

# BOARD MINUTES



**Meeting Date:** 03 November 2022

**Time:** 6pm

**Venue:** Via MS Teams

## Board Members in Attendance

Adam Turner  
Martin Joyce  
Neil Tulloch  
Chris Boyle  
Julie Riley

## Apologies

Anne Gault  
Jeremy Hewer  
Darren Lewis  
Tricia Hill  
Vicky Bluck  
Craig Morton

## Staff in Attendance

John Davidson	Chief Executive
Sandy Young	Director of Housing Management
Iona Taylor	Director of Asset Management
Craig Porter	Director of Finance and Business Support
Tammy Allan	Business Improvement Officer (minutes)

## Others in Attendance

None

Please note that these minutes have been edited to remove any commercially sensitive or confidential discussions.

If you need this publication in larger print, audio, Braille, or in another language, please contact our office and we will try to help you.

## STANDING ITEMS

6821	<p><b>Welcome</b></p> <p>The Chair welcomed everyone to the meeting.</p>
6822	<p><b>Apologies</b></p> <p>A record was made of apologies from non-attendees.</p>
6823	<p><b>Use of Seal</b></p> <p>CP informed the Board that there have been 3 uses of the seal. All 3 were for the 3 Share Certificates for the new Board members.</p>
6824	<p><b>AOCB Approval</b></p> <p>IT advised that she had an update to provide regarding gaining access for the EICR upgrades. JD also advised that he had an update to provide regarding development and the CRM project.</p>
6825	<p><b>Declaration of Interest on any Agenda Items</b></p> <p>None.</p>
6826	<p><b>Minutes from Previous Meeting</b></p> <p>The Board <b>approved</b> the Minutes from the previous meeting without amendment.</p>
6827	<p><b>Matters Arising/Update/Information Papers for Discussion</b></p> <p>None</p>
6828	<p><b>Board Members – Items for Future Meetings</b></p> <p>AT informed the Board that VB has volunteered to carry out a session with Board members on risk.</p> <p>CB enquired whether there was any update on the progress being made towards EESSH. IT gave a brief overview of the progress being made with Katherine Street. She also advised that budget discussions regarding this work are due to take place and may have some implications, however, she will update Board in due course.</p>
6829	<p><b>Board Training – Verbal</b></p> <p>AT advised that JH noted that it would be beneficial to log Board training and the subsequent training materials on Virtual Boardroom for everyone to access. It was agreed that this suggestion will be taken forward.</p>
6830	<p><b>Chief Executive’s Report</b></p> <p>JD presented the detail within Chief Executives report.</p> <p>Regarding the Big Livingroom, NT noted that the AHA reception area is a public area and queried whether there would be any implications with regards to insurance and fire risk. IT advised that this has all been considered and there is nothing that would cause any concern.</p> <p>The Board <b>noted</b> the content of the Chief Executive’s report.</p>

