

Argyll Community Housing Association

Board of Management Meeting

Thursday 13th August 2015 at 10.30am in Dalriada House, Lochgilphead

Minute

Present:

Michael Brown (Chair)
 Jim Milne (Vice Chair)
 Councillor Roddy McCuish (Secretary)
 Lorraine-Anne Drysdale (Finance and Audit Committee Chair)
 Colin Davidson
 Stafford Day
 Cameron Grant
 Danny Kelly
 Councillor Bruce Marshall
 John Muir
 Douglas Prophet

Not in Attendance:

None

In Attendance:

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

	The Chair raised concerns regarding the size of the agenda and suggested re-visiting the Standing Orders at the Strategic Vision session scheduled to be held in the afternoon.	
1.	Apologies Kate Winton, Councillor Richard Trail, Councillor Sandy Taylor, Councillor Donnie MacMillan	
2.	Minutes of Previous Meeting – 18th June 2015 The Board of Management APPROVED the minute as a true and accurate record.	

	<p>Proposed by: Cameron Grant Seconded by: Douglas Prophet</p>	
3.	<p>Matters Arising Page 7 – Item 10.4 – Colin Davidson asked for an update in respect of the various early retirement requests. The Director of Human Resources & Corporate Services advised the Board had approved three early retirement requests and the three staff members would be leaving at the end of September.</p> <p>Page 10 – Item 11 – Cameron Grant asked for an update on whether the use of common security doors would reduce insurance costs. The Director of Investment & Regeneration stated she did not have feedback but would follow up at the Board’s September meeting.</p> <p>Page 3 – Item 6 – the Director of Human Resources & Corporate Services confirmed an apology had been inserted into the SHR response.</p> <p>The Chair asked for confirmation that all members had received the Governing Body annual appraisal questionnaire. All Board Members in attendance confirmed they had received the survey.</p> <p>Page 6 – para 3 – should read “<i>would not affect service charges</i>”</p> <p>Sheltered Housing Complex Complaint - confidential</p> <p>Page 12 – Item 14 – the Chair advised the Association awaits confirmation from Argyll and Bute Council on the position in relation to the number of Councillors on ACHA’s Board of Management.</p>	Linda
4.	<p>Minute of Finance & Audit Committee Meeting – 26th March 2015 for ratification The Board of Management RATIFIED the minute.</p>	
5.	<p>Conflict of Interest to Declare Item 6 – Douglas Prophet stated he would leave the meeting during discussions around his proposed resolution.</p>	
6.	Correspondence	

<p>SFHA Invitation to Attend a Board Meeting The Secretary stated the correspondence was self-explanatory and advised it was the Board's decision on whether they wished the SFHA to attend a meeting. Following discussion, the Board of Management AGREED they did not wish Mary Taylor to attend as a decision had been taken not to renew membership for a one year period and it was felt a visit would not be valuable. A letter should be sent to the SFHA confirming the Board's decision.</p> <p>Resignation – Michael Roberts The Board of Management NOTED the resignation of Michael Roberts from the Board of Management.</p> <p>Mid Argyll & Kintyre Area Committee Confidential</p> <p>Proposed Resolution The Secretary stated he received a proposed rule change from Douglas Prophet which would be considered by members at the AGM. Douglas Prophet stated the Chief Executive had advised the Board were required to have an opinion on the proposed rule change in advance of the AGM. The Chair stated the Board should either endorse or not endorse the proposed rule change at the AGM.</p> <p>Douglas Prophet left the meeting.</p> <p>The Chair read out the proposed rule change: <i>"Anyone who sits on Area Committees or indeed any sub-committees must not be a member of another registered social landlord"</i></p> <p>Cameron Grant proposed the Board do not endorse the proposed rule change. He advised the Board that Argyll and Bute Council are a Registered Social Landlord as they are registered with the SHR and if the rule change were to be approved ACHA's Board would be unable to have Council nominees. The Chair stated he understood some of the reasoning behind Douglas' proposed rule change but thought it might restrict the pool of potential Governing Body members when interest was already low. Colin Davidson stated there had been no problem with the current position so why change. The Vice Chair agreed and stated no issues had been flagged up over the last 10 years.</p>	<p>Roddy/ Alastair</p>
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	<p>The Chair stated the proposed rule change would be put forward for consideration at the AGM.</p> <p>Cameron Grant proposed not to endorse the proposed rule change Colin Davidson seconded his proposal.</p> <p>The Board of Management AGREED not to endorse the proposed rule change at the AGM.</p> <p>Douglas Prophet returned to the meeting.</p>	
7.	CONFIDENTIAL	
8.	<p>Bute and Cowal Area Committee Future</p> <p>The Chair asked the Board if they wished to proceed with the recommendation contained within the report.</p> <p>The Governance & Compliance Manager confirmed the Association's Rules state that power must be absorbed by the Board of Management if an Area Committee ceased to operate.</p> <p>Councillor Bruce Marshall stated he had served on the Bute & Cowal Area Committee for several years and would appreciate the opportunity to recruit additional members. The Governance & Compliance Manager advised the Administration Officer had carried out two recruitment drives within the last three month period which had been unsuccessful.</p> <p>The Chair asked whether the Area Committee should be issued with a four month notice of termination. After discussion the Board of Management AGREED the four month notice of termination should be served but the Area Committee should attempt to continue to operate for the four month notice period.</p> <p>It was further AGREED to issue a letter to Bute & Cowal members highlighting the cessation of the Bute & Cowal Area Committee and outlining details of the recruitment drives already undertaken and stating the Area Committee could continue with additional members.</p> <p>Councillor Bruce Marshall stated the four month period may provide enough time to resurrect the Area Committee.</p>	<p>Colette</p> <p>Colette</p>

