



**Minutes of GHA Board Meeting
held on Wednesday 27 March 2024 at 6pm**

PRESENT: Mr Z Khan, Member (Acting Chair)
Ms A Connelly, Member
Ms F Cochran, Member (via Zoom)
Ms S Keast, Co-Optee (via Zoom)

IN ATTENDANCE: Ms C Quinn, Group CEO (GCEO)
Ms KA Wallace, Director of Customer Services (DCS)
Mr R Dulin, Group Head of Finance & Corporate Services (HFCS)
Ms E Shields, Group Finance & Corporate Services Manager (FCSM)
Ms L Edwards, Development Consultant (DC)
Mr A Stewart, DO Architecture

1.0 Apologies

1.1 The Group Finance & Corporate Service Manager advised that apologies have been received from Mr G McGuire, Mr S McLachlan, Ms A Williamson, Ms A Fraser, Ms K Russell and Ms S Dingwall. Mr C Quigley is on a leave of absence.

2.0 Declarations of Interest, Gifts and Hospitality

2.1 There were no declaration of interest, gifts or hospitality.

3.0 Declaration of Receipt and Understanding

3.1 Members confirmed receipt and understanding of their papers.

4.0 Governing Body Matters & Minutes for Approval and Information

4.1 Draft Minutes of GHA Board Meeting 29 February 2024

4.1.1 The Minutes of the GHA Board meeting held on 29 February 2024 were approved by Mrs A Connelly and seconded by Mr Z Khan as a true reflection of the meeting.

4.2 Matters Arising

4.2.1 There were no matters arising.

5.0 Reports for Decision/Approval

5.1 Conservation Area Windows

5.1.1 Director of Customer Services introduced Adriane Stewart from DO-Architecture. It was noted that DO Architecture have been engaged as conservation area experts.

5.1.2 Mr Stewart provided the Group with an overview of the Central Govan Conservation Windows Programme and highlighted the following:

- There are around 1500 windows that will require to be replaced.
- Review of energy efficiency of the windows was shown via thermal imaging camera.
- Importance of historic character, conservation and planning requirements.
- All units, front and back are being reviewed. Timber windows costs around double that of UPVC. Due to the restrictions of the conservation area, currently UPVC cannot be used at the front of the building.
- Costs are being reviewed for the supply and fit of the windows.
- Energy Performance Certificate was reviewed, detailing the savings made in replacing the windows.

5.1.3 DCS stated that it is a requirement for properties to be at a certain EPC level and would struggle to let properties in the future if this was not reached.

5.1.4 DCS confirmed there would be a procurement exercise for the supply materials and would fit in with our own current procurement with Sidey and Govan Housing Association.

5.1.5 Glasgow City Council has advised the revised planning policy should be in place by May/June, however it is noted that it would potentially be four months after this before work commences.

5.1.6 Meetings will be held with tenant and user groups at the end of April to talk through the process, detailing the work done to date and the proposed use of UPVC.

Discussion points:

1. Benefits of replacing windows
2. Length of time windows will last
3. Access to cleaning windows
4. Costs of materials

Action notes:

Following discussion, the Group noted the Conservation Area Window Replacement Programme.

For redaction:

At this point Mr Stewart left the meeting. Development Consultant joined the meeting.

5.2 Water Row Phase 1 – Update Report

5.2.1 Redacted for confidentiality purposes.

Discussion points:

Action notes:
Following discussion, the Board noted and approved the Water Row Phase 1 Update report.

For redaction:
5.2.1

5.3 Development Services

5.3.1 The GCEO advised that following on from the retirement of the current Development Consultant Laura Edwards on 30 April, a replacement will be sought. DC advised the biggest issue outstanding is the financial issue with CCG, which would benefit from development expert to support the GCEO. As discussed at previous meetings, Link Housing has a subsidiary - C~urb Property Development who have confirmed they have the capacity to support the GCEO as well as the administrative capacity to close of the project.

