

**MINUTES OF THE JOINT GOVERNING BODIES' BOARD MEETING OF
CAIRN HOUSING ASSOCIATION AND ANCHO LIMITED
HELD ON THURSDAY 26 JANUARY 2023 AT 3:00PM
VIA TEAMS**

Cairn HA Don Jamieson (Chair)
 Angus Lamont (Vice-Chair)
 Lizzie Crawford
 Laurence Casserly
 Neil Wood
 Nigel Chapman
 Helen Barton
 Steven Travers

Ancho Bill Finlay (Ancho Chair)
 Nigel Fortnum
 Steven Travers
 Colin Love
 Angus Lamont

In Attendance: Jason MacGilp, Group CEO and Company Secretary
 Derek Adam, Director of Finance and People Services DFPS
 Morag Boyter, Director of Business Services DBS
 Sean Connor, Director of Customer Services DCS
 Carolyn Owens, Governance Services Manager GSM (*CHA Minutes*)
 Catherine Bradley, Governance Services Assistant GSA (*Ancho Minutes*)

	Item	Decision/ Action
1	CHA BOARD	
1.1	Board Members only session Board Members of CHA & Ancho 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. <i>Staff members joined the meeting. The Chair welcomed everyone.</i>	
1.2	Apologies Apologies were received from Douglas Reid.	Noted
1.3	Declarations of Interest Steven Travers declared an interest as an Ancho Board member. The CEO declared an interest on behalf of all staff relating to the Redundancy policy item.	Noted
1.4	CHA (JGB) Minutes – 24 November 2022	

	Minutes of the Joint Governing Body Meeting of Cairn HA and Ancho held on 24 November 2022 were proposed by Angus Lamont, seconded by Lizzie Crawford and approved by the CHA Board.	Approved
1.5	Strategy Day Minutes – 8 December 2022 Minutes of the Joint Governing Body Strategy Day of Cairn HA and Ancho held on 8 December 2022 were proposed by Don Jamieson, seconded by Helen Barton and approved by the CHA Board.	Approved
1.6	PCE Minutes – 29 November 2022 The Minutes of the PCE Meeting held on 29 November 2022 were noted .	Noted
1.7	Matters Arising In response to a member’s query on tracking and implementation of the actions, and amendments to current strategies, which were agreed at the Strategy Day, the Group CEO advised that the Budget meeting next week would identify the key themes in the proposed Budget/financial forecasts and the recent decision on the Ancho project. Other broad themes and feedback would be included within the revised Business Plan 2023/27. The updated Asset Management & Energy Strategy is currently under preparation	
1.8	Action Tracker Noted.	Noted
2	CHA ITEMS FOR DECISION/APPROVAL	
2.1	Feedback on Rent Consultation The DCS presented the report and provided a verbal overview advising members on the tenant feedback, low response rates, the extended consultation period due to the postal strike, sector comparisons, the Statement of Intent by the Scottish Government and SFHA/COSLA/GWSHF and subsequent announcements by the Scottish Government. In response to members’ questions on potential reasons for the low response rate, the DCS advised that it may be due to: the method used as last year’s response was higher when tenants could use a QR code to respond; no options being offered in the consultation; or uncertainty arising from the Scottish Government on a rent freeze. Members discussed sector comparisons and the cost of living squeeze on tenants, particularly those not on UC, as well as providing choices in future consultations. The Group CEO advised on ScotGov/SFHA/GWSHF/COSLA discussions at the time of the consultation, sector comparisons, and confirmed that tenants who had responded had been contacted about individual issues raised. Average rents and tenant VFM was discussed. The DCS highlighted that each 0.5% equated to approximately £100k of rental income, referred to inflation of 10%, cost pressures from suppliers and impacts on the Business Plan.	

