

Argyll Community Housing Association

Board of Management Meeting

Thursday 3rd November 2016 at 10.00am in Inveraray Inn, Inveraray

Minute

Present:

Jim Milne (Chair)
 Lorraine-Anne Drysdale (Vice Chair)
 Douglas Prophet (Chair of Audit Committee)
 Malcolm Campbell
 David Carmichael
 Cameron Grant
 Danny Kelly
 Neil Mackay
 Councillor Bruce Marshall
 John Muir (Item 12 – 25)
 Bob Munro
 Councillor Richard Trail

Not in Attendance:

Sandra Glazsher

In Attendance:

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

1.	Apologies Councillor Roddy McCuish, Councillor Donnie MacMillan. The Chief Executive advised that Councillor McCuish had to give his apologies due to a court requirement.	
2.	Minutes of Previous Meeting: 15th September 2016 The Board of Management approved the minute as an accurate record. Proposed by: Cameron Grant Seconded by: Douglas Prophet 21st September 2016	

	<p>The Board of Management approved the minute as an accurate record. Proposed by: Lorraine-Anne Drysdale Seconded by: Douglas Prophet</p>	
3.	<p>Matters Arising Page 2 – Item 3 – the Chair advised that Stafford Day would be joining the Board for lunch but Colin Davidson would not be attending but had thanked the Board for the kind invitation.</p> <p>Page 2 – Item 3 – the Chief Executive stated he had been scheduled to meet with colleagues from River Clyde Homes on 18th November 2016 but the meeting would require to be rescheduled as the official opening of Sealladh na Mara/Ceol a Chuain would be taking place that day due to Councillor Currie’s diary commitments.</p> <p>Page 3 – Item 7 – the Director of Human Resources & Corporate Services advised the NHS were considering various options in Mid Argyll which had caused a delay. The Board were advised a report on the options for the Ardrishaig office would be forthcoming in due course.</p> <p>Page 3 – Item 7 – the Chief Executive advised the Council were in the process of producing guidance for the initiative to attract new residents to the Argyll and Bute area. He confirmed the Director of Finance & IT had been in contact with the Council and would meet with Council officials in due course to discuss.</p> <p>Page 4 – Item 8 – the Chair advised he would bring a report to the December Board meeting for consideration in relation to improving the running order of meetings.</p> <p>Page 4 – Item 9 – all action points dealt with</p> <p>Page 5 – Item 9 – the Chair advised the next meeting of the RSL Chairs and Chief Executives was scheduled to be held January 2017.</p> <p>The Chair confirmed all further action points on Pages 5 and 6 had been overtaken by events.</p> <p>Page 9 – Item 15 – confidential.</p>	
4.	<p>Conflict of Interest to Declare None</p>	
5.	<p>Correspondence Confidential</p>	
6.	<p>A Message from the Chair The Board of Management NOTED the contents of the report.</p>	
7.	<p>New Membership Applications The Board of Management APPROVED one new membership application.</p>	

	The Board of Management NOTED the membership total of 250 members as at 25/10/16	
7.1	Cancelled Members The Board of Management NOTED the cancellation of one membership.	
8.	<p>Chief Executive Presentation The Chief Executive gave a presentation covering:</p> <ul style="list-style-type: none"> • Key Issues Update • Other Updates <p>The Board of Management NOTED the contents of the presentation.</p> <p>Members in attendance were provided with a copy of the presentation.</p> <p>Cameron Grant stated he had recently attended a Regional Network meeting and advised that many RSLs published their landlord report on their Local Authority's website. The Director of Housing & Neighbourhood Services advised she would look into the option further.</p> <p>Councillor Bruce Marshall asked why ACHA were not tapping into the Islands Fund. The Chief Executive advised that funding for ACHA's new build programme was being met through the SHIP programme. The Director of Investment & Regeneration stated that the Association's expectations were built around private financing and confirmed that SHIP would fully fund the projects. Councillor Bruce Marshall stated he had concerns that the Government may think Argyll did not require funding on its Islands if applications were not submitted. He was advised that Argyll & Bute Council may wish to consider the opportunity strategically. Councillor Marshall advised he would raise the matter with the appropriate Council members.</p> <p>The Chair stated a message had been given at the RIHAF Conference that Associations were going through a 'golden era' for new build projects which would most likely be followed by a period of austerity. He stated it was incumbent upon Associations not to take everything now and leave no availability for the future. Councillor Richard Trail asked why RSLs were in a 'golden era' while the rest of the public sector were suffering. The Chair advised it was in response to the Scottish Government's target for housing.</p>	<p>Christine</p> <p>Cllr Marshall</p>
9.	Independent Governance Review Confidential	
10.	<p>Business Plan and Budget 2017/18 The Director of Finance & IT took the Board through his report and stated that due to the work carried out during the last financial year the budget exercise for 2017/18 should be relatively straightforward.</p> <p>The Board of Management NOTED the approach and timescale for the 2017/18 update to the budget and business plan.</p>	
11.	Rent Consultation 2017/18	

	<p>The Director of Finance & IT took the Board through his report and explained the Association's approach to the rent increase process. Board members were reminded the December RPI figure is used each year plus 1%. Board members were advised that the December RPI would likely be known around mid-January but an assumption of 2.4% had been made which when adding the plus 1%, along with the 1.6% as a result of the two year phasing of the rent restructuring would result in a rent increase of 5.0%</p> <p>The Director of Finance & IT advised that information showed ACHA's rents remained lower than comparators.</p> <p>Board members were advised the narrative on the Value for Money approach had been amended. Board members highlighted the following amendments to the document:</p> <ul style="list-style-type: none"> • 'In preparing in budget for....' – remove second 'in' • 2014/15 – amend to 2015/16 • Return address required to be updated <p>Councillor Bruce Marshall asked how ACHA's rents compared to other Argyll and Bute RSLs. The Director of Finance & IT advised ACHA was around 5.4% below the average Fyne Homes and West Highland Housing Association rents. Councillor Marshall asked whether that made ACHA properties more desirable. The Director of Housing & Neighbourhood Services advised if tenants were on full housing benefit the rent charge was not an issue but to low income families rent levels would be a consideration.</p> <p>Cameron Grant asked whether an additional box could be inserted to explain the average rents. The Director of Finance & IT advised he would endeavour to include within the space restrictions of the document.</p> <p>The Chair requested the new rent figure appear at the bottom of the table. The Director of Finance & IT stated that the new rent figure was not necessarily the actual new figure as the rent rationalisation figures were not included but confirmed he would look at the proposal.</p> <p>Subject to the above amendments, the Board of Management APPROVED the rent consultation document for 2017/18. The Board of Management further APPROVED artistic licence to the Director of Finance & IT to allow the information to be fitted within the overall space of the document.</p>	Bruce
12.	<p>John Muir joined meeting</p> <p>Treasury Management Monitoring Report and Strategy Update</p> <p>The Director of Finance & IT stated the original report had been for information and noting but advised since writing the report there had been a number of changes in market interest rates and to ensure the Board was fully aware of these he had prepared a supplementary paper for consideration and decision.</p> <p>The Board of Management APPROVED the recommendations as outlined in the report.</p>	

13.	<p>AHFA Business Plan Progress Report to 31/08/16</p> <p>The Board of Management NOTED the contents of the progress report.</p>	
14.	<p>ACHA Management Accounts to 31/08/16</p> <p>The Director of Finance & IT took the Board through his report.</p> <p>The Board of Management NOTED the contents of the Management Accounts.</p>	
15.	<p>Review of Electronic Governance</p> <p>The Director of Finance & IT stated his report contained many options for the Board to consider. He took Board members through each of the options contained within his report.</p> <p>Malcolm Campbell asked whether it would be possible to lease tablets as opposed to purchasing them. The Director of Finance stated there would be no benefit in leasing as it would equate to a high interest level.</p> <p>Councillor Bruce Marshall stated he was in favour of progressing to electronic papers but questioned whether paper copies would remain available to Board members who did not have access to the internet. The Director of Finance & IT advised that decision should be taken by the Board of Management.</p> <p>John Muir stated not all members had access to the internet. He stated his preference would be to remain with the status quo. The Director of Finance & IT stated there would be no benefit to the Association to purchase hardware for Board members who would not make use of it. He stated it would be a Board decision on whether or not to impose electronic papers.</p> <p>The Director of Human Resources & Corporate Services stated the consideration of electronic paperwork was an action point contained within the Governance Review Action Plan.</p> <p>The Chair commented it was a complex subject and he proposed setting up a small working group to take the review of electronic governance forward. He added that the Association needed to get it right as money should not be wasted.</p> <p>Neil Mackay suggested a gradual approach should be taken and a questionnaire completed by Board members to ascertain views.</p> <p>Councillor Richard Trail stated he was astonished at the price of software management systems. He added in his view the cost outweighed the benefits.</p> <p>After detailed discussion on cost and training issues, the Board of Management AGREED that two volunteers be appointed to work with the IT Department in progressing the option of electronic governance. The volunteers were AGREED as Douglas Prophet and Cameron Grant.</p> <p>Neil Mackay asked whether his questionnaire idea would be progressed.</p>	

	The Chair stated it would be progressed by the working group.	
16.	<p>Monthly Investment Programme Update</p> <p>The Director of Investment & Regeneration took the Board through her report highlighting:</p> <ul style="list-style-type: none"> • Number of units • Spend • Contracts completed • Contracts commencing • Contracts on site • New window and door contract • Roof and roughcast – two new contracts on Islay and in Cowal and Bute. Islay contract is on site and is progressing swiftly. <p>The Director of Investment & Regeneration advised there was an issue with the CARS project in Inveraray as it had been established that additional works were required. The Board were advised a meeting would take place in the afternoon to discuss the issue with Argyll and Bute Council.</p> <p>The Board of Management NOTED the contents of the report.</p>	
17.	<p>Tenement Management Scheme</p> <p>The Director of Investment & Regeneration advised the Association encountered many challenges with proceeding with common works to flatted blocks that are shared with private owners. She further advised that owners are unwilling or unable to participate in work deemed essential. If the works required are classed as emergency, ACHA can proceed with the work and recharge the owners but the repairs would require to be limited to a minor repair or making safe.</p> <p>The Director of Investment & Regeneration took the Board through her report and advised there were around 553 blocks where ACHA was not exclusively the landlord, affecting around 1500 properties. She took the Board through each of the headings contained within her report:</p> <ul style="list-style-type: none"> • Introduction • Legal Advice • Scale of Common Ownership • Issues for Common Works <p>The Board of Management discussed the recommendations for discussion:</p> <ul style="list-style-type: none"> • Capital Projects • Common Repairs • Cyclical Works • Tenant Concerns • Stock Rationalisation <p>The Board were advised that two pilot schemes were being progressed, one block of eight in Oban and one block of four on Islay.</p> <p>Neil Mackay asked whether owners could apply to the Strategic Housing Fund to assist with funding common repairs or capital projects. The Director</p>	

