

Minutes of the Committee of Management Meeting held on **20<sup>th</sup> March 2019** at **6.15 PM**  
at **Larkfield, 14 Lothian Road, Greenock, PA16 0PG**

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Present: Sheralee McMillan (Chair)  
Suzanne Harris  
Aileen Hunter  
Danny McMillan  
Suzanne Gallagher

In attendance: Lynne Griffin  
Tom Mallatratt  
Tarndeeep Kaur

Stephanie McEwan (minutes)

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## **BUSINESS**

### **1. DECLARATIONS OF INTEREST**

Aileen Hunter and Suzanne Gallagher declared an interest in relation to Agenda Item 20. Suzanne Harris and Sheralee McMillan declared an interest in relation to Agenda Item 16.

### **2. APOLOGIES**

Apologies were noted from Denis Flannery, Harry Cooke, Adam Thompson, David Wilson and Allison Akhtar.

### **3. APPROVAL OF THE MINUTES OF THE MEETING HELD ON 23 JANUARY 2019**

The minutes of the meeting held on 23 JANUARY 2019 were approved with no amendments:

Moved: Aileen Hunter

Seconded: Suzanne Harris

### **4. MATTERS ARISING FROM THE MINUTES OF THE MEETING HELD ON**

#### **4.1 E-learning Training Package Demonstration**

It was agreed that the demonstration would be carried forward to the next meeting.

#### **4.2 Board Effectiveness Review & Annual Appraisals**

As there was already a framework in place it was felt that it would not be necessary for an external consultant to take this forward. LG to arrange a training session for SMcM, SH & AH with Stuart Eglington on the appraisal process. Individual self-assessment forms to be completed prior to appraisal interviews.

#### **4.3 Annual Rent Increase**

LG confirmed that tenants had now been issued with the due written notice of the agreed 2% annual rent increase, effective from 1<sup>st</sup> April 2019.

#### **4.4 Replacement Board Extranet Site**

There was no further update currently. It had been previously noted that the preferred supplier had been taken over by Diligence. LG would provide an update at the next meeting with regards to options going forward.

#### **4.5 EVH Wage Ballot proposal for approval**

The proposed EVH three-year deal stated:

**April 19** – an increase of 2.3% on all salary points

**April 20** – an increase based on October 2019 CPI plus 01% on all salary points. Floor of 1.25% and ceiling of 2.5% to be applied.

**April 21** – an increase based on October 2020 CPI plus 0.1% on all salary points. Floor of 1.25% and ceiling of 2.5% to be applied.

The Management Committee unanimously agreed to vote in favour of the proposal set out in the EVH wage ballot.

#### **4.6 Committee members lunch**

LG would arrange a suitable date for members to meet in the office for lunch, out with the normal Board meeting cycle.

#### **4.7 Draft Action Register**

Members felt that this was a useful addition to identify and monitor outstanding actions through the minutes and agreed to use this format going forward. This had been a recommendation from last years' internal audit report.

### **5. EXTERNAL AUDIT 2019 – KPMG AUDIT UPDATE**

The Committee noted the Interim Audit report. KPMG had reviewed a number of key financial controls. The audit report confirmed that there were strong controls in place and no issues had arisen during the audit.

### **6. ANNUAL DECLARATION OF INTEREST FORMS 2019**

LG issued annual declaration of interest forms to members for completion.

## **7. IMPLEMENTATION OF THE NEW HOUSING (SCOTLAND) ACT 2014**

The Housing Manager had provided a report to members which highlighted the work undertaken and/or planned to ensure that the business was compliant with the new Housing (Scotland) Act 2014 provisions. The Committee considered this report.

## **8. REFINANCING OUT-LINE PLAN**

TM highlighted that the £4.5M loan period with the Royal Bank of Scotland was coming to an end in December 2019. It was suggested that an identical £4.5M loan facility be sought, fixed over a five-year period. Previously, the draft budget discussed in January had assumed that the new financing agreement would be repaid over a ten-year period. However, it was felt that a shorter time period would provide greater flexibility to the Association. The anticipated loan interest rate was assumed to be 4% which was a reduction from the previous assumption of 5%.

## **9. NEW REGULATORY FRAMEWORK & ANNUAL ASSURANCE STATEMENT**

The Committee discussed the new Regulatory Framework & Assurance Statement requirements. The Committee unanimously agreed to adopt the proposed framework for Larkfield and the wider Link group.

