

FYNE HOMES LTD**Minute of Management Committee Meeting
Held at 11 Victoria Street, Rothesay and by Teams VC on
Wednesday 22nd November 2023 at 4pm**

Present: S MacLeod (Teams) T Harrison
J McMillan R Henshelwood
M Lang (Teams) D Herriot
J Thomson(co-opted) D Philand (Teams)

In Attendance: I MacPhail, Chief Executive
J McAlister, Technical Services Director
S Cole, Business Services Director
T Robertson, Housing Services Director
E MacCallum, Corporate Manager, Minute Taker
F Ewing, Directors Admin Assistant

Apologies: A Jones

Absent: P Wallace and P Cartwright

The Chair began the meeting by welcoming Jean Thomson, who has joined the Management Committee as a co-opted member.

1. Apologies for Absence

Apologies were intimated as above.

2. Declaration of Interest

R Henshelwood declared an interest in agenda item 7(iv), it was proposed that this item would be taken at the end of the meeting, R Henshelwood would remain in the meeting until this time.

3. AOCB Pre Notifications

There were no pre-notifications.

4. Minutes of Management Committee Meeting and Confidential Minute held on 4th October 2023

On a proposal from D Herriot, seconded by M Lang both minutes from the 4th of October 2023 were accepted as a true and accurate record of the proceedings.

j) Matters arising not covered in the agenda.

There were no matters arising not included in the agenda.

ii) Rollings Actions Points

The updated rolling actions points were circulated for information and noted by Committee.

- **Actions 2324-19 and 2424-20** – These actions are both covered later in the agenda and can now be closed off.

5. Minute of Executive Meeting Held on 13th September 2023

On a proposal from T Harrison, seconded by D Herriot the minute from the 13th September 2023 were accepted as a true and accurate record of proceedings.

6. Quarterly Performance Reports to 30th September 2023

From the previously circulated reports the Committee noted the contents. A Committee member queried why percentage of time taken to carry out urgent and routine repairs was below target. The Technical Services Director commented that it is down to contractor resources, however these are monitored monthly with the contractor, this will be highlighted to the relevant staff again to follow up with.

6. Technical Services Update*i) Development Report*

A detailed report by the Technical Services Director was previously circulated to bring Committee up to date with progress in various areas. Some points were highlighted as follows and the remainder of the report was noted.

- *Inveraray (16 units)*

Following a pre-application submission to Argyll & Bute Council's planning department, requirements have been outlined by the Roads Department. The requirements are currently under consideration by the Estate. Further discussions will take place with the Conservation Officer regarding their ambitions regarding the type of housing to be built. The Scottish Government has been informed of the intended timescales.

- *Baddens, Riverside Drive (6units)*

A site start was achieved on 4th September 2023, works are progressing and completion is expected by July 2024.

- *Argyll and Bute Sites*

A potential site has been identified in the Lochgilphead area, which is in the local plan as a housing allocation area (HAL) for eighty units. The appointed architects have undertaken a capacity layout for the site and following discussions an updated capacity plan is being produced.

16.20 - J McMillan entered the meeting at this point.

- *Rothesay Academy Upper Site*

The Technical Services Director noted that work is continuing with the architects to undertake a masterplan layout for both the upper and lower sites. A discussion meeting will be scheduled for early December with the Housing Team, Technical Services team, and Committee to engage with the architects around the various options for the upper site.

- *Ballochgoy*

A design meeting took place with the modular design company and engineer, the potential start date is June 2024 with a completion date in December 2024.

- *Dunoon – Potential site*

The Technical Services Director noted a private developer is now reviewing Fyne Homes' design guide with a view to providing an indicative build cost for a compliant design in December 2023.

