

Minutes of the Board meeting  
held on Tuesday 15 March 2022  
in the offices and on Zoom

Present (via Zoom)

Brian Corrigan, Chair  
Kelly Ferns, Vice Chair  
Heather Thomson, Secretary  
David Brown, Susan Skelton, Ken Robertson,  
Patrick Marshall, Eileen Tamburrini, Jackie Smith  
Alan Hutchison, Eleanor Robertson

  
Brian Corrigan (May 9, 2022 11:46 GMT+1)

Attending (in the office)

Paul McVey, Director

Attending (via Zoom)

Liz Bowden, Head of Corporate Services (HCS)  
Shonaid Musgrove, Corporate Services Officer (Minutes)

<b>1.</b>	<p><b>Apologies &amp; Declarations of Interest</b></p> <p>There were no apologies nor any declarations of interest.</p>
<b>2.</b>	<p><b>Minutes of Meeting held on 1 February 2022</b></p> <p>The Board had no amendments to make.</p> <p><b><u>Resolution</u></b></p> <p>The Minutes were proposed, seconded and approved.</p>
	<p><b>SPECIAL MEETING ICHR</b></p> <p>The Board had no amendments to make.</p> <p><b><u>Resolution</u></b></p> <p>The Minutes were proposed, seconded and approved.</p>
<b>3.</b>	<p><b>Matters Arising/Outstanding Actions</b></p> <p>The Board noted the report.</p>
<b>4.</b>	<p><b>Draft Minutes of Sub-Committees</b></p>
4.1	<p><b><u>Housing &amp; Property Services</u></b></p> <p>The Board noted the contents of the Minutes and they would be put to the next H&amp;PS meeting for approval.</p>

4.2	<p><u>Finance &amp; Corporate Services</u></p> <p>The Director drew the Board's attention to 2 items:-</p> <ul style="list-style-type: none"> <li>• The Quarter 3 Management Accounts had been discussed</li> <li>• A settlement agreement had been made and an "in-between meetings decision" had approved this. No additional ex-gratia monies had been awarded; only payment for the statutory 3-month termination clause.</li> </ul> <p>The Board noted the contents of the Minutes and that they would be approved at the next F&amp;CS meeting.</p>
5.	<p><b>Factoring Fee Review</b></p> <p>The Director advised that the factoring fee is reviewed annually following the rent increase review. This service is provided to owners at cost-level; the Association does not make a profit from it. Following a cost analysis exercise it is proposed that the factoring fee is increased by 2.5%; the same as our rental increase, which will cover our costs for the factoring service.</p> <p>A Board member asked whether the Association is required to consult with owners on the increase, however the Director confirmed that this was not the case.</p> <p><b><u>Resolution</u></b></p> <p>The Board proposed, seconded, and approved the 2.5% increase to factoring fees.</p> <p><b><u>Action</u></b></p> <p>Owners will now be contacted to advise them of this increase.</p>
6.	<p><b>Policy Review</b></p>
6.1	<p><u>People Strategy</u></p> <p>The Head of Corporate Services (HoCS) advised that this is the first review of the People Strategy. The review links into our Business Plan and its new objectives for the next 3 years.</p> <p>The document has an Action Plan which is replicated in the Global Action Plan and the Association will move forward with these actions.</p> <p>The HoCS stated that the Young People appendix is a completely new section and as such there have been some changes to our budgets following the appointment of the Graduate Apprentice (costs no longer shared with OTHA) and our aim of appointing additional Modern Apprentices going forward.</p> <p>The Young Clochie Club will get a make-over and restarted.</p>