9.	<p>New Membership Application The Board of Management APPROVED two new membership applications.</p> <p>The Board of Management NOTED the current membership total of 258 as at 4th August 2015.</p>	
9.1	<p>Cancelled Memberships The Board of Management NOTED the cancellation of eleven memberships.</p>	
10.	<p>Chief Executive Presentation The Director of Housing & Neighbourhood Services gave a presentation on behalf of the Chief Executive 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>Cameron Grant stated that two Tenants and Residents Associations had not received information in relation to the Rent Consultation. The Director of Housing & Neighbourhood Services advised she would make enquiries.</p> <p>The Chair of the Finance & Audit Committee stated she had not received any information in relation to the Rent Consultation either. The Director of Housing & Neighbourhood Services stated letters and emails had been issued within the last week.</p> <p>Douglas Prophet asked whether the lack of providing a return envelope would have an impact on the number of returns received. The Director of Housing & Neighbourhood Services stated the Association were required to undertake high levels of consultations and pre-paid envelopes could not be provided for every consultation.</p>	Christine
11.	<p>ACHA and AHFA Management Accounts as at 30th June 2015 The Chair stated the Finance & Audit Committee had scrutinised the Management Accounts at their meeting on 5th August 2015.</p> <p>The Director of Finance & IT took the Board through key areas</p>	

	<p>in the AHFA Management Accounts.</p> <p>The Board of Management NOTED the contents of the Management Accounts.</p>	
12.		
12.1	<p>ACHA Group Annual Accounts 2014/15</p> <p>The Director of Finance & IT advised that three typographical errors had been picked up by the Finance & Audit Committee as outlined in the supplementary paper. The Board were advised there were no significant amendments to the Accounts approved at the June meeting.</p> <p>The Board of Management APPROVED the Financial Statements for the consolidated ACHA Group for 2014/15 for consideration by all members at the AGM.</p>	
12.2	<p>External Audit – ACHA Group Audit Management Letter 2014/15</p> <p>The Director of Finance & IT advised the Audit Management Letter set out how Haines Watts dealt with each of the key audit risks. He further advised that Haines Watts were satisfied with the progress made and were proposing a clean audit.</p> <p>The Board were advised that £536k of owner income would be treated as deferred income as a result of a recommendation from the external auditors.</p> <p>One audit recommendation relating to a technical issue around component accounting (Non-Componentised costs) in the fourth quarter of the year. The Board were advised that due to timescale and resources there was little that could be changed and Haines Watts had accepted the position and recommended that financial materiality of the final quarter additions would continue to be reviewed.</p> <p>The Board of Management APPROVED the Audit Management Letter for ACHA</p>	
12.3	<p>External Audit – ACHA Group Letter of Representation</p> <p>The Director of Finance & IT advised the Letter of Representation confirmed the appropriate arrangements made by the Association and should be signed by the Chair as in previous years.</p>	