## PRESENTATIONS

6831	<p><b>Tenant Profiling</b></p>
------	--------------------------------

	<p>In the absence of Lorna Shaw from Research Resource, SY &amp; CP gave an overview of the information that was gathered during the recent tenant profiling exercise and informed the Board how this information can be used going forward.</p> <p>The Board thanked SY and CP for the update.</p>
<b>REPORTS FOR DECISION</b>	
6832	<p><b>Reports to be approved following Audit &amp; Finance Sub-committee – Annual Rent Review</b></p> <p>In VB’s absence, SY presented the annual rent review report and informed the Board of the issues facing AHA and its tenants in relation to inflation and increased interest rates was discussed at the Audit &amp; Finance Sub-committee meeting.</p> <p>SY informed the Board of the options AHA would be looking to use for the 2023/24 rent increase and noted how the consultation would be completed. He also informed the Board that as the proposed rent increase rates are all below inflation, AHA would be required to cut some of its services that it provides to its tenants next year.</p> <p>AT noted that there will be significant amount of catching up to do and this will be the case for the next few years.</p> <p>The Board <b>approved</b> the consultation methods with options for 5.9% and 6.9% increase in rent for 2023-24.</p>
6833	<p><b>Reports to be approved following Audit &amp; Finance Sub-committee – Budget Revisions</b></p> <p>CP informed the Board that the Audit &amp; Finance Sub-committee discussed the projected out-turn for this financial year and he detailed where there were variances against the original budget. CP advised that the main areas of change against the original budget is around the spend on repairs, primarily as a result of the Covid backlog.</p> <p>CP also advised that we have been really focused on ensuring that there are no slippages into next year as the budget won’t be available then to cover any additional costs.</p> <p>The Board <b>approved</b> the budget revisions for 2022/23.</p>
6834	<p><b>Reports to be approved following Audit &amp; Finance Sub-committee – Budget Assumptions</b></p> <p>CP informed the Board that the Audit &amp; Finance Sub-committee had a discussion around where we predicted inflation to be. CP advised that there has been a slight lag and we may see a higher rate next month.</p> <p>CP advised that the main area is void rent loss, and this may be higher next year due to the properties that will need to be decanted due to Katherine Street.</p> <p>CP advised that the headline assumptions are comparable with previous years. Assuming that the Sonia rates average at 5.67%, the highest level for next year would be 4.66% plus a margin. However, CP advised that the Audit &amp; Finance Sub-committee will be updated in January and Board in February depending on the higher or lesser rates.</p> <p>The Board <b>approved</b> the high-level budget assumptions for 2023/34.</p>
6835	<p><b>Reports to be approved following Audit &amp; Finance Sub-committee – Risk Map</b></p> <p>CP informed the Board that the Chair of the Audit &amp; Finance Sub-committee reviewed the Associations risk map and is going to arrange a meeting with him to discuss how it can be improved. The Chair has also stated that she is willing to provide risk training to Board members and SMT. CP also noted that the risk management strategy needs to be reviewed.</p>

	<p>The Board <b>noted</b> the status of the Risk Map.</p> <p>AT referred to the options appraisal that is detailed on the risk and queried whether this was in relation to old data.</p> <p>IT noted at this point in the meeting that there is a development report within the Consent Agenda in relation to development.</p> <p>IT moved on to inform the Board that AHA are currently progressing with 2 developments at this time. The Board considered the financial impact of the current economic climate on the future of development activities. Following extensive discussion taking account of the assumptions approved for the budget, together with market cost and grant levels, the Board agreed to only proceed with the current Blackburn development subject to appropriate SG funding.</p> <p>CB made an enquiry regarding whether there would be a cap on any rental increase in Blackburn. Both IT and CP were able to clarify what AHA's position would be with regards to rental options in Blackburn.</p> <p>IT advised that AHA would enquire to see if there would be any legal implications if we were to hand any sites back. She also noted that we would develop Glendevon ourselves, without a partner. Whereas both the Blackburn and Fauldhouse sites have a developer involved who may potentially look to recover some of the costs that they have incurred.</p> <p>There was further discussion generated around developing in the future, not losing development skills and being open and honest with the developers involved. Board members also agreed that once the market stabilises they would like to see AHA developing again in the future.</p> <p>The Board agreed to proceed with the Blackburn development as it is part of the wider regeneration project in West Lothian and this would also allow AHA to keep some of the development expertise. AHA don't want to completely walk away from the other projects so these will be paused for the time being.</p>
6836	<p><b>Reports to be approved following Audit &amp; Finance Sub-committee – Bad Debt Write-Off</b></p> <p>CP presented the report and informed the Board that the Audit &amp; Finance have also reviewed it and recommends the proposed write-off values.</p> <p>There were no queries or questions from the Board.</p> <p>The Board <b>approves</b> the proposed bad debt write-off/write-off of credit balances.</p>
6837	<p><b>Reports to be approved following Audit &amp; Finance Sub-committee – Treasury Management Policy Review</b></p> <p>CP informed the Board that the Audit &amp; Finance Sub-committee reviewed the Treasury Management Policy, and they had no queries or concerns.</p> <p>The Board <b>approves</b> the Treasury Management Policy revisions and <b>agrees</b> that it should be reviewed again in three years.</p>
6838	<p><b>Community Impact Strategy</b></p> <p>SY presented the report and informed the Board that rather than having multiple different strategies on how we interact with the community, a community impact strategy has been developed. He also noted that this strategy also takes into account all of the wider work that the Community Engagement Officer does plus looks at a separate area of training and employability.</p>

