

CLYDESDALE HOUSING ASSOCIATION LIMITED

Minute of the Management Committee meeting held in the Association's office in Lanark on Wednesday the 25th of June 2025 at 18:30

Present: Agne Zasinaite, Secretary (Teams)
Brian McNally
Gabrielle McElhinney
Hazel Galbraith, Chairperson
Iona Taylor
Ken Greenshields
Lesley McDonald
Ross Gowland
A quorum was achieved.

In Attendance: The Chief Executive Officer (CEO)
The Depute Chief Executive (DCE)
Elizabeth Miller, Corporate Services Officer (CSO) minute
Claire Chalmers, Technical Services Officer (TSO) (Teams)
Fettes McDonald, FMD Financial Services Ltd (Teams)

1. Apologies

Apologies were received from Claire McGraw, Deborah Hay, Jacqueline McCutcheon, John Lockhart, Jonathan Main & Ruth McElhinney.

2. Previous Meeting Minutes & Matters Arising

The minutes of the Committee meeting held on 11 June 2025 were reviewed for accuracy and accepted as a true record.

In accordance with Section 62 of the Association's Rules, the Chairperson authorised the CSO to insert their electronic signature as conclusive evidence that the minutes of the meeting held on 11 June 2025 are a true record of the proceedings.

Matters Arising

There were no matters arising.

Agreement on Items for A.O.C.B.

The Chairperson asked Committee and staff if they had any other competent business to discuss at agenda item 16.

There were no items to discuss under AOCB.

3. Conflicts of Interest

There were no conflicts of interest.

4. Development Finance Training Session

Fettes McDonald from FMD Financial Services provided the Committee with a detailed overview of the following financial matters:

- The Association's current financial position
- The Association's Treasury Policy regarding variable and fixed-rate debt
- The projected financial impact of funding a new build project over a 30-year period
- The process and considerations involved in securing new loan finance, including the tender process
- Potential funding sources for future new build developments

The Committee considered a wide range of issues relating to current and future new build housing projects. Key topics included:

- Current costs associated with new build developments, including cost per unit.
- Strategies employed by other Registered Social Landlords (RSLs) to manage new build projects amid reduced Housing Association Grant (HAG) levels.
- Long-term viability of new build projects over a 25–30-year period.
- The impact of rising borrowing costs and associated pressures on project viability.
- Effects of new build schemes on rent levels for existing tenants.
- The influence of past and present inflation rates on rent increases.
- Ongoing uncertainty around the cost of construction materials.
- Rising costs of construction components, such as sprinkler systems, and their effect on maintenance budgets.
- Challenges caused by HAG levels not keeping pace with increasing construction costs.
- A noticeable decline in site starts and completions across the sector.
- The absence of alternative funding sources to support development apart from government grant and borrowing.
- Net zero targets, energy efficiency standards, and carbon neutrality expectations for RSLs.
- Financial uncertainty linked to evolving regulations, such as those regarding RAAC (Reinforced Autoclaved Aerated Concrete).
- Variations in rural and urban land acquisition costs.
- Non-financial risks to project delivery, including contractor insolvency.
- Broader challenges currently faced by the construction industry.

The Chairperson thanked Fettes McDonald for attending and for their contribution to the meeting.

Fettes McDonald left the meeting at 19:32.

The Committee agreed that the training session was valuable and contributed to a clearer understanding of the risks associated with new build projects.

5. Actions from Previous Meetings

The CEO presented the report to the Committee, advising that its purpose was to ensure that actions identified at Management Committee and Audit Sub-Committee meetings are both followed up on and reported back to the Committee for confirmation.

The CEO provided an overview of the report, Committee agreed that the CEO give an update on Agenda Item 15.

15. Staffing Recruitment Update

The CEO provided a verbal report to the Committee on the recruitment process for the temporary Corporate Services Assistant position. They reported that they had engaged the recruitment agency Morgan Hunt to source suitable candidates. Following interviews with four candidates via Microsoft Teams, two have been shortlisted for face-to-face interviews, scheduled for Thursday, 26 June 2025.

The CEO advised that Brian McNally has agreed to pilot the uSecure online cyber safety training module. An update on the outcomes will be provided at a future Committee meeting.

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| i) Committee considered the Actions from Previous Meetings Report and agreed progress was satisfactory. |
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6. Notifiable Events

The CEO presented the report to the Committee, advising that its purpose was to inform them of CHA's obligation to notify the Scottish Housing Regulator of any material, significant, or exceptional issues, events, or changes within the organisation, as well as the approach being taken to address such matters. The CEO further explained that CHA is required to provide the Regulator with a reasonably detailed explanation for any significant changes implemented.