	The Board of Management APPROVED the signing of the ACHA Letter of Representation.	
12.4	<p>AHFA Annual Accounts 2014/15</p> <p>The Director of Finance & IT stated the AHFA Board had approved the accounts and audit report at their meeting on 11th August. The Board were advised the deficit was in line with projections.</p> <p>The Vice Chair stated an update on progress in relation to AHFA's revised Business Plan would be presented to the Board at their September meeting.</p> <p>The Board of Management NOTED the AHFA company financial statements and Audit Management Letter for 2014/15.</p>	Jim
12.5	<p>External Audit – AHFA Audit Management Letter 2014/15</p> <p>The Board of Management NOTED the AHFA Audit Management Letter for 2014/15.</p>	
13.		
13.1	<p>Progress Report on IT Infrastructure</p> <p>The Director of Finance & IT took the Board through his report and summarised that good progress had been made in relation to LAN and WAN and confirmed that discussions with Argyll and Bute Council would continue regarding an exit management plan.</p> <p>The Vice Chair asked why ASDL circuits were being ordered for the Ardrishaig office when staff would be moving out and the premises would be empty. The Director of Finance & IT advised the Ardrishaig office would be covered on a one year contract as staff would remain in the building following the IT changeover in November.</p> <p>The Board of Management discussed recent issues experienced with British Telecom. The Director of Finance & IT stated there was nothing currently indicating any problems with BT.</p> <p>The Chair asked for further information on the TUPE proposals. The Director of Finance & IT advised no proposals had been received to date but the cut-off point had not yet been reached.</p> <p>The Board of Management NOTED the progress of the IT</p>	

	Infrastructure project.	
13.2	<p>Review of IT Project List The Director of Finance & IT took the Board through his report. He stated all projects in Appendix 1 were straightforward and there were no issues to report. He advised that Appendix 2 contained future projects along with the rationale for the profiling.</p> <p>The Board of Management APPROVED the revised programme of IT projects as set out in Appendices 1 and 2.</p>	
13.3	<p>Dalriada House Boardroom Audio Conference Equipment The Director of Finance & IT stated he had been asked to look at potential solutions for the issue with acoustics in the meeting room.</p> <p>He took the Board through each of the options contained within his report: A wireless system would cost in the region of £5,800 or an ex-demonstration system approximately £3,600. A wired system would cost in the region of £1,600. The Board were advised there was no budgetary provision for an audio system but costs would be accommodated somewhere in the budget.</p> <p>The Board of Management discussed the pros and cons of each of the systems.</p> <p>Councillor Bruce Marshall stated in his view there were no issues around acoustics and an audio system was not required. Colin Davidson agreed and suggested one or two people required to speak louder and more clearly. The Chair stated the Association required to ensure compliance with the Equality policy.</p> <p>The Board of Management AGREED an audio system was not a current requirement but further AGREED to re-visit the matter if a requirement arose.</p>	
14.	<p>Bute Office Conversion The Director of Investment & Regeneration took the Board through the joint report.</p> <p>The Board were advised that following two separate cost saving exercises, a gap of £50k remained between continuing</p>	

	<p>with the current leasing option against refurbishment of 13-16 Longhill Crescent.</p> <p>The Director of Investment & Regeneration stated if the Board decided not to proceed with the office conversion the Association would still own the building and would require to decide what to do with it; either demolish, continue to maintain or convert back into residential use.</p> <p>The Board of Management discussed each of the options. After a lengthy debate:</p> <p>The Vice Chair proposed: Look for new alternative offices for staff, demolish the building at 13-16 Longhill Crescent and leave the area as an empty space. The proposal was seconded by the Secretary</p> <p>Councillor Bruce Marshall proposed: Continue with the conversion of 13-16 Longhill Crescent for office accommodation. The proposal was seconded by Colin Davidson</p> <p>The Board of Management voted on each of the proposals:</p> <p>In favour of the proposal put forward by the Vice Chair – 4 In favour of the proposal put forward by Councillor Bruce Marshall – 6 There was one abstention.</p> <p>As a result of the outcome of the vote, the Board of Management APPROVED the conversion of 13-16 Longhill Crescent, Rothesay for office accommodation.</p>	
15.	<p>Self-Assessment Progress Report</p> <p>The Board of Management NOTED the progress against each of the actions identified during the Association's self-assessment process.</p>	
15.1	<p>Review of Group Schedule of Delegation & Financial Regulations</p> <p>The Director of Human Resources & Corporate Services advised the main amendments to the document related to the inclusion of Argyll Homes for All and to bring the policy into line with the Equality Act 2010.</p>	