## **10. BUSINESS PLANNING PROCESS 2019-24**

### **10.1 LINK SERVICE STRATEGY REVIEW 26 APRIL 2019**

The members discussed the previously circulated the report from the CEO of Link and proposals for a group wide Strategic Services Review. It was noted that Jon Turner would attend the next Committee meeting in May to discuss the proposal more fully. In the meantime, the Committee noted that, in principle, they were comfortable with the proposed approach being suggested. They also felt that it would be useful to obtain some more specific information with regards to the proposed brief and scope of the review.

### **10.2 DRAFT INTERNAL MANAGEMENT PLAN 2019-1924**

The Committee discussed the draft IMP and agreed the revised set of KPI indicators for the new reporting year. A final draft of the IMP would be issued at the May meeting for consideration.

## **11. WIDER ROLE PROPOSED BUDGET 2019/20**

A report had been previously circulated which highlighted the end of year outcomes for current wider role projects and 2019/20 funding recommendations. The Committee unanimously agreed the proposed wider role budget provision for 2019/20 of £25K. The Committee also approved the proposed allocation of funding and request from Inverclyde Starter Packs for continued funding for 2019/20.

## **12. KPI PERFORMANCE REPORT (Quarter 3) 2019/20**

The Committee considered the contents of the report and performance during Quarter 3 of the reporting year.

**13. COMPLAINTS PERFORMANCE REPORT (QUARTER 3) 2018/19**

The Committee considered the contents of the report and performance during Quarter 3 of the reporting year.

**14. WHISTLEBLOWING POLICY REVIEW**

The Committee unanimously approved the revised Whistleblowing Policy.

**15. APPROVAL OF DRAFT ACCOUNTS 28 FEBRUARY 2019**

The management accounts showed a surplus of £409,225. This was £15,892 higher than the budgeted figure of £393,333. The rental income was in line with budget although void rent loss was £12,665 higher than the budgeted figure due to the higher than average number of void properties this year.

Reactive maintenance showed an overspend of £31,528 compared to the budgeted figure and this was attributed to the total void work costs.

Planned maintenance was showing an underspend of £518,175, however we were expecting to spend an additional £450,000 by the end of the year through the gas central heating replacement contract.

It was also noted that the Association continued to meet all loan covenants for the period.

**16. APPROVAL OF FINAL DRAFT BUDGET 2019/20**

Members had been issued previously with an updated draft budget for 2019/20. The employee salary cost of living award had been adjusted to 2.3%

The Committee unanimously agreed to approve the final draft budget for 2019/20.

**17. APPROVAL OF 30-YEAR FINANCIAL PROJECTIONS 2019/20**

TM presented the 30-year financial projections to the Committee members. It was highlighted that cash flow position started to decrease in year 6 of the projections due to the repayment of the loan.

The committee unanimously agreed to approve the final draft 30-year financial projections for 2019/20.

**18. HOUSING MANAGEMENT & MAINTENANCE SUB COMMITTEE 12 FEBRUARY 2019**

Due to timing issues and in order to avoid undue delays in the commencement of the contract works the Committee agreed to delegate the approval of two tender

returns to the Housing Management & Maintenance Sub Committee at their meeting on 23<sup>rd</sup> April 2019 in relation to the following contracts:

- Adaptations Contract
- External Decoration Contract

The Committee noted the draft minute from the meeting of 12<sup>th</sup> February 2019.

#### **19. NEW MEMBERSHIP APPLICATION**

The Committee unanimously approved the following membership application:

- Richard Footitt, 64 Devon Road, Greenock.

#### **20. PROPOSED OWNERS ANNUAL MAINTENANCE CHARGE 2018/19**

The annual maintenance charge for 2018/19 was due to be issued to Larkfield owners towards the end of April. The proposed charge consisted of the costs of the common maintenance landscaping contract and additional drainage works, removal of fly-tipping, removal of debris from bonfire sites, shrubbery removal at Banff Road and minor communal repairs carried out during the year. The proposed charge was £53.00.

The Committee unanimously approved the proposed common maintenance charge for 2018/19.

#### **21. AOCB**

None

#### **22. DATE OF NEXT MEETING**

WEDNESDAY 15<sup>th</sup> MAY 2019 at 6.00PM in the BOARDROOM.

**The meeting closed at 8:15PM**