

MINUTE
Management Board Meeting
1:00pm on 13 June 2019
Hopetoun Street, Edinburgh

Present: Simon Guest (Chairperson)
Michael Allan (Vice-Chairperson)
Helen Barton
Neil Wood
Laurence Casserly
Nigel Chapman
Lizzie Crawford

Jason MacGilp, Group CEO and Company Secretary
Derek Adam, Director of Finance and Business Services
John Davidson, Director of Customer Services
Donna Holligan, Head of Finance
Paul Robertson, Head of Customer Services (Tenancy)
Walter Clarkson, Head of Customer Services (Property)
Carolyn Owens, Governance Services Manager (Minute)

	Item	Decision
1.	Board Members only	
1.1	Recommendations from the Remuneration Committee Board approved recommendations from the Remunerations Committee.	APPROVED
2.	APOLOGIES Gill Walch, David Venters, Bill Gillespie, Angus Lamont, Don Jamieson and Jackie Browne	
3.	DECLARATIONS OF INTEREST - Helen Barton declared an interest in tem 6.4 in respect of her ongoing Policy work for Pentland HA. - Simon Guest declared an interest as a Director of Cairn Living.	
4.	MINUTES OF PREVIOUS MEETINGS	
4.1	Minutes of the Board Meeting held on 11 April 2019 were approved .	APPROVED
4.2	Minutes of the Audit & Performance Committee Meeting held on 23 May 2019 were noted . Members were informed that a new Chair for the Audit & Performance Committee would be sought in September 2019.	NOTED
5.	MATTERS ARISING 7.4 – Group Schedule of Delegated Authorities	

	<p>The Group Chief Executive advised members that since it was approved at the last Group Board meeting, subject to one confirmation point relating to ANCHO staffing sub-committee which had now been decided by the ANCHO Board, the ANCHO Board had now raised other issues with the document. It was noted that some of these issues would be covered in the forthcoming full Group Governance Review. The Chair advised that a Scheme of Delegated Authorities was essential to the business and to good governance standards, Board approved the Group Schedule of Delegated Authorities to apply to all parts of the Group with immediate effect.</p> <p>7.5 Job Evaluation In David Venters absence a substitute representative for the Job Evaluation Project Team was sought. Laurence Casserly would be provided with additional information and meeting dates.</p>	APPROVED
6.	GROUP UPDATES	
6.1	<p>Partnership Investment Delivery update Michael Allan raised a comment made at the ANCHO Board meeting in relation to the variances highlighted in Appendix 1 of the Report. The Head of Customer Services (Property) advised these were due to upgrading specifications, increasing costs across the sector and procurement methods. Meetings were being held with ANCHO in the next week to look at contracts and local tendering and a further report would be sent to both Boards providing numbers/costs and impacts.</p> <p>The Report was noted.</p>	NOTED
6.2	<p>Annual Partnership Review Report The Group Chief Executive referred to the report which had been circulated for information, highlighting that the report captures investment issues and wider issues around implementing the rent guarantee, offices and wider integration and governance assurance. The Report had been distributed to North Ayrshire Council members and senior officers and to the Scottish Housing Regulator. Members were advised that tenant feedback on the partnership was not yet available but may be received through service specific surveys being introduced shortly.</p> <p>A member highlighted that the figures in App 1, Page 24, were inconsistent on the Report and Cover page. The Head of Customer services (Property) would seek clarification during the meetings taking place with ANCHO next week.</p> <p>The Report was noted.</p>	NOTED
6.3	<p>Governance Review – Project Brief The Chair provided an update on the reasons for a full Governance Review in relation to group transition, the forthcoming annual assurance statement and cyclical governance reviews.</p> <p>Following a discussion, Board approved the Project Brief and full Governance Review, and agreed a 75% Cairn contribution for overall costs, and proposed 25% costs from ANCHO.</p>	APPROVED AGREED

6.4	<p>Pentland Housing Association– partnership opportunity</p> <p>The Group Chief Executive provided a verbal update referring to the previously circulated Tender Pack, advising that stock condition survey information was not included but would be available on 21 June and that the Growth & Partnership Working Group (G&P WG) had met on 10 June 2019 to consider and had agreed to explore the opportunity further.</p> <p>Members discussed local demand issues, operational efficiencies, investment needs, impact on current organisational commitments and financial implications.</p> <p>Board agreed for the G&P WG to continue to explore the opportunity, approved delegated authority to G&P WG, subject to circulation of a summary note on outline offer and further feedback from Board members by early July, to potentially submit a bid on 19 July.</p>	AGREED
7.	ITEMS FOR DECISION/APPROVAL	
7.1	<p>Strategic Goals</p> <p>The Director of Finance and Business Services presented the proposed Strategic Goals for 2019/20. Members discussed tenant participation in development of the strategic goals, tenant involvement in projects, exploring rent collection and challenging the culture and approach to collecting income, with potential future options to suspend repairs and planned maintenance for tenants with arrears.</p> <p>Board agreed the 2019/20 Strategic Goals.</p>	AGREED
7.2	<p>Customer Service Excellence Report</p> <p>Following a presentation on the project by the Head of Customer Services (Tenancy), Board noted the CSE annual reports and accreditation status awarded.</p> <p>In response to a member’s question it was clarified that the award is for the Cairn Group. The Board congratulated the team in this achievement.</p>	NOTED
7.3	<p>Loan Portfolios and 5 year Projections</p> <p>The Head of Finance presented the loan portfolio and 5 year projections. Members were advised that any changes throughout the year are submitted to SHR as In-year returns, and this would be incorporated after another drawdown on at 28 June 2019.</p> <p>Following consideration Board approved the annual Five Year Financial Plan and end of year Loan Portfolio return for submission to the Scottish Housing Regulator.</p>	APPROVED
7.4	<p>Group Financial Regulations</p> <p>The Director of Finance and Business Services presented the Report advising that regulations for Cairn and ANCHO had been amalgamated into Group Financial Regulations which tie in with the move to Santander.</p> <p>Board approved the Group Financial Regulations</p>	APPROVED

