

## Argyll Community Housing Association

### Board of Management Meeting

Thursday 8<sup>th</sup> February 2024, Dalriada House, Lochgilphead

#### Minute

##### Present:

Cathy Grant (Chair)  
 Jim Milne (Vice Chair)  
 Mark Irvine (Secretary)  
 Ian McIntyre (Chair of Audit Committee)  
 Councillor Jan Brown  
 Esther Hughes  
 Mark Irvine  
 Pat McVey  
 Bruce Marshall  
 Cllr Alastair Redman (Items 1 – 13)

##### Not in attendance

Betty Rhodick

##### In Attendance:

Michelle Mundie, Chief Executive  
 Allan MacDonald, Director of Finance & IT  
 Colette Benham, Director of Human Resources & Corporate Services  
 Fiona Campbell, Director of Assets & Sustainability  
 Sandra McLeod, Director of Customer Experience  
 Lesley Lindsay, PA to Board of Management (minute)

	<p>The Chair welcomed Allan MacDonald, Director of Finance &amp; IT to his first Board meeting in his new post.</p> <p>Cllr Redman advised he would require to leave the meeting at 12.00pm as he had a separate meeting to attend.</p>	
		To be actioned by 21/03/24
1.	<p><b>Apologies</b>          Mike Brown</p>	
2.	<p><b>Minute of Previous Meeting – 14<sup>th</sup> December 2023</b>          The Board of Management <b>APPROVED</b> the minute as a true and accurate record of the meeting.</p> <p>Proposed by: Ian McIntyre          Seconded by: Jim Milne</p>	

3.	<p><b>Matters Arising</b>  Page 1 – Item 3 - Page 2 – Item 2 – Action from previous minute Page 4 – Item 7 – Acquisition funding – <i>the Chief Executive to provide Bruce Marshall with further information.</i>  Action completed.</p> <p>Page 2 – Item 6 - <i>the Chief Executive advised she would circulate the information she had obtained relating to the average rent increase costs.</i>  Action completed.</p> <p>Page 10 – Item 18 - <i>Cllr Brown drew the meeting’s attention to paragraph 4.3 and asked for an update in relation to how the claim was progressing. The Property Operation Manager advised he did not have that information but would provide post meeting.</i>  The Director of Assets &amp; Sustainability advised an update would be provided under item 6.</p> <p>Page 12 – Item 22 - <i>Pat McVey stated the strategy referred to housing in Argyll and there was no mention of Bute or other islands. The Chief Executive advised she would correct that inaccuracy.</i>  Action completed.</p>	
4.	<p><b>Correspondence</b>  The Board of Management <b>NOTED</b> the thank you email received on behalf of the Soroba Community Enterprise Group following the award of a Community Action Fund grant.</p> <p>The Board of Management <b>NOTED</b> the thank you letter received from Oban Festive Lights following the award of a Community Action Fund grant.</p>	
5.	<p><b>Declarations of Interest</b>  None  The Director of Human Resources &amp; Corporate Services advised staff would be required to leave the meeting for item 10.</p>	
6.	<p><b>Chief Executive’s Presentation</b>  The Chief Executive delivered a presentation covering:</p> <ul style="list-style-type: none"> <li>• Warm Homes Project Funding</li> <li>• Cuts to the Scottish Government’s Affordable Housing Supply Programme 2024/25</li> <li>• Arrears Trends – April to December 2023</li> <li>• Void Trends – significant drop</li> <li>• Acquisitions Update</li> <li>• Dalintober – demolition approved</li> <li>• Dunoon Office</li> <li>• Real Living Wage</li> <li>• Sheena Stewart BEM – Board of Management to send letter of congratulations</li> <li>• Press Summary – list of various newspapers to be issued to Board members</li> <li>• Audit Scotland National Fraud Initiative (Pilot)</li> <li>• Transformation Programme</li> <li>• Strategic Away Days</li> </ul>	<p><b>Cathy Grant</b></p>