	<p>of Investment & Regeneration advised the SHF would not be used for that purpose.</p> <p>The Chair stated the recommendation should be amended to read discuss and approve.</p> <p>The Board of Management APPROVED the recommendations contained within the report.</p>	
18.	<p>Group People Plan The Director of Human Resources & Corporate Services directed Board members to their Information Pack for details on the leavers information requested by the Board at their last meeting.</p> <p>The Director of Human Resources & Corporate Services advised that the Group People Plan had been completely revised and brought up to date. She then took the Board through the document and advised the plan had been split into two sections; what our people need to do and what the group needs to do.</p> <p>The Board of Management APPROVED the revised Group People Plan, with the overall aim to make sure the right people in the right roles deliver the right outcomes, in the right time. The Board of Management further AGREED the approved actions be taken forward.</p>	
19.	<p>Programme of Meetings for 2017 The Director of Human Resources & Corporate Services took the meeting through her report and outlined the reasons why five Board meeting were not within the usual six weekly cycle.</p> <p>The Board of Management APPROVED the Programme of Meetings for 2017.</p> <p>Cameron Grant advised he would provide details of the agreed Tenants Panel meeting dates.</p>	Cameron
20.	<p>Self-Assessment Quarterly Return The Board of Management NOTED the progress against actions identified during the Association's self-assessment process utilising the Scottish Housing Regulator's "Scottish Social Housing Charter, Regulatory Standards of Governance and Financial Management".</p>	
21.	<p>Tenth Anniversary The Chair provided the background to the proposal to implement a 10 year legacy of £100,000 of which £10,000 be committed in any one year to Argyll and Bute Secondary and Primary Schools for the practical support of young people's learning and development. He stated that it would be crucial to obtain the support of the education department.</p> <p>The Chair advised the Board the suggestion had been received from Lachlan Wood and suggested he be awarded £15 in line with the staff suggestion scheme. The Chair further advised the Vice Chair had</p>	

	<p>suggested the 10 x 10 idea.</p> <p>The Board of Management APPROVED the proposal of a 10 year legacy of £100,000 of which £10,000 be committed in any one year.</p> <p>The Board of Management APPROVED the award of £15 to Lachlan Wood.</p> <p>The Board of Management AGREED a press release should be drafted and issued.</p> <p>The Chief Executive advised Board members that the first couple to be housed by ACHA in November 2006 would be invited to meet the first new tenants in the Mid Argyll area on the 10 year anniversary in November 2016.</p> <p>The Board of Management APPROVED a commemorative tenth year badge be commissioned to replace the current ACHA name badges. The Board of Management APPROVED badge option 4 from the choices provided.</p>	<p>Colette</p> <p>Alastair</p>
22.	<p>Office for National Statistics Determination on Reclassification for RSLs in Scotland</p> <p>The Chief Executive took the meeting through the background and reasoning for his report. He stated that the Office of National Statistics (ONS) had determined Registered Social Landlords (RSLs) in Scotland be deemed public as opposed to private bodies. He advised the major implication for the Scottish Government would be that it puts housing association debt on the Government's balance sheet. The Scottish Government wishes to reverse the position and as such they want the determination to be reviewed again. The Government believes that amending the Housing (Scotland) Act 2010 would allow the best opportunity for the ONS to review its decision. The main concern of the ONS relates to the influence the Scottish Housing Regulator (SHR) has over RSL affairs and, to a lesser degree, that of local authorities.</p> <p>The Board were advised that as things stood, the Government would prepare a draft Bill which would go through the normal Parliamentary process around April or May next year.</p> <p>The ONS have applied a waiver that the decision sits in abeyance until the law is changed and only then will the ONS take a view on whether the amendments to the law is satisfactory.</p> <p>Cameron Grant asked what the views of OSCR were. The Chief Executive advised he would make enquiries. The Director of Finance & IT stated that a number of Local Authority controlled charities were governed by OSCR.</p> <p>Councillor Bruce Marshall stated the Chief Executive had recommended obtaining clarity on certain areas and asked if the Board would take a view on that. The Chief Executive stated he would be happy to telephone Mr Fleming the Civil Servant dealing with the ONS reclassification and report back to the December meeting. The Board of Management APPROVED that course of action.</p>	<p>Alastair</p> <p>Alastair</p>

	The Board of Management NOTED the contents of the report.	
23.	<p>Appointments</p> <p>Nomination for Chair of Remuneration Committee The Chair advised that Danny Kelly had volunteered to stand as Chair of the Remuneration Committee. The Board of Management APPROVED the appointment of Danny Kelly as Chair of the Remuneration Committee.</p> <p>Nomination for AHFA Board The Chair advised that Malcolm Campbell had volunteered to sit on the AHFA Board of Directors. The Board of Management APPROVED the appointment of Malcolm Campbell onto the AHFA Board of Directors.</p>	
24.	<p>A.O.C.B.</p> <p>Permission to Appoint The Director of Human Resources & Corporate Services advised the appointment had been approved under urgency by the Chair. She stated that while the appointment was not technically covered by the Payments & Benefits Policy, permission was sought as the staff member involved worked within the HR Department. The Board were asked to ratify the appointment of a modern apprentice within the Housing & Neighbourhood Services Department. The successful candidate is the cousin of the Association's HR & Training Assistant. The Board of Management RATIFIED the decision.</p> <p>Glenshellach The Chief Executive stated the Council had agreed a hearing to consider two planning applications for new build properties in Glenshellach, Oban. The Board were advised the hearing was scheduled to take place on 14th November 2016 and following the hearing the outcome in relation to the planning application would be known.</p> <p>Neil Mackay advised he had attended a meeting on the night of 2nd November 2016 where the planning application had been one of the topics of conversation. He stated Councillor McCuish had Chaired the vibrant meeting.</p> <p>Councillor Richard Trail highlighted the report following the Strategic Planning review day which was contained within the Information Pack and asked if the actions contained within the report would be taken forward. The Chair advised he would present a report to the December meeting.</p> <p>Thank You Letter The Chair stated he would like to issue a letter, similar to the letter issued the previous year, on behalf of the Board thanking staff for their efforts over the past year. The Board of Management APPROVED a letter being issued to all staff members.</p> <p>Remuneration Committee The Director of Human Resources & Corporate Services stated the Remuneration Committee were scheduled to meet on 8th December 2016 and asked for any new volunteers to contact her.</p>	<p>Jim</p> <p>Jim</p> <p>All</p>

	<p>SFHA</p> <p>The Chair advised he had met Mary Taylor, Chief Executive of the SFHA at the RIHAF meeting. He further advised she would be retiring from her post in 2017 and was keen to recruit as many Housing Associations to join the SFHA before she left and had requested the opportunity to attend ACHA's December Board meeting to highlight the benefits of re-joining the SFHA. The Chair stated he felt the Board should take the decision as a letter had been issued to Mary Taylor by the Secretary earlier in the year indicating there would be no requirement for her to attend a meeting as the Board had taken its decision in relation to membership of the SFHA. The Chair of the Audit Committee stated it was his view Mary Taylor should not attend the December Board meeting and that a decision on future membership of the SFHA should be taken when due. Cameron Grant agreed that a decision should be taken at the usual renewal time. Councillor Richard Trail stated he would be in favour of inviting Mary Taylor to attend the December meeting. The Vice Chair agreed with Councillor Trail.</p> <p>The Chair asked Board members to vote:</p> <p>In favour of Mary Taylor attending the December Board meeting – 4 votes Not in favour of Mary Taylor attending the December Board meeting – 5 votes Abstentions – 3</p> <p>As a result of the vote, the Board of Management AGREED Mary Taylor would not be invited to attend the December meeting.</p> <p>Farewell to John Forbes</p> <p>The Chair delivered a farewell speech to John Forbes, Managing Director of AHFA and presented him with a Quaich as a token of the Board's thanks. The Chief Executive wished John all the best in his new employment and thanked him for his hard work. He stated it was never an easy task establishing a new organisation. John thanked the Board for his token of appreciation and their belief in him and his leadership. He stated he had enjoyed his journey with the ACHA Group.</p> <p>Helen MacGregor Award</p> <p>The Chair stated for Board members who were not aware the Vice Chair, Lorraine-Anne Drysdale had been nominated for the Helen MacGregor Award 2016 and had reached the final along with another two nominees. The Chair advised that as Lorraine had been unable to attend the dinner he had attended on her behalf. The Board were advised that while the Vice Chair had not come first she had been awarded a beautiful glass trophy and a bottle of champagne. Board members gave the Vice Chair a standing ovation.</p>	
25.	<p>Date & Time of Next Meeting</p> <p>Thursday 8th December 2016 at 10.00am in the Inveraray Inn, Inveraray</p>	