarified that depending on the nature of discussions, staff can be asked to leave if it is not deemed appropriate for them to remain in the meeting.</p> <p>G Bruce presented the report to the Board advising that: Correspondence has been received from EVH in conjunction with Unite proposing a wage increase of █████ for 2023/24, together with non-consolidated payment of █████ EVH have asked for a response from full members either agreeing to the proposal for the increase and payments or not agreeing. There is no option to agree to the wage increase and not the payment and vice versa; the proposal has to be agreed or refused in its entirety.</p> <p>G Bruce advised the Board that the total cost of the █████ payments to staff will be £18k which has not been budgeted for this year; in addition to this, the █████ increase will incur an additional cost of █████ in the next financial year.</p>	
<b>Discussion</b>	<p>Member who works for another RSL advised that they have rejected the offer through their union, Unite, as they do not think that this is high enough, stating that it is not adequate in relating to the cost of living.</p> <p>G Bruce advised that we are currently in a rent freeze, if this is to continue to be the position, the Association will need to dig deep to afford the increase.</p> <p>Member asked what was the initial salary projection rate? It was confirmed that was previously RPI+1% however inflation is over 10% at present. Assumptions are having to be looked at on a standalone nature at the moment with a view to maintaining costs going forward.</p> <p>Member advised that this needs to be looked at with governance at the forefront. Pay and terms and conditions are handsome within the sector. An increase of █████ and the █████ payments costing around £65k to the association. If the Board were to reject, what would the alternative offer be? Asking what the other members are thinking?</p> <p>Member gave their opinion that it is a lot more than other sectors will be getting, again noting if the proposal is rejected the costs could escalate.</p>	



	<p>Member advised that no other sector is experiencing [REDACTED] pay rises; the proposal appears to be the going rate at the moment.</p>	
<b>Decision</b>	<p>The Board following discussion:</p> <p><b>Agreed</b> [REDACTED]</p> <p><b>Noted</b> [REDACTED]</p>	
<b>9.2</b>	<b>Bad Debt Write Offs</b>	
<b>Report Summary</b>	C Cameron presented the report advising the total amount reported is due to 3 accounts; two of which are sequestrations and the other is a former tenant.	
<b>Discussion</b>	<p>Member asked if this is self-sequestration or enforced? C Cameron advised that she has not been furnished with this information however, the Housing Officers can confirm based on the paperwork received.</p> <p>Member noted their concerns that given the cost of living there may be more sequestration applications forthcoming.</p> <p>Member asked what advice and support is there for tenants?</p> <p>It was confirmed that the Association does has access to a Tenancy Sustainment Officer one day per week; the Housing Officers can offer advice and there is a new service utilising Citizen’s Advice Bureau (CAB) across us and two other local RSL’s.</p> <p>AM Brown will be monitoring the usages of the support referrals through new KPIs being introduced in February 2023.</p>	CC/ JC
<b>Decision</b>	<p>The Board following discussions:</p> <p><b>Noted</b> the contents of the report.</p> <p><b>Approved</b> the debt write off contained in <b>Appendix 1</b> to the sum of [REDACTED]</p>	
<b>10.0</b>	<b>STAFFING</b>	
	No reports.	
<b>11.0</b>	<b>OPERATIONS</b>	
<b>11.1</b>	<b>Scottish Government Offer of Grant – Dumbarton Road / Stone Repairs and Insulation</b>	
<b>Report Summary</b>	AM Brown presented the report to the Board, advising the Board that an offer of grant from the Scottish Government to the value of [REDACTED] for insulation works only has been received. At the time of issuing the Board papers the offer of grant was in draft format. A finalised offer of grant has now been received and there are no changes to the offer of grant attached at <b>Appendix 1</b> .	

The Board were reminded that when the application was submitted two options for the works were being considered; option 1 was to carry out the repairs works only and option 2 was for repair works and insulation installation. The offer of grant is for option 2 only.

