



MINUTE OF THE BOARD MEETING

30 October 2019

Present: N Hicks (Chair); R Hutton (Vice-Chair)
S Brydon; A Clark; D McEwan; S McPhee; S Mills;
A Scott; C Tait; M Trant

C Hughes (Secretary)

In attendance: C Ironside, A Hay, K Miller
V Woolf (observer)

Apologies: F Roslewski

As there had been no election of office bearers since the occasion of the AGM, C Ironside took the Chair for the initial part of the meeting.

ACTION

1 Apologies for Absence

Apologies were received from F Roslewski.

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

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

S Mills – employee of Changeworks

3 Election of Office Bearers

▪ Nomination and Election of Chair

C Ironside sought nominations for the position of Chair. N Hicks was nominated by D McEwan, seconded by A Clark. There being no other nominations, N Hicks was duly elected Chair.

Having been elected, N Hicks took the Chair.

▪ **Nomination and Election of Vice Chair**

N Hicks sought nominations for the position of Vice Chair. R Hutton was nominated by D McEwan, seconded by S Brydon. There being no other nominations, R Hutton was duly elected Vice Chair.

▪ **Appointments to Audit Committee**

N Hicks sought nominations for the Audit Committee and the following members were appointed:

D McEwan; A Clark; R Hutton; M Trant; A Scott.

N Hicks welcomed C Ironside, new Chief Executive of the Association, to her first Board meeting.

K Miller introduced V Woolf, a member of the Corporate Services Team, who was attending the meeting as an observer.

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

Closed Notifiable Event

Ref 1003028 - resignation of CEO – closed now that new CEO in post.

Outstanding Notifiable Event

Ref 1003264 - citation re court action, referred to insurer. No update.

5 Minutes of the Board meeting held on 28 August 2019

The minutes of the meeting held on 28 August 2019 were approved as a true record, subject to the following change:

Agenda Item 8(ii) Reactive Maintenance Contract

Some members were concerned at the approach taken to seeking approval prior to the meeting, however this had been discussed and agreed at the June Board meeting and most members had been given the opportunity to comment on the report, prior to approval by the Chair being sought.

CH

6 Matters Arising

None.

7 Board Actions

Members noted that the Chair had signed the assurance statement and that this had been submitted to the Scottish Housing Regulator.

It was agreed that the review of Board expectations re Board papers should be deferred to March 2020. **CI**

The Board requested that senior staff bring proposals for members of both Manor Estates and MEAL boards to meet to discuss initiatives and ambitions. **CI**

8 Minutes of Sub Committee or Subsidiary Meetings

8(i) MEAL Board 19 September 2019

In response to a question re the level of rent arrears written off, C Hughes confirmed that the level of debt had been affected by internal and external factors. The case referred to was the first dealt with in accordance with new legislation and internal procedures have been amended to reflect requirements. Members also noted that part of the delay was outwith the direct control of the Association.

In response to a question about landlord registration, C Hughes confirmed that the Association had received written confirmation that this was correct.

9 Matters for Approval / Decision

9(i) Mid-Year Budget Review

K Miller introduced the report that had been circulated previously, highlighting a number of key changes, and invited questions.

In response to a question regarding the assumption in respect of interest rate remaining the same as previously, K Miller confirmed that this was based on the Bank of England rate and had a very limited impact on the Association's accounts. It was agreed that this issue be considered in greater detail when reviewing the budget for 2020/21.

Following discussion, members approved the revised budget, proposed by A Clark and seconded by R Hutton.

9(ii) Policy Review – Tackling Domestic Abuse

C Hughes introduced the report that had been circulated previously, noting the changes that had been made since the Policy was first presented to Board in August 2019.

Following discussion, members approved the Policy, proposed by R Hutton and seconded by S MacPhee.

9(iii) Pensions Update

The Chair confirmed that he is a member of the SHAPS Employers Committee and outlined briefly the role that the Committee has.

K Miller then introduced the report that had been circulated previously.

In response to a question regarding why the Association offers 2 schemes, K Miller explained as follows: when members agreed that the CARE 1/70th scheme be introduced to replace the original final salary scheme, it was noted that this was an expensive option. It was agreed, therefore to offer a less expensive defined contribution scheme to enable as many members of staff as possible to benefit from a pension scheme and that this option be used for the required auto-enrolment process.

There was some discussion regarding why it is being proposed that future contributions need to increase when it is clear that the contributions being made to the deficit are having a positive impact on the level of the shortfall. K Miller explained that the costs of benefits going forward will increase, based on a number of assumptions over a 30-year period, including continued low interest rates.

Members noted that there should be a declaration of interest as 5 members of staff were present.

K Miller confirmed that staff would have to be consulted on any proposed changes to the pension scheme. She confirmed that previously, the approach has been to split costs 50/50 between employer and employee contributions, however it is for the Board to decide if this should continue.

A member remained concerned as to why there was a proposed increase over and above the ongoing deficit payments. N Hicks confirmed that payments at the current rate would not meet future costs as assessed on a number of revised assumptions and the proposed increase has nothing to do with the deficit.

In view of the potential conflict of interest, staff were asked to leave the meeting and did so at 6.25 p.m.

Staff returned to the meeting at 6.40 p.m. and the Chair advised as follows:

- Members agreed that the cost of increased contributions in respect of the CARE 1/70th scheme should be split 50/50 between employer and employee. **KM**
- Members requested that the Audit Committee carry out a review of pension options made available to staff by August 2020 and that this should include independent professional advice. **KM**

K Miller then talked members through options for a salary sacrifice scheme in respect of pensions, noting potential savings that could be achieved for the Association as well as for staff.

Members noted that it would be for the Board to decide how any savings achieved by the Association be used. Following discussion, it was agreed that decisions on how savings would be used be deferred until it is known what the rate of take-up has been.

In response to a question as to why the decision to offer a salary sacrifice scheme did not require Board approval, K Miller confirmed that this has no cost to the Association, does not affect staff terms and conditions and is similar to other salary sacrifice schemes, such as childcare vouchers.

It was agreed that the level of take-up would be reported to the Board in January 2020.

KM

9(iv) Membership Application

Members considered the report that had been circulated and approved the membership application.

10 Matters for Information

10(i) Quarterly Finance Update

K Miller introduced the report that was circulated previously.

Members requested that the mid-year budget review and quarterly finance update be combined as one report in future.

KM

Following discussion, members noted the report.

10(ii) KPIs

Members discussed the issue of satisfaction with the repairs service and in particular the number of tenants who respond 'Don't know', acknowledging that it is a requirement of the Scottish Housing Regulator that this option is included. A Hay confirmed that Novus is carrying out training with operatives to seek a better response rate to the surveys. The Association is also looking at different approaches to get better feedback on level of service, including working with other RSLs who use Novus and potentially working with ARCHIE members.

AH

Following discussion, members noted the report.

10(iii) Complaints

Members noted the report.

10(iv) Staffing Report

Members noted the report.

10(v) Planned and Cyclical Maintenance Programme – Update

A Hay introduced the report that had been circulated previously, noting that contracts are on track, with spend profiles being affected by timing issues.

Members noted the report.

10(vi) Corporate Plan / IMP – Mid-Year Review of Outcomes and Targets

C Ironside introduced the report that had been circulated previously, asking members to note her intention to review deliverables into more measurable targets that should enable more meaningful reporting to Board.

In response to a question about ARCHIE activity, C Hughes confirmed that there have been some early discussions about a potential debt advice service.

Members requested that contact be made with other ARCHIE members regarding potential joint Board training.

Members noted the report.

CI

10(vii) Service Charge Review

Members noted the report.

10(viii) Review of ARC Benchmarking Outcomes

C Hughes introduced the report that had been circulated previously.

A Hay drew members' attention to the disparity between figures reported in the KPI report and the ARC in relation to repairs completed 'right first time'. She confirmed that both are correct in the current reporting structure, but she will be working with Novus to try to bring these into alignment. A Hay also advised that she will be looking to work with ARCHIE members to review how others are dealing with these figures.

AH

Members noted the report.

10(ix) Treasury Management Update

Members noted the report.

11 Any Other Competent Business

(i) Request From MEAL to Advertise for Tenant Board Member

Following discussion, members approved that the MEAL Board could seek appointment of a tenant member.

CH

(ii) Position of Secretary

Members agreed that this position continue to be filled by a member of staff.

CI/CH

(iii) Freedom of Information

C Hughes confirmed that the Association has in place appropriate policies and procedures to deal with FOI requirements that affect RSLs from 11 November 2019.

(iv) Grenfell Enquiry

Members noted that the outcomes of the Grenfell enquiry have now been published. A Hay confirmed that assurance had been sought and received from the Association's external wall insulation providers at the time of the tragedy. Members also noted that the Association does not have any high-rise blocks.

A Hay advised that SFHA will be working with members regarding the outcomes of the enquiry and the Association will respond to any emerging issues.

Date and time of next meeting:

Wednesday 27 November 2019 at 5.30 p.m.

Christmas celebration with staff – light refreshments will be available from 4.00 p.m.

The meeting closed at: 19.30