

MINUTES OF MEETING NO 660
QUEENS CROSS HOUSING ASSOCIATION BOARD OF MANAGEMENT
HELD ON TUESDAY 21 SEPTEMBER 2021 AT 6.00 P.M.

Andrew Burns, Ian Elrick, Margaret Glass, Sadie Gordon, David Horner, John McIntyre, Matthew Millar, Anne Ramsey, Bronwyn Wyper.

Shona Stephen (Chief Executive), Neil Manley (Director of Finance and Corporate Support), Rona Anderson (Director of Property, Enterprise and Regeneration), Donald Hogg (Head of Business Services), Elizabeth Hood (Depute Director), Fiona Smith (Executive Office Manager), Adele Drennan (Governance Officer).

ACTION

1.0 Housekeeping

1.1 Noted.

2.0 Welcome and Apologies

2.1 Andrew welcomed everyone to the meeting.

Apologies received from Louise Smith, Director of Neighbourhood Services.

The Board agreed to consider a tabled report from the Depute Director in relation to the 2022/23 rent consultation. This would be the new item 8.

3.0 Declarations of Interest

3.1 There were no new declarations.

4.0 Q1 Performance Reports

4.1 The purpose of this report is to provide the Board of Management with performance information for the first quarter of the financial year 2021/22. Strategic performance is measured through the monitoring of the Association's Business Plan, Key Performance Indicators (KPIs), complaints and management accounts. This report covers key areas of performance for Q1 as of 30th June:

- KPIs (Appendix 4.1)
- Complaints and Compliments Report (Appendix 4.2)
- Resident Scrutiny Update
- Strategic Risk Register (Appendix 4.3)
- Management Accounts (Appendix 4.4)

4.2 Key Performance Indicators – Quarter 1 (Appendix 4.1)

4.2.1 Appendix 4.1 shows our current performance against KPIs for Q1 and for the Year to Date (YTD). There are eighteen quarterly KPIs reported and one annual indicator, making 19 KPIs in total for the reporting year. The Board discussed the report and noted that action is being taken to address areas where performance could be improved:

- CS 1: Staff sickness absence
- FIN 3: Expenditure (variance to budget)
- HSG 1: Average property re-let time
- HSG 4: Void rent loss
- MT 5: Tenant satisfaction with the repairs service
- MT 6: Gas servicing
- IV 1: EESSH compliance
- IV 2: Spend profile based upon projection

4.3 Complaints and Compliments Report (Appendix 4.2)

4.3.1 We received 72 complaints this quarter (89 in Q4) and 24 compliments. Appendix 4.2 provided a breakdown of complaints by service area, category and method. The Board also noted that we are capturing expressions of dissatisfaction where people don't want to complain but where it is clear that something has gone wrong as this allows us to continue to learn from complaints. Staff have been reminded of the importance of communicating with and updating tenants by agreed dates, and we continue to work with contractors to prevent repeat complaints and to improve performance.

4.4 Q1 Residents Scrutiny / CIG Update

4.4.1 The Board noted the activities of the RTF in Q1, and that a review of the Community Involvement Groups is currently being undertaken.

4.5 Strategic Risk Register (Appendix 4.3)

4.5.1 The Strategic Risk Register was attached as Appendix 4.3 and has been reviewed by the Executive Management Team. It was agreed that there were a number of amendments, but these would be picked up via the Risk Review Session scheduled for 4 October.

4.6 Q1 Management Accounts (Appendix 4.4)

4.6.1 The purpose of this report was to present the quarterly financial information for the Association up to the end of Quarter 1 2021/22 (30th June 2021). The Board noted that this was a draft report as we continue to make year-end adjustments.

4.6.2 The Board noted that there was a £799,864 surplus against forecast surplus of £473,341 (a £326,228 favourable variance to the budget).

4.6.3 The balance sheet and cash-flows were also attached as Appendix 2 & 3. The Q1 cash position is £39.7m and the detail of how this is invested and held in shown in the accompanying appendix. The cash held figure has reduced from the start of the financial year as £3m of the revolving credit facility with the Clydesdale has been paid back for a period to reduce the interest costs to the association.

