

MINUTES OF MEETING NO.693
QUEENS CROSS HOUSING ASSOCIATION BOARD OF MANAGEMENT
HELD ON 22 OCTOBER 2024 AT 6.00 P.M.

Andrew Burns, Ian Elrick, Margaret Glass, Sadie Gordon, David Horner, Matthew Millar, John Dunn, Chibuzo Ehieze.

Shona Stephen (Chief Executive), Neil Manley (Director of Finance & Corporate Support), Phil Daws (Director of Property and Place Making), Heather Anderson (Director of Neighbourhood Services), Elizabeth Hood (Depute Director), Donalda Hogg (Depute Director), Niall McKinnon (Head of Development), Fiona Smith (Head of Customer First), Alison McKay (Governance Advisor) – minutes.

ACTION

1.0 Housekeeping

1.1 Noted

2.0 Welcome and Apologies

2.1 Andrew welcomed everyone to the meeting.

Apologies noted from Anne Ramsey and John McIntyre.

3.0 Declarations of Interest

3.1 There were no new declarations.

4.0 Development Programme Review

4.1 The purpose of this report was for the Board to note the current position with regard to the Association's proposed and future development programme. This report was presented by Niall McKinnon, Head of Development.

4.2 The Board was advised that representatives from the Scottish Housing Regulator (SHR) were attending the office later in the week to meet with the Executive Team and the development programme would be discussed, including the challenging development climate across the sector.

4.3 It was noted that despite challenges, progress on Hamiltonhill phase 1 is being made and moving forward reasonably comfortable with a target completion date in 2025. Funding has been challenging and the Board was reminded of previous discussion when members discussed the funding gap and noted in the financial information set out in the report that Hamiltonhill is likely to not meet its approved funded cost limits due to an inability to materially reduce project costs as expected. Despite this the Board was reassured that the Hamiltonhill development is progressing and will produce properties of a high standard that the Association will be proud of by the end of next year. The progress of phase 2 is planned for 2026, and updates will continue to come to the board

4.4 The board noted that for the Burnbank Gardens development a site start was planned for late spring 2024 but various issues with receiving the Building Warrant approval have further delayed this.

4.4.1 This small gap site is to be developed as 8 units of supported accommodation in partnership with Glasgow Health & Social Care Partnership. The Association is exploring an off-site modular construction design, to meet both the Scottish Government and City Council agendas. While the design appears feasible, it still

remains to be established if this route is possible under procurement regulations, and if it will provide a viable cost for grant approval purposes.

- 4.5 At the time of writing the report benchmark figures were not available from the Scottish Government, these figures were released at the end of last week after papers were issued to the board. Housing grant funding has been cut by 25% with the potential to hit the associations programmes in future years. Glasgow City Council issued a review of last years programmes identifying only 6 housing associations developing projects over 3 million pound meaning as a smaller number of associations are developing means Queens Cross will receive a larger portion of funding.
- 4.6 The board questioned an update on Hamiltonhill , provided in a previous edition of Focus magazine, which is issued to tenants. Niall advised the programme started in 2022 is due to finish in early 2026, 5 blocks are due to be finished every 10 weeks or so through 2025. The first block was behind schedule due to the loss of a subcontractor however this will not be at a cost to the association. A new contractor has been found and once scaffolding has been removed handover of the first block should take place by February 2025. There will be an update to tenants in this Winter edition of Focus magazine which will explain why the fencing is around the site and that this is in line with council/building regulations which is out with the associations control. They delay in the first block and appointing the subcontractor will not affect the timescale allocated for all other blocks. It was noted that one of the challenges s faced is providing updates in Focus magazine , as we want to keep tenants updated however things are always subject to changes due to circumstances, so its difficult to get a balance . There are plans to have Neighbourhood Planning sessions with to provide an update to tenants the first houses will be advertised in November.
- 4.7 The Board discussed the rent structure for Hamiltonhill, and the board was advised that figures are still being calculated and finalised. There is a wider discussion required on the final cost, rents and the position of Glasgow City Council grant funding. An update will be brought to the board.
- 4.8 There was a discussion on the care and partnership funding for Glenfarg Street. It was confirmed that there is not additional funding for this project which falls under our standard funding model. There are discussions ongoing with Scottish Water on the classification as a greenfield site. Depending on the funding received there is likely to be a discussion on future funding. The same challenges are being faced by Housing Associations across the sector
- 4.9 The Board thanked Niall for his report and he left the meeting at 6.30pm.

5.0 Update of Tenant Related Health & Safety – Compliance Matters

- 5.1 The purpose of this report was for the board to note the progress on a range of Health and Safety tenant related compliance matters. This report was presented by Phil Daws, Director of Property and Placemaking.
- 5.2 The Board was advised that the topic of tenant health and safety is a key priority for the Board and that this is also a focus for the Scottish Housing Regulator.
- 5.3 The ALCT team is going through a progress process by assisting in the creation and review of Tenant Safety Policies & Procedures, reporting to relevant departments any changes in legislation that will affect their processes and undertaking work to ensure external contractors are compliant and have formal contracts in place.

- 5.4 The Board noted section 6.2 of the report which explained that cyclical compliance is an ever-increasing financial cost to the Association. Therefore, a review of budgets, will be required, especially those associated with the servicing of communal heating.
- 5.5 Sections 3.5 and 3.6 of the report reported on electrical installation condition reports (EICRs). The Board noted the change from a 10 year cycle to 5 yearly and as a result, from 2025/26 EICRs will be completed on a four- and half-year cycle to reduce the performance risks associated when there is no access to properties. A range of additional training is being organised for the cyclical and compliance team to ensure members have the knowledge to fully complete the wide range of skills required and keep up to date with changing legislation.
- 5.6 There was reference to a report to the Board in February 2024 where it was identified that progress against a range of actions had not progressed as quickly as expected., however the Board noted an internal audit by TIAA was undertaken in April 2024 and the audit was positive and provided the board with assurance that these actions are now progressing and it is intended a further update will be provided in 6 months.

