

**West of Scotland Housing Association
Minutes of the Board Meeting at Camlachie House
Wednesday 21st November 2018
PUBLIC MINUTES**

Some Information has been removed for confidentiality

<p>Present: Ruth Simpson (Chair), Elaine Davidson, Ena Hutchison, Ann Reid, Clare Newton ,Colin Menabney, Robert Higgins and Derek McGowan</p> <p>Also Present: Anne Young, Josephine Colhan, Rosemary Murphy, Rose Friel and Lynn Clark, Scrutiny group members</p> <p>In Attendance: Lynne Donnelly, Chief Executive Officer, Colin MacCallum, Director of Finance and Corporate Services (in part), Stewart Gibb, Director of Housing and Customer Services, Andrew Kubski, Director of Development and Asset Management , Jennifer Cairns, Head of Corporate Services, Alistair Reid, Tenant Engagement Officer (in part) and Kari Archibald, Executive Assistant.</p>	
<p>1. Welcome & Apologies The Chair welcomed all to the meeting and noted apologies for John Shearer, Kelly Adams and Shona Gallagher.</p>	
<p>2. Variation to Agenda The Chair advised that there would be a change to the agenda order and each item would follow</p>	
<p>3.Tenant Engagement – Ground Maintenance Scrutiny Review The members of TAG and Scrutiny group presented a report to Board and spoke of how they carried out a series of investigations into how the ground maintenance service is delivered.</p> <p>The members spoke through a number of recommendations which they considered could improve the service. The Board heard of each recommendation and what the next steps will be.</p> <p>The Chair opened up to questions from the Board</p> <p>Ann Reid said that the issue lies with the contractors who carry out ground maintenance and that they are performing poorly and failing to carry out proper ground maintenance in line with the specification. Ann advised that the Housing Managers are aware of the problem and looking at ways to resolve.</p> <p>The Director of Housing and Customer Services explained in detail about the tender process being undertaken for contractors and that the Housing Team will do its best to ensure a strong approach to contract management.</p>	

<p>Derek McGowan enquired about the clerk of works service and felt that it may not be necessary or cost effective to have a clerk of works service.</p> <p>The Tenant Engagement Officer informed that the clerk of works was a suggested option and still to be considered in more detail.</p> <p>The Head of Corporate Services provided more information on the tender process confirming that this option has been considered but the final decision will be lead by the requirements of the bidding and procurement process.</p> <p>The CEO suggested that Ground Maintenance needs to be looked into at operational level and thanked all for their input and questions.</p> <p>The Chair thanked the members of the Scrutiny Group for their contributions and confirmed the Board would consider their finding and write to members. The Tenant Engagement Officer and Scrutiny Group members vacated the meeting at this point.</p>	
<p>4. Disclosures of Interest. None.</p>	
<p>5. Approval of the Minute of 24th October 2018 The approval of the minutes from the Board meeting of 24th October 2018 was proposed by Clare Newton and seconded by Robert Higgins subject to point 15 which reads “planning legislation” and should be “community planning legislation”</p>	
<p>6. Matters Arising All matters arising were noted.</p>	
<p>7. Board Briefing The CEO spoke to the Brief and updated on the leavers and new starts to the Association.</p> <p>The CEO highlighted the references to Freedom of Information, Netherlee House and ONS Classification.</p> <p>Robert Higgins raised a concern about the staff turnover especially with temporary staff within Willowacre Trust and asked how these impact on the KPI figures. The CEO advised that in future this KPI report will present two figures, on for full time permanent employees and one for temporary employees.</p> <p>The Director of Development and Asset Management took the opportunity to ask members of DISC to agree and hold a special meeting on Tuesday 27th November at 1:30pm to approve a tender. The members present agreed.</p>	<p>Action</p> <p>Agreed</p>