	The Board of Management unanimously <b>APPROVED</b> progression of the demolition of Dalintober.	
7.	<p><b>Community Action Fund Applications</b>  <b>Highlands &amp; Islands Music and Dance Festival</b>  The Board of Management unanimously <b>APPROVED</b> an award of £500.</p> <p><b>Rockfield Primary School PTA</b>  The Board of Management unanimously <b>APPROVED</b> an award of £500.</p> <p><b>Mctaggart Youth &amp; Community Outreach Service</b>  The Board of Management unanimously <b>APPROVED</b> an award of £500.</p>	
8.	<p><b>New Membership Applications</b>  The Board of Management unanimously <b>APPROVED</b> three membership applications.</p>	
9.	<p><b>Rent Increase 2024/25 Proposals</b>  The Director of Finance &amp; IT advised his report set out the results of the rent consultation exercise for 2024/25 and provided a summary of the impact of the different rent increase proposals on ACHA's budget and business plan. In addition, the report provided an analysis of rent affordability issues and highlighted the issues to be considered in agreeing the rent increase for 2024/25.</p> <p>The Director of Finance &amp; IT took the meeting through the recommendations contained within the report:</p> <p>The Board is requested to:</p> <ul style="list-style-type: none"> <li>• Having considered the matters set out in this report, including the Appendices, the Board is asked to agree one of the recommendations from those set out below (these are mutually exclusive so one and only one recommendation must be approved by the Board): <ol style="list-style-type: none"> <li>a. To agree a rent increase of 5% for 2024/25</li> <li>b. To agree a rent increase of 6% for 2024/25</li> <li>c. To agree a rent increase of 7% for 2024/25</li> <li>d. To agree a rent increase of 8% for 2024/25</li> <li>e. To agree a rent increase of a different amount to those which were consulted on and are set out above</li> </ol> </li> <li>• To agree that applicable Sheltered Housing Service charges will only change according to the analysis of costs incurred at each complex based on the prior year known costs.</li> <li>• To agree that any general needs service charges will only change according to any changes in the actual cost of the services provided, based on work undertaken by Housing and Neighbourhood Services to review all general needs service charges.</li> <li>• To approve a % increase to the Factored Owner Property Management Fee in line with the main rent increase agreed in recommendation 1.</li> </ul>	

	<ul style="list-style-type: none"> <li>To approve a % increase to the charge for the eight allotments in line with the main rent increase agreed in recommendation 1.</li> </ul> <p>The Director of Finance &amp; IT advised the consultation period had been open for a 6 week period and a total of 194 responses had been received as detailed in appendix 1. He stated the response rate had been the highest received during the last 9 years and of the responses received, 66% selected a 5% increase out of the 4 options.</p> <p>The Director of Finance &amp; IT stated the majority of ACHA's income came from rents and the rent level had a direct and significant impact on how much money ACHA had available to spend. He further stated the report presented to the Board in December 2023 relating to the draft budget had been based on a 5% rent increase but had also highlighted the difference each 1% variance would impact on the Business Plan.</p> <p>The Director of Finance &amp; IT advised the SFHA's rent toolkit had been used to carry out analysis and details of the outcomes were contained within his report.</p> <p>The Chair thanked the Director of Finance &amp; IT for a comprehensive report.</p> <p>The Chair wished it noted that following communications with a tenant from Bute who had advised they would wish to make representation to the Board of Management at the meeting, no correspondence had been received.</p> <p>Following discussions, a vote on the rent increase was taken:</p> <p>1 Board member supported a 5% increase  5 Board members supported a 6% increase  0 Board members supported a 7% increase  0 Board members supported an 8% increase  4 Board members support a 5.5% increase</p> <p>Following the vote taken the Board of Management <b>APPROVED</b> a 6% increase in rents.</p> <p>The Board of Management unanimously <b>APPROVED</b> recommendations 2, 3, 4 and 5 as highlighted in the report and above.</p>	
10.	<p><b>Confidential</b>  Staff left the meeting for this item.</p>	
11.	<p><b>Confidential</b></p>	
12.	<p><b>AHFA Draft Budget 2024/25</b>  The Director of Finance &amp; IT advised the Board of Management were being asked to consider and approve the AHFA Budget for 2024/25.</p> <p>He advised the AHFA Board of Directors had considered and approved the budget at their meeting held on 5<sup>th</sup> February 2024.</p> <p>The Board of Management unanimously <b>APPROVED</b> the final AHFA budget for 2024/25.</p>	

