

MINUTES OF A MEETING OF THE BOARD OF MANAGEMENT OF CAIRN HOUSING ASSOCIATION LIMITED HELD VIA TEAMS ON THURSDAY, 27 JANUARY 2022 AT 1:00PM

Present: Don Jamieson (Chair)
 Angus Lamont (Vice-Chair)
 Neil Wood
 Laurence Casserly
 Bill Gillespie
 Lizzie Crawford
 Emma Peveril
 Douglas Reid
 Nigel Chapman
 Steven Travers

In Attendance: Derek Adam, Director of Finance and People Services DFPS
 Meg Deasley, Director of Property Services DPS
 Morag Boyter, Director of Business Services DBS
 Sean Connor, Director of Customer Services DCS
 Stephen Pritt, Service Lead HR & OD SLHROD (*Item 6.2 only*)
 Carolyn Owens, Governance Services Manager GSM (*Minute*)

	Item	Decision / Action
1.	Board Members only session Members discussed the day's agenda and the issues that should be given prominence in order to manage the meeting well and get best value from the time.	Chair
2.	Apologies Apologies were received from Helen Barton.	
3.	Declarations Of Interest All staff declared an interest in item 6.2 and the Chair advised that all staff other than the DFPS and HR &OD Lead would be asked to leave the meeting for this item. Steven Travers declared an interest as a Board member of Ancho and Cairn Living.	Noted
4.	Minutes Of Previous Meetings For Approval Or Noting	
4.1	CHA Board Meeting – 9 December 2021 Minutes of the CHA Board Meeting held on 9 December 2021 were proposed by Neil Wood, seconded by Emma Peveril and approved subject to the addition of Steven Travers and Nigel Chapman as present.	Approved
4.2	Ancho Board Meeting – 2 December 2021	

4.3	<p>Minutes of the Ancho Board Meeting held on 2 December 2021 were noted. Members were advised that Mary Black, Ancho Chair, had resigned.</p> <p>Draft 2021 AGM Minutes – 23 September 2021</p> <p>The draft 2021 AGM Minutes were noted and would be formally approved at the 2022 AGM. It was clarified that the draft AGM Minute is usually presented to the Board, and it was agreed to present it to December Board meetings in future.</p>	<p>Noted</p> <p>Noted Action GSM</p>
5.	<p>Matters Arising – CHA Minute 9 December 2021</p> <p>Item 6.1 – Cairn Board Resolution to Receive Pentland Transfer The DBS confirmed the Pentland Integration Plan had been circulated and a further update would be provided under item 7.2 on today's Agenda.</p> <p>Item 8.1 – Boardpacks, Remits And Meetings' Focus The Chair highlighted his understanding that he would be leading a short life working group on Boardpack/remits consisting of Helen Barton, Bill Finlay and Angus Lamont, and that in the intervening times Group CEO had circulated a questionnaire to members. The Chair was unclear whether this had superseded the role of the task group or if it was to gather information to take forward as part of task group discussions. The CEO had also undertaken to bring a paper to the March Board meeting as a result of the members' survey and the Chair asked members for their views. A member expressed that the Minute suggested the Chair had the remit to take the matter forward with the task group. It was agreed that the Chair would discuss further with the CEO.</p> <p>Item 7.1 – Ancho Partnership Investment Delivery update The DPS confirmed that the timescale was noted in the Action Tracker (Item 12), the intention is that it would form part of the updated Asset Management Strategy presented by October 2022, with individual issues discussed with the Board and AM&DC in the interim period.</p> <p>The DPS clarified that COP26 referred to anticipated continued changes in legislation and guidance following COP26 discussions, and what local authorities, the government and their agencies will be required to do in the wake of discussions at the COP26 summit. This would inform the discussions as part of the Development sessions of the Board.</p> <p>Item 12.2 - Internal Audit (Confidential)</p>	<p>Agreed Action Chair</p>
5.1	<p>Action Tracker</p> <p>None</p>	
6.	<p>ITEMS FOR DECISION/APPROVAL</p>	
6.1	<p>Feedback on Rent Increase Consultation and agree Rent Increase</p> <p>The DCS presented the report and gave an overview, highlighting affordability, rising inflation, associated costs increases for tenants and the Association, sector comparison figures which were provided in detail in the Appendices, and confirmed the SHR were content with the proposed rent increase consultation for Lochside tenants which deviates from the previous 30 year agreement.</p>	

	<p>In response to members' questions the DCS advised that:</p> <ul style="list-style-type: none"> - on affordability, tenants have access to Welfare Benefits Officers to assist with maximising income and benefits, fuel costs increases had been considered, and 3.6% compared across the sector was a balance as low increase would impact tenants over the longer term and the wider business model. - comparison figures in the ARC were based on unit size and were more accurate and favourable to CHA than those provided in the Appendix. <p>Following due consideration of tenant feedback, Board members noted the contents of the report.</p> <p>On the proposal of Douglas Reid, seconded by Neil Wood, the Board:-</p> <ul style="list-style-type: none"> • approved a 3.6% increase for all rents to be applied for 22/23 with an effective date of 1 April 22. • approved a 3.6% rent increase for former Communities Scotland (Lochside, Coatbridge) tenancies, subject to tenant consultation based on September CPI, 3.1% plus 0.5% instead of December RPI plus 1%. Customer feedback will be considered and the final decision to proceed is delegated to the Chief Executive and the Chair of the Board. • agreed that we formally write to tenants to confirm this increase. <p><i>All staff except the DFPS left the meeting. The SLHROD joined the meeting.</i></p>	<p>Noted</p> <p>Approved</p> <p>Approved</p> <p>Agreed</p>
6.2	<p>Pay & Reward Policy (Confidential)</p> <p><i>The SLHROD left the meeting. The DPS, DBS, DCS and GSM re-joined the meeting.</i></p>	
6.3	<p>Draft 2022 Budget Assumptions</p> <p>The DFPS presented the report and an overview of its contents, highlighting increases in costs, delays within new build development, general assumptions on rent increases, overheads, efficiencies and Pentland integration as detailed within the report.</p> <p>The DFPS advised that the final proposed model would be presented to members at the next Board meeting, or beforehand/via video-link should he be on jury service at that time. The model has been shared with the bank and Standards & Poor who undertake our annual credit rating. It meets all financial covenants and allows cash in the bank to be held.</p> <p>In response to a members' questions:-</p> <ul style="list-style-type: none"> - on the responsive repairs contract tender, the DPS advised that bids had been received which reflected a 20% increase on 2017 prices, and an 8% increase in the number of jobs related to stock increase and wear and tear numbers increasing over the past 18 months. The structure provides flexibility within the contract to reduce non-essential works should it be necessary. - on the future rent increase assumptions of CPI + 1%, the DFPS explained this was for modelling purposes only and would be based on decreased inflation in future years, and confirmed the Board had the ability to change the rent decision each year. Discussion had been held with lenders who were aware of the challenges within the sector. 	

	<p>- on rental income being the main source of income and potential for analysing productivity more, the DFPS responded that as a service industry the KPI's measure productivity through delivery of responsive repairs, planned maintenance, tenancy sustainment, welfare benefit advice and delivering value for money, but agreed that this area could be developed more.</p> <p>On the proposal of Don Jamieson, seconded by Bill Gillespie, the Board approved the proposed draft Budget/Financial Forecast assumptions and agreed that the plan is further developed for final approval at the March 2022 Board meeting.</p>	<p>Approved Agreed</p>
<p>6.4</p>	<p>IT Systems Project Group – TOR for approval</p> <p>Members of the group were confirmed as Lizzie Crawford, Emma Peveril, Steven Travers and Mark Cunningham. The DBS presented the report advising the Terms of Reference had been presented for approval, following which an initial meeting would be held and a detailed project plan would be presented to the March Board meeting. An ICT Digital Manager was currently being recruited, and members were referred to the Budget model for costs.</p> <p>The DBS responded to members' questions on:-</p> <ul style="list-style-type: none"> - current and future costs, that the Group would be delegated to authorise a budget envelope of £500k, however any spend above that amount would be approved by the full Board in line with the Scheme of Delegated Authorities. Further information on capital spend, licensing, and other costs would be provided in the March project report. - key weaknesses, expected efficiencies and extent of sector comparisons/learning undertaken, the DBS advised on discussion held with other HA's on lessons learned, etc, and staff involvement in SFHA's Digital Forum. - the new ICT Digital Manager would be responsible for the project, and some wider ICT management. - the budget and timescales would be more evident following preliminary scoping of the project, a budget structure, estimated costs, savings and efficiencies would be provided at the next meeting. - timescales for the new appointment of ICT Digital Manager and current IT resource were acknowledged. - Pentland's systems were different, integration including data mapping was ongoing. - It was agreed to amend Decisions in the ToR relating to; a situation with commercial urgency, to be approved by the CEO and the Chair of CHA Board (<i>or Vice-Chair of CHA Board</i>). <p>Subject to the agreed amendment, the Terms of Reference for the ICT Systems Project Group were proposed by Douglas Reid, seconded by Emma Peveril, and approved.</p>	<p>Action DBS / DFPS</p> <p>Agreed Action GSM</p> <p>Approved</p>
<p>6.5</p>	<p>Meetings, Agendas and Planning</p> <p>The item had been covered under matters arising, and the Board had set up a task group. It was agreed that the Chair would discuss further with the Group CEO.</p>	<p>Agreed</p>
<p>6.6</p>	<p>Additional Public Holiday – Queen's Jubilee</p>	

	<p>The DFPS presented the report advising that the Ancho Board had approved the additional day's public holiday for Ancho staff. Members discussed the implications on KPI's, that the usual out of hours service would cover incoming calls, that other public holidays are added to annual leave and can be taken anytime, that the pay and reward policy agreed 31 days annual leave and 10 public holidays, and the benefits to staff morale of granting the additional holiday.</p> <p>At the proposal of Steven Travers, seconded by Douglas Reid, Board approved the award of an additional day's public holiday leave for all Cairn HA employees (pro-rata for part time employees) to be taken on Friday, 3rd June 2022, in addition to current holiday entitlement, to mark the Queen's Jubilee.</p>	Approved
6.7	<p>Ancho Board Approvals</p> <p>The GSM confirmed that the appointment of the new Ancho Chair, Bill Finlay, and new Ancho Board member Phyllis Rodgers had been approved by CHA Board (as group parent) via email on 21 January 2022. The SHR had been notified of the changes. Nominations were currently being sought for the Vice-Chair position and members would be provided with an update and any requests for approvals in due course.</p> <p>It was agreed that more information would be provided, eg; CV and interview panel, when circulating via email in future.</p>	Agreed
6.8	<p>Membership Review</p> <p>The GSM presented the report. The Shareholding Membership Register has been updated with five cancellations to reflect notifications received, as detailed in Appendix 1; four members deceased and one member's mail returned.</p> <p>The membership review was approved.</p>	Approved
7.	GROUP UPDATES	
7.1	<p>Ancho Partnership Investment Delivery update</p> <p>The DPS presented the report highlighting; progress on kitchens and environmental works which had been delayed by Covid-19; talks with North Ayrshire Council on Castlepark roads; investigation works on the Riverbank; and that options to complete the door entry systems were still being explored.</p> <p>The report was noted.</p>	Noted
7.2	<p>Pentland Transfer – Update</p> <p>The DFPS presented the report highlighting team meetings had taken place, IT/housing systems analysis was ongoing, an interim audit with the new auditor would commence mid-February and the transfer was on track for 31 March/1 April.</p> <p>The report was noted.</p>	Noted
8.	ITEMS FOR DISCUSSION/EARLY VIEWS	

8.1	None.	
9.	ITEMS FOR NOTING/PROGRESS MONITORING	
9.1	<p>Development Programme / AMDC Update</p> <p>The DPS presented the report advising that item 1.2 did not need to be approved, and highlighted the amended delivery time of Culbokie to July 2022 as detailed in the report. The next AMDC meeting would consider the 2023 development plans. Two Morlich Court tenants had now been rehoused and a more detailed report would go to AMDC. The two energy grant offer letters from the Social Housing Net Zero fund were expected shortly, some other applications were in progress and discussions with the Highland Council were ongoing.</p> <p>The report was noted.</p>	Noted
9.2	<p>Q3 Management Accounts</p> <p>The DFPS presented the management accounts, which continued to be favourable against budget, highlighting that some planned maintenance spend may be rolled over to next year. The new Finance Manager is currently working on a new presentation of the management accounts for the next financial year with more graphical analysis and providing a fuller picture of the group's performance.</p> <p>In response to a member's question on the service charge review, the DCS advised that as part of the overall customer services review the structure of service charges had been looked at and it was anticipated that an operational plan and consultation with tenants would commence in June. A member commented that tenants should be paying for the services they use in order to prevent other tenants subsidising them.</p> <p>The report was noted.</p>	Noted
9.3	<p>Q3 CHA KPI's</p> <p>The KPI's would be provided in advance of the meetings, the report was noted.</p>	Noted
9.4	<p>Q3 Ancho KPI's</p> <p>The report was noted.</p>	Noted
9.5	<p>Risk Register and New Risks</p> <p>The DBS provided a verbal update advising members that a risk appetite report would be presented to the Audit & Performance Committee meeting in February 2022 along with the Risk Register and reported back to the Board in March 2022. The report was noted.</p>	Noted
10.	GOVERNANCE, REGULATION & CORPORATE	
10.1	Chairperson's Update Report	

	The Chair provided a verbal report advising he had attended regular weekly updates with the Group CEO, meetings on the Pay & Reward Policy, members' survey, budget assumptions and interactions with members on a number of issues. The report was noted .	Noted
10.2	Governance Update The GSM advised the approvals had been covered under Item 6.7 and the report was noted .	Noted
10.3	Group Meetings Schedule/Forward Planner (in Teams) The GSM advised that pending the outcome of the task group on Meetings, Agenda and Planning, some dates from May onwards may change and a revised meetings schedule would be uploaded to Teams in due course.	
10.4	Recent SHR publications/guidance for information The GSM advised members that all RSL's had been requested to complete a H&S survey which was available to view on the SHR website.	
11.	Decisions taken by Exec team under delegated authority (Policies available on request)	
11.1	The redundancy of the Communications & Engagement Manager was noted .	Noted
12.	Any other competent business	
12.1	The DCS advised on a successful application to the Social Housing Fuel Support Fund receiving £264,000 to assist tenants with issues related to fuel poverty. Further details would be provided when the programme was rolled out.	
13	Date of Next Meeting The next meeting would be held on Thursday 17 March 2022 at 1:00pm	