5.7 The Board had no further questions on this report.

6.0 Annual Assurance Statement 2024 for Approval

- 6.1 The purpose of this report was to present the 2024 Annual Assurance Statement for consideration and approval by the Board. This report was presented by Fiona Smith, Head of Customer First.
- 6.2 The Annual Assurance Statement (AAS) is brought to the board annually where the board are invited to give the Chair permission to sign off for submission the Scottish Housing Regulator. The Board were advised that members are not expected to know every process, as this is delegated to paid staff. The Board were asked to note the recommendations as set out in section 1.1 of the report.
- 6.3 Section 5.4 of this report provided the Board with a list of the independent advice undertaken by staff to ensure compliance. All reports and information are available via the board portal with Board Members encouraged to regularly access the portal and contact Alison with any issues.
- 6.4 There are regular updates on guidance from the Scottish Housing Regulator is and the Board were reassured that the Association are continually updating their governance processes in line with this.
- 6.5 Section 5.1 of the report summarised a report published in July 2024 when the Scottish Housing Regulator published the findings from its thematic review of how social landlords assure themselves about their compliance with regulatory requirements, and how this helped them to complete their Annual Assurance Statements. The Regulator visited 13 landlords to explore how they assured themselves they complied with regulatory requirements and their approach to preparing the Statement. The visits had a particular focus on how landlords assured themselves about meeting their tenant and resident safety duties, and how the board is assured on its approach to financial planning and the assumptions which underpin the Association's financial plans. The Board members may want to consider the type of questions that would be discussed, should the Association be selected for a verification visit, and that that they have been provided with enough information on each topic. Fiona advised Board Members to contact herself if there are any areas of the business that more information could be provided .

6.6 The board discussed how much time is required from staff to provide evidence for the SHR, that the Association is compliant. Fiona advised that compared to other Associations, our Governance support resources are fairly small, the Association focuses on undertaking audits and focuses reporting on issues that are important to for our board to know about for making decisions about planning and reviewing services for our tenants. This includes for example the TiS survey, tenant safety audits, well as doing what is required to meet the SHR regulatory standards. It was noted that the impact on time and resources of staff to evidence regulatory standards, particularly on smaller Associations are regularly discussed at the SFHA Governance Forum, and in particular, the affect on smaller Associations.

It was agreed to take the opportunity to raise this point with the Regulation Manager at the meeting on Thursday

6.7 The Board gave approval for the Chair to sign the Annual Assurance Statement for 2024.

7.0 Report on EcoPod Issues and Outcome Review

7.1 The purpose of this report was the provide the Board with actions to provide the necessary information to determine how to proceed with and address the issues with the Ecopod system and billing issues, and to provide the necessary information to determine the timeframe in which the decisions are implemented. This report was presented by Phil Daws, Director of Property and Placemaking.

7.2 The background to the Ecopod system and how it works was set out in the report and a project team has been established to respond to the following issues

- a. The debt.
- b. Review the technical issues and identify options.
- c. Review all policies and procedures.
- d. Implement the recommended solution.

7.3 The report was noted and a further update will be brought to the board.

Phil

8.0 Rent Consultation 2025-2026

8.1 The purpose of this report was for the Board to agree to consult on a rent increase and note the consultation leaflet for approval. This report was presented by Elizabeth Hood, Depute Director and Neil Manley, Director of Finance and Corporate Support.

8.2 Neil delivered a presentation on the rent setting process and budget cycle .The presentation provided the board with a breakdown of each stage of the budget planning process, showing the costs for the last 4 years and delved deeper into the trends over the last 5 years which are largely driven by rents, income, salaries and operating costs.The CPI(H) figure was announced last week at 2.6% which is the figure used to base the rent increase. There were concerns around the UK Government budget to be announced next week.

8.3 The Association plans to consult with tenants from November and following the same process as last year will be holding café conversation sessions. The board agreed that the rent consultation exercise is a good way to get tenants involved and also to link this with tenant engagement, encouraging tenants to work in partnership with us to identify their priorities and plans for the future. There will be a presentation in each community taking about local issues such as investment, and the environment and this will run alongside the rent consultation. These sessions will still be running at the time of the Boards Business Planning Day however an update should be available to the Board.

8.4 The Board agreed 3.1% as a consultation figure and approved the leaflet and survey being issued.

9.0 Health and Safety

9.1 There was no update to be provided.

10.0 New Membership Applications

10.1 There were no new membership applications for approval.

11.0 Minute of Meeting No. 691 and 692

14.1 The minutes of the meetings 691 & 692 were reviewed for accuracy and matters arising.

Meeting 691 held on 27 August 2024 – There were no matters arising and the minute of the meeting was proposed by Matt Millar and seconded by Sadie Gordon

Meeting 692 held on 9 September 2024 immediately following the AGM - There were no matters arising and the minute of the meeting was proposed by Margaret Glass and seconded by John Dunn.

15.0 Action Tracker

15.1 There were no actions to be added to the tracker.

16.0 AOB

16.1 None

17.0 Date and Time of Next Meeting

The meeting concluded at 7.30pm

The next meeting is scheduled to take place on **Tuesday 26 November at 6pm.**

I certify that the above minute has been approved as a true and accurate record of proceedings:

Chair: **Date:**