

CRAIGDALE HOUSING ASSOCIATION LIMITED**BOARD MEETING****MONDAY 6TH FEBRUARY 2023****AGENDA ITEM: 4C APPROVAL OF MINUTES OF PREVIOUS BOARD MEETING****CRAIGDALE HOUSING ASSOCIATION MINUTE OF BOARD MEETING HELD ON MONDAY 30TH JANUARY 2023 AT 6.00PM****PRESENT:**

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|---------------------|--------------|-----------------|--------------|
| Des Phee | Chairperson | John Kilpatrick | Board Member |
| Morag Cameron | Vice Chair | Hilary Tennant | Board Member |
| Louise Bacon | Secretary | Gemma Woodrow | Board Member |
| Claire Taylor | Treasurer | Stephen Baxter | Board Member |
| Christine McCormack | Board Member | Kevin Boyle | Board Member |
| Helen Bayne | Board Member | | |

IN ATTENDANCE:

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| Linda Chelton | Chief Executive Officer (CEO) | |
| Frances Cunningham | Senior Corporate Services Officer (SCSO) | (Minute Secretary) |
| Lisa Campbell | Housing Services Officer (SHSO - Temp) | |
| Fettes McDonald | FMD Financial Services Ltd | |

1. Apologies for Absence

Apologies were tendered on behalf of Stephen Kelly (Board Member).

Leave of Absence:

None at present.

Absent:

None at present.

2. Chairperson's Remarks

The Chair welcomed everyone to tonight's meeting.

3. Declaration of Interests

There were no declarations of interested raised.

4. Draft Budget 2023/24

F McDonald advised that the purpose of the draft annual budget is to provide members with details of the expected financial position of CHA for 2023/24 based on the main assumptions employed. The information contained within the budget was provided by and discussed with staff members.

The starting position at 1st April 2023 is based on the annual budget for 2022/23 with changes to reflect the actual results to March 2022, to reflect the fact that any pension deficit payments made in 2022/23 will be charged to the SOFP, to reflect reductions in component

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replacements and delays in new build handovers. The annual budget for 2022/23 indicated a surplus for the year of £345k and cash balances at the year-end of £2.05m. Based on the aforementioned changes the updated position is a surplus for 2022/23 of £252k and cash at March 2023 of £2.275m.

Following discussion and agreement any changes to the draft budget will be updated and shall be presented to members for approval prior to the start of the financial year.

The draft budget for the year indicates a projected surplus of around £250k. As always, the projected outturn will depend on the assumptions employed and any changes in the assumptions will result in a change to the expected position.

This draft budget is based on an assumption of rents increasing by 6.5% from 1st April 2023. This equates to November CPI rate of 10.7% less 4.2%.

Main Assumptions

- Rent rise of 6.5%
- Voids of 1%
- Bad debts at 1%
- Salaries increase by 5.25% plus increments where applicable
- Overall maintenance provision of £636k
- Loan interest rates pre margin at rate of 4.5% (assumed Bank of England)
- Component replacement costs of £380k
- Property buy back costs of £80k
- No spend on other fixed assets
- Gross rent arrears of 2%
- Loan capital repaid of £135k
- Pension deficit payment of £nil

F McDonald highlighted that he has not included the new build development within the depreciation figure which will increase by £130k however this will be amended for the final draft.

The cash position at April 2023 is projected at £2.275m with the balance reducing to £2.049m by March 2024. This remains a relatively strong position.

Based on the draft budget loan covenant compliance is achieved with headroom of £230k.

Management costs per unit, staff costs as a % of turnover and rent ratios continue to show positive outturns. Debt per unit increases compared to 2021/22 due to the RBS loan facility

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for the new build project. Maintenance cost ratios show a large increase compared to the last 2 years however if we leave the reactive maintenance costs per unit at £434 we could potential make a saving of £60k

Updates to the long-term projections shall be carried out in the final quarter of 2023/24 following receipt of updated long term maintenance projections and these shall form the basis of the 5-year budget submission to SHR.

F McDonald asked the Board if they have any questions?

- *M Cameron asked if the Phase 1 & 2 Boiler replacements included distribution costs. The CEO confirmed that the costs included the replacement of radiators, pipes etc.*

The Board noted and approved the amendments to the first draft of the Budget 2023/24.

Fettes McDonald left the meeting at 6.15pm

5. Policy Review: Damp & Mould Policy

The CEO advised on the 1 December 2022 the Scottish Housing Regulator wrote to all Scottish Social Landlords following the inquest into the tragic death of 2-year-old Awaab Ishak in Rochdale. The Regulator seeks to gain assurance that reports of damp, mould and condensation are being treated with the appropriate priority by landlords.

The CEO highlighted that this policy has been written following the instruction from the regulator that RSL's consider the systems they have in place to ensure their tenants' homes are not affected by mould and dampness and that they have appropriate, proactive systems to identify and deal with any reported cases of mould and damp timeously and effectively.

