

**CALVAY HOUSING ASSOCIATION MINUTES OF 2023/2024
MANAGEMENT COMMITTEE: 18 JANUARY 2024**

1 SEDERUNT

Present:	Jim Gourlay	-	Chair
	Steven Blomer	-	Vice Chair
	Bryce Wilson	-	Secretary
	Jim Munro	-	Committee Member
	Julia Okun	-	Committee Member
	Peter Howden	-	Committee Member
	Gordon Laurie	-	Appointed Member
	Lawrie West	-	Appointed Member (via Zoom)
	Helen Forsyth	-	Appointed Member
	Emma Connelly	-	Co-opted Member
	Lauren Austin	-	Co-opted Member
Apologies:	Chris Warwick	-	Treasurer
	Gerri Mogan	-	Committee Member
In Attendance:	Nick Dangerfield	-	Director
	Tracy Boyle	-	Corporate Services Manager
	Derek Baker	-	Operations Manager
	Fettes McDonald	-	Finance Consultant, FMD (Items 1 - 7 only)
	Nicola Thom	-	Consultant, Indigo House (Item 8 only)

2 DECLARATIONS OF INTEREST

All tenant members present declared an interest in Item 7.

3 MINUTES OF MANAGEMENT COMMITTEE MEETING HELD ON 14 DECEMBER 2023 APPROVED

The minutes of the Management Committee meeting held on 14 December 2023 were circulated prior to the meeting and noted. The minutes were proposed as a true record by Gordon Laurie, seconded by Bryce Wilson.

4 MATTERS ARISING FROM PREVIOUS MEETING

4.16 ARC Validation Management Response and Action Plan

In response to a question from a Committee Member, the Director confirmed that an email had been discussed with the solicitor and subsequently sent to the Regulator, along with a copy of the ARC validation report. There has been no response from the Regulator to date.

15. Representatives to Outside Bodies

It was noted that Peter Howden has been appointed to the Board of Glasgow and West of Scotland Forum.

It was noted that Bryce will continue to attend EVH and EHRA, unless anyone else expresses an interest.

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MANAGEMENT COMMITTEE: 18 JANUARY 2024**

5 APPOINTMENT OF VICE CHAIR

It was noted that Alison A'Hara had resigned from the Management Committee on health reasons and this leaves a vacancy for the role of Vice Chair. Jim Gourlay proposed Steve Blomer and there being no other nominations, this was unanimously approved.

6 DRAFT BUDGET 2024-25 – WRITTEN REPORT BY FINANCE CONSULTANT NOTED

A written report by the Finance Consultant was circulated to Committee prior to the meeting and noted. Discussion took place regarding the External Wall Insulation (EWI) project and the situation regarding loan covenants. Discussion also took place on the signing of any contract and the timing of this in relation to funding. The Operations Manager advised that a draft contract could be pulled together fairly quickly. The Finance Consultant advised he was seeking approval to contact lenders to obtain their terms, also to send a letter to current lenders with regard to waiving covenants for EWI.

In response to a question regarding factoring costs v. income, the Finance Consultant advised that the management fee should be reviewed periodically. He will build something into the final budget for this.

In response to a question regarding medical adaptations, the Director advised that the Association has to pay full costs for second stage transfer properties without recourse to recover, however the Association receives full costs for its original stock. Some discussion took place regarding funding for adaptations and the possibility that this could change significantly in the future.

In response to a question regarding Calvay Centre costs v. income, it was noted that the new Centre Manager is exploring ways to increase income. It was agreed that the Director would follow this up with the Centre Manager in a few months' time.

In response to a question regarding a significant increase in the allowance for computer costs, it was noted that this includes a £25,000 contingency for additional work, more licencing requirements, etc.

In response to a question from a Committee Member regarding the grant funding for the Wider Role posts, the Finance Consultant agreed to include this in the final budget.

In response to a question from a Committee Member regarding allowing for the pension deficit, the Finance Consultant agreed to run this in a later sensitivity analysis. However, it was agreed that the most important issue between now and March was to sort the EWI and covenants issues.

Committee gave approval for the Finance Consultant to contact the existing lenders plus BOS and CAF Bank regarding terms and covenants and he will have a report ready for the next meeting. It was agreed that a special meeting could be called (online) if anything needs to be progressed quickly.

Otherwise the draft budget for 2024-25 was noted.

**CALVAY HOUSING ASSOCIATION MINUTES OF 2023/2024
MANAGEMENT COMMITTEE: 18 JANUARY 2024**

7 RENT INCREASE 2024-25 – WRITTEN REPORT BY DIRECTOR APPROVED

A written report by the Director was circulated to Committee prior to the meeting and noted. The Director advised Committee that a rent harmonisation exercise has been underway for about the last 7 years and there are 5 properties remaining which would require an increase to the cap of the prior year plus 5.6%. In response to a question from a Committee Member, the Operations Manager agreed to check if we put the rent up at void stage. In response to a further question from a Committee Member, it was noted that we did count returns from occupiers regarding the rent consultation. Committee were also advised that those tenants subject to the rent harmonisation exercise will be informed of this in their rent increase letter.

