

List of Signatures

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Name	Method	Signed at
Brian Corrigan	One-Time-Password	2021-09-14 15:24 GMT+02



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Board

Tue 20 July 2021, 18:00 - 20:00

Via Zoom

Attendees

Board members

Brian Corrigan (Chair), Julianne Scarlett (Vice Chair), Eileen Tamburrini (Board Member), Heather Thomson (Secretary), Alan Hutchison (Board Member), Ken Robertson (Board Member), David Brown (Board Member), June McIntosh (Board Member), Susan Skelton (Board Member), Jackie Smith (Board Member)

Absent: Eleanor Robertson (Board Member), Kelly Ferns (Board Member)

Attending

Paul McVey (Director), Alana Durnin (Finance Director), Paul McColgan (Property Services Manager), Liz Bowden (Minute Taker) (Corporate Services Manager), Andy Thomson (Housing Services Manager), Sean Marshall (Senior Development Officer, OTHA), Elaine Byrne (Arneil Johnston)

Meeting minutes

1. Apologies and Declaration of Interest

Information

Chair

Apologies were accepted from Kelly Ferns and Eleanor Robertson.

The Chair put in his apologies from 6.50pm onwards, when he will have to leave the meeting and it was agreed that the Vice-Chair will assume the role of Chair in order to conclude the meeting.

The Chair advised that after presenting the Governance Review, Elaine will stay on at the meeting carrying out her annual observation in advance of the impending Board Appraisals.

 00 - Agenda.pdf



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2. Presentation on Governance Review Outcomes by Elaine Byrne, Arneil Johnston

Decision
Elaine Byrne

Elaine provided a presentation to the Board on the outcomes of the recent Governance Review.

A number of recommendations have been made in the body of the review and it was emphasised that most are refinements to the work carried out by Cloch, rather than wholesale changes to systems and processes. There are also a number of examples of good practice which have been highlighted by the author.

It was highlighted that there is a clear robust approach to self assurance and appropriate evidence has been gathered. There was also a review of the compliance against the Regulatory Standards and Cloch has a large evidence bank to support their assurance.

The Business Plan aligns with the Inverclyde Council Local Housing Strategy and the approach to strategic business planning was commended.

The Scheme of Delegation should be reviewed and appropriate decisions taken on the relevant Sub Committees. The outcome of the Governance Review Workshop was that there is effective governance, however care does need to be taken to ensure that the Board are dealing with strategic matters and appropriate delegation takes place to officers. . T

Prior to deciding on significant changes to our governance framework, the Board were keen to reflect on the effectiveness of new approaches which included more analysis by officers of reports and presentations and time for reflection after meetings to agree on improvements or levels of satisfaction.

Conclusion:

1. There are a number of good practice areas.
2. This is refining not highlighting weak areas.
3. New approaches will require time to bed in.
4. Some policy changes will take place after the AGM.

Resolution

The recommendations from Elaine were discussed and deferred. It was agreed that we will review these recommendations and consider what ones to accept either through the next GAP Meeting or Board Meeting. Progress will then be monitored.

Elaine thanked the Board and Leadership Team for their participation and contributions to the review. The Chair thanked Elaine. He commented that it was good to know we have good practice in a number of areas.

A Board Member commented that it was a thorough piece of work and it was important that Staff and Board follow it through. The Board were assured that they will have an opportunity to review the progress of implementing the recommendations. The Director commented that the GAP group are due to get together to ensure the Annual Assurance statement is done on time for the end of October. He confirmed there is a Global Action Plan which will be made available on the Board intranet and therefore available to monitor.

Sean Marshall joined the meeting at 6.29pm

 02.1 Governance Review Table of Recommendations.pdf

3. Minutes of 1st June 2021


Chair

The Minutes of the meeting were reviewed by the Board for accuracy. A Board Member commented that at Item 6, there was a lot of contractual detail regarding the discussion which should not necessarily be presented in a public document.

There was a debate about sensitive information in the minutes and whether it should be redacted, left out the minute or included. The Corporate Services Manager is to check the Board Minutes Protocol and clarify our rules of redaction before a decision is made.

Resolution

After the appropriate changes to the Minutes are made, the Minutes were proposed, seconded and approved by the Board.

 03.0 Minutes - 1 June 2021.pdf



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4. Matters Arising/Outstanding Actions

The Outstanding Actions Report was presented by the Director. The following is a summary:

1. Typo with Board Members name.
2. Kings Glen handovers are now taking place.
3. Lessons on the development will be explored on conclusion of contract.
4. A summary Business Plan is being progressed.
5. The Leadership Team and Director are meeting to go over the Business Plan and agree future plans. These will be reported to the Board.