<p>8. Federal Structure Review – Tenant Consultation</p> <p>The Head of Corporate Services presented a report to the Board to seek approval to undertake a wide ranging tenant consultation exercise which would gather the views of the tenants about the Federal Structure of the Board and of the proposed changes and amendments going forward.</p> <p>The Board approved the tenant consultation.</p>	Approve
<p>9. Management Accounts</p> <p>The Director of Finance and Corporate Services presented the financial performance of the Association for the six months to 30th September 2018 as contained by the management accounts.</p> <p>The Director of Finance and Corporate Services advised that income was slightly behind budget and expenditure is well under budget leading to a surplus in excess of budget. However, much of the favourable variance in expenditure was timing related and so there was an expectation that the surplus would reduce as we move towards the year end.</p> <p>The report detailed the Income and Expenditure Account, Balance Sheet and Covenant performance. The Director of Finance and Corporate Services guided members through the report outlining the major variances on salaries, maintenance costs and overheads using the tables presented within the report.</p> <p>The Board heard of the difficulties in the Gentoo reporting system and the impact on receiving accurate up to date information particularly with regard to maintenance spend. A resolution to this issue was now underway. He highlighted that total maintenance spend was significantly under budget however there was an overspend in day to day maintenance which was under investigation. It was anticipated that the underspend in cyclical maintenance was timing related. The underspend in major repairs (both revenue and capital) was attributed to the increased costs of the Barrachnie project which led to it's later than anticipated start. In addition due to the increased Barrachnie costs other major repairs projects had been rescheduled and so also impacted on the underspend</p> <p>The Director of Finance then referred members to discussions in February and March when setting the budget for the current year.</p> <p>The Director of Finance also advised that the Repairs Manager sought an additional £100K for other works and that a recommendation would be brought to the January meeting once the mid year review was complete, however, it was anticipated that there would be sufficient headroom for this request to be granted. The additional £100K was required to fund anticipated new obligations around Health & Safety.</p> <p>Members noted the reduction in expenditure particularly around salary costs and overheads and additional work required at Barrachnie. After consideration the Board noted the report and agreed to approve to</p>	

consider a further £100k increase in January.	Approved
<p>10. Annual Treasury Report</p> <p>The Director of Finance and Corporate Services presented a report summarising the treasury performance over the last year and outlined the treasury management activities for the year ahead. The Board noted that the report was presented to the Audit Committee meeting of 7th November 2018 and that the Audit Committee requested a summary report be presented to the Board.</p> <p>The Board noted the content of the report</p>	Noted
<p>11. Fixed Rate Loan Proposal</p> <p>The Director of Finance and Corporate Services presented a detailed report outlining the proposal to convert up to £15.3m of existing variable rate loan debt to fixed rate.</p> <p>After consideration the members acknowledged they understood the content of the report, the explanations provided by the Director of Finance and Corporate Services and accepted the risks associated with the transactions involving the conversion of variable rate debt to fixed rate debt. The members also agreed to the provision of the minute of the meeting as part of the lender's documentation requirements. The Chair expressed that she was happy with the calculations provided and the report was well written and clear.</p> <p>The Board approved the recommendation</p> <p>The Director of Finance and Corporate Services vacated the meeting at this point.</p>	Approved
<p>12. Former Tenant Arrears Write Offs – Q1&Q2</p> <p>The Board noted the content of the report and approved the write off amount of £7,881.28</p>	Approve
<p>13. Rent Arrears Policy</p> <p>The Director of Housing and Customer Services presented a report to Board to seek approval for the changes to the Arrears Policy and advised that the main changes to the policy were the inclusion of a statement outlining the roles of key staff, the way the Association deals with former tenant arrears and writing off those arrears and the information that is provided to Board.</p> <p>The Board noted the content of the report and approved the revised policy.</p>	Approved
<p>14. Rent Setting</p> <p>The Director of Housing and Customer Services presented a report to Board detailing of the discussion held at the Board meeting in October 2018 and that it was agreed to carry out a tenant consultation with regard to the proposal of rent setting changes for 2019/20.</p>	

