

**MINUTE**  
**Management Board Meeting**  
**1:00pm on 8 August 2019**  
**Hopetoun Street, Edinburgh**

Present: Simon Guest (Chairperson)  
Michael Allan (Vice-Chairperson)  
Neil Wood  
Nigel Chapman  
Lizzie Crawford  
Bill Gillespie  
Angus Lamont  
Don Jamieson  
Jackie Browne (Skype)

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  
Walter Clarkson, Head of Customer Services (Property)  
Carolyn Owens, Governance Services Manager (Minute)  
Freya Lees, North Star Consultancy

	Item	Decision
1.	Board Members only session – none.	
2.	<p>Apologies</p> <p>Apologies were received from David Venters, Helen Barton and Laurence Casserly</p> <p>Members <b>noted</b> the resignation of Gill Walch on 2 August 2019.</p> <p>Members <b>approved</b> a leave of absence from CHA Board for David Venters. A leave of absence would also be requested from the Board of CHS Ltd.</p>	<p>Noted</p> <p>Approved</p>
3.	<p>Declarations of interest</p> <p>Simon Guest declared an interest as a Director of Cairn Homes &amp; Services Ltd (trading as Cairn Living)</p> <p>At the Group Chief Executive’s suggestion, all members declared an interest in item 8.1</p> <p>J Browne declared an interest in item 7.2</p>	
4. 4.1	<p>Minutes of previous meetings:</p> <p><b>CHA Board Meeting – 13 June 2019</b></p> <p>The Group Chief Executive provided a verbal update on the Health &amp; Safety and confirmed that a report with proposed Strategy and action plan will be presented to the October Board meeting. Bruce</p>	

	<p>Stevenson were currently completing detailed areas of work and the main areas of focus were updates to policies. No urgent issues were identified and work is ongoing on the draft Action Plan.</p> <p>The Minute was <b>Approved</b>.</p>	Approved
4.2	<p><b>Group Audit &amp; Performance Committee – 9 July 2019</b></p> <p>The Chair of the Audit &amp; Performance Committee advised that the Financial Statements and Letter of Representation had been recommended for approval at the meeting. The Director of Finance and Business Services reported on some timing challenges which had been experienced throughout this year as a result of the establishment of the new Group and which would be addressed in the meetings schedule for next year.</p> <p>The Minute was <b>noted</b></p>	Noted
4.3	<p><b>Remuneration Committee – 10 June 2019 (previously circulated) – Confidential</b></p> <p><b>The Minute was approved.</b></p>	Approved
4.4	<p><b>Cairn Living (CHS) Meeting – 23 July 2019</b></p> <p>The Chair advised that the transfer of management of CHA garage leases to CHS had been completed and that there would be a future proposal to also transfer the management of ANCHO garages to Cairn Living over the next 12 months. An additional post may be established to focus solely on operational matters as the volume and complexity of commercial activities increases. The Chair advised of the approval to gift aid 75% of profits from CHS to CHA each year.</p> <p>The Minute was <b>noted</b>.</p>	Noted
5.	Matters arising (dealt with under Item 4)	
6.	<b>GROUP UPDATES</b>	
6.1	<p><b>Partnership Investment Delivery update</b></p> <p>Following consideration of the update members discussed overall budget variances related to kitchen costs, inflationary increases and the pre-existing planned maintenance programme</p> <p>The report was <b>noted</b>.</p>	Noted
6.2	<p><b>Pentland Housing Association update</b></p> <p>The Chief Executive provided a verbal progress update. Members discussed timelines, due diligence, NPV, stock condition, housing needs assessment, KPI's, potential funding and budgets. The Group Chief Executive confirmed early due diligence work, especially on stock condition, would begin subject to appointment as preferred partner by Pentland HA. A Joint Board Steering Group will oversee this.</p>	