	<p>A Board member commented that this was a very comprehensive and positive document. They made one suggestion. At paragraph 3 they suggested changing the wording to “complementary” therapies.</p> <p>Another Board member noted that the covering report should have stated “Board” instead of Sub-Committee under “Recommendations”. They also asked why the Young People appendix was not included in the main strategy rather than an appendix when it was a very positive part of our strategy. They thought this should be promoted more e.g. on our Portal. The Director agreed that this should be amended.</p> <p><b><u>Resolution</u></b></p> <p>The Board proposed, seconded and approved the review.</p> <p><b><u>Action</u></b></p> <p>Amend the wording from “alternative” to “complementary”. Remove the appendix and include within the Strategy.</p>
6.2	<p><b><u>Equality &amp; Diversity Policy</u></b></p> <p>The HoCS advised that this policy is linked to the Equality, Diversity &amp; Inclusion Strategy that was approved at the December 2021 Board meeting.</p> <p>The policy has been amended to take into account a new statement on (1) Modern Slavery and (2) Human Rights. This second point may change as the SFHA will be issuing guidance at the end of 2022 on this item.</p> <p>The HoCS stated that the Association has had a lot of assistance from our external Data Protection Officer (DPO) on completing the Equality Impact Assessments (EIA) and has worked with us on the one for the Inverclyde Common Housing Register (ICHR) policy. Some staff have undertaken rigorous EO training and are now EO Ambassadors. All staff and Board will get training on this too.</p> <p>A Board member enquired as to when with the EIA gets done. The HoCS advised they have some catch up to do on them but they will compile a programme for this.</p> <p>Discussions took place on Modern Slavery and Human Rights issues and it was agreed that advice and guidance would be sought if required on these matters. Some things to consider were if our contractors were all Living Wage accredited and are signed up to the Modern Slavery Act. There were some areas where exploitation may feature and the Association may need to address this in the future and how would staff recognise if this were happening.</p> <p><b><u>Action</u></b></p> <p>HofCS is to look into training for staff on Modern Slavery and also to discuss further including a clause in tenders about Modern Slavery.</p>



	<p><b><u>Resolution</u></b></p> <p>The policy was approved.</p>
6.3	<p><b><u>Expenses</u></b></p> <p>The HoCS intimated that no expenses were incurred by the Association during the pandemic as Board/Staff were working from home. However, the policy is in place so that no-one is excluded from being on the Board by way of affordability.</p> <p>A discussion took place around the discretionary payments that a Board member could receive and the rates allowed for cars/electric cars. The current rate of £25 had been in place for some time but the Board agreed that it was sufficient for the time being. The HoCS advised that the car rates were set by HMRC and currently, they had not been uplifted. It was felt that the 5p/mile allowance for fully electric cars was low considering the huge increase to electricity bills and that 20p/mile could be claimed by someone using a bicycle.</p> <p>A Board member enquired if the Association had thought about installing an electric car charging point; they thought there could be some grant funding available for this. The HoCS replied that prior to the pandemic there had been some discussions about potentially looking at this and also whether a pool car should be considered. The Director stated this is something which will be considered further. The HoCS will revisit the e-car 5p/mile allowance.</p> <p><b><u>Resolution</u></b></p> <p>The Board approved the policy</p> <p><b><u>Action</u></b></p> <p>The HoCS to investigate if HMRC are going to be increasing the limit in light of the current situation regarding the cost of electricity.</p> <p>The HoCS is to enquire about putting a charging station outside the office.</p>
7.	<p><b>Performance Report</b></p> <p>The Director shared his screen and made a presentation to the Board. He highlighted the following key points:-</p> <ul style="list-style-type: none"> <li>• Average re-let time increased;</li> <li>• Void rent loss increased;</li> <li>• Non-technical arrears increased (time taken to get legal cases to court);</li> <li>• ASB caseloads improved (in terms of how quickly we can get them resolved);</li> <li>• Positive emergency repair performance;</li> <li>• Non-emergency repairs can be improved on (new contractor still bedding in and making some progress);</li> </ul>