7.5	<p>Corporate Credit Card Policy</p> <p>The Director of Finance and Business Services presented the Report advising of an amendment further to ANCHO comments at 3.1 relating to credit cards for Board and staff, and that debit cards for Board members were currently being explored.</p> <p>Board approved the Group Corporate Credit Card Policy subject to the minor amendment.</p>	APPROVED
8.	ITEMS FOR DISCUSSION/EARLY VIEWS	
8.1	None	
9.	ITEMS FOR NOTING/PROGRESS MONITORING	
9.1	<p>KPI and Business Scorecard Year End Review</p> <p>The Director of Finance and Business Services presented the report. In response to a member's question the Director of Customer Services advised that the service satisfaction surveys obtained face to face comments from tenants and a report would be presented to the next Audit & Performance Committee Meeting.</p> <p>In response to a member's enquiry on bringing the Planned Maintenance programme forward, members were advised that Board agreed priorities on new build development were currently being followed, and that this impacts on the timing of the planned investment programme. Members were advised that peer group ranking was still to be updated once full year end benchmarking information had been received.</p> <p>Following board agreed changes to non-emergency target time, performance was on target.</p> <p>Members were updated on the Out of Hours contract with Phoenix, advising that they would be ceasing trading at the end of June. Alternative providers were currently being explored and due to operational urgency Go Centric had been appointed in the interim period to go live on 28 June on a 6 months contract whilst a full procurement exercise is completed.</p> <p>In response to a member's enquiry it was clarified that complaints figures were consistent with previous year.</p> <p>The Report was noted.</p>	
9.2	<p>Q4 Quarterly Management Accounts</p> <p>In response to questions from members relating to Income from ANCHO it was clarified that the year 1 £70,000 reduces to £50,000 due to additional work completed in year 1, and this had been based on an advisory figure from Campbell Tickell.</p> <p>The Report was noted.</p>	
9.3	<p>Health & Safety report December 2018-May 2019</p> <p>The Director of Finance and Business Services updated members on the review of H&S provision throughout the organisation. An Advisor</p>	

	<p>had been appointed on a consultancy basis whilst recruitment was currently underway. A number of areas for improvement had been highlighted and a report would be presented to the 9 August 2019 meeting. In response to a member's query it was confirmed that fire risk assessments have been completed on all courts and schemes following Grenfell, and actions been taken to address any lower level risks and no Cairn stock contained cladding.</p> <p>The report was noted.</p> <p>9.4 Former Tenant Arrears Write-off Report The Director of Customer Services presented the report and agreed in response to a member's question to circulate the number of decrees for payment to members. A discussion took place on rent collection, arrears and tenancy sustainability.</p> <p>The report was noted.</p> <p>9.5 Development Programme The Head of Customer Services (Property) presented the report advising of the higher cost per unit on the development at Avoch.</p> <p>Board agreed an amendment to the current Scheme of Delegated Authorities for signatures from Lizzie Crawford, Nigel Chapman or Laurence Casserly to approve the project.</p> <p>The Culbokie Community Trust Site was progressing and likely to proceed. After remediation proved negative value at the Bogton site in Forres long term rental had been explored but not found to be viable. It was agreed to include base point on development in the next update. The Head of Finance was currently working on reforecasting. Discussions took place on future investment.</p> <p>The Report was noted.</p> <p>9.6 New Risks None</p> <p>9.7 Pensions Update The Director of Finance and Business Services had received communication from the Pensions adviser advising of an increased pension liability to £3.7m in the balance sheet with the liability expected to be paid down over the next 3-5 years.</p> <p>The Group Chief Executive advised that a Pensions Adviser had been commissioned to look at overall pension provision and risks and liabilities for the Group, and a report would be presented in October 2019. The Pension Adviser would also be visiting ANCHO who are still in a Defined Benefit pension scheme to set out the risks and options for future decision. Pensions had been discussed in relation to the harmonisation project.</p> <p>The Report was noted.</p>	
10.	GOVERNANCE, REGULATION & CORPORATE	

10.1	Chairperson's Update Report The report was noted .	
10.2	Report on Statutory Registers None	
10.3	ANCHO Board Member Board approved the appointment of Mary Black to the ANCHO Board. Further skills gap analysis would be completed. The Board noted that there was agreement with ANCHO that both Boards had committed to reducing to 10 members each by 2021. The Group CEO highlighted that a Board Succession & Development Policy was being prepared.	
11.	DECISIONS TAKEN UNDER DELEGATED AUTHORITY	
11.1	Recruitment – Head of Business Services Members were advised that interviews for a replacement had been arranged for 25/26 June 2019.	
12.	AOCB	
12.1	The Director of Finance and Business Services presented referred to for Signing of Series B Issuance of the Private Placement Documents	

The meeting closed at: 4:15pm

Signed

8 August 2019