

**West of Scotland Housing Association
Minutes of the Board Meeting
Hybrid Meeting via Microsoft Teams and Camlachie Boardroom
Wednesday 26th June 2024**

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| <p>Present (In Person): Michael Sozansky, Ann Reid, Elaine Davidson, Jim Williamson</p> <p>Present (Online): Kelly Adams (Chair), George Kpodo</p> <p>In Attendance (In person): Brian Gannon, CEO; Andrew Kubski, Director of Development & Asset Management; Valerie Wilson, Director of Finance; Robert Campbell, Director of Housing & Community Services; Jennifer Cairns, Director of Corporate Services; Stephen Baxter, Housing Manager; Alan Paterson and Gary Quinn, Glasgow HSCP (In Part)</p> <p>Apologies: Graeme Middleton, Kenneth Fee, Alison Calder, Karen Merz</p> | |
| <p>Disclosure of Interests There were no disclosures of interest.</p> | |
| <p>1. Minutes of the Previous Meeting The minutes of the previous meeting of 29th May 2024 were approved as a true and accurate record. They were approved by Michael Sozansky and seconded by Elaine Davidson.</p> | Approved |
| <p>2. Matters Arising The Board noted the matters arising. The Chief Executive provided an update on the tenant compensation claim discussed at the Board meeting in May.</p> | |
| <p>3. Glasgow HSCP – Homelessness Quotas Alan Robertson and Gary Quinn from Glasgow HSCP attended the meeting to discuss the proposed homeless quota with the Board. Garry Quinn thanked the Board for their time and explained that housing associations in Glasgow are the bedrock of the City and the relationship that the HSCP has with housing associations is very strong. He stated that he appreciated the support from housing associations in Glasgow in respect of understanding and committing to address homelessness in Glasgow. He advised the Board that Glasgow City Council declared a Housing Emergency in October last year. He provided an overview of the events of the last four years since the pandemic and explained the impact of these events on homelessness. He explained that the Council (and other councils) have never experienced such challenges in respect of homelessness. He noted that there had been a significant rise in homelessness presentations in the last 15 months and explained</p> | |

the reasons behind this. He advised that the Council have not been able to meet their statutory duties since the beginning of the financial year. He outlined the situation in respect of use of bed and breakfasts and advised that the HSCP have developed a 10-year strategy to reduce the use of bed and breakfasts. He advised that the strategy aims to be no longer using bed and breakfasts by Year 4.

He provided an overview of what the requirement was from housing associations and the Board discussed the implications of this.

The meeting discussed the increase in rough sleeping and Gary Quinn explained the current situation in respect of rough sleepers and what is in place to address this.

Gary Quinn advised that their approach is to work in partnership and they will work with us to monitor the impact but confirmed that it could be reduced if it was impacting on WSHA communities and tenants.

Gary Quinn and Alan Robertson left the meeting at this point.

4. Lettings Strategy 2024-25

The Director of Housing & Community Services presented the Letting Strategy for 2024/25 to the Board. The strategy includes the 67% homelessness let quota for Glasgow but agreement of this is pending Board approval.

As part of the Letting Strategy proposal, the Director of Housing & Community Services asked for approval to hold a flat in Cowlairs to allow us to consider the possibility of developing it into a community flat to support the work we are doing in this area. The Board approved this proposal.

The Board discussed and debated the risks and challenges in respect of GCC's request for 67% of lets to be made to homeless referrals, however they agreed that it was important to engage with Glasgow City Council in respect of this as they are a key partner and we work well with them.

The Board discussed the Letting Strategy. George Kpodo asked, given the request from Glasgow City Council to increase the homeless quota to 67%, how will this impact our ability to balance allocations to other groups such as direct applicants and transfer applicants, and what measures will we take to ensure sustainable community development.

The Director of Housing & Community Services confirmed that the strategy provides detail on both points with targets for non-

Approved

homeless lets detailed in each of the tables at the end of the report. The Director also confirmed that tenancy sustainment rates remain high at present but will be monitored closely.

George also asked, with the varying demand for our properties and the notable refusal rates in certain areas, what strategies are being implemented to address these challenges and improve occupancy rates, particularly in low-demand areas like Ardrossan and for specific property types like amenity/sheltered housing.

The Director of Housing & Community Services confirmed that there are no significant issues with low demand in specific areas at present although it is felt that there are issues with the designation of some of our amenity housing. This is being explored but will take some time to address due to grant conditions etc.

George finished by asking, the average re-let time has improved but still falls short of the target. What specific steps are being planned to further reduce re-let times and enhance the efficiency of our letting processes, including the handling of void properties and contractor performance.

