



Argyll Community Housing Association

Board of Management Meeting

Thursday 3rd December 2015 at 10.30am in Dalriada House, Lochgilphead

Minute

Present:

Jim Milne (Chair)
Lorraine-Anne Drysdale (Vice Chair)
Colin Davidson
Stafford Day
Cameron Grant
Danny Kelly
Councillor Bruce Marshall
Neil MacKay
Councillor Donnie MacMillan
John Muir
Councillor Richard Trail

Not in Attendance:

In Attendance:

Alastair MacGregor, Chief Executive
Bruce West, Director of Finance & IT
Colette Benham, Director of Human Resources & Corporate Services
Linda Haig, Director of Investment & Regeneration
Christine Johnston, Director of Housing & Neighbourhood Services
Gayle Stead, Governance & Compliance Manager
Freya Lees, North Star Consulting
Lesley Lindsay, PA to Board of Management

<p>The Chair welcomed Freya Lees, North Star Consulting to the meeting. He advised that following the Board meeting, Freya would meet with Board members and Senior Staff.</p> <p>The Chair advised the new Chair of the Finance & Audit Committee, Douglas Prophet had submitted his apologies for the meeting as he had been hospitalised. The Board were advised the Vice Chair of the Board of Management would chair the Finance & Audit Committee meeting.</p>	
--	--

	The Chair advised a confidential emergency item would be considered under item 12.2.	
1.	<p>Apologies Councillor Roddy McCuish, Councillor Sandy Taylor, Douglas Prophet</p> <p>Mike Brown, leave of absence</p>	
2.	<p>Minutes of Previous Meeting – 22nd October 2015 The minute of the previous meeting was APPROVED as an accurate record.</p> <p>Proposed by: Lorraine-Anne Drysdale Seconded by: Colin Davidson</p>	
3.	<p>Matters Arising Page 3 – Item 3 – the Chief Executive advised he had attended a press conference, along with Fyne Homes and Argyll and Bute Council in connection to the Syrian refugees being housed on Bute. He advised it had been a largely positive experience. The Board were advised he would continue to respond to media enquiries as and when required.</p> <p>Page 3 – Item 3 – the Director of Investment & Regeneration stated she would provide an update on land disposals on a six monthly basis.</p> <p>Page 4 – Item 3 – the Director of Housing & Neighbourhood Services confirmed the action in relation to the telephone survey had been resolved. Cameron Grant agreed the matter had been resolved and he considered it to be closed.</p>	
4.	<p>Conflict of Interest to Declare Lorraine-Anne Drysdale, Cameron Grant and John Muir in relation to Item 9.4 – Rent Increase Consultation for 2016/17</p>	
5.	<p>Correspondence Thank You Card The Board of Management NOTED the thank-you card received from Margaret MacGregor.</p> <p>Resignation The Chair read out his response to Mary MacAulay's</p>	

	resignation. The Board of Management NOTED the contents.	
6.	<p>New Membership Applications The Board of Management APPROVED four new membership applications.</p> <p>The Board of Management NOTED the membership total of 262 as at 23rd November 2015.</p>	
7.	<p>Chief Executive Presentation The Chief Executive gave a presentation covering:</p> <ul style="list-style-type: none"> • Key Updates • External Updates <p>All members in attendance were provided with a copy of the presentation.</p> <p>Councillor Trail queried whether Universal Credit would be rolled out area by area and if so, when Argyll and Bute might be affected. The Director of Housing & Neighbourhood Services advised Argyll and Bute would be affected from February/March 2016. She further advised Universal Credit would be implemented on a 'slow drip' basis. The Board were advised ACHA had prepared as far as possible and the implementation of Universal Credit was likely to be manageable from the Association's perspective.</p> <p>Councillor Marshall stated he was aware there had been controversy over the arrival of the refugees but advised local residents of Bute were ready to welcome refugees with open arms and were very positive about their arrival.</p> <p>Councillor Marshall stated he had made representation to Argyll and Bute Council and ACHA in relation to the number of Councillors on ACHA's Board being reduced from five to three. He stated that upon his removal there would be no representation from Bute and Cowal. The Chair advised ACHA were powerless as it was a Council decision who they nominated onto ACHA's Board. Danny Kelly asked whether there would be an opportunity to co-opt Councillor Marshall onto the Board. The Governance and Compliance Manager advised Councillor Marshall could be co-opted as a member. Councillor Marshall advised he would be delighted to remain on ACHA's Board as a co-optee. The Board of Management AGREED that as the Bute and Cowal Area Committee were in</p>	