Committee subsequently approved the rent increase of 5.6% and the increase of the cap amount to £26.40.

Some discussion then took place on the factoring fee and whether Committee should approve this. The Director advised that as the Association is required to give 28 days' notice of any increase, this would allow time for a report to be brought to February's meeting. This will be on the management fee element only. The report will contain information on what the Association is doing in terms of the management fee and what we've done before, with the possibility of a review for 2025-26.

The Finance Consultant left the meeting at this point.

Nicola Thom, Indigo House, joined the meeting at this point.

8 GOVERNANCE REVIEW ACTION PLAN – WRITTEN REPORT BY CONSULTANT, INDIGO HOUSE APPROVED

A written report by Nicola Thom, Consultant from Indigo House, was circulated to Committee prior to the meeting and noted. The consultant advised that this is the latest progress report on the Governance Review Action Plan and 7 more actions have been completed. There are additional actions which will be marked as verified once the December minutes as a result of December's minutes. The consultant advised that there had been a change in personnel and another member of IHG will now be working with Calvay. As good progress has been made, the consultant will also be able to reduce from 3 days to two. There were no further questions on the report and it was duly approved by Committee for submission to the Regulator.

Nicola Thom left the meeting at this point.

9 BUSINESS PLAN 2024-2027 – WRITTEN REPORT BY DIRECTOR APPROVED

A written report by the Director was circulated to Committee prior to the meeting and noted. During consideration of the Business Plan, the following points were noted:-

- Association is looking at ways to digitise in areas where we can. This could mean more use of DocuSign for routine documents.
- Something about securing funding for EWI should be included in Strategic Priority 8.2 - Health & Safety.

**CALVAY HOUSING ASSOCIATION MINUTES OF 2023/2024
MANAGEMENT COMMITTEE: 18 JANUARY 2024**

- Plan is well written, clear and informative, however the section on the Association's history can definitely be removed.
- Does it need something about climate change/sustainability?
- Needs commentary on the main features of the 30 year plan, focusing on the future.

It was agreed to upload the Business Plan to the website once it is approved.

10 RENDER UPDATE – WRITTEN REPORT BY OPERATIONS MANAGER NOTED

A written report by the Operations Manager was circulated to Committee prior to the meeting and noted. Committee were advised that Lattos Maintenance are progressing well with the remedial works and are currently well within the quoted costs.

The Operations Manager advised Committee that in terms of data collection for the EWI funding application, tenants who had agreed to have environmental sensors installed in their properties had received an incentive payment of £50. Work starts on Monday with Pro Cast on finalising the funding application and it is hoped that the Operations Manager will be able to update at the next meeting that Lattos are off site, all remedial works are complete and the funding application has been submitted. This was noted.

The Chair asked why there was no consistency in the figures across the draft budget, Business Plan and this report. The Operations Manager advised that as we are now working with Pro Cast, they have significant experience in these types of projects and have provided a complete technical specification and comprehensive breakdown of costs. They have also confirmed that the project would be zero rated for VAT. The funding will include project management costs and a contingency for any unknowns.

In response to a question from a Committee Member in regard to the environmental data collection, the Operations Manager advised that different areas and block types are being tested.

In response to a question regarding whether the Association will meet the 14 February deadline for submission, the Operations Manager confirmed that we will in terms of data gathering etc, and we don't have to prove that we have match funding ready and waiting in the bank, just that we are in a position to raise the funds. The Director advised that we could also request a letter of comfort from the lender if need be. It was noted that there is a backstop position of a later funding round in May, but it is hoped that this will not be necessary.

In response to a question regarding the length of the works, the Operations Manager advised this would be around 10 months (36 blocks). This was noted.

11 POLICY REVIEWS – WRITTEN REPORT BY CORPORATE SERVICES MANAGER

As had been raised on Decision Time earlier, it was agreed that this paper be withdrawn as the two documents were procedures rather than policies and did not require approval from Committee.

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MANAGEMENT COMMITTEE: 18 JANUARY 2024**

12 WIDER ROLE GRANTS – WRITTEN REPORT BY DIRECTOR NOTED

A written report by the Director was circulated to Committee prior to the meeting and noted. It was noted that any grant spend should align with the Financial Regulations. In terms of approval for grant funding, Committee are particularly interested in the type of project, are there any associated risks in its delivery and how much time and resource will it take up. It was noted that we should be publicising the projects that have attracted large amounts of funding, e.g. over £50k. This was noted.

13 SIGNING OF MINUTES BY CHAIRPERSON

This will be dealt with outside of this meeting.

14 ATTENDANCE AT MANAGEMENT COMMITTEE MEETINGS – STANDING ITEM

This was noted.

15 AOCB

1. Tour of Calvay Stock

Gordon Laurie offered his thanks to the staff involved in arranging the stock tour this afternoon.

2. Maintenance Officer Post

It was noted that this is currently out to advert. Some discussion took place regarding the general lack of personnel available in the sector.

16 DATE OF NEXT MEETING

The next meeting is due to take place on Thursday 22 February 2024.

APPROVED _____

DATE _____