

**West of Scotland Housing Association
Minutes of the Board Meeting
Hