

**West of Scotland Housing Association
Minutes of the Board Meeting
Hybrid Meeting via Microsoft Teams and Camlachie Boardroom
Wednesday 29th November 2023**

<p>Present: Kelly Adams (Chair), Ann Reid, Elaine Davidson, Jim Williamson, George Kpodo, Ken Fee, Karen Merz, Nick Farrell, Alison Calder (until item 10), Paul MacNeil, Nicola Wason, Paul McCandlish</p> <p>In Attendance: Brian Gannon (CEO), Jennifer Cairns (Director of Corporate Services, Robert Campbell (Director of Housing & Community Support Services), Andrew Kubski (Director of Development & Asset Management), Donna Paton (Director of Finance – until item 7), Julie Thomson (Finance Manager), Susan Speirs (Senior Corporate Services Assistant), Paul Hillard (DTP – until item 4)</p> <p>Apologies: Michael Sozansky, Barbara McGarrie</p> <p>The CEO introduced Paul Hillard OF DTP to the Board and advised that he was here to present the Strategic Options Appraisal Report.</p>	
<p>Disclosure of Interests Appointment of Jim Williamson to the Board.</p>	
<p>1. Minutes of the Previous Meeting The minutes of the previous meeting were approved as a true and accurate record. They were proposed by Paul McCandlish and seconded by Karen Merz.</p>	Approved
<p>2. Matters Arising The Board noted the matters arising.</p>	Noted
<p>3. Appointment of Board Member Jim Williamson left the meeting at this point.</p> <p>The Board approved the appointment of Jim Williamson to the Board. Jim Williamson returned to the meeting.</p>	Approved
<p>4. Strategic Options Appraisal The CEO gave a background to the Strategic Options Appraisal. He advised that it is five years since we last undertook one to consider our strategic alternatives for the future. It is also good practice to do this options appraisal every five years. He advised that the Association had appointed DTP to carry out the Strategic Options Appraisal. The CEO advised that the report provided by DTP was excellent. It is now up to the Board to decide which option they wish to go with. He advised that this had been a really</p>	

useful exercise and that we should now embed this in our annual business plan process going forward.

Paul Hillard of DTP introduced himself to the Board. He stated that it is also part of the regulatory guidance that Associations should periodically carry out a Strategic Options Appraisal.

Paul Hillard advised that interviews had been held with internal and external stakeholders including Board members, subsidiary Board members, CMT, TAG, Staff Consultation Group and local authority representatives.

Following these meetings, it was noted that the Association was in good shape and that nothing major stands out. There are issues with the repairs service but this is being looked at. He advised that the Association has strong governance and is financially robust. There is nothing to think about that would require WSHA changing the organisational form.

Paul outlined the five options that were available:-

- A. Independent organisation with minimal growth or development of services (standstill position).
- B. Independent organisation pursuing modest growth, at current levels, and developing new services and products (status quo).
- C. Independent organisation with larger development programme (c.200 units per annum).
- D. Merger of a smaller RSL into WSHA, or group structure as a parent.
- E. Merger into a larger RSL, or group structure as a subsidiary.

We need to decide what we want to do in the future. It is important to maintain accountability to the communities around us.

Paul McCandlish advised that he would prefer option C or D. He advised that we should wait to see how the Charing Cross transfer went before deciding. He felt that this had been very successfully dealt with and that there were a lot of opportunities out there. It also depends on your perspective on this.

Ken Fee preferred option D with B as his second preference. Elaine Davidson felt option B was the best to give Charing Cross another year or two to get things sorted out.

Kelly Adams felt that option B was the best because of the environment that we are in at the moment. She noted however that this wasn't a decision for all time.

Karen Merz felt the Board should rule out options A,C and E.

<p>Alison Calder choose option B as everything is uncertain at the moment.</p> <p>Nick Farrell felt that there were real opportunities for growth in future through C & D.</p> <p>George Kpodo and Ann Reid both noted that they preferred option B.</p> <p>Paul Hillard clarified that option B is new build development at current scale. He suggested that the Board can look at growth opportunities on an annual basis and noted it was down to how much the Board wanted to be reactive or pro-active to opportunities. The CEO noted that our current RSL acquisition framework very clearly noted that we would not be pro-active in this area but that we would be open to opportunities if they met the criteria for growth.</p> <p>Kelly Adams suggested that WSHA should be reactive but open to opportunities if possible so option B but D if possible. Ken Fee also suggested that we should be “alert to the potential of growth”.</p> <p>The Board agreed that the preferred options would be B but that we should be alert to the potential of option D.</p> <p>The Board thanked Paul Hillard for attending the meeting and presenting his report.</p> <p>Paul Hillard left the meeting at this point.</p>	<p>Approved</p>
<p>5. Draft Budget 2024/25 30 Year Plan</p> <p>The Director of Finance gave a presentation on the draft budget for 2024/25 and the 30 Year Plan.</p> <p>She advised that following the Charing Cross transfer everything is now under the one business plan.</p> <p>The Director of Finance advised that covenant compliance has been met throughout the 30 year period.</p> <p>Two models have been done for comparison. Rent increase of CPI only (which was 4.6% at October) and CPI + 1% which would be 5.6%.</p> <p>10 scenarios have been produced to demonstrate the financial viability of the 30 year plan.</p>	