	<ul style="list-style-type: none"> <li>• Small improvement with voids (but can be improved on);</li> <li>• Gas servicing – 3 were missed at the 12 months expiry date. The process starts at month 10 and if no response to our efforts the Association can force entry on the day. In these cases 1 was the contractor’s oversight and the other 2 tenants had Covid and were isolating. All are completed now.</li> <li>• Loan covenants all met;</li> <li>• Staff costs and overheads are down (vacancies etc);</li> <li>• Strong factoring performance;</li> <li>• Sick levels are up (three long term – although two cases have now returned to work and one has left the organisation);</li> <li>• No long term absence at present;</li> <li>• 82% Board attendance (this is excellent);</li> <li>• High performance level with complaints handling;</li> <li>• Strategic Risk register. New format. 13 key risks - watch these and for any new ones and for the effect on our Business Plan.</li> </ul> <p><b><u>Resolution</u></b></p> <p>The Board noted the report.</p>
8.	<p><b>Director’s Report</b></p> <p>The Director took the Board through the report and noted the following:-</p> <ul style="list-style-type: none"> <li>• Unsuccessful recruitment for post of Head of Finance but have secured financial service arrangement from Atrium Homes. The individual will assist the Association with treasury matters, loans, covenants, etc. Our temporary, part time assistance in Corporate Services ends on 31 March and the person in this role is taking on a temporary Finance Assistant post. Cost savings made can afford us to do this. This also covers the section when our Finance Graduate Apprentice is at university or on study leave.</li> <li>• Housing – 2 posts now filled. Our temporary employee was successful in securing the Assistant Housing Officer post and the Housing Officer post was secured by an external candidate who comes with good experience and has been doing the same role for another housing association.</li> <li>• IT Service Level Agreement is still with our legal team for consideration.</li> <li>• Flexible Working policy will be out to staff consultation in the next week. This will go to the next Board or Sub Committee meeting.</li> <li>• Employee Engagement survey. This is out for consultation prior to being issued. The Director will report back to the Board with analysis from it. Possibly expect satisfaction to be lower from last survey due to the effect the pandemic has had on morale and resilience.</li> <li>• Contractor L&amp;D gone into administration. The team are investigating options to complete the Year 1 works as much as possible. Through issuing of a legal notice and our retention there are funds to assist with additional expense, from that, and from the future procurement for the remainder of the contract period. Communications with tenants has been ongoing.</li> <li>• Audit – we obtained a reasonable assurance status for our reactive repairs and this was included in our appendix. The Internal Audit Guidance from the</li> </ul>



	<p>SFHA has been uploaded to the Board Portal. The Director is preparing and an accompanying video/slide pack for this.</p> <ul style="list-style-type: none"> <li>• There were a couple of notifiable events (staff issue and L&amp;D one) raised and discussed with the Board.</li> <li>• Resident H&amp;S questionnaire was submitted to the SHR; will hopefully find out shortly what information they got from this.</li> </ul>
8.1	<p><u>Approval of Loan funding – facility agreement and Security</u></p> <p>The Director took the Board through the report. The Finance Director had taken the Board through what would be expected before she left the organisation. The FD had advised the Board about the extension of the RBS loan that was required in order to pay off the OTHA loan. The lawyers for the Association and RBS are now finalising all the legal intricacies and part of this arrangement is for this to come back to the Board for final approval. The Director read out the detail of the documentation which essentially approves the detail of the loan and delegates authority for signatories to take the arrangement and new Facility Agreement to conclusion. The specific detail of this agenda item is contained in Appendix 1 of this Minute.</p> <p>The Director apologised for the length of this report but advised that due to the formal legal nature of it, it is important to the lender that the Board have oversight of the full documentation. The Director will liaise with other housing associations to determine if there is an alternative way to report this to Board with less bureaucracy.</p> <p>A Board member commented that our lawyer would draw the Association’s attention to any matter that was deemed serious, and that due diligence should be shown by both parties’ lawyers.</p> <p>The Director also advised that the security from the 24 properties in Maulkinhill have now been released following the pay off of the Oak Tree loan – and these are in the process of being transferred over to RBS as security for the additional loan sum. A separate excerpt of the minute is at Appendix 2 and the Board approved the Office Bearers as authorised signatories for this purpose.</p> <p><b><u>Resolution</u></b></p> <p>The Board proposed, seconded and approved the loan funding and the attached documentation as expressed in the appended Extract Minutes to this document – this included the delegation of authority for signatories to conclude the matter.</p> <p><b><u>Action</u></b></p> <p>The Director to investigate alternative ways to present this information to Board to avoid volume of paperwork/documentation.</p>
8.2	<p><u>Financial Regulations</u></p> <p>The Director intimated that they had left on the tracked changes deliberately to let the Board see the exact amendments being made and the rationale for doing so.</p>