Resolution

The Report was noted.

 04.0 Outstanding Actions and Matters Arising.pdf

5. Kings Glen Update

Development Officer, OTHA

The Senior Development Officer, OTHA, presented the Report and summarised its contents.

There are £170K of variations to date. The expected 30th July completion date is on track.

37 properties have been handed over between April to July.

(Jackie Smith joined the meeting at 6.48pm)

Expenditure on the contract has almost been completed, although the retention will be held now until the expiry of the defects liability period.

A Board member asked for some more detail about Collateral Warranties and the Senior Development Officer advised that if any of the design elements fails, there is comeback for Cloch to go back to the architect and engineer. They are complicated and are linked to OTHA's previous project.


Another Board Member enquired about the landscaping. Is there a planting timeline and are we out of time? The Senior Development Officer replied that the timing of when CCG plants is up to them, so it will be up to them to maintain the planting. This is unfortunately part of the design and build contract where the client will have less control over these specific areas, however the responsibility to make good rests with the contractor.

The Board noted the report and excused the Senior Development Officer from the meeting.

The Chair left the meeting. The Vice-Chair took over chairing the meeting at 6.50pm.

Susan Skelton joined the meeting at 6.50pm.

 05.0 Kings Glen Board Meeting Report_July 2021120721.pdf

 05.1 Monthly Expenditure Appendix 1.pdf

6. Tender for Kitchens, Bathroom and Boiler Contract

Property Services Manager

The Property Services Manager presented the report

It was highlighted that this is one of our biggest planned maintenance tenders in many years. The procurement has shown that the tender has been more expensive than the original costs budgeted, due to a combination of Brexit and the impact of COVID-19.

The Property Services Manager has spoken to the Finance Director regarding the financial risk and the Finance Director has, in turn discussed it with the bank.

The scoring of the quality assessments was discussed highlighting who had the most advantageous tender. It was highlighted that this is a three year contract and there is a guarantee on the costs. Year 4 and year 5 can be agreed nearer the time. Any changes will be based on the IFLAIR framework.

There is no standstill period which means a quicker start and after approval, staff can hold the pre contract start meeting and communicate with tenants. The rewire contract and windows are to be approved in the next week.

A Board Member asked about pricing and if the contractor has the right to substitute products. The Property Services Manager replied that the successful contractor is offering the product asked for in the tender.

There was a further query regarding the possibility of negotiating a price reduction on the tendered prices. The Director replied that housing associations are not allowed to do go back to renegotiate costs after the contract has been awarded, under the public procurement regulations. A further query was whether there was any merit in delaying the



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project for a year to reduce the costs. The Property Services Manager commented that the programme has already been delayed and tenants are aware of this. As an Association we have carried forward £800K to this year already. The aim is to get our programme back up and running. The Finance Director commented that the risk of covenant breach is more significant than cashflow and this risk is increased if work is further deferred.

A Board Member queried whether in terms of Bathroom upgrade, are there level access showers going in? The Property Services Manager replied that there are some in the contract. There was discussion about the energy efficiency of the boilers and it was confirmed that our approach at present continues to be A-rated energy efficient combi boilers, however this will be revisited in future once we are clearer about alternative products and solutions.

Resolution

The recommendation to award the contract was proposed, seconded and approved by the Board

 06.0 Kit, Bath and Heating Tender Report.pdf

 06.1 Appendix Consultant Kit, Bath and Heating Tender Report.pdf

7. Loan Portfolio Return to the SHR


Finance Director


The Finance Director presented the Report.

She explained this is an annual submission to the Regulator, giving details on our loan funding.

Resolution

The Return was proposed, seconded and approved by the Board.

 07.0 Loan Portfolio Return 31-3-2021 Cover Paper.pdf

 07.1 Appendix Loan Portfolio Return as at 23.06.21 prior to approval & submission.pdf

8. Director's Report

Director

The Director presented the Report using Powerpoint.

In summary:


- The Leadership Team has discussed the way forward for opening the office to the customers subject to the Scottish Government confirming removal of restrictions. Internally, staff have started to plan.
- After the Governance Review, the next step is to set up the GAP Group and create an Action Plan of further improvements. The Board are being asked to consider joining the GAP Group which will look at the Assurance Statement. The Annual Assurance Statement will be Cloch's first as an independent organisation.
- The Board Appraisals are starting soon and this will be done again by Arneil Johnston..
- The Director asked the Board to consider holding a virtual AGM which they agreed.
- The Vice Chair vacancy will be available at AGM. There is an opportunity for Board to put themselves forward for the role. There is also interest from a local resident in joining the Board to fill the vacancy, and this will be followed up.
- The Director's appraisal has been carried out and there are goals set for the Director. Thank you for those who gave comment prior to the appraisal.
- There are currently two staff vacancies.
- The Internal Audit on Business Planning recorded an outcome of substantial assurance with 3 low priority recommendations.
- The Director highlighted sector issues such as eviction and prevention work and the anticipated cost of EESSH to the sector.

