

Present: Kath Mands (Chair), Ron Neave (Vice Chair), Paul Hocking and Denis Brown. The following joined via Video Conferencing: Gordon Edwards, Vicki Cutler and Andrew Black.

In Attendance: Barry Moore (CE), Marjorie Sloan (CSD) and Roz Clark (CSO).

The Chair welcomed everyone to the meeting.

20/08/1 Apologies Rhona McLeod.

20/08/2 Declarations of Conflicting Interests

No Member declared a conflicting interest.

The Chair explained the process that meetings would follow in future; highlighting, the Management Committee would be provided with a full set of papers from each Sub-Committee. The Chair explained that this would allow the Management Committee to review all recommendations being made by Sub-committees, particularly, as the overall responsibility currently remains with the Management Committee. The Chair highlighted that a number of reports were for noting only and therefore it was not expected to have the full discussion that takes place at the Sub-Committees unless there was an item which needed further clarification.

Audit, Finance & Risk Management Committee Reports

20/08/3 Minute of AF&RMC 12 August 2020

The Chair talked through the minutes.
Committee **noted** the minutes.

20/08/4 Internal Audit: Procurement

The Chair gave a summary of the Procurement Internal Audit.
Committee **noted** the Procurement Internal Audit Report.

20/08/5 Internal Audit: Reactive Repairs

The Chair gave a summary of the Reactive Repairs Internal Audit.
Committee **noted** the Reactive Repairs Internal Audit Report.

20/08/6 Internal Audit: Recommendation Compliance Monitor

The Chair gave a summary of the Internal Audit Recommendation Compliance Monitor.
A question was raised regarding recommendation 2 in the report as it was felt that the suggested checklist may not be as comprehensive as it should be. The CE confirmed that the recommendation was the minimum standard required and that additional measures would be included in the final procedure produced.
Committee **noted** the Internal Audit Recommendation Compliance Monitor.

20/08/7 Statutory Accounts : Year Ended 31 March 2020

The Chair of the AF&RMC highlighted that a full discussion had taken place at the meeting with the External Auditor providing a thorough and detailed report. The Chair emphasised that the External Auditors had stated that they had no concerns, that the Association had strong governance, were in a strong financial position and that no areas of material non-compliance had been identified. The Chair

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also noted that the External Auditor had also thanked Abertay staff for their assistance in conducting the Audit particularly with the restrictions that COVID-19 brought.

The CSD asked the Chair and Chair of the AF&RMC to sign the Report and Financial Statements for the year ended 31 March 2020 through the DocuSign link which had been sent to them and let her know when this had been done so that it could be submitted to the SHR.

Committee **approved** the submission of the Report and Financial Statements for the year ended 31 March 2020.

Committee **approved** the submission of the Letter of Representation.

Committee **noted** the Management Letter.

20/08/8 01 2020/21 Management Accounts

The CSD presented the report explaining that the decision required by the Management Committee related to the budget changes proposed in paragraphs 2.20 - 2.25.

Committee **approved** the budget changes set out at paragraphs 2.20 - 2-25 in the Report.

20/08/9 Risk Assurance Register

The Chair gave a summary of the Report.

Committee **noted** the Risk Assurance Register.

20/08/10 New Development Performance

The Chair gave a summary of the Report.

Committee **noted** the New Development Performance report.

Management Committee Meeting Reports

20/08/11 Committee Meeting 8 July 2020 and Tracker

The Chair presented the minutes of the meeting held on 8 July 2020. No amendments were proposed.

Approved. Proposed Denis, Seconded Ron.

The Chair presented the tracker.

20/08/12 Matters Arising

The CE gave an update in relation to the Reactive Repairs Contract at 20/07/15. He explained that as part of the 6-month extension negotiations it had been agreed to uplift costs to cover the additional costs relating to COVID-19. The CE stressed that the additional costs could be comfortably accommodated within the existing budget.

The CE gave an update on 20/07/5 explaining that remedial works had been carried out on the trees which were the Association's responsibility. It had been noted that some works were the responsibility of the Council.