	<p>the process of terminating, to have a representative from the area would be a benefit to the Board of Management. The Board of Management further AGREED Councillor Marshall would be co-opted onto the Board following the reduction in Council nominees.</p>	
<p>8.</p>	<p>Key Performance Indicator Scorecard The Chair took the Board through the KPI information in sections</p> <p>Colin Davidson stated that many of the targets were artificial and meaningless. He then asked for the background to the Data Protection requests. The Director of Finance & IT advised it had been an access request from a person pursuing a court action against the Association.</p> <p>Councillor Marshall advised in his view the Void Rent Loss heading should be Amber as opposed to Green, the Chair agreed. The Director of Finance & IT advised there was a threshold between the traffic lights and at the point of collating the information the Void Rent Loss figure had been classified as Green. He further advised any heading figure could change at any time.</p> <p>Colin Davidson stated the ACHA Staff Absence figure was high. The Chief Executive stated the absence figures were frustrating but added the inflexibility of the Fit Note system hindered the Association. He advised letters had been sent to all GPs in Argyll and Bute requesting better co-operation but there had been little response. The Director of Human Resources & Corporate Services advised the Association operated within a robust absence policy. Councillor Marshall stated Argyll & Bute Council were also adversely affected by staff absence. He advised the Councillors would liaise with Argyll and Bute Council.</p> <p>The Director of Human Resources & Corporate Services stated there had been a significant improvement in reducing the number of days taken to close out complaints.</p> <p>Colin Davidson raised concern over the September figure of 61% in relation to the percentage of appointments kept. The Chief Executive clarified the figure related to missed appointments by the contractor as no access by the tenant is not deemed to be a missed appointment and therefore may not</p>	<p>Councillors</p>

	<p>be included within the figure.</p> <p>It was AGREED the Annual Target figure for Gas Maintenance should be removed to avoid confusion.</p> <p>Subject to the above amendment, the Board of Management CONFIRMED they were satisfied with the presentation of the report.</p> <p>The Governance and Compliance Manager took the Board through the Risk Grading section of the report. It was AGREED a legend should be inserted.</p> <p>The Board of Management NOTED the contents of the KPI Reporting Scorecard.</p>	<p>Linda Haig</p> <p>Gayle Stead</p>
9.	<p>IT Infrastructure Progress Report</p> <p>The Director of Finance & IT took the Board through his report. The Vice Chair asked what would happen if there were to be a disaster prior to the Disaster Recovery Plan being finalised. The Director of Finance & IT advised there were back-ups in place but it was the intention to have a full replication of the data contained in Lamont House routed through Dalriada House.</p> <p>The Chair stated the IT change-over had gone very well and remained within budget. The Board of Management AGREED communication should be made with the IT team to thank them for their hard work.</p>	<p>Jim Milne</p>
9.1	<p>Confidential AHFA Business Plan</p> <p>The Board of Management NOTED the contents of the report</p>	
9.2	<p>ACHA Management Accounts</p> <p>The Director of Finance & IT took the Board through the Management Accounts to end October 2015, highlighting the underspend and variances.</p> <p>The Board of Management NOTED the contents of the report.</p>	
9.3	<p>ACHA Draft Budget 2016/17</p> <p>The Director of Finance & IT stated the report was an update on the report approved by the Board of Management at their meeting on 22nd October 2015. He further stated the report</p>	

	<p>was not terribly different to the original and highlighted the key issues.</p> <p>The Board were advised there were a few differences between some of the income budgets assumed by AHFA and the expenditure budget provided in the ACHA draft budget but the differences were not significant.</p> <p>The Director of Finance & IT stated if no changes took place within the budget there would be a surplus.</p> <p>The Director of Finance & IT also highlighted the current RPI figure of 0.7%, compared to an assumed level of 1.1% for the draft budget, meaning a potential variance dependent on the December RPI figure.</p> <p>The Board of Management APPROVED the recommendations contained within the report:</p> <ul style="list-style-type: none"> • Note the current position with the budget for 2016/17 • Request SMT review and consider the additional funds and the options for using these funds and bring forward a report to the next Board meeting on the proposed use of these additional funds • Request that SMT continue to keep the budget under review and resolve the outstanding issue and bring forward a final set of budget proposals covering the period 2021/22 to the Board on 8th February 2016 • Request SMT develop an initial strategy on longer term budget savings for 2019/20 to 2021/22 and to develop a strategy for use on any surplus funds arising from the budget process and submit these to the Board on 18th February 2016 	
9.4	<p>Rent Consultation Draft Consultation Document</p> <p>The Director of Finance & IT stated the draft was for the normal annual rent increase consultation exercise. He advised the Business Plan assumed a rent increase of RPI + 1% and the consultation document made reference to that. The Board were advised a further report would be brought to the meeting on 18th February 2016 for consideration incorporating the outcome of the consultation.</p> <p>Colin Davidson stated he felt the rent consultation was an</p>	

	<p>academic and artificial exercise. The Chief Executive stated the Association were required to consult with tenants and following the consultation period, the Board of Management were required to make a decision based on the outcome of the consultation.</p> <p>Councillor Marshall asked whether tenant Board members were required to note a declaration of interest regarding the rent increase. The Chief Executive advised that previous guidance had been that an interest should be declared but as long as the input was not by individuals about their own rent they could take part in the discussion and decision.</p> <p>Following discussion, the Board of Management AGREED the word '<i>attempt</i>' should be removed from page 2 – Why does ACHA have to increase my rent? The Board of Management further AGREED both figures should be included within the consultation document (current RPI figure and budgetary provision).</p> <p>Subject to the above amendments, the Board of Management APPROVED the rent consultation document.</p>	<p>Bruce West</p>
<p>10.</p>	<p>SPSO Determination Letter The Director of Human Resources & Corporate Services advised all recommendations from the SPSO had been actioned as outlined at the back of the report and confirmed the SHR had been notified of the completed actions.</p> <p>The Board were advised that as a result of the recommendations provided by the SPSO, actions had been implemented to ensure the same errors did not occur again in the future.</p> <p>The Board of Management NOTED the contents of the SPSO outcome.</p>	
<p>10.1</p>	<p>Charter Self-Assessment Update The Board of Management NOTED the contents of the report.</p>	
<p>11.</p>	<p>Allpay Contract Extension Request The Director of Housing & Neighbourhood Services took the Board through her report and reminded Board members of the background to the implementation of the Allpay payment card.</p>	

	<p>The Board of Management APPROVED the recommendations contained within the report:</p> <ul style="list-style-type: none"> • The Allpay contract is extended for one year • The Allpay App is introduced in this time for tenants • Research is carried out to payment options and the contract tendered in 2016/17 if that is believed to be the best option 	
12.	<p>Monthly Investment Programme Update</p> <p>The Director of Investment & Regeneration took the Board through her report to end October 2015 and advised that spend was slightly behind target, mainly due to McNees going into administration which caused two contracts to fall behind.</p> <p>The Board were advised that as a result of McNees administration there would be a net additional cost to the Association for the Cowal and Bute contract. The Director of Investment & Regeneration further advised the Association may have been able to reclaim the net additional cost against the performance bond but the company, AAUG Ltd, who provided the bond had also been declared “in liquidation’ by the Financial Services Commission.</p> <p>The Board were advised the additional costs to ACHA would be notified to the administration of Stewart McNee Ltd but it was unlikely ACHA as an unsecured creditor would receive any payment.</p> <p>The Director of Investment & Regeneration advised the new contract had been awarded and work commenced on Monday 30th November 2015.</p> <p>The Director of Investment & Regeneration advised 100% of the SHQS had been achieved by the required date with the exception of exemptions and abeyances.</p> <p>The Board of Management requested the Association carry out in-depth due diligence testing on bond providers for any future contracts.</p> <p>The Board of Management NOTED the contents of the report.</p>	
12.1	<p>CONFIDENTIAL</p> <p>Tender Report</p> <p>The Board of Management APPROVED the recommendations contained within the report.</p>	

12.2	CONFIDENTIAL	
13.	<p>AOCB Permission to appoint a Connected Person The Director of Human Resources & Corporate Services advised the applicant had refused the job and therefore retrospective approval was not required.</p> <p>Meeting Comparison Costs Colin Davidson stated that cost was a small part of the picture and other factors including comfort should be taken into consideration. The Board of Management AGREED to proceed to a vote:</p> <p>8 Board Members voted in favour of the Inveraray Inn as the venue for future Board meetings (Douglas Prophet cast his vote by proxy) 3 Board Members voted in favour of Dalriada House, Lochgilphead as the venue for future Board meetings 1 Board Member abstained from voting</p> <p>Based on the vote, the Board of Management AGREED that future Board meetings would be held in the Inveraray Inn, Inveraray if the Campbell Room is available.</p> <p>Councillor Marshall stated the next Board meeting conflicted with the Argyll and Bute Council full Council meeting and as a result, Councillors would not be in attendance. He requested that conflicts of meetings be avoided. The Director of Human Resources & Corporate Services advised that every effort is made when scheduling meetings to avoid a clash of meeting dates but added the Council did not plan meetings as far ahead as the Association.</p> <p>The Board of Management AGREED a message should be sent to all staff thanking them for their hard work throughout the year.</p> <p>The Chair wished all Board members well for the festive period.</p>	Jim Milne
14.	<p>Date & Time of Next Meeting Thursday 21st January 2016 at 10.30am venue to be confirmed</p>	