	<p>SY moved on to advise that once Board have approved the Community Impact Strategy he will have a wider conversation with tenants regarding how we proceed. He also advised that a lot of best practice has been used and he believes that all angles have been covered. He noted that AHA do not have a live tenant registered group but the AHA focus group fills that gap.</p> <p>The Board <b>approved</b> the Community Impact Strategy for 2022-25.</p>
6839	<p><b>Tenant Survey – Tender results</b></p> <p>SY presented the report and noted that the winning contractor would be new to the Association. Previously Research Resource carried out this work on behalf of the Association and did so for a number of years.</p> <p>There were no questions or queries from the Board.</p> <p>The Board <b>approved</b> the appointment of Axiom Consultancy at a price of [REDACTED] as the contractor to provide our customer satisfaction survey for 2022.</p>
6840	<p><b>Social Work Adaptations – Tender results</b></p> <p>IT presented the report and informed the Board that this would be a significant tender award. She advised that this was a straightforward tender process and noted that it is grant funded work that covers this service.</p> <p>There were no questions or queries from the Board.</p> <p>The Board <b>approved</b> entering into a 4-year framework with Everwarm Ltd. For the tender sum of [REDACTED] as medical adaptations are currently Zero Rated for VAT. As detailed works are instructed on the basis of referrals and grant received and the contractor is not guaranteed a minimum value of work per annum. The tender sum was determined using the volume of referrals completed in financial year 2021/22.</p>
<b>Asset Management</b>	
6841	<p><b>Katherine Street Update</b></p> <p>IT informed the Board that the fire damage project is underway and we are currently in the process of stripping out the damaged parts within the building. However, there is significant mould growth within the building and we need to allow the concrete to dry out before further work can progress.</p> <p>IT moved on to provide details of the known work that would be required within the block and the costs involved. IT also gave an update on the communication between AHA and the loss adjusters.</p> <p>The Board <b>noted</b> the contents of this report and <b>approved</b> the appointment of consultants for the end block refurbishment.</p>
<b>Finance &amp; ICT</b>	
6842	<p><b>Statutory Returns – OSCR and FCA</b></p> <p>CP presented the report and there were no queries or questions from the Board.</p> <p>The Board <b>noted</b> the submissions of the OSCR and FCA returns for the Association for the Year ended 31 March 2021, by the due filing dates of 31 December and 31 October 2021 respectively.</p>

## CONSENT AGENDA

6843	<p><b>Consent Agenda</b></p> <p>JD informed the Board that his AOCB was referring to the progress that is being made with the new CRM system and he advised that a further report will be brought to Board in February. SY advised at this point that he was able to provide an update on the progress and the concerns that SMT have.</p> <p>SY referred to the concerns previously raised by Board regarding moving to Yuneo and gave an update on the new concerns that AHA also have with regards to this product which included staffing, costs and the timeline for going live with the new system.</p> <p>The Board advised that they were happy to pause and wait and see what other products are available.</p> <p>IT noted at this point that within the Q2 KPI pack, and referring to her AOCB, in terms of SHQS there are a number of failures due to the fact that AHA cannot gain access to the properties. Legal advice had been sought and we have been advised that due to electrical safety, AHA will be able to force access into the properties that are affected.</p> <p>The Board <b>agreed</b> to the recommendations within the consent agenda.</p>
6844	<p><b>AOCB</b></p> <p>IT reminded the Board that at the most recent strategy day there were a lot of discussions around ways to save on costs. IT informed the Board that AHA have considered which services could be reduced or stopped next year as a way of cost saving. She noted the options that are being considered which includes the provision of tumble dryers to tenants.</p> <p>The Board <b>noted</b> the update from IT.</p>
6845	<p><b>AOCB</b></p> <p>AT suggested to Board that the next Board, that is due to take place in February, could possibly take place in person. It was agreed that this would be considered.</p>
	<p><b>Date of Next Meeting:</b> 02 February 2023</p>

Approved by:

Date: