

## Argyll Community Housing Association

### Board of Management Meeting

Thursday 18<sup>th</sup> June 2015 at 11.00am 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 Donald MacMillan  
 Councillor Bruce Marshall  
 John Muir  
 Douglas Prophet  
 Councillor Sandy Taylor  
 Councillor Richard Trail

##### Not in Attendance:

None

##### 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  
 Yvonne Angus, Regional Manager  
 Gayle Stead, Governance & Compliance Manager

	The Chair reported that the running order of the agenda items would alter as a result of (a) a confidential matter to be reported to the Board of Management, and (b) the Rent Harmonisation report at item 13.4 being brought forward to item 10 on the agenda.	
	<b>CLOSED ITEM</b>	

	Stafford Day entered the meeting.	
1.	<b>Apologies</b> Andy Birnie, Kate Winton and Michael Roberts	
2.	<b>Minutes of Previous Meeting – 7<sup>th</sup> May 2015</b> Proposed by: Douglas Prophet Seconded by: Lorraine Anne Drysdale  The Board of Management <b>APPROVED</b> the minute as a true and accurate record.	
3.	<b>Matters Arising</b> Item 9 - John Muir asked whether the association had a policy on occupation to new properties to let tenants move in to new properties sooner. Alastair MacGregor confirmed that he would be speaking with Housing and Neighbourhood Services colleagues to formalise a procedure to tie up offers and openings of new developments.  Item 6 - Douglas Prophet wished to clarify that he was no longer Chair of the Policy Committee. Michael Brown suggested that as the Policy Committee meetings are held annually, it would be prudent to elect a Chair at each annual meeting for the purpose of that meeting.  John Muir asked whether legal advice was taken with regards to employment matters and Alastair MacGregor confirmed that employment advice was included within the current legal services retainer with BTO.  Item 10 - Douglas Prophet asked for confirmation on the travel budget as the previous minute states that the budget was overspent at this time. Michael Brown confirmed that the monthly management accounts were showing an overspend, which when projected would result in an annual overspend.  Item 11.3 – Alastair MacGregor reported that the reason for the large debt write off circumstances had been clarified.	
4.	<b>Conflict of Interest to Declare</b> None	
5.	<b>Correspondence</b> Letter from the Scottish Housing Regulator dated 18 <sup>th</sup> May	

	2015	
6.	<b>CLOSED ITEM</b>	
7.	<b>Revised Remuneration Committee Terms of Reference</b>  The Board <b>Agreed</b> adoption of the revised Remuneration Committee Terms of Reference	
8.	<b>Cancelled Memberships</b> The Board of Management <b>NOTED</b> the cancellation of five memberships.  The Board of Management <b>NOTED</b> the current membership total as at 9 <sup>th</sup> June 2015 of 267.	
9.	<b>Chief Executive Presentation</b> The Chief Executive gave a presentation covering: <ul style="list-style-type: none"> <li>• Key Updates</li> <li>• External Updates</li> </ul> Cllr Bruce Marshall asked what the plans were for the Torlochan Gypsy Traveller site. Alastair MacGregor responded that the association had no plans at this time to amend the current agreement with Argyll and Bute Council with regards to the number of sites managed as part of the transfer agreement.  All members in attendance were provided with a copy of the presentation.	
10.	<b>Rent Harmonisation and Restructure – Financial Analysis</b> Bruce West, Director of Finance and IT outlined the background to the rent harmonisation exercise undertaken and asked the Board to approve the proposals for future rents and restructuring based on property size, type and number of bedrooms.  Bruce West reported that the proposed rent levels would still be well within the DWP limits in terms of local housing allowance. The overall proposal was to uplift rents by 4.8% over a period of three years.  Bruce West outlined the proposed rent increase implications in	

	<p>terms of the Business Plan. The proposal was to phase the increase in over a three year period in addition to the agreed annual RPI plus 1% increase.</p> <p>Michael Brown asked whether the service charges for sheltered housing would be affected and Bruce West confirmed that the rent increase would not affect service charges.</p> <p>Cllr Richard Trail asked if increasing rent levels would make it more difficult to let some of the more difficult to let properties and Alastair MacGregor responded that where properties have no demand already increasing the rental would not change the position.</p> <p>Jim Milne commented that he had a concern about potential negative press interest regarding the rent harmonisation outcome and suggested that the press should be informed in advance of implementation providing full reasoning for the decisions taken. Alastair MacGregor confirmed that if the Board agreed the recommendation then consultation would be undertaken and any press interest would be responded too and an explanation provided.</p> <p>The Board of Management <b>Agreed</b> to the recommendations in the report and to move forward with the consultation.</p>	
10.1	<p><b>Governing Body Succession Strategy Revision</b></p> <p>Colette Benham reported that suggestions made at the previous strategic vision session had been incorporated and a self-assessment form would be circulated via Survey Monkey to all members for completion.</p> <p>Colin Davidson raised concerns with regard to completing and assessing the self-assessment exercise outcome.</p> <p>Cllr Richard Trail asked why the document still referred to the Board having 20 current members and Alastair MacGregor responded that a response from Argyll and Bute Council had now been received and they deemed that the status quo should be retained and the amended rules would be presented for approval at the next Board meeting. The Councillors present had differing impressions of the recent Council meeting where the decision was taken and agreed that the outcome seemed to be ambiguous. Clarity is required of the Council decision which will be checked by Elected Members prior to the</p>	

