

CORDALE HOUSING ASSOCIATION LTD

**MINUTES OF THE MANAGEMENT COMMITTEE MEETING
HELD ON TUESDAY 3 DECEMBER 2019 AT 6.00PM
AT CORDALE HA, 167 MAIN STREET, RENTON**

Present	Margaret McCallion (Chair) Martin Walker (Vice Chair) Aileen Overend Leanne Keegan Veronica Hamilton Lilian Peters Graham Logan	
Apologies	Gary Wilson	
In Attendance	Jenna Noble	Head of Frontline Services, Caledonia HA
	Leigh Grubb	Director of Finance & Governance, Caledonia HA
	Andrew Kilpatrick	Director of Assets, Caledonia HA
	Kevin Nixon	Regional Manager, Caledonia HA
	Carol-Ann Burns	Governance Officer, Minutes Cordale HA
Absent	N/A	

111/19 Apologies

Apologies were submitted by Gary Wilson.

112/19 Declaration of Interest

None.

113/19 Minutes of Cordale of Management Committee Meeting 22 October 2019

The minutes were proposed as a correct record by Veronica Hamilton and seconded by Martin Walker.

114/19 Matters Arising

The Director of Finance & Governance reported on the outcome of legal advice on issues related to the proposed SHAPS pension transfer, and confirmed to the committee that Cordale does not have the power to grant a guarantee as had been requested by The Pensions Trust (TPT).

Following a discussion with TPT with regard to the remote nature of the risk that the guarantee was intended to mitigate, TPT have now confirmed that they are content to proceed with the transfer of the pension arrangements, and that they will no longer require the guarantee, given the relative strength of the Caledonia covenant position.

The Director of Finance & Governance advised he had updated the association's lenders and confirmed their consent was no longer required.

The Director of Finance & Governance confirmed there would not be a requirement for a Special General Meeting (SGM) as Cordale was not changing its constitutional powers.

The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) consultation is due to be completed by 31st March 2020.

115/19 Head of Frontline Services Report

The Head of Frontline Services provided the Management Committee with the following information;

Scottish Government – No Deal Brexit

The paper summarises the potential impacts of a no deal Brexit. The report also highlights the potential impact on low income households. The report suggests that families with children, disabled people, older people and those with less secure employment status are also likely to find the cost of living more challenging. Due to the client group this is clearly an area that could have significant impact for the association in relation to rent payments and recovery of outstanding arrears. Continued monitoring of arrears closely identify trends and direct support as appropriate.

The Group's treasury advisors have agreed to jointly review the Treasury Management Policy and future funding requirements. In a recent letter from the Scottish Housing Regulator (SHR), they have reminded associations that the resilience of the business plan should be tested to ensure that we can cope with the risks that Brexit may bring. As part of the regular assessment of financial projections, the group undertake sensitivity testing and this will be a feature in the upcoming process.

The Scottish Government has set out a number of mitigations and plans to address potential scenarios from a 'No Deal'. In relation to low income households and food insecurity, the Scottish Government has earmarked an additional £1.5m investment in food charities to supplement food supplies. The establishment of a £7m Rapid Poverty Mitigation Fund will provide local authorities with additional flexibility to adapt to local poverty issues, building on current measures such as the Scottish Welfare Fund and Discretionary Housing Payments as well as food and fuel poverty initiatives.

Scottish Federation of Housing Associations (SFHA) has now called on Scottish Government to provide funding for partnerships between housing associations and support organisations to ensure advice and support service are in place for tenants on low incomes and those with care and support needs.

The Management Committee asked if the Group had a plan on how to communicate information to tenants in the event of a no deal. The Head of Frontline Services advised that although there is not a set plan there is various communication streams with tenants available including an internal and external marketing officer.

Poverty in Scotland 2019

A recently published report looks at the impact that government policy in Scotland has had on poverty in Scotland over the past 20 years and how this evidence can be used to inform policy development for the future. The report highlights the importance of housing costs, social security and work in solving poverty in Scotland. One of the key themes to emerge from the report is the role that housing policy has played across the UK and the resulting impact on poverty.

The Scottish Government's current programme of building 35,000 social rented properties is described as a positive response to tackling poverty, but the report suggests that whilst this programme is due to end in 2021 the Scottish Government needs to be as ambitious at the very least for housing to continue to play a part in tackling poverty.

The other policy area highlighted in the report is the introduction of the Scottish Child Payment, which is a new benefit for low income families with children under the age of 6. From the data it suggests that this policy has the potential to have a direct and sizeable impact on child poverty.

The Management Committee asked if the child benefit payment is over and above existing payments, the Head of Frontline services confirmed this was over and above the existing payments. The Head of Frontline Services confirmed an action list will be produced.

Governance Working Group (GWG) – Outcomes Action Plan

Reference was made to previous reports to the Management Committee on the work of the Governance Working Group in reviewing the Group's governance arrangements against the requirements of the Scottish Housing Regulator's New Regulatory Framework. It was agreed that the implementation of this action plan would be monitored by the Group's governing bodies through regular updates, and that the Director of Strategy and Innovation would propose an approach for this. It is proposed therefore that the progress updates would be provided in the following way:

- A new Key Performance Indicator relating to the implementation of the Outcomes Action Plan would be included in the governance section of the existing Business Performance Report that is presented to each governing body on a quarterly basis.
- The Outcomes Action Plan would be re-named the Governance Improvement Plan.
- The indicator would measure '% of Governance Improvement Plan actions implemented'.

- The more detailed definition of the indicator would be: 'Completion of programmed actions in the Governance Improvement Plan agreed by the Governance Working Group – as a percentage of programmed actions due during reporting period'.
- Quarterly figures would show stand-alone performance during each quarter with annual outcomes reported in the Business Performance Report in May of each year.
- A new appendix tab that details the Governance Improvement Plan actions that were due that quarter would be added to the Business Performance Report.
- Information would be provided in the Exceptions Tab (Appendix 2) within the Business Performance Report on any actions in the Governance Improvement Plan that were not achieved.
- Updates would be provided in the Chief Executive / Head of Frontline Services Reports to the governing bodies where improvements implemented would enable self-assessment scores made by the Governance Working Group to be re-assessed.
- Updates would commence from the Quarter 3 (October – December 2019) reporting period.

Governing Body Reports – Revised Standard Template

Following discussion with the Governance Working Group members, it was agreed that the existing standard template for governing body reports should be revised. This was to ensure that it incorporated the requirements of the Scottish Housing Regulator's New Regulatory Framework and also reflected views from governing body members on the content and format of reports.

The Head of Frontline Services advised feedback from Bellsmyre Management Committee was to amend key risks to number 3, the Management Committee agreed.

The revised template will be finalised for implementation from January 2020 following review with the Bellsmyre, Cordale and Caledonia governing bodies.

Staff Conference

The Group staff conference took place on 31 October. The conference was attended by over 120 colleagues from across the group. The conference gave Caledonia an opportunity to look back to the achievements of the organisation, giving opportunities for staff to celebrate successes of the group and also providing opportunities to celebrate our colleagues delivering Customer 1st principles for customers.

The day has received good feedback from staff whom attended. The People Directorate are also holding 1-2-1 sessions with staff who missed the day to ensure they receive the messages from the conference. Cultural guides will be available for the Management Committee.

The Regional Manager advised staff have bought into the ethos and support each other through the journey of change.

The Management Committee asked if IT infrastructure is full in place and staff are comfortable/received training. The Head of Frontline Services advised QL is now one database and embedded into working practices. IT issues can be dealt with quickly and group wide. The development of IT systems are supported by the Strategy &

Innovation department. The Regional Manager confirmed the reduction of issues reported from staff. The Head of Frontline Services advised the Strategy & Innovation department are looking to road map the app to continually improve this service.

Appointment of Internal Auditors

In line with the Group Procurement Policy, the Group Audit and Risk Management Committee agreed to undertake a tender exercise to procure internal audit services.

A tender exercise was conducted via the Public Contracts Scotland portal and in accordance with public procurement requirements. Tender proposals were received. Following the conclusion of this process, the panel awarded this to MHA Henderson Loggie.

Policy Reviews

The following Group policies have been reviewed with only very minor adjustments, primarily reference to relevant legislation and changes to job titles and responsible officers to reflect the organisational changes within the Group:

- Group Arrears Policy
- Shared Equity
- Shared Ownership
- Group CCTV & Surveillance Systems
- Group Adverse Weather Policy

Approval to defer the review of the Repairs and Maintenance Policy in line with current tender process which may have an effect on this policy. This will be reviewed once this process was complete; predicted for Jan 2020.

The Management Committee **NOTED** the revised standard report template, **NOTED** the revised policy amendments and **DISCUSSED** and **NOTED** the remainder of the report.

116/19 Business Performance Report

The Regional Manager presented the quarterly update on Business Performance as measured against identified organisational Key Performance Indicators (KPI's) for 2019/20. There was 12 KPIs out of target;

- Indicator 9 - % factoring owners satisfied with factoring service
- Indicator 19 – Average completion time – non emergency reactive repairs
- Indicator 24 – Average time to complete adaptation applications
- Indicator 37 - Percentage of referrals under Section 5, and other referrals for homeless households made by the local authority, that result in an offer
- Indicator 38 – Percentage of offers, resulting from referrals under section 5 and other referrals for homeless households that result in a let
- Indicator 40 – Gross rent arrears as % of rent due
- Indicator 46 - % days lost to sickness absence (all staff)
- Indicator 47 - % staff turnover (all staff)
- Indicator 48 – Average number of sickness absence days lost per employee
- Indicator 51 - % cyclical actual spend against annual budget
- Indicator 52 - % planned actual spend against annual budget

- Indicator 54 - % of programmed governance actions completed

The Management Committee discussed indicator 37 - Percentage of referrals under Section 5, and other referrals for homeless households made by the local authority, that result in an offer. The Regional Manager discussed the process/challenges and partnership working with the local authority.

The Management Committee discussed and requested additional commentary be provided with regards to the absence management indicators. The Regional Manager advised the Strategy and Innovation department are in the process of revising the KPI's and the current format. The Head of Frontline Services advised Neighbourhood Officer's will have access to dashboards to monitor their hubs and have the ability to provide more detailed information to identify problem areas.

The Management Committee discussed the impact of Universal Credit (UC) and the impact to rent received by the association. The Regional Manager advised of the 'trusted partner' scheme with Department of Work & Pensions (DWP) and classification of arrears. Neighbour Officers manage arrears cases by reporting former, technical and current arrears. This system is able to provide background on case by case basis.

The Management Committee asked can the association request for UC claims to be paid direct to the association, the Regional Manager advised this can be requested but as a trusted partner this service should only be used when all other avenues have been exhausted. Tenants can opt in to direct payments or at time of sign up can be advised.

Indicator 51 - % cyclical actual spend against annual budget and Indicator 52 - % planned actual spend against annual budget, the Director of Finance & Governance will clarify the figures for Q2 and year to date. The Director of Assets advised the tender exercise is complete and confident that spend will be on target.

Open day procurement sessions are being held to invite contractors to find out information regarding the upcoming repairs & maintenance tender. One session has taken place with approximately 15 contractors attending. The Director of Assets provided an overview of the tender and the process, the Management Committee expressed their concern to one overall contractor for the contract as this could pose a risk in the event of contractor failure.

The Director of Assets advised the invitation to tender did not have this type of restriction in place but there was processes in place to ensure contractors are fully aware of contract responsibilities. A Compliance Officer is also assigned to contract manage.

The Management Committee asked if there was a community benefit written into the contract. The Director of Assets advised this was not a specific but confirmed this would help towards improving contracts scoring during the tender process.

The Director of Assets advised planning consent has not been granted as yet to the Dalquhurn site, discussions have taken place with WDC and the association await

the guidance of the site engineer. There is not a defined timeline at present for the delay, the Director of Assets will update the Management Committee at January's meeting. The Management Committee expressed their frustration at the time taken for planning permission.

The Management Committee **DISCUSSED** and **NOTED** the contents of the report.

118/19 Complaints Handling Performance Report April – September 2019

The Head of Frontline Services provided the Management Committee with details regarding complaints performance for the first 6 months of the 2019/20 reporting year.

During quarters 1 & 2 of the 2019/20 reporting year the total number of Stage 1 & 2 complaints recorded through the Association's CHP was 7 stage 1 complaints and 0 stage 2 complaint.

A total of 7 complaints for the first 6 months, 1 stage 1 complaint was upheld, 5 stage 1 complaints were not upheld and 1 stage 1 complaint was partially upheld.

Key analysis highlights relating to 6 monthly review of 2019/20 reporting year include the following:

- Dissatisfaction with communication with contractor
- Dissatisfaction with service from contractor
- Dissatisfaction with contractor performance
- Dissatisfaction with length of time to carry out repairs
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The second highest category of complaints recorded related to Staff and Service which accounted for 29% of total complaints received for the first 6 months of the year reporting year.

0 customers completed the Association's Complaints Handling Satisfaction questionnaire.

Over the reporting year a number of best practice/complaints resolution learning items were recorded as a result of handling Stage 1 complaints with those learning items listed below:

- QL system notes are updated and checked to ensure information is accurate.

The Management Committee discussed the comparison from the previous year's report and questioned whether less complaints were being recorded or less being received especially in a period of transformation, the Head of Frontline Services advised staff are better at recording complaints and are able to provide assistance to tenants in many instances prior to a potential complaint. Staff have received training on the one database and this features as a standing item on team meetings. A learning log is used by all staff to encourage sharing of outcomes.

The Management Committee requested for more detail of the category of the complaints for the report, the Head of Frontline Services advised the detail can be reviewed. The Management Committee requested for the complaint upheld to detail what went wrong and lessons learned.