The Director of Finance advised that there would be a surplus of circa £200k in 2024/25 based on a 4.6% CPI only rent increase, however this option does not enable additional investment for net zero targets, whereas 5.6% increase allows a provision of £200k p.a. to be added to the plan. Cash at the end of 2024/25 is projected to be £2.5m.

The Director of Finance advised that the final budget proposal would go to the Board in the new year.

Kelly Adams thanked the Director of Finance for her presentation.

The CEO advised that this was the Director of Finance's last meeting as she was leaving the Association next month. He thanked her for the preparation of the budget and all her excellent work to date as Director of Finance and wished her well on behalf of the Management Team. The Board also thanked Donna and wished her well in her new role.

6. Rent Review Consultation

The Director of Housing & Community Services explained the background of the rent review consultation to the new board members. He explained that the rent increase amount is normally based on the October CPI figure which was 4.6%. It is proposed that the rents would rise either by 4.6% or CPI + 1% which would be 5.6%. He explained that we had also participated in a working group with GWSF. He advised that we then go out to consultation with tenants to get their views on the proposed rent increase.

The Director of Housing & Community Services advised that the consultation process is slightly different this year as we have held rent conversations with tenants over the summer. Tenant feedback has been that they are overwhelmingly more concerned with the provision of services than with low rents – of 900 tenants responding to the survey, 85% said they want us to focus on or enhance existing service provision.

The Director of Housing & Community Services advised that the consultation process will start on 4th December and will end on 12th January. A report will be presented to the Board at the end of January with the feedback.

The Director of Housing & Community Services advised that TAG are overwhelmingly in favour of a 5.6% increase to ensure that the stock is being invested in and that the Woodlands & Garnethill had been comfortable with their rent guarantee amount of 4.6%.

Jim Williamson asked if there was any contingency if the Scottish Government put a cap on rent increases as they did last year. The Director of Housing & Community Services advised that he did not think a cap would be applied by the Scottish Government this year for social housing, although there is no guarantee..

Kelly Adams advised that the RSLs that she has been working with have gone for 7 or 8% increases and asked if 5.6% was enough.

George Kpodo and Paul McCandlish felt that the rent increase should be kept as low as possible to ensure that it is affordable. Nicola Wason and Elaine Davidson felt that 5.6% was acceptable as long as assurances were given that improvements would be made to properties, including ensuring that we began our programme of ensuring that all homes had a shower.

All other remaining members expressed their agreement to the proposal of 5.6%.

The Board noted the contents of the report and approved the rent increase of CPI + 1% for those properties where there is no rent increase guarantee. They also approved the proposed rent consultation process.

The Board also noted the initial draft budget for 2024/24.

Noted & Approved

Noted

7. Review of Decant Policy

The Director of Housing & Community Services presented this report. He advised that the policy had been reviewed to ensure that the guidance is clearer to staff and tenants. More detail has been put in the policy with regards to costs. The policy has been presented to TAG and they have approved the changes.

Paul McCandlish asked about the decant agreement and the Director of Housing & Community Services explained it is used to make it clear that the temporary accommodation is not the tenant's permanent address, to assist potential legal action in the future to have the tenant removed from the decant.

Paul McCandlish asked about the cost of housing pets and the Director of Housing & Community Services confirmed that it is only an indication of cost and was based on benchmarked/historical costs.

The Board approved the revised policy.

Approved

<p>8. Agenda Planner & Meeting Dates The Director of Corporate Services advised that the purpose of the agenda planner is to provide the Board with an outline of what is planned for the coming year. The dates of all the meetings for the boards and sub-committees are also included. Any changes to the agenda planner will be reported to the board. Meeting invites will be sent out once the planner is approved.</p> <p>The Board discussed the contents of the report and approved the agenda planner.</p>	<p>Approved</p>
<p>9. Review of Staffing Sub-Committee Remit The CEO advised that the Review of the Staffing Sub-Committee Remit had been approved by the Staffing Sub-Committee but requires to be approved by the Board. He outlined the changes to the remit.</p> <p>The Board approved the revised Staffing Sub-Committee Remit.</p>	<p>Approved</p>
<p>10. Void Management Letting Standard The Director of Housing & Community Services presented this report. He advised that the Association was looking at the standard of decoration in void properties as this had been raised by a Board member at September’s meeting. He advised that currently we start with painter packs and in the worst case scenarios we would carry out a full redecoration but this does not happen very often. He advised that any additional spend on decoration would need to be accounted for.</p> <p>The Director of Housing & Community Services advised that since April of this year there had only been one refusal of a property due to its condition and only one for the entire year previously.</p> <p>The Director of Housing & Community Services clarified the Association’s policy and approach in respect of floor coverings in response to questions from Ann Scott and Elaine Davidson</p> <p>Jim Williamson asked if the Association changed shower heads at the time of handover. The Director of Housing & Community Services explained that this is currently in the Legionella Policy but that we would marry this into the Void Policy. This will be included in the next board brief.</p> <p>The Director of Housing & Community Services advised that there were no significant changes being made but that it would be kept under review and asked if the Board felt there should be a change in approach to decoration.</p>	<p>Action</p>

<p>The Board noted the contents of the report and approved continuing with the current approach to decoration in empty properties.</p>	<p>Noted & Approved</p>
<p>11. Board Brief The CEO advised that no decisions were required from the Board Brief this month.</p> <p>The Board noted this report.</p>	<p>Noted</p>
<p>12. Management Accounts & Half Year Treasury Update The Finance Manager presented the draft Management Accounts for the period up to 30th September 2023.</p> <p>She advised that the accounts show an operating surplus of £1.3 m against a budgeted surplus of £352k for the period. The rental income is below budget by £234k which is due to the delay of the handover of properties at Dalmarnock Station. The Finance Manager advised that the TM Report had been included in the accounts as per the recently revised Treasury Management Policy.</p> <p>Nick Farrell asked about the 23% variance in office overheads and what these were made up of. The Finance Manager advised that she would send Nick a breakdown of the office overheads and include this in the next report.</p> <p>Elaine Davidson asked about the overspend on the revenue maintenance. The Finance Manager explained that this relates to the previous year's costs and not enough provision was put in the year end accounts to cover the actual costs now being invoiced for. She advised that the repairs team are keeping a close eye on this. Up to date valuations from Everwarm should be received by the end of the year.</p> <p>Kelly Adams commented on the component spend being behind budget. The Finance Manager explained that the window replacement programme had not started yet but this was due to start in January/February next year.</p> <p>Kelly Adams also asked about gas boiler replacement and net zero requirements for social housing. The CEO gave the Board an update on the new Social Housing Net Zero Standard which is out for consultation and is suggesting key targets for moving to “clean heat”</p> <p>Elaine Davidson asked about the arrears figure of £1.3 m which was an increase of £77k from the June 2023 figure. The Director of Housing explained that this was partly due to the inherited arrears from Charing Cross. He did advise, however, that the arrears were not worse at Charing Cross.</p>	<p>Action</p>

<p>The Board noted the draft management accounts for the quarter to 30th September 2023.</p>	<p>Noted</p>
<p>13. Key Business Objectives & Performance Update The CEO presented this report. He advised that most of the actions should be completed by the end of the year. The Director of Corporate Services advised that the online application form and banding system will go live on 4th December.</p> <p>The Board noted this report.</p>	<p>Noted</p>
<p>14. Health & Safety Report The Director of Corporate Services presented this report. She advised that following a request from the Regulator we had arranged for investigations to be carried out on our stock to check for the presence of RAAC. These investigations have found no evidence and the Regulator has been informed of this.</p> <p>The Board noted this report.</p>	<p>Noted</p>
<p>15. Subsidiary Report The Director of Corporate Services updated the Board on the key activities of our subsidiaries.</p> <p>The Board noted this report.</p>	<p>Noted</p>
<p>16. Responses to Scrutiny Panel Recommendations The Director of Housing & Community Services advised that the Scrutiny Panel had presented a report to the Board in September on various activities that they had carried out and had made recommendations to the Board on improvements that could be made.</p> <p>He outlined the responses that have been made to the Scrutiny Panel as noted in Appendix 1.</p> <p>The Board noted this report.</p>	<p>Noted</p>
<p>17. Resolutions The Board noted this report.</p>	<p>Noted</p>
<p>18. Notifiable Events The Director of Corporate Services advised that the Notifiable Event for the lease for MMR properties between WSHA and Westscot Living was now closed.</p> <p>The Board noted this report.</p>	<p>Noted</p>
<p>19. Staff Consultation Group Minutes – 2.11.23</p>	

The Board noted the above minutes.	Noted
Review of Meeting The Board agreed that it had been a good balanced meeting with detailed discussions where needed. The meeting ended at 20.05 pm.	
Date of next meeting – 31st January 2024	