	<p>next Board meeting.</p> <p>The Board <b>Approved</b> adoption of the amended Governing Body Succession Strategy and the self-assessment evaluation process.</p>	
10.2	<p><b>Governing Body Annual Appraisal 2015</b></p> <p>The annual appraisal was discussed within item 10.1 above.</p>	
10.3	<p><b>AGM Update</b></p> <p>The Board members discussed the presented paper and <b>Noted</b> the content.</p>	
10.4	<b>CLOSED ITEM</b>	
10.5	<b>CLOSED ITEM</b>	
10.6	<b>CLOSED ITEM</b>	
11.	<p><b>Monthly Investment Programme Update</b></p> <p>Linda Haig, Director of Investment and Regeneration presented the monthly update to the Board of Management. The investment programme was budgeted to spend £9.3 million of works in 2015/16 and a carry forward of a further £3.5 million from 2014/15. The budgets are being adjusted to allow for this carry forward and some other minor changes. There is an additional 8% fees and VAT included within the budget.</p> <p>The Board of Management <b>NOTED</b> the contents of the report.</p>	
11.1	<p><b>Scottish Housing Quality Standard</b></p> <p>Linda Haig reported that in 2011 the Scottish Housing Regulator published guidance in relation to exemptions and abeyances with regards to SHQS compliance. The Board were asked to review the status with exemptions and abeyances within the SHQS compliance and provide agreement to a targeted programme to reduce them.</p> <p>Linda Haig highlighted that it would not be easy to reduce the number of exemptions and abeyances and highlighted that the most common reasons were due to common doors, energy ratings, common repairs and tenant refusal for internal works to be undertaken.</p> <p>Recommendations levied to reduce the number of exemptions</p>	

	<p>and abeyances to:</p> <ol style="list-style-type: none"> <li>1. Seek consent from owners to upgrade common access on stairs where ACHA is in the majority and meet the costs of the upgrades;</li> <li>2. Review all possible measures for the new Energy Efficiency Standard for Social Housing (EESH);</li> <li>3. Continue to engage with owners to agree common works, consider stock rationalisation options;</li> <li>4. Target void turnover and negotiated access;</li> </ol> <p>Cameron Grant asked if anyone had pointed out to owners that insurance may be reduced as a result of using common security doors. Linda Haig reported that she had been unaware of the fact and reported that she would liaise with the association's insurer to obtain clarification prior to highlighting the fact to owners.</p> <p>Michael Brown asked whether the Scottish Housing Regulator had contacted the association with regards to the statistical return for 2014/15 and Linda Haig responded that it would be too early for the submitted data to be analysed.</p> <p>The Board of Management discussed the merits and pitfalls of implementing recommendation one and <b>Agreed</b> the recommendations presented.</p>	
12.	<p><b>Anti-Social Behaviour Policy Review</b></p> <p>Yvonne Angus, Regional Manager presented the amendments to the recently amended Anti-social Behaviour. The reference and intention of the term 'Zero Tolerance' was discussed by members and the Board <b>Agreed</b> to retain the term within the policy.</p>	
12.1	<p><b>People &amp; Communities Fund Grant</b></p> <p>The Board of Management <b>Approved</b> the following employees as authorised signatories (grantees) for the People and Communities Fund grant;</p> <ol style="list-style-type: none"> <li>1. Christine Johnston, Director of Housing and Neighbourhood Services</li> <li>2. Iona MacPhail, Regional Manager</li> <li>3. Yvonne Angus, Regional Manager</li> </ol>	
13.	<b>Financial Year End</b>	

	<p><b>a) ACHA Key Issues from Draft Annual Accounts and Year End Outturn</b></p> <p>b) Statement on Internal Financial Controls – for information  c) Pensions Valuation – for information  d) Security Valuation – for information  e) Impairment Review – for information  f) Loan Covenant Checklist – for information  g) Loan Portfolio Return – for approval</p> <p>Cllr Roddy McCuish asked if it would be possible for the papers to be presented at the next Board of Management meeting. Bruce West reported that the annual accounts would be presented at the next Board meeting and would supersede the requirement.</p> <p>Colin Davidson stated that there were too many reports on the agenda for this Board meeting and asked that the Finance and Audit Committee review the reports in advance of being presented at the Board of Management meeting.</p> <p>The Board <b>Agreed</b> that these papers be presented at the Finance and Audit Committee.</p>	
13.1	<p><b>Treasury Management</b></p> <p>a) Treasury Management Annual Report 2014-15  b) Treasury Management Strategy 2015-16</p> <p>The Board <b>Agreed</b> that these papers be presented at the Finance and Audit Committee.</p>	
13.2	<p><b>Business/Financial Planning</b></p> <p>a) Update on Loan Facilities with Lloyds Banking Group  b) ACHA 30 Year Business Plan  c) ACHA 5 Year Financial Plan Return</p> <p>The Board <b>Agreed</b> that these papers be presented at the Finance and Audit Committee.</p>	
13.3	<p><b>IT Infrastructure – Project Management and Progress Report</b></p> <p>The Board <b>Agreed</b> the recommendation presented with regards to the delivery, management, governance and reporting of the IT Infrastructure project.</p>	

13.4	<b>Rent Harmonisation and Restructure – Financial Analysis</b> Taken as item 10 above.	
14.	<p><b>AOCB</b> The Board <b>Agreed</b> that meeting start times should be changed to 10.30am for future meetings.</p> <p>Cllr Sandy Taylor reported that he had contacted Charles Reppke (Argyll and Bute Council) during the meeting and confirmation was provided that the Council had agreed that they wish to retain five Council representatives on the Board of Management. Council members will check this position and report back.</p> <p>The Chair reported that the `Your Voice` Group now had five confirmed members.</p>	
15.	<p><b>Date &amp; Time of Next Meeting</b> Thursday 13<sup>th</sup> August 2015 at 10.30am in Dalriada House, Lochgilphead</p>	