

## Argyll Community Housing Association

### Board of Management Meeting

Thursday 10<sup>th</sup> September 2015 at 10.30am in Dalriada House, Lochgilphead

#### Minute

##### Present:

Michael Brown (Chair) (Items 1–16.1)  
 Jim Milne (Vice Chair)  
 Councillor Roddy McCuish (Secretary) (Items 1–14.3)  
 Lorraine-Anne Drysdale (Finance and Audit Committee Chair)  
 Colin Davidson  
 Cameron Grant  
 Danny Kelly  
 Councillor Donnie MacMillan  
 Councillor Bruce Marshall  
 Douglas Prophet  
 Councillor Sandy Taylor  
 Councillor Richard Trail

##### Not in Attendance:

John Muir

##### 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  
 Lesley Lindsay, PA to Board of Management

1.	<b>Apologies</b> Stafford Day	
2.	<b>Minutes of Previous Meeting – 13<sup>th</sup> August 2015</b> Page 3 – Item 6 – replace ‘recommend’ with ‘recommended’  Subject to the above amendment, the Board of Management <b>APPROVED</b> the minute as a true and accurate record.	<b>Lesley Lindsay</b>

	<p>Proposed by: Lorraine-Anne Drysdale Seconded by: Cameron Grant</p>	
3.	<p><b>Matters Arising</b></p> <p>Page 2 – Item 3 – the Director of Investment &amp; Regeneration advised she had made enquiries and could advise the Board that the use of common security doors would not reduce household insurance premiums.</p> <p>Page 13 – Item 15.3 – the Board were advised the Council would discuss the position in relation to the number of Councillors on ACHA’s Board at their next meeting, due to be held in two weeks’ time and then provide the Association with a clearer response on the outcome</p> <p>The Vice Chair stated he had circulated an update in relation to AHFA’s progress against the revised Business plan. He advised the last paragraph in the report was of importance as it confirmed AHFA were on target. The Vice Chair read out the last paragraph to the meeting. The Board were advised a fuller briefing would be provided at the October Board meeting.</p> <p>Page 3 – Item 6 – the Chief Executive confirmed the Secretary had written to the Chief Executive of the SFHA</p> <p>Page 10 – Item 13.1 – the Director of Finance &amp; IT advised Argyll and Bute Council were required to provide ACHA with TUPE proposals 28 days before the transfer date</p>	<p><b>Jim Milne</b></p>
4.	<p><b>Conflict of Interest to Declare</b></p> <p>The Chief Executive advised all staff members with the exception of the minute taker would leave the meeting while Items 7 and 8 were being discussed.</p>	
5.	<p><b>Correspondence</b> <b>CONFIDENTIAL</b></p>	
6.	<p><b>Statement by Secretary</b></p> <p>The Board of Management <b>NOTED</b> the statement by the Secretary confirming that Rules 68-72 have been followed.</p>	
7.	<p><b>Salary &amp; Benchmarking Review</b> <b>CONFIDENTIAL</b></p>	

8.	<p><b>AHFA Performance Based Bonus Scheme</b>  <b>CONFIDENTIAL</b></p> <p>Staff members returned to the meeting.</p>	
9.	<p><b>AGM Update</b>  The Chair stated that recommendation 4 contained within the report had been overtaken by events and confirmed lifts were being provided for the members from Lochgilphead and Benderloch.</p> <p>The Chair clarified the position in relation to each of the Constituencies:</p> <p><u>Tenant Board Members</u>  Mike Brown, Lorraine-Anne Drysdale, Douglas Prophet, John Muir and Cameron Grant. Leaving 5 tenant vacancies on the Board of Management</p> <p><u>Independent Board Members</u>  Stafford Day, Danny Kelly, Jim Milne and Colin Davidson. Leaving 1 independent vacancy on the Board of Management.</p> <p><u>Council Nominees</u>  Councillors Roddy McCuish, Richard Trail, Sandy Taylor, Donnie MacMillan and Bruce Marshall</p> <p>The Chief Executive advised he had received a note of interest from Mary MacAulay, tenant member and Neil MacKay, independent member to serve on the Board. The Board of Management <b>AGREED</b> to the above being considered at the AGM on 17<sup>th</sup> September 2015.</p> <p>The Chair advised that due to work commitments and time constraints he would be standing down as Chair at the AGM on 17<sup>th</sup> September 2015. He further advised he was submitting a request for special leave of absence covering a three meeting period. The Board of Management <b>AGREED</b> to this request.</p> <p>The Board of Management <b>NOTED</b> the contents of the report.</p>	
10.	<p><b>Cancelled Memberships</b>  The Board of Management <b>NOTED</b> the cancellation of one membership.</p>	

