

**Present:** Ron Neave (Chair), Kath Mands (Vice-Chair), Denis Brown, Paul Crichton, Darren Keddie and Alan Fraser.

The following joined via Video Conferencing: Teresa Robertson, Kevin Braidwood, and Vicki Cutler.

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

### **23/02B/01 Apologies**

Ian Byers.

The Chair welcomed everyone to the meeting.

### **23/02B/02 Declarations of Conflicting Interests**

No Member declared a conflicting interest.

## **Asset Management & Development Committee Reports (AM&DC)**

### **23/02B/03 AM&DC Meeting 25 January 2023**

The Chair of the AM&DC provided a comprehensive update on the meeting which took place on 25 January 2023. The items recommended to the Board for approval were:

- Terms of Reference for the AM&DC Committee
- Alterations, Improvements and Compensation for Tenants' Improvements Policy
- Defects Policy
- Medical Adaptations Policy
- Sale of Additional Land (Small Areas) Policy

Board **noted** the AM&DC report.

Board **approved** the adoption of the Constitution and Terms of Reference for the AM&DC.

Board **approved** the Alterations, Improvements and Compensation for Tenants' Improvements Policy.

Board **approved** the Defects Policy.

Board **approved** the Medical Adaptations Policy.

Board **approved** the Sale of Additional Land (Small Areas) Policy.

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

### **23/02B/04 AF&RMC Meeting 15 February 2023**

The Chair of the AF&RMC provided a comprehensive update on the meeting which took place on 15 February 2023. The Chair talked through the report including the Internal and External Audit Plans. He discussed the Internal Audit on Procurement which he was pleased to confirm had received Full Assurance. He talked through the Treasury Management Strategy for 2023/24 recommending it for approval by the Board. He also talked through the AF&RMC Terms of Reference which had been amended following the Committee to include a section on the Treasury Function.

The CSD gave an update on the extension to the loan agreement of Facility D to 9 March 2025. The CSD reported that the Association was still awaiting the legal agreement from RBS. She asked Board to consider and approve the principle of extending the availability period on RBS Facility D. As the agreement needs to be signed before 9 March 2023, once the agreement was received and legal advice obtained, agreement from Board would be sought via written resolution.

Board **noted** the AF&RMC report.

Board **noted** the Treasury and Investment Management Activity in the quarter as set out in s 2.15 of the Management Accounts to 31 December 2022.

Board **approved** the Treasury Management Strategy for 2023/24.

Board **agreed** in principle to the extension of the Availability Period on RBS Facility D and **noted** that the final agreement would be approved via Written Resolution.

Board **approved** the adoption of the amended Constitution and Terms of Reference for the AF&RMC.

## **Board Reports**

### **23/02B/05 Minute of Board Meeting 1 February 2023 and Tracker**

The Chair asked for comments relating to the minutes of the meeting held on 1 February 2023. There were no amendments.

Approved. Proposed Darren Keddle, Seconded Denis Brown.

The CSD talked through the tracker and reported that the item on grant in relation to property acquisitions would be presented to Board at agenda item 23/02B/23 and thereafter would be removed. The item relating to the amended appendices to the Budget would be discussed at Matters Arising and subsequently removed from the tracker.

### **23/02B/06 Matters Arising**

Board Meeting 1 February 2023

The CSD provided an update relating to the decisions taken at the meeting on the 1 February 2023 which had resulted in changes to the 2023/24 Annual Budget and 30 Year Financial Plan. The amended appendices which reflected updates relating to the decisions in respect of Annual Rent Review and Annual Staff Salary Review and the increase in investment in the Planned Maintenance Programme had been provided to Board Members.

Board **noted** the revised Appendices 1-5 of the Budget for 2023/24.

### **23/02B/07 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 1 February 2023; the Chair confirmed this to be the case.

Board **noted** the report.

### **23/02B/08 Confidential Housing Officers Review**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Board **approved** the proposed structure where the Association operates with two Housing Officers and one Housing Assistant.

