

## ABERTAY HOUSING ASSOCIATION LIMITED

Minutes of the Board Meeting

Wednesday 30 November 2022 17:00

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

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

### **22/11/01 Apologies**

Darren Keddie, Ian Byers and Kevin Braidwood.

The Chair welcomed everyone to the meeting.

### **22/11/02 Declarations of Conflicting Interests**

No Member declared a conflicting interest.

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

### **22/11/03 AF&RMC Meeting 9 November 2022**

The Chair of the AF&RMC talked through the report and provided an update regarding the appointment of the Internal and External Auditors. He also talked through the Internal Audits which had been carried out and was pleased to confirm that they had both received Full Assurance. He talked through the Treasury Management Policy recommending it for approval by the Board.

Board **noted** the report.

Board **approved** the Treasury Management Policy.

## **Board Reports**

### **22/11/04 Minute of Board Meeting 26 October 2022 and Tracker**

The Chair asked for comments relating to the minutes of the meeting held on 26 October 2022. There were no amendments.

Approved. Proposed Denis Brown, Seconded Kath Mands.

The CSD talked through the tracker and reported that a number of policies had been added following the previous meeting. She confirmed that further details of the Board Evening Event would be provided by the CSO in due course.

### **22/11/05 Matters Arising**

Board Meeting 26 October 2022

The CE provided an update relating to the five year electrical safety inspections, reporting that as of today, 60 electrical checks were outstanding. He assured the Board that these would be complete by 31 March 2023.

There were no matters arising.

### **22/11/06 Chair's Actions / Decisions between meetings**

The CE presented the report and confirmed there had been no Chair's Actions since the previous Board Meeting on 26 October 2022; the Chair confirmed this to be the case.

Board **noted** the report.

### **22/11/07 Annual Rent Review**

The CE presented the report. He highlighted the Cost of Living (Tenant Protection) (Scotland) Act, which had been passed by the Scottish Government in October 2022, which temporarily 'freezes' social, and private, sector rents. The statutory provision freezes rents up to 31 March 2023 and also

makes provision for the freeze, or a rent cap, to be extended beyond the 31 March 2023. Whilst the Scottish Government have stated that they will make a decision in this respect prior to 14 January 2023, the Association has a legal obligation to consult with tenants and to provide them with one month's notice of its intention to increase the rent, and hence we must progress with the consultation in December 2022.

The CE talked through rent affordability, and it was proposed that the Association would apply a rent freeze for any properties where the increase would bring the rent above the Local Housing Allowance.

The CE talked through the updated table at 2.10.3 which members had been provided with prior to the meeting. He highlighted the importance of stressing to the Scottish Government that should the Association be allowed to increase the rent at a figure below inflation this would in no way meet the additional costs already being incurred by the Association in relation to the delivery of its strategic and operational objectives. Whilst the additional income in 2023/24 would assist, the real benefit to the Association is by way of the cumulative effect over the life of the 30 Year Financial Plan.

The CE talked through the Appendix which provided detail of percentage increases for the past nine years for the Scottish average and for the Association's peer group.

The Board asked for clarification on para 2.10.3 in relation to the rent increases particularly for those considering a 0% - 4% rent increase. The CE and CSD highlighted those were likely to be Local Authorities whilst the 4% - 11.1% were more likely to be RSLs, however as the information from the Scottish Housing Network was anonymous, this could not be confirmed.

The CE talked through the rationale behind the proposed increase and the consultation process. The Board asked whether the proposed consultation and rental increase is compliant with the regulatory standards and the CE confirmed that it was.

There followed discussion on the impact the proposed rental increase would have on the planned maintenance programme. The CE and CSD confirmed that the Association is currently working through scenarios which included looking at increasing the lifespan of components, amongst other things. The CE highlighted that a Board Away Day focussing solely on the Asset Management Strategy was being planned for 2023.

There followed comprehensive and robust discussion on the factors which needed to be considered with the Board recommending that tenants are consulted on 5.4% and 7% increase to allow the Association to carry out its strategic and operational objectives. It was noted that any rent cap imposed by the Scottish Government would be respected and would limit the Association's final decision.

The CE highlighted that the rent consultation would include a letter from him which would stipulate that the consultation was subject to a decision of the Scottish Government in this respect and provide a statement of the Association's intention to invest in properties in respect of energy efficiency aspects, new bathrooms, kitchens, etc. This would provide tenants with the reassurances that the Association is investing in their homes.

Board **agreed** that the Association consults with tenants on whether they would prefer:

(a) A rent rise of 5.4% to assist in carrying out the objectives set in our Business Plan; focusing on energy efficiency aspects, and kitchen and bathroom replacement programmes; or

(b) A rise of 7% to carry out all of (a) above, plus to assist us with increasing the investment in our planned maintenance programme.

Board **noted** that the results of the consultation with tenants will be reported to them on 1 February 2023 when the final decision on the rent increase must be made.

Board **agreed** that the rent increase on properties be restricted as set out at 2.6.3 on affordability grounds.

The CSD and CSO left the meeting.

### **22/11/08 2022 Confidential Annual Staff Salary Review**

Members recognised that the report was an initial report presented for information and discussion, that a further, more comprehensive report would be provided at the Board Meeting on 1 February 2023 and hence no decision was required to be made.

Due to the importance of the decision Members will make in February 2023, Members referred to and discussed each of the paragraphs in the report and had an extensive debate on all the facts and circumstances pertinent to the Association. Once again, as with last year, 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 at the February 2023 Board Meeting.

[REDACTED]

Board **noted** the Annual Staff Salary Review.

The CSD and CSO returned to the meeting.

### **22/11/09 Internal Management Plan: Quarter 2**

The CE presented the report and talked through the appendix in detail. He highlighted Objective 2 Action 5 relating to the Annual Assurance Statement confirming that the Association had, in accordance with the SHR's direction, included information relating to equality and human rights as well as the situation in respect of electrical certification compliance.

The CE confirmed that a Health and Safety Steering Group Meeting would take place in December 2022. He stressed that health and safety was being given the significant attention it required; which is evidenced by the health and safety related reports provided to Board.

The Board asked for an update on Objective 49 Action 58 in relation to fuel poverty. The CE gave an overview of the role of the Tenancy Sustainment Officer (TSO). The Board asked for clarification on how those in fuel poverty were identified. The CE explained that the TSO worked within the Income Team and therefore was on hand to deal with any cases which had been identified as requiring assistance. The CE explained that there were themes running through the schemes which were being

identified, for example all tenants who were housed in properties with electrical heating or air source heat pumps could be classified as being in fuel poverty due to the significant increase in electricity costs. The CE commented that the previous Tenant Satisfaction Survey, which was carried out prior to the pandemic, electrical heating was the most significant cause of dissatisfaction and considering the significant increase in inflation and the increase in the cost of electricity, this dissatisfaction will have increased and not decreased. The CE explained this is one of the reasons why the rent consultation would include the Association's intentions in respect of energy efficiency.

Board **noted** the Internal Management Plan: Quarter 2.

#### **22/11/10 Operational Performance KPI's: Quarter 2**

The CE talked through the report and appendix. He reiterated that the IMP and KPIs combined provided Board with a comprehensive understanding of how the Association was progressing and performing. He highlighted that in relation to Income Management the Association was in the top quartile and reiterated the excellent performance by the Income Team.

There followed discussion on lettings with a Board Member asking for clarification on why a new tenant may be very dissatisfied. The CE gave examples of dissatisfaction and gave a specific example where the new tenant may not be satisfied that the bathroom or kitchen isn't due for replacement for a number of years.

Board **noted** the Operational Performance KPI's: Quarter 2.

#### **22/11/11 SHR Communication and Correspondence**

The CE reported that the SHR had been provided with the Confidential Employee Settlement Agreement Report following its approval by Board in August 2022. There had been no other communication or correspondence.

Board **noted** the Communication and Correspondence.

#### **22/11/12 Risk Management Table: Quarter 2**

The CE talked through the report and provided an update on the ten most serious and significant risks. He reported that should the Scottish Government impose a rent freeze this would be added to the list as it was potentially the most serious and significant financial risk to the Association. If that were the case development would be removed from the ten serious and significant risks.

There followed discussion on the Planned Maintenance Programme with Board asking if the programme was still on track to be complete by March 2023. The CE confirmed that progress was being made with roof, window, kitchen and bathroom programmes and that he was personally monitoring progress so as to ensure that the programme is delivered.

Board **approved** the Risk Management Table: Quarter 2.

#### **22/11/13 Health and Safety Quarterly Report: Quarter 2**

The CE talked through the report highlighting the five areas covered: Asbestos, Electrical, Gas, Legionella and Lifts. He provided an update on the Five Year Electrical Safety Checks as outlined in paras 2.2 - 2.2.7 confirming that 125 of the 185 had been tested and for the current year 144 had been tested. The CE commented that Agenda Item 22/11/23 presents a new policy to Board: Electrical Safety Inspections Policy. The CE further commented that the policy effectively introduces a system whereby inspections would be carried out in the quarter prior to the due date. For example inspections due in Quarter 1 of 2023/24 would be carried out in Quarter 4 of 2022/23. The Board asked for clarification on whether all inspections were completed to a satisfactory standard or was additional work required. The CE confirmed that all inspections reported to the Board were indeed satisfactory and compliant. He highlighted that whilst some required additional work to be carried out, they were still compliant. A Board Member asked for clarification on what the terms C1, C2 and C3 meant. The

Board Member with expertise in this area gave a thorough explanation of each category including the additional category of FI which meant the fault required 'further investigation'.

Board **noted** the Health and Safety Quarterly Report: Quarter 2.

### **22/11/14 Fire Safety and Prevention: Fire Risk Assessments – Housing Schemes**

The CE presented the report. He highlighted that Fire Risk Assessments had been the key piece of evidence which resulted in Internal Audit providing Full Assurance in April 2022. The CE reported that seven schemes were to be inspected, with six having been completed and Dunholm Mews scheduled in December 2022.

The CE talked through para 2.2.1 – 2.2.9 which highlighted of the 115 recommendations 97 were complete with 18 work in progress. In particular the CE wished to highlight that there were no Priority 1 Recommendations at the Dryburgh Gardens high rise blocks.

The CE confirmed that he would provide a concluding report to the Board in February 2023.

A Board Member asked for clarity on the definitions of Priority 1, 2 and 3. The CE confirmed that he would provide the definitions in the February report.

The CE stated that the work carried out by the Fire Risk Assessor was of a high quality and that he had been impressed by the Assessor and the report provided.

A Board Member asked for clarification on the qualifications and competencies of the Assessor as they were aware of the differing standards of competencies around the sector. The CE confirmed that he would share the qualifications and competencies with the Board Member.

Board **noted** the Fire Safety and Prevention Report.

### **22/11/15 Rent Arrears Report: Quarter 2**

The CE presented the report highlighting the excellent progress being made by the Income Team. He noted that all figures were moving in the right direction.

The Board asked for an update on how Court Cases were progressing. The CE explained that the Scottish Government ban was again in place, but that there are exceptions in respect of those cases which had been presented to court prior to the enactment of the ban. As a consequence, the Association had evicted one tenant. The Board asked for an estimate on the number of evictions which may have been pursued had the Scottish Government's ban not been imposed. The CE stressed that the Association would only pursue an eviction when all avenues have been completely exhausted and engagement with the tenant has completely broken down. He reminded Members that as the pandemic took hold the Association had imposed its own ban on evictions long before the Scottish Government had enacted. The CE further commented that the Association had only evicted three tenants for rent arrears in the previous two years, all three cases warranted the action taken.

The CE stressed that once legal action was taken and a court order in place the majority of tenants engaged with the process.

The Board asked for clarification on the rent arrears figures as quoted in para 4.2.1. The CE highlighted that due to the pandemic, increased energy costs and food costs it was inevitable that rent arrears would increase. The Income Team were working tirelessly to assist tenants and to keep arrears down. He reported that approximately 40% of tenants were self-funding and it was those individuals that the Income Team were monitoring, particularly the tenants who were finding themselves in financial hardship, with a view to engaging with them and providing assistance to them at the earliest opportunity.

There followed discussion on the impact that a Scottish Government rent freeze or rent cap may have on the Association in the coming years.

Board **noted** the Rent Arrears Report: Quarter 2.

#### **22/11/16 Former Tenant Arrears Write-Offs: Quarter 2**

The CE presented the report. He gave an overview of each case highlighting that all avenues had been pursued to recover the arrears. He stressed the importance of financial transparency to ensure the Board are fully apprised of all write-offs.

Board **approved** the Former Tenant Arrears Write-Offs: Quarter 2.

#### **22/11/17 Void Reasons for Termination of Tenancies**

The CE presented the report. He highlighted para 2.1.1 and the Appendix which provided further detail on terminations. He stressed that the Association monitored the data carefully to effectively manage the void and allocation process.

