



**Minutes of Management Committee Meeting  
Held on Tuesday, 9<sup>th</sup> August 2022 at 6.30pm  
At 10 Field Road**

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**Present:**

Steven McCabe  
Hilary Edgar (attended for first hour of meeting)  
Ross Campbell Anderson  
Yvonne McDonald  
Katie Devaney  
Lawrence O'Neill  
Rhona Polak  
Billy Stevenson

**In Attendance:**

Erica Davidson CEO  
Joe Wilson Head of Property Services  
Kennedy Chilambe Head of Finance  
Philip Maurice Relationship Partner, Alexander Sloan

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| 1. | <b>Apologies</b><br><br>The following members gave their apologies.<br><br>Lynsey Chrystal<br>Hilary Edgar |
| 2. | <b>Declaration of Interests</b><br><br>No declaration of interests                                         |
| 3. | <b>Correspondence</b><br><br>No Correspondence updates                                                     |

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| 4. | <p><b>Minutes of Management Committee of 5<sup>th</sup> July 2022</b></p> <p>Steven presented the minutes of the Management Committee Meeting from 5<sup>th</sup> July 2022. There were no amendments proposed and the Committee accepted the minutes as correct minutes.</p> <p>The committee minutes were proposed by Yvonne McDonald and seconded by Billy Stevenson.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 5. | <p><b>Minutes of Sub Committee Meetings</b></p> <p>There were no subcommittee meetings held in July 2022.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 6  | <p><b>Annual accounts 2021/22</b></p> <p>Phil Morrice attended from Alexander Sloan to present the Report and Financial Statements for the year ended 31<sup>st</sup> March 2022 to the Committee.</p> <p>Phil went through the Report of the Management Committee which stated the responsibility of the Management Committee and the Statement on Internal Financial Control. Phil also highlighted details from the Audit Report and emphasized that it was 'clean' audit report and explained the Auditor's opinion and what it meant for the Association – that is, the financial statements gives a true and fair view of the state of the Association's affairs, they have been properly prepared and prepared in accordance with legislation. The auditor is also of opinion that the Management Committee use of the going concern basis of accounting is appropriate.</p> <p>Phil then went through the figures in the Statement of Comprehensive Income (SOI), Statement of Financial Position (SOFP) and Statement of Cash Flows in detail with the Committee (SOCF). Phil pointed out that operating costs in the SOI had increased by around 10% on the previous year's figures but that this was common for RSLs in 2021/22 with a number of catch up repairs and maintenance costs which had been carried out following the Covid Pandemic – consequently the operating surplus was down on last year. Interest received is low as interest rates remained low in 2021/22, interest payable is low as the Association's loans are mature and due to be paid off in next 2 years. There is a positive amount of £654k, which is the actuarial gain on the valuation of the Pension Scheme the Association participates in. Phil explained that this could vary significantly each year as in 2020/21 there was a loss of £997k. This can affect the Total Comprehensive Income either by increasing it substantially or by decreasing it substantially. This year the comprehensive income stands at just over £1.9m after the pension adjustment.</p> <p>Next Phil went through the SOFP with the Committee, explaining that the figures showed that the Association was in a strong financial position at the end of the financial year 2021/22. Phil pointed out in the SOFP that the net</p> |

value of the housing properties has decreased since last year due to depreciation of housing stock and also a fall in the component replacement programme due reasons caused by pandemic over the last two years. Cash and cash investments had increased over the year, the pension deficit had reduced and reserves had increased to just under £17.2m.

Phil explained that the cash flow statement on the next page restated the SOCI and SOFP in terms of cash in and out in the year showing where our cash income had come from and how we had spent it.

Phil mentioned the remainder of the notes with emphasis on note 27 which Phil explained was a new note this year. This is regarding a contingent liability which has arisen concerning Knowes HA's share of the assets and liabilities of the SHAPs pension scheme. This is due to a historic change in the benefit structure which is being referred to the court and where there is a possibility that benefits owed to member employees may increase leading to the share of the Association's liabilities increasing. However this is one possible outcome and as such the Pensions Trust (who operate the scheme) is unable to say how much this future liability could increase by – therefore it is not possible at present to say what the actual provision should be.

Lawrence O'Neill raised the point that there was no note 26 within the accounts. Phil explained this came about as this was a standard set of accounts and note 26 did not apply to Knowes HA. Therefore note 26 had been removed but the note numbers have not automatically updated. Phil agreed to amend the final note number from 27 to 26 before the accounts are sent out to the Committee members for signing via DocuSign.

The annual accounts were agreed by the Committee, proposed by Lawrence and seconded by Steven.

Phil also presented the Audit Management Letter to the Committee which gave further explanation as to how Alexander Sloan had arrived at their Audit Opinion, information on the need for maintaining independence and audit ethics, key risks identified during the course of the audit and the audit findings on how the Association had managed those risks, information on the accounting policies used, and adjustments identified in the course of the audit (none), internal controls weaknesses identified (none for this year), follow on previous year's audit, a 'green' statement and contact details for Alexander Sloan.

Phil went on to thank Kennedy and Knowes HA's staff for their assistance during the audit process. Erica reiterated the auditor's thanks to Kennedy for all of his hard work in the audit process of 2021/22 especially since this was his first year producing the year-end accounts for Knowes HA.

Kennedy thanked the auditor for presented their accounts to the meeting and to the staff at Knowes for their support in the process.

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|     | <p>The Management Letter was agreed by the Committee, proposed by Billy and seconded by Ross.</p> <p>Phil left the Committee meeting at this point.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 7.  | <p><b>CEO Report</b></p> <p>Erica presented her report to the Committee which included the following:-</p> <ul style="list-style-type: none"> <li>• information on the forthcoming AGM (arranged for September 6<sup>th</sup>),</li> <li>• a request from Flourish Faifley for Knowes HA to contribute 25% of the costs of a compost toilet in the Secret Garden for volunteers and visitors to use,</li> <li>• arrangements for committee appraisals,</li> <li>• updates for the post of Corporate Services/Compliance Officer (5 to be interviewed not 6 as previously thought),</li> <li>• update on the redundancy of the former Corporate Services Assistant,</li> <li>• updates on Health and Safety, Mental Health Awareness Training for staff</li> <li>• summer newsletter and annual report due to be sent out shortly to all customers</li> <li>• GDPR/FOI</li> <li>• House sales and purchases.</li> </ul> <p>The Committee agreed to the contribution to the purchase of the Flourishing Faifley Compost Toilet – proposed by Ross and seconded by Yvonne.</p>                                                                                  |
| 7.1 | <p><b>Committee Attendance</b></p> <p>Attendance register presented for information.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 8.  | <p><b>Quarterly KPIs and Complaints Report</b></p> <p>Erica presented the quarterly KPIs to the Management Committee for the first quarter of 2021/22. Erica went through the Repairs and Maintenance KPIs firstly explaining that average time to complete non-emergency repairs was over target and had increased from last year but this was due to the repairs which had been outstanding from last year now being completed. There was an increase in satisfaction with repairs in the first quarter since last year. Erica went through the Housing Management KPIs highlighting the increase in average re-let days – this is due to 2 outstanding voids where a complete refurb of the property was required. There had been difficulty with McGill completing and one has been passed for completion to another contractor and would now be due for re-let within a week. Arrears was up slightly – non technical possibly due to more tenants in financial distress with the cost of living increases and a technical increase due to some delay in tenants obtaining discretionary housing benefit payments. Martin has raised this with WDC.</p> |

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|     | <p>With the finance KPIs, there is a drop in collection rates for owner-occupier and tenant rechargeable collection rates. Again probably due to the increasing cost of living crisis.</p> <p>In Corporate Services, there was an increase in the time taken to respond to Stage 1 complaints with 3 being over the five days. Erica will be looking at how we can improve our performance here with reports going to the relevant sections when complaints are reaching their deadline for response.</p> <p>The KPI and the Complaints report were noted by the Committee.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 9   | <p><b>Annual compliance return</b></p> <p>Erica presented a letter from the Regulator with regard to the Annual Assurance Statement (AAS), which is due to be submitted by 31<sup>st</sup> October 2022. The Committee noted the content of the letter.</p> <p>Erica presented the SHR Annual Assurance Statement Statutory Guidance for the information of the Committee and the SFHA Social Landlord Self Assurance Toolkit which Knowes HA is using to demonstrate its compliance. As the Toolkit is 104 pages long, Erica went through half this with the Committee with the other half to gone through in the October Committee meeting. Erica explained that compliance is an area which is addressed at all of our Committee meetings, from the items covered on our agenda to the reports and policy updates. The process of going through the SFHA Toolkit will help highlight areas where we need to do more work or where new legislation/regulations or guidance has been issued. Going through the Toolkit with the Committee, Erica highlighted some of the areas where she felt some further work was needed, for example, consulting our tenants over compliance – either through our Customer Working Group or via our website, social media pages. The Management Team will be producing an action plan for consideration by the Committee on improvements which can be made.</p> <p>The Committee noted the information on the Assurance Statement and discussed the areas mentioned in the Toolkit – to be completed at the October.</p> |
| 10. | <p><b>Corporate services report</b></p> <p>No separate report this month as awaiting new post holder being appointed. Covered by CEO Report.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 11  | <p><b>New share members</b></p> <p>There are two new share members for consideration this month. Erica had prepared certificates for them to be signed with the share register being updated and the use of the Seal approved. The names and addresses of the share members are noted in the Register and signed by 3 Committee</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

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|     | members as required. The Committee approved the addition of the two new share members - proposed by Steven, seconded by Yvonne                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 12. | <p><b>Health safety and wellbeing</b></p> <p>No separate report this month – see Agenda item 10.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 13  | <p><b>Property services report</b></p> <p>Joe presented his Property Services Reports to the Committee for consideration.</p> <p>Joe highlighted that the fire safety compliance installations of heat and smoke detectors were now completed. The Committee asked if there was a need to physically force access to properties. Joe explained that fortunately in each case of the forced access requirements, the tenants had been presented to let the housing staff and contractor in to carry out the work. Joe also explained that smoke and heat detectors would be checked each year as part of the gas safety regulatory visit.</p> <p>Joe gave an update on the kitchen and bathroom replacement programmes and also the balconies work at Whitehill Crescent.</p> <p>Joe explained that with the Back court improvements programme – this had gone out to tender but unfortunately no companies had bid for the work. Knowes would need to retender this contract.</p> <p>Joe said that the results of the painter work contract were due in later this week and as there was no Committee meeting in September, he would be presenting a report to the Finance subcommittee at the end of August, in order to gain approval to appoint the successful contractor to allow the programme to get underway in September/October.</p> <p>Joe presented the spend against the repairs and maintenance budgets for the Committee to consider. The Reactive maintenance budget is overspent on the pro rata to date and this is due to the amount of catch up repairs being completed which were ordered in previous years. The overspend was also due to some high value void property works.</p> <p>The Committee noted Joe’s update and the content of his reports.</p> <p>With regards to Abbeyland Road new build development project, Joe explained that we were awaiting a meeting with WDC Planning to discuss the addition of further properties to improve the financial viability of developing the site. We were also awaiting an update from the Estates Department. Given the significant cost of the abnormalities on the site, we were requesting that the Council waive any fee for the land. We would give a further report to Committee once we had updates on these two issues.</p> |
| 14. | <b>Policies for approval</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

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|     | <p>Erica presented a new and updated Data protection policy for Knowes HA which had been composed for Knowes HA by our Data Protection Officer. Erica went through the policy with the Committee. Lawrence pointed out that on page 2 'Knowes Housing Association' should have Ltd at the end. Erica agreed to make this correction to the policy. The Committee also asked if timescales for how quickly we will respond to data breaches should be included in the Security Incident and Breach Management Section. Erica said she would refer this to our DPO for further guidance.</p> <p>Subject to changes for 'Ltd' to be added and potential timescales to be included the Committee agreed the policy - proposed by Lawrence and seconded by Steven.</p> <p>Erica presented the CCTV Policy to cover the current system we have for our office carpark. Lawrence pointed out a typing error in paragraph 1.3 and Erica agreed to correct – the policy was proposed by Billy seconded by Yvonne.</p> |
| 15. | <p><b>EVH report</b></p> <p>Erica presented the July 2022 EVH report. Yvonne expressed disappointment that she would not be able to attend the EVH conference this year as the days had been changed to a Thursday and a Friday and she would not be able to obtain two annual leave days. Yvonne preferred the original days of a Friday/Saturday. Erica said that she would raise this with EVH.</p> <p>The Committee noted the content of the EVH July report</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 16. | <p><b>Notifiable Events</b></p> <p>Steven gave an update on the ongoing notifiable event that a response is being sent out this week. There was a slight delay to the response due to Committee members being on holiday.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 17  | <p><b>AOB</b></p> <p>Erica reminded the Committee that as per the rules one third of the members will be required to stand down at the AGM and be re-elected (current membership of the committee is nine therefore the number to retire is 3). The retiring Committee Members should be those who have served the longest on the Committee since the date of their last election. Erica said that she would check through the minutes of previous AGMs to determine which Committee members would retire.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 18  | <p><b>Date of next meeting</b></p> <p><b>AGM – Tuesday 6<sup>th</sup> September 2022 at 6.30pm</b><br/> <b>Next Committee meeting – Tuesday 4<sup>th</sup> October 2022 at 6.30pm</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |