

ABERTAY HOUSING ASSOCIATION LIMITED

Minutes of the Board Meeting

Wednesday 23 February 2022 17:00

Present: Kath Mands (Chair), Ron Neave (Vice-Chair), Denis Brown, Paul Crichton and Alan Fraser. The following joined via Video Conferencing: Teresa Robertson.

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

22/02/01 Apologies

Ian Byers, Andrew Black and Vicki Cutler

The Chair welcomed everyone to the meeting.

22/02/02 Declarations of Conflicting Interests

No Member declared a conflicting interest.

Audit, Finance and Risk Management Committee Reports (AF&RMC)

22/02/03 AF&RMC Meeting 9 February 2022.

The AF&RMC Chair talked through the Audit, Finance and Risk Management Committee Reports. He explained that the Internal Auditor had been present at the meeting and provided detailed feedback on the audits reported at the meeting. All papers were approved by the Committee. However, there was one amendment to the Internal Audit Annual Plan where it was agreed that the payroll audit would be replaced by a budgetary control audit. The rationale for the change was provided to the full Board. The CSD confirmed that the revised plan had now been provided to the Association. Board **noted** the AF&RMC Meeting papers.

Board Meeting Reports

22/02/04 Minute of Committee Meeting 19 January 2022 and Tracker

The Chair asked for comments relating to the minutes of the meeting held on 19 January 2022. There were no amendments.

Approved. Proposed Paul Crichton, Seconded Denis Brown.

The CSD talked through the tracker and reported that the items relating to the Social Event, Budget Sensitivities and Annual Staff Salary Review would be complete following the February 2022 Board Meeting. She confirmed that the Remote Working Policy would be brought to the May 2022 Board Meeting.

22/02/05 Matters Arising

The CE reported that following receipt of the Annual Rent Review Survey responses he had personally written to each individual to thank them for their contribution and to answer any questions or issues they had raised. He explained that the rent review letters were being sent to tenants tomorrow, 24 February 2022.

22/02/06 Chairs Actions / Decisions between meetings

The Chair presented the Report, which was tabled at the meeting, in relation to the allocation of a property and the grant of a tenancy to an employee of the Association. The CE confirmed that the individual fully met the criteria by which RSLs can allocate housing and that the individual had no involvement or influence over the allocation's process. The Board were asked to ratify the Chair's Action.

Board **approved** the allocation and grant of a tenancy to an employee of the Association, noting that the name of the employee and address of the property would be entered on the Entitlements, Payments and Benefits Register.

22/02/07 Budget for 2022/23 and 30 Year Financial Plan

The CSD gave a comprehensive and detailed brief on the budget. The CSD highlighted that the decision relating to Agenda Item 22/02/08 could affect the budget, and that any consequential impact would be incorporated into the final budget. She talked through the updates which had been made since the November 2021 Board Meeting.

The CSD reported that all covenants were being comfortably met.

The CSD talked through the sensitivity analysis included at para 2.3.9 relating to the worst-case scenario on borrowing as requested at the previous meeting.

Board **approved** the Budget for 2022/23 and 30 Year Financial Plan.

The CSD and CSO then left the meeting.

22/02/08 Confidential Annual Staff Salary Review 1 April 2022

Prior to presenting the report the CE referred to the Minutes of the Board Meeting of 19 January 2022 and the pertinent minute appertaining to the Annual Staff Salary Review Report 1 April 2022.

The CE then discussed the additional information that was being provided by way of the report in hand. The CE informed Members that all the information was relevant to the Board making a decision, for, as was discussed at the January 2022 Board Meeting, it is not one particular piece of information that should dictate the decision. In making a decision which complies with Regulatory Standard 3, and in particular Regulation Guidance 3.6, it is an exercise for the Board to take based on the facts and circumstances pertinent to the Association; as it is for other Association's to make a decision based on the particular facts and circumstances to their Associations.

Due to the importance of this decision Members referred to and discussed each of the paragraphs in the report at length and had an extensive debate on all the facts and circumstances pertinent to the Association.

