



MINUTE OF BOARD OF MANAGEMENT MEETING

Thursday 5th September 2013 at 10.30am in the Argyll Hotel, Inveraray

Present: -

Mike Brown (Vice Chair)
Norman Beaton (Secretary)
Archie Blair
Stafford Day
Lorraine-Anne Drysdale
Graham Kanes
Gillian Logan
Councillor Roddy McCuish
Margaret MacGregor
Sandra MacKenzie
Marri Malloy
Councillor Richard Trail
Catherine Winton

Not in Attendance

Councillor Iain Angus MacDonald

In Attendance

Alastair MacGregor, Chief Executive
Matthew MacAulay, Regeneration Manager I & R
Colette Benham, Director of Human Resources & Corporate Services
Nick Pollard, Director of Finance & IT
Christine Johnston, Director of Housing & Neighbourhood Services
Lesley Lindsay, PA to Board of Management

		Action
1.	Apologies Jim Milne, Bill McIntyre, Councillor Bruce Marshall The Chief Executive stated that as Councillor MacDonald had missed four consecutive meetings, he was therefore considered to	

	<p>have resigned from the Board of Management, in line with the Association's four meeting rule. It was AGREED that a letter be sent to Charles Reppke, Argyll and Bute Council advising him of the position and requesting a replacement be nominated.</p>	Alastair
2.	<p>Minute of Previous Meeting – 8th August 2013</p> <p>Page 8 – Item 12.1 – the Chief Executive advised he did not state the Empty Homes initiative was “incumbent to meet housing need”. He advised that the Empty Homes initiative would contribute to housing need.</p> <p>Page 14 – Item 14 – the Chief Executive re-iterated that by removing the five week period and replacing it with a £250 limit may alleviate reputational damage in relation to court proceedings against tenants who had found themselves in arrears as a result of the Bedroom Tax.</p> <p>Page 15 – Item 14 – Gillian Logan requested that an additional sentence be inserted in relation to assistance with moving costs. It was agreed that “as there was no budgetary provision” be inserted at the end of the paragraph.</p> <p>Subject to the above amendments, the Board of Management APPROVED the minute as an accurate record.</p> <p>Proposed by Margaret MacGregor Seconded by Kate Winton</p>	<p>Lesley</p> <p>Lesley</p>
3.	<p>Matters Arising</p> <p>Page 15 - Item 14 – the Secretary asked what timescale had been appointed for the Director of Housing & Neighbourhood Services to provide information on the courses of action being taken by other RSLs in Argyll and Bute in relation to arrears control. The Director of Housing & Neighbourhood Services advised that West Highland Housing Association and Fyne Homes had not changed their arrears policy but in relation to tenants solely in Bedroom Tax arrears they were not taking legal action. She further advised that West Highland Housing Association and Fyne Homes would be starting further work with tenants in September and thereafter may consider taking legal action against such tenants.</p> <p>The Director of Housing & Neighbourhood Services stated that as a</p>	

result of the Council being awarded additional Discretionary Housing Payments (DHP), they had indicated they would assist tenants to apply for DHP to help with transfer costs. The Board were further advised that Argyll and Bute Council also had a budget to provide assistance for other requirements relating to transfers (new carpets etc). The Director of Housing & Neighbourhood Services advised there was funding available.

The Secretary asked if any information had yet been obtained from other Housing Associations about assistance with removal for Tenants who wished to downsize. The Director of Housing & Neighbourhood Services stated the Welfare update was provided on a bi-monthly basis. The Secretary agreed bi-monthly would be acceptable.

The Secretary stated that additional funding to assist with transfer should be considered when programming the 2014/15 budget.

Page 2 – Item 3 – Marri Malloy requested an update on the position relating to the Soroba Young Families Group. The Chief Executive advised they had paid rents due up to 31st March 2014 but raised concerns over signing a lease; they felt they would be left in a vulnerable position if they signed the lease and subsequently could not afford to pay the rent and they wished a facility to re-negotiate the rent charge. The Chief Executive stated they were required to sign the lease and if at a later date the rental charge could not be afforded, they could terminate the lease agreement. The Director of Finance & IT advised he had undertaken some work on their financial position and did have concerns over their viability and business planning. He further stated that he had requested copies of SYFG audited accounts, which had not been received. The Board were advised from the figures obtained the income and expenditure did not equate and the group had a deficit for three years of £25,000 per annum. The Board were further advised that the only way the nursery could be sustained was through support funding from Argyll and Bute Council, which had been cut. Councillor McCuish stated that one of the reasons their funding had been cut was due to their business plan. He asked whether the offer of assistance from the Association's finance team had been accepted. The Director of Finance & IT advised he had visited the group but no request for assistance had been requested. He further advised he had tried to construct a five year business plan for the

<p>group to provide commercial direction, help and support. The Board noted the Director of Finance & IT remained happy for the Association to make a further offer of assistance.</p> <p>Councillor McCuish stated if the SYFG were trying to secure funding, one of the criteria would be to have a long term lease. He further stated that the nursery must be projecting intake. The Chief Executive advised that the SYFG did not appear to have a long term Business Plan and they felt they were protecting themselves by not signing the lease.</p> <p>Archie Blair suggested offering a longer term lease with break up options included. The Director of Housing & Neighbourhood Services advised the lease offered expired in 2017 but would automatically re-new. She stated that the SYFG did not wish to sign the lease as they wanted the opportunity to re-negotiate the rent payable for 2014/15.</p> <p>The Vice Chair stated the Board would stand by its June decision. Councillor McCuish advised he would make one final offer of financial guidance on behalf of the Association.</p> <p>Page 2 – Item 3 – the Chief Executive stated that John Muir raised concerns over the lack of flexibility in applying for Universal Credit. The Board were advised the Chief Executive had written to Alan Reid MSP outlining the Association's concerns. The Chief Executive advised he had received a reply from Lord Freud, Minister for Welfare Reform. The Board were advised of the relevant points, confirming that:</p> <ul style="list-style-type: none"> • Claimants would be offered the opportunity to submit an application by telephone • Adequate support would be available to all claimants • Tools beyond electronic formats would be available to all claimants <p>The Vice Chair stated Gillian Logan would be standing down at the end of the meeting and thanked her for her time and commitment to the Association.</p> <p>Page 6 – Item 11.2 – the Chair of the Finance & Audit Committee advised she had trialed the Governing Body Self Assessment</p>	<p>Roddy</p>
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	<p>questionnaire online. She advised there were 72 questions and that Board members should set aside approximately two hours to complete the questionnaire. The Vice Chair stated he felt two hours was too long. The Chair of the Finance & Audit Committee advised it was a good questionnaire that covered all required areas. The Director of Human Resources & Corporate Services asked whether Board members wished the questionnaire to be reduced in size. The Chair of the Finance & Audit Committee stated she would finish the questionnaire over the weekend and provide feedback.</p>	
4.	<p>Minute of Finance & Audit Committee – 11th July 2013 The Board of Management RATIFIED the minute of the Finance & Audit Committee.</p>	
5.	<p>Conflict of Interest to Declare None</p>	
6.	<p>Correspondence Letter from Argyll & Bute Council The Chief Executive read out the letter from Charles Reppke intimating Councillor Rory Colville's resignation.</p> <p>The Vice Chair requested that a letter be issued to Councillor Colville thanking him for his time, efforts and commitment.</p> <p>Resignation Letter from John Muir The Chief Executive read out a letter of resignation from John Muir.</p> <p>The Vice Chair requested that a letter be issued to Mr Muir thanking him for his time, efforts and commitment.</p>	<p>Chair</p> <p>Chair</p>
7.	<p>Statement by Secretary The Board of Management NOTED the contents of the report.</p> <p>The Secretary advised the Association's seal is no longer kept at the Registered Office and confirmed it was held in a safe in Helensburgh. The Board were advised that would not create an issue.</p>	
8.	<p>New Membership Applications The Board of Management APPROVED two new membership</p>	