	The Board of Management further <b>NOTED</b> the membership total of 257 as at 1 <sup>st</sup> September 2015.	
11.	<p><b>Chief Executive Presentation</b></p> <p>The Chief Executive gave a presentation covering:</p> <ul style="list-style-type: none"> <li>• Key Updates</li> <li>• External Updates</li> </ul> <p>All members in attendance were provided with a copy of the presentation.</p> <p>The Board of Management discussed the situation in relation to the humanitarian and refugee crisis. The Board of Management <b>AGREED</b> to work with local partners and assist where possible. The Chief Executive stated funding would be available from the Governments to support the refugees.</p> <p>The Board of Management requested the Chief Executive release a statement on behalf of the Association indicating that ACHA would be responding to the humanitarian crisis and had void properties which would assist the refugees and the Association at the appropriate time.</p>	Alastair MacGregor
12.	<p><b>Key Performance Indicator Scorecard</b></p> <p>The Director of Human Resources &amp; Corporate Services took the Board through the new KPI scorecard which replaced the Directorate Exception Reports.</p> <p>She stated that feedback on the new format would be welcomed. The general consensus from the Board was the new format was easier to understand. Colin Davidson requested the column headed 'Actual Target' be renamed 'Annual Target'</p> <p>The Board of Management <b>NOTED</b> the contents of the performance Report.</p>	Colette Benham
13.	<p><b>Progress Report on IT Infrastructure</b></p> <p>The Director of Finance &amp; IT took the Board through his report. The Board were advised the Disaster Recovery package had been categorised as amber as elements of the package would be delayed until April 2016 due to the availability of resources. The Director of Finance &amp; IT further advised the Association would not be at high risk as security and protection would be provided.</p>	

	<p>The Board of Management <b>NOTED</b> the progress of the IT Infrastructure project and proposed dates for test and final data migration.</p>	
13.1	<p><b>ACHA Management Accounts as at 31/07/15</b></p> <p>The Director of Finance &amp; IT took the Board through the Management Accounts and highlighted income and service charges. He advised the repairs budget was showing an overspend but stated that was due to the profiling of the budget. The Board were advised the overall variance was just under £1.5 million which was expected to be in line with the budget by the end of the financial year.</p> <p>Councillor Taylor asked whether it would be beneficial to re-profile the budgets to reduce variances. The Director of Finance &amp; IT stated it was always worth consideration but sometimes it was more beneficial to have a variance and sometimes more beneficial to re-profile.</p> <p>The Chair asked whether cashflow had been affected. The Director of Finance &amp; IT advised there were no difficulties in relation to cashflow as the Association had a substantial balance of cash at the end of the financial year.</p> <p>The Board of Management <b>NOTED</b> the contents of the Management Accounts.</p>	
13.2	<p><b>Rent Restructuring – Feedback from Consultation</b></p> <p>The Director of Finance &amp; IT took the Board through the outcome of the consultation exercise and advised that a return of around 6.6% had been received.</p> <p>The Board were advised the conclusion in summary was there was a strong agreement from tenants that rents should remain in the second lowest quartile, take account of income levels, be simple and transparent and new rents should be phased in over a three year period. There was a high level of agreement in favour of rent harmonisation.</p> <p>The Board were asked to consider the three recommendations contained within the report:</p> <ol style="list-style-type: none"> <li>1. Proceed with the rent harmonisation and restructuring as exposed to consultation to</li> <li>2. Amend the rent harmonisation and restructuring in light of</li> </ol>	

