

**West of Scotland Housing Association
Minutes of the Board Meeting
Hybrid Meeting via Microsoft Teams and Camlachie Boardroom
Wednesday 28th February 2024**

<p>Present: Kelly Adams (Chair – In person), Jim Williamson (In person), Karen Merz (In person), Nick Farrell (In person), Kenneth Fee (In person), Graeme Middleton (In person), Michael Sozansky (In person), Alison Calder (Online), George Kpodo (Online)</p> <p>In Attendance (In Person): Brian Gannon (CEO), Jennifer Cairns (Director of Corporate Services), Valerie Wilson (Director of Finance), Andrew Kubski (Director of Development & Asset Management), Robert Campbell (Director of Housing & Community Services), Susan Speirs (Senior Customer Services Assistant), Linda McKenna (SHR), Kevin Gavigan (SHR)</p> <p>Apologies: Ann Reid, Elaine Davidson, Nicola Wason</p> <p>Kelly Adams advised that Linda McKenna and Kevin Gavigan from the Scottish Housing Regulator were here to observe the meeting.</p> <p>Kelly Adams also introduced Valerie Wilson, the new Director of Finance, to the meeting.</p>	
<p>Approval of New Board Member Graeme Middleton left the meeting at this point.</p> <p>Kelly Adams asked the Board to approve the appointment of Graeme Middleton to the Board. The Board approved this. Graeme Middleton returned to the meeting.</p>	
<p>Disclosure of Interests There were no disclosures of interest.</p>	
<p>1. Minutes of the Previous Meeting Michael Sozansky advised that there was a correction to the minutes on page 3. The first sentence of the fourth paragraph should read “The CEO advised that the CMT had been unhappy and not unbeen happy”. With this correction the minutes were approved as a true and accurate record. They were proposed by Michael Sozansky and seconded by Nick Farrell.</p>	Approved
<p>2. Matters Arising The Director of Development & Asset Management advised that we would act on the recommendations from the consultants following their inspection.</p> <p>The CEO advised that the staff had left the meeting so that the Board could discuss the salary negotiations. One of the questions the Board raised was what percentage of turnover was spent on</p>	

<p>salaries. The CEO advised that West of Scotland’s percentage was 16.4% which was well below the average for the sector.</p>	<p>Noted</p>
<p>3. 2024/25 Budget</p> <p>The Director of Finance gave a presentation on the 2024/25 budget. She advised that the Board had approved the draft budget in November 2023 which had incorporated a 5.6% (CPI + 1%) rent increase. The draft budget has been updated following meetings with the Leadership Team and Directors to ensure that the information included is up to date.</p> <p>The Director of Finance advised that the surplus has increased from £194.1k from the draft budget in November to £446.8k. There has been a small reduction in voids and bad debts but the service charges have increased by £219.7k.</p> <p>The Director of Finance advised that the Business Plan assumptions have been updated to reflect the latest projections for both the inflation and interest rates. The Association is also fully covenant compliant for the 30 year plan.</p> <p>Jim Williamson asked where the former CCHA tenants fit in with the rent. The CEO advised that these tenants will have CPI only increases for the life of their current tenancy. This will mean they are out of line with budgeted increases for the next six years as CPI + 1% is currently budgeted. There are currently no plans for a rent restructure bringing these rents up to the same level as WOSHA tenants.</p> <p>Nick Farrell asked about the cash held and facility available. The Director of Finance confirmed that a review will be carried out as part of the Treasury Management strategy to ensure the Association has sufficient but not excessive funds available to fund ongoing activities and its development programme.</p> <p>Kelly Adams asked if there had been any change in the budget request assumptions. The Director of Finance advised that there had been some moderate changes.</p> <p>Kelly Adams asked if we are over budget on the reactive repairs. The Director of Finance advised that we are currently over budget and that this has been a driver for the increase in the next budget.</p> <p>Kelly Adams asked if the £200k set aside for net zero was sufficient. The Director of Development & Asset Management told the Board that there were two schemes that were about to go on site but that this money would not cover everything.</p> <p>Kenneth Fee asked about the pension deficit costs and if the pension was performing well.</p>	

<p>The Director of Finance advised that the pension deficits had stopped in 2022 but these may restart at some point. The earliest possible date being April 2026. The latest estimated valuation showed that it is 90% funded.</p> <p>The Board approved the draft budget for 2024/25 and the 30 year forecast based on CPI + 1% rent increase for 2024/25.</p>	Approved
<p>4. Corporate Business Plan</p> <p>The CEO gave a presentation on the Corporate Business Plan for 2024-29 which sets out the Key Business Objectives for the next financial year and the priorities for the next five years.</p> <p>The CEO outlined the business planning process along with the challenges and opportunities that may arise for the Group and also the external risks that we face.</p> <p>Following the business planning session in September two KBOs have been removed and a new KBO has been added.</p> <p>The KBOs that were removed are:-</p> <ul style="list-style-type: none"> • Continuing to improve our repairs service. We have been meeting our KPIs for the last two quarters. • Reviewing our Mission Statement and Strategic Aims. It was felt that this was a single action. <p>The new KBO that was added was to review our customer communication in respect of WSHA services.</p> <p>The CEO outlined all the KBOs and the rationale for each one. He also advised that there is an action plan included in the business plan which sets out all the actions required to achieve the business objectives. The Board will be kept updated on the progress of these actions.</p> <p>Nick Farrell advised that he didn't feel there was anything missing but that there are things that we could do better like IT and digital. He asked if we were coming to an end with Civica. The Director of Corporate Services advised that we have made good progress with the housing management side. A meeting has been arranged with Civica for Friday to look at the service charge module. We are currently testing the budget module and hope to go live with this in March.</p> <p>Ken Fee advised that the new KBO is a welcome development. He thought however that the focus is too narrow. The Director of Corporate Services advised that this had come from the staff consultation group. Ken stated that we should cover the</p>	

performance of the workforce and also how to make the Association an employer of choice.

