

**CALVAY HOUSING ASSOCIATION MINUTES OF 2019/2020
MANAGEMENT COMMITTEE: 13 FEBRUARY 2020**

1 SEDERUNT

Present:	Anna Ellis	-	Chairperson
	Alison A'Hara	-	Vice Chair
	Chris Warwick	-	Secretary
	Rebecca Howden	-	Treasurer
	Rosemarie Lindsay	-	Committee Member
	John Lyon	-	Committee Member
	Pauline Barr	-	Co-opted Member
	Margaret Lynch	-	Co-opted Member
Apologies:	Sandra McIlroy	-	Committee Member
	Laura Sneider	-	Committee Member
	Julia Okun	-	Co-opted Member
	Eddie Dunlop	-	Co-opted Member
In Attendance:	Nick Dangerfield	-	Director
	Tracy Boyle	-	Corporate Services Manager
	Gerry Shepherd	-	Finance Consultant (Items 1-6 only)
	Gordon Birrell	-	Chiene & Tait (Item 7 only)

2 DECLARATION OF INTERESTS

There were no declarations of interest.

3 MINUTES OF THE MANAGEMENT COMMITTEE MEETING HELD ON 23 JANUARY 2020 APPROVED

The minutes of the Management Committee meeting held on 23 January 2020 were circulated to Committee prior to the meeting and noted.

4 MATTERS ARISING FROM PREVIOUS MEETING

During consideration of these minutes, the following items were noted:-

4.9 Committee Structure Working Group

In response to a question from a Committee Member on this progress of this item, the Director advised that the Solicitor had taken a little bit longer than anticipated to come back to him on it. Additionally, there had been a little bit of miscommunication about what the final proposed structure was. The Director advised he had rewritten the Standing Orders accordingly and these were now back with the Solicitor. It is hoped that these will be brought to March's meeting for approval, in time to implement the new structure in the new financial year.

16. Management Committee Decisions Tracker to December 2019

In response to a question from a Committee Member on the progress of the funding application submitted on our behalf by Community Links, the Director confirmed that he had not heard anything yet.

Otherwise the minutes were approved on a motion by Rosemarie Lindsay, seconded by Alison A'Hara.

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5 MANAGEMENT ACCOUNTS TO DECEMBER 2019 – WRITTEN REPORT BY FINANCE CONSULTANT APPROVED

The Management Accounts to December 2019 were circulated to Committee prior to the meeting and noted. The Finance Consultant took Committee through the accounts, noting the salient points. In response to a question from a Committee Member on the operating surplus being over double the budget figure, the Finance Consultant confirmed that this was due to slippage on the major repairs budget, together with savings made elsewhere.

Committee were asked to take cognisance of the high amounts going out to service the Association's debt, specifically loan repayments. The Finance Consultant also reminded Committee that the Association is currently pursuing its options for Private Finance for the forthcoming new build development.

Under Note 19 (Tangible Fixed Assets (NBV)), it was agreed that the Finance Consultant will no longer refer to 'the new office' as six years have now passed.

At the end of the Finance Consultant's presentation, the Chair asked if there were any more questions. In response to a question from a Committee Member, the Finance Consultant confirmed that the depreciation period was normally over 50 years. Following some discussion, it was agreed that depreciation did not pose a real risk as it was not really money 'going out the door'.

In response to a further question from a Committee Member, the Finance Consultant confirmed that 'rent prepaid' meant those customers whose rent accounts were in credit. A short discussion then took place about the Association's practices on issuing refunds in these cases.

6 BUDGET APPROVAL 2020/2021 – WRITTEN REPORT BY FINANCE CONSULTANT APPROVED, SUBJECT TO AMENDMENT

The budget for 2020-2021 was circulated to Committee prior to the meeting and noted. The Finance Consultant proceeded to take Committee through the Budget. The Finance Consultant asked Committee to approve an increase to the training budget of £10,000.

In response to a question from a Committee Member regarding the surplus/deficit for the year, the Finance Consultant advised that the loan principal comes off of this figure.

In response to a question from a Committee Member regarding the 'selling points' of this budget, the Finance Consultant advised that it would be the £1M for major repairs.

