

**West of Scotland Housing Association  
Minutes of the Board Meeting  
Hybrid Meeting  
Wednesday 30<sup>th</sup> March 2022**

<p><b>Present:</b> Kelly Adams (Chair), Ruth Simpson, Nick Farrell, George Kpodo, Ann Reid, Marc Sloan, Kenneth Fee, Ian Whiteman, Elaine Davidson, Paul MacNeil, Irene McFarlane, Michael Sozansky</p> <p><b>In Attendance:</b> Brian Gannon, Chief Executive, Donna Paton, Director of Finance, Jennifer Cairns, Director of Corporate Services; Robert Campbell, Director of Housing &amp; Community Services; Andrew Kubski, Director of Development &amp; Asset Management</p> <p><b>Apologies:</b> Derek McGowan</p>	
<p><b>Disclosure of Interests</b> It was noted that officers have an interest in respect of the discussion re the pay increase proposal and it was agreed that staff will leave at this point. Irene McFarlane also declared an interest in this discussion as she is an employee of another EVH member, it was agreed that Irene would also leave at this point in the meeting.</p>	
<p><b>1. Approval of the minutes</b> The minutes from the meeting held on 23<sup>rd</sup> February 2022 were approved.</p>	<b>Approved</b>
<p><b>2. Matters Arising</b> The Board noted the update on actions from the previous meeting.</p>	
<p><b>3. WSHA Corporate Business Plan 2022-2027</b> The Chief Executive noted that the Corporate Business Plan for 2022-2027 required to be approved by the Board. He introduced a presentation on the plan, noting that the Board had received a presentation on the Key Business Objectives, 5 year priorities and strategic options for growth at the February Board meeting. He now wanted the Directors of Development &amp; Asset Management and Finance to now give an overview on new build investment and asset management and a summary of the Financial Plan.</p> <p>The Director of Development &amp; Asset Management provided an overview of the investment plans for the next year. Following this, the Director of Finance provided an overview of the financial plan and projections.</p> <p>Marc Sloan commented that the report was good and the plan seemed very robust.</p>	

The Chair reminded Board members that there had been full discussions in respect of the Key Business Objectives at the Board meeting in February and this was the final plan coming to the Board for approval.

Nick Farrell queried what the plan was in respect of factoring with our factored stock increasing with the transfer of Charing Cross. The Chief Executive advised the Board that one of the Key Business Objectives was to review our factoring arrangements and this would determine our approach to factoring. He advised that he is taking a report to the Corporate Management Team in April and will bring a report to the full Board for input and comment at a future Board meeting. He advised that we are currently obtaining advice from external consultants in respect of the VAT situation.

Nick advised that he was happy with this. Ruth Simpson queried that WSHA might be able to provide better services to factored owners than a lot of private factors. Nick agreed with this and thought there might be a growth opportunity with this.

Irene McFarlane raised concerns in respect of risk involved in factoring and advised there was a lot of administration and chasing.

The meeting discussed the future situation with factoring and the possible transfer of some factored stock that was out with Garnethill and Woodlands to another RSL. The CEO explained that this was to enable WSHA to concentrate on both of these communities and the promises made to residents post Transfer of Engagements. Nick Farrell raised concerns about this and it was agreed that the Board would be kept updated on this and no decisions would be made without further Board discussion.

The Board approved the Corporate Business Plan for 2022-2027 and the CEO advised that this final version (with an updated Appendix 1) would be passed to all Board members.

**Approved**

#### **4. KPI Targets 2022/23**

The Chief Executive presented the KPI targets for 2022-2023. He provided the rationale in respect of setting the targets and benchmarking information from the sector.

Michael Sozansky said he agreed with the targets but queried setting a target in respect of properties becoming vacant as this is often out with our control. The Chief Executive agreed with this and in respect of death or tenants moving on to a bigger property or sheltered housing – these are out with our control but he explained that indicator can also allow you to monitor if you have a higher turnover than expected and also identify if there are any issues that we can resolve.

