

LINTHOUSE HOUSING ASSOCIATION LIMITED
MANAGEMENT COMMITTEE MEETING
Approved Minute of a meeting held at
1 Cressy Street, Glasgow and Via Teams
On **Tuesday 27 February 2024** at **6.00pm**

PRESENT

David McGeoch, DM (Chair)
Mary Ray, MR
Paul Phin, PP
William Pritchard, WP
Collette Ness, CN
Heike Bley, HB
Alec Leishman, AL
Graham Gillespie, GG (Teams)
Barbara Wark, BW (Co-optee)

IN ATTENDANCE

Irene McFarlane, IM (Chief Executive Officer - CEO) (Teams)
Bryan McMahon, BM (Director of Property Services)
Andrea Walker, AW (Director of Housing and Community Empowerment)
Fettes McDonald, FMD (FMD Financial Services) (in part and by Teams)
Michelle Fegan, MF (Corporate Services Officer) - Minute

<p>1. APOLOGIES</p> <p>1.1 DM opened the meeting and advised member that BW had been invited to join the committee as a co-optee until the AGM. Committee APPROVED BW joining as Co-optee.</p> <p>1.2 Apologies from Susan Brown, Funmi Fajemiseye and Carrie McCafferty</p>	
<p>2. DECLARATIONS OF INTEREST</p> <p>2.1 There were no declarations of interest expressed from the members attending.</p>	
<p>3. DECLARATIONS OF ETHICAL BEHAVIOUR & NOTIFIABLE EVENTS</p> <p>3.1 All those present at the meeting confirmed that there were no breaches of ethical behaviour of which they were aware.</p> <p>3.2 IM confirmed that there had been no notifiable events since the previous committee meeting.</p>	
<p>4. UNAPPROVED MINUTE OF PREVIOUS MEETING HELD 30 January 2024</p> <p>4.1 DM invited the Committee to comment on the Minutes. MR noted the discussion around Davislea and other upcoming projects and how part of that had been to highlight a need to keep oversight of the progress being made on these. IM advised that the Committee can be reassured that operational matters on these projects are being monitored by staff and decisions will be brought to Committee when necessary, however an update can be added to the quarterly performance report to keep committee informed when decisions are not required.</p>	Action

4.2	Committee APPROVED the minute of the previous meeting.	
5.	ITEM 7 - QUARTERLY MANAGEMENT ACCOUNTS TO 31 DECEMBER 2023	
5.1	DM advised that moving onto finance section of the agenda to enable FMD to leave for another meeting.	
5.2	FMD ran through the information on the report confirming it was as provided to AASC and advising that the issue of higher costs had been looked into across the sector by Glasgow West Scotland Forum (GWSF) and the trends being seen by LHA were similar across the sector.	
AL joined at 18:08		
5.3	No questions were submitted. GG confirmed, as Chair of AASC, he was comfortable with the accounts that had been presented and that it had been a very efficient meeting.	
5.4	Committee APPROVED the Quarterly Management Accounts to 31 December 2024.	
6.	ITEM 8 - FINANCIAL REGULATIONS	
6.1	FMD advised that while the financial regulations were not due to be reviewed until 2025, they were being brought forward earlier due to the upcoming audit.	
6.2	FMD highlighted section 13.1 which related to the register of title deeds and confirmed that following legal advice for another HA this section could be removed as information now held digitally and is accessible to staff and consultants when needed. FMD also confirmed that references to Treasury Management (2017) will have to be updated to (2021).	
6.3	MR noted the section regarding security, 17.2 which refers to Brightridge and asked whether this should be amended as the ICT Manager was now in place and managing backups. Agreed this would be updated.	
6.4	MR also raised section 16.2 which allows for delegation to another member of staff and would like the wording clarified to ensure that delegation does not remove responsibility from the primary member of staff.	
6.5	Committee APPROVED the Financial Regulations subject to the changes suggested.	
7.	ITEM 9 – CEO REPORT SECTION 2.3	
7.1	IM asked for this section to be discussed while FMD was present as following the issue of papers NRS have approached LHA with the possibility of accessing underspend in the Acquisition Grants. IM has identified 6 potential properties in the area however LHA would be	

<p>required to fund the initial purchase of the properties until NRS release the grant funding due to when they close down their financial year. This funding would be short-term with any awarded grant funding coming back in quarter 1 of the financial year.</p> <p>7.2 FMD confirmed he had looked at the costs of purchasing the properties and it would not be feasible to fund based on current cash reserves. However, [REDACTED] was placed in a high interest short-term deposit account with [REDACTED]. FMD approached [REDACTED] about possibility of accessing these funds early with the consequence of forgoing the interest. [REDACTED] therefore FMD broached the possibility of loaning the funds to LHA with a security against the amount on deposit. While the exact amount is not known this option would incur a cost of legal fees and monthly interest charge and would need a quick decision on go ahead to meet end of financial year applications with NRS.</p>	
<p>This item is confidential as it is commercially sensitive, and publication would harm commercial interests.</p>	
<p>7.3 Committee are being asked to delegate authority to Chair, Chair of AASC, CEO to consider the results of FMD's negotiations with [REDACTED] on this loan facility, assess the terms of the loan and if beneficial to the Association agree to the loan terms.</p>	
<p>7.4 CN asked if properties purchased who would be responsible for cost of renovations. IM confirmed any cost to bring properties up to letting level would be incurred by LHA as grant funding for this purpose only available for tenement properties. However, internet listings show properties in good condition and if LHA able to adapt for accessibility could be potential for grants through HSCP.</p>	
<p>7.5 MR raised concerns if properties have people living in them a 4 week turnaround for purchase is very ambitious. BM confirmed some properties appear vacant. IM confirmed the 4 week turnaround is to secure the finance for purchasing and completion of the actual sale could be into next year however as seen with current acquisitions this is not an issue.</p>	
<p>7.6 PP asked if NRS had refused applications for acquisition and what percentage was this. IM confirmed that refusals have happened and would need to check figures to answer that question.</p>	Action
<p>7.7 AL asked if the properties were purchased would they be available to those on our general housing list. IM confirmed that they would be for section 5 referrals only for the grant funding to apply. AL expressed reservations about taking out a loan and the costs involved when the benefit would not have an impact on our own housing lists.</p>	
<p>7.8 GG reiterated the decision being asked of the Committee as the discussion veered into LHA's strategy for acquiring properties and asked those who had concerns what parameters of funding discussions would</p>	

<p>be acceptable to them and why, he explained that losing interest on deposit account is favourable to the cost of a loan. AL confirmed that if it was using LHA funds he would feel more comfortable but acquiring a loan to purchase properties in this way is not a step that has been taken before, and that is what makes him uneasy.</p> <p>7.9 IM explained that the financing is for the short-term, like a bridging loan, until the grant funding money comes through and only cost to LHA would be financing costs or loss of interest, however the benefit of increasing stock, unencumbered asset base and additional rental income would outweigh this cost.</p> <p>7.10 Committee AGREED to delegate authority to Chair, AASC Chair, CEO to take the decision when FMD completed negotiations with [REDACTED], assess loan terms or cost of borrowing and if determined favourable to use the funds for acquisitions.</p>	
<p>8. ITEM 5 - UNAPPROVED AASC MINUTE OF MEETING HELD 13 FEBRUARY 2024</p> <p>8.1 DM returned to the regular agenda and invited questions on the AASC minute.</p> <p>8.2 None were submitted, and Committee NOTED the AASC minute of 13 February 2024.</p>	
<p>9. ITEM 6 - MATTERS ARISING & ACTION POINT REGISTER</p> <p>9.1 Committee NOTED the Action Point Register</p>	
<p>10. ITEM 9 – CEO REPORT</p> <p>10.1 IM returned to the remainder of her report, providing updates of the planning application for [REDACTED], confirming this had been submitted and were waiting on the outcome. MR asked how long such an application would take. IM confirmed between 6-8 months, best case.</p> <p>This item is confidential as it is commercially sensitive, and publication would harm commercial interests.</p> <p>10.2 IM moved onto section 3.2, confirming that LHA is still pursuing option B and that this may result in the Regulator including LHAs borrowing requirements in the engagement plan for 24/25 however this does not raise concern as it involves investment in existing stock.</p> <p>10.3 IM moved onto LHAs growth strategy confirming that discussions on the Davislea site are moving forward and will either require delegated authority to purchase the land at Davislea based on the outcome of the feasibility study or plan for a single-issue meeting, mid-March, for committee to review the study and come to a decision. Committee AGREED to hold a single-issue meeting in mid-March if it was felt this was needed.</p>	

<p>10.4 IM also updated the committee on other potential developments that were in very early discussions. IM suggested invited local councillor [REDACTED] to a community council meeting to discuss driving forward improvement in the area.</p> <p>10.4 Committee also AGREED that an additional meeting to review the Business Plan would be arranged.</p> <p>10.5 Committee NOTED the remainder of the report.</p>	<p>Action (for staff or MC?)</p>
<p>11. ITEM 10 - PROPERTY SERVICES REPORT</p> <p>11.1 BM presented the reporting advising it was for information only and invited questions from the committee.</p> <p>11.2 HB asked when owners would know the outcome of grant funding applications for the stonework repairs. BM confirmed that the applications are still going through Glasgow City Council and the outcome will be confirmed by GCC not LHA.</p> <p>11.3 Committee NOTED the report.</p>	
<p>AOCB</p> <ol style="list-style-type: none"> 1. AL announced that he has taken the decision to retire from the committee with immediate effect due to personal reasons. All members took the opportunity to thank him for his commitment to LHA and the committee. 2. DM noted as he will be retiring, and March will be his last meeting it will be necessary to appoint a new Chair. DM opened for nominations. AL nominated PP, seconded by MR. No other nominations were received. PP accepted the nomination for Chair. 3. It was AGREED that PP would act as interim vice chair until DM steps down and nominations for a new vice chair will be held at March meeting. 	
<p>Dates of next meetings:</p> <p>Management Committee – Tuesday 26 March 2024 at 6pm Audit & Assurance Sub-committee – Tuesday 14 May 2024 at 6pm Staffing Sub-committee – Tuesday 12 March 2024 at 6pm Policy Working Group – Tuesday 11 June 2024 at 6pm</p>	

Meeting closed at 19:48pm.
Chair – David McGeoch