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COLIN FRASER ON **REDACTED INFORMATION**



WGHC

Our tenants are paramount in everything we do

Committee of Management

Minutes of Meeting – 22 January 2025

Present:

Colin Fraser	(Chair)
Wendy Riordan	(Vice Chair)
Jim Hemphill	(Vice Chair)
George Thomson	
Morag Orr	
Liz Robertson	
Lynn Jameson	
Stephanie Wilson	
Cameron Durance	
Alan Lamont	
Jon Douglas	
Elizabeth Stewart	

In attendance:

Larke Adger	(CEO)
David Mills	(COO)

1. APOLOGIES

Amanda Aitchison
Scott Cavers

2. MOTION TO APPROVE MINUTES, 18th December 2024

The Minutes of the meetings held on 18th December 2024 were **approved** by Committee.

- **AL Proposed / CD Seconded / Committee approved the minutes**

3. MATTERS ARISING FROM THE MINUTES

SW pointed out an error on page 7 of the previous minutes regarding comments about tenants' who request to run businesses from their home.

4. DECLARATIONS or NOTES OF INTEREST

There were NIL declarations of Interest recorded or notified

5. GUESTS, VISITORS, OBSERVERS

There were NIL guests, visitors or observers at this meeting

6. STAFFING / HR UPDATE

The CEO has fully returned to work as of 06 January 2025 following a period of absence (previously minuted). Temporarily, the COO had deputised and fulfilled the role of Secretary. Committee were asked to approve the CEO re-commencing her full role.

LR asked if a risk assessment regarding the CEOs return had been undertaken. It was confirmed that a full return to work interview had been undertaken and was held on the CEOs file.

- **Committee approved the CEO to resume normal working hours / duties.**
- **Committee approved the CEO resume the role of Secretary.**

7. CASH IN BANK, INFLATION & INTEREST RATES

All cash balances across the 5 x WGHC bank accounts were presented by the COO and a summary total provided, which stood at £677,082. This was an increase of £25,326 from the figure reported at the December meeting.

Inflation was reported at 2.5% (2.3% in the previous month) and interest rates remained held at 4.75% (4.75% in the previous month). As requested by Committee, the CEO presented information on interest paid and balances of the 5 loans WGHC has with the Nationwide Building Society.

- **Committee noted the report.**

8. EXTERNAL WALL SYSTEMS / FQ CLADDING

The COO reported to Committee that some surveys undertaken by Jones Lang LaSalle (JLL) had raised a concern regarding the potential for External Wall System (EWS) Cladding to certain elevations and aspects of the 45 flats housed within 10 and 8 Colonsay Close and 65 Waterfront Park. This identified the urgent need for Fire Risk Assessments and a Single Building Assessment to identify risk and formulate a remediation action plan.

The COO gave a presentation to Committee offering images of the properties and close up and details pictures of both the front and rear elevations of the properties were used to demonstrate examples of the potential issues. WGHC are required to have a Single Building Assessment / Fire Risk Assessment to identify any risks and offer mitigation to those risks, via remediation works.

The financial regulations in place at WGHC indicate that expenditure over £25k where the supplier is not approved, requires Committee approval. The quotation to undertake the SBA / FRA is £36k and therefore Committee were being asked to approve the quotation to enable the works and process to commence.

The COO confirmed to Committee that a notifiable event, 31183, had been logged with the Scottish Housing Regulator on this matter.

LS asked that if the Single Building Assessment covers the whole building and WGHC own 50% and Wheatley Group own 50%, would the costs be shared?

Both the CEO and COO confirmed that this would be the hope, but this could not be guaranteed as the Wheatley Group have, traditionally, used an alternative supplier to undertake their assessments.

CF asked that if the Single Building Assessment is undertaken for the whole building – who pays?

The COO indicated that whilst it would be nice if Scottish Government paid, or Wheatley WR asked if WGHC would undertake the Single Building Assessment independently of the Wheatley Group if they don't engage with us on the matter

The COO confirmed that WGHC would proceed with the Single Building Assessment irrespective of the Wheatley Group's decision

LJ asked if the Wheatley Group undertook a different approach to WGHC could or would it affect the title deeds

The CEO indicated that any assessment undertaken to the WGHC flats would only affect individual title deeds and therefore if Wheatley Group undertook a different approach, it would affect their individual title deeds.