	applications.	
8.1	<p>Cancelled Memberships</p> <p>The Board of Management NOTED the cancellation of six memberships.</p> <p>The Board of Management NOTED the membership total of 279 as at 28th August 2013.</p>	
9.	<p>Chief Executive's Presentation</p> <p>The Chief Executive gave a presentation covering:</p> <ul style="list-style-type: none"> • Campbeltown Opening • Welfare Reform and the Bedroom Tax • Argyll Homes for All • Annual General Meeting • Other Issues <p>A copy of the presentation was distributed to all members in attendance.</p> <p>Councillor Trail asked whether DHP would be paid directly to ACHA or the tenant. The Director of Housing & Neighbourhood Services advised it would be paid directly to the Association until the implementation of Universal Credit, when all benefits would be paid directly to the tenant.</p> <p>The Secretary requested that the Staff Code of Conduct be considered at the October meeting, along with the Governing Body Members Code of Conduct.</p> <p>The Director of Housing & Neighbourhood Services advised the 120 tenants affected with arrears of more than £250 were all brand new arrears, tenants who had never been in arrears prior to the implementation of the Bedroom Tax. She advised they were being dealt with in two ways; the DHP was a short term solution to clear the arrears but the Association would require to deal with arrears as an issue. Archie Blair stated he had read an article which stated arrears in Glasgow had increased by around 65% since the implementation of the Bedroom Tax. The Director of Housing & Neighbourhood Services stated that the Association's rent arrears</p>	Colette

	<p>had risen but the figure was being masked by the excellent work of her staff. She projected ACHA's arrears figure by Christmas could be around 3%.</p> <p>Councillor McCuish stated that awarding 200 additional points for transfer applicants seemed impractical as there was no alternative housing. He further stated that the Association could not risk building more one bedroom properties because of legislation. The Director of Housing & Neighbourhood Services agreed but stated it was a mechanism to assist some tenants. She advised that uptake had been fairly low but every underoccupied tenant had been written to advising them of the additional points available.</p> <p>The Regeneration Manager stated a good balance of units were being factored in to new build developments. The Chief Executive stated it would be unhelpful to build houses based on the Bedroom Tax alone as it did not properly reflect housing need.</p> <p>Margaret MacGregor asked whether ACHA were building bedsit properties. The Regeneration Manager advised no bedsit properties would be built as part of the Association's new build strategy. The Chief Executive advised there were a handful of bedsits within the current housing stock.</p> <p>The Vice Chair advised he had corresponded with staff in the Campbeltown office and the Investment & Regeneration Team thanking them for their efforts at the Park Terrace opening and he re-iterated what an excellent job they had done.</p>	
10.	<p>Key Performance Indicators including Directorate Exception Report</p> <p>The Vice Chair introduced Matthew MacAulay, Regeneration Manager and advised he was standing in for the Director of Investment & Regeneration.</p> <p>Human Resources & Corporate Services</p> <p>The Director of Human Resources & Corporate Services talked the Board through her Exception Report, highlighting:</p> <ul style="list-style-type: none"> • E-Learning now implemented • Mary Gobar International – as a result of seminars it was established there was a need to train new employees and 	

	<p>carry out refresher training. 11 managers have now been trained to facilitate training</p> <ul style="list-style-type: none"> • Meeting with Trade Unions to discuss staff mileage review. The Association has a high number of Essential Users. A report will be brought back to the Board in due course on the outcome of the meeting • Pay award process – Unison have appointed a new rep. The Board were advised a pay claim from Unison may be received • Pay benchmarking exercise – Remuneration Committee will meet again on 1st October 2013 • Scottish Social Housing Charter – Board received training on implications • SPSO – heating issue in Campbeltown outstanding for 12 months. Now received outcome and will provide information to the next Board meeting. <p>Marri Malloy asked whether anyone had been charged in relation to the incident in Rothesay. The Director of Human Resources & Corporate Services advised she would find out and feedback</p> <p>Investment & Regeneration The Regeneration Manager talked the Board through the Investment & Regeneration Exception Report:</p> <ul style="list-style-type: none"> • Port Ellen new build – 8 units – development name has been confirmed as Church Way and will handover on 18th October 2013 • Hood Court, Helensburgh – the planning application will go to a hearing on 17th September 2013, which will involve a site visit and meeting. If the application is declined, the funding application will be withdrawn • HAG applications have been submitted to the Council and Scottish Government. Outcome expected by end September 2013. As a result of the HAG uplift, the Council will reduce their funding to approximately £22k per unit. <p>Gillian Logan asked, in relation to Maitland Court roof and roughcast programme, how long it would take for the Notice to be issued. The Regeneration Manager stated that if the Council were supportive, the Notice would be issued fairly quickly.</p> <p>The Chief Executive confirmed a report would be submitted to</p>	<p>Colette</p>
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Councillors to consider the reduction in funding for new build properties. Councillor McCuish advised he was pleased Councillors would have the opportunity to discuss.