5.3.2 Approval to deviate from the Procurement Policy is requested in that delegated authority is given to the GCEO to appoint C~urb Property Development for provision of developments services for Water Row Phase 1.

5.3.3 Financial implications of using C~urb is detailed in 4.8 and 4.9 of the report previously distributed.

Discussion points:
1. Appointment of C~urb Property Development

Action notes: Following discussion, the Board approved the Development Services Report.

For redaction:

5.4 Governance Report

5.4.1 The GCEO presented the monthly Governance report and highlighted the following areas in the report:

- a) Notifiable Events as described in section 4 of the report noting that there are currently two open Notifiable Events.
- b) Complaints as mentioned in section 5 of the report noting that there are no new live complaints with SPSO. In addition, there are no Stage 2 complaints that the Association considers will escalate to a Notifiable Event or to the SPSO.
- c) Governing Body membership noting that Mr C Quigley remains on a Leave of Absence.
- d) Governing Body appraisals and training as detailed in section 7 of the report noting the annual Board appraisals are in progress following which a training plan will be developed and presented to the Board for approval.
- e) Attendance to the Board has improved in the last three months.

- f) Health and Safety as described in section 9 of the report noting that the internal Health and Safety Working Group will meet biannually. Health & Safety Audit is being arranged with ACAS for October 2024.
- g) Freedom of Information (FOI) and Subject Access Requests (SAR) update as described in section 10 of the report noting there have been no new FOI or SAR. However, there is one ongoing FOI request, via the Scottish Information Commissioner, as reported in previous months and this is being managed by the Association's external Data Protection Officer.
- h) Annual Assurance Statement information gathering remains ongoing as noted in section 11 of the report.
- i) The seal has not been used since the last Board meeting.
- j) Shareholder application from Sophie Keast, 1/1, 510 Shieldhall Road, Glasgow, G51 4HE as included in section 13 of the report.
- k) Following on from the Board planning session as detailed in section 14 of the report, the GCEO will be updating the business plan and risk registers. This will be brought to the next Board meeting for final approval.
- l) Other governance matters as included in section 15 of the report concerning:
 - Cost of Living (Tenant Protection) Act – Ending Measurers – as detailed in attached as Appendix 1 & Appendix 2.
 - Scottish Housing Regulator – Analysis of RSL Audited Financial Statements 2022/23 - Extract from SHR Report – Published 12 March 2024.

Discussion points:

Action notes:

Following discussion, the Board noted the Governance report and approved the new shareholder application at section 13 in the report.

For redaction:

5.5 Jim Stephen House

5.5.1 The DCS presented the previously distributed report relating to Jim Stephen House.

5.5.2 The DCS drew the members attention to sections 4.2 and 4.3 which details the satisfaction scores which are very positive.

5.5.3 Redacted for confidentiality purposes.

Discussion points:

1. Delegated authority

Action notes: Approval is granted for delegated authority to the Director of Customer Services to negotiate lease extension with the University.

For redaction:

5.5.3

5.6 Policy Report

5.6.1 The DCS presented the Policy report and highlighted the following new policies:

- GHA Residential Lease Policy
- GHA Commercial Lease Policy

5.6.2 The DCS advised that in February, the Board approved the increase to 8.2% which will be implemented, but changes are required to separate the lease policies.

Discussion points:

Action notes: Following discussion, the Board noted and approved the Policy Report and recommendations at Section 2 of the report.

For redaction:

5.7 Customer Services Monthly Report

5.7.1 The DCS presented the previously distributed Customer Services report and Appendices.

5.7.2 The DCS drew attention to section 4.1, detailing the cyclical compliance there is nothing missing, but raises issue with ASBs, particularly as a result of vandalism, a huge amount of money has been spent in last four years and in the last two weeks, with £10k of damage.

5.7.3 Under 4.3 around the boiler recall, there were two that were installed that are being recalled. Three properties are acquisitions that do not know the install dates. There is a mandate to our gas safety contract who are recognised and registered as Ideal boiler installers, they are therefore able to remove and reinstall.