7.	<b>ITEMS FOR DECISION/APPROVAL</b>	
7.1	<p><b>Financial Statements to 31 March 2019, Audit Management Report and Letter of Representation</b></p> <p>The Director of Finance and Business Services presented the reports advising that they had been recommended for approval by the Audit &amp; Performance Committee and highlighting a High Court Ruling on pensions which had an impact on public sector pension arrangements resulting in a £61,000 increase on liability at ANCHO which had to be reflected in the group accounts.</p> <p>The Chair of the Audit &amp; Performance Committee advised they had been assured by James McBride of Scott Moncrieff and the Committee had recommended the papers for approval. Issues around timetabling for the three audits across the Group will be addressed next year.</p> <p>Board <b>approved</b> the Financial Statements, Audit Management Report and Letter of Representation and agreed to sign.</p>	Approved
7.2	<p><b>Confirmation of proposed ANCHO Office bearers</b></p> <p>Following a discussion around the importance of good succession planning, and the draft policy for consideration elsewhere on today's agenda, Members – acting as Group Parent - accepted the proposal for Sonya Campbell-Perry to be elected as Chair and Jackie Browne as Vice-Chair for the following year, subject to approval at the ANCHO Board meeting following the AGM on 29 August 2019, and re-election of those standing down by rotation.</p>	
7.3	<p><b>Terms of Reference Remuneration Committee</b></p> <p>The revised Remuneration Committee Terms of Reference were <b>approved</b>.</p>	Approved
7.4	<p><b>Terms of Reference Group Audit &amp; Performance Committee</b></p> <p>The revised Audit &amp; Performance Committee Terms of Reference were <b>approved</b>.</p>	Approved
8.	<b>ITEMS FOR DISCUSSION/EARLY VIEWS</b>	
8.1	<p><b>Group Policy: Board Member Remuneration Policy – interim report/presentation</b> (Freya Lees, North Star)</p> <p>Freya Lees, North Star Consultancy gave a presentation on the interim findings of the work to date.</p> <p>The Group Chief Executive relayed ANCHO Board members' comments and it was acknowledged that differences in time commitments from different Boards and Chairs would need to be considered.</p> <p>Members discussed increasing regulatory responsibilities and time commitments, travelling time, possible payment of Chairs and Vice-Chairs and ensuring recruitment and retention of Board</p>	

	<p>members with the calibre and skills required for the role. The impacts of payments on voluntary leave from work and tax implications were discussed. It was clarified that expenses would be paid separately to any potential future remuneration.</p> <p>The Working Group would meet again to consider all comments and Members were requested to email any additional comments to Freya Lees by 16 August.</p> <p>It was also agreed that the Group Chief Executive would share the interim findings with the Scottish Housing Regulator for information.</p> <p>The presentation and interim report were <b>noted</b>.</p>	
8.2	<p><b>Group Policy: Board Succession &amp; Development Plan – consultation on proposed Policy</b></p> <p>The Group Chief Executive presented the draft Policy for consultation and comments. The Policy had also been presented to the ANCHO Board on 1 August 2019 and members were advised of the outcome of ANCHO Board’s discussions and comments. Members then discussed adding attendance targets, the regulatory standards on length of service and terms for Chairs to the Policy. The Board were generally in favour of the Policy and the Group Chief Executive would circulate any additional comments prior to the next meeting.</p>	Noted
8.3	<p><b>Group Policy: Whistleblowing Policy - consultation on proposed Policy</b></p> <p>The Group Chief Executive presented the report advising that the Policy would apply to all staff and all Board members across the Group. ANCHO had endorsed the Policy with a suggested change to add in timeframes and a review in 3 years or before if required. Members requested an amendment relating to seriousness of issues being reported to the Board and it was agreed that the Chief Executive and Chair would make the necessary amendments.</p>	
8.4	<p>The Policy was <b>approved</b> subject to changes discussed, and would apply to all parts of the Cairn Housing Group.</p> <p><b>Group Policy: Entitlements, Payments &amp; Benefits consultation on proposed Policy</b></p>	Approved
8.5	<p>The Policy, which had been endorsed by the ANCHO Board, was <b>approved</b> and would apply to all parts of the Cairn Housing Group.</p> <p><b>Group Strategy: Asset Management Strategy</b></p> <p>The Group Asset Management Strategy which had been produced by Meg Deasley was presented by the Head of Customer Services (Property).</p> <p>Members were informed that the Strategy had been endorsed by the ANCHO Board with some suggested changes, and advised</p>	Approved

8.6	<p>that the Cairn Property Standard timescales and NPV's would be discussed at the Strategy Day on 25 October 2019. It was agreed that an appendix with links to Local Authorities' Housing Needs Assessments and SHIPs.</p> <p>Members also discussed objectives around stock investment, new build and tenant satisfaction.</p> <p>The Group Asset Management Strategy was <b>approved</b> subject to amendments from ANCHO and Cairn Board as above</p> <p><b>Group Auditor – External Audit contract extension</b></p> <p>The Head of Finance presented the report. Board <b>noted</b> the extension which had been approved by Audit &amp; Performance Committee.</p>	<p>Approved</p> <p>Noted</p>
9.	<p><b>ITEMS FOR NOTING/PROGRESS MONITORING</b></p>	
9.1	<p><b>Q1 Quarterly Management Accounts</b></p> <p>The Head of Finance presented the management accounts in a new format, highlighting main variances in the report. Medical adaptations funding receipts timeframes were clarified. Board <b>noted</b> the Report.</p>	<p>Noted</p>
9.2	<p><b>Development Programme</b></p> <p>Members discussed the number of properties, timings and area levels of demand. Further update/options would be presented at the Strategy Day. The report was <b>noted</b>.</p> <p>Board <b>approved</b> a project cost request to enter into the contract with WGC Ltd for 34 properties at Memorial Field, Avoch. The Group Chief Executive thanked the Head of Customer Services (Property) and the development team for progress on the project.</p>	<p>Noted</p> <p>Approved</p>
9.3	<p><b>New risks</b></p> <p>None identified.</p>	
9.4	<p><b>KPI's and Business Health Scorecard</b></p> <p>The Q1 Report was <b>noted</b>. In response to a member's query the Director of Finance and Business Services clarified that the targets were set by the budget. Members discussed overheads which included direct costs. It was clarified that targets are based on benchmarking and budgets. The Group Audit &amp; Performance Committee had agreed to change the staff turnover target which will be rolled back from 12%, and following the HomeWorks review other targets would shortly be proposed for review.</p>	<p>Noted</p>
9.5	<p><b>Strategic Goals</b></p> <p>The report was <b>noted</b></p>	<p>Noted</p>
9.6	<p><b>Update / progress review of HomeWorks Void Squad</b></p> <p>A report would be presented to Board in October.</p>	
9.7	<p><b>Update / progress review of Grounds Maintenance and Voids</b></p>	

9.8	<p>The Director of Customer Services advised that a full Report would be presented to the Board in October. A slight operating deficit due to purchase of equipment during the first year of operation alongside overall good performance was reported.</p> <p><b>Customer Satisfaction Focus Groups Feedback – for info</b> The Report was <b>noted</b>.</p>	Noted	
10.	<b>GOVERNANCE, REGULATION &amp; CORPORATE</b>		
10.1	<p><b>Chairperson’s Update Report</b> Ali Jarvis, Consultant, would be contacting all members regarding the Governance Review.</p>	Noted	
10.2	<p><b>Report on Statutory Registers</b> The Annual Report on Statutory Registers was <b>noted</b></p>		
10.3	<p><b>Notifiable Event – Drumchapel Women’s Aid</b> The Group Chief Executive presented the Report.</p> <p>Board <b>noted</b> the circumstances around the recent changes in service and lease arrangements with Drumchapel Women’s Aid, and related notifiable event to the Regulator.</p>		Noted
10.4	<p><b>Members of Working Groups, sub-committees</b></p> <p>Board <b>approved</b> the current work to seek a continuation of the service with an alternative provider, to the same client group, in partnership with Glasgow City Council.</p> <p>Members were requested to consider involvement in Committees and Working Groups and to include their intentions within the Self-Assessments and Development Plans which would be completed during September.</p>		Approved
11.	<b>DECISIONS TAKEN UNDER DELEGATED AUTHORITY</b>		
11.1	<p><b>Appointment – Head of Business Services</b></p> <p>Board were advised that the new Head of Business Services, Morag Boyter, would commence employment on 9 September 2019.</p>		
12.	<b>AOCB</b>		
12.1	<p>The Director of Finance and Business Services advised that the changes in day to day banking to Santander, as previously agreed by the Board, was currently on hold following changes to relationship managers, and in the meantime the banking services remained with RBS.</p>		

Signed .....

Date: 17 October 2019