The Budget was unanimously approved, subject to the £10K increase to the training budget.

The Finance Consultant left the meeting at this point.

7 PENSION REVIEW – PRESENTATION BY CHIENE AND TAIT

The Director reminded Committee that they had recently agreed a timetable to review pensions. The contribution rate for the Defined Benefits Scheme had

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gone up quite significantly, which the Association has had to bear in its entirety due to the short notice, staff not agreeing to a split and the lack of time to do a full consultation at that point.

He then introduced Gordon Birrell from Chiene and Tait, who had been asked to give a presentation to Committee on the Association's options for pension provision going forward. Gordon highlighted that pensions are probably one of the biggest risks to the Association at the moment, therefore he has been asked to give an insight as to Committee needs to give this serious consideration.

Gordon outlined the current situation in terms of staff and how many are in the DB scheme, DC scheme and not in any scheme. In terms of the DB (Final Salary) scheme, this is a per month contribution for the Association, with an unknown liability. The scheme promises 1/60th of the final salary, multiplied by the number of years 'in'. Therefore although the Association does not know what these costs might be, they have a duty to pay anyway. Committee were reminded that this scheme is taking up more of the Association's budget each year. Gordon also highlighted that the Regulator does not take a great view of Final Salary schemes due to the high costs involved to organisations. In response to a question from a Committee Member, the Consultant advised that most organisations offer the Defined Contribution scheme because it is cheaper for the employer and employee. Committee were also reminded that the Association is currently contributing to the Scheme's deficit and in terms of future deficit the longer the Association promises the DB scheme for staff, the more liability it will incur, especially if other organisations leave the scheme. In response to a question from a Committee Member, the Consultant confirmed that if the scheme closes, then the staff contributions to that point are fully protected.

Gordon highlighted the trend in pensions and where they seem to be heading.

Year	Total No. in Scheme	No. in DC Scheme	No. in DB Scheme
2013	3500	114	3386
Now	6048	4798	1250

These figures would seem to suggest a definite move away from DB schemes to DC schemes. Some discussion then took place about the consultation period and it is hoped that any changes are reviewed and implemented by the end of the calendar year.

Gordon summarised Committee's options as below:

Retain the status quo and continue to offer the DB Scheme. However, who pays?

Offer a CARE (Career Average Related Earnings) Scheme. The costs for this type have scheme have also risen, but not as much as the DB Scheme.

Move everyone to a DC Scheme. Committee could offer some flexibility in the rates (with a cap), e.g.

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Employee	Employer
5%	10%
4%	8%
3%	6%

It was noted that the split is currently 5% employee / 10% employer.

Gordon then went on to explain the salary exchange (or salary sacrifice) scheme, outlining the possible tax/NI savings.

It was agreed to send a copy of the Pensions Review timetable to all Committee Members.

The Chair asked if anyone had any questions. There were no further questions and the consultant left the meeting.

8 WIDER ROLE AND CHANGE TO PERMANENT STAFFING STRUCTURE – WRITTEN REPORT BY DIRECTOR APPROVED

A written report by the Director was circulated to Committee prior to the meeting and noted. The Director advised that the main thing in his report was a recommended change to the permanent staffing structure, which only Committee has the authority to approve. The change is to remove the Community Regeneration Manager post, which was a Senior Management post, and add a Centre Manager post at either Grade 6 or Grade 7, depending on the final job description. Committee approved this recommendation.

With regard to the project outlines contained within the report, the Director advised Committee that these are not a 'promise' of what we are going to do, but more 'themes' that were taken from the two surveys. In terms of staffing, anything outwith the Centre Manager post should be externally funded, as per Stephen Singer's recommendation. The Director will take advice from Stephen as to any grading/job description for such posts.

The Director advised Committee that he has pursued the opening of a community café, because this is something he thinks we could do without a lot of cost or effort. He has found someone who would be willing to run the café and it is hoped this might open in about two months. Some things have to be changed in the interim to accommodate this, such as changing the door at the back of the hall. The Director does not envisage any ongoing costs for the Association.