13.	<p><b>ACHA Draft Budget 2024/25</b></p> <p>The Director of Finance &amp; IT advised his report set out the proposed budget for 2024/25 and compared the different elements of the proposed budget against the 2023/24 budget, business plan and budget outlook reported to the Board of Management in October 2023.</p> <p>The Director of Finance &amp; IT advised the budget had been based on a 5% rent increase and stated the budget would be amended to reflect the 6% agreed.</p> <p>The Director of Finance &amp; IT took the meeting through his report.</p> <p>The Board of Management unanimously <b>APPROVED</b> the budget for 2024/25 subject to the amendment to the level of the rent increase being amended to 6% and option 3 from the Pensions report being incorporated.</p> <p>The Board of Management unanimously <b>AGREED</b> that the surplus generated from the decision taken be used to increase the investment programme budget.</p>	
14.	<p><b>Value for Money Annual Report 2022/23</b></p> <p>The Director of Finance &amp; IT advised the purpose of his report was to provide an update in relation to the Value For Money review covering 2022/23 and identify areas for further focus work.</p> <p>He advised ACHA were committed to reviewing and understanding all data in relation to achieving Value For Money (VFM) within the organisation. He further advised the annual report covered data from 2022/23 and was based on a comparison with ACHA's peer group, Large Scale Voluntary Transfer (LSVT) Registered Social Landlords (RSLs), all Scotland averages and Association data from the previous year.</p> <p>The Director of Finance &amp; IT took the meeting through the broad analysis as contained within paragraphs 1.9 to 1.11.</p> <p>The Board of Management <b>NOTED</b> the content of the report and <b>NOTED</b> the 3 broad areas identified for further investigation work will be addressed by Vanguard process reviews, the transformation programme and the review of asset management.</p>	
15.	<b>Confidential</b>	
16.	<p><b>Proposed Changes to Board Scorecard</b></p> <p>The Director of Human Resources &amp; Corporate Services advised the Board of Management were being asked to review and approve the proposed changes to the Board Scorecard reporting measures effective from 1<sup>st</sup> April 2024.</p> <p>The Chair thanked the Vice Chair for the work he had carried out.</p> <p>The Board of Management unanimously <b>APPROVED</b> the changes to the Board Scorecard.</p>	
17.	<b>Governing Body Members Expenses Policy Review</b>	

	<p>The Director of Human Resources &amp; Corporate Services advised that following approval of the revised rules, the Governing Body Members Expenses policy had been reviewed to take account of the removal of the Area Committees from the Governance structure.</p> <p>The Director of Human Resources &amp; Corporate Services further advised the majority of the changes related to the removal of reference to Area Committees with one exception; the removal of the Printing and Stationery budget. She advised the proposed budget line removal was due to the implementation of the Board portal, Admin Control, which had removed the requirement for Board members to print documents.</p> <p>The Board of Management unanimously <b>APPROVED</b> the revised Governing Body Members Expenses Policy.</p>	
18.	<p><b>Ratification of Decision Under Urgency – Draft Customer Engagement Strategy</b></p> <p>The Director of Customer Experience advised an email had been issued on 8<sup>th</sup> January 2024 seeking approval under urgency of the Your Voice Group’s recommendations. She advised the decision under urgency had been sought to maximise customer engagement opportunities. The Board of Management noted approval had been received from 11 of the 12 Board members.</p> <p>The Board of Management unanimously <b>RATIFIED</b> the decision taken under urgency.</p>	
19.	<p><b>Ratification of Decision Under Urgency – Real Living Wage</b></p> <p>The Director of Human Resources &amp; Corporate Services advised an email had been issued on 21<sup>st</sup> December 2023 following a recommendation by the Remuneration Committee to implement the Real Living Wage across the Group. She advised the implementation was a requirement in order to secure any future grant funding from the Scottish Government. The Board of Management noted approval had been received from 11 of the 12 Board members.</p> <p>The Board of Management unanimously <b>RATIFIED</b> the decision taken under urgency.</p>	
20.	<p><b>ACHA Management Accounts to 31 December 2023</b></p> <p>The Director of Finance &amp; IT advised additional work would be carried out on the January, February and March Management Accounts around cash covenant monitoring which would be presented in the next set of Management Accounts.</p> <p>The Board of Management <b>NOTED</b> the Management Accounts to 31 December 2023.</p>	
21.	<p><b>AHFA Management Accounts to 31 December 2023</b></p> <p>The Board of Management <b>NOTED</b> the Management Accounts to 31 December 2023.</p>	
22.	<p><b>Investment, Regeneration and Warm Homes Update</b></p> <p>The Board of Management <b>NOTED</b> the content of the report.</p>	