AL asked if there were any recourse from the builders?

The COO confirmed that the building was built to specification approved back in 2009. There are mechanisms that mean that builders and developers take some responsibility for the payment of any remedial works in certain circumstances, but in the case of Cruden (the developer for the FQ) it would seem as though they would be exempt.

SW raised the point that it would seem to be logical where possible to joint work with Wheatley Group in terms of financial savings etc.

The COO confirmed that this would be a logical approach, unless the Wheatley Group's approach was detrimental to the WGHC approach and tenants.

- **Committee unanimously approved the quotation and appointment of Diamond & Co. to undertake the Single Building Assessment and Fire Risk Assessment within Colonsay Close / Waterfront Park, accepting that this was an exceptional item and sat outside the WGHC Financial Regulations**

9. CAF BANK LOAN APPLICATION UPDATE

The COO reminded Committee of the support of CAF Bank over the past 3 months or so with the loan application process. However, as we have now become aware of the EWS / Cladding issue, it would seem inappropriate to increase the risk and financial liabilities to the co-op by taking additional borrowing and securing more WGHC stock against any loan funding requirement.

CAF Bank have been notified as WGHC are being transparent with all stakeholders regarding this issue. It has been suggested that the loan application be delayed for at least 6 months until the full position regarding the EWS / Cladding situation is known and understood.

- **Committee approved the delay of the CAF Bank loan application process until the full risks and liabilities surrounding EWS / Cladding are known to WGHC.**

10. FINANCIAL MODELLING, OVERHEAD & CAPITAL EXPENDITURE

The CEO referred Committee to both the previous two items (EWS/Cladding and CAF Bank Loan application) and went on to present a revised One year budget (**Appendix 1**) which was presented on screen for ease of reference.

Various modelling scenarios were demonstrated to Committee. It was made clear that until the outcome of the Single Building Assessment is known and any associated costs for remedial works, it would be prudent to cease all non-essential spend. The Co-op would continue to meet all statutory and regulatory spending requirements, (gas safety, electrical safety, damp & mould, fire safety) and full reactive maintenance services. Equally, services that maintain the aesthetics of the WGHC estate and welfare of tenants would remain planned for implementation.

Savings have been made in various budgetary lines equating to approx. £656k. The savings include reduction in staff/office overhead, some planned maintenance areas and some component replacement programmes. Although rare and uncommon, Committee were being asked to approve a revised 1 year budget for the period 2025-26.

MO asked whether WGHC tenant members would be advised of the changes and impact in a newsletter

The COO / CEO both confirmed that a tenant communication plan was being implemented.

CD asked whether it would be prudent to take a 'consolidation loan' instead of paying against differing loans.

The CEO confirmed that wouldn't be appropriate as 3 loans have been fixed at favourable rates that the market wouldn't offer today – so if this option was explored our loan repayments would actually end up increasing.

- **Committee unanimously approved the revised budget for 2025-26**

11. RENT INCREASE CONSULTATION 2025-26

The COO presented a report offering indicative scenarios of proposed rental increases, based upon interest rates, the rate of inflation, costs incurred by WGHC, the uplift and increase in goods and services provided by Contractors to WGHC and having an understanding of the EWS / Cladding issue that would affect WGHC during the coming financial year. 3 options were tabled.

A robust and informative discussion took place between Committee members putting forward various thoughts and opinions regarding the rate of rent increase % that should be put to the tenant members for consultation. The agreed options were either **6.75%** or **7.50%** based on affordability, planned budget spend, investment and increasing costs.

A majority vote 10/2 confirmed this.

- **Committee noted the report**
- **Committee instructed that the % of either 6.75% or 7.50% be put to WGHC tenant members for consultation in early January/February 2025.**

12. TENANT SATISFACTION SURVEY

RSLs are obliged to undertake a tenant satisfaction survey every 3 years. The last survey was undertaken in January/February 2022. Accordingly, Research Resource have been appointed to undertake the full tenant satisfaction survey for 2025. Letters have been sent to WGHC tenants and interviews will take place between 31st January and 28th February 2025. The outcome / report will be presented to Committee in April 2025.

- **Committee noted the report**

13. CONTRACTOR / SUPPLIER LIST UPDATE

The COO presented an updated version of the Contractor / Supplier / Consultant list to Committee for their approval to add: Bayview Carpets and Sidey and to remove: R B Grant Ltd and T B Mackay. The version would be 15.0 January 2025.

- **Committee approved the addition of 2 contractors to, and the removal of 2 contractors from, the WGHC Contractor / Supplier / Consultant approved list.**
- **Asked that the website be updated accordingly.**

14. DONATION / SPONSORSHIP UPDATE

The CEO reported that the previously approved donation of £3000 to Freshstart had been gratefully received.

Committee had previously approved, in principle, a donation of £1950 to Craigroyston FC but wished to see further information which was provided during the January 2025 meeting to better enable Committee to make their decision.

- **Committee approved the donation of £1950 to Craigroyston FC by a majority decision (9/2)**

15. GOVERNANCE, COMPLIANCE, HEALTH AND SAFETY REPORT

The COO presented his governance, compliance, health and safety report to Committee.

As accepted practice and to give Committee assurance, the COO also reported:

- ❖ FOISA / EIR Requests since last meeting = **One**
- ❖ Subject Access Requests since last meeting = NIL
- ❖ Information Data Breaches since last meeting = NIL
- ❖ Open Notifiable Events with SHR = **One** (31183)

The FOISA request was answered by the COO within one working day. The COO also confirmed that the quarterly FOI & EIR statistical submission for the 3rd quarter of 2024 had been submitted and acknowledged by OSIC.

The COO confirmed that SHR Notifiable Event 31152 was now closed.
The COO confirmed that SHR Notifiable Event 31183 was ongoing.

The COO was pleased to inform Committee that there had been no health & safety issues to report since the last meeting.

- **Committee noted the report**

16. MEMBERSHIP & USE OF THE COMPANY SEAL

The COO reported that since the last meeting, there have been:

- ❖ No new memberships:
- ❖ Two cessations of membership:

Membership Number	515
Date of cessation:	08 January 2025
Reason:	Deceased
Membership Number	733
Date of cessation:	13 January 2025
Reason:	Deceased

- **Committee noted the report**

17. ANY OTHER COMPETENT BUSINESS

- ❖ SW / CD tabled a motion to put all sponsorships / donations on hold for 12 months due to the EWS / Cladding and Financial issues previously discussed.

Committee members had a debate about whether or not sponsorships should be put on hold, simply better scrutinised before awarding any monies or whether the budget should be altered to still allow sponsorships or donations but on a lesser scale. It was agreed that the budget for 2025-26 would be capped at £5k

- ❖ The CEO informed Committee of a podcast being broadcast featuring her, called Co-ops Womens Voices, scheduled 23.01.25
- ❖ The CEO informed Committee of her attendance as a speaker at the SFHA Management Conference, scheduled 20th February 2025
- ❖ The CEO informed Committee that both the CEO and COO have joined the Scottish Policy Working Group with Co-ops UK
- ❖ Committee Appraisal notes / findings will be presented in the February report
- **Committee voted by a majority to cap the budget at a lower amount but to continue awarding sponsorships or donations on merit.**
- **Committee noted the rest of the report**

18. DATE OF NEXT COMMITTEE MEETING

It was proposed the next meeting be held on Wednesday 19th February 2025 at 6.15pm. Doors will open at 6.00pm for Committee to chat / network and have refreshments prior to the formal meeting start.

- **Committee approved the next Committee Meeting to be held on Wednesday 19th February 2025 @ 6.15pm**

Signed **REDACTED INFORMATION** Chairperson Date: **19th February 2025**

NB: Committee Board Papers available upon request, contact our office. Although extreme care and effort are taken with the production of papers and minutes, there may be some grammatical and/or spelling errors. Apologies are extended in these rare circumstances.