	<p>Following discussion and consideration of the tenant consultation feedback, at the proposal of Don Jamieson, seconded by Neil Wood, the CHA Board:-</p> <ul style="list-style-type: none"> • Approved the proposed consultation process as outlined in the report; • Noted the contents of the report; • Approved a 7.0% increase for all rents to be applied for 23/24 with an effective date of 1 April 2023; • Approved a 7.0% rent increase for all former Communities Scotland (Lochside, Coatbridge) tenancies to be applied for 2023/2024 with an effective date of 1 April 2023; • Approved a 7.0% rent increase for former Pentland Housing Association tenancies to be applied for 2023/2024 with an effective date of 1 April 2023; • Agreed that we formally write to tenants to confirm this increase; • Approved delegated authority to the Group Chief Executive and the Chair of the Board to consider customer feedback and make the final decision to proceed. 	<p>Approved Noted</p> <p>Approved</p> <p>Approved</p> <p>Approved</p> <p>Agreed Approved</p>
3	CHA UPDATES	
3.1	<p>Legionella Update</p> <p>The DPS gave a verbal update following the report provided to previous meeting, advising that all works had been completed on remedial works on “blind ends” and “dead legs” in all except one property due to asbestos being identified, the property has been prioritised in the bathroom replacement programme. The final stage of intervention, the bathroom replacement programme is now being progressed. The sample results continue to improve. The risk assessment was being updated following significant changes as per the completed works, the risk assessment will be provided to SHR and PH Scotland as part of the continued monitoring of progress on the works in Lochbrae Court.</p> <p>The report was noted.</p>	<p>Noted</p>
4	CHA DECISIONS TAKEN UNDER DELEGATED AUTHORITY	
	None.	
5	CHA AND ANCHO JOINT BOARD MEETING	
5.1	<p>Ancho Apologies</p> <p>Apologies were received from Zoe Brawn, Michael Donnelly, Fiona Callaghan and Phyllis Rodgers (LOA). It was confirmed the Ancho Board was quorate.</p>	<p>Noted</p>
5.2	<p>Ancho Declarations of Interest</p> <p>Angus Lamont declared an interest as a Cairn HA Board member.</p>	<p>Noted</p>
5.3	Asset Management and Development Committee Minutes	

	Minutes of the Asset Management and Development Committee held on 6 December 2022 were noted .	Noted
5.4	Assurance Statement Working Group Minutes Minutes of the Assurance Statement Working Group Meeting held on 12 January 2023 were noted .	Noted
6	GROUP ITEMS FOR DECISION/APPROVAL	
6.1	None.	
7	GROUP UPDATES	
7.1	Pentland Delivery Update The Group CEO presented the report advising that Pentland HA had been de-registered by the SHR, and would shortly be de-registered with the FCA and OSCR. He highlighted the rent freeze for the first year had been honoured and further to the decision to apply a 7% rent increase for 2023/2024 for ex-Pentland tenants, at 4.1% below CPI inflation, this would put pressure on the overall budget and additional consultation with ex-Pentland tenants would take place. Operational integration is continuing. The proposal was not to consult on a reduction on the overall investment promises as there were resources in the overall Business Plan to provide the £6.5m, but over a slightly longer timescale (6/7 years), and he asked for members' views on this. The investment plan was being progressed and the 5-Year Plan would be developed over the Spring/Summer and reported regularly to the new Tenant Panel. A member commented that the slightly longer timescale to deliver investment promises was acceptable as the rent increases were well below the agreed CPI+ increases, and asked for a priorities list to be addressed initially, and to ensure that the investment promises were delivered within a reasonable timeframe. The Group CEO advised regular updates would be provided and the DCS would be leading on the consultation, along with Property Services colleagues in terms of the stock condition survey and regulatory requirements, and there would be opportunities to consider feedback from tenants on their priorities eg; pushing back kitchens and bathrooms to prioritise roofs, windows, doors and energy efficiency issues, particularly in relation to the cost of living crisis. The report was noted .	Noted
7.2	Development & Asset Management Update The DPS presented the report highlighting the introduction of the development update within the paper. She referred to challenges on procurement actions not leading to successful appointments due to lack of bidding (inc in Caithness), and to review the potential contracts in consultation with tenants. The scale and duration of the contracts would be reviewed to gain competitive tenders and presented an opportunity to develop the local supplier market. Energy efficiency projects were progressing, the development update was provided in the paper and the last site to be delivered would be in late February which would be	

	<p>monitored. The Group CEO thanked member Helen Barton for attending the Culbokie opening and highlighted the positive impact on the community. Helen advised of the huge impact on the village and community and thanked the team involved.</p> <p>In response to the Chair’s enquiry, the DCS confirmed that 119 units out of a target of 121 had been delivered with the remainder due in Q4 or possible Q1.</p> <p>Work at Wimberley Court, as part of the courts’ modernisation programme, was progressing well with positive feedback from the tenants in-situ, the next stage was the flex steps accessibility programme funded through the Scottish Government.</p> <p>The report was noted.</p>	<p>Noted</p>
<p>7.3</p>	<p>Ancho Transfer of Engagements Project Plan update</p> <p>The Group CEO presented an update following agreement by both Boards at the Strategy Day Meeting on 8 December, to proceed with the proposed transfer of engagements from Ancho to Cairn HA by April 2024. He provided an overview of the project plan, the Terms of Reference and asked for members to join the Ancho/Cairn Joint Board Steering Group. The Ancho Chair confirmed Ancho members were happy with the project plan and in response to questions the CEO advised that a gant chart of the project would be supplied to the JBSG, and tenant engagement would be generated by providing information and feedback to gain a decent voting turnout, and there was no minimum turnout percentage and the project risk register would include an extended timeline if needed. An independent tenant adviser and local team would be engaging with tenants. The JBSG was agreed as Don Jamieson (Chair), Angus Lamont, Douglas Reid, Bill Finlay (Ancho Chair), Colin Love and Nigel Fortnum.</p> <p>The report was noted.</p>	<p>Action DBS</p> <p>Noted</p>
<p>7.4</p>	<p>Annual Report on Staff Engagement and People Issues</p> <p>The DFPS presented the report, the Chair commented on the good Winning Temp staff engagements scores, and training completed.</p> <p>Redundancy Policy</p> <p><i>All staff except the DFPS and GSM left the meeting for the confidential redundancy policy discussion.</i></p> <p>There was a confidential discussion on this policy. Redacted.</p> <p>The Chair asked members individually in turn for their opinion. The consensus was to implement the decision taken at the previous Board meeting on 24 November 2022, ie; to remain with Option A within the report.</p> <p>The report was noted.</p>	<p>Noted</p>