4.6.4 The detailed performance against the financial covenants is attached in Appendix 4. This shows we are meeting the financial covenant targets required although interest costs are very low in Q1, and we can expect overall cover to drop from the unusually high rate currently shown.

4.6.5 Appendix 5 details the Association's loan portfolio and its cash deposits show the interest rate arrangements applicable in both cases. The intention is to reduce the revolving credit debt by reducing cash reserves once security on the bond issue is complete.

4.6.6 The financial position of the factoring subsidiary is detailed in Appendices 6 & 7. The Board noted that the Factoring surplus noted on p2 of the report was incorrect and the correct surplus was noted at section 6.1 of the report. The subsidiary holds a healthy cash balance.

4.6.7 The financial position of the Workspace subsidiary is detailed in Appendices 8 & 9 and shows a surplus to the end of Q1. The subsidiary holds a health cash balance. The financial position of our development and investment programmes were detailed in Appendices 10 & 11. Progress with the Development Programme shows spend and grant drawdown in Q1 broadly in line with our profile. The Board noted the new format of the report which now includes front-funding spend. As Phase 1 works are set to

commence at Hamiltonhill in the next few months, a more significant level of spend is expected the year ahead. For the Investment Programme, spend is showing at 45% of expected profile for Q1. This is due to the spend being assumed to spread equally across the year, when in fact most projects are commencing in Q2, with the bulk of spend due to occur in Q3 & Q4. The Director of Property, Enterprise and Regeneration confirmed that we are still in discussions with Urban Union in terms of what elements of the tender price they can fix, and what elements they will agree as a risk pot so that we have an upper cap on the potential risk for the association. This has been a lengthy process but comfortable that we will have something in place and will report back to the Board in October. The Board also noted that we are still negotiating with the Council in relation to the best way of proceeding in terms of land ownership at Burnbank. We had originally planned for work to commence in Q4, however with the delay caused by the Council over acquisition, Q1 is now more likely.

4.7 The Board noted the report.

5.0 Annual complaints report 2020-21

5.1 The purpose of this report was to provide the Board with a summary of the Association's complaint and compliments performance from 1 April 2020 to 31 March 2021, and to demonstrate performance against the Scottish Public Services Ombudsman's (SPSO) target.

5.2 The total number of complaints received in 2020/21 was 305 (down from 320 in 2019/20). This was made up of 279 stage 1 complaints, and 26 stage 2 complaints. The Board noted that the Queens Cross neighbourhood received the highest percentage of complaints at 45%, however commented that it would have been useful to have a note of the number of properties in each neighbourhood as the percentage is relative to the number of properties. It was positive to see that more complaints were completed at stage 1 without the need to escalate to stage 2 in 2020/21.

5.3 The Board discussed the volume of complaints by month and noted that there appears to be an underlying trend which has been impacted by the various cycles of lockdown.

5.7 The majority of complaints are being reported by email, telephone and through the app. There were no comparisons for the previous years due to a data recording error where the method of complaints was not being properly recorded on QL.

5.8 In 2020/21 3 complaints were made to the Scottish Public Service Ombudsman about QCHA, however in all cases they did not investigate beyond the initial enquiry.

5.9 Our focus for 2021-22 will be on improving how we record learning from complaints and how they translate into service improvements. We are aiming to embed a more structured approach to learning from complaints which will form part of our continuous improvement framework to be built over 2021-23. Further work is also required to investigate and remove barriers to making a complaint, particularly for people who speak little or no English.

5.10 The Board noted the report.

6.0 ARC Comparative Report 2020/21

6.1 The purpose of this presentation was to report some of the key information reported to the Scottish Housing Regulator in the Annual Report on the Charter for 2020/21. The presentation also outlines our performance against a selected group of housing associations who are similar to Queens Cross in size, stock type and locations.