5.7.4 Table one within 5.1 gives a summary of the status of each works Crudens Limited are involved in. The DCS advised that McTaggart are the construction company for Rathlin Street.

5.7.5 The DCS reviewed the proposed targets for Property Services as detailed in section 6 of the report. Appendix three detailed the improvements achieved.

5.7.6 The DCS reviewed the proposed targets for Customer Services as detailed in section 7 of the report. Table three details the arrears targets, with table four given detail on the antisocial behaviour cases.

5.7.7 The DCS advised that following on from the work with GCC Section 5 pilot, there has been a positive impact upon tenancy sustainment, with support services ensuring that tenants coming through this route are 'tenancy ready'.

5.7.8 The DCS reviewed the former tenant bad debt as detailed in section 8, Appendix 4 and advised that some of this relates to very small amount of debt and to legislation which had meant the Association was unable to enforce due to threshold not being met for court.

5.7.9 Redacted for confidentiality purposes.

5.7.10 The DCS referred to the Customer Engagement Pilot as detailed in section 11. The DCS presented the details and reviewed the positive and negative aspects of the pilot. It was noted that customers were not aware of the level of support available to them and it will be ensured that communication is improved towards customers regarding services. Consideration will be given for customer 'self-service' options for reporting repairs or changes to household. Senior staff will consider the pilot and full information and will report back to the Board.

5.7.11 There were no decrees for eviction this month.

5.7.12 Redacted for confidentiality purposes.

5.7.13 Redacted for confidentiality purposes.

5.7.14 Due to an increase in pest control related repairs after Glasgow City Council have resolved the pest issue. The DCS confirmed there is allocated monies towards project for pest control.

5.7.15 Redacted for confidentiality purposes.

5.7.16 Redacted for confidentiality purposes.

Discussion points:

1. Vandalism, costs associated and GCC.
2. Types of new boilers being used as future of boilers.
3. Tenants who default.
4. Abandonment process.

Action notes:

Following discussion, the Board noted the Customer Services Monthly report and approved the Proposed Targets as detailed in sections 6 and 7 of the report and approved the former tenant bad debts and former tenants' credits write offs.

For redaction:

5.7.9, 5.7.12, 5.7.13, 5.7.15, 5.7.16

5.8 Factoring Management Fee Annual Increase

5.8.1 The DCS advised that factoring fees are now paid quarterly in advance. The dates of the invoicing are detailed in section 4.1. With this in mind, the annual management fee increase would take effect from 1 June to align with the invoicing period.

5.8.2 Redacted for confidentiality purposes.

Discussion points:

Action notes:

Following discussion, the Board approved the Factoring Management Fee Annual Increase report.

For redaction:

5.8.2

- 5.9 Govan Housing Association 30-year Budgets 2024-25
- 5.9.1 The Head of Finance & Corporate Services (HFCS) presented the Govan Housing Association 30-year Budgets 2024-25 Report including the following Appendices:
- Appendix 1: Statement of Financial Position;
 - Appendix 2: Statement of Comprehensive Income;
 - Appendix 3: Office Overhead Breakdown
 - Appendix 4: Statement of Cash Flow
 - Appendix 5: Sensitivity
- 5.9.2 The HFCS reviewed key items within the budget and advised that they have been prepared alongside those of the two subsidiaries, Govan Home Team (GHT) as well as the first full budget model for The Water Row Company (WRC).
- 5.9.3 Redacted for confidentiality purposes.
- 5.9.4 Redacted for confidentiality purposes.
- 5.9.5 Staff salary budgets have provisionally included an increase of 6%, however final confirmation is still to be received from EVH.
- 5.9.6 Following on from rent consultation, the rent increase for 2024/25 has been agreed as 6.25%.
- 5.9.7 Redacted for confidentiality purposes.
- 5.9.8 Redacted for confidentiality purposes.
- 5.9.9 The HFCS reviewed the cyclical maintenance budget, detailing the works that are currently carried out by the Home Team and confirmed that it is the long term aim for the Home Team to carry out all works, if value for money.
- 5.9.10 Redacted for confidentiality purposes.
- 5.9.11 The HFCS advised that the Water Row development is expect to be fully completed by May 2024. From April 2024, Govan Housing Association will be transferring across:
- Mid-Market units
 - Commercial shop units
 - Factoring Services
 - Residential Leases
 - Money Advice Services
- 5.9.12 The HFCS confirmed during the budget process options for both income and expenditure were considered, combining the key three considerations of rent affordability, maintenance costs and covenant compliant. The HFCS confirmed that all criteria were met.
- 5.9.13 The HRCS gave examples of impact of varying the rental incomes, using a variety of possible scenarios. Further sensitivity analysis was discussed and demonstrated including rising costs/reduced income and the subsequent impact on bank covenant compliance, cash flows, planned and cyclical maintenance budgets, etc.

At this point the Chair advised that in relation to timing, the meeting will shortly exceed the standing orders and asked Members for approval to carry on the meeting. Members unanimously agreed.

Discussion points:

1. Interest rates on loans
2. Gas servicing contract potentially moving to Home Team on year five

Action notes:

Following discussion, Board noted and approved the Govan Housing Association 30 Year Budgets report.

For redaction:

5.9.3, 5.9.4, 5.9.7, 5.9.8, 5.9.10

5.10 Govan Home Team 5 Year Budgets

5.10.1 The HFCS presented the Govan Home Team 5 Year Budgets Report including the following Appendices:

- Appendix 1: Statement of Financial Position
- Appendix 2: Statement of Comprehensive Income
- Appendix 3: Direct Maintenance Costs
- Appendix 4: Office Overhead Breakdown
- Appendix 5: Statement of Cash Flow
- Appendix 6: Statement of Monthly Cash Flow (year 1)
- Appendix 7: Sensitivity Analysis

5.10.2 The HFCS stated that this report has been presented and approved by the Home Team Board.

5.10.3 Redacted for confidentiality purposes.

5.10.4 Redacted for confidentiality purposes.

5.10.5 The HRCS detailed the projected income for GHT for each contract over the next five years from WRC, increasing each year.

5.10.6 Redacted for confidentiality purposes.

5.10.7 The HRCS reviewed the staffing costs and noted there is an internal structure underway which will change the costs.

5.10.8 With regards to the Home Team overheads, the HRCS asked the Board to note that there are changes where the WRC is now sharing costs of rent and rates, heating and lighting and computer support.

5.10.9 As detailed in Appendix 5, the cash flow projections are positive. All accrued debts are budgeted to be paid over the period, however this is subject to GHT performance.

5.10.10 The HRCS discussed sensitivity analysis and demonstrated the impact of possible rising costs/reduced income and the subsequent impact.

Discussion points:

Action notes:

Following discussion, Board noted and approved the Govan Home Team 5 Year Budgets report.

For redaction:

5.10.3, 5.10.4, 5.10.6

5.11 Water Row Company 5 Year Budgets

5.11.1 The HFCS presented the Water Row Company 5 Year Budgets Report including the following Appendices:

- Appendix 1: Statement of Financial Position
- Appendix 2: Statement of Comprehensive Income
- Appendix 3: Direct Maintenance Costs
- Appendix 4: Office Overhead Breakdown
- Appendix 5: Statement of Cash Flow

5.11.2 Redacted for confidentiality purposes.

5.11.3 Income is generated from various sources which consist of mid-market rent; commercial shop units; factoring; residential leases and financial inclusion services to the parent company.

5.11.4 HFCS noted that factoring covers a range of services including management fees, insurance, services and repairs to common areas.

5.11.5 The HFCS advised it is expected that the 122 lease properties GHA has to various 3rd parties will be passed over to WRC for management in April 2024.

5.11.6 Annual income for the next five years was reviewed.

5.11.7 There are currently 10 employees within WRC, with one temporary member of staff fully funded and one whereby service is shared with GHA.

5.11.8 The WRC will be sharing office overhead costs with GHT, such as IT support, cleaning and insurance. There will also be some costs that will go towards an office refurbishment.

5.11.9 The HFCS reviewed the WRC start-up loan, detailing the deb/credit balances as of 31 March.

5.11.10 The HFCS advised that the WRC is looking very positive with a good working reserve available throughout. It is expected that WRC should be able to pay off the start-up load during 2026-27.

5.11.11 The HRCS discussed sensitivity analysis and demonstrated the impact of possible rising costs/reduced income and the subsequent impact.

Discussion points:

1 Commercial units.

Action notes:

Following discussion, the Board noted and approved the Water Row Company 5 Year Budgets report.

For redaction:
5.11.2

6. Reports for Discussion/Information

6.1 Govan Housing Association Financial Management Report for the 11 months to February 2024

6.1.1 The HFCS advised this paper is already built in to the GHA budget paper, but is used as a template to produce this. The HRCS advised the details within this paper have therefore been discussed already.

Discussion points:

Action notes:
The Board noted and approved the Financial Management Report.

For redaction:

6.2 Cernach Housing Association Contract

6.2.1 Redacted for confidentiality purposes.

6.2.2 The GCEO stated that following on from being successful in obtaining their first tender, there were areas of improvement that included developing a more robust pricing schedule, creating standard responses for a range of questions, ensuring effective external verification of standards and procedures, incorporating business development capacity into the organisation structured and aligning tender opportunities with surplus organisation capacity.

6.2.3 The GCEO stated that the Director of Community Enterprises will be meeting with other RSLs and property developers in the area to discuss potential opportunities. The GCEO also noted that the new Head of Home Team has been very successful in the role.

Discussion points:

Action notes:
Following discussion, Members noted the Cernach Housing Association Contract paper.

For redaction:
6.2.1

6.3 Redacted for confidentiality purposes.

Discussion points:

Action notes:
Following discussion, Members noted and approved the Mears Lease Update report.

For redaction:

6.3

6.4 SHR Engagement Plan

6.4.1 The GCEO advised she had received an Engagement Plan from the Regulator that is not public knowledge as yet and will be published on 2 April. These details are confidential until this date.

6.4.2 This correspondence is regarding Financial Management which is responded every year via the Annual Assurance Statement. This has been noted as excellent.

6.4.3 In addition to this, the SHR have advised they require more information including development plans. The GCEO advised this is possible due to Water Row and CCG being in place now until end of May. The GCEO advised she will provide a full list of requirements to the Board.

Discussion points:

Action notes:

Following discussion, Members noted the SHR Engagement Plan.

For redaction:

7.0 Any Other Competent Business

7.1 The GCEO requested permission for Board and Committee meetings that fall on a week where there is a public holiday, that it be moved to either the week before or afterwards.

7.2 The GCEO advised the SFHA have asked if they can speak with the Board regarding the benefits of membership.

7.3 The GCEO requested permission to hold an event to celebrate Water Row. It is anticipated that a prominent public figure will cut the ribbon to launch the development [local MP]. In addition, there would be a second event for key stakeholders, staff and Board within the Pearce Institute, again celebrating Water Row but also the achievement of Govan Home Team having their first external client.

Discussion points:

Action notes:

Following discussion:

- Members approved Board and Committee meetings being changed when they fall on a week of a public holiday;
- Members agreed for the SFHA to speak to the Board regarding membership;
- Members agreed for a celebration event to be held to mark the launch of Water Row & for
- Govan Home Team having first external client.

For redaction:

8. Date of Next Meeting

8.1 The date of the next full Board meeting is Thursday 25 April 2024 at 6.00pm.

CHAIRPERSON'S SIGNATURE:



A handwritten signature in black ink, appearing to read 'B. P. L. J. e', is centered on the page. Below the signature is a horizontal dotted line.