	<p>The Board was advised that no changes had been made to any values but that it had been changed to reflect the Association was now buying in financial services, and some other title changes etc. The Association wants to ensure that the consultant can act on the Association's behalf on financial matters.</p> <p>A Board member asked if the Association was covered by professional indemnity insurance in this situation. The Director replied that both the Association and Atrium (financial provider) are both covered.</p> <p>A Board member suggested changing the 2<sup>nd</sup> paragraph on the opening page to "their" instead of his/her.</p> <p><b><u>Resolution</u></b></p> <p>The Board approved the changes to the Financial Regulations.</p> <p><b><u>Action</u></b></p> <p>Change "his/her" to "their" as stated above.</p>
<p><b>9.</b></p>	<p><b>Governance Self-Assessment and GAP Progress</b></p> <p>The Director summarised the methods used by the Association to demonstrate assurance by, among other things, assessing ourselves against the Regulatory Standards of Governance and Financial Management. We do this by using the toolkit issued by the SFHA which guides us comply with these standards. We also have our own Governance Activity Plan (GAP) working group that analyses and scrutinises this. From this we form our improvement/development actions and present to the Board. We also use the expertise of Arneil Johnston to carry out our annual Governance Appraisals and recently they had 22 recommendations to consider. Of the 22 recommendations, 16 are now completed/closed.</p> <p>Our Assurance Improvement Plan listed 40 actions for consideration. 25 of these are now closed/completed. The Board noted progress.</p> <p>The Director proposed continuing in the same fashion with a rolling programme of self-assessments, which the Board were in agreement with.</p> <p><b><u>Resolution</u></b></p> <p>The Board noted the report.</p>
<p><b>10.</b></p>	<p><b>Annual Report on the Landlords Safety Manual</b></p> <p>The Director advised that this is similar to the H&amp;S Manual for the office that the Corporate Services Officer is the administrator for. The difference is this manual is for our properties and our landlord services.</p>

	<p>The Association joined the scheme during the pandemic and this is the first report based on the outgoing year. We achieved substantial assurance on our Duty of Care. The Gas Safety training will be carried over into next year, and we are looking at ways of progressing our compliance with the manual more effectively next year. We also anticipate being audited on this next year.</p> <p>A Board member thought the report was very positive.</p> <p><b><u>Resolution</u></b></p> <p>The Board noted the report.</p>
11	<p><b>Membership Applications</b></p> <p>A membership application had recently been received.</p> <p><b><u>Resolution</u></b></p> <p>The Board approved the membership.</p>
12.	<p><b>Reflections on Meeting</b></p> <p>The Chair commented that the presentations were good and that the Director and HoCS had to speak to all the reports in the absence of the other members of the Leadership Team.</p> <p>The Director will take on board earlier discussions about the amount of paperwork that Board have to read.</p> <p>The Director also intimated real concerns for tenants and staff regarding affordability for heating homes. The Tenant Satisfaction Survey revealed worrying levels of tenants who do not put their heating on for fear of large utility bills. The Energy Activators do a great job but at the end of the day its finances that will make the difference. However, the Association will continue to put messages out about using fuel more efficiently.</p> <p>A discussion took place regarding the Ukrainian refugee situation. The Director intimated concerns that our tenants may try to house refugees. The Association would rather try to house refugees into suitable accommodation and get them the right professional help and support they will likely require.</p>
13.	<p><b>AOCB</b></p> <p>There was no other business.</p> <p><b>The Meeting closed at 7.30pm.</b> The date of the next meeting is 26 April 2022.</p>