The Director of Housing & Community Services confirmed that the previous Housing Manager felt there is still scope to continue our improved performance on let times and that the new Housing Manager will be looking at this over the course of the next year.

The Board approved that they would engage with the HSCP and commit to helping them to try to reach this quota of 67% for Glasgow City Council for homeless referral lets. The Board also approved the Letting Strategy for 2024-25.

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5. Willowacre Trust Business Plan

The Director of Housing & Community Services presented the Willowacre Trust Business Plan. He provided an overview of the process involved in reviewing the Plan and outlined the key changes to the Business Plan. He advised the Board that the Funding Strategy had now been incorporated into the Business Plan rather than being a separate document. He highlighted that £800k of external funding had been obtained throughout the duration of the Plan.

Michael Sozansky commented that it was a great plan and very well articulated. He queried the wording in respect of Strategic Options and he queried if these were actually options or if we would potentially be doing all of them rather than selecting one. The Chief Executive advised that they are potential options that we may

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| <p>consider depending on different factors that may impact the plan. It was agreed that the wording would be changed to explain this.</p> <p>Kelly Adams queried if the financial viability of the trust and future funding continues to be a significant risk that may impact the plan. The Director of Housing & Community Services explained that this remains a high risk and this is outlined in the risk section of the plan along with what actions are in place to mitigate this risk. He advised that some funders are approaching us to give us funding based on our track record and referenced the situation with the Thriving Places funding.</p> <p>Jim Williamson asked how far in front are funders providing funding. The Director of Housing & Community Services advised that it can depend, it can be one off funding for a particular project or funding for 1-3 years.</p> <p>The Chief Executive explained that the financial risk is different for Willowacre Trust as they are in a position that we would not provide their services if the Trust did not have the money. The Director of Finance confirmed it was less of a risk and that where there is fixed term funding in place, the staff are on fixed term contracts.</p> <p>The Board approved the Business Plan.</p> | <p>Approved</p> |
| <p>6. Loan Portfolio Return</p> <p>The Director of Finance presented the loan portfolio return which requires to be submitted to the Scottish Housing Regulator.</p> <p>The Chief Executive asked how WSHA compares to others RSL in respect of level of stock not held for security of loans. The Director of Finance stated she thought we were in a good position, given the significant proportion of unencumbered stock. However, there can be a significant variance across the sector with developing associations tending to have more borrowing and in turn a higher level of secured stock.</p> <p>Jim Williamson asked if the security was done by groups of properties or if we had to specify each property to the lenders. The Director of Finance confirmed that it was individual properties and that we were required by the lenders to get each property valued every three to five years.</p> <p>George Kpodo asked, how confident are WSHA in the projected loan repayments by time period and WSHA's ability to meet these repayments when due.</p> | <p>Approved</p> |

The Director of Finance advised that the capital loan repayment amounts are detailed within our loan agreements and these known repayments are reflected in the financial plan. To mitigate interest rate risk, the Treasury Management Policy stipulates a maximum of 40% of total debt will be subject to variable interest rates. This means that 60% of the debt is on a fixed rate of interest, and this known cost is also reflected in the financial plan. Variable interest is calculated based on a prudent assumption on interest rates and margin, along with advice from our external treasury management consultants on realistic business planning assumptions and forecasts. It is also subject to scenario testing to identify the interest rate increase which would result in cash flow issues or a covenant breach.

George noted the information provided on lender covenants and asked how the Association is assured that it will continue to meet these covenants.

The Director of Finance advised that performance against covenants is included in the quarterly management accounts though it is monitored on an ongoing basis internally. The Treasury Management Policy includes Golden Rules with which the financial plan must comply and against which performance is monitored. The Golden Rules are set above the maximum lender covenant to ensure that there is headroom for the Association and the risk of breaching a covenant is mitigated. If the ongoing forecasting suggests that a Golden Rule is at risk of being breached, mitigating actions would be taken or, if necessary, early discussion with our lenders to approve a temporary breach of the covenant in the interests of the businesses, for example, covenant relaxations were agreed by a number of organisations to allow accelerated investment following the delays caused by the pandemic.

The Board approved the Loan Portfolio Return.

7. Board Annual Review Report

The Director of Corporate Services presented a report on the key themes from the recent annual reviews. She advised that 3 Board members were still to have their annual review and we would arrange these to take place shortly. She outlined the areas of improvement identified, a key area being Board Training. She asked that Board members complete their e-learning or advise us of training that they have undertaken with other organisations. She presented an overview of succession planning and in particular highlighted that the Chair would be standing down next year and

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| <p>ask Board members to think if they would be interested in becoming Vice Chair as Alison Calder has agreed to step up to Chair if required. She presented the proposed improvement actions from the annual reviews and these were approved by the Board.</p> | <p>Approved</p> |
| <p>8. Review of Procurement Policy The Director of Corporate Services presented the review of the Procurement Policy and highlighted the changes to the policy. She drew the Board’s attention to the increase of value in respect of obtaining 3 written quotes. This has been increased from £1,000 to £3,000. She advised that benchmarking had been carried out with the G8 members and their values for quotes ranged from £3-5k. Kelly Adams queried why we were not going for £5k. The Director of Development & Asset Management explained that £3k was the level agreed by managers that would assist them. It was felt that £5k was a bit of a jump based on ensuring we obtain value for money. It was agreed that we would keep this under review.</p> <p>The Board approved the changes to the Procurement Policy.</p> | <p>Approved</p> |
| <p>9. Development & Asset Management Sub-Committee Annual Report & Remit The Director of Development & Asset Management provided an overview of the DAMSC Annual Report which details the activity of the Sub Committee over the past year in line with their terms of reference. He advised that this had been the first year of their increased remit to include asset management. He highlighted that 195 new build units had been handed over this year which was a result of delays with Dalarnock station. He went on to provide an overview of Asset Management highlighting the changes in the component replacement programme, investment promises in Charing Cross and the work being done in respect of damp and mould.</p> <p>He outlined the proposed changes to the DAMSC remit and the Board approved that all acquisitions over £1million must be approved by DAMSC and reported to the Board.</p> <p>He also advised the Board that we are proposing that we consult and involve Westscot Living Board in respect of any acquisitions that involve them as part of the process. The Board approved these changes to the DAMSC remit.</p> <p>The Chair noted the good work that DAMSC had carried out over the year.</p> | <p>Approved</p> |

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| <p>Jim Williamson asked about how we manage it when tenants in mid market rent properties who have financial difficulties and struggle to afford their rent. The Director of Housing & Community Services explained that allocations are based on affordability and applicants meeting an income threshold for that reason. He advised there could be potentially a situation that a tenant losing their job and explained that we would provide welfare rights support if this was the case.</p> | |
| <p>10. Bike Shelter Policy</p> <p>The Chief Executive presented the proposed Bike Shelter Policy to the Board. He advised that we had received funding from Cycle Scotland to install bike shelters in 4 areas of Glasgow. This is part of our Sustainability Strategy in relation to active travel and a recent survey has demonstrated a demand for this in these areas. In addition to this, as part of our estate inspection process we have been asking tenants to remove bikes from closes etc and this offers an alternative option. He explained that the policy outlines how we will let and manage these shelters.</p> <p>Elaine Davidson asked what would happen if the tenant loses the key. The Chief Executive advised that they would be charged for the new key. The meeting discussed the possibility of codes rather than keys, Michael Sozansky pointed out that people may pass on the codes and it would be harder to manage the shelters.</p> <p>Jim Williamson asked who would make sure the shelters are being used properly and are being looked after. The Chief Executive explained that the Estate Officer would inspect the shelters on a regular basis.</p> <p>Jim Williamson asked if we would be liable for any theft. It was explained that tenants would sign an agreement which would be clear that they are responsible for the bike while in the shelter and that WSHA would not be liable for theft.</p> <p>Jim raised if additional insurance would be required. It was agreed that the Director of Corporate Services would discuss with our insurance broker.</p> <p>The Board approved the Bike Shelter Policy.</p> | <p>Action</p> <p>Approved</p> |
| <p>11. Board Brief</p> <p>The Director of Finance provided an update on progress to refix the Barclays loan of £4.7M following the end of the previous fixed term on 28 March 2024. She advised that Barclay’s solicitors have now accepted the proposed amendments to the Acknowledgement</p> | |

Variation Letter and a number of documents now require to be approved to allow us to proceed and enter in to a new fixed term agreement. The following documents, appended to the report were approved.

1. Officers' Certificate, authorising the Chief Executive, Director of Finance and/or Director of Corporate Services to sign the Acknowledgement Variation Letter.
2. Acknowledgement Variation Letter.
3. Extract of the Board minute, confirming the decision and authority provided by the Board at this meeting, and authorising the Chief Executive and Director of Finance to negotiate and agree the final terms of the documents.

The Director of Finance also requested the Board reconfirm the decision taken at the April 24 meeting to authorise the Director of Finance to enter into a fix rate loan agreement. She advised that the updated minute was being requested as the minute must be dated within three months of the loan fixing date and while she hoped that this would be possible, did not wish to delay matters further if fixing cannot be completed in time. She also provided an update on market interest rates for a five year fix, advising that while rates had increased, they have now returned to fluctuate around 4.15% to 4.2%.

The Board approved the three documents and reconfirmed the authority of the Director of Finance to enter into a fixed rate term with Barclays.

The Director of Finance provided Board with a pension update. She highlighted that the 30 September 2023 funding update shows the Defined Benefit Scheme was around 90% funded with a deficit around £72m. The Employer Committee and Scheme Committee will negotiate and agree the terms of any deficit contributions and a recovery plan if required following the 30 September 2024 valuation. The Employer Committee are advising Employers to budget for the reintroduction of deficit payments from April 2026. The Director of Finance reminded Board that WSHA had already included deficit contributions for a period of 3 years from April 26 in the budget and financial plan approved earlier this year.

The Chief Executive reminded Board members about the date for the Board & Staff Conference and gave an overview of minor amendments to the Board Whistleblowing and Training Policies.

Approved

12. Annual Complaints Report

The Director of Corporate Services presented the Annual Complaints Report. The reported detailed the number of stage 1 and stage 2 complaints and our response times to complaints. It outlined the numbers of complaints by area and some key themes. She advised the Board of the new lessons learned process and the assessment of our complaints handling process against the new

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| <p>SPSO framework. She highlighted that we comply with 76 of the 83 requirements and outlined the actions we will taking forward to meet the other elements of the criteria.</p> <p>She advised that we will discuss this report with TAG and communicate it to all tenants.</p> <p>The Board noted the contents of the report.</p> | |
| <p>13. Update on Sustainability Strategy</p> <p>The Chief Executive gave an update on progress made on the Sustainability Strategy which was approved by the Board in June last year. He highlighted that the PV panels at the office had had a big impact and that we are currently preparing the evidence to submit our Sustainability Reporting Standards report.</p> <p>Kelly Adams commented on the good progress that had been made so far.</p> <p>The Board noted the update.</p> | |
| <p>14. Value for Money Strategy Update</p> <p>The Director of Corporate Services provided an update on the Value for Money Strategy which was approved by the Board in April last year. She provided an updated on each of the objectives and advised the Board of initiatives that had been undertaken to improve efficiency and the outcome of these using our new value for money impact assessment tool. She also outlined the new processes/systems that have been implemented and we will be assessing the impact in the coming months. She explained to the Board what the focus would be in respect of this strategy for the next year.</p> <p>George Kpodo asked for clarification about what operational efficiencies we were making and how we would assess that we are making efficiencies and achieving value for money. The Director of Corporate Services went through the operational efficiencies outlined in the report and explained the value for money impact assessment process which has been put in place to assess the impact. Examples of impact are reduction in resource required, re-allocation of resource, cost savings and/or improvement in performance and service delivery.</p> <p>George went on to ask how we involve stakeholders in our value for money approach and how we communicate with our stakeholders. The Director of Corporate Services outlined how TAG and the wider tenant group were involved in developing the strategy and the customer satisfaction surveys that gather ongoing feedback. She explained that TAG receive regular updates and we will issue an</p> | |

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| <p>annual report to all tenants. She advised that we also ask the scrutiny panel to assess value for money considerations as part of their scrutiny exercises.</p> <p>The Board noted the progress made.</p> | |
| <p>15. Annual L&D Report</p> <p>The Director of Corporate Services outlined the training & development activity over the past year and the plans for the next year based on the annual appraisal process and workforce development considerations relating to our Corporate Business Plan priorities for the next year.</p> <p>The Board noted this report.</p> | |
| <p>16. Resolutions</p> <p>The Board noted this report.</p> | Noted |
| <p>17. Notifiable Events</p> <p>The Board noted this report.</p> | Noted |
| <p>18. Group Information</p> <p>The Board noted the minutes of the WT Board Meeting of 21.5.24.</p> | Noted |
| <p>AOCB</p> <p>Ann Reid requested an update on the Albany Centre in Woodlands. The Chief Executive provided an update in respect of this.</p> <p>Ann Reid advised the Board that there are new builds being built by Crudens at the back of WSHA houses in East Kilbride and asked if we would find out if it was possible for us to take on some properties for social rent. It was agreed that the Chief Executive would discuss with the Director of Development & Asset Management.</p> <p>The Director of Corporate Services advised Board members that the annual Health & Safety Declaration had been sent to them by Docusign to sign if they could look out for this.</p> <p>The Chief Executive advised that the proposed date for the Annual Business Plan session is 20th September depending on Board availability. Michael Sozansky advised that he was on holiday. It was agreed that Susan Speirs would contact Board members to find out availability for this date and an alternative option.</p> | <p>Action</p> <p>Action</p> |
| <p>Review of Meeting</p> | |

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| It was agreed that it had been a good meeting with lots of good discussions and contributions. | |
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| The meeting closed at 8.10pm. | |
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| Date of next meeting – 28th August 2024 | |
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