

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

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

22/05/01 Apologies

Andrew Black

The Chair welcomed everyone to the meeting.

22/05/02 Declarations of Conflicting Interests

No Member declared a conflicting interest.

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

22/05/03 AF&RMC Meeting 11 May 2022: AF&RMC Chair's Briefing to Board

The AF&RMC received the Internal Audit of Fire Safety which received Full Assurance. They also received the Internal Audit Annual Report which concluded that Abertay Housing Association has an adequate and effective framework for risk management, governance and internal control, which is the highest assurance opinion given. There were 7 Audits undertaken in 2021/22, all of which received Full Assurance. 10 priority 3 recommendations were made.

AF&RMC considered the Management Accounts to 31 March 2022 which will form the basis for the statutory accounts. The Management Accounts show an underspend of £847k for the year. However, there was an underspend of £839k on the component element of planned maintenance which is allocated to the Statement of Comprehensive Income.

In terms of fire safety and prevention, in addition to the Internal Audit, the AF&RMC also received the report on the Fire Risk Assessments and the report on the Interlinked Smoke Alarms and Heat Alarms.

AF&RMC agreed the Privacy and Data Protection Policy and recommend it to the Board for approval. Finally, the AF&RMC report to the Board was considered which sets out the work carried out by AF&RMC during the year and includes an AF&RMC Self-Assessment checklist.

Board **noted** the AF&RMC Meeting papers.

Board **approved** the Privacy and Data Protection Policy.

Board Meeting Reports

22/05/04 Minute of Committee Meeting 23 February 2022 and Tracker

The Chair asked for comments relating to the minutes of the meeting held on 23 February 2022. There were no amendments.

Approved. Proposed Ron Neave, Seconded Paul Crichton.

The CSD talked through the tracker and reported that the items relating to the Board Away Evening, Budget Sensitivities and Annual Staff Salary Review were complete and would be removed from the tracker. The CE reported that the majority of updated Policies would be presented to Board between meetings during the current year to avoid agendas from becoming too lengthy.

22/05/05 Matters Arising

The CE provided an update relating to Agenda Item 22/02/18 confirming that there were 62 properties which were fitted with air source heat pumps. The CSD responded to a question relating to Agenda Item 22/02/24 explaining that there had been a minor amendment made to the Board Expenses Allowance Rates to reflect the Living Wage Foundation's UK Living Wage. Board asked if EVH had

announced the salary increase for 2022/23 and it was confirmed that a 4.1% increase had been agreed.

22/05/06 Chair's Actions / Decisions between meetings

The Chair presented the Report and confirmed there had been no Chair's Actions since the previous Board Meeting on 23 February 2022.

Board **noted** the report.

22/05/07 Internal Management Plan: Quarter 4

The CE presented the report. The CE talked through the appendix in detail highlighting that the plan had been very ambitious and aspirational and he was absolutely delighted with the progress made. He talked through items of particular note explaining that action complete items highlighted in red would be removed. The exception to this was the Board Portal, which would remain on the Plan for 2022/23 in a different form. A summary of the items to be removed had been provided at Appendix 2. The Chair of AF&RMC asked whether a report could be produced relating to the surplus, as discussed at the AF&RMC Meeting, to fully explain the impact to cash flow, future planned maintenance in order to put the sum into context. The CE and CSD agreed and confirmed that they would provide commentary within the report that accompanies the statutory accounts.

There followed discussion on the many challenges which the Association will face over the coming year in relation to the increased costs associated with all maintenance expenditure, development costs, spiralling inflation and the significant increases in fuel and energy.

The Chair, on behalf of the Board, thanked all staff for their hard work. The CE stressed that it was a team effort with the Board playing a major part in the Association's significant success.

Board **noted** the progress detailed in the Internal Management Plan: Quarter 4.

22/05/08 Operational Performance Report KPIs: Quarter 4

The CE talked through the report and appendix. The CE stressed that the effects of Covid-19 had affected the quarter performance and year-end performance; however, they were much improved on the previous year.

The CE highlighted the Board and AF&RMC attendance rates, which were exceptional.