The Director of Corporate Services advised that the CMT would look at reviewing the wording of this KBO.

George Kpodo asked about business risk and mitigation and how we identified the risks and ensured that we were putting actions in place to mitigate the risks.

The Director of Corporate Services provided an overview of the risk management process and how this linked with the business planning process. She advised that the risk register is reviewed on a regular basis and reported to Audit Committee and Board and that risk management is a standard agenda item on Leadership and CMT agendas.

George Kpodo asked about how we ensure that we continue to be financially viable in the longer term and that the financial impacts of the Corporate Business Plan are fully considered.

The Director of Finance advised that the Corporate Business Plan will be updated with the latest financial plan. She said that it is stress tested as well to ensure that it will withstand economic shocks. The financial plan will be monitored through the business plan.

Nick Farrell advised that we should be clear about referring people for the right assistance.

Alison Calder advised that we should be giving tenants as much information as possible.

Karen Merz asked if information could be given in the next annual report about what services are carried out by the local authorities.

The Board approved the Key Business Objectives and the Corporate Business Plan for 2024/29.

Approved

5. Risk Review of KBOs & Risk Appetite

The Director of Corporate Services presented this report.

She advised that the CMT had carried out a risk assessment of all the key business objectives. Following this assessment she advised that the current strategic and operational risks remain relevant.

She then went on to provide an overview of emerging issues that would potentially impact the delivery of the key business objectives

<p>and mitigating action that would be put in place to address these issues. The Board discussed these issues and agreed that there were no further issues to add at this time.</p> <p>Kelly Adams queried how this would be incorporated into our risk register. The Director of Corporate Services advised that the issues would be added as causes in respect of the relevant risks and further actions would be added to mitigate these risks.</p> <p>The Director of Corporate Services advised that following the internal audit of our risk management process that a new framework was put in place to assess our risk appetite by risk category. Two new risk categories had been added in, safety and service quality. A risk appetite scale was approved by the Audit Committee so that the Board can identify the risk appetite for each of the risk categories.</p> <p>The Board discussed each of the risk categories and agreed the risk appetite for each category. The Director of Corporate Services advised that the risk register and Risk Management Policy would be updated accordingly.</p>	<p>Approved</p>
<p>6. Approval of Bank Signatories The Director of Corporate Services presented this report.</p> <p>She advised that Donna Paton, Director of Finance, had left the Association at the end of December. The new Director of Finance, Valerie Wilson, had started on 15th February and we now require to remove Donna Paton as a signatory and add Valerie Wilson.</p> <p>The Board approved the removal of Donna Paton as a signatory and addition of Valerie Wilson as a signatory for all WSHA bank accounts and loans.</p>	<p>Approved</p>
<p>7. Board Brief The CEO presented this report.</p> <p>The Board approved the renewal of the Glasgow & West of Scotland Forum membership fee of £5,427 for another year.</p> <p>The Board noted the changes to the Gas Policy.</p> <p>The Board approved the nomination of Valerie Wilson to the Employer Committee of the SHAPS Pension Scheme.</p> <p>The Board noted the rest of this report.</p>	<p>Approved</p> <p>Noted</p> <p>Approved</p> <p>Noted</p>

<p>8. Management Accounts The Director of Finance presented the management accounts for the nine months to 31st December 2023.</p> <p>The Director of Finance advised that the accounts show an operating surplus of £1.6m against a budgeted surplus of £404k.</p> <p>There has been a delay in the development project at Dalmarnock Station and this has led to a loss in rental and service charge income.</p> <p>The repair costs are being monitored.</p> <p>The Board noted the management accounts for the nine month period up to 31st December 2023.</p>	Noted
<p>9. KBOs & Performance Update The CEO presented this report.</p> <p>He advised that 85% of our KBO's have been achieved for the 3rd quarter and that 71% of KPIs are better than target.</p> <p>The Board noted this report.</p>	Noted
<p>10. H&S Report The Director of Corporate Services presented this report.</p> <p>She advised that there is only one EICR outstanding from former Charing Cross properties. The Housing Officer is dealing with this.</p> <p>The Board noted this report.</p>	Noted
<p>11. Subsidiary Report The Director of Corporate Services presented this report.</p> <p>The Westscot Living Board are carrying out a review of their business plan on 5th March.</p> <p>Willowacre Trust are carrying out a review of their business plan on 26th March.</p> <p>The Board noted the rest of this report.</p>	Noted
<p>12. Resolutions The Board noted the 7 day rule for the approval of the shareholding membership for Graeme Middleton. This had been approved by 10 Board members.</p>	Noted

<p>13. Notifiable Events The Board noted this report.</p>	<p>Noted</p>
<p>14. Group Information</p> <p>The Board noted the following information:-</p> <p>Staff Consultation Group Minutes of 11.01.24 Westscot Living Board Minutes of 08.02.24</p>	<p>Noted</p>
<p>AOCB Kelly Adams advised the Board that Paul McCandlish had resigned from the Board.</p>	
<p>Review of Meeting</p> <p>The Board advised that it had been a good meeting with a lot of discussion.</p> <p>The meeting ended at 7.45 pm.</p>	
<p>Date of next meeting – 27th March 2024</p>	