20/08/13 Chair's Actions/Decisions between meetings

The Chair and the CE both confirmed that there had not been any Chair's Actions since the last Management Committee Meeting.

Committee **noted** the Chair's Actions report.

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20/08/14 Governance and Constitutional Matters

The CE talked through the report. He highlighted the importance of each of the three matters raised in the report: The Association's Rules and The SFHA Model Rules, The Annual General Meeting and Governing Body Member Appraisals. He explained that all recommendations had been discussed with the Association's Regulation Manager who had endorsed both the approach and recommendations on 21 July 2020.

The recommendations for consideration by Committee were to adopt the Model Rules at the AGM in 2021; subject to the three points raised in the report.

To note that 2020 Annual General Meeting would be held virtually and that the relevant report follows this report.

To approve that the Management Committee Member Appraisals are carried out after the AGM and after the delivery of Priorities 1-4 of The Governance Training Plan.

Members asked whether Shareholding Members would have the opportunity to vote at the AGM if they were attending virtually and it was confirmed that they would. All Shareholding Members had been asked to submit questions in advance of the meeting and they would be answered during the AGM. Any questions submitted during the meeting would be answered after the event and published for all Shareholding Members to view.

Members agreed unanimously to the recommendations presented in the report.

Committee **approved** the Governance and Constitutional Matters.

20/08/15 AGM Arrangements

The CSD reported that the AGM would take place on Wednesday 16 September 2020 at 1.00pm. The CSD explained that legislation passed due to COVID-19 allowed RSLs to carry out their AGMs virtually and therefore the decision had been made to hold the Association's AGM virtually. Due to the constraints this brought the AGM would cover business only this year.

The CSD reported that there were currently eight Members on the Management Committee, two owners but only one tenant. Therefore, there are vacancies for six members from any category and one tenant. There had been no nominations received by the deadline of 26 August 2020 and therefore no ballot was necessary.

The CSD explained that a third of Committee were required to retire and they may put themselves forward for re-election (Rule 39.1). Kath, Denis and Vicki agreed to stand down but have said that they are happy to stand for re-election.

The CSD explained that the Committee must satisfy itself that any Committee Member seeking re-election to the Committee after serving as a Committee Member for a continuous period in excess of 9 years can demonstrate their effectiveness as a Committee Member. Kath has more than nine years' service and therefore Committee must decide whether she can demonstrate continued objectivity and independent challenge. The CE confirmed to Members that this is the correct interpretation of the 'nine year rule' and it is not, nor never has been, the case that a Member can only serve nine years and no more.

Kath, The CSD and CSO were asked to leave the room by the Vice-Chair to allow Committee to hold a private discussion led by the Vice-Chair and Chair of the AF&RMC.

Kath, the CSD and CSO were asked to return to the meeting. Following a robust and frank discussion Committee had unanimously agreed that Kath had demonstrated continued objectivity and independent challenge and they fully endorsed her remaining on the Management Committee.

The CE highlighted that the aspirations to change the format of the AGM to include briefings by Managers was still the focus for 2021.

The Secretary confirmed to the Committee that Rules 62-67 have been followed during the year.

Committee **approved** the AGM Arrangements.

20/08/16 Five Year Financial Projections to SHR

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The CSD talked through the report highlighting that the Association is required to submit a Five Year Financial Projection Return to the SHR. The CSD talked through possible implications in future years highlighting that discussions with lenders would take place between the November 2020 and February 2021 Committees if required. Committee asked why the grant from the Scottish Government had reduced between Year 0 and Year 1. The CSD explained that last year's figure included Aspiring Communities Funding which was no longer available. Committee asked why the Bad Debt Write-Off figure had increased between Year 0 and Year 1. The CSD explained that the Association has budgeted for increased bad debt due to Universal credit, which has not materialised to date. However, more provision is likely to be required in 2020/21 than in previous years due to COVID-19. Committee **approved** the Five Year Financial Projections to SHR.

20/08/17 Audited Financial Statement Return to SHR

The CSD presented the report explaining the requirement to submit an Audited Financial Statement return to the SHR. She highlighted that whilst the period for submission had been extended to 31 December 2020 the Association did not need to take advantage of this as the Accounts had been prepared and were ready for submission.

Committee **approved** the Audited Financial Statement Return to SHR.

20/08/18 Income Report July 2020

The CE talked through the report highlighting that whilst it only covered the first four months of the financial year there were significant figures quoted. He reassured Committee that all aspects contained within the report were being monitored on a daily, weekly and monthly basis. He stressed that the Association could not only tolerate the figures quoted in the report but could also tolerate the worst case scenario. He highlighted that there would be risks to income streams over the coming months but that the scenario planning exercises and sensitivity and stress testing reports will give Committee the reassurance that the Association can tolerate the financial implications. He highlighted that rent arrears were likely to rise to over 3% in August/September and that the most significant figure related to legal action for rent arrears which was steadily increasing. On a more positive note, he reported that the engagement with tenants requiring assistance was good, highlighting that where possible tenants were making payments. The CE explained that following the meeting Committee would be provided with the SHR's COVID-19 Monthly Report for July which provided some stark data on the effect COVID-19 was having on the sector as a whole.

Committee **noted** the July Income Report.

20/08/19 Chief Executive's Appraisal (Report by Chair)

The Chair talked through the report highlighting that she, along with the Vice-Chair, would be carrying out the CE's annual appraisal on 15 September 2020. She explained that this was in line with Standard 6 of the Regulatory Framework and the Association's policy, which stipulated that the Chair and Vice-Chair carry out the Chief Executive's appraisal. The Chair asked all Committee members to pass any questions or comments relating to the CE's appraisal to her privately. Members asked whether there was a timeframe set out when the appraisal should take place. The Chair explained that the appraisal would normally be carried out in April of each year. The Chair further explained that at the CE's six month probationary review, which was carried out in January 2020, a date had been scheduled to carry out the appraisal in April 2020, as this would tie in with the Internal Management Plan objectives. However, due to the implications of COVID-19 there had been an obvious delay. The intention was to bring the Appraisal back in line next year when it would be carried out in April 2021. The CE highlighted that it was his expectation that a quarterly rather than six monthly reviews would be carried out.

Committee **noted** that the CE's appraisal would be carried out by the Chair and Vice-Chair on Tuesday 15 September 2020.

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20/08/20 Development Report: Finavon Street

The CE talked through the report. He anticipated this to be the last report relating to the construction of the development; however, he explained that there would be reports relating to the continuing financial aspects which would be presented to Committee in the future.

Committee **noted** the Finavon Street Report.

20/08/21 Development Report: Charleston

The CE reported that the Charleston Development was now work in progress. He was pleased to report that progress was already going well. He explained that a webcam would shortly be installed to show live pictures of the development as it progressed. There would also be adequate signage displayed around the site to ensure the publication of the partnership between Association, Dundee City Council and the Scottish Government. He reported that it was anticipated that the development could be completed within the 52 week programme, however this would be subject to both COVID-19 restrictions and adverse weather implications, both of which have the potential to delay completion.

Committee **noted** the Charleston Report.

20/08/22 Health and Safety Report

The CE talked through the report. He explained that Gas Safety had been presented in a separate report at the previous meeting. He highlighted that progress on electrical testing had not progressed as quickly as hoped due to COVID-19 restrictions. The CE informed Members that the Association would endeavour to accelerate progress by carrying out an additional tender exercise to increase the number of electrical inspections being carried out. A Member explained that it was recognised across the sector that there would be a delay in programmes and that this delay could continue for some time to come as access to properties remained an issue with a reluctance by tenants to allow access. The CE reported that the Association's Tenant Involvement Officer was carrying out very good work contacting all tenants on the planned maintenance programme to identify any issues relating to access. The Member highlighted the importance of recording this information. The CE confirmed that there were two aspects to recording the information, for compliance and for future tenant satisfaction data. He highlighted that from the data gathered to date there was still an apprehension by tenants to allow contractors access to their homes.

