

MINUTE
Management Board Meeting
1:00pm on 28 January 2021
Meeting held via Teams

Present via Teams: Don Jamieson (Chair)
 Angus Lamont (Vice-Chair)
 Neil Wood
 Michael Allan
 Laurence Casserly
 Bill Gillespie
 Simon Guest
 Nigel Chapman
 Lizzie Crawford
 Helen Barton
 Mary Black (Ancho)

In Attendance: Jason MacGilp, Group CEO and Company Secretary (*Item 1.1 onwards*)
 Derek Adam, Director of Finance & People Services DF&PS (*Item 2 onwards*)
 Meg Deasley, Director of Property Services DPS (*Item 2 onwards*)
 Morag Boyter, Director of Business Services DBS (*Item 2 onwards*)
 Paul Robertson, Head of Customer Services HCS (*Item 7.1 only*)
 Carolyn Owens, Governance Services Manager GSM (*Minute, Item 1.1 onwards*)

	Item	Action
1.	Board Members Only Session Board Members discussed the agenda for the meeting and suggested those matters of most importance in order that appropriate time was devoted to each item on the agenda.	
1.1	Restructure Update The CEO provided an update on the implementation of the new Exec team structure and recent appointments.	
2.	Apologies None.	
3.	Declarations Of Interest Simon Guest and Michael Allan declared an interest as Directors of Cairn Homes & Services Ltd (trading as Cairn Living). The DF&PS and on behalf of all staff present, declared an interest in Item 7.2 Annual Cost of Living Increase.	Noted Noted
4.	Minutes Of Previous Meetings	
4.1	Minutes of the CHA Board Meeting – 10 December 2020	

4.2	<p>Subject to specific Action Tracker items being included into the Minute, the Minutes of the Board Meeting held on 10 December 2020 were proposed by Simon Guest, seconded by Michael Allan and approved.</p> <p>2020 Strategy Day Minutes</p> <p>The Minutes would be circulated for approval via email.</p>	Approved
4.3	<p>Ancho Minute – 3 December 2020</p> <p>Minutes of the Ancho Board meeting held on 3 December 2020, approved by the Ancho Board, were noted.</p>	Noted
4.4	<p>Draft 2020 AGM Minutes</p> <p>The draft 2020 AGM Minute, which would be updated to reflect 28 apologies and 1 proxy vote, were noted for formal approval at the 2021 AGM.</p>	Noted
5.	<p>Matters Arising</p> <p>It was clarified that proposed amendments to the Audit & Performance Committee Terms of Reference would be presented to the next meeting.</p>	
5.1	<p>Action Tracker</p> <p>Revised completion dates would be added where target dates are not met, and a more specific date than 2022 would be included in Item 6.</p>	Action CO
6.	<p>GROUP UPDATES</p>	
6.1	<p>Partnership Investment Delivery update</p> <p>The DPS provided an overview, advising that the Ancho Board had discussed issues at their meeting on 21 January 2021 around accommodating Covid-19 related delays into the timescales, discussions with lenders around revising covenants, and keeping tenants informed. Tenants affected by these delays had been contacted and this detail would be added into future reports.</p> <p>In response to a member’s query on covenants, it was clarified that Nationwide is still a lender to Ancho and there are restrictions on these. Discussion would be held with the lender.</p> <p>Members were advised the format of the appendix had been changed at the request of the Ancho Board, this would be discussed further with the Ancho Chair, and both formats would be produced for the Boards reports.</p> <p>The Report was noted.</p>	Noted
6.2	<p>Financing Update</p> <p>The DF&PS Services presented the update report on overall refinancing, advising that the deal with RBS had been completed, completion of the shelf facility with Metlife was progressing and that the outstanding loans with Santander would hopefully be settled within the next few months.</p>	

