

Dunbritton Housing Association Ltd.

**Minutes of Meeting of Management Board
Held at 6.00pm on Wednesday 18 March 2021
Via Zoom**

Present: S. MacQuire (SMacQ) Chair; A. Tuach (AT) Vice Chair; G. Morrison (GM) ; E. McCurdy (EMcC); S. Aitken (SA); G. Mulvaney (GMu); J.Smillie (JS).

In attendance: A. Murphy (AM) CEO; H. Maitz (HM) Finance Manager; P. Sweeney (PS) Asset Manager; D. Wilson (DW) Corporate Services Manager; F.McDonald (FMD) FMD Consultants; E.McDonald (Gregor Cameron Consultants)

<p>1. <u>Welcome, Apologies and Declarations of Interest</u></p> <p>SMacQ welcomed everyone and thanked them for their attendance. He advised the Board that while the Board meetings are recorded, the recording is destroyed once the approved minutes are posted onto the website. He also asked all present to turn off their mobile phones.</p> <p>Apologies were received from, C. Chalk (CC); R Murray (RM) Housing Services Manager.</p> <p>There were no declarations of interest.</p>	<p>ACTION BY</p>
<p>2. <u>Minutes of Previous Meeting 24 February 2021</u></p> <p>SMacQ advised that GMu was added to the previous minutes as an apology.</p> <p>The Minutes were proposed as a correct record by AT and seconded by GM.</p>	
<p>3. <u>Matters Arising</u></p> <p>AM advised that on page 1 under ‘Corporate Plan’ the first draft is going to the printers AM is hopeful that we will have the first throw down within the next 10 days to which it will then be sent out the Board. AM will arrange for Linda Ewart to meet with the Board for discussions with regards to the first draft of the Corporate Plan.</p> <p>PS gave an update on page 3 under ‘Development Update’ paragraph 4 he advised that with regards to the insurance works the tenders are due back on 19 March 2021 for the strip out for the flooded properties at Dumbarton Harbour.</p> <p>AM confirmed that on page 3 under ‘EVH Staff Wage Consultation’ that the acceptance form was signed and returned back to EVH. DW advised that the result of the ballot was for the 0.8% rise, DW confirmed all staff will be wrote to and notified of the change.</p>	

AM confirmed that on page 4 paragraph 1 that panel have picked a winner for the 'Design a house of the future' project and the winner will be notified next week.

4. Chief Executive Update

a) Development Strategy

AM advised that E.McD was representing on behalf Gregor Cameron.

AM advised that the Development Strategy isn't completed in isolation as new legislation comes out it will be looked at by Development to ensure it reflects the current position. AM advised that any minor changes will be updated and any major changes the Board will be notified of.

AT asked under section 3 'key areas of operation' if we should develop within a National Park boundary. AM advised that as the National Park are part of the geographical area that we can develop within we would include them within the strategy whether we utilise to develop within the area or not however we have to identify them as a potential area.

The report was **approved**.

b) Harbour Update

AM confirmed that we have allocated roughly another 42 properties this week leaving around another 30 properties to allocate. AM is expecting an update for the last handover of the last two blocks of properties on 19 Friday 2021. AM also advised that we are still having all heating, water etc checked before we allocate the properties.

AM confirmed that he is still awaiting feedback from Jackie Baillie with regards to revenue funding for lost rent. AM also confirmed that we will make a further application via Gregor Cameron to the Scottish Government towards the money paid out earlier in regards to the Dumbarton Harbour site.

JS expressed her concerns with regards to repairs being identified at the Dumbarton Harbour within the defect period. AM confirmed that it is Dunbritton's main priority to ensure tenants are safe and repairs are carried out within the time scales set by Dunbritton.

The report was **noted**.

c) Golf Hill Drive

AM advised that we are hoping to progress the site to a development stage with the support of hub West Scotland, the Scottish Government and West Dunbartonshire Council. AM also advised that the Association, last year, submitted estimated project costs to the Scottish Government for them to appraise and advise if they could provide funding towards the

project as the grant requirement was very high. The Scottish Government has confirmed that they would provide the level of grant requested and are now seeking a formal funding application before the end of March 21 to secure the funds. AM advised that the funding would be available to the Association during 2021/22.

EMcC asked with regards to the flood risk if it was only surface water or if there was any problems identified with regards to ground saturation. E.McD advised that those issues would be identified if and when the site investigation is done.

The report was **approved**.

5. Finance

a) Management Accounts Report

HM updated the Board with a comparison between the estimated and actual financial position as at 31 December 2020.

HM said that the annual budget for 20/21 projects a surplus for the 9 month period of £594k. The actual results to date note a surplus for the same period of around £652k. There is therefore a positive variance to date of around £58k (Sept £91k). HM also advised that the pension deficit payments in excess of the overall deficit (£23k) are now charged to the SOCI.

HM then took the Board through the Main Variances to date and the Statement of Financial Position as at December 2020.