Committee **noted** the Health and Safety Report.

20/08/23 Operational Performance Report

The CSD talked through the report highlighting that some of the indicators were not as good as usual due to the effects of COVID-19. The ongoing complaints regarding Robertson would impact the complaints indicators once they had been resolved, significantly increasing the average time to resolve. The CSD talked through each indicator where targets had not been met. The CSD also highlighted areas where the Association was performing well, such as rent arrears. Committee asked if there was an apprehension by tenants to move into properties due to the current pandemic. The CE referred Committee to the SHA COVID-19 Monthly Report for July, as previously mentioned, which highlighted the effect COVID-19 was having on the Sector.

Committee **noted** the Operational Performance Report.

20/08/24 Procurement Quarterly Report

The CSD talked through the report explaining that at the time of the report being sent to Committee there had been no tenders over the value of £50k. A Member asked about a programme of painter works which would have been over the £50k value. It was explained that this was a contract which was over a 3-year period and had been procured some time previously. The CE commented that it is conceivable that between sending out the reports and the date of the Committee Meeting a tender

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could be received. With this in mind, the CE explained that a tender for the installation of the smoke alarms and heat detectors had recently been received and this would be the subject of a Chair's Action within the coming week.

Committee **noted** the Procurement Quarterly Report.

20/08/25 Value for Money Report

The CSD presented the report explaining that this was a new report and hence a report which had not previously been presented to Committee. The CSD explained that the report encompasses what is required in the English sector and information provided to Committee in other reports.

Committee **noted** the Value for Money Report.

20/08/26 Bad Debt Write Off

The CE talked through the report. He explained that it was likely that there would be an increase in the amount of write-offs in future due to the impact COVID-19 was having on tenants. He explained that the Association's primary aim was to assist tenants to remain in their homes and that eviction was always the last resort after all engagement and supportive measures had been exhausted.

Committee **approved** the write-off of the bad debt detailed in the report.

20/08/27 Acquisitions & Disposals

The CSD talked through the report highlighting that one property had been sold. The CSD explained that since the report had been sent to Members offers had been accepted on the two properties at Denhead Crescent. Due to the volatile nature of the property market, both offers had been accepted at £2,000 below the valuations.

Committee **noted** the Acquisitions & Disposals Report.

20/08/28 HR Policy Review: Attendance and Absence Management Policy

The CE explained that policies would be presented to the Management Committee and Sub-Committees in future. He stressed the importance of Management Committee receiving reports on all policies relating to the Association's activities.

The CE talked through the report highlighting that the policy needed to be clear and comprehensive. Committee asked whether it was vastly different from the previous policy. The CE confirmed that it was fundamentally different. He explained that each of the policies being presented at this meeting had been reviewed by the Association's solicitors. A Member enquired as to whether we have a retainer with our solicitors in respect of HR advice. The CE explained that whilst we had an HR Package with them we did ask them to carry out ad-hoc work such as policy or contract reviews. The CE explained that all policies reviewed since his arrival were referred to Version 1 in the footer to highlight that they had been comprehensively reviewed under his tenure as CE.

Committee **approved** the Attendance and Absence Management Policy.

20/08/29 HR Policy Review: Disciplinary Policy

The CE talked through the Disciplinary Policy explaining that it too had been comprehensively reviewed and amended. A Member noted the reference to health and safety failures. The CE explained that any such failures were likely to result in a conduct and/or capability issue and that procedures were in place to deal with both.

Committee **approved** the Disciplinary Policy.

20/08/30 HR Policy Review : Grievance Policy

The CE talked through the Grievance Policy highlighting the importance of staff being able to raise concerns. He stressed that all of the policies presented at the meeting were balanced to ensure the

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rights of the Association and the rights of staff were met, whilst assisting staff to carry out their duties effectively.

