

Meeting: Minutes of Board Meeting.

Meeting Date: 6 December 2022

Time: 5.30pm

Location: MS Teams (Virtual)

Discussion

Meeting Opening

1. Welcome & Apologies

Present		Staff	
Liz McKenzie	Chair	David Byfield	Chief Executive (CEO) Company Secretary (CS)
Mark Ingram	Vice-Chair		
Alex Warren	Board Member	Peter Kelly	Director of Asset Management (DAM)
Richard Mahon	Board Member	Lindsay Gemmill	Interim Director of Customer Services (IDCS)
Ann Marie Docherty	Board Member	Michelle Hart	Finance & Corporate Manager
Maureen Cope	Board Member	In attendance	
Karen McDonagh	Board Member	Paul McNeil	
Chinenye Anameje	Board Member		
Chukwudi Chuks-nnadi	Board Member		
Apologies		Leave of Absence	
		Sharon Richford	Board Member
		Mary Eardley	Board Member

2. Declaration of Interest

None.

3. Declaration of Receipt and Understanding

Members present confirmed they read and understood the contents of the Board papers.

4. Minutes of Board Meetings for Approval

Minutes of Board Meeting 25 October 2022	
Approved by: Mark Ingram	Seconded by: Richard Mahon
Redacted Minutes of Board Meeting 25 October 2022	
Approved by: Mark Ingram	Seconded by: Richard Mahon

5.	<p><u>Matters Arising/ Action Sheet</u></p> <p>Item 169 – it was confirmed that the fly tipping had been reported and notification had been received that it had been removed.</p> <p>Action Sheet:</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Approved by: Mark Ingram</td> <td style="width: 50%;">Seconded by: Anne Marie Docherty</td> </tr> </table>	Approved by: Mark Ingram	Seconded by: Anne Marie Docherty
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Items requiring a discussion/ approval

6.	<p>CEO Report</p> <p>Report noted.</p> <p>The CEO took members through the report and updated on the following:</p> <ul style="list-style-type: none"> • Cost of Living (Tenant Protection) (Scotland) Bill 2022- no further update, still awaiting announcement on 14 January 2023. SFHA and GWSF have estimated that at the average proposed rent increases of 6.1%, this represents a reduction in income for the next financial year of £80m for the whole sector. • Financial Planning – Paul McNeil will attend this meeting to put forward issues for discussion only at this stage. • Dampness, mould and condensation is a high profile topic at the moment. AHA has prepared a draft policy in respect of dampness, mould and condensation, a draft procedure note for staff, a draft register to record instances and action taken, a draft information leaflet for customers and an article in the forthcoming newsletter. • Colleague Away Day – the office will be closed Friday 9th Dec and open on the Wednesday 7th Dec afternoon. The outcomes of the day should help empower colleagues, identify ways to reduce stress and create a positive working environment. • Meeting with Stuart McDonald MP – this was a good meeting and helped bring all Castlemilk associations together. An invitation to the next meeting was extended to Patrick Harvey, but no response had been received. A meeting is to be held in January 23 with all Castlemilk CEOs to explore better partnership working and ensure value for money. • HR/Personnel/Organisational Development – one member of the Customer Services team is leaving on 21/12/22. One colleague absent on long term sickness with no clear timescale for return. The Association is offering support. The position will be covered temporarily by developing an existing member of staff. Lindsay has agreed to stay until April 23 for 2 days per week while recruitment of the Director of Customer Services is underway. CEO proposed that Transforming HR’s remit is extended to provide a 12 month HR subscription service providing advice and support. <p>The Board approved CEO Report and agreed to the extension of Transforming HR services on a 12 month basis.</p>
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7.	<p>Financial Model Review – discussion paper</p> <p>Paul McNeil joined the meeting at 6.00pm. Paul took members through the discussion report. The current economic climate results in a need to update the business plan and keep it under constant review to consider the impact of the significant issues which are facing the sector. Paul ran through the changes which had been made to the assumptions.</p> <p>The Association needs to consider changes to the current business plan, particularly around the investment expenditure, savings on other operating expenditure, plus may have to increase rents by a higher rate in future years than was originally planned. These may be interim measures, and can be readdressed once the economy recovers.</p> <p>DAM wondered if savings should be made in years earlier than years 3,4 and 5 as detailed in the revised BP. It may be better to do this if a recession forces prices down. The Association needs to determine a strategy to avoid deficits, and difficult decisions will need to be made, but unclear what these will be until an announcement is made regarding the rent increase from April 23.</p> <p>CEO highlighted the next steps which will be an agreement to revise the current investment programme, a strategic away day will be held in January with Board and colleagues to discuss. A Value for Money working group is to be established to review the cost base and identify savings.</p> <p>Paul McNeil left the meeting at 7.00pm.</p> <p>The Board noted the report and approved the revision of the Investment Programme.</p>
8.	<p>Rent Increase Report</p> <p>IDCM took the members through the Rent Increase report. This is an unusual year in that there is currently a rent freeze until 31.3.23, and it is not known what will happen at 1.4.23, plus inflation is currently 11.1%.</p> <p>Three possible increases have been modelled – 5%, 6% and 7%. Most RSLs that have provided details are consulting on a range of increases between 5-7%. The base case Business Plan discussed in agenda item 7 uses a rent increase in 23/24 of 6%.</p> <p>Following discussion it was agreed that if 6% was the optimum increase to keep balances positive in the business plan, then this should be the increase which is consulted on.</p> <p>The Board approved the rent consultation proceed with one option of 6%.</p>
9.	<p>Tenant Consultation (verbal update)</p> <p>IDCM gave a verbal update regarding the rent consultation. This will be issued on 16th December 2022 with a proviso that the 6% is subject to the Scottish Government legislation and may change. If no changes required, the results will be communicated on the 24th January 2023.</p>
10.	<p>Mid-Year Review</p>

	<p>FCM ran through the Mid Year Review report, and highlighted amendments that had been made to the initial budget for changes which had occurred during the year. The main changes were an increase in the interest rates which resulted in a decrease in the overall surplus of approximately £78k. DAM discussed the increase to the void repairs costs of £54k, which is required due to an increase in material and labour costs, and a reluctance from the contractors to enter into a schedule of rates contract. Staffing costs have been amended where posts have been vacant during the year.</p> <p>The Board approved the revised 2022-23 budget.</p>
11.	Notifiable Events None.
12.	Health & Safety None.
13.	Correspondence A letter from SHR regarding dampness, mould and condensation which was previously circulated.
Meeting Closure	
14.	Use of Delegated Authority None.
15.	A.O.C.B The Chair highlighted that the CEO's probationary period has passed and that he has been offered the full position of CEO of Ardenglen Housing Association. MC advised that a unit in the Braes shopping centre has been secured to allow the delivery and storage of tinned goods for the pantry.
16.	Summary of actions/ decisions at this meeting <ul style="list-style-type: none"> • The Board approved the action sheet • The Board approved the extension of Transforming HR service for 12 months • The Board approved the re-profiling of the investment programme • The Board approved the rent consultation move forward with a single figure of 6% • The Board approved the mid year review.
17.	Meeting Evaluation The Board thanked staff for their reports and advised it was an informative meeting.
18.	Date and time of next meeting – 24 January 2023 at 5.30pm.
19.	Meeting Close The meeting closed at 7.33pm with a vote of thanks to the Chair.