Capital Investment Report

From a previously circulated report the Committee noted the contents of the capital investment contracts.

ii) Asset Management Update

It was noted that there were two potential buy back properties in Dunoon, which Fyne Homes have been approached by the owner about. These both are the only owner-occupied properties within the block, Fyne Homes own the remaining properties, it was noted that this sits well within the asset management strategy. Initial discussions have taken place with the owners and Committee will be kept up to date with any progression.

iii) Update on additional report from Technical Services Manager

This item is subject to a confidential minute.

Resolution

The Committee noted the contents of the Technical Services Reports.

7. Housing Management Report

A report was previously circulated to update Committee on the progress of various issues or activities within the Housing Service Team.

Application and Allocations

Current active applications on the waiting list stand at 3365 as of the 10th November 2023 of these 2292 have housing need points.

It was noted that the Home Argyll allocations consultation paper was presented to Argyll & Bute Council on the 28th of September for approval. All relevant Committee's have now approved the changes and the Home Argyll Steering Group are working together on the communications to applicants.

The Housing Director explained to Committee the current allocation quota in which we must adhere to, the split is between the homeless list, transfer list and the direct

list. It was noted that there could be a request via the RSL CEO's from Argyll and Bute Council to increase the homeless allocations. Clarification will be sought on whether this increase will be on offers or non-acceptances.

Voids and Arrears

Voids at the end of September were sitting at 35.88 days excluding exemptions which is above the target of 28 days.

Gross combined arrears are 1.64% at the end of September against a target of 2.5%

Welfare Reform

The previously circulated report highlighted some success examples and the number of new cases each month. The Housing Director reported that the welfare service financial gains for Q2 were £168.4K and year to date £353.2K of financial gains has been awarded to tenants.

Tenant Participation

The Dolly Parton Imagination Library partnership has been launched and to date 34 children has signed up, promotion for this initiative will continue.

Christmas events are being booked across all areas for tenants. An initiative is underway for tenants to share recipes and DIY tips, these will be collated and produced into a booklet.

Resolution

The Committee noted the contents of the housing report.

8. Business Services Reports

A report was previously circulated by the Business Services Director for Committee's information and was noted. Some points were highlighted as below:

(a) General

(i) Department update

- Permissions on YEAR¹ for the Committee pages have now been finalised. This was rolled out to Committee on the 22nd of November.
- Regular meetings with the DPO continue, a GDPR audit is currently being undertaken with an office visit to be arranged.
- Call recording for outgoing calls is being reviewed in line with GDPR regulations.
- Work is continuing with the website refresh incorporating the new logos. A training session for members of the web group took place on the 15th November.
- Progress has been made on Docuware with invoices, thorough testing will take place followed by expanding to other types of invoices.
- An iPad refresh is underway for Committee.
- Following advice from the external auditors a review of the management fee charge for Fyne Energy and Fyne Futures was undertaken as part of

¹ Your Employment Admin Record

the Year End Audit and will be reviewed and updated for 2023/24 onwards.

- Discussions are being held with lenders to review the covenants.
- The subsidiaries accounts are being worked on and will be presented to the relevant Board meetings.
- Work has been completed on 2024/25 budgets including the proposed rent increase, this will be discussed in detail later in the agenda.
- An internal audit was carried out in October on sustainability with rent setting and collection carried out mid-November.

(ii) *Public Holidays 2024/25*

From a previously circulated report the Committee noted the general and public holidays for 2024/25 in line with the Terms and Condition of Service.

(iii) *Christmas Arrangements*

As previously agreed by the Committee in 2018 the standing order for the Christmas period was noted.

Resolution

The Committee noted the contents of the report.

(b) Finance

(i) *Projected Management Accounts and Financial Covenants to 31st March 2024*

From a previously circulated report the Committee were informed of the projected surplus and of the financial covenants compliance for the year to 31st March 2024.

The Business Services Director highlighted that there were additional consultancy costs required during the year which were unbudgeted for. All financial covenant ratios have been achieved using the current calculation and discussions are taken place with the various lenders to review this.

