



NOTICE OF MEETING

The Meeting of the Full Management Committee will be held on Thursday the 25th of February 2021 at 19:00 hrs through the Association's on-line virtual meeting portal.

AGENDA

1.0 MANAGEMENT COMMITTEE

- 1.1 APOLOGIES
- 1.2 REGISTRATION, DECLARATIONS & CODE OF CONDUCT
- 1.3 TRAINING
- 1.4 REGULATORY & STATUTORY RETURNS 2020 / 21
- 1.5 WHISTLEBLOWING, FRAUD & NOTIFIABLE EVENTS REGISTER 2020 / 21
- 1.6 HEALTH & SAFETY MATTERS

2.0 NEW MEMBERSHIP APPLICATIONS

3.0 DOCUMENTS FOR SIGNING AND USE OF SEAL

4.0 CORRESPONDENCE

5.0 MINUTES OF THE FULL MANAGEMENT COMMITTEE MEETING 28.01.21

- 5.1 APPROVAL OF MINUTES
- 5.2 MATTERS ARISING

6.0 CORPORATE GOVERNANCE REPORTS

- 6.1 INTERNAL AUDIT REPORT
  - 6.1.1 IT Systems Audit
  - 6.1.2 Budgetary and Financial Controls
  - 6.1.3 Freedom of Information
  - 6.1.4 Maintenance
- 6.2 POLICY REVIEW REPORT
  - 6.2.1 Information Security Policy
  - 6.2.2 Disaster Recovery Policy
- 6.3 COVID-19 REPORT
- 6.4 QUARTERLY BUSINESS ACTIVITY PLAN COMPLIANCE REPORT
- 6.5 RISK MANAGEMENT STRATEGY REVIEW REPORT
- 6.6 REGULATORY COMPLIANCE ACTION PLAN UPDATE

7.0 FINANCE

- 7.1 2020 / 21 BUDGET REPORT

8.0 HOUSING MANAGEMENT REPORTS

- 8.1 RENT SETTING POLICY REVIEW REPORT

9.0 DATE OF NEXT MEETING 25.03.21

10.0 A.O.C.B.

Distribution

|                               |   |                       |   |                           |   |
|-------------------------------|---|-----------------------|---|---------------------------|---|
| 1. Shields, Graeme (Chairman) | <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> | 6. Jarvis, Anna-Maria | <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> | 11. Wronowska, Agnieszka  | <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> |
| 2. Ballantyne, Mary           | <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> | 7. Parker, Morag      | <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> | 12. McKendrick, Mick      | <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> |
| 3. Busby, Elaine              | <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> | 8. Ryan, Isobel       | <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> | 13. <i>Casual Vacancy</i> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>                                  |
| 4. Donnelly, Lisa-Marie       | <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> | 9. Porter, Josephine  | <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> | 14. <i>Casual Vacancy</i> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>                                  |
| 5. Fleming, Anne              | <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> | 10. Walker, Catriona  | <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> |                           |   |



## MINUTES

Minutes of the Full Management Committee Meeting held on Thursday the 25th of February 2021 at 19:00hrs through the Association's on-line virtual meeting portal.

### Present

Shields, G (Chair)  
Ballantyne, M  
Busby, E  
Donnelly, L  
Jarvis, A  
McKendrick, M  
Parker, M  
Porter, J  
Ryan, I  
Walker, C  
Wronowska, A

### In Attendance

Forrest, C J (Director)  
Freeman, K (Secretary / Senior Housing Services Officer)  
McKay, K (Finance Officer)  
  
McCready, S (Wylie & Bisset, Internal Auditors)  
  
Jellema, J (Scottish Housing Regulator, Observer)  
Kelly, K (Scottish Housing Regulator, Observer)

G Shields welcomed S McCready, J Jellema and K Kelly to the meeting. J Jellema provided a brief outline of the purpose of his and K Kelly's attendance at the meeting. He explained that this was a routine part of the regulatory process for organisations working through a regulatory improvement plan.

## 1.0 MANAGEMENT COMMITTEE

### 1.1 APOLOGIES

Apologies for absence were received from A Fleming.

### 1.2 REGISTRATION, DECLARATIONS & CODE OF CONDUCT

There were no declarations beyond those already registered on the register of interests schedule.

### 1.3 TRAINING

The updated training schedule was noted by those present. The Director confirmed that the Management Committee should achieve its training target by the year end.

In response to a question from G Shields, those present confirmed that they had all received their individual training plans from SHARE. The Director confirmed that he had now received the overall learning and development plan for the Management Committee from O Gaffney of SHARE and that he would issue this to the next meeting for review.

M Ballantyne confirmed that she had now completed the Chartered Institute of Housing's Certificate in Housing Practice SCQF Level 5 and had now enrolled for the Governance of Scottish Housing Associations (GOSHA) course which had been completed by A Wronowska.

Those present congratulated M Ballantyne in successfully attaining her qualification.

### 1.4 REGULATORY & STATUTORY RETURNS 2020

G Shields referred to the report and those present noted that all the Returns for the current year to date had now been submitted by the regulatory or statutory deadlines required.

No further action was therefore considered necessary beyond on-going monitoring of the report.

### 1.5 WHISTLEBLOWING, FRAUD & NOTIFIABLE EVENTS REGISTER 2020 / 21

G Shields referred to the report and the Director confirmed that he was not aware of any new whistleblowing, fraud or Notifiable Events having been raised since the last meeting.



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**1.0 MANAGEMENT COMMITTEE (Continued)**

**1.6 HEALTH & SAFETY MATTERS**

G Shields asked if there were any health and safety matters to be raised and the Director confirmed that there were no matters to report under health and safety.

**2.0 NEW MEMBERSHIP APPLICATIONS**

There was one new membership application from a bona fide applicant as follows:

| <u>Share Certificate No.</u> | <u>Name</u> | <u>Address</u> |
|------------------------------|-------------|----------------|
| 1243                         | [REDACTED]  | [REDACTED]     |

Approval of this membership application was proposed by A Wronowska, seconded by M Ballantyne, and unanimously agreed by those present.

**3.0 DOCUMENTS FOR SIGNING AND USE OF SEAL**

There were no other documents for signing or use of seal.

**4.0 CORRESPONDENCE**

There were no other items of correspondence.

**5.0 MINUTES OF THE FULL MANAGEMENT COMMITTEE MEETING 28.01.21**

**5.1 APPROVAL OF MINUTES**

The Minutes were proposed by M Parker, seconded by I Ryan, and unanimously approved by those present.

**5.2 MATTERS ARISING**

The Director explained that the anticipated non-compliance with the Scottish Housing Quality Standard (SHQS) as reported at the previous meeting no longer applied. He explained that this followed a change in the timescale for the requirement to have an electrical safety certificate for each property no more than five years old by the end of March 2021. This requirement had now been put back to 2022 in line with the requirement for linked heat, smoke and carbon monoxide detectors.

In response to a question from G Shields, the Director suggested that a revised deadline of 31 May be set as the target for the completion of this work. This would ensure meeting the revised deadline well in advance.

There were no other matters arising.

**6.0 CORPORATE GOVERNANCE REPORTS**

**6.1 INTERNAL AUDIT REPORT**

**6.1.1 IT Systems Audit**

G Shields referred to the internal audit report on IT systems and invited S McCready to speak to the report.

Referring to the report, S McCready explained that the findings were that the Association's controls were "substantial", that this represented the second highest level of assurance with one medium and one low level recommendation for improvement and that ten good practice points were identified.



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**6.0 CORPORATE GOVERNANCE REPORTS (Continued)****6.1 INTERNAL AUDIT REPORT (Continued)****6.1.1 IT Systems Audit (Continued)**

Benchmarking the Association's controls, he explained that the one medium and one low level recommendation compared with an average of one high, one medium and two low level recommendations found in other Registered Social Landlords (RSLs).

Referring to the two recommendations, he confirmed that Management had agreed to implement the necessary changes and that target implementation dates had been set accordingly.

S McCready concluded his report by referring to observations concerning old IT equipment disposal and the on-going use of USB devices.

In response to questions from G Shields, S McCready stated that he was able to provide adequate assurance surrounding business continuity in the event of the loss of key personnel or data loss and that the approach to password management had changed with less emphasis on changing passwords and a greater emphasis on using more secure complex passwords.

The Director provided details of backup procedures and in response to a question from M McKendrick, confirmed the limited circumstances surrounding use of USB devices.

**6.1.2 Budgetary and Financial Controls**

S McCready referred to the report and explained that the findings were that the Association had "strong" controls in the area of budgetary and financial controls. This represented the highest levels of assurance and reflected the "robust" processes within the Association.

He went on to explain that there were no recommendations being made to the systems and that this compared with an average of one medium and one low level recommendation when benchmarked against other RSLs.

G Shields asked S McCready if there was anything in his findings that should be highlighted in terms of the financial management of the Association bearing in mind that this was an area of criticism previously raised by the Scottish Housing Regulator. S McCready stated that he had no such concerns and that he would include any such concerns within his report if it had been the case.

**6.1.3 Freedom of Information (FOI)**

G Shields invited S McCready to present the report on FOI and once again S McCready stated that he was able to provide a "strong" level of assurance in terms of the Association's compliance with its obligations in terms of FOI.

He went on to explain that all eight FOI requests received by the Association had been met in accordance with policy and regulatory requirements.

He went on to explain that there were no recommendations being made in this report to the systems or processes for dealing with FOI requests and that this compared with an average of one medium and two low level recommendation when benchmarked against other RSLs.

**6.1.4 Maintenance**

S McCready referred to the report and explained that the findings were that the Association had "strong" controls in the area of maintenance.

Benchmarking the Association's controls, he explained that the one medium level recommendation compared with an average of one medium and one low level recommendation found in other RSLs.

Referring to the recommendation, he confirmed that Management had acknowledged the failure to fully comply with policy in dealing with rechargeable repairs and that this matter was being addressed.



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### 6.0 CORPORATE GOVERNANCE REPORTS (Continued)

#### 6.1 INTERNAL AUDIT REPORT (Continued)

##### 6.1.4 Maintenance (Continued)

With respect to rechargeable repairs, and in response to a question from G Shields, the Finance Services Officer confirmed that the Association fully provides for rechargeable repairs.

A Wronowska expressed concern that the report referred to a sample of five rechargeable repairs and that in all five cases the Association's staff had failed to follow the required procedures. She asked S McCready if further investigation had taken place with respect to these individual cases to explain the failure to follow procedures.

S McCready explained that he was unable to provide the details surrounding the circumstances of the sample. However the Director confirmed that he had investigated the cases and provided an explanation as to why procedures may not have been followed for at least four out of the five cases.

A Wronowska suggested that this matter should be reviewed at the next internal audit and S McCready confirmed that this would be done as a matter of routine at the follow-up review.

There then followed general discussion on the efficacy of strictly following procedure in cases where there was no economic justification for pursuing a case or where knowledge of the personal circumstances of individuals meant that staff should be exercising some discretion.

In response to a question from E Busby, the Director confirmed that while debts are provided for in full and "written off" for accounts purposes, a record is retained for at least five years and the debts are pursued if there is information that would suggest a recovery is possible. The Senior Housing Services Officer confirmed that it is not unusual for these debts to be pursued when a former tenant applies for re-housing with the Association at a later date.

The discussion concluded with the suggestion that the policy and procedure be brought forward for review to ensure that it reflected as far as possible the circumstances encountered in practice.

At this point those present thanked S McCready for his attendance and S McCready left the meeting.

#### 6.2 POLICY REVIEW REPORT

##### 6.2.1 Information Security Policy

The Director referred to the policy and explained that it was being presented for amendment to incorporate the recommendations from the internal audit report.

In the absence of any other recommended amendments the policy was proposed by E Busby, seconded by C Walker and unanimously approved by those present.

##### 6.2.2 Disaster Recovery Policy

G Shields invited the Director to provide an overview of the amendments being recommended to the disaster recovery policy. The Director explained that these amendments were also being recommended to comply with the recommendations from the internal audit report.

The Director gave an explanation of the revised content with specific reference to the new appendices within the policy and the target recovery times based upon the business impact assessments that had been carried out.

In the absence of any further amendments the policy was proposed by M Parker, seconded by M Ballantyne and unanimously approved by those present.



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### 6.0 CORPORATE GOVERNANCE REPORTS (Continued)

#### 6.3 COVID-19 REPORT

G Shields referred to the report and the Director explained that the reporting format had been changed to incorporate one of L Ewart's recommendations that a single report be provided to the Management Committee rather than several departmental reports.

Those present noted that the Association's offices remained closed to the public for the foreseeable future and that operations were currently restricted in accordance with Scottish Government advice.

The report was then noted by those present.

#### 6.4 QUARTERLY BUSINESS ACTIVITY PLAN COMPLIANCE REPORT

The Director explained that 97.8% of target activities had been completed in accordance with the activity plan but the update to the Business Plan remained outstanding. He explained that this was tied into the update of key performance indicator data that had yet to be published by the SHR. He confirmed that the Business Plan would be updated once this information became available.

The Director also suggested that the timing of the Business Plan update in the programme of work should be reviewed to coincide with likely publication dates for such information.

The report was then noted by those present.

#### 6.5 RISK MANAGEMENT STRATEGY REVIEW REPORT

G Shields referred to the report and noted that there were no changes being recommended to the strategy at this time.