The Management Committee discussed they have received feedback from tenants advising complaints cannot be received verbally, the Head of Frontline Services

advised any note of dissatisfaction should be recorded and if the Management Committee have any specific examples she can investigate.

The Head of Frontline Services advised the return figures for tenants completing a complaints satisfaction form is low and this process will be reviewed.

The Management Committee discussed the compliments log and asked if staff confident to record compliments, the Head of Frontline Services were advised of the cultural shift within the Group and the staff conference featured staff recognition.

The Management Committee **DISCUSSED** and **NOTED** the contents of this report and **REQUESTED** details on the upheld complaint and further details on complaints for future reports.

117/19 Business Plan 2019-2024 Implementation Plan Update – Quarter 2 (*missed from agenda flow*)

The Head of Frontline Service provided governing body members with an overview of progress in relation to the strategic priority actions identified within the 2019-24 Group Business Plan.

The Implementation Plan for the local priorities in 2019-24 Business Plan set out the following key initiatives that were to be progressed during 2019-20. Outcomes to be achieved by the end of each quarter for each of these initiatives are also detailed in the Implementation Plan.

The Director of Finance & Governance advised the Governance Working Group is now closed and the Governance Review Group terms of reference are due to be issued in January 2020.

Management Committee **DISCUSSED** and **NOTED** the contents of this report

119/19 Schedule of Management Committee Meetings - 2020

The Director of Finance & Governance provided the Management Committee with a proposed schedule of meetings for 2020.

The Management Committee discussed the benefit to meet prior to the meeting to allow the Management Committee on their own to discuss business, it was agreed to meet at 5.45pm on the evening of the meeting.

The Management Committee **DISCUSSED** the report and **APPROVED** the schedule of meetings with the addition of amending the start time to 5.45pm for the Management Committee to meet prior to the main meeting.

120/19 Former Tenants Accounts Arrears/Credit Write off Report

The Regional Manager requested approval from the Management Committee to write off former tenant rent arrears and credits within their delegated authority in line with the Group Policy on Delegated Authority 2019 and the provisions within the Group Arrears Management Policy 2016.

The Association makes stringent efforts to pursue all of these debts, including making personal contact with the former tenant at a new address (if known) and by making referrals for recovery action to debt collection agencies.

The decision to write off these cases has been taken because the prospect for recovery is considered to be very unlikely or the return of funds is not feasible. In line with the Association's Arrears Management Policy, these debts will be reactivated and recovery action will recommence if the whereabouts of the former tenant becomes known and if the local authority contact in the future regarding any overpayments.

The Management Committee discussed the threshold for arrears and the arrears process, the Regional Manager advised each case is different and payment arrangements can be broken resulting in higher arrears. The Regional Manager advised of varying rent amounts which can result in higher arrears.

The Management Committee requested for future reporting greater details of actions taken on cases to reflect the process followed

The Management Committee **APPROVED** the write off of the former tenant credits and arrears and **REQUESTED** greater detail of processes followed for future reporting.

121/19

Group Procurement Policy

The Director of Assets sought the approval of the Management Committee for the Group Procurement Policy.

The policy sets out the following:

- Caledonia Group policy and objectives
- The legal framework and other related Group policies
- Our commitment to preparing a Procurement Strategy
- Summary of roles, responsibilities and operational procedures
- Statement on Central Purchasing and Partnerships

The existing policy was prepared just after the new legislation came into force and is therefore still mostly relevant and up to date. The main adjustments to the previous version are as follows:

- Roles and responsibilities revised to reflect recent organisational re-structure
- Reference to Scottish Housing Regulator standards of governance and financial management which came into force in February 2019
- Financial thresholds revised to tie in with Group Financial Regulations approved in August 2019

The Management Committee requested the wording for Freedom of Information (FOI) is extended to reflect the impact to the policy, the Director of Assets agreed and will review the wording.

The Management Committee **APPROVED** the Procurement Policy subject to the addition of the FOI wording.

AOCB

The Management Committee asked on the progress of the recruitment, the Head of Frontline Services advised she and the Chair/Vice Chair had met with one candidate and are progressing with the recruitment. The advert will remain live and future work will take place throughout the year to attract local members.

Wee sleep out – the association will be supporting the local schools sleep out to raise awareness about homelessness this month by issuing all children attending with a Cordale goodie bag.

The Management Committee discussed further partnership working with the local schools and possibility of staff visiting to discuss the issues of homelessness. The Chair will advise of any upcoming events.

The Management Committee requested for actions for the meetings to be issued to Staff/Management Committee as soon as possible and minutes to be available on decision time within 2 weeks of the meeting.

The Head of Frontline Services requested from the Management Committee a copy of the action list from their “away day”, the Management Committee confirmed a copy would be emailed once available for distribution.

Signed: _____

Date: _____