	<i>All staff re-joined the meeting.</i>	
7.5	<p>Dampness, Mould & Condensation Update (DM&C)</p> <p>The DPS presented the report as read, highlighting this had been an ongoing issue as part of property maintenance work, further guidance is expected in the sector, and there would be a new specific DM&C Policy using sector guidance on classification and technicalities, so that these cases can be highlighted as a quarterly update to the Board. The DPS referred to an increase in awareness from tenants due to recent media coverage, the scale of reports from tenants, and the length of time to address the issues. A member asked about any other specific issues, the DPS reiterated this was not a new issue but was being highlighted due to increased awareness and expected new guidance. Members commended the focus on the issue and the approach. The DPS advised that ventilation, heating and moisture levels all contribute to the issue which were complex to treat, the new specific reporting would provide additional information on the issue.</p> <p>The report was noted.</p>	<p>Action DPS</p> <p>Noted</p>
7.6	<p>IT Project Plan Update</p> <p>The DBS provided an update on the tender responses and process, and would provide further information re appointments at the next meeting. In response to a member’s question via Teams, the DBS advised that the project timeline was broken down beyond the tender for the design and delivery phase and this would be further refined after appointment, then on to implementation stage as detailed in the report. The DBS thanked Lizzie and Steven for their input to the Project. Lizzie provided a verbal update that she was comfortable with progress so far. The DBS confirmed the spend to date was zero, staff costs were within the current BS budget, the external revenue and capital spend would go into the budget spend shortly, the interview process would cover access to live installed sites, the current budget would be reviewed if necessary following tender analysis and Board would be advised on anything above a 20% or so increase on budget provisions. The DFPS explained the budget process for the project, and that replacing legacy/end of life systems would create future service efficiencies, though cost savings unlikely.</p> <p>The report was noted.</p>	<p>Noted</p>
7.7	<p>CHA and Ancho KPI’s</p> <p><u>CHA</u></p> <ul style="list-style-type: none"> - Rent loss due to voids as a % of debt, amber becomes red when it reaches a threshold over tolerance in the KPI’s - Complaints responded to within timescale was due to the recording mechanism and re-setting when joint departmental responses were required, which had now been resolved. The CEO said one of many reasons may be hybrid working, the DCS advised that tenants working from home also led to increased complaints. The DPS advised the challenge was around capacity in investigating, responding and dealing with the complaint and how all work is being delivered by contractors, supply chain issues and 	

	<p>complex needs and multiple different strands involved in sometimes complex cases.</p> <p><u>Ancho</u></p> <ul style="list-style-type: none"> - December cash collection figures at Ancho were showing as 100%, however this was due to receipt of LA/HB payments, but were on track for year end. <p>The reports were noted.</p>	Noted
7.8	<p>Risk Register and New/Changed risks</p> <p>The DBS provided a verbal update following the risk appetite review at the Board Strategy Day. The Exec Team had reviewed and scored the Risk Register which would be presented to the Audit & Performance Committee in February and to Board in March 2023. There were no major scoring changes noted.</p> <p>The report was noted.</p>	Noted
7.9	<p>Items for Audit & Performance Committee Consideration</p> <p>The A&P Chair said an in depth look at void management processes would be undertaken in May, the Committee members would look at service charges, and further focus on cyber fraud issue subject to final decisions on the programme. The CEO advised the new draft IA Plan would be presented to the A&P in February, any member with specific suggestions should contact CEO.</p>	Members
8	GROUP GOVERNANCE, REGULATION & CORPORATE	
8.1	<p>Chairpersons' Update Reports</p> <p>The CHA Chair gave a verbal update on his activities since his last meeting and thanked the Vice-Chair for stepping in during his LOA.</p> <p>The report was noted.</p>	Noted
8.2	<p>Governance & Regulation Update</p> <p>The GSM presented the report as read and asked if anyone was interested in joining any Committees or as Chair of Rem Com to let her know. If anyone would like to attend the Leadership in Board Governance Course run by Edinburgh Napier University to contact her.</p> <p>The report was noted.</p>	Noted
9	GROUP DECISIONS TAKEN UNDER DELEGATED AUTHORITY	
	None.	
10	ANCHO BOARD	
10.1	Ancho Minutes – 15 November 2022	

	Minutes of the Ancho Board meeting held on 15 November 2022 were proposed by Colin Love, seconded by Bill Finlay and approved by the Ancho Board.	Approved
10.2	<p>Ancho (JGB) Minutes – 24 November 2022</p> <p>Minutes of the Joint Governing Body Meeting of Cairn HA and Ancho held on 24 November 2022 were proposed by Colin Love, seconded by Bill Finlay and approved by the Ancho Board.</p>	Approved
10.3	<p>Strategy Day Minutes – 8 December 2022</p> <p>Minutes of the Joint Governing Body Strategy Day of Cairn HA and Ancho held on 8 December 2022 were proposed by Angus Lamont, seconded by Bill Finlay and approved by the Ancho Board.</p>	Approved
10.4	<p>Matters Arising</p> <p>There were no Matters Arising</p>	
10.5	<p>Action Tracker</p> <p>The Ancho Chair asked the DFPS how the funds returning from the Strathclyde Pension scheme would impact the accounting. The DFPS advised that they come through as a receipt within the income and expenditure account. The settlement will improve the surplus and the liability is removed from the balance sheet of Ancho</p> <p>The Ancho Chair queried if, based on the timeline for the new IT systems, the timescale for the garage transfer is still feasible. The DFPS advised that he would discuss the matter with the PCE Board, but that his view would probably be optimal to wait for the ToE to complete first (2024)</p>	
11	ANCHO ITEMS FOR DECISION/APPROVAL	
11.1	<p>Feedback on Rent Increase Consultation</p> <p>The Ancho Chair noted that earlier in the meeting the CHA Board had voted for the existing proposal, and he proposed that, after consideration of the feedback, the Ancho Members approve the same</p> <p>At the proposal of Bill Finlay, seconded by Colin Love, Members:</p> <ul style="list-style-type: none"> - Noted the contents of the report. - Approved a 7.0% increase for all base rents to be applied for 23/24 with an effective date of 1st April 23. - Agreed that the tenants are formally written to with confirmation of this increase. - Approved delegated authority to the Group Chief Executive and the Chair of the Board to consider any further customer feedback and make the final decision to proceed. 	<p>Noted</p> <p>Approved</p> <p>Agreed</p> <p>Approved</p>
11.2	Ancho Pension Scheme - Confidential	

	Redacted	
12	ANCHO UPDATES	
12.1	<p>Operational Update</p> <p>The DCS provided a verbal update and picked out some key highlights from the report.</p> <ul style="list-style-type: none"> • During November and December our Welfare Benefits Service received 24 new referral cases. The gains for customers for these months were £61,547. The YTD gains are £134,996. • Average arrears at end of December were £70,047. Significant drop in arrears during December was due to the 13th housing benefit payment being received. • Success of securing external funding • Success of the cost of living roadshows. <p>In response to the a question from the Ancho Chair the CEO advised that formal communication plans are being finalised. Staff support will be crucial to a successful transfer. A staff project group is being established,</p> <p>The report was Noted.</p>	Noted
12.2	<p>Partnership Investment Delivery Update</p> <p>The DPS provided a verbal update in support of the report.</p> <p>Environmental Works: an adoption certificate from North Ayrshire council has been received, confirming adoption of future maintenance work at Carron Place.</p> <p>Annick Riverbank - Investigative works on the riverbank are underway as of the 9th of January, soil drilling took place last week. Work on detailed reports will now begin and should be delivered at the March meeting. The DPS is working closely with the DFPS to identify a budget to accommodate the work, once this has been established then discussions can begin with external organisations with regards to options.</p> <p>The report was Noted.</p>	Noted
13	ANCHO DECISIONS TAKEN UNDER DELEGATED AUTHORITY	
	None.	
14	AOCB	
	None.	
15	DATE OF NEXT MEETING	
	The CHA Chair reminded members that, as previously agreed via email, the JGB Meeting would be reconvened on Friday 3 February to agree the draft 2023/24	

<p>Budget, which would then be presented to the Joint Governing Bodies Meeting on 23 March 2023, he highlighted that optimal attendance would be beneficial.</p>	
<p>3 February 2023 – Budget Meeting 23 March 2023 - JGB Meeting 25th May - JGB meeting (Inverness – in person) 26th May - Joint Board Development Day (Inverness – in person)</p>	