<p>The Director of Housing and Customer Services informed that the tenant consultation was scheduled for week commencing the 26th November 2018 and that a report around this would be brought to the Board meeting of the 23rd January 2018.</p> <p>The Board noted the content of the report and agreed the following for further consideration on completion of the consultation exercise; being</p> <ul style="list-style-type: none"> i) A rent increase of CPI+1% giving 3.4%;and ii) A rent cap of £17.00 per month (excluding new builds since 2000 and 2 apt pre 1919 flats);and iii) The introduction from April 2019 of rent enhancements for new homes (new build supplement) built since 2000 of £10.00 per month; and iv) A reduced target rent for smaller (2 apartments) pre 1919 tenement flats and similar properties of £10.00 per month 	<p>Action</p> <p>Noted</p> <p>Agreed</p>
<p>15. Delegation of Authority</p> <p>The Head of Corporate Services presented a paper to the Board and outlined what is currently in place with regards to delegation of authority. The Board heard that the seven day rule applies and there will be continuation of monitoring Board authority</p> <p>The Board noted and approved the report.</p>	<p>Noted/ Approved</p>
<p>16.SHN Benchmarking Review</p> <p>The CEO spoke to the report of the Performance against the Scottish Housing Network (SHN) peer group and highlighted the areas where performance was good and areas for improvement.</p> <p>The Board noted that four areas for improvement including complaints management, reactive repairs and maintenance, void management, homeless allocations and rent arrears.</p> <p>The CEO explained that the Director of Development and Asset Management and Director of Housing and Customer Services are working together on the Voids.</p> <p>Derek McGowan enquired for some clarification around the complaints figures and the CEO explained in detail how the figures are collated and percentages relate to stage 1 and stage 2 of the process.</p> <p>Claire Newton felt that there had been an improvement in the reactive repairs service from her own personal experience and appreciated that added difficulties contractors have with the large distance they have to travel.</p> <p>The Board noted the performance against the Scottish Housing Network Peer Group.</p>	

<p>the seven objectives of the strategy.</p> <p>The Head of Corporate Services explained that a robust consultation exercise was carried out with tenants and staff in developing the strategy.</p> <p>The Board noted the report and approved the draft strategy.</p>	Noted/ approved
<p>21. Post Disaggregation Plan</p> <p>The Head of Corporate Services highlighted that the Association is on track to deliver the actions outlined in the disaggregation project plan for year one.</p> <p>The Board noted a delay in further developing the website and improving contract management which was linked to the delay in delivering the new ICT System.</p> <p>The Board noted the progress made on the Disaggregation Plan.</p>	Noted
<p>22. Review of Regulatory Standards and Governance</p> <p>The CEO highlighted the content report noting that a number of papers presented at this meeting reflect the requirements of Standard 2 in relation to openness and accountability and Standard 3 on Financial wellbeing and economic effectiveness.</p> <p>The Board noted the content of the paper.</p>	Noted
<p>23. Health and Safety</p> <p>The CEO presented the Health and Safety report and informed members that the ACS draft Landlord Health and Safety and Willowacre Trust Audit reports had been included for information and that these would be updated to reflect some errors in reporting.</p> <p>The CEO informed that the final landlord report would reflect a need to develop a range of policies to reflect our operational practice. These would be scheduled and launched to staff with appropriate training as required.</p> <p>Colin Menabney felt from a board level that it's good to see how the reports are presented and expect that the Audit Committee will see these in more detail at the February 2019 meeting. The CEO confirmed that all future Health & Safety reports will be presented to the Audit Committee.</p> <p>The Board noted the report.</p>	Noted
<p>24. Minutes of DISC</p> <p>The minutes of the DISC meeting of 31st October 2018 were noted.</p>	Noted

<p>25. Resolutions None.</p>	
<p>26. Notifiable Event The Chair and members of the staffing sub committee will provide feedback to the Board on discussions regarding the outcome of Investigation No 3.</p> <p>A meeting between the Board and SHR will be arranged in due course.</p>	<p>Noted</p>
<p>27. AOCB None.</p>	
<p>28. Review of the meeting</p> <p>The Chair invited members to review the meeting.</p> <p>Members commented that the papers were of a large volume but covered all items on the agenda.</p>	
<p>29. Date and time of next meeting: Wednesday 23rd January 2018</p>	