

**Board of Management: 16 November 2018**

**MINUTES OF A MEETING OF THE BOARD OF MANAGEMENT OF CAIRN HOUSING ASSOCIATION LIMITED, HELD AT MALMAISON, WEST GEORGE STREET, GLASGOW ON FRIDAY 16 NOVEMBER 2018 AT 2:00PM**

**Present:** Simon Guest, Chairperson  
 Gill Walch  
 Helen Barton  
 Don Jamieson  
 Lawrence Casserly  
 Angus Lamont  
 David Venters  
 John Clark  
 Nigel Chapman  
 Lizzie Crawford  
 Jackie Browne (ANCHO)

**In attendance:** Jason MacGilp, Group Chief Executive & Company Secretary  
 Derek Adam, Director of Finance and Business Services  
 John Davidson, Director of Customer Services  
 Fin Smith, Head of Business Services  
 Julie Scott, Head of HR & OD  
 Walter Clarkson, Head of Customer Services (Property)  
 Paul Robertson, Head of Customer Services (Tenancy)  
 Donna Holligan, Head of Finance  
 Keith Henderson, Head of Service (ANCHO)  
 Meg Deasley, Court Conversion Project Manager (Item 14 only)  
 Carolyn Owens, Governance Services Manager (Minute)

**1. BOARD MEMBERS ONLY SESSION (Not required)**

**2. APOLOGIES**

**NOTED**

Bill Gillespie, Neil Wood and Michael Allan.

**3. DECLARATIONS OF INTEREST**

David Venters declared an interest as a Director of Cairn Homes and Services, trading as Cairn Living.

**NOTED**

Helen Barton declared an interest in item 9 due to having completed Consultancy work for [Confidential]

**NOTED**

Jason MacGilp, Simon Guest, Michael Allan, John Davidson and Carolyn Owens declared an interest as Board members of Kincardine Housing Co-operative.

**NOTED**

4. **APPROVAL OF MINUTES**

- a) Minutes of Board Meeting held on 20 September 2018 were **approved**. **APPROVED**
- b) Minutes of Board Meeting (Elections) held on 20 September 2018 were **approved**. **APPROVED**

5. **MATTERS ARISING**

None.

6. **NOTING OF MINUTES**

Minutes of the Cairn Living Meeting held on 6 November 2018 were **noted**. **NOTED**

7. **CAIRN/ANCHO PARTNERSHIP**

a) **FCA Consent and Start of Group**

The Group Chief Executive confirmed that final consent to amended ANCHO Rules had been received from the Financial Conduct Authority and start of the constitutional partnership between Cairn and ANCHO was on 1 November 2018. The Chair welcomed ANCHO to the Cairn Group.

b) **Partnership Delivery Update**

It was confirmed that Reports would continue to be submitted to ANCHO Board meetings and Cairn Board meetings to confirm progress on investment programme and the integration plan.

The Report was considered and **noted**.

**NOTED**

8. **[Confidential Item]**

9. **[Confidential Item]**

**NOTED**

10. **CAIRN RENT PROPOSAL FOR CONSULTATION**

The Director of Customer Services presented the Report confirming that the 3.3% rent increase proposal was in line with the previously approved rent restructure and Business Plan. In response to a member's question the Director of Customer Services advised that affordability had been considered within the new rent model based on Local housing allowance levels, Universal Credit and other pressures on household income. Members discussed average sector rents, the necessity for some investment in medical adaptations, and Scottish government funding reductions.

It was **agreed** that option (b) 3.3% + £1.50 for medical adaptations would be amended to 3.9% inclusive of the medical adaptations element, wording on the consultation document would be amended to reflect this.

**AGREED**

**APPROVED**

Board **approved** the rent consultation process as outlined in the Report and options (a) 3.3% and (b) 3.9%, and **agreed** to receive a further report in January 2019 on the outcome of the consultation exercise.

**AGREED**

#### 11. **GROUP BOARD EXPENSES POLICY**

The Cairn Group Board and Panel Members Expenses Policy was **approved**.

**APPROVED**

#### 12. **GROUP DEVELOPMENT STRATEGY**

The Head of Customer Services (Property) presented the draft Group Development Strategy and covering Report.

Following discussions including highlighting the requirement to be able to react quickly to development opportunities that will further the Association's growth objectives, and the acknowledgement that there may be occasions where decisions will need to be made outwith the Board cycle, the Board:

**APPROVED**

i. **approved** delegated authority for the Group Chair/Vice-Chair to approve commitments on behalf of the Group Board if necessary, subject to the same evidence provided on need/demand and financial viability as that to be provided to the Board. Any and all such approvals will be reported at the next Board meeting.

**APPROVED**

ii. **approved** delegated authority for Exec Team to approve/incur potentially abortive pre-works stage costs, up to the value of £40,000 per project, and AMWG for costs exceeding this sum. If potential costs are likely to exceed this limit, approval must be obtained from the Group Chair/Vice-Chair and reported to the Board at the next meeting, and costs would be limited to £120,000 for all potential projects within a year.

iii. **approved** the Group Development Strategy.

**APPROVED**

#### 13. **GROUP TENANCY SUSTAINMENT STRATEGY**

The Group Tenancy Sustainment Strategy was **approved**.

**APPROVED**

#### 14. **ASSET MANAGEMENT – OPTIONS APPRAISALS**

The Head of Customer Services (Property), presented a detailed report and proposals:-

##### **a) Inverleith Row**

**APPROVED**

Board **approved** the recommendation to proceed with the option to retain/upgrade the building and continue to rent to the existing client group (subject to confirmation being received on the cost of the estimated £200,000 works identified in the appraisal).

##### **b) Morlich Court**

**APPROVED**

Following discussions on impairment costs and covenant requirements Board **approved** the recommendation to continue to gather information relating to redeveloping the site, in such a way as to minimise the impact of impairment cost on the project, and to allow a suite of options to be considered.

- c) Bellshill Office**  
The Head of Customer Services (Tenancy) presented a detailed report and options relating to the Bellshill Office. Board **agreed** to make a decision on the options presented following the outcome of the Wishaw & District tender submission. **AGREED**
- d) ANCHO Office – for information**  
The Report presented by the Head of Service (ANCHO) was **noted**. Proposals to go to ANCHO Board for approval. **NOTED**
- e) Retirement Courts – Project Update**  
The Court Conversion Project Manager presented a detailed update Report. Members discussed budget implications, timescales, delivery and disruption for tenants. A further report would be presented to the March 2019 meeting. The Report was **noted**. **NOTED**
- 15. PROPERTIES AT LAMBHILL, GLASGOW**
- a) Delegated Authority Actions – Purchase of Properties**  
Board **approved** delegated authority for the Chair and Vice-Chair to approve the purchase of 11 market rent properties at Lambhill, Glasgow, as set out in the Report. **APPROVED**
- b) Proposal to Lease Properties to Cairn Living**  
Board **approved** the proposal to lease the Lambhill properties to Cairn Living. **APPROVED**
- 16. CUSTOMER SERVICES**
- a) Development Programme Update**  
The Head of Customer Services (Tenancy) presented the report updating members that three sites had been accepted in the SHIP. The Report was **noted**. **NOTED**
- b) Customer Panel Scrutiny Report**  
The Report was presented by the Director of Finance and Business Services advising that all recommendations would be implemented over the next year and the Service Charge Policy would be presented for approval in March 2019. Current restructures within the Finance Team focussing on improving services, and liaison with the Communications Team to presented information to tenants were also highlighted. On behalf of the Board, the Chair thanked the Customer Panel for producing the Report. The Report was **noted**. **NOTED**
- 17. FINANCE & BUSINESS SERVICES**
- a) Q2 Management Accounts**  
Members were advised that Group management accounts for Cairn HA, Cairn Living and ANCHO would be presented to the next Group Board meeting. The Report was **noted**. **NOTED**

- b) Cairn Group SHR Loan Portfolio**  
Board **noted** the In Year Loan Portfolio Submission to the Scottish Housing Regulator as detailed in the Report. **NOTED**
- c) Q2 KPI's**  
The Report was **noted**. **NOTED**
- d) Board KPI Review – Proposals**  
Board **approved** the adoption of the proposed set of high level KPI's based on the Housemark Scotland Sector Scorecard, as detailed within the Report. It was agreed that more detailed operational KPI packs would be presented to the Audit & Performance Committee and to the ANCHO Board. **APPROVED**
- e) Resourcing our Priorities –**  
The Group Chief Executive highlighted proposals for an amended approach, actions in current year and building budget for 2019/20 would be discussed at the Strategy Day on 17 November 2018.
- f) Job Evaluations Review**  
Board **approved** the recommendation to engagement with Turning Point to create an implementation plan for the new Job Evaluation system, salary framework and revised benchmarks with a full implementation date of 1 April 2020. **APPROVED**
- g) Strategic Goals Update**  
The Report was **noted**. **NOTED**
- h) Items for focus for Audit & Performance Committee**  
None identified.
18. **a) Chairperson's Update Report**  
The Report was **noted**. **NOTED**
- b) Membership Review**  
The shareholding membership review was **noted**. **NOTED**
- c) 2019 Meetings Schedule and Committees/WG's**  
An updated schedule would be circulated by the Governance Service Manager in the new year.
- d) Cairn Group Regulation Plan** **NOTED**  
The updated Plan for the Group (as a result of the commencement of the new Group) was **Noted**. There is no longer a separate Plan for ANCHO.
19. **CORPORATE SERVICES**
- a) Verbal Report on the Statutory Registers and Approvals by Executive Team under Delegated Authority - Noted

20. **ITEMS APPROVED BY SENIOR MANAGEMENT TEAM UNDER SCHEDULE OF DELEGATED AUTHORITY**

Policy Approvals:  
- Rent Arrears Policy

Out of Management Property Approvals:  
- 9 Lorne Campbell Court

The Report was **noted**.

**NOTED**

21. **ANY OTHER COMPETENT BUSINESS**

**a) Homes for West Lothian Partnership**

Board **approved** the Remit and Governance arrangements as detailed in the Report.

**APPROVED**

22. **NEXT MEETINGS:**

Strategy Day on 17 November 2018 (Glasgow)  
ANCHO Board – 13 December 2018  
Cairn Board – 31 January 2019 (*re-scheduled to 7 February 2019*)

The Meeting Closed at 5.00pm

Signed .....

7 February 2019