A Committee Member asked for clarification on 'the direction of travel' as outlined in the report. The Director advised that he sees it as following the logic up to the types and delivery of projects required to meet the needs of the local community. He also sees it as getting external people/organisations to make use of the Centre instead of trying to deliver everything ourselves.

A Committee Member asked how the Director found the person proposing to run the café. The Director responded that he took the decision to find a 'turnkey' solution and get someone in to deliver the service quickly. He tried a number of people from large scale companies to local community cafes and only one person was keen to try and take it forward. This person already owns a café in Shettleston. The Committee Member stated he did not remember agreeing this; however the Director advised he had done this with the appropriate delegated authority.

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In response to a question from a Committee Member about promoting the café, the Director advised that we will put something in the Newsletter. A Committee Member stated that they thought this was a good solution as it is not the Association's risk and definitely worth trying.

The recommendations within the Director's report were approved by Committee.

9 APPLICATIONS FOR MEMBERSHIP

The Corporate Services Manager advised that no new applications for membership had been received since the last meeting.

10 TRAINING AND EVENTS

i. Governing Body Leadership Course – Feedback report from Committee Member noted

A feedback report from a Committee Member who had recently completed the Governing Body Leadership course was circulated to Committee prior to the meeting and noted. It was noted that several Committee Members have now completed this course and it was recommended to other members who may be interested.

11 FREEDOM OF INFORMATION – STATISTICS TO DECEMBER 2019 – WRITTEN REPORT BY CORPORATE SERVICES MANAGER NOTED

A written report by the Corporate Services Manager was circulated to Committee prior to the meeting and noted. Committee noted that one Freedom of Information request had been received in the period and had been dealt with within timescale.

12 SCOTTISH HOUSING REGULATOR – UPDATE – VERBAL REPORT BY DIRECTOR NOTED

The Director confirmed there had been no update from the Regulator as such, however they are aware that North Star are carrying out an investigation into the remarks made by the previous Chair.

13 NOTIFIABLE EVENTS TO THE REGULATOR – VERBAL REPORT BY DIRECTOR NOTED

The Director confirmed there had been no notifiable events since the last meeting.

14 SIGNING OF MINUTES BY CHAIRPERSON

The minutes of the last meeting were duly signed by the Chairperson.

15 OUTSIDE BODIES

i. Employers in Voluntary Housing

It was noted that neither of the representatives had been available to attend the last meeting, however one

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representative provided an update on recent activities.

- EVH are partnering with the Scottish Mentoring Network and will be offering an accredited course
- Updates to the Terms and Conditions have recently been agreed, which come into effect in April
- EVH are offering to support short life working groups dealing with pensions at a 50% discount (if SHAPS members).
- Health and Safety Conference due to take place on 16 June.
- New draft memorandum going for final approval at AGM.

ii. Glasgow and West of Scotland Forum

The representative was not present at this meeting, however there has been no further meeting of GWSF since the circulation of the representative's last report.

iii. Easterhouse Housing and Regeneration Alliance

Michael Cameron, CEO of the Scottish Housing Regulator, attended the last EHRA meeting, where the Assurance Statements were discussed. He has offered to come back to a future meeting.

iv. SHARE

The representative attended the Executive Committee meeting today and reported that SHARE will be appointing a new Marketing & Events Officer and are organising a "Women in Housing" Conference. They have implemented an action plan for the next year and have reported healthy accounts.

16 AOCB

i. Committee Shadowing

Rebecca Howden advised that she had attended a Management Committee meeting at Wellhouse Housing Association on 30 January, as part of the 'shadowing' agreement between the EHRA organisations. Rebecca found the meeting informative and a worthwhile experience.

ii. Protest

It was noted that a protest had been held against Shettleston Housing Association's rent increase.

ii. Grit Bin

The Chairperson advised that water had got into the grit bin outside the Centre, which had now just become like mud. A request was made for this to be cleared and refilled as soon as possible.

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17 DATE OF NEXT MEETING

The next Management Committee meeting is due to be held on Thursday 12 March 2020, at 6.00 pm.

APPROVED _____

DATE _____