The CE highlighted Housing Services and, in particular, the excellent rent arrears performance figures. He talked through the Former Tenant Arrears Write-Offs explaining the correlation between this figure and the rent arrears.

The CE highlighted that the high percentage of new tenancies sustained for more than a year assisted the Association with its Asset Management Strategy.

The CE reported a minor amendment to the number and percentage of properties in the scope of SHQS that met the standard. The figure should read 1,537 and 83.22%.

Board **noted** the Operational Performance Report KPIs: Quarter 4.

22/05/09 Annual Report on the Charter

The CSD presented the report and talked through the appendixes.

The CSD talked through the ARC Desktop Validation that had been carried out by Scotland's Housing Network in which they had raised seven queries. The response from the Association as to how they would be addressed was also included as was a proposed change identified internally relating to Indicator 16.

The Chair asked for clarification on Query 4 relating to SHQS electrical testing and in particular, if there was a point at which the Association would no longer pursue access. The CSD explained that the Association would always try to gain access. The CE explained that the worst-case scenario would be to seek a court order to gain access but stressed that this generally was not required.

There followed discussion on tenant satisfaction with the CE highlighting that electrical heating and air source heat pumps were the main reasons for tenants reporting that they were very dissatisfied. The Board thanked the Management Team and staff for their hard work.

Board **approved** the submission of the ARC Return to the SHR by the Corporate Services Director.

22/05/10 Internal Management Plan 2022/23

The CE presented the report highlighting the purpose of the report was to seek Board Members' approval to adopt the Internal Management Plan for the Financial Year 2022/23. He highlighted para 2.2 and 2.3 explaining that additional Objectives and Actions had been added this year. He gave a comprehensive brief on the Appendix including further detail on the additional Objectives and Actions that had been incorporated. The CE explained the importance of the IMP highlighting that it was embedded into the ethos of the Association. This was reinforced at the recent Managers' Away Day where the focus was on progress and performance.

Board asked for clarification on the involvement the Association's Solicitor in a review of recruitment. The CE explained the rationale was to ensure the Association had definitive guidance on what we could legally ask of current and future employees and what information could be retained.

Board **approved** the Internal Management Plan 2022/23.

22/05/11 Operational Performance Report KPIs: 2022/23

The CE presented the report highlighting the purpose of the report was to seek Board Members' approval to adopt the Key Performance Indicators for the Financial Year 2022/23. He talked through the new KPIs which had been included for this year.

In respect to the Asbestos KPI a Member asked why there was no specific target set; the Member commented on the obligation with respect to communal areas. The CE reported that there was no target set against this particular KPI as the Asbestos Register was continuously referred to and updated as we carried out removal or encapsulating works. With regard to communal areas, the CE commented that he would confirm the position at the Board Meeting in August 2022.

Board **approved** the Operational Performance Report KPIs: 2022/23.

22/05/12 Five Year Financial Projections Return to SHR

The CSD talked through the report and appendix.

Board **approved** the Five Year Financial Projections Return to SHR and asked the CSD to submit it to the SHR.

22/05/13 Loan Portfolio Return to SHR

The CE talked through the report and appendix. The return reflects the position on loans and covenants as reported to AF&RMC on 11 May 2022.

Board **approved** the Loan Portfolio Return to be signed by the Chair and for the Corporate Services Director to submit it to the SHR.

22/05/14 SHR Communication and Correspondence

The CE presented the report, highlighting that the Association had notified the SHR that the Association had taken handover of the final two properties at Charleston and had agreed the final account for the development. An invitation to the formal opening had been sent to the SHR on 4 April 2022.

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

22/05/15 Business Continuity Strategy

The CSD talked through the report highlighting that the Strategy had last been reviewed in February 2018 and therefore was now due to be reviewed.

Board asked if there was a quick guide available which provided details of who does what in the event of a catastrophic event. The CE confirmed that there was a suite of documents available but that a quick guide would be put together to assist.

Board **approved** the Business Continuity Strategy.

22/05/16 Standing Orders

The CSD talked through the report highlighting that the Standing Orders were last approved in May 2018 and are now due to be reviewed. They had been updated for revised terminology and to comply with the Association's Rules.

Board **approved** the adoption of the revised Standing Orders.

22/05/17 Confidential Development Report: Charleston

The CE talked through the report highlighting that Charleston had been the Association's key strategic objective during a particularly difficult time. The CE talked through para 2.6, 2.6.1 and 2.6.2 stressing that it was most pleasing that the additional costs had not only been realistic but that the burden of the pandemic had been shared between the Association and Contractor. The CE informed Members that a claim for additional grant had been submitted to the Scottish Government and that he would update Members when a decision had been made in this respect.

Board asked whether the CE would consider working with the same Contractor again for future developments and he stated that the relationship between the Association and Bancon had been very positive and therefore he would have no reservation in considering them in the future.

There followed discussion on the final accounts and the CE confirmed that as snagging had, to date, been minimal he did not envisage any issues in relation to retention payments. He confirmed that a Development Satisfaction Report would be presented to the Board in August 2022.

Board **noted** the Charleston Development Report.

22/05/18 Confidential Development Report: Finavon Street

The CE gave an update on the final account relating to the completion of the Finavon Street Development. He stressed that from his perspective this development had been the most challenging of his career to date. He talked through the difficulties faced by the Association in relation to the contractor. The CE was delighted to report that the Association had managed to secure additional funding from Dundee City Council's Health and Social Care Partnership and the Scottish Government in relation to the costs associated with the Fire Suppression System. The CE confirmed that the Association was holding a relatively small retention which Robertsons would receive once they had completed all remaining works. He confirmed that this would be the final report presented to Board on the Finavon Street Development.

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

22/05/19 Acquisitions and Disposals

The CSD presented the report and talked through the three sales since the last meeting.

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

22/05/20 Risk Management Tables: Quarter 4

The CE gave a detailed brief on the report and appendices. He talked through in detail the top ten most serious and significant risks, highlighting which risks would be removed from the list and which

risks will replace those removed. He confirmed that the updated list would be presented to Members at the August 2022 Board Meeting.

The CE asked Board for clarity on how they would like the report to be presented in future. Following discussion, it was agreed, that at every August Board Meeting the Board would be presented with the full Risk Management Tables and thereafter only the top 10 serious and significant risks would be presented at all other quarterly meetings.

The CE reported that risk management principles were firmly embedded in the Association's culture and this had been reinforced at the recent Managers' Away Day.

Board **approved** the Risk Management Tables: Quarter 4.

Board **approved** the Report scheduling for full Risk Management Tables to be presented in August 2022 and the top 10 serious and significant risks at all other quarterly meetings.

22/05/21 Health and Safety Quarterly Report: Quarter 4

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 explaining that the work to achieve full compliance would continue. The effect of catching up on checks over the last two years coupled with checks for the coming year was having an impact on the Association and because most Associations, if not all, were in a similar position this was having an impact across the housing sector.

Board asked which Contractor was carrying out the checks and the CE confirmed that Association had engaged three Contractors in order to expedite the checks as quickly as possible. He agreed to provide the details of the Contractors to Board.

The CE gave an update on gas safety commenting that with regard to next year's ARC there would be one property that would be notified in the ARC as being non-compliant. He explained the circumstances of the case to Board.

Board **noted** the Health and Safety Quarterly Report: Quarter 4.

22/05/22 Rent Arrears Report: Quarter 4

The CE presented the report. He highlighted that the report showed excellent progress. It was expected that this would continue in 2022/23 with the work which will be done by the newly formed Income Team. The CE referenced para 2.2.2.1 explaining that future reports would provide details from previous years in order to provide contextual comparisons. The CE reiterated the difficult task ahead for those tenants who would be struggling in the current financial climate but stressed that the Income Team would be working with them to offer support and assistance.

Board asked how long it was taking cases to reach Court. The CE explained that as the Coronavirus (Scotland) Acts (Early Expiry of Provisions) Regulations 2022 had only removed the extended time periods on 30 March 2022 it was too early to confirm.