Once again, Members were very mindful of the impact the spiralling cost of inflation, the increase in fuel and the astronomical increase in energy costs will have on staff. Members also commented that what others have decided or will decide would not dictate what they will decide, it would assist them in making a decision.

Board **agreed** a staff salary increase of 5.4% which will take effect from 1 April 2022.

The CSD and CSO returned to the meeting.

22/02/09 Internal Management Plan: Quarter 3

The CE presented the report. The CE talked through the appendix in detail highlighting items of particular note.

Board **noted** the progress detailed in Internal Management Plan: Quarter 3.

22/02/10 Operational Performance Report KPIs: Quarter 3

The CE talked through the report and appendix. The CE highlighted Housing Services and, in particular, the excellent rent arrears performance figures. He reported that the lettings figures were returning to pre-Covid performance figures.

The Board asked for clarification on which disciplines were being targeted in the Board Recruitment plan. The CE explained that the Association would consider the following disciplines as a matter of priority: finance, audit, property development, property management and general business acumen.

The Chair discussed with Members the rationale behind succession planning and the importance of maintaining Board Membership at an appropriate number so as not to fall below seven Members. The CE also commented on the importance of proactive succession planning in respect of Office Bearers and the recruitment of Board Members.

There followed discussion on staff absences as the figures reported were relatively high. The CE explained that there had been a number of long-term absences, one in particular which was likely to last over twelve months, which distorted and had an adverse impact on the figures. The Board were reassured that absences were being managed in accordance with the Attendance and Absence Management Policy.

There followed discussion on whether the Association had set the rent collection target at the right level as 100% seemed difficult to achieve. The CSD reported that it was fair and manageable and had been achieved in most years pre-Covid.

Board **noted** the Operational Performance Report KPIs: Quarter 3 2021/22.

22/02/11 SHR Communication and Correspondence

The CE presented the report, highlighting that the Association had submitted the Health and Safety Survey Questionnaire as requested by the SHR. He thanked both the Chair and Vicki who had contributed to the submission, particularly as it was noted that health and safety was one of the SHR's highest priorities.

Board **noted** the SHR Communication and Correspondence.

22/02/12 Risk Management Tables: Quarter 3

The CE gave a comprehensive brief on the report and appendices. He talked through in detail the top ten most serious and significant risks highlighting which risks may move from the list and which risks will replace those removed.

There was discussion on IT training in particular relating to potential cyber-attacks. The CSD explained that the Association had cyber essentials accreditation and that all staff had undertaken training a few years ago. The CSD stressed that staff were extremely vigilant when it came to cyber security, however it was agreed that refresher training would be useful and would therefore be included in the Annual Training Plan for 2022/23. The CE explained that a Managers' Away Day was scheduled to take place on the 30 March 2022, at which the Risk Management Tables would feature on the agenda. The CE commented that this ensures that risk management principles are firmly embedded in the Association's culture.

Board **approved** the Risk Management Tables in respect of the top three risks within each department.

Board **approved** the ten most serious and significant risks to the Association.

22/02/13 Health and Safety Quarterly Report: Quarter 3

The CE talked through the report highlighting the five areas covered: Asbestos, Electrical, Gas, Legionella and Lifts. The CE gave an update on the Five Year Electrical Safety Checks which had a deadline of 31 March 2022 for completion. The CE reported that there were properties with access issues, which would not meet the deadline date. He explained that the Association was taking a similar approach to gas safety and, where access was continually denied, it might be necessary to force entry. The CE gave an update on gas safety highlighting the Association was 100% compliant.

The CE gave an update on the installation of the interconnected smoke alarms and heat detectors reporting that as at the time of the Board Meeting 11 properties were yet to be fitted with the interconnected devices. The CE stressed that all of the properties had smoke alarms and heat detectors fitted, just not interconnected ones. The CE informed Members that with regard to the 11

properties the issue related to lack of availability of specific devices, as the devices had to be of a specific type for they are also linked to the fire alarm.

Board **noted** the Health and Safety Quarterly Report: Quarter 3.