HM advised the Board that there are no issues in terms of loan covenant compliance or in terms of accessible cash.

The report was **approved**.

b) Annual Budget Report

FMD gave a detailed breakdown of the expected financial position of DHA in 2021/22.

FMD advised that the Association's financial ratios are at reasonable levels. The higher debt per unit ratio results from the continuing development programme and is not a concern at this point.

FMD also confirmed that the cash position commences the year at £1.9m and decreases to £1.1m by March 2022. FMD also advised that there are no issues with regards to loan covenant compliance.

The report was **approved**.

c) 30 Year's Cash Flow Report

FMD advised that at 31 March 2021 the Association expects to have generated a surplus for the period of around £640k and the net assets of the business being stated at around £10.6m and also the cash resources of just under £1.9m are expected at March 2021. FMD confirmed that in overall terms the Association is in a healthy financial position at the start of the plan period.

(i) 30 Year Long Term Projections

FMD gave a presentation on the 30-year long term projections.

GMu asked with regards to 'Major Repairs' in year 10 what the large spend on was with regards to. FMD explained that there is a large window replacement project scheduled to take place within that year.

(ii) Long Term Projections Presentation

FMD took the Board through the comprehensive presentation in detail. The overall conclusion is that there are no material concerns and FMD assured the Board that the Association remains financially robust.

The report issued with the agenda was **approved**

d) Recharges Arrears Update

HM update the Board on progress on the recovery of rechargeable repairs. HM advised that as at 25 February 2021 there were 11 high arrears cases each with a balance of over £1000.00.

HM confirmed that we have continued our partnership working with Harper MacLeod and have successfully pursued tenants and former tenants for arrears, reducing the total overall balance. HM also confirmed that the high arrears cases are currently at various stages of debt recovery with Harper Macleod.

AT asked how an inhibition worked, HM explained that an Inhibition is a form of deligence our solicitor registers on the title deeds of a property. This prevents a sales being concluded until the debt is settled. GMu asked if the inhibition can be extended over the 5years, HM confirmed that time of the inhibition can be extended.

Post meeting note an Inhibition lasts for 3 years and can be renewed as many times as required.

The report issued with the agenda was **noted** and **approved**.

e) Factoring Charges & Arrears Update

HM updated the Board with a Factoring report to consider current and former arrears and potential increase in charges for 2021/2022.

<p>HM advised that As at 23 February 2021, we have 10 high arrears cases cumulative total £6,628.31 with a balance of over £250.00. HM assured the Board that all of the high arrears' cases are being carefully monitored.</p> <p>AT asked for an update on the Satisfaction Survey however HM confirmed that the Surveys hadn't been sent out at the time of the report however they have now been sent out and we expect to have the results by the end of March.</p> <p>HM asked the Board to note the position of the current cases, the bad debt provision and approve the annual increase of 0.5% admin fee.</p> <p>The report issued with the agenda was noted and approved.</p>	
<p>6. <u>Corporate Services & Governance</u></p> <p>a) Membership Applications & Cancellations</p> <p>DW advised that there have been no new applications however there have been 3 cancelled memberships. DW confirm that the membership now stands at 86 members.</p> <p>The report was noted.</p> <p>b) Freedom of Information and GDPR</p> <p>DW advised that we have received GBPR request from an applicant which has since been complete with no issues arising.</p> <p>DW also advised due to a recent Microsoft Exchange hack which happened worldwide we have decided to upgrade out Microsoft account to Microsoft 365 which is a more secure system.</p> <p>The report was noted.</p>	
<p>7. <u>Asset Management</u></p> <p>a) Fire Legislation</p> <p>PS gave an update to the Board in relation to the progress of compliance towards the amendment to the Housing Scotland Act Tolerable standards.</p> <p>PS advised that the legislation was due to come into effect on February 2021, however in light of the difficulties caused by COVID-19 it was agreed to delay the implementation of the legislation for a period of 12 months to February 2022. PS confirmed that the contract has now been completed ensuring the stock is now fully compliant with current fire legislation. PS advised that there is still 3% of the stock that has not been upgraded due to access issues mainly due to residents shielding and refusing access during COVID-19.</p>	

<p>The report issued with the agenda was noted and approved.</p> <p>b) Covid-19 Variance in Budgets Capital Works Programme</p> <p>PS updated the Board showing the impacts of Covid-19 on budget allocations for planned works during the financial years (2020-21)(2021-2022). PS advised that the remainder of the allocated budget spend for planned works of £99K will be carried into the year 2021/22 and setting a budget for kitchen installations of £295,831.</p> <p>The report issued with the agenda was noted and approved.</p>	
<p>8. <u>A.O.C.B</u></p> <p>AM updated the Board that RM will return to work on Monday 22 March 2021.</p> <p>DW reminded the Board of the HR and EIA Training to be held on Wednesday 24 March 2020 at 6pm.</p> <p>The meeting closed at 7:10pm.</p>	
<p>10. Date of next meeting 14 April 2021</p>	