#### 23/02B/09 **Confidential** Retirement Housing Review

[REDACTED]

[REDACTED]

Board **approved** that the Association retains the Retirement Housing tenure status, retains a Retirement Housing Coordinator presence and implements a system where the Association operates a more flexible approach working across the complexes on a rota basis, serving the needs of the tenants accordingly.

#### **23/02B/10 Internal Management Plan: Quarter 3**

The CE presented the report and talked through the appendix in detail.

A Board member asked for an update on Objective 23 Action 27 in relation to the creation of a Board Members' Folder as he had found that SharePoint had been particularly useful in previous appointment. The CE confirmed that this was a priority and would be actioned but that it may not be introduced by 31 March 2023.

The CE confirmed that he would provide a more detailed and comprehensive overview at the May Board Meeting.

Board **noted** the Internal Management Plan: Quarter 3.

#### **23/02B/11 Operational Performance KPIs: Quarter 3**

The CE talked through the report and appendix. As previously reported, he reiterated that the IMP and KPIs combined provided Board with a comprehensive understanding of how the Association was progressing and performing.

There followed discussion on the number of Universal Credit cases with Board asking for clarification as it appeared that this related to a quarter of tenants rather than the expected 60% which they believed received financial assistance with their rent. The CE confirmed that approximately 60% of tenants received financial assistance with their rent and that the figures reported were for tenants whose assistance came directly to the Association via the Universal Credit system.

Board **noted** the Operational Performance KPIs: Quarter 3.

#### **23/02B/12 SHR Communication and Correspondence**

The CE reported that the SHR had sent all social landlords a request for information on planned rent increases and this was provided to them on 8 February 2023. The Association had also received correspondence in respect of a Tenant and Resident Safety Survey which the SHR intended for RSLs to complete prior to 2023/24. However, following further consideration the SHR has decided not to carry out the survey this year.

There followed discussion on the implications of the rent increase on the previously reported 60% of tenants who receive assistance. In particular Board were keen to understand whether the financial assistance they received would reflect the 7% rental increase. The CE talked through the process of how funding is received and managed by local authorities and that tenants would have their assistance adjusted to reflect the rental increase.

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

#### **23/02B/13 Risk Management Tables: Quarter 3**

The CE talked through the report and provided an update on the Ten Serious and Significant Risks. He reported that it was likely, in light of recent legal challenges, statutory rent control may be raised in Parliament and therefore it would be monitored carefully.

Board asked whether consideration was being given in relation to damp and mould due to the most unfortunate case which contributed to the death of a child and the significance it was receiving in the Press. The CE confirmed that it was at the forefront of minds and was being managed accordingly.

This issue had been discussed at the AF&RMC meeting and after discussion, damp and mould was added to the Tenant Safety Internal Audit in 2023/24. The CE referred to the document 'Putting Safety First' which had recently been issued jointly by the Chartered Institute of Housing (CIH), the Scottish Federation of Housing Associations (SFHA), the SHR and the Association of Local Authority Chief Housing Officers (ALACHO). He confirmed that the Association would benchmark itself against it. The CE highlighted that the Association was currently dealing with 3 cases of damp, however he wished to stress that the Association was taking a proportionate and balanced approach. He reported that it was evident that the cost of living crisis and in particular the cost of domestic fuel, gas and electricity, was exacerbating the problem, for some tenants could simply not afford to put their heating on or to only have it on for very short periods which increased the risk of damp and mould. The CE agreed to bring a separate report on compliance with the guidance and including case studies to the May Board Meeting.

Board asked whether damp should be added to the Risk Management Tables. The CE confirmed that it would be added to the Health and Safety section of Property Services within the Risk Management Tables

Board **approved** the Risk Management Tables: Quarter 3.

#### **23/02B/14 Health and Safety Quarterly Report: Quarter 3**

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 and reported that he was very confident that the 185 would be complete. The CE was less confident that the 251 would be achieved however staff would continue to work hard to meet the deadline.

Board asked whether damp and mould would be included in the Health and Safety Report moving forward. The CE confirmed it would be reported separately. He gave assurance that the Association was benchmarking itself against the 'Putting Safety First' Guidance.

A Board Member confirmed that this document was one of two documents to be published and she stressed the importance that the Governing Body needed to ensure they had a good level of assurance in relation to the management of damp, mould and condensation.

The CE reiterated that the Association was benchmarking against the 'Putting Safety First' Guidance and would prepare a policy.

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

#### **23/02B/15 Fire Safety and Prevention: Fire Risk Assessments – Housing Schemes**

The CE presented the report. He highlighted that, as previously reported, Fire Risk Assessments had been the key piece of evidence which resulted in Internal Audit providing Full Assurance in April 2022. The CE confirmed that the inspection of Dunholm Mews had been completed in December 2022.

The CE talked through the report which highlighted that of the 118 recommendations, 113 were complete with 5 work in progress. The CE highlighted that a review of the programme was being undertaken and this was being discussed with the Board Member who sat on the Health and Safety Group.

Board **noted** the Fire Safety and Prevention: Fire Risk Assessments – Housing Schemes Report.

### **23/02B/16 Gas Servicing Contract: Extension of Time**

The CE talked through the report. The CE highlighted that legal advice had been taken to review the Gas Servicing Contract and in order to do this in a timely and comprehensive manner, an extension to the existing contract would need to be granted to WRB Gas. The Association's solicitors were satisfied that there was nothing within the Public Contracts (Scotland) Regulations 2015 nor the Procurement Reform (Scotland) Act 2014 which prevented the Association from granting the extension provided that the extension did not have a monetary value greater than [REDACTED]. He confirmed that contract would not have a value greater than [REDACTED]. The CE reported to Board that the waiver does not contravene the law or the SHR's Regulatory Framework.

Board **approved** the waiving of the Association's Policy requirement in this respect and grant WRB Gas a contractual extension on the same contractual terms for a maximum period of six months.

### **23/02B/17 Rent Arrears Report: Quarter 3**

The CE presented the report highlighting the excellent progress being made by the Income Team. He noted that, as previously reported, all figures were moving in a very positive direction. He talked through paras 2.1.1 and 2.1.2 highlighted that the report showed the continued excellent progress being made by the Income Team.

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

### **23/02B/18 Former Tenant Arrears Write-Offs: Quarter 3**

The CE presented the report. He gave an overview of each case highlighting that the Income Team continued to pursue all avenues to recover arrears. He stressed the importance of financial transparency to ensure the Board are fully appraised of all write-offs.

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

### **23/02B/19 Voids: 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 reported that the number of terminations had increased during the quarter which directly affected the lettings costs and indirectly affected voids costs. 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.

### **23/02B/20 Void Rent Loss Report: Quarter 3**

The CE presented the report. The CE highlighted and talked through the paragraphs which all confirmed the continued progress and good performance figures. He highlighted that there had been an increase in the number of re-lets in this quarter which as a consequence had meant that the re-let days had slipped below 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.

There followed discussion on whether there were any specific reasons for the increase in re-lets during this quarter. The CE highlighted that there was no specific reason. He highlighted that it was, very sadly, normal for deaths and moves to care homes to increase throughout the autumn and winter months, with the consequential increase in voids.

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

### **23/02B/21 Tenant Allowances Report: Quarter 3**

The CE presented the report on behalf of the Housing Manager highlighting that there had been six tenant allowances approved in Quarter 3.

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

### **23/02B/22 Procurement Quarterly Report: Quarter 3**

The CSD talked through the report highlighting that one tender over £50k had been awarded since the last quarterly report. The tender was in respect of External Audit.

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

### **23/02B/23 Acquisitions and Disposals Update**

The CSD presented the report and gave an update on the two purchases since the last meeting. There was discussion on the reasons for sales and whether owners wished to remain as tenants. The CE reported that the Association was taking a proactive approach to purchasing flats in blocks where it did not own one or two properties. The CE highlighted that there was a further potential acquisition that would be presented under agenda item 23/02B/29.

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

### **23/02B/24 Owners Satisfaction Survey 2022**

The CSD presented the report. The CSD highlighted that the Association is required to carry out a survey every 3 years. The CSD gave an overview of the response return which was down from both the 2019 and 2016 surveys, however she stressed that this was a reflection of a general reduction in engagement post-Covid. The CSD talked through the ARC question which would be recorded as per the report. There followed discussion on the decrease in satisfaction overall and there was a general feeling that tenants and owners were suffering from 'survey fatigue'. The CE stressed the need to target surveys to ensure they were meaningful. He highlighted that it was likely and expected that the Association would receive responses far below those previously received and reported. He reported that a working group from the Tenant Involvement and Empowerment Strategy Group would formulate an action plan to review issues raised with a view to improving satisfaction and dissatisfaction levels.

Board **noted** the Owners Satisfaction Survey 2022.

### **23/02B/25 Corporate Governance Policy Review: Board Members' Expenses**

The CSD talked through the report. The CSD explained that the policy was last approved in March 2019 and was therefore due for review. She talked through the revised rates which will take effect from 1 April 2023 and that the policy had been updated for revised terminology.

Board **approved** the Board Members' Expenses Policy.

### **23/02B/26 Corporate Governance Policy Review: Procurement Strategy**

The CSD talked through the report. She explained that the Procurement Reform (Scotland) Act 2014 requires that RSLs of the Association's size publish a procurement strategy annually. The Strategy was last approved in February 2022 and there were no significant changes.

Board **approved** the Procurement Strategy.

### **23/02B/27 Housing Services Policy Review: Tenancy Agreements and Leases**

The CE talked through the report on behalf of the Housing Manager. He explained that the policy was last approved in June 2019 and was therefore due for review. He confirmed that the policy had been updated for revised regulation and terminology.

Board **approved** the Tenancy Agreements and Leases Policy.

### **23/02B/28 Allocation of a Property and Grant of a Tenancy to a Relative of an Employee**

The CE presented the report and explained the context of the request. He highlighted that due to the seniority of the employee, it was extremely important that the principles in Regulatory Guidance 5.4 of openness and transparency were adopted. The CE confirmed that he had personally overseen the

application of the Association's Allocations Policy in this case and the employee has had no involvement whatsoever in the allocation of the property to their relative.

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

### **23/02B/29 Confidential Acquisition of a Property without Grant Funding**

The CSD presented the report and explained the reasons why grant funding would not be available for this purchase. The CSD highlighted the benefits of the Association owning all properties in a block and the purchase of [REDACTED] would allow this to happen. She stressed that the acquisition of the property met the criteria set out in the Acquisitions and Disposals Policy and had also been scrutinised in terms of financial considerations.

There followed discussion on rental income and value for money versus new build. Board agreed it was good value and gave total control of a block.

Board **approved** the purchase of the property at [REDACTED].

Board **agreed** that future purchases of a similar nature can be progressed without specific Board approval subject to complying with the aims of the Acquisitions and Disposals Policy and funding being available.

### **23/02B/30 Board Training Updates**

The CSO presented the report. She reminded members of the SFHA Webinar which was taking place on 3 March 2023 between 10am-12.30pm which could be viewed at the office or online.

Board **noted** the Board Training update.

### **23/02B/31 AOB**

The CE reported that it was with sadness that he was informing the Board that Teresa had tendered her resignation from the Board. He stressed that whilst she had had a relatively short tenure it had been a particularly difficult period for the Association and there had been significant and difficult decisions made during her time on the Board. He wished to thank Teresa for her time and commitment and wished her well in the future.

Teresa thanked the Board for the opportunity, and she wished everyone all the best for the future.

The Chair, on behalf of the Board, thanked Teresa and wished her well.

Meeting closed at 19.20hrs.