22/02/14 Rent Arrears Report: Quarter 3

The CE presented the report. The CE highlighted that the report showed that figures were reducing which was very reassuring and this was due to the exceptional work undertaken by the current rents team. The CE commented that the creation of the Income Team would allow staff within the Team to maintain this exceptional performance and indeed improve on it. He also stressed that the Income Team would be able to engage with tenants very early and provide appropriate advice and support, which would be paramount in the current financial climate and more so bearing in mind the competing financial challenges tenants will face in striving to make ends meet.

Board **noted** the Rent Arrears Report: Quarter 3.

22/02/15 Former Tenant Arrears Write-Offs: Quarter 3

The CE presented the report. He talked through the summary presented at 2.3 of the report highlighting that these represented figures which were very respectable in the sector.

Board **approved** the Former Tenant Arrears Write-Offs: Quarter 3.

22/02/16 Void Reasons for Termination of Tenancies

The CE presented the report. He explained that the report, which when presented for Quarter 4 would also include additional commentary on why tenants have terminated their tenancies. He stressed that the information gathered from tenants was extremely useful and indeed may be used to influence our strategic and operational objectives, for example future planned maintenance programmes.

Board **noted** the Void Reasons for Termination of Tenancies.

22/02/17 Void Rent Loss Report: Quarter 3

The CE presented the report. He highlighted paras 2.2.1, 2.2.2 and 2.2.3 which all confirmed the progress and good performance figures. Board asked for clarification on the void rent loss figures and in particular the adjustments made for the ARC. The CSD gave a detailed explanation and it was agreed that in future reports would include the explanation of any differences.

Board **noted** the Void Rent Loss Report: Quarter 3.

22/02/18 Tenant Allowances Report: Quarter 3

The CE talked through the report explaining the circumstances and reasons for the payment made during the quarter. He stressed that parts for heat source pumps can be notoriously difficult to source and with the green agenda in mind reported that issues such as this would continue to be problematic. There followed discussion on the volume of heat source pumps fitted in properties. This information would be provided to Board at the next meeting.

Board **noted** the Tenant Allowances Report: Quarter 3.

22/02/19 Procurement Quarterly Report: Quarter 3

The CSD talked through the report. The CSD highlighted that the Association had carried out one regulated procurement during the quarter which fell within the Association's Procurement Strategy and Policy. The CSD reported it was the award of an internal works contract to fit 15 bathrooms and 17 kitchens. The CE explained that planned maintenance works were key to highlight to tenants the investment being made in properties and the engagement work being carried out by the Tenancy Involvement Officer would assist in this respect.

Board **noted** the Procurement Quarterly Report: Quarter 3.

22/02/20 Confidential Development Report: Charleston

The CE gave a comprehensive brief on the completion of the Charleston Development and highlighted the significance of this very important milestone. The CE was delighted to report that all properties had been handed over to the Association. The CE stressed that the significance of the successful delivery of this development should not be underestimated both in terms of our strategic objectives and also in terms of our financial capacity. The final account would be presented to the Board in May 2022. He reported that throughout the project the SHR had been kept updated on progress and that they had been informed that the Association had reached this significant milestone successfully.

Board **noted** the Charleston Development Report.

22/02/21 Confidential Development Report: Finavon Street

The CE gave an update on the final account relating to the completion of the Finavon Street Development. He explained that the Board would receive a final report relating to the financial aspects associated with the sprinkler system at the May 2022 Board Meeting.

Board **noted** the Finavon Street Development Report.

22/02/22 Acquisitions and Disposals

The CSD presented the report and talked through the progress of the two properties sold and one currently on the market. The property at 1/L 15 Denhead Crescent had a revised date of entry of 24 February 2022. The property at G/L 15 Denhead Crescent originally had an entry date of 18 February however, this was now pending. The property at G/R 14 Denhead Crescent was currently on the market and to date the Association had received 6 offers. A closing date had been set of 25 February 2022. The CE talked through the Association's plans in relation to acquisitions and disposals.

Board **noted** the Acquisitions and Disposals Report.

22/02/23 Corporate Governance Policy Review: Procurement Strategy

The CSD reported that each year the Procurement Strategy has to be reviewed before the start of the financial year. She reported that there were no significant changes proposed since the Strategy had last been approved in March 2021.

Board **approved** the Procurement Strategy.

22/02/24 Corporate Governance Policy Review: Board Expenses Allowance Rates

The CSD talked through the Policy highlighting that the appendix relating to expenses and allowances is reviewed annually. The CSD explained that the proposed increase to the majority of the rates was 3.1% in line with CPI inflation for September 2021. She talked through the exceptions relating to the Loss of Earnings and Mileage allowance. It was noted that the current Loss of Earnings rate was in fact below the minimum wage and therefore it was agreed that this would need to be reviewed and amended.

Board **approved** the Board Expenses Allowances Rates.

22/02/25 Corporate Governance Policy Review: Gifts and Hospitality

The CE talked through the Policy highlighting that it was now due for review. He explained that there were no significant changes.

Board **approved** the Gifts and Hospitality Policy.

22/02/26 Corporate Governance Policy Review: Share Membership

The CSD talked through the Policy highlighting that it was now due for review. She reported that it had been renamed for clarity and to avoid any confusion with the Board Membership.
Board **approved** the Share Membership Policy.

**22/02/27 Human Resources Policy Review: Secure Handling, Use, Storage, Retention
Destruction of Disclosure Information**

The CSD talked through the Policy highlighting that it was now due for review. It was noted that as the Association receives disclosure information on certain employees the Policy had been based on the Disclosure Scotland sample policy. The policy had been updated to reflect current guidance and would be distributed to all staff once agreed by the Board.

Board **approved** the Secure Handling, Use, Storage, Retention and Destruction of Disclosure Information Policy.

22/02/28 Human Resources Policy Review: Recruitment and Selection

The CSD talked through the Policy highlighting that it was now due for review. A discussion had taken place between Teresa and CSO relating to Exit Interviews and it had been suggested that a minor amendment be made to the paragraph and placing of it within the Policy. It was agreed that this small amendment would be made but that there would be no requirement to bring the Policy back to the Board for approval. The policy had been updated to reflect current guidance and would be distributed to all staff once agreed by the Board.

Board **approved** the Recruitment and Selection Policy.

22/02/29 Human Resources Policy Review: Staff Training and Development

The CSD talked through the Policy highlighting it was now due for review. The policy had been updated to reflect current guidance and would be distributed to all staff once agreed by the Board.

Board **approved** the Staff Training and Development Policy.

22/02/30 Human Resources Policy Review: Remote Working Policy

It was agreed that the Policy would be brought to a future Board Meeting.

22/02/31 Human Resources Policy Review: Lone Working Policy

The CSD talked through the Policy highlighting that it was now due for review. A discussion had taken place between Teresa and the CSO relating to the provision of taxis for staff who may be required to work late in the evening. The CE confirmed that this was standard practice with certain providers in the care sector and confirmed that, should it be necessary, the Association would make arrangements, however the instances were likely to be extremely rare. It was agreed that if a small amendment to the policy was required there would be no need to bring the Policy back to the Board for approval. The policy had been updated to reflect current guidance and would be distributed to all staff once agreed by the Board.

Board **approved** the Lone Working Policy.

22/02/32 Human Resources Policy Review: Flexible Working Policy

The CSD talked through the Policy highlighting that it was now due for review. A discussion had taken place between Teresa and the CSO which clarified a few points, none of which required a change to the policy. The policy had been updated to reflect current guidance and would be distributed to all staff once agreed by the Board.

Board **approved** the Flexible Working Policy.

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22/02/33 Committee Training Updates

The CSO presented the report. Committee **noted** the Committee Training Update.

22/02/34 AOB

The CE reported that the planned Asset Management & Development Committee Meeting (AM&DC) would be rescheduled from 27 April to Tuesday 26 April 2022. All Board Members would be invited to attend. It was noted that should the revised date not suit the majority it would be rearranged.

Meeting closed at 19:00hrs.