

MINUTE
Management Board Meeting
1:00pm on 19 March 2020
Meeting held via Skype

Present via Skype: Michael Allan (Chairperson)
 Neil Wood
 Nigel Chapman
 Angus Lamont
 Don Jamieson (Vice-Chairperson)
 Helen Barton
 Laurence Casserly
 Lizzie Crawford
 Bill Gillespie
 Simon Guest

In Attendance: 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)
 Morag Boyter, Head of Business Services
 Carolyn Owens, Governance Services Manager (Minute)

	Item	Decision
1.	<p>Board Members Only Session and Governance Services Manager</p> <p>The Chair of the Remunerations Committee presented recommendations as set out in the previously circulated Minutes of the Remunerations Committee Meeting held on 30 January 2020. Board approved the recommendations.</p> <p>Members discussed the implications and impending changes on the Budget due to Coronavirus. Members acknowledged the requirement for a Budget to be agreed, but agreed that a caveat was required along with regular updates and additional scenario planning.</p> <p>The Chair proposed that due to the Coronavirus situation items would be approved where required and all other items noted, this was agreed by the Board.</p>	<p>Approved</p> <p>Agreed</p> <p>Agreed</p>
	Members of the SMT joined the meeting	
2.	<p>Apologies</p> <p>Apologies were received from Jackie Browne. Extended leave of absence pending.</p>	Noted
3.	Declarations Of Interest	

	Simon Guest declared an interest as a member of Cairn Homes & Services Ltd (trading as Cairn Living)	Noted
	Michael Allan and Don Jamieson declared an interest in Item 7.3	Noted
4.	Minutes Of Previous Meetings:	
4.1	Minutes of the CHA Board Meeting held on 30 January 2020 were proposed by Simon Guest, seconded by Don Jamieson and approved .	Approved
4.2	Minutes of the ANCHO Board Minute held on 22 January 2020 were noted .	Noted
4.3	Minutes of the Cairn Living Board Meeting held on 10 December 2019 were noted .	Noted
5.	Matters Arising	
	There were no matters arising.	
5.1	Action Tracker	
	The Action tracker was noted .	Noted
	<p>Agenda Item 9.2 - Health & Safety Update was taken next</p> <p>The Group CEO provided an update on the unprecedented situation of the Coronavirus epidemic advising members of the measures taken by the Group and that Government and National Health Service guidelines were being followed. All Retirement Courts would be closed from Friday and communications to tenants and staff would be ongoing. Long term implications would be considered and a review of actions would be regularly undertaken as the situation unfolded.</p> <p>The Health and Safety Manager provided a brief update on actions taken as of 19 March 2020 and advised that he would continue to liaise with the Scottish Government and Scottish Federation of Housing Associations for guidance.</p> <p>Following a discussion members agreed to hold a monthly Coronavirus update meeting.</p> <p>The Director of Customer Services provided an update on actions taken in relation to Retirement Courts, staff working from home and emergency repairs and gas safety.</p> <p>Members discussed Covid-19 reporting mechanisms for staff and tenants, lack of testing and Court Co-ordinators' responsibilities for reporting cases occurring in Courts.</p> <p>The Group CEO advised members that the Scottish Housing Regulator's advice and guidance would be followed and reported there had been a changing regulatory focus in light of the emergency around risk and actions</p>	Agreed

	<p>taken in relation to Coronavirus. Weekly updates would be submitted to the SHR via the portal, including service updates and access for gas safety checks which would be logged for compliance. The Group CEO was participating in a UK CEO Group, sharing information and insights, and SFHA/peer group for information sharing.</p> <p>The report was noted.</p>	Noted
6.	GROUP UPDATES	
6.1	<p>Partnership Investment Delivery update</p> <p>The Report was noted.</p>	Noted
6.2	<p>Working Group Update - T&C's Harmonisation and Benchmarking</p> <p>The report was noted</p>	Noted
7.	ITEMS FOR DECISION/APPROVAL	
7.1	<p>2020-2021 Budget (final) including 10 & 30 year financial projections for CHA, ANCHO and CHS.</p> <p>The Board updated Senior Management Team (SMT) on their earlier discussions and caveat around approving the Budget. The Group CEO advised that although the Budget presented was recommended for approval, SMT were strongly aware of emergency changes and impacts of the Coronavirus situation. Following discussions it was agreed to produce a revised Quarter 1 Budget in terms of income and demand, and changes in government advice, and to form a Joint Board Covid-19 Working Group consisting of Board Members and SMT to meet monthly.</p> <p>The Director of Finance and Business Services presented the Budget and financial projections advising that the Budget is set at a moment in time and impacts of the Coronavirus would be analysed over the coming months. He advised that the Group was currently in a very robust position with £20m in the bank and that the anticipated short term impact would be cash flow due to rent arrears.</p> <p>The re-financing/additional borrowing proposals to increase new build development were discussed, members were advised that interest rates were currently low so it would be a good time to borrow and allow the best platform to invest in stock and improve homes whilst keeping rents affordable and meeting covenant compliance.</p> <p>Issues on growth through development and other discussions of the Asset Management Working Group (AMWG) relating to payback periods when agreeing future projects, and quality to prevent future Planned Maintenance repairs, were highlighted. The Director of Finance and Customer Services would need to work these into proposals and the AMWG would need to agree on an internal rate of return for new developments.</p>	Agreed

<p>7.2</p>	<p>The Chair reminded members that the assumptions were based on full rental income. The Director of Finance and Business Services advised members that arrears are a cash flow issue but that the Group was robust due to substantial cash available, however impacts on the I&E accounts, such as voids costs, arrears, development and other costs which may reduce would be monitored over the next few months therefore the underlying assumptions were expected to change. A revised Budget would be brought to the next meeting.</p> <p>The Vice-Chair commented on the need to expedite the review of the Budget in light of stock markets, hospitalisation and mortality rates, job losses and assessing the pandemic in view of global situation.</p> <p>It was agreed to work on scenarios on assumptions and risk areas around income. The Director of Finance and Business Services highlighted arrears, voids and inflationary pressures on contractors and suppliers. It was agreed to bring a revised models to the Joint Board CV-19 WG meeting to be held by the end of April 2020</p> <p>Members then discussed income and voids, potential impacts on the Department for Work and Pensions and vulnerability, repairs services and freeing up/redirecting redirect resources.</p> <p>Board approved the basis of the draft Budget for 2020-21 and 30 year financial projections as proposed, including 517 new build units, and to consider a further revised Budget as soon as practicable, but by the next Board meeting, with assumptions based on work in between times and any work in progress would be shared prior to that.</p> <p>A formal review of risk register had been scheduled for w/c 23 March 2020.</p> <p>Draft Business Plan 2020-2023</p> <p>The Director of Finance and Business Services presented an overview of the draft 2020-2023 Business Plan highlighting areas to be reviewed over the coming year and with the caveat of changes due to current situation. SMT had presented this based on the previous situation and achievable project delivery timescales, however this was likely to change. Members would be contacted shortly for participation as a Board Champion for each of the projects.</p> <p>Confidential</p> <p>Board approved the draft Business Plan 2020-2023.</p> <p>Board Member Remuneration Policy</p> <p><i>The Chair and Vice-Chair left the meeting. The Chair of the Remunerations Committee Chaired the meeting for this item.</i></p>	<p>Agreed</p> <p>Approved</p> <p>Approved</p>
<p>7.3</p>	<p>The Group CEO presented the detailed Report on Board Remuneration advising members that the Group Board Member Remuneration Policy was</p>	<p>Approved</p>

	<p>presented for approval in order to implement the previously approved recommendations based on the external consultant, Freya Lees, Report.</p> <p>Board approved the Board Member Remuneration Policy. This would be reported to the SHR as a notifiable event.</p> <p><i>The Chair and Vice-Chair re-joined the meeting.</i></p>	Approved
8.	ITEMS FOR DISCUSSION/EARLY VIEWS - All Items were deferred to the next meeting	
8.1 8.2	Refinancing CHS Ltd - Transfer of Lease properties to CHS	
9.	ITEMS FOR NOTING/PROGRESS MONITORING – All items were Noted	
9.1 9.2 9.3 9.4 9.5	<p>Development Programme / AMWG Update</p> <p>Health & Safety Update – covered earlier in the Agenda</p> <p>New risks (if any)</p> <p>Strategic Goals</p> <p>Homeworks Voids Update</p> <p>The Director of Customer Services presented the Report advising that work was ongoing and the Epix system was now being used. The number of voids had reduced and the move to emergency repairs only would help further. The key priority in the overall project was the ability to capture jobs at the point of order to monitor spend committed.</p> <p>A discussion on timescales, (Confidential) procurement package, ensuring improvements going forward and monitoring budget spend ensued.</p> <p>The Report was noted.</p>	All Items were Noted
9.6 9.7 9.8 9.9	<p>Q3 Management Accounts</p> <p>Confidential Partnership Update including Financial Due Diligence Report – decision recorded under Item 7.2</p> <p>Responsive Repairs Budget Briefing</p> <p>KPI's.</p>	
10.	GOVERNANCE, REGULATION & CORPORATE	
10.1 10.2 10.3 10.4	<p>Chairperson's Update Report</p> <p>Report on Statutory Registers</p> <p>FOI ICO Q1 Report had been submitted on 7 February 2020</p> <p>Group Meetings Schedule/Forward Planner</p>	All Items were noted
11.	DECISIONS TAKEN UNDER DELEGATED AUTHORITY	
11.1 11.2	<p>Allocation of a Property</p> <p>Recruitment:-</p> <p>- Appointment of interim Head of CS (Property)</p>	All Items were noted

	<ul style="list-style-type: none">- Development Officer- Strategic Projects Officer- Cairn Living Commercial Officer	
12.	AOCB	
12.1	It was agreed that the Board(s) would meet monthly to receive updates on the Coronavirus situation and services affected by the pandemic.	

The meeting closed at 4:00pm