Councillor McCuish asked if the funding for Hood Court had to be withdrawn whether a different project apply for funding. The Regeneration Manager advised a project from the reserve list would apply for funding but further advised there were no other projects 'shovel ready' in Helensburgh.

Housing & Neighbourhood Services

The Director of Housing & Neighbourhood Services talked the Board through her Exception Report highlighting:

- Repairs performance remains high
- Non low demand void relet times meeting targets
- Low demand area figures not available
- Arrears figures not available due to issue with benefit interface but indications show arrears have increased and are expected to be over target, primarily because of Bedroom Tax
- Completed and submitted a self assessment to the Care Inspectorate, second one submitted and may be subject to an on-site inspection.
- Dalmally Mid Market Rents – as a result of the local lettings initiative, both properties were allocated to local residents

The Vice Chair stated that the inspection target had been reduced from 20% to 10% and asked why the 10% target had not been achieved. The Director of Housing & Neighbourhood Services stated staff shortages had contributed. She advised she was aware of the failure to meet the target and stated the figure would rise.

Marri Malloy asked why the Emergency Repairs for Oban, Lorn & Isles was ranked sixth at 98%. The Director of Housing & Neighbourhood Services advised that four offices had managed 100%. She confirmed the Oban, Lorn & Isles figure reflected only one job out of target.

Graham Kanes stated that during the Universal Pilot scheme a high number of claimants had received no payment. The Director of Housing & Neighbourhood Services advised she would cover under item 11.

	<p>Finance & IT</p> <p>The Director of Finance & IT highlighted:</p> <ul style="list-style-type: none"> • Business Plan renewal – target slipped – formal renewal not complete • Tenants Contents Insurance – slight decrease • Right to Buy – following the announcement of the end of RTB from 2017 – would expect an increase. No increase at present. The Director of Finance & IT confirmed anyone with a tenancy start date of pre 30th September 2002 currently had the Right to Buy, along with any area not covered by PAD; Bute and Kintyre <p>The Board of Management NOTED the contents of the graphical information and exception reports.</p>	
11.	<p>FISH Welfare Rights Update</p> <p>The Director of Housing & Neighbourhood Services stated she had a positive meeting with the Council in relation to DHP. As a result of additional funding, the Council will re-visit applications received over the last three months, including rejected applications. The Board were advised that initially the criteria was restrictive but had now been relaxed as a result of extra funding. The Chief Executive advised the Council would recruit an additional two members of staff to process the backlog. The Board were further advised that DHP was time limited until March 2014.</p> <p>The Director of Housing & Neighbourhood Services stated that upon the implementation of Universal Credit, if all tenants decided not to pay their rent, income for the Association would drop by £6million. The Board were advised that Housing & Neighbourhood Services staff would prepare tenants to pay their rent and deal with the increase in arrears.</p> <p>The Director of Housing & Neighbourhood Services advised that tenants with arrears would not be a Welfare Rights issue if they were receiving the correct benefit and would be expected to pay their rent.</p> <p>Graham Kanes stated that claimants on the pilot scheme had not received payment and had to apply for crisis loans. The Director of Housing & Neighbourhood Services stated that Dunedin Canmore</p>	

	<p>had trailed Universal Credit with tenants they thought would pay their rent but their arrears figure had gone up by 8%. The Board were advised the Association would prepare for the worst case scenario but would continue to try to get the message across to tenants.</p> <p>The Board of Management NOTED the contents of the report.</p>	
12.	<p>Monthly Investment Programme Update</p> <p>The Regeneration Manager talked the Board through the report and advised that Target Spend and Units were ahead of target.</p> <p>He advised the Board there were issues relating to roof and roughcast contracts but the Director of Investment & Regeneration would update members at the October meeting.</p> <p>The Board were advised that Solas, the company carrying out insulation for the Association had gone into liquidation on 9th August 2013. The Regeneration Manager outlined the reasons why it was not critical for the Association and confirmed no tenants had been left in limbo as all works started had been completed. He advised there would be a delay in the continuation of works as the contract would require to be re-tendered.</p> <p>The Board were advised there was a slight delay in the Roof and Roughcast programme in Kintyre due to obtaining required registration.</p> <p>The Regeneration Manager advised the refurbishment at Salisbury Terrace, Dunoon was complete and tenants at Regent Terrace, Dunoon had been decanted with the programme due for completion by March 2014.</p> <p>The Vice Chair asked how many Notices had been issued. The Regeneration Manager stated he did not know but would request the Director of Investment & Regeneration respond directly.</p> <p>The Board of Management NOTED the contents of the report.</p>	<p>Linda</p> <p>Linda</p>
12.1	<p>Development Annual Update</p> <p>The Regeneration Manager talked the Board through the report: <u>Current programme</u></p>	