	<p>Colin Davidson stated the status of the report should be for comment, approval and adoption and queried:</p> <p>2.2.4 – why the middle paragraph had been removed He was advised the paragraph ‘<i>to approve human resource policies and procedures (e.g. recruitment and selection, disciplinary, sickness management, grievance, performance management, training, equal opportunities etc.)</i>’ had been removed as it was part of the Policy Committee’s remit.</p> <p>2.3.5 – insert ‘<i>and take appropriate action</i>’</p> <p>3.3.3 – insert ‘<i>and take appropriate action</i>’</p> <p>The Board of Management APPROVED the revised Group Schedule of Delegation and Financial Regulations subject to the above amendments.</p> <p>Colin Davidson also requested the Board be provided with the Operational Management Plans. The Board of Management AGREED that was not a requirement of the Board but should any member particularly wish to see an Operational Management Plan they should contact the appropriate Director.</p>	<p>Colette</p> <p>Colette</p>
15.2	<p>Revised Standing Orders The Director of Human Resources & Corporate Services advised she had included the wrong Remuneration Committee Terms of Reference and confirmed she would replace with the revised version.</p> <p>Subject to the above amendment, the Board of Management APPROVED the revised Standing Orders.</p>	Colette
15.3	<p>Proposed Partial Rule Changes 2015 Deferred to September meeting due to clarity issues on Argyll and Bute Council’s position.</p>	
16.	<p>Monthly Investment Programme Update The Chair stated the report did not meet the required font size 14.</p> <p>The Director of Investment & Regeneration took the Board through her report covering the investment programme update to end June 2015.</p>	Linda

	<p>She advised there would be an impact on spend due to the insolvency of Stewart McNee (Ltd).</p> <p>The Board of Management NOTED the contents of the report.</p>	
16.1	CONFIDENTIAL	
16.2	<p>Land Disposal Request at Johnson Court, Helensburgh The Director of Investment & Regeneration advised the request had been considered by the Helensburgh & Lomond Area Committee with no concerns being raised.</p> <p>The Board were advised that Stafford Day had raised a number of issues around the protections to be written into the disposal agreement. Stafford Day confirmed he was happy with the feedback he had received from the Association's Regeneration Manager.</p> <p>The Board of Management APPROVED the land disposal request at Johnson Court, Helensburgh.</p>	
16.3	<p>Approved List of Building Contractors and Consultants The Board of Management APPROVED the revised list of Building Contractors and Consultants.</p>	
16.4	<p>Kilkenzie Play Area The Board were advised that following discussion with Kilkenzie and Tangy Community Association confirmation had been received to the effect the group no longer wished to extend the lease.</p> <p>The Director of Investment & Regeneration advised a survey of neighbouring households had been undertaken in June 2015 but the results had been inconclusive.</p> <p>Following discussion, APPROVAL was given to close the site, remove the equipment and maintain the grassed area to a rough cut.</p>	
17.	<p>AOCB SHR Tenant Satisfaction/Quality and maintenance of homes Colin Davidson referred the Board to the extract from the SHR Tenant Satisfaction results. He queried what other Housing Associations did to ensure higher tenant satisfaction levels.</p>	

	The Director of Housing & Neighbourhood Services advised ACHA had learned that contextual information should have been asked in addition to the required questions. She further advised the Association has since carried out further survey work in the same areas using contextual information and tenant satisfaction figures had risen. Colin Davidson stated that was very encouraging.	
18.	Date & Time of Next Meeting Thursday 10 th September 2015 at 10.30am in Dalriada House, Lochgilphead	
Post Meeting Note: Item 10 - the Director of Housing & Neighbourhood Services provided Cameron Grant with a copy of the email and documentation that had been sent to him on the 4 th August 2015. She advised the two Tenants and Residents Associations had already responded to the rent consultation.		