



MINUTE OF THE BOARD MEETING

30 January 2019

Present: N Hicks (Chair); R Hutton (Vice-Chair)

S Brydon; A Clark; T Kelly; D McEwan;
K McLeod; F Roslewski; C Tait; M Trant

G Russell (Secretary)

In attendance: C Hughes, A Hay, K Miller

Observers: S Mills; S McPhee; A Scott

Apologies: None

The Chair welcomed S Mills, S McPhee and A Scott as observers to the meeting and asked those present to introduce themselves.

ACTION

1 Apologies for Absence

No apologies for absence were submitted.

2 Declarations of Interest

N Hicks – Board member and treasurer of The Action Group, and member of SHAPS Pensions Employers Committee

R Hutton – Employee of Port of Leith Housing Association. Through work, also has relationship with Lothian Gas, Mitie and Greenfingers.

S Brydon – Employee of Home in Scotland, who also employ Novus as reactive maintenance contractor. Member of First Tier Tribunal.

D McEwan and C Tait – tenants of Manor Estates Housing Association

F Roslewski – receives factoring services from the Association

3 Risk Management Issues / Health & Safety Issues / Notifiable Events

(i) Insurance Claim

K Miller advised members that the Association's insurers have advised that the claim submitted in relation to the incident at Sandilands Close has been repudiated in the first instance.

Members noted the position.

(ii) Significant Performance Failure

G Russell advised members that in December a tenant had made a formal complaint regarding concerns about the process for consultation on the rent setting policy. The complaint was very detailed and covered a number of issues. Following investigation by the Chief Executive, elements of the complaint were upheld, however the tenant was advised that it was not possible to delay the implementation of the new rent setting policy.

The tenant has now referred the matter to the Scottish Housing Regulator (SHR) as a potential 'Significant Performance Failure'. G Russell has had discussions with the SHR and is due to submit full details of the circumstances by the 31 January 2019. G Russell confirmed that he will advise members of the outcome in due course.

GR

Post-meeting note: during discussion of this item, a member questioned the reference in the minutes of the previous meeting to a vote. It is confirmed that Board members did (on the occasion of their November 2018 meeting) hold a vote in respect of the issue of how the attribute gas central heating was dealt with in the rent setting policy.

4 Minutes of the Board Meeting held on 28 November 2019

The Chair requested that reference to the outgoing Chair of the MEAL Board be amended to W McBeath.

CH

The minutes of the meeting held on were approved as a true record, proposed by R Hutton and seconded by A Clark.

5 Matters Arising

None.

6 Board Actions

Noted.

7 Minutes of Sub Committee or Subsidiary Meetings

7(i) Audit Committee 23 January 2019

The Audit Committee Chair introduced the draft minute, highlighting the key issues that had been discussed.

He asked members to note that the 25 year plan was proposed to the Board as a draft, subject to ongoing negotiations regarding treasury management, in particular the early repayment of a loan.

8 Matters for Approval / Decision

8(i) Rent and Service Charge Increase Report

K Miller introduced the report that had been circulated previously.

Following discussion, members approved the proposed rent increase of 2.5% and the proposed increases to other charges.

Members noted that detailed letters will be issued to tenants before the end of February 2019.

8(ii) Treasury Management Report

K Miller noted that this report had been updated on the day of the meeting and talked members through the key issues.

Members noted that the Association would continue to comply with the covenants of the loan agreement, were the Board to agree to the proposed changes.

Following discussion, members agreed the following:

- That authority be delegated to the Chief Executive and Corporate Services Director to agree the fixed rate within the margins of +/- 0.025% of the Santander quoted rates. **GR/KM**
- That the fixed loan / variable loan ratio be set at 60/40.
- That the new fixed loan would be for a period of 5 years. **GR/KM**
- That the Association hold further discussions with Santander, seeking to repay the full £2 million that is available, rather than the £1.8 million that has been discussed with them thus far. Authority was delegated to the Chief Executive and Corporate Services Director to make arrangements to repay whichever amount is agreed, following further discussions with Santander.

8(iii) 25 Year Plan

K Miller introduced the report that had been circulated previously.

Members noted that only one of the scenarios presented (an enforced reduction in rents) showed significant deficits would result, however G

Russell confirmed that there was no indication that the Scottish Government would ever enforce a rent reduction which would lead to this scenario.

Following discussion, members approved the 25 year plan.

8(iv) Corporate Plan 2019/22

G Russell introduced the report that had been circulated previously.

Members agreed that a further bullet point should be included in Objective 1, highlighting the Association's commitment to health and safety issues relevant to tenant and community safety, particularly in relation to fire safety.

GR

Following discussion, and subject to the change noted above, members approved the Corporate Plan.

8(v) Former Tenant Arrear Write-Offs

C Hughes introduced the report that had been circulated previously. Following discussion, members approved the proposed write-offs.

CH

8(vi) Factored Owners Arrears Write-offs

A Hay introduced the report that had been circulated previously. Following discussion, members approved the proposed write-offs.

AH

8(vii) Confirmation of 2019 Board Meeting Dates

G Russell introduced the report that had been circulated previously. Following discussion, members approved the proposed dates.

8(viii) Sale of 73 Selvage Street, Rosyth

G Russell introduced the report that had been circulated previously. Following discussion, members approved the sale of the property.

Members requested that any future reports of this nature should include photographs.

9 Matters for Information

9(i) Quarterly Finance Update

K Miller apologised for initially including incorrect appendices and asked members to note the correct figures.

Members noted the report.

9(ii) Planned and Cyclical Works Progress

A Hay asked members to note that a further spend of £160,000 had been processed during January 2019 and that she expects there to be significant further progress on all contracts by the end of March 2019.

Members noted the report.

9(iii) KPIs

Members noted the report.

9(iv) Complaints Monitoring Report

Members noted the report.

9(v) Board Briefing Note: Housing First and Rapid Rehousing

Members noted the report.

9(vi) Board Briefing Note: Scottish Housing Regulator: Consents

G Russell agreed to check which policies might require to be updated as a result of the changes outlined in this report. **GR**

Members noted the report.

The Chair thanked those attending the meeting as observers for their attendance. They then left the meeting at 6.45 p.m.

10 Any Other Competent Business

10(i) Co-option of Board Members

Members agreed that those who had attended as observers be invited to join the Board as co-optees and G Russell confirmed that he would contact them to advise of the decision. **GR**

10(ii) Kerry McLeod

The Chair advised members that, due to business commitments, K McLeod had requested period of leave of absence between now and September, noting that she would attend meetings if possible. Members agreed that leave of absence be granted.

The Chair noted that K McLeod will be unable to attend Audit Committee meetings and a new member will therefore need to be identified by the time of the next Audit Committee meeting in May.

Members noted that, due to work commitments, S Brydon has identified 3 meetings that she will be unavailable to attend, however these are not consecutive.

10(iii) Chief Executive

The Chair advised members that G Russell has intimated his decision to retire at the end of May 2019. He paid tribute to the work that Graeme has done in the past 3 years, as Chief Executive of the Association.

The Chair confirmed that he has advised the Regulator of the position and that the Board now has to carry out a strategic options appraisal. It was agreed that an ad hoc subcommittee be formed to take this forward, membership comprising:

N Hicks
R Hutton
M Trant
A Clark
D McEwan

S Brydon and K McLeod advised that they would like to be involved and could take part in discussions via email or other technology, if necessary.

Members agreed that there would be a need for external assistance for at least some parts of this process.

Members noted that the Senior Management Team may require additional support during any gap period between the current Chief Executive leaving and either a new appointment or the commencement of any alternative arrangements.

K McLeod commented on how much she had enjoyed working with G Russell during her time as a Board member of the Association.

11 Date and time of next meeting: Wednesday 27 March 2019 at 5.30 p.m.

The meeting closed at: 7.20 pm