Committee **approved** the Grievance Policy.

20/08/31 Share Update

The CSO presented the report.

Committee **approved** the Share Update.

20/08/32 Committee Training Updates

The CSO gave an overview of scheduled training events and asked Committee Members to let her know of any Courses/Webinar or Events they may wish to attend. The Chair asked to be booked on to the SFHA Finance Virtual Conference taking place in November.

Committee **noted** the Training Updates.

20/08/33 SHR Communication and Correspondence

The CE talked through the report. He explained that he continued to speak with the Association's Regulation Manager on a regular basis and sent all relevant reports to him to ensure an open and transparent dialogue was maintained.

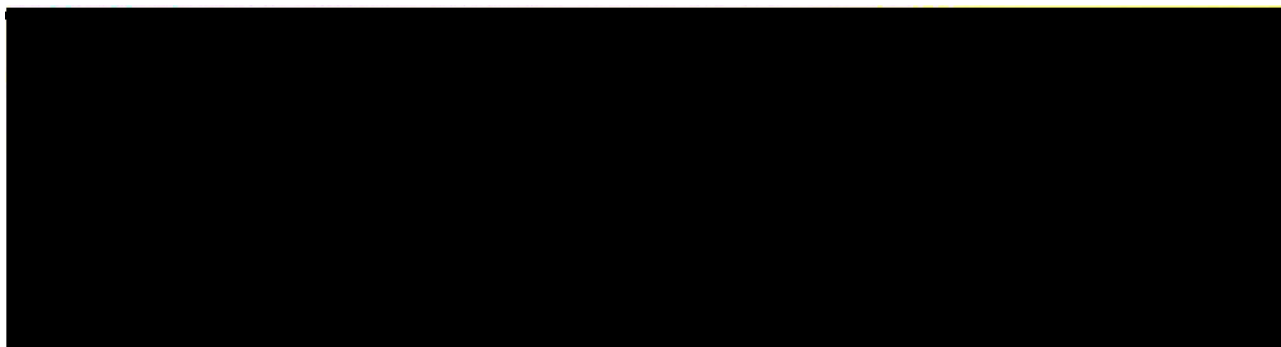
He apologised that the Notifiable Event he had submitted on gas servicing had not been mentioned in this report. He referred to the previous paper relating to Governance and Constitutional matters confirming that the Regulatory Manager was in agreement with the proposals set out in the report.

Committee **noted** the SHR Communication and Correspondence Report.

20/08/34 AOB

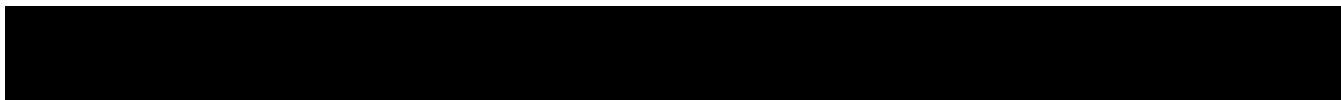
1. The CE proposed to convene a Management Committee meeting on Wednesday 30th September and that the meeting should be held virtually. The reason he wished to promote a virtual meeting was in relation to the uncertainty that COVID-19 restrictions could bring in the autumn/winter months and therefore it would be useful to have contingencies in place. He was aware that the meeting would require a hybrid approach with some participants preferring to attend in person. He explained that it would not be an extensive agenda however the meeting would be a long meeting as it will predominantly cover the Annual Assurance Statement.
2. The CE explained that following discussions with Managers he was preparing staff that a full return to the office was unlikely in the near future. Whilst it was anticipated that this would be disappointing news for staff it had been agreed that the phased rota return would continue for the foreseeable future, with each department ensuring that they would have cover in the office on a daily basis.
3. Notifiable Events

A confidential item in relation to a notifiable event to the SHR was discussed .



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4. A Committee member raised a concern relating to internal redecoration programme and the CE discussed this with the Member.

Meeting closed at 19.05