- All complete with the exception of Church Way, Port Ellen

2014 projects:

- Glenshellach Phase 6, Oban
- Shoreline, Bowmore
- Hood Court, Helensburgh
- Oakfield, Tarbert
- Rockfield School Phase 1, Oban

The Board were advised that Rockfield Primary School was subject to a detailed feasibility study, which had been completed and submitted to the Council for consideration. Argyll and Bute Council carried out a soft marketing exercise to establish whether there was any other interest in the site. The Association will find out in due course whether the development is viable.

The Board were advised of the SHIP slippage sites:

- Barn Park, Inveraray
- East Dunavon, Connel
- Glenshellach Phase 8, Oban

Strategic Local Programme for 2015-18

- Geilston Farm, Cardross
- Coll
- Victoria Park, Dunoon
- Tigh Rhuda, Tiree
- Rockfield School Phase 2, Oban
- Medical Centre, Garelochhead

2015/18 "Shadow" Programme

- St Joseph's, Helensburgh
- Campbelltown Road, Tarbert
- Cnoc-na-Faire, Port Ellen
- Glenshellach Phase 7, Oban
- Pipers Road, Cairnbaan
- Shoreline Phase 2, Bowmore
- Smiddy Court Phase 3, Garelochhead
- Tiree

The Regeneration Manager stated that flexibility had been built into

	<p>the SHIP to ensure that if additional funding were to become available, projects would be ready to progress.</p> <p>The Board were advised the Appendix – Development Programme was not an exhaustive list but provided a flavour of opportunities.</p> <p>Stafford Day asked what the Scottish Government’s view of Green Benchmarks were. The Regeneration Manager advised they were an enhanced level, known as silver standard within building control regulations and stated than examples were energy efficiency, heat recovery systems etc. The Board were advised that tenants would benefit from the silver standard through reduced fuel bills.</p> <p>The Vice Chair asked whether an additional £4,000 per unit would be granted if the standard were met. The Regeneration Manager advised it related back to the benchmark.</p> <p>Councillor Trail asked for further information on the St Joseph’s site. The Regeneration Manager advised the church own a community hall in Grant Street. The church are keen to re-locate to a smaller hall in the grounds of the church. St Joseph’s have indicated they are keen to see an affordable development on the site of the current hall. The Board were advised the development would have been challenging prior to the increase in the HAG benchmark but would now be re-considered. St Joseph’s have indicated they would transfer the site of the current hall at a nill value if the Association could provide a smaller hall in the grounds of the church. The Regeneration Manager confirmed the site could contain up to 18 units.</p> <p>The Vice Chair stated he could not read the appendix because of the font colour. He indicated he could only make out white writing over a blue/green/red background.</p> <p>The Board of Management NOTED the contents of the report.</p>	
13.	<p>Borrowing Briefing Note</p> <p>The Director of Finance and IT talked the Board through his report and all the possible options (1 – 7).</p> <p>He advised that the Business Plan is approved annually by the bank and LBG have confirmed they would be happy to approve the</p>	

