

**MINUTE OF GWAH MANAGEMENT COMMITTEE MEETING HELD ON TUESDAY 28 MARCH 2023  
AT 6:00 PM, HYBRID MEETING VIA VIDEO CONFERENCE AND IN GWAH OFFICES, 5 ROYAL CRESCENT,  
GLASGOW**

**PRESENT:**

Nicola Adams<sup>1</sup>  
Steve Bruce<sup>1</sup>  
Issie Gracie (Chairperson)  
Nina MacNeill  
Joginder Makar  
Amy Robertson  
Billy Robertson  
Yushin Toda

**Co-opted Members**

Rowan Evenstar

**ATTENDING:**

Elaine Travers, Chief Executive  
Iain Nicholl, Corporate Director<sup>2</sup>  
Jen Barrow, Services Director<sup>3</sup>  
Daniel Wedge, Technical Director

**APOLOGIES:**

Anila Ali  
Anne Campbell

**LEAVE OF ABSENCE:**

**OBSERVERS:**

**TRAINING: Corporate: Governance / Finance / Risk Awareness / HR - Rescheduled to 25/04/23 due to technical issues.**

**WELCOME**

**1.0** The Chairperson noted apologies, introduced and welcomed MCMs and newly Co-opted Member R Evenstar to the meeting, and confirmed the order of business. The general interests of Tenant Members, and GWEn service users, along with the specific interests of E Travers as a GWEn Board Member were noted. A Robertson's earlier declared interest in item 3.3 (Ref 56) was noted, with the Secretary confirming that the MCM was mindful of her responsibilities as a Trustee and would abstain from the relevant discussion, with no requirement to withdraw from the meeting. The Chairperson reminded Members of the Code of Conduct and meeting etiquette, specifically that questions are directed through the Chair; that discussions are professional and constructive; and that decisions are taken in the best interests of tenants and service users. In line with Rule 36, MCMs agreed to the extension of the meeting by 30 minutes to facilitate discussion of all critical business.

**CORPORATE**

**2.0 Minutes**

**2.1 Management Committee Meeting: 28 February 2023**

**2.1.1 Adoption of Minute**

The minute of the meeting was unanimously accepted as a correct record, without amendment; proposed by Y Toda and seconded by N MacNeill.

**2.1.2 Matters Arising**

There were none.

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<sup>1</sup> Online

<sup>2</sup> Items 1.0-5.0

<sup>3</sup> Items 1.0-3.3 and 5.0

## **2.2 Audit Sub Committee Meeting: 21 March 2023**

### **2.2.1 Adoption of Minute**

The minute of the meeting was unanimously accepted as a correct record, without amendment; proposed by B Robertson and seconded by Y Toda.

### **2.2.2 Matters Arising:**

#### **Item 3.4 Audit Needs Assessment 2023/24**

MCMs acknowledged ASC discussion (21/03/23)<sup>4</sup> on the merits of instructing a system audit of cyclical maintenance processes in response to NE 30399. MCMs accepted the ASC appraisal that this would be of limited value, given the extensive in-house investigation, and the strengthening of procedures and reporting measures as elaborated at MC agenda item 3.3 (Ref 59 GWEn – falling masonry).

## **2.2 MC Action Plan Compliance**

2.2.1 Report No. 1 was noted, progress and compliance accepted; and separate reporting on the response repairs contract through Agenda item 3.3 acknowledged. MCMs were alerted to the progressing acquisitions<sup>5</sup> with expectation that four of the nine purchases would complete this financial year with GCC funding support.

## **3.0 Governance**

### **3.1 Execution Of Documents**

#### **3.1.1 Minute of Agreement (MOA) amending Indemnity Agreement: Corunna Street**

With reference to agenda item 7.1.3, and in line with legal advice, delegated authority was granted to the Chief Executive to execute the MOA amending the Indemnity Agreements dated 09/06/05 and 21/07/05 in respect of the Compulsory Purchase Order over the subjects at 8-12 Corunna Street under Title Number GLA6975, noting the date of entry as 30/03/23<sup>6</sup>; and the date of planning consent 24/10/22 (Ref 22/0049/FULL).

### **3.2 Membership Applications**

There were none.

### **3.3 Registers: Compliance Reporting**

Report No.3 was considered and recent recording in the Registers was noted. SHR closure of NE 30331 was acknowledged, with note to the HR outcome, and to completion of all but one governance action<sup>7</sup> following Staffing Sub-Committee review<sup>8</sup> and with aligned recommendations to this MC Meeting as reported at agenda items 3.7 (Governance Strategy) and 4.3 (delegated authorities).

Progress against NE 1004349 was then considered alongside the supplementary presentation, with MCMs noting the context to the urgent reporting to Office Bearers (OB) 21/03/23, and with MCMs supporting the OB's decision (taken under previously granted delegated authority), to progress the order of glazing (before expiry of the quote on 24/03/23) and mobilisation of enabling works measures to mitigate risk of further price escalation/project delay. As it transpired, the pre-instruction due diligence process highlighted a few important matters requiring clarification, and a time limited price hold was secured from the sub-contractor pending further discussion by the Design Team 29/03/23. The tender analysis was then reviewed by MCMs, and whilst accepting the rationale for the increased costs as supported by Design Team scrutiny, there was underlying concern at the spiralling costs associated with this project, and there was emphasis on addressing all outstanding matters as a priority. MCMs were assured that the risk of programme delay would be mitigated by the previous decision to phase

<sup>4</sup> Referred by MC 28/02/23

<sup>5</sup> MC meeting 28/02/23 (R9, Agenda 5.1)

<sup>6</sup> Amended to 31/03/23

<sup>7</sup> Checklist/Proforma T: Q1 2023/24

<sup>8</sup> SSC meeting 13/03/23

instruction of critical path orders/works; and there was confirmation of ongoing reporting to MCMs and the SHR to project conclusion.

MCMs moved to consider NE 30299 and the supplementary presentation, noting that the original planned procurement strategy had been overtaken by TUPE demands from the existing contractor in response to GWHA's contract non-renewal notice. With one of the proposed new contractors subsequently withdrawing due to the associated commercial risk, and with potential for the second contractor to follow suit, MCMs accepted that additional time would be beneficial to consider the implications and ensure regulatory compliance. In this context, and mindful of the evolving nature of the matter, delegated authority was granted to the Chief Executive to make risk mitigation decisions with legal advice, including, if necessary, negotiating terms with the incumbent contractor to ensure service continuity in the interim; in conjunction with building a repairs profile to assist prospective contractors with TUPE discussions. In response to MCM queries, it was noted that earlier procurement advice had indicated that TUPE was unlikely to apply due to differences between the old and new contract terms; and also that it would be for the outgoing and incoming contractors to negotiate the detail. With respect to data integrity issues, MCMs noted ongoing engagement with the contractor, albeit with limited progress in securing Q1/Q2 outstanding data; and with scope for withholding payment of associated invoices to be considered subject to legal advice.

Progressing to NE 30399, reference was made to the verbal alert to the MC meeting 28/02/23, with the formal report providing further information on the specific incident in question, and on the subsequent extended investigations around cyclical roof and anchor inspections and aligned remedial works. In the discussion that followed MCMs shared concerns over the H&S implications of the lapsed procedures and contractual arrangements. MCMs were satisfied that the lapse was contained to the reported works; that the outlined actions provided an appropriate and proportionate response to these matters; and were in agreement that PI reporting through the mid and year-end reporting would enhance future governance oversight. It was noted in response to MCM queries that the annual roof anchor inspection/certification precedes the roof inspection and gutter cleaning in Oct/Nov, with a second "hot spot" clean taking place in Spring time. In response to MCM query relating to the term "roof anchor" it was confirmed the term has been used in these reports generically for all *fall arrest systems* (life lines, internal / external fixing points, fixed ladders) as applicable to specific installations across the stock.

A verbal update on NE 30403 was provided, with MCMs noting earlier SHR closure on confirmation that there had been no further press contact; and that the homeowner's request to appeal had been refused by the First Tier Tribunal.

There were no data breaches or EPBs to report and quarterly reporting on the SAR, FOI and EIR Registers is scheduled for MC meeting 16/05/23. Reporting against the H&S Register is as previously agreed.

#### 3.4 SHR Engagement Plan Compliance

MCMs considered Report No. 4, noting progress and compliance with the requirements of the 2022/23 Engagement Plan. The SHR's reported observations from attendance at the MC meeting 28/02/23 were considered, with MCMs welcoming the constructive feedback; and with agreement to schedule a review of the meeting packs within the 2023/24 Committee Plan; and with note to the importance of ensuring a clear process for obtaining and recording decisions during the meeting. The anticipated focus of the impending 2023/24 Engagement Plan was noted, with agreement that this would be presented to the next MC Meeting for review.

#### 3.5 SHR Regulatory Standards Compliance

MCMs agreed deferment of this report to the MC Meeting 25/04/23.

### 3.6 MC / CEO Appraisal report

Report No. 6 was considered, with a verbal update confirming completion of the CEO and all MCM appraisals; and with a reminder to MCMs to return the completed Board Performance Forms by 31/03/23 to ensure 100% regulatory and Rules compliance. MCMs considered the Chairperson's recommendations, resolving to permit the continued appointment of J Makar and Y Toda, subject to GWHA Rules. Deferment of the summary report on MC/CEO appraisals to the Meeting 25/04/23 was agreed.

### 3.7 Governance Strategy: NE 30331 Policy reviews

Report No.7 was considered, with MCMs discussing and thereafter approving the Staffing Sub-Committee (SSC) recommendation to adopt the proposed Settlement Agreements Policy and the aligned amendments to the Entitlement, Payments and Benefits Policy (EPB); the SSC Remit; and the Delegated Authorities (Agenda item 4.3), all as per NE 30331 and the associated independent investigation report. As Chairperson, I Gracie's membership of the SSC was confirmed as consistent with the Remit; and separately, a query was raised in relation to point 9.2 of the EPB extract for clarification to the next MC meeting.

## 4.0 Finance

### 4.1 Management Accounts to 31 January 2023

MCMs considered Report No. 8, noting the context to under-budget management expenses, and housing account surplus of £1.02m against budgeted loss of £3.11m; acknowledging the unexpected positive outturn at this point due primarily to lower levels of spend on planned and response maintenance, with substantial carry forward investment projects to 2023/24 and 24/25. The Management Accounts for the period were approved, and the strong financial position: fully cash-backed net current assets of £26.4m; total capital and reserves of £39.5m (including £3k designated pension reserve); and lender covenant compliance were all noted. It was confirmed in response to MCM query that depreciation of housing properties is a year-end accounting adjustment, no movement will feature during the management accounts reporting periods.

### 4.2 Final Budget 2023/24

MCMs considered Report No. 9 focussing on amends from the draft budget presented in February, agreeing particularly challenging and cautious budgeting in the prevailing economic climate. Updated property rebuild valuations and higher voluntary excesses were noted to have positively impacted the insurance premium for the forthcoming year; and whilst reactive maintenance costs remain high, the terms of the proposed new partnership arrangements provide more confidence, mitigating risk of loan covenant non-compliance (to be kept under close review). It was also confirmed, in response to MCM question, that the additional costs identified for the SVT project (as per NE 1004349 reporting) would be funded from cash reserves and would not impact loan covenants as 'expensed major works' are deductible under the covenant terms. In response to MCM question it was advised that Housing General costs have not increased by inflation due to being slightly over budget 22/23 and review of budgeted costs for the coming year. The final budget for 2023/24 was approved unanimously, with note to the importance of cash flow, and with expectation of close monitoring and ongoing focus on delivering efficiencies and outperforming budget projections.

### 4.1 Delegated Authority

MCMs considered and approved the Delegated Authorities as outlined in Report No. 10.

## 5.0 Services

### 5.1 Neighbourhood Sustainment Event Pilot

MCMs welcomed plans for an Event, the details of which would be further developed once the outcome of a funding bid was received; anticipated mid-April.

## 5.2 Tenancy Starter Packs

MCMs were impressed with the content of the displayed “Magpie” Tenancy Starter Packs, agreeing that these represented an excellent value for money tenancy sustainment initiative at £70-£80 per pack (including a £25 voucher); and with MC agreement to support the purchase of these packs (c£9k total) from the community benefit fund on a “need” basis for the Dover Street and for the associated backfill housing allocations; subject to evaluation thereafter. The potential for a partnership arrangement and/or contribution towards the cost of window coverings was also suggested by an MCM for investigation in support of energy efficiency objectives.

## 6.0 Technical

### 6.1 PDP – Priority update + 2023/24 (additional)

Report No.11 was considered, with MCMs noting possible reasons for “no access” for electrical safety checks, ranging from tenancy sustainment issues to deliberate avoidance, with confirmation that extensive checks are carried out, in a process consistent with AGS procedures, prior to forcing access to a property for these essential H&S checks. The plans for reprocurement of environmental services was then noted, and progress against the priority projects was acknowledged:

- a) Project handover/final evaluations on cyclical electrical project anticipated May 2023;
- b) Site start anticipated April 2023 for SVT glazed curtain walling project enabling works;
- c) Cyclical painter-work commencing April 2023
- d) Stonework Phase 1 works and Phase 2 investigations commencing July 2023;
- e) Windows P3 installations June 2023 and element replacement (kitchens/bathrooms) August 2023

### 6.2 SHQS & EESSH Update

Report No.12 was considered and progress noted, in particular the improved SHQS pass rate from 12.5% to 57.1%. The arrangements for delivering full compliance with the fire and electrical safety requirements; and the progress in moving forward the stonework, kitchen, bathroom and windows projects were welcomed.

### 6.3 EESSH 2<sup>9</sup> Review

MCMs noted from Report No.13 the Scottish Government’s (SG) ongoing review of EESSH2; with interim guidance for Registered Social Landlords (RSL) superseding previous guidance; and with an anticipated shift away from EPCs in their current format; and, in the interim an expectation that RSLs continue to invest in energy efficiency measures, including drawing on, for example, available funding support. In this context, MCMs welcomed the successful grant allocation for driving forward GWHA feasibility studies; and separately the intended progression of energy efficiency projects at Blythwood Court and St Vincent Terrace, and the EES self-assessment scheduled for completion following publication of updated SG guidance anticipated Q4 2022/23.

### 6.4 Garden Grant Initiative: Evaluation

MCMS considered Report No. 14, noting Consumer Panel feedback and trend evaluation; and agreeing the proposed action plan as a proportionate response and way forward for the initiative.

## 7.0 Regeneration

### 7.1 Projects Progress

#### 7.1.1 Dover Street

Report No. 15 was considered, with MCMs noting factors impacting progress, with completion date of mid-July now anticipated. The revised assumptions for the commercial unit were noted, with agreement that lease remains the optimum option for marketing purposes. The proposed site visit 4pm on 25/04/23

<sup>9</sup> Energy Efficiency Standard for Social Housing, beyond 2020.

(prior to the MC training/Meeting) was agreed.

7.1.2 Burbank House

MCMs considered Report No. 16, noting QCHA acquisition of the site 09/11/22 and appointment of McTaggart Construction for the development works due on site Q1/2 2023/24 for a period of 2 years, following completion of the demolition works and further site investigations. It was confirmed that QCHA would lead the development in line with the terms of the negotiated Development Agreement as previously agreed by MC, with GWHA purchasing 24 of the units at completion. MCMs welcomed the verbal report that confirmation of grant funding for the project had been received from the Scottish Government earlier that day.

7.1.3 Corunna Street

Members considered Report No.17 and supplementary Report No. 17a, noting project progress and compliance and risk controls against the offer of grant conditions. The site acquisition with settlement 31/03/23 was approved (as per Agenda item 3.1.1), REDACTED was noted as compliant with procurement regulations, and accepted as the optimum solution in context to the currently challenging market conditions.

## OTHER BUSINESS

### 8.0 Any Other Urgent Business

There was none.

### 9.0 Items For Future Agendas

30 Year LCC validation T: 25/04/2023

30 year Cashflow T: 25/04/23

Service Engagement Plan T: 25/04/23

Wider Role funding-compliance T: 25/04/23

IT Strategy Review and Compliance 25/04/2023

Procurement Strategy T: 25/04/23

Social Impact Strategy Q1 2023/24

BBH Intergenerational housing support feasibility T: Mar 24

### 10.0 Date Of Next Meeting

Tuesday 25 April 2023

## CLOSE