The CEO confirmed that there are currently no notifiable events to report, nor are any anticipated

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| i) Committee considered the Notifiable Events Report. |
| ii) Committee agreed that the actions of the Association have been satisfactory in relation to Notifiable Events and for assurance and oversight purposes. |

7. Health & Safety Report

The CEO informed the Committee that the purpose of this item was to provide a verbal update on Health and Safety matters related to the Association's duty of care in maintaining a safe working environment under the Health and Safety at Work Act 1974. They advised that there were no updates to report at this time.

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| i) Committee considered the Health & Safety Update Report and agreed progress was satisfactory. |
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8. Referrals from Audit Sub-Committee:

8.1 2025 Annual Assurance Statement Proposals

The CEO presented the report to the Committee, advising that its purpose was to outline the proposals agreed by the Audit & Risk Sub-Committee for:

- Enhancing CHA's approach to self-assessment and reporting for the 2025 Annual Assurance Statement (AAS), in line with the Scottish Housing Regulator's (SHR) guidance.
- Appointing a consultant to prepare an independent assurance report for CHA's Management Committee.

The CEO provided an overview of the report's content, which included:

- Thematic reports on the AAS issued by the SHR, highlighting lessons from recent compliance reviews
- Proposals approved by the Audit & Risk Sub-Committee on 11 June 2025 and referred to the Management Committee for the 2025 AAS process
- AAS reporting arrangements
- Consultation with the Registered Tenant Group
- The proposed appointment of John Mulholland from MHC to produce the independent external assurance report.

- i) Committee considered the referral from the Audit & Risk Sub-Committee and the proposals, listed below, for enhancing CHA's approach to Annual Assurance Statement self-assessment and reporting.
 - Create a decision matrix/evidence log with links to documentary evidence.
 - Share the decision matrix/evidence bank with the Audit & Risk Sub-Committee during meetings to enable improved compliance scrutiny by Committee Members.
 - Share the live Annual Assurance Statement Action Plan in full with the Audit & Risk Sub-Committee on a quarterly basis.
 - Make the Annual Assurance Statement Action Plan available in PDF format on the secure website area for all Committee Members to view – refreshing the content regularly to reflect progress.
 - Present a summary of findings from the Annual Assurance Statement self-assessment to CHA's Registered Tenants' Group and report feedback to the Management Committee before the Annual Assurance Statement is submitted to the SHR.
- ii) Committee agreed that the 2025 Annual Assurance Statement self-assessment process should focus on Regulatory Standards 5 and 6.
- iii) Committee agreed that CHA re-appoints Mulholland Housing consultancy to carry out independent external assurance scrutiny work and present a report to Management Committee in October 2025 on CHA's compliance position.
- (iv) Committee agreed that the proposals for Annual Assurance Statement self-assessment and reporting contained in the report represented satisfactory measures for providing the necessary levels of assurance in this area.

8.2 Report on Sub-Committee Effectiveness

The CEO presented the report to the Committee, advising that its purpose was to provide the outcome of the Audit & Risk Sub-Committee's (ARSC) annual review of its effectiveness for the Management Committee's consideration, and to provide assurance that the ARSC Terms of Reference are being followed.

The CEO provided a summary of the report, outlining the key points of the review and evaluation.

- i) Committee considered the report concerning the continued effectiveness of the Audit & Risk Sub-Committee and agreed the report provided the necessary levels of assurance on the activities of the Sub-Committee.
- ii) Committee agreed that the performance of the Audit and Risk Sub-Committee has been effective over 2024/25, with specific reference to the Sub-Committee's Annual Work Programme and Terms of Reference.

9. Housing Quality & Maintenance Scorecard

The DCE presented the report to the Committee, providing a summary of the Housing Quality and Maintenance Scorecard. The DCE advised that the comments section of the scorecard included explanations for any targets that had not been met.

Committee requested further details on:

- Outcome 4, F3 – Percentage of medical adaptations spend compared to Stage 3 grant award (cumulative) - The DCE advised that progress is ongoing. Further details will be provided once contractors have submitted invoices for completed works.
- Outcome 5, C4 – Percentage of factored owners satisfied with the factoring service they receive - The DCE outlined the recent consultation survey distributed to factored owners and discussed planned initiatives aimed at enhancing satisfaction levels with the service.

- i) Committee considered the Housing Quality & Maintenance Scorecard report and agreed progress was satisfactory.

10. Planned & Cyclical Maintenance progress

The DCE presented the report to the Committee, providing a summary of the Planned and Cyclical Maintenance projects that are in progress and the projects that are in the planning stages.

The Committee discussed the following matters:

- Servicing and costs associated with air source heat pumps
- Application to the Net Zero Fund
- Progress and planning of the heating replacement programme
- Review of the rent policy in relation to significant improvements made to tenants' properties

- i) Committee considered the Planned & Cyclical Maintenance progress report and agreed progress was satisfactory.

11. Tenant Safety Scorecard

The DCE presented the report to the Committee, advising that its purpose was to update the Management Committee on the Association's progress in fulfilling its statutory and legal obligations in relation to tenant safety, as part of the Annual Assurance Statement process.

The Committee discussed the following matters:

- Gas completed gas service – The reason why 1 tenant had their gas supply capped.
- Water hygiene/Legionella – Legionella risk register and risk assessment programme.

- i) Committee considered the Tenant and Resident Safety Scorecard and report and agreed that progress was satisfactory.

12. Policy Reviews

12.1 Fire Safety

12.2 Blended Working

12.3 Entitlements, Payments & Benefits Policy Update

The DCE presented the report on agenda items 12.1 & 12.2 to the Committee, providing a summary of the proposed changes to the Fire Safety and Blended Working Policies for the Committee's consideration and approval.

The CEO presented the report on agenda item 12.3 to Committee. They informed the Committee that CHA adopted the Entitlements, Payments and Benefits (EPB) Policy Model, developed by the Scottish Federation of Housing Associations (SFHA), in September 2021. The CEO advised that, as the policy is now approaching its four-year review point, it would typically be due for revision. However, given that the SFHA is currently undertaking a review of the EPB Model Policy, the CEO sought the Committee's approval to continue operating under the existing policy until the updated version is published.

Both the CEO and DCE confirmed that the report provided assurance that CHA's policies in these areas remain current, aligned with relevant guidance, and compliant with applicable legislative and regulatory requirements.

- i) Committee considered the Fire Safety and Blended Working policies and approved the final versions for adoption by CHA without amendment.
- ii) Committee agreed to postpone the review of CHA's Entitlements, Payments & Benefits Policy until the release of SFHA's Model Policy document.
- iii) Committee agreed that the policies on Fire Safety and Blended Working provide satisfactory assurance that CHA has up to date policies in these areas that reflect guidance and comply with legislative and regulatory requirements.

13. 2025 Annual General Meeting

The CEO presented the report to the Committee, advising that its purpose was to outline the proposals for holding the 2025 Annual General Meeting (AGM) on Wednesday, 3 September 2025, at 7:00 p.m.

The CEO provided an overview of the report and confirmed that there were no updates to its content.

- i) Committee approved proposals for proceeding with the 2025 Annual General Meeting on 3 September 2025 at 7.00pm in order to meet the Association's legal and regulatory requirements.
- ii) Committee delegated all practical responsibilities for organising the 2025 AGM to the CEO.

14. 2025 Committee Elections

The CEO presented the report to the Committee, advising that its purpose was to outline the proposed election and re-election of Management Committee Members at the 2025 Annual General Meeting, scheduled for 3 September 2025.

The CEO presented the Committee with an amendment to Section 3, Rule 39.3, Sub-section 3.4 of the report. They advised that, following legal guidance, Iona Taylor would not be required to be nominated in order to stand for election under rule 39.3.

The CEO then gave Committee an overview of the relevant election and re-election rules, along with the applicable regulatory requirements.

The Committee was asked to consider and determine which members, in accordance with Rules 39.1 and 39.2, would stand down and seek re-election.

- i) Committee agreed that members Jacqueline McCutcheon, Ruth McElhinney, Brian McNally and Agne Zasinaite should stand down and seek re-election at the 2025 AGM in order to comply with Rule 39.1.
- ii) Committee agreed that Claire McGraw stand down under Rule 39.3 after the 27 August 2025 Management Committee meeting and seek election at the 2025 AGM.
- iii) Committee agreed that Iona Taylor stand down under rule 39.3 after the 27 August 2025 Management Committee meeting and seek election at the 2025 AGM.

16. A.O.C.B.

There was no AOCB to discuss

The Chairperson thanked everyone for attending the meeting. The meeting ended at 20:20.