<p>Irene McFarlane commented that the targets seemed challenging but achievable and this was a good approach.</p> <p>The Chief Executive also explained that the targets being set allow us to identify any issues in respect of performance.</p> <p>Ruth Simpson queried if the benchmarking peer group is worthwhile. The Chief Executive advised that it is very valuable as it allows to bench mark with similar organisations and find out what others are doing who are achieving good performance where we are looking to improve.</p> <p>The Board approved the KPI targets for 2022/23.</p>	<p><b>Approved</b></p>
<p><b>5. Reactive and Void Repairs Contract</b></p> <p>The Director of Development and Asset Management provided the Board an overview of current situation with the void and reactive repair contract. He outlined the options in respect of moving forward with this. The Board discussed these options and the risks involved with the options. They agreed that the priority should be ensuring that we continue to provide a quality service to our customers.</p> <p>The Director of Development and Asset Management provided an update on the legal advice received.</p> <p>The Board agreed that the novation of the contract seemed to be the best option. Marc Sloan commented that there needed to be the ability for the potential contractor to come back and have a discussion with us around the pricing as the cost of materials has increased so significantly and we want to ensure that any contractor we move to is financially sustainable in the longer term.</p> <p>Ruth Simpson queried what the legal advice was in respect of the 12 month timing.</p> <p>The Director of Development and Asset Management advised that he would go back and request answers for the questions raised from our legal advisors and circulate this to the Board.</p> <p>Ruth Simpson queried about the compensation payment and the comment around inefficient IT structures. She asked for clarification if this comment was in relation to WSHA structures or the contractors. The Director of Development &amp; Asset Management advised it was the contractors IT structure. They have advised that they don't have the IT structure required just now but would work towards this.</p> <p>Irene McFarlane queried if we were novating the contract for the 12 month period or the remainder of the contract. The Director of Development and Asset Management advised that it was for the 2</p>	<p><b>Action</b></p>

<p>year remainder of the contract. Irene McFarlane queried what the price increase was for the 2<sup>nd</sup> year, it was confirmed that this would be based on inflation.</p> <p>Irene McFarlane suggested that there is a discussion with the new contractor in relation to margins to ensure that they can deliver a good quality service at this price.</p> <p>Nick Farrell queried how the compensation amount had been calculated. The Director of Development &amp; Asset Management advised that he would query this.</p> <p>Nick Farrell queried what the price difference was between the existing contractor and the potential new contractor per year. The Director of Development &amp; Asset Management advised that it was approx. £120k more.</p> <p>Kelly Adams queried if there was a risk that the potential new contractor would walk away before the contract novation is complete. The Director of Development &amp; Asset Management advised that this was unlikely but it would mean we would need to procure on the open market. The existing contractor has agreed to provide services until we have a new contractor in place.</p> <p>Kelly Adams queried how long the contract novation would take. The Director of Development &amp; Asset Management advised we will move forward with this as quickly as we can. At this stage the discussions are very high level and this still needs to be communicated to the contractor team and our own team.</p> <p>The Chief Executive reminded the Board that one of our Key Business Objectives for 2022/23 is in relation to improving our repairs services and we would look to do this with our new contractor.</p> <p>The Board approved the proposed contract novation.</p>	<p style="text-align: right;"><b>Approved</b></p>
<p><b>6. Arrears and Credit Write Off Report – Q3 and Q4</b></p> <p>The Director of Housing &amp; Community Services presented the arrears and credit write off for approval.</p> <p>The Board approved the arrears and credit write offs over £2,000 for Q3 and Q4.</p>	<p style="text-align: right;"><b>Approved</b></p>
<p><b>7. Preparation of Assurance Statement</b></p> <p>The Director of Corporate Services presented a proposed change in approach for preparation of our assurance statement this year. She outlined the focus on areas of improvement identified from last years process and also look at any areas of non-compliance relating to CXHA.</p>	

<p>Kelly Adams queried if there were any potential areas of non-compliance that we are aware of. The Director of Corporate Services advised that most areas will be resolved by CXHA moving to WSHA but that she is going to do a full review against the requirements for CMT in May.</p> <p>Irene McFarlane queried how WSHA's compliance in terms of tenant health &amp; safety is monitored. The Director of Corporate Services advised that the Audit Committee oversee this.</p> <p>Irene McFarlane asked if the condition of CXHA sandstone properties would be a potential area of non-compliance. The Director of Development &amp; Asset Management advised the plan was for CXHA to 100% complaint by 1<sup>st</sup> August 2022 transfer.</p> <p>She advised that she will email the Board to ask for volunteers for the Short Life Working Group.</p> <p>The Board approved the proposed approach and timeline.</p>	<p><b>Action</b></p> <p><b>Approved</b></p>
<p><b>8. Five Year Financial Plan – SHR Return</b></p> <p>The Director of Finance presented the Five Year Financial Plan SHR Return for approval. She advised that this was based on the 30 year projections that have already been approved by the Board.</p> <p>The Board approved the Five Year Plan for the SHR Return.</p>	<p><b>Approved</b></p>
<p><b>9. VAT Group</b></p> <p>The Director of Finance presented a report to the Board on the VAT Group following on from recent consultancy advice. The report recommended that WSHA and Willowacre Trust form a VAT Group.</p> <p>The Board approved this recommendation.</p>	<p><b>Approved</b></p>
<p><b>10. CXHA Project Plan Update</b></p> <p>The Director of Corporate Services presented an update on CXHA transfer of engagements project plan. She advised that the project plan is on track for transfer go live on 1<sup>st</sup> August 2022. She provided an update on the Stage 1 Consultation and outlined the next steps.</p> <p>Ann Reid asked about the impact on current Willowacre Trust services of WSHA taking on an additional 500 properties from Charing Cross HA. The CEO confirmed that a pro-rata uplift in Willowacre Trust's budget had been included within the Joint Business Case.</p> <p>The Board noted the update.</p>	