AM Brown advised that the offer of funding will unlock grants available to homeowners that will be affected by the cost of the works. DPHA will be able to apply on behalf of the owners to the Home Energy Efficiency Programmes for Scotland (HEEPS) fund through WDC. The financial costs to owners have still to be worked out but the amount owners will be expected to pay will be minimum. AM Brown advised that there are milestone and criterion that must be met for the funding. This includes the site start to be in March 2023 with completion of works by the end of September 2023

It was noted that there are no grants available for commercial properties are affected by the works.

The Design Team have met to discuss the project, funding and milestones. The follow on actions of the meeting has resulted in DPHA contacting WDC to obtain the information needed for the HEEPs application to be made on behalf of the owners.

DW/  
AMB

Alan Grant of Grant Murray Architects will lead on the project and the application for building warrants. Alan Grant will be attending the February Board meeting to present the project in depth to the Board and answer any questions from the Board.

DW/  
AMB

The previous Tenders received are required to be refreshed, Ewing Sommerville (QS) will contact the contractors for refreshed prices. This is all dependant on the Board accepting the offer of grant funding.

AM Brown recognised that the Board may be anxious about the milestone deadlines, however A Grant is experienced in these types of projects and will support the Association to achieve the milestones.

**Discussion**

Member asked who is on the Design Team?

AM Brown advised she and N Smart (Building Surveyor) attended the meeting in D Wilson's absence, D Wilson will be part of the team going forward also on the team is Ewing Sommerville (quantity surveyors) and Alan Grant (Grant Murray Architects), WDC may attend if they feel they need to, and the Engineer once appointed. G Earl, Finance Officer, the Asset Officers and AM Brown will also attend meetings as and when required.

It is hopeful that the offer of grant will allow the owners to received HEEPS funding which will be a massive gain for the owners involved.

Members asked what was the plan with the initial tenders; would the Association be going back to the original quote providers?

DW/AMB

	<p>AM Brown advised yes, as it is unlikely that both contractors will hold their prices, which expired in July 2022. Ewing Sommerville Partnership will deal with the re-tendering process.</p> <p>AM Brown also advised that although the Association can apply for the HEEPS funding on behalf of the owners, permissions and a signature from the owners does need to be sought prior to applying.</p> <p>Member asked if the gable end of Dumbarton Road and Burns St will be included? AM Brown although certain it is not included will have this double checked. Member advised that the gable end is one of the last remnants of the Blitz.</p>	AMB
<b>Decision</b>	<p>Following discussions, the Board:</p> <p><b>Noted</b> the contents of the report.</p> <p><b>Accepted</b> the offer of grant from the Scottish Government for £151,362 for the provision of internal and external wall insulation to 31 properties at Dumbarton Road/Scott Street.</p>	
<b>12.0</b>	<b>HEALTH &amp; SAFETY</b>	
	No reports.	
<b>13.0</b>	<b>USE OF DELEGATED AUTHORITY</b>	
	No reports.	
<b>14.0</b>	<b>ANY OTHER COMPETENT BUSINESS</b>	
<b>14.1</b>	<b>Correspondence</b>	
	AM Brown confirmed there is no correspondence.	
<b>14.2</b>	<b>Updated Board / Committee Workplan 2022-2023</b>	
<b>Report</b>	AM Brown advised she will add Alan Grant attending the February Board meeting to the workplan.	AMB
<b>Summary</b>		
<b>Discussion</b>	None.	
<b>Decision</b>	The Board <b>Noted</b> the update.	
<b>15.0</b>	<b>DATE OF NEXT MEETINGS VIA MICROSOFT TEAMS</b>	
	<p>Chairperson advised dates of next meetings:</p> <ul style="list-style-type: none"> <li>• <b>Staffing Committee:</b> 6 December 2022 @ 6pm</li> <li>• <b>Audit &amp; Risk Committee:</b> 12 December 2022 @ 5pm</li> <li>• <b>Board Meeting:</b> 17 January 2023 @ 6.30pm</li> <li>• <b>Business Planning Session:</b> 24 January 2023 (full day)</li> <li>• <b>PRWG:</b> 31 January 2023 @ 5.30pm</li> </ul> <p>Chairperson wanted to extend their thanks to the Board and Staff for their work over the past year.</p>	

| The meeting closed at 8.30 pm |

Signed J Henderson Date 16.01.2023

(Chairperson)