In writing the policy full regard has been given to the October 2021 document from the Housing Ombudsman - Spotlight on Damp and Mould which can be found (Appendix 1). The Inquest Report for Awaab which gives areas of learning (Appendix 2) and Better Social Housing Review Report - December 2022 which highlights the importance of good communication and consultation with tenants in combatting the sources of condensation, damp and mould (Appendix 3).

The CEO advised that the aim of the new policy is to ensure that CHA work with our tenants to ensure that we identify any problems with damp early and also to ensure that both staff and tenants have the required education and information to ensure prevention of the problem wherever possible.

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The CEO highlighted that we received a complaint from a tenant last week in relation to damp and mould within her property however the tenant had cc'd the Scottish Housing Regulator into the complaint. SHR have contacted the office asking for additional information/timeline on how we were dealing with the complaint. We have spoken with the tenant; our contractors have been onsite making good issues. We have given all information to the SHR and they are happy with our actions and have closed complaint.

The CEO mentioned that the first we were made aware of the issues was the same day she had emailed the SHR.

The CEO asked the Board if they had any questions.

The CEO highlighted that the Chair raised the following points.

Section 2: Is it worth referencing also the relevant Regulatory Requirement within the Regulatory Framework with regard to tenant safety - AN3?

Section 3: "Historically landlords have not prioritised reports of damp, mould and condensation.". That statement is possibly doing some heavy lifting to include those landlords who do address those issues well and take them seriously, and those who do not. Could we maybe soften that to something like "The response from social landlords to prioritising reports of damp, mould and condensation has not always been a consistent one across the sector."?

Staff training and full analysis of stock data etc - Will this be progressed in the near future? The CEO advised that all staff will be undertaking CIH Damp & Mould training during February/March.

4.2 Is a home visit within 2 working days achievable? This would be a day earlier than our current Urgent repair timescale. The CEO will amend days to 3 to match our Repairs Policy.

4.3 Damp and Mould Register - Is this in place already or to be developed?

5.2 Compliance Register - Is this in place already or to be developed?

6.2 Would "CHA" rather than "Company website" sit better?

*C McCormack mentioned that 2.3 Organisational Values the Listening value did not read correctly. Listening: we will listen actively listen to what people tell us and we will remain neutral. **It should read** Listening: we will actively listen to what people tell us and we will remain neutral.*

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K Boyle highlighted that the Scottish Government has a very good leaflet that they circulate to tenants, which is very user friendly if English is not your first language. K Boyle agreed to forward on the link to the leaflet.

M Cameron highlighted that section 6.2 mentions that we currently use a leaflet. The CEO confirmed that we have leaflet that we have been issuing to new tenants at handover to promote damp, mould and condensations and ways to prevent this. We will add this to the website and promote on Facebook. M Cameron also mentioned that the terminology is not what we would normally use.

H Bayne mentioned that 3.4 we should expand on the frequency of visits and possibly outline the process of the visit and that we are being proactive. The CEO highlighted that the point had been noted, and that we are currently carrying out the visit every five years however are looking to make these visit more frequently every two/three year.

J Kilpatrick highlighted that we are due to send out the rent increase letters that we could issue the dampness leaflet along with these letters. The CEO advised that feedback from the rent consultation with Research Resource advised that tenants do not remember seeing the rent consultation part one leaflet but only remember receiving the calendar.

S Baxter agreed that its would be a great idea if we were proactive however, until we inspect properties, or the tenant advises of an issue we won't know that there's an issue.

The Chair advised that Scottish Housing Regulator issued guidance today advising that they will not be issuing the Health & Safety questionnaire this year however, have asked all governing bodies and committees to consider the systems they have in place to ensure their tenants' homes are not affected by mould and dampness and that they have appropriate, proactive systems to identify and deal with any reported cases of mould and damp timeously and effectively.

The Board noted and approved the Damp and Mould Policy with the agreed recommendations.

6. Correspondence

The Secretary confirmed that there was no correspondence for discussion this evening.

7. Any Other Competent Business

The Chair asked if anyone had any other competent business for discussion.

a) Health & Safety Administrator: The SCSO thanked all the Board Members who

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attended the Health & Safety Training on Monday 16th January 2023. Our trainer Patricia Gallagher highlighted that we should notify the Board of a change of Health & Safety Administrator. Since Richard O'Brien left the SCSO has been temporary covering the post and will continue to cover until the staff structure has been concluded.

- b) Board Reports (06.02.23): The SCSO advised the Board that the reports will be late and not available tonight. They should hopefully be available Tuesday evening or early Wednesday morning.
- c) SHARE Chairs Network: The Chair highlighted that M Cameron and himself had recently attended the network where Paul McNeil gave a financial presentation. The Chair highlighted that session was very good and would forward the presentation for circulation to the rest of the Board.

8. Date of Next Meeting

Monday 6th February 2023 at 6.00pm Board Meeting (Jan)

The meeting concluded at 6.41pm