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

#### **22/11/18 Void Rent Loss Report: Quarter 2**

The CE presented the report highlighting that this report along with a number of the previous reports correlated to provide a wider picture. The CE highlighted and talked through the paragraphs which all confirmed the excellent progress and excellent performance figures. In particular he highlighted that average re-let times were now within target. He gave an overview of para 2.2.1.1 which provided the explanation for the difference between the figure in the accounts and the figure adjusted for ARC.

Following a query, the CE confirmed that the data relating to Supported Housing was not within the control of the Association.

Board **noted** the Void Rent Loss Report: Quarter 2.

#### **22/11/19 Tenant Allowances Report: Quarter 2**

The CE presented the report on behalf of the Housing Manager highlighting that there had been two tenant allowances approved in Quarter 2.

Board **noted** the Tenant Allowances Report: Quarter 2.

#### **22/11/20 SHR Landlord Report**

The CE gave a comprehensive overview of the SHR Landlord Report. He highlighted that the statistics were very positive. He highlighted that the Tenant Involvement and Empowerment Strategy Group was working through the report to highlight areas where the Association can and should improve on.

There followed discussion on the recently publicised case which resulted in the death of child where severe damp was cited as a contributing factor. The CE highlighted that the Association had robust policies and procedures in place following any reports of damp in a tenant's property. He stressed that no assumptions were made in relation to lifestyle and that a full report with photographic evidence was carried out in the first instance. A Board Member also highlighted that the rules and policies relating to damp in properties differed in England. The CE informed the Board that he had taken the Chair and the Vice-Chair through the procedures appertaining to a situation which had been recently reported to and recently investigated by the Association and that he was confident that our procedures were robust.

Board **noted** the SHR Landlord Report.

#### **22/11/21 Procurement Quarterly Report: Quarter 2**

The CSD talked through the report highlighting three tenders over £50k had been awarded since the last quarterly report. The tenders were in respect of Rewiring, External Fabric Works and Kitchen Replacements.

Board **noted** the Procurement Quarterly Report: Quarter 2.

### **22/11/22 Acquisitions and Disposals Update**

The CSD presented the report and talked through the one purchase since the last meeting. Board **noted** the Acquisitions and Disposals report.

### **22/11/23 Property Services Policy Review: Electrical Safety Inspections Policy**

The CE presented the report on behalf of the Asset Manager. He highlighted that this was a new policy to ensure the Association complies with appropriate legislation and guidance. Board **approved** the Electrical Safety Inspections Policy

### **22/11/24 Board Training Updates**

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

### **22/11/25 Share Update**

The CSO presented the report.  
Board **approved** the updates to the Share Membership Register.

### **22/11/26 AOB**

The CE highlighted that Board Members had been provided with a copy of the Scottish Social Housing Charter which was to be used by Members as a reference document and guide.

The CE reiterated that the Board Social Event would be arranged for January.

The CE confirmed that the next Board Meeting would take place on Wednesday 1 February 2023.

The CE confirmed that the next AF&RMC meeting would take place on Wednesday 15 February 2023 (not 8 February as previously notified). Further reminders regarding both the Board and AF&RMC meeting dates would be sent in January.

The CE confirmed that a HR Report would be presented to Board in May which would cover the three years since he had taken up the role of Chief Executive. It would give an overview of all areas of Human Resources and any changes which had been implemented. There followed discussion relating to a Board Member's request in respect of an independent HR audit. The CE reported that he did not feel this was necessary; however, following the report which would be presented to Board in May 2022 should the Board feel otherwise, an independent HR audit would be carried out.

The CE gave an overview of Tenant Charitable Donations for consideration.

A Fintry Christmas Gala Day was taking place on Friday 2 December 2022 at Fintry Parish Church. The Association would donate £1k towards the Gala Day and staff would be present at the event to assist and to provide information about the Association.

Staff had agreed to support Warm Bank and would be donating new items such as blankets, hot water bottles, hats and scarves for the benefit of tenants. The Association would donate £1k and QAPM would match this donation with a further £1k. Vicki very kindly offered to also add a donation from her Company.

ABERTAY HOUSING ASSOCIATION LIMITED

Minutes of the Board Meeting

Wednesday 30 November 2022 17:00

The CE reported that Longhaugh Primary School were holding a Christmas event which had an underlying theme of providing guidance and education regarding online safety. However, the School had been notified that the entertainer may not be available and therefore the Association would donate £500 subject to the event taking place.

Board **approved** all of the charitable donations.

Meeting closed at 19.20hrs.