	<p>Board approved a 1.1% rent increase for all rents, excluding the former Communities Scotland Tenants from 1st April 2021.</p> <p>Board approved a 2.2% proposed rent increase for former Communities Scotland (Lochside) tenancies, subject to tenant consultation, from 1st April 2021. Customer feedback will be considered and the final decision to proceed is delegated to the Chief Executive and Chair of the Board.</p>	<p>Approved</p> <p>Approved</p> <p>Action JMG/DJ</p>
7.2	<p>2021 Annual Salary Cost Of Living Proposal - Confidential</p> <p>The DF&PS presented the report and budget increase proposal for discussion and decision.</p> <p>In response to a member's questions it was clarified that EVH were currently still negotiating with Unions and Employers on increases, which would apply to nine Ancho staff and would not be material in relation to the Ancho budget. <i>(Post-meeting note: EVH proposal at 0.8%) supported by Ancho Board).</i></p> <p>A discussion took place on applying annual cost of living increases to those on spot salaries and those in post for less than one year, in line with the current pay policy. It was agreed these issues would be considered further within the overall pay policy review and consultation later in the year.</p> <p>The DF&PS would provide further clarification to Members on staffing overheads, as part of the final budget preparations.</p> <p>In response to a member's query a discussion took place on possible impact and staff perceptions of the proposed 0.5% increase, comparisons with likely EVH increases and current business and market environments.</p> <p>Board approved the recommended annual cost of living increase to Cairn HA employees of 0.5% to be applied from 1st April 2021.</p>	<p>Agreed</p> <p>Action DA</p> <p>Approved</p>
7.3	<p>Budget Assumptions</p> <p>The DF&PS presented the proposed budget assumptions, referring to staffing structures which reflect resource capacity to deliver priorities agreed at the Strategy Day, and asked for any questions.</p> <p>In response to a member's questions it was clarified that the Budget staffing costs included pensions and staffing requirements to deliver the significantly increased component replacement programme, development programme and reductions in overhead costs including reduced use of consultants. A discussion took place on increases to salary budgets and further staff reviews related to changes in service models over next two years. A full presentation would be provided at the March meeting covering the full salary costs.</p> <p>It was noted that the increased component replacement programme would start 2021/22, with ongoing budget increases from 2022/23, taking account of Covid restrictions, and that office provision would be reviewed in due course as part of the review of service delivery model over next 18 months.</p> <p>Board reviewed and approved the proposed Budget/Financial Forecast assumptions and agreed that the plan is further developed for final approval at the March 2021 Board meeting.</p>	<p>Approved</p> <p>Agreed</p> <p>Action DA</p>

7.4	<p>First Draft Business Plan 2021-23</p> <p>The first draft Business Plan 2021-23 was presented by the DBS, highlighting outcomes of the Strategy Day and agreement of core projects.</p> <p>The Exec Team will continue to review, including capacity, and a final revised plan and the next steps would be presented to March meeting for approval including communication plans to staff and tenants. The presentation would be circulated to all members who were asked to send further feedback via email.</p> <p>In response to a member's question on environmental changes, horizon scanning and staff input, a more structured request would be circulated to staff requesting any feedback/comments, and look at peer/sector comparisons.</p> <p>A six month check-in on the Business Plan, with the Board, during the summer, post-election, would be arranged, possibly as part of "Away Day"</p> <p>Board approved the first draft Business Plan 2021-23</p>	<p>Action MB</p> <p>Action: MB</p> <p>Approved</p>
7.5	<p>Madelvic Square Development: Service Proposal</p> <p>The HCS presented the service proposal for Madelvic Square Development as detailed within the report.</p> <p>In response to members' questions it was clarified that:</p> <ul style="list-style-type: none"> - rental income was covered by service funding and it is expected to continue to retain near to that level of income, enhanced by the new Lease arrangement, with a loss of income incurred at Inverleith Row, albeit absolving future maintenance issues. - the Scottish Government Covid restrictions relate to safe working practices extending timescales for the external works. - it is expected to be able to make decision within next 3 months - there would be a report back to the Board on the project in due course. - ██████████ were committed to the project - In terms of delegated authority it was to save time and any Section 54 consultation issues would be covered. <p>The Board approved the recommendations to proceed with the partnership proposals with ██████████ and service changes at Madelvic Square. The proposals would be subject to tenant consultation. Customer feedback would be considered. Board approved any final decision to proceed be delegated to the CEO and Chair of the Board to implement our duties under Section 54 of the Housing (Scotland) Act 2001.</p>	<p>Approved</p> <p>Approved</p> <p>Action JMG/DJ</p>
7.6	<p>Grounds Maintenance – New Service Model Proposal - Confidential</p> <p>The DPS presented the detailed confidential report which was approved.</p>	<p>Approved</p>
7.7	<p>Service Charge Update</p> <p>The DF&PS Services presented the Report providing an overview of the content and potential future options.</p>	

	<p>Members, (HB, BG and SG) volunteered to be part of a discussion panel on Service Charges.</p> <p>Further discussions took place, including service charges within rents, income/costs, deficits/surpluses, value for money and complaints.</p> <p>The Board noted progress on the Service Charge Review, considered the Tenant feedback and agreed to a further period of review and information to customers and to reschedule implementation on the proposed new charging framework to April 2022.</p>	<p>Noted Considered Agreed</p> <p>Action DA</p>
7.8	<p>Remuneration Committee Terms of Reference</p> <p><i>All staff except the GSM left the meeting for this item</i></p> <p>The Governance Service Manager presented the proposed revised Terms of Reference and provided an overview of the changes proposed.</p> <p>Following discussion it was agreed that the Terms of Reference be reviewed by members of the Remuneration Committee at their next meeting, which would be rescheduled from 28 January 2021.</p> <p><i>All staff returned to the meeting</i></p>	<p>Agreed</p>
8.	ITEMS FOR DISCUSSION/EARLY VIEWS	
8.1	<p>Internal Audit Plan 2021/22 - early discussion on topics</p> <p>The DBS presented the proposed plan, advising that impacts of the Covid pandemic will be picked up during all the Audit project scopes for the coming year, and the Business Continuity Audit was focussing on our response to the pandemic and would be discussed to the external auditors.</p> <p>It was clarified that the internal audit costs were covered under current budget.</p> <p>The Report was noted.</p>	<p>Action MB</p> <p>Noted</p>
9.	ITEMS FOR NOTING/PROGRESS MONITORING	
9.1	<p>Development Programme / AMWG Update</p> <p>The DPS presented the update advising that a Housing Development training/focus session was being arranged.</p> <p>The Report was noted.</p>	<p>Noted</p>
9.2	<p>HomeWorks Project Update</p> <p>The DPS presented the Report.</p> <p>Board noted the report and approved extension of the DCL appointment for 6 months with potential to move to a rolling quarterly basis.</p>	<p>Approved Action MD</p>
9.3	<p>Q3 KPI's CHA KPI's</p>	

9.4	<ul style="list-style-type: none"> - the Chair highlighted contact centre KPI's, this would be part of the update report to the June meeting. - The Chair questioned the usefulness of having of the YTD staff turnover column, the DBS advised the figure was cumulative, it was agreed the targets would be considered during this year's indicator review. - Overheads are shown as a percentage of expenditure as requested by the Audit & Performance Committee – will be reviewed - Efficiency and VFM indicators would be reviewed, December figures would be checked further by DF&PS <p><i>Nigel Chapman left the meeting at 4:55pm</i> <i>Lizzie Crawford left the meeting at 4:58pm</i></p> <p>Ancho KPI's The Ancho Chair would be reviewing with the DBS</p> <p>Risk Register and new risks (if any)</p> <p>New risks added would be presented at the Audit & Performance Committee then reported back to the Board.</p>	<p>Action MB</p> <p>Agreed Action MB</p> <p>Action MB</p> <p>Action DA</p> <p>Action MB</p>
10.	GOVERNANCE, REGULATION & CORPORATE	
10.1	Chairperson's Update Report - none	
10.2	<p>Governance Update</p> <p>Remaining actions in the Governance Improvement Action Tracker were awaiting the outcome of the senior staff restructure and outcome of the Cairn/Ancho constitutional review. The report was noted</p>	Noted
10.3	<p>Group Meetings Schedule/Forward Planner</p> <p>Noted</p>	Noted
11.	DECISIONS TAKEN UNDER DELEGATED AUTHORITY	
11.1	The Covid route map/decisions log was noted	Noted
11.2	The CEO updated members on the Discharge of securities; previous sales (2015) of Cherryholme, 26 Colinton Road, Edinburgh and Jubilee House, 48 Polwarth Terrace, Edinburgh; Care homes/Extra Care schemes was noted .	Noted
11.3	Allocation of a property to a relative of a staff member was noted .	Noted
12.	AOCB	
12.1	None.	
13.	Date of Next Meeting	
13.1	25 March 2021	