Resolution

The Committee noted the projected management accounts and financial covenants

(ii) *Revenue Budget incorporating Rent and Service Charges 2024/25*

A copy of the proposed budget was previously circulated for Committee's information. The detail had been prepared by the Business Services Director with input from the Senior Management Team and relevant Operational Managers.

The Business Services Director highlighted that it is imperative that the Association generates a sufficient surplus to meet lenders financial covenants and The Scottish Housing Regulator's ratio between cost and turnover, as well as funding the capital budget for the year, which was detailed in the report.

Rental income forms the basis of the budget and the proposed increase is detailed in the report and will be discussed in detail on the next agenda item.

Incorporated into the budget is a salary pay range movement and the assumed Housing Officer vacancy and additional admin support for Housing and Business Services to cover maternity leave and changes in working hours.

The proposed budget allows for all covenants and ratios to be met.

Resolution

The Committee approved the revenue budget incorporating rent and service charges for 2024/25

(iii) *Capital Budget 2024/25*

From a previously circulated report the Business Services Director explained that the Association draws up a Capital Budget to improve its existing properties or improve, acquire, or replace existing assets to enable the organisation to carry out its business efficiently. The report contains a recommendation from the Business Services Director on what Capital Expenditure should be carried out in 2024-25.

The report detailed the recommended capital expenditure during 2024/25, including capital loan repayments. The Business Services Director highlighted that there was a backlog of property improvements.

Resolution

After further detailed discussion the Capital Budget was unanimously approved by the Committee and noted the backlog of property improvements.

(iv) *Proposed Rent Increase 2024/24*

From a previously circulated report it was highlighted to Committee that within our rental policy Consumer Price Index (CPI) as a guide to determine rent increases, September CPI was 6.7% with an option to include an additional 1%.

The Business Services Director recommended that consultation takes place on an increase of 5% incorporating the phasing in restructure previously implemented in April 2022. It was also recommended that services charges on garden maintenance are also increased by 5% for 2024/25.

The report detailed the lowest, highest, and average rent charged based on a 5% increase including phasing in and listed some of the Associations peer group proposed rent increases.

The proposed rent increase consultation with tenants will take place from early December and Committee will be asked to consider the responses at the January Management Committee meeting before formally approving any rent increase for 2024/25.

A previously submitted question from a Committee member was read out, whereby they proposed that an assessment is undertaken on the likely impact on tenants by raising their rents at this time of high cost of living. The Business Services Director commented that that it would be difficult to evidence how tenants' lives would be impacted without delving into their personal financial situations. However, the consultation questionnaire that will be sent out, asks the tenant for feedback regarding value for money and there is an opportunity for them to leave comments as well. The Business Services Director highlighted that this is only the consultation stage and it can be revisited in January if there is a lot of objections from tenants.

Resolution

After further detailed discussions the Committee agreed to consult with tenants for their views on deviating from the Rental Policy by not proposing a increase based on CPI or CPI + 1%, and proposing a 5% increase + phasing in.

9. Human Resources Report

A report prepared by the HR Director was previously circulated for Committee's information. some of the key points were highlighted below.

Following the pension review the 45-day consultation period closed on the 19th October, where 20 responses were received. The comments from the consultation were detailed in the previously circulated report for Committee's information.

The Staffing Committee met on the 26th October where they reviewed and discussed the consultation feedback and agreed to the points which were detailed in the report. The HR Director highlighted that all employees have received communication detailing the changes and the new scheme will launch on 1st January 2024.

Resolution

The Committee noted the contents of the report.

11. Subsidiary Update Report

A report prepared by the CEO was previously circulated for Committee's information and noted. Some of the key points are highlighted below.

Fyne Energy

From a previously circulated report the Committee noted the contents and the current income.

Gift Aid Recipients Update

Fyne Futures - The post of Head of Horticulture and Training has been filled, with E Sparks starting at the beginning of November. Following a successful Stage 1 application to the Regeneration Capital Grant Fund (RCGF) for potential capital funds to build a training centre at Ashfield, a Stage 2 application was submitted on the 10th November, the outcome is still awaited.

Glenbarr Community Group - The Glenbarr community have undertaken a consultation exercise with the aim of establishing a shared community vision. The full results of the consultation and proposed further actions are available in the attached report.

Fyne Homes - Payment for the financial year 2022-23 will be made within the next few months, this differs from the deadline of 31st March the other recipients face as Fyne Homes is the parent of Fyne Energy. The utilising of these funds was approved by the Committee at a previous meeting.

12. Potential Stock Update

The CEO updated Committee with the progress and discussions that have taken place since the last meeting.

13. Secretary's Report

- i) *Members to be removed under Rule 11.1.3.*

From a previously circulated report the Corporate Manager noted that in accordance with the Association's rules, membership can be terminated if Committee is satisfied that a member has failed to attend five consecutive AGM's and did not submit apologies, exercise a postal vote, or appoint a proxy. It was noted that 12 members meet this criteria which were detailed in the report.

Resolution

After further discussions the Committee agreed to cancel the 12 shares and noted that cancelling their shares will have the effect of reducing the active membership.

14. Committee Update

- i) *Subsidiary Boards – Independent Members Update*

Following the last Management Committee meeting an action was set for the Corporate Manager to consult with the lawyers on changing the terms in the Memorandum of Association of Fyne Futures regarding the number of independent members on the Board.

The Corporate Manager noted that the lawyers advised that by altering the Memorandum of Association could be problematic and restrictive. It was recommended that amending the Fyne Homes Standing Orders policy to include a section regarding independent members would be the most effective solution.

Resolution

After further detailed discussions the Committee agreed to include a section within the Fyne Homes Standing Orders policy to state that Fyne Homes will always have the majority of Directors sitting on the Board. This will be amended to include all the subsidiary companies.

15. Policy Review/Deferrals**Resolution**

(a) Committee approved the undernote policies:

- (i) *HR.13 Code of Conduct for Staff*
- (ii) *HR.26 Corporate Social Media Policy*
- (iii) *HR.36 Gossip at Work Polic*
- (iv) *HR.37 Sabbaticals Policy*
- (v) *M.17 Asset Management Strategy*
- (vi) *H.35 Registration of Resident Organisations*

(b) Committee deferred the undernote policies:

- (i) *HR.15 Lone Working*
policy and Standing Orders policy along with the Code of Conduct documents.

16. Notifiable Events

Ref No: 310523

There was no further update to report currently.

17. Donations Request

The Corporate Manager noted that there had been two donation requests received, which had been previously circulated to Committee.

Resolution

After further discussions the Committee agreed to following in accordance with the Donations Policy:

- *£100 to the Bute Junior Agricultural Club*
- *£50 to the Campbeltown and District Juvenile Football Association*

- 18. Minute of Fyne Energy Board Meeting 13th September 2023**
- 19. Minute of Fyne Initiatives Board Meeting 13th September 2023**
- 20. Minute of Fyne Futures Board Meeting 13th September 2023**
- 21. Minute of Health & Safety Committee Meeting 26th October 2023**
- 22. Minute of Staffing Committee Meeting held 26th October 2023**
- 23. Note of Strategy Day held 10th November 2023.**
- 24. Note of Assurance Statement Review Meeting.**

The above minutes were circulated for information and noted. Regarding the Staffing minute on a proposal from J McMillan, seconded by R Henshelwood the minutes were accepted as a true and accurate record of proceedings.

21. AOCB

17.40 - R Henshelwood left the meeting at this point.

Agenda item 06(iv) was discussed and is subject to a confidential minute.

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22. Date of Next Meeting: Wednesday 24th January 2024

With there being no further business, the meeting closed at 17.55pm

Signed.....

Date.....