Resolution

1. The Board noted that the Board Appraisal Dates are during week beginning 23rd August 2021.
2. The Board approved the recommendation to hold this year's AGM virtually.
3. The Board noted that they are to express an interest in joining the GAP Working Group.

 08.0 Directors Report.pdf

 08.1 Directors Report - Appendix 1 Letter to landlords - Annual Assurance Statements - June 2021.pdf

 08.2 Directors Report Appendix 2 Internal Audit Report.pdf

9. Noting of "In Between" Meeting Decisions



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9.1. Changes to Budget 2021/22

The Finance Director explained the background to this report and advised on the detail.

Office Bearers took the decisions out-with the meeting cycle, to ensure they were done timeously. The paper showed the surplus reduced to £187k, (down by £789k), and this is because of the high level of carry forward of budget provision from 2020-21. The bank, have agreed to amend the 2021/22 interest cover covenant due to the high level of carry forward impacted by Covid-19 on work plans.

Resolution

The report was noted.

 09.1.0 2021-22 Post Year End Budget Review.pdf

 09.1.1 2021-22 Post Yr End Budget Appendices.pdf

9.2. Five Year Financial Projection Return to SHR


The Finance Director talked through the recommendations in the report

This was approved by the Office Bearers out-with the normal Board Meeting cycle. It was noted that the tender costs being presented tonight were not incorporated into the submission, however the increased costs would be revised at the mid-year budget review within the 2021/22 budget to reflect these. The impact will also be discussed with the lender / bank.

Resolution

The report was noted.

 09.2.0 FYFPReturn - 25-6-21.pdf

 09.2.1 FYFPReturn - 25-6-21.pdf

10. Cloch Plus - Furniture Business Proposal

The Director took the Board through the Executive Summary of the report.

In the last 6 months, Cloch has been able to furnish 6 properties using the Community Recovery Fund Grant money. It has allowed staff to experience what is involved in setting up furnished lets.

The feasibility study identified that this will likely lead to a loss by year 6 and from there Cloch will start to generate a surplus. It is important that the Association "hold their nerve" in earlier years of the project.

There were originally 3 strands to the project:

1. Supply of furniture.
2. Adhoc items for tenants.
3. Recycling.

The Supply scheme is the main focus of the report and furnished tenancies are the main vehicle for this as opposed to a furniture supply project - the report differentiates between both.

The proposal is to ultimately have to 70 new furnished tenancies by adding 12 each year. Cloch may build in tenancy support to this package to ensure tenancies are sustained.

Once the report is concluded staff will need to map out the detail on how to take this forward.

The extract in the report models the financial element. It only works in the long term. Cloch has ringfenced funds to use on this project from previous furnished project, up to a maximum of £150,000.


It was highlighted that the Board have visited a furnished flat at Kings Glen and they commented on the issues faced by a young couple to afford flooring and curtains and furniture in a new home. The Director agreed that this illustrates the issue of furniture poverty.

Cloch insures the property and PAT tests the white goods on an annual basis.

Resolution

The report was noted by the Board.

 10.0 Feasibility Study & Business Case - Executive Summary Extract - Covering Report.pdf

 Executive Summary Extract - Furniture.pdf



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11. A.O.C.B.

11.1. Intranet

Corporate Services Manager

The Corporate Services Manager verbally reported that a prototype of a Board Intranet was being designed and in August, a few Board Members will be asked to test it. The intention is to provide the Board with a one stop shop for all their information, including their Board Papers.

Resolution

The Board noted the verbal report.

11.1.1. Minutes of Sub-Committees

A Board Member asked about the timing of receiving draft copies of Sub-Committee Minutes. Often the sub's come just before the Board Meeting, so the drafts are not available, so instead a verbal update is given. The Board Member would like to see the drafts as soon as they are ready and feels waiting for the 3 months to the next Sub-Committee is too long to remember what was said.

The Director commented that staff are working on making them available sooner and that the intranet may solve this problem by making them available immediately.

Resolution

The comments were noted.

12. Reflections

Chair

The Board were pleased with the changes to the Board Papers and felt they reflected the recommendations made during the Governance Review.

13. Date of Next Meeting: 31st August 2021

Chair

June's apologies were submitted for August meeting. The meeting finished at 8pm.



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