The Director confirmed that other than to incorporate a specific section on the risk register for Covid-19, there were no significant changes to the risk profile of the Association since the last review of the risk management strategy. He suggested that landlords generally were not among the most badly affected areas of the economy and in many respects had benefitted from maintaining income streams while carrying out fewer repairs.

M McKendrick suggested that maintenance may present a higher risk area once "lock-down" had ended as there was likely to be pent up demand for repairs contractors which was likely to impact upon prices.

In the absence of any amendments to the risk management strategy, the report was then noted by those present.

#### 6.6 REGULATORY COMPLIANCE ACTION PLAN UPDATE

G Shields referred to the report and noted that there had been little obvious progress in completing the remaining outstanding actions per the plan.

The Director confirmed that the independent tenant satisfaction survey was now under way and that the latest verbal report had indicated that the survey was progressing well and was likely to be completed within the target deadline. He expected the findings of the survey to be presented to the meeting scheduled for the end of March. He also confirmed that he would formally report on the action plan to the SHR on conclusion of the meeting.

G Shields reminded those present that the SHR would be updating the regulatory status of all RSLs at the end of March 2021.

### 7.0 FINANCE

#### 7.1 2021 / 22 BUDGET REPORT

G Shields invited the Finance Services Officer to complete her presentation of the Association's Budget for 2021/22 prior to formal approval.



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### 7.0 FINANCE (Continued)

#### 7.1 2021 / 22 BUDGET REPORT (Continued)

The Finance Services Officer presented the Budget to those present and highlighted the key points and assumptions made in arriving at the budgeted surplus of seven hundred and twenty-seven thousand pounds for the twelve months to the end of March 2022.

She went on to confirm the levels of assumed planned repairs and capital expenditure and a projected increase in cash of over seven hundred and sixty-nine thousand pounds for the year.

Concluding her report, the Finance Services Officer explained that the treasury management strategy should also be approved as part of the annual budget setting process. She explained that this was unchanged from the last treasury management report where it was recommended that excess funds continue to be deposited in fixed term deposits of up to twelve months.

G Shields raised several queries on the budget. He questioned whether or not it was feasible to have two new staff positions filled by 1 July 2021, whether the provision for rent bad debts was too high in the light of additional tenants in receipt of Housing Benefit and Universal Credit, where the one percent of staff time had been allocated for non-housing revenue costs, to what extent the planned maintenance included underspend for the current year and whether the planned maintenance spend was achievable for the budget year in the current environment.

There then followed discussion on the recruitment process and the efficacy of employing new staff in the current environment. The Director expressed reluctance to fill posts while the current restrictions were in place due to the impact on the interview process and the induction process for new staff. He suggested that the deadline of 1 July for commencement of the new posts was achievable but would depend on how the environment changed over the next month or two.

The Finance Services Officer explained the assumptions behind the rent bad debt provision and it was agreed that the current provision may be higher than necessary and might merit a review – although no amendment was suggested to the provision for bad debts at this time.

In response to the query on the allocation of staff time, the Finance Services Officer confirmed that this related to service provision for stair cleaning and other housing-related services. The Director provided an explanation of how the allocations are calculated.

With respect to planned maintenance, the Finance Services Officer confirmed that there had been an underspend in relation to the current financial year and that this had been carried forward to the budget year. She also confirmed that it was assumed that all these works carried forward would be completed in the budget year including component replacements such as kitchens and bathrooms which had not been completed due to the current environment.

In the absence of any other queries, the budget as presented to the meeting was unanimously approved by those present.

### 8.0 HOUSING MANAGEMENT REPORTS

#### 8.1 RENT SETTING POLICY REVIEW REPORT

The Senior Housing Services Officer referred to the report and explained that the only amendments to the policy were in relation to the revised rent levels following the rent review that had been carried out at the previous month's meeting.

He went on to explain that the policy had been subject to a detailed review in the previous year and that there were no other recommendations for amendment to the policy at this time.

In the absence of any other proposed amendments, the policy was proposed by I Ryan, seconded by A Jarvis and unanimously approved by those present.



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**9.0 DATE OF NEXT MEETING 25.03.21**

G Shields noted that the next meeting was scheduled for Thursday the 25th of March 2021 and the Director reminded those present that both S McCready of Wylie and Bisset and L Shaw of Research Resource were likely to be in attendance to present their respective reports on internal audit and the tenants satisfaction survey.

In response to a question from G Shields, the Director confirmed that the internal audit would cover the areas of ESSH compliance and corporate governance.

**10.0 A.O.C.B.**

There being no other competent business the meeting closed at 20:45 hrs.

Proposed By \_\_\_\_\_

Seconded By \_\_\_\_\_