23.	<p><b>Pre-Planned Maintenance Update</b> The Board of Management <b>NOTED</b> progress of the pre-planned maintenance programmes against budget and targets.</p>	
24.	<p><b>Exemplar Estates Update</b> The Board of Management <b>NOTED</b> the proposed projects for Year 5 of the Exemplar Estates Project.</p>	
25.	<b>Confidential</b>	
26.	<b>Confidential</b>	
27.	<b>Confidential</b>	
28.	<p><b>Cancelled Members</b> The Board of Management <b>NOTED</b> the cancellation of one membership.</p> <p>The Board of Management <b>NOTED</b> the membership total as at 15<sup>th</sup> January 2024 of 182.</p>	
29.	<p><b>Rent Consultation Prize Draw (10 x £50 Vouchers)</b> Draw to take place after meeting Post Meeting Note: Winners: L Morrish, Dunoon, P McEachran, Campbeltown, N &amp; E MacLugash, Inveraray, G Fairclough, Kilmore, J Gale, Tarbert, R McColgan, Garelochhead, S McGladdery, Dunoon, N Beckett, Kames, Mr Cooper, Tarbert, J MacDonald, Rothesay</p>	
30.	<p><b>A.O.C.B.</b> <b>Condensation, Damp and Mould</b> The Board of Management requested an update on damp and mould be provided to every meeting for noting. The Director of Assets and Sustainability advised the draft Policy had been completed and work was ongoing on the register. She advised her department were working to build a picture on house type, heating type etc. to see if there was any specific areas for concern. She further advised training for officers had been identified and would be carried out. The Chief Executive advised every staff member were due to complete a basic level of training on condensation, damp and mould. The Board of Management asked if they could have access to the module. The Director of Human Resources &amp; Corporate Services advised she would find out if that was possible to give access to Safety Media. The Director of Assets and Sustainability advised a leaflet was being developed which she would share with the Board once complete.</p> <p><b>Decision Under Urgency – Offer of Employment</b> The Director of Human Resources &amp; Corporate Services took the meeting through the details of the offer of employment. The Board of Management unanimously <b>APPROVED</b> the offer of employment.</p>	<p><b>Fiona Campbell</b></p> <p><b>Colette Benham</b></p> <p><b>Fiona Campbell</b></p>

	<p><b>Glasgow and West of Scotland Forum (GWSF)</b>  The Director of Human Resources &amp; Corporate Services advised correspondence had been received from the GWSF seeking membership affiliation renewal for the period 1 April 2024 to 31 March 2025 at a cost of £3,618. The Board of Management asked if there was duplication of being a member of the GWSF and the SFHA. The Director of Human Resources &amp; Corporate Services advised ACHA had been members of the GWSF due to not being members of the SFHA, which was only renewed in 2024. The Chief Executive advised that while the GWSF did great work, membership of the SFHA would be more beneficial to ACHA.</p> <p>The Board of Management unanimously <b>AGREED</b> not to renew membership with the GWSF due to being SFHA members. They further agreed the position could be re-assessed the following year should there be detriment to the Association. The Chief Executive will advise of the decision taken.</p>	<p><b>Michelle Mundie</b></p>
<p>31.</p>	<p><b>Date &amp; Time of Next Meeting</b>  Thursday 21<sup>st</sup> March 2024 by Skype</p>	