<p><b>11. Income Management and Void Management Policies</b></p> <p>The Director of Housing &amp; Community Services presented the new Income Management and Void Management Policies to the Board for approval. He provided an overview of each policy and advised that comments had been received from Michael Sozansky which included an issue related to inconsistency in the timescales for storage of goods in the Income Management Policy. The Director of Housing &amp; Community Services agreed to harmonise them to one month and recommended that the Estate Management Policy be reviewed to do the same.</p> <p>Irene McFarlane queried the principle related to eviction of tenants who have had multiple decrees awarded against them. Irene did not think it was morally correct to evict someone in this situation where they are able to clear the full debt.</p> <p>It was agreed that a small tweak was required in respect of the Income Management policy to resolve this issue by being clear that tenants will be required to clear the full debt if they have had multiple decrees for ejection awarded against them, but will remain in the property if they manage to do so before the eviction date. Irene McFarlane said she felt that this was a fairer approach.</p> <p>Ann Reid queried what would be put in place to support the tenant following the payment to ensure that they don't get in that position again. The Director of Housing &amp; Community Services advised that they would be provided support from the Welfare Rights Team and also Money Advice.</p> <p>The Board approved both the Void and Income Management Policies and the minor amendment to storage of goods in the Estate Management Policy.</p>	<p><b>Approved</b></p>
<p><b>12. Communications Strategy Update</b></p> <p>The Director of Corporate Services provided an update on the Communications Strategy which was approved by the Board in March last year. The Board noted the update and also the additional volume of work that has been carried out for CXHA transfer in addition to implementation of the Communications Strategy.</p>	
<p><b>13. Annual Data Management Report</b></p> <p>The Director of Corporate Services presented the Annual Data Management Report.</p> <p>In response to a question from George Kpodo the Director of Corporate Services gave an example of a data breach.</p> <p>The Board noted the report.</p>	

<p><b>14. Board Brief</b></p> <p>The Chief Executive gave an overview of the Board Brief. He highlighted items for approval. The Board approved the following:</p> <ul style="list-style-type: none"> <li>• Scottish Housing Network Membership for 2022/23</li> <li>• Suspension of Lettings in Camlachie to provide decant properties for tenants of Overtown and Law Street for the refurbishment programme</li> <li>• Appointment of Everwarm as the Kitchen and Bathroom Contractor through the SPA Framework</li> </ul>	
<p><b>15. Group Information</b></p> <p>The Board noted the minutes from the following meetings:</p> <ul style="list-style-type: none"> <li>• Audit Committee Minutes, February 2022</li> <li>• Westscot Living Minutes, February 2022</li> <li>• Willowacre Trust Board Minutes, February 2022</li> <li>• DISC Minutes, March 2022</li> </ul>	
<p><b>16. Resolutions</b></p> <p>The Board noted the disposal of a shared ownership property at 50 Muirhall Street which was signed by the Company Secretary.</p>	
<p><b>17. Notifiable Events</b></p> <p>The Director of Corporate Services provided an update on the outstanding Notifiable Event.</p>	
<p><b>18. Review of Meeting</b></p> <p>The Board reviewed the meeting and agreed that it went well with a lot of good discussion however the Board asked that we resolve the issues with the sound from the Board meeting for those attending online.</p>	<b>Action</b>
<p><b>19. AOCB – EVH Pay Increase discussion</b></p> <p>Kenneth Fee asked for some information around affordability of the proposed pay increase before officers leave the meeting. The Director of Finance advised that there has been various testing carried out around affordability in respect of different scenarios and it is affordable. She advised that it is £55k more than the budget approved by the Board in January this year.</p> <p>The officers and Irene McFarlane left the meeting at this point.</p> <p>The Board considered the EVH pay proposal and were happy to approve as although they think it is generous, it was justifiable based on cost of living increases and fact it's affordable for the Association.</p> <p>The Board asked for clarification on Unite's position on the proposal and is there a risk they will reject and if they do what happens? Note:</p>	

It was confirmed post meeting that Unite were part of the negotiations and they plan to put proposal to their members.	
<b>Date of Next Meeting – 27<sup>th</sup> April 2022</b>	