Board **noted** the Rent Arrears Report: Quarter 4.

22/05/23 Former Tenant Arrears Write Offs: Quarter 4

The CE presented the report. He talked through the summary presented at 2.3 of the report highlighting that there was no proposal to write-off any cases in Quarter 4.

Board **noted** the Former Tenant Arrears Write Offs: Quarter 4.

22/05/24 Voids Reasons for Termination of Tenancies

The CE presented the report. He highlighted paras 2.1 and 2.1.1 and the Appendix which provided further detail on terminations including pertinent year end comments.

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

22/05/25 Void Rent Loss Report: Quarter 4

The CE presented the report. He highlighted paras 2.1, 2.2.1, 2.2.2 and 2.2.3 which all confirmed the progress and excellent performance figures.

The Chair of AF&RMC asked if it would be possible to receive a report comparing rental income with rent due adjusted for voids. The CE confirmed that this would be provided as part of the Income Report to AF&RMC.

Board **noted** the Void Rent Loss Report: Quarter 4.

22/05/26 Tenant Allowances Report: Quarter 4

The CE presented the report confirming that there had been no payments made during the Quarter.

Board **noted** the Tenant Allowances Report: Quarter 4.

22/05/27 Procurement Quarterly Report: Quarter 4

The CSD talked through the report. The CSD highlighted that the Association had carried out four regulated procurements during the quarter which fell within the Association's Procurement Strategy and Policy. The CSD talked through the appendix confirming that three were for Lots relating to the Open Space Maintenance Contract and the final was for the stair and communal areas cleaning contract.

Board **noted** the Procurement Quarterly Report: Quarter 4.

22/05/28 Procurement Strategy Annual Report

The CSD presented the report explaining that in accordance with the Procurement Reform (Scotland) Act 2014 Section 18 the Association had produced its annual procurement report. She talked through the regulated procurements carried out during 2021/22 and the proposed regulated procurement scheduled for 2022/23. She highlighted that the annual procurement report would be published on the Association's website.

Board **approved** the Procurement Strategy Annual Report.

22/05/29 Complaints Annual Report

The CSD presented the report explaining that as a Registered Social Landlord, the Association was required to comply with the Scottish Public Services Ombudsman Model Complaints Handling Procedure and as such were to produce an Annual Report on complaints. She explained that to comply with the Guide the report would be published on the Association's website.

Board **noted** the Complaints Annual Report.

22/05/30 GDPR & FOI Annual Report

The CSD presented the report and gave details of data protection breaches, Subject Access Requests and Freedom of Information Requests received or dealt with during 2021/22. She gave an update on the Data Protection Officer service which was now provided through an agreement between RGDP and SFHA which meant that as members of SFHA we received their services at a discounted rate.

Board **noted** the GDPR & FOI Annual Report.

22/05/31 Gifts and Hospitality Annual Report

The CE talked through the report highlighting that the Board were to be presented with an Annual Report each May providing details on the value of gifts and hospitality given and received during the year.

He provided details highlighting that all pertinent information had been noted on the Register.

Board **noted** the Gifts and Hospitality Annual Report.

ABERTAY HOUSING ASSOCIATION LIMITED

Minutes of the Board Meeting

Wednesday 25 May 2022 17:00

22/05/32 Entitlements, Payments and Benefits Annual Report

The CE talked through the report and confirmed that all names and pertinent information had been noted on the Register.

Board **noted** the Entitlements, Payments and Benefits Annual Report.

22/05/33 Corporate Governance: Health and Safety Policy Statement

The CE talked through the report highlighting that it covered the Policy Statement only. He sought approval from Board Members for the Chair and him to sign and date the Statement on behalf of the Board.

Board **approved** The Health and Safety Policy Statement and consented to the Chair and the Chief Executive signing and dating the Statement on behalf of the Board.

22/05/34 Share Update

The CSO presented the report.

Board **approved** the updates to the Share Membership Register.

22/05/35 Board Training Updates

The CSO presented the report. Board **noted** the Board Training Updates.

22/05/36 AOB

There was no AOB.

Meeting closed at 19.15hrs.