	<p>amended plan. However, they have suggested re-visiting the Debt Profile as any new borrowing would lead to a change in the terms of the loan facility. The Board were advised LBG had lent the Association £60million which was now unprofitable and they were attempting to mitigate the loss.</p> <p>The Board were advised the Association had secured funding until 2018 but if new build developments were to be considered beyond 2018 additional borrowing would be required.</p> <p>Councillor Trail asked whether it would be possible to move to a different lender. The Director of Finance & IT advised that a number of lenders had removed themselves from lending to social housing and that only three or four lenders remained; Santander, Lloyds and RBS, therefore there was no effective competition.</p> <p>The Chief Executive stated the Association had mapped itself out as a development Association. He suggested engaging in discussion with Lloyds to establish what they would offer that would be affordable for both parties as a starting point.</p> <p>The Board of Management AGREED the suggestion put forward. The Director of Finance & IT will progress.</p>	
14.	<p>A.O.C.B.</p> <p>Margaret MacGregor stated the Bute & Cowal Area Committee wished a policy implemented to remove responsibility from ACHA for the erection/maintenance of fences and place responsibility with tenants. The Director of Housing & Neighbourhood Services advised that some fencing was included within the tenancy agreement and as such was the responsibility of the Association. The Director of Housing & Neighbourhood Services confirmed she would consider what had been discussed by the Area Committee and feedback to a future Area Committee meeting.</p> <p>Gillian Logan asked whether the St Joseph's site would be a viable option for an ACHA office. The Regeneration Manager stated the Stuckleckie Road option was due to go out to tender.</p> <p>Kate Winton advised she had been invited to the new wing of the Lorn & Isles hospital (dentist wing and cancer treatment) to help trial</p>	Christine

	<p>disability access. The Vice Chair suggested a report be provided to be included within the October Information Pack as it was not strictly ACHA business.</p> <p>Marri Malloy stated that small, non-charitable groups had been advised to seek funding through AHFA but were advised that AHFA would be using the budget internally. The Chief Executive stated AHFA had a budget of £1,000 to award to non-charitable groups following the evaluation of applications. The Chief Executive advised he would make enquiries and respond directly.</p> <p>Schedule 7 Decision Under Urgency The Director of Housing & Neighbourhood Services advised the Schedule 7 had been approved by the Chair and the Chief Executive as a decision under urgency. The Board were advised that a two bedroom 1st floor flat had become available for letting in Ardrishaig. The property had been offered twice; the first occasion a homeless person failed to respond to the offer and contact was subsequently lost, the second application was also to a homeless applicant who did not wish to move from another part of Argyll. The next appropriate applicant qualifying for the offer was the daughter-in-law of a former Domestic Cleaner at Caledonia and McCracken Court. The Director of Housing & Neighbourhood Services confirmed the ex employee had played no part in the assessment of the application and had not been involved in the offer process. The Board of Management RATIFIED the Schedule 7 Decision Under Urgency.</p> <p>Schedule 7 Decision Under Urgency The Director of Housing & Neighbourhood Services advised the Schedule 7 had been approved by the Vice Chair and the Chief Executive as a decision under urgency. The Board were advised that a one bedroom property had become available for letting in Cragroy, Dunoon. The applicant qualifying for the offer resides within the complex and is a member of the Bute & Cowal Area Committee. The Director of Housing & Neighbourhood Services confirmed the Governing Body Member played no part in the assessment of the application and had not been involved in the offer process. The Board of Management RATIFIED the Schedule 7 Decision Under Urgency.</p> <p>Schedule 7 Decision Under Urgency</p>	<p>Kate</p> <p>Alastair</p>
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	<p>The Director of Housing & Neighbourhood Services advised the Schedule 7 had been approved by the Chair and the Chief Executive as a decision under urgency. The Board were advised a Stage 1 and Stage 2 complaint relating to a heating system had been received from the son of the Property Services Office in Cowal. The heating system was checked on a number of occasions and further operating instructions were issued. In line with the Association's Compensation and Redress Policy a goodwill gesture of £50 to compensate for inconvenience and length of time to resolve the complaint was offered. The Director of Housing & Neighbourhood Services confirmed the member of staff played no part in the decision to offer compensation. The Board of Management RATIFIED the Schedule 7 Decision Under Urgency.</p> <p>Schedule 7 Decision Under Urgency The Director of Human Resources & Corporate Services asked the Board to approve the offer of works to the husband of an employee. The works would consist of providing and operating a Public Address System at the Association's Annual General Meeting. The cost of the service would be £165.00. The Board of Management APPROVED the Schedule 7 Decision Under Urgency.</p>	
15.	<p>Date & Time of Next Meeting Thursday 10th October 2013 at 10.30am in the Argyll Hotel, Inveraray</p> <p>Kate Winton submitted her apologies in advance of the meeting</p>	