	<p>the feedback from tenants</p> <p>3. Withdraw the proposals</p> <p>The Director of Finance &amp; IT stated the view from the Senior Management Team was there was no feedback received during the consultation process which would prevent the Board of Management agreeing to proceed with the harmonisation of rents.</p> <p>The Board of Management were advised of two typographical errors contained within the report:</p> <ul style="list-style-type: none"> <li>• Paragraph 6.3 – the last sentence should be deleted</li> <li>• Page 4 of the consultation document the table comparing current rents should read '2.2% lower' not '2.2% higher'</li> </ul> <p>The Chief Executive queried the position in relation to Appendix 8. The Director of Finance &amp; IT advised one or two similar responses had been received. In the case of Ms Houstoun, the Board were advised she had taken the variance and applied that to her current rent which then showed her rent would increase by 35% which would not be the case. Councillor Marshall asked by what percentage her rent likely to increase by. He was advised it was likely to be around 10%.</p> <p>The Board of Management <b>NOTED</b> the impact to tenants on the final page of the report outlining the number of tenants affected by the scale of change.</p> <p>The Director of Housing &amp; Neighbourhood Services confirmed that all repairs issues were being followed up where the comment had not been anonymous.</p> <p>Colin Davidson suggested the Board give approval to proceeding with the rent restructuring and harmonisation. Councillor Marshall agreed.</p> <p>Cameron Grant queried whether the statement on Page 1, para 3, should read 'affordable to all tenants'. The Director of Finance &amp; IT stated there was a question around whether judgement should be made before or after a housing benefit award.</p> <p>Councillor Trail asked what percentage of returns had been received via Survey Monkey. The Director of Finance &amp; IT advised out of the 1225 links issued, 185 responses had been</p>	
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	<p>received via Survey Monkey.</p> <p>The Vice Chair stated he was surprised the issue of affordability had not been raised. The Director of Housing &amp; Neighbourhood Services advised if an individual could not afford the rent then that should tip the individual into the Housing Benefit category. She further advised the Association would increase Welfare Rights publicity should the rent restructure be approved.</p> <p>Colin Davidson proposed proceeding with the rent harmonisation and restructuring. Douglas Prophet seconded the proposal.</p> <p>The Board of Management unanimously <b>AGREED</b> the proposals.</p>	
13.3	<p><b>Budget 2016/17 and Review of Business Plan</b></p> <p>Remitted to October meeting</p>	
13.4	<p><b>Re-negotiation of Loan Facilities</b></p> <p>The Chair thanked everyone involved for their hard work in producing such a comprehensive document.</p> <p>The Director of Finance &amp; IT apologised for the length of the report but stated Lloyds Banking Group wished assurance the Board of Management were aware of the detail of the loan facility.</p> <p>The Board were advised the vast majority of the loan facility remained the same as the current loan facility and that the changes to the legal terms and conditions had been scrutinised by Brechin Tindal Oatts.</p> <p>The Board of Management were asked to consider:</p> <ol style="list-style-type: none"> <li>1. The terms of the report and previous advice and information provided in relation to the revised loan facilities and in particular the documentation set out in Appendices 3 and 4</li> <li>2. To reaffirm approval to enter into the revised loan facilities with Lloyds Banking Group</li> <li>3. To approve the text for recording in the minute as set out in Appendix 1</li> <li>4. To approve Bruce West, Director of Finance &amp; IT as the officer to undertake the various actions set out in</li> </ol>	

	<p>Appendix 1 and complete the officers certificate (Appendix 2)</p> <p>5. To approve Alastair MacGregor, Chief Executive, Bruce West, Director of Finance &amp; IT, Allan MacDonald, Finance Manager and John MacNab, Finance Manager as the officers authorised to sign finance documents relating to the loan facilities with Lloyds Banking Group</p> <p>The Board of Management <b>APPROVED</b> the recommendations contained within the report.</p> <p>The Board of Management further <b>APPROVED</b> a joint press release by ACHA and Lloyds Banking Group.</p>	Alastair MacGregor
14.	<p><b>Payments &amp; Benefits Policy Comparison (SFHA v ACHA)</b></p> <p>The Director of Human Resources &amp; Corporate Services took the Board through her report and asked the Board to consider the recommendations therein:</p> <ol style="list-style-type: none"> <li>1. To note the GWSF advice and the SHR letter</li> <li>2. To note the differences between the SFHA Model and ACHA Payment and Benefit policies by reviewing the table</li> <li>3. The ACHA Group policy focuses on ownership or shareholding and does not specify manager of a company that we do business with. This could be amended to include Manager of a Company</li> <li>4. With respect to the contractors list, reference could be made to the ACHA shared area where the approved contractor list is located</li> <li>5. To retain the current ACHA policy and make the two amendments suggested above (3 and 4)</li> </ol> <p>The Board of Management <b>APPROVED</b> the recommendations contained in the report and further <b>APPROVED</b> the Payments and Benefits Policy for consideration by the Policy Committee.</p> <p>It was <b>AGREED</b> until a confidential shared area for Governing Body members be available on the Association's website, Governing Body members would be provided with a paper copy of the list of Approved Contractors/Consultants.</p> <p>The Director of Human Resources &amp; Corporate Services advised she would feedback to the Scottish Housing Regulator confirming that a review had been undertaken and outlining the amendments made as a result.</p>	<p>Linda Haig</p> <p>Colette Benham</p>



14.1	<b>Programme of Meetings for 2016</b> The Board of Management <b>APPROVED</b> the programme of meetings for 2016.	
14.2	<b>Landlord Report</b> The Board of Management requested the Chair's column be placed on page 3 and the Chief Executive's column be placed on page 27.  Subject to the above amendment, the Board of Management <b>APPROVED</b> the Landlord Report for 2014/15.  The Board of Management further <b>APPROVED</b> making 100 paper copies available.	
14.3	<b>Independent Governance Review</b> <b>CONFIDENTIAL</b>	
14.4	<b>Housing &amp; Neighbourhood Services Restructure Update</b> The Director of Human Resources & Corporate Services stated the report provided a summary of the position in relation to the restructure.  The Director of Housing & Neighbourhood Services advised she had received an email from the Finance Manager explaining the savings made and the impact on budgets. The Director of Finance & IT stated the figure of £297k was the total saving but around £145k had already been allocated leaving a future saving of £152k.  The Chair requested a report containing the actual figures be presented to the October Board meeting.	<b>Colette Benham/ Bruce West</b>
15.	<b>Staff Attendance at Area Committee Meetings</b> The Director of Housing & Neighbourhood Services stated the Board of Management had agreed at their meeting in August 2014 that Regional Managers would no longer attend Area Committee meetings but would be replaced by Local Managers. She advised that following the restructure of the department the attendance of Local Managers at the Area Committee meetings would not be practical.  The Board of Management <b>APPROVED</b> the recommendation	

	for Regional Managers to attend Area Committee meetings.	
16.	<p><b>Monthly Investment Programme Update</b></p> <p>The Director of Investment &amp; Regeneration took the Board through her report and advised spend had been faster than profiled at approximately £1m mainly due to roof and roughcast work. The Board were advised the investment spend would live within the yearly budget.</p> <p>The Board of Management noted the pictures of the two refurbished blocks at Maitland Court, Helensburgh and congratulated her on the success of the project.</p> <p>The Director of Investment &amp; Regeneration advised engagement with owners in 80 closes was on-going in relation to door entry systems. She stated it had originally been hoped to provide door entry systems for 400 tenants but the current participation figure was around 70%. The Board were advised the work would reduce part of the abeyance figure by around 300. Works to be on-site before Christmas.</p> <p>The Board of Management <b>NOTED</b> the contents of the report.</p>	
16.1	<p><b>Land Disposal Request – Barone Road, Rothesay</b></p> <p>The Director of Investment &amp; Regeneration advised that as the Bute &amp; Cowal Area Committee were not sitting the land disposal request had skipped that step.</p> <p>The Board were advised Stafford Day had included additional conditions:</p> <ul style="list-style-type: none"> <li>• Fences are erected by the purchaser</li> <li>• Land and fences should be kept in good condition</li> <li>• The purchaser will look after the land and trees in the area</li> </ul> <p>The Director of Investment &amp; Regeneration advised the ground was a sloping piece of land, unsuitable for development.</p> <p>After discussion, the Board of Management <b>AGREED</b> only the rectangle area should be sold not the lower part adjacent to the other properties.</p> <p>The Board of Management requested a letter be issued to the residents advising of the sale of the piece of ground.</p>	Linda Haig

	The Chair left the meeting to attend another appointment. The Vice Chair took over chairing the meeting.	
16.2	<p><b>Land Disposal Request – Northbay, Port Ellen</b></p> <p>The Director of Investment &amp; Regeneration advised the request had been considered by the Oban, Lorn &amp; Isles Area Committee.</p> <p>The Area Committee recommended the sale with the conditions:</p> <ul style="list-style-type: none"> <li>• That the land should be used only as a private garden</li> <li>• No buildings should be erected on the land without the previous written consent of ACHA</li> <li>• The purchaser shall erect and maintain a fence on the north western and north eastern boundaries and maintain the existing chain link fence on the south eastern boundary in each case to the reasonable satisfaction of ACHA</li> <li>• The purchaser shall not cause nuisance or annoyance to neighbouring owners or occupiers.</li> </ul> <p>The Board of Management <b>APPROVED</b> the land disposal request at North Bay, Port Ellen.</p>	
16.3	<p><b>Land Disposal Request – South Kintyre Development Trust</b></p> <p>The Director of Investment &amp; Regeneration stated a request had been received from SKDT to lease a piece of land from the Association to allow them to develop a landscape project.</p> <p>The Board were advised Stafford Day had requested additional conditions:</p> <ul style="list-style-type: none"> <li>• Requirement to submit plans for landscaping</li> <li>• Requirement to maintain the area</li> <li>• Must comply with funding requirements</li> <li>• Must co-operate with the Council's boundary strip</li> </ul> <p>The Vice Chair suggested including:</p> <ul style="list-style-type: none"> <li>• Site must be returned to original state following termination of the lease</li> </ul> <p>The Board of Management <b>APPROVED</b> leasing the empty parcel of ground at Park Square to South Kintyre Development Trust with the proposed conditions.</p>	

	<p>Councillor MacMillan stated it would be beneficial to the area.</p> <p>The Chief Executive suggested that as the matter was high profile the Elected Member for that area should be notified of the Board's decision. The Board of Management <b>AGREED</b> and asked the Director of Investment &amp; Regeneration to notify the Elected Member.</p>	Linda Haig
17.	<p><b>AOCB</b></p> <p>The Board of Management <b>APPROVED</b> the inclusion of OCS Group Ltd to the Association's Approved Contractor/Consultant list.</p> <p>The Board of Management <b>APPROVED</b> a figure of £300-£400 to provide a prize of a television for the 2015 Tenant Satisfaction Survey.</p> <p>Councillor Marshall stated he had received an enquiry from Councillor MacIntyre asking why ACHA were not cutting the hedges and grass in Rothesay. The Director of Housing &amp; Neighbourhood Services advised she would follow up the enquiry.</p> <p>The Director of Investment &amp; Regeneration provided feedback on the progress of the terminated contracts following the administration of Stewart McNee Ltd. The Board were advised tenders were due to be returned during September for the Roof and Roughcast programme for Cowal and Bute, tenders were due to be returned during September for the new build programme in Inveraray and completion works had been instructed for the new build site in Bonawe.</p> <p>The Chief Executive recorded his appreciation to the current Chair for his support over the last three years.</p>	Christine Johnston
18.	<p><b>Date &amp; Time of Next Meeting</b></p> <p>Thursday 22<sup>nd</sup> October 2015 at 10.30am in Dalriada House, Lochgilphead</p>	