- 6.2 The Board discussed the presentation and noted that we are performing well in the following areas:
- Average days to re-let
 - Gross rent arrears as a % of rent due for the reporting year
 - % of referrals under Section 5, and other referrals for homeless households that resulted in an offer
 - % of repairs completed right first time
 - Average time to complete emergency repairs
 - % of stock compliant with SHQS
- 6.3 The Board then discussed the areas where performance could be improved and noted that the reason we don't appear to be performing as well as other associations. Our re-lets are taking slightly longer due to contractors' availability and the RSL's who have performed better than us in this area have more in-house DLO's. So, although we are performing well in this area despite the challenges, this is something that we will discuss in the future. We anticipate that the introduction of our new CBL system 'Find my Home' will help to improve the percentage of tenancy offers being refused and we expect to see an improvement in this area next year.
- 6.4 The Board noted that we are currently looking at how we carry out future surveys.
- 6.5 The Board queried whether we follow up with customers who have expressed dissatisfaction with the service so that we can be clear on the areas where they are unhappy. The Chief Executive advised that we recently held Café Conversation sessions and invited tenants to talk to us about concerns they had over management of their neighbourhood, the quality of their home and value for money. We are currently gathering feedback from those sessions and plan to hold a 'you said, we did' session in October. There is also lots of customer dissatisfaction outwith our control such as maintenance of GCC areas and bulk, and we need to make clear to tenants who is responsible for what.
- 6.6 The Board noted the presentation.
- 7.0 This report is private and confidential and contains business sensitive information**
- 8.0 Rent Consultation 2022-23**
- 8.1 The purpose of this tabled report was to seek approval by the Board to delay the rent consultation from October/November to December/January.
- 8.2 The Depute Director confirmed that every landlord has a legal obligation to conduct a consultation and give notification to tenants of the rent increase. In previous years, consultations were carried out in December however feedback indicated that this was not an ideal time and therefore, in more recent years we have brought this forward to October/November time. On this occasion, the Board were being asked to revert back to previous practice of agreeing the rent increase based on the September CPI(H) at the November Business Planning Day, which would mean going out to consultation in December/January time.
- 8.3 Due to the current global financial situation, inflation is fluctuating, and costs are increasing. By delaying the formal postal consultation process by 4 weeks this will give us additional time to:
- benchmark with our peers
 - identify feasible savings & rising costs
 - hold a focus group with rent payers & café conversation on value for money in October

- 8.4 Delaying the consultation will also allow time for this to form part of the discussion at the Risk Assessment exercise in October.
- 8.5 The Board felt that this was a sensible idea, and it would be a good opportunity to discuss this fully at the November planning day once the September CPI(H) figure had been confirmed.
- 8.6 After consideration, the Board agreed to delay the rent consultation to December/January.

9.0 Health and Safety

- 9.1 This is an opportunity to report on safety performance, funding requirements, safety failures and any other H&S related issues, to allow the board to give all such issues due consideration.

There were no new matters to report.

10. New Membership Applications

- 10.1 There were no new membership applications to be considered.

11.0 Minute of Meeting No. 658

- 11.1 The minutes of meeting no. 658 were reviewed for accuracy and matters arising.
- 11.2 The Executive Office Manager advised the Board that the QC Community Foundation AGM did not take place on 14 September as the accounts were not ready due to delays caused by Covid, and OSCR have not yet confirmed the registration of the new SCIO governing document. QCHA and QC Workspace, as the 2 members of the QC Community Foundation will be given 21 days' notice of the revised date for the AGM.
- 11.3 The minutes were agreed as an accurate account, subject to the above amendment, proposed by Anne Ramsey and seconded by Bronwyn Wyper.

12.0 Action Tracker

- 12.1 The Director of Finance and Corporate Support confirmed that an update will be provided in relation to progress with audit action point for rent in advance at the January Board meeting.

Neil

13.0 AOB

- 13.1 The Director of Finance and Corporate Support reminded members of the Risk Review Session which will take place on Monday 4 October at 6pm at 45 Firhill Road.

14.0 Date and Time of Next Meeting

- 14.1 The meeting concluded at 7.35pm

The next meeting is scheduled to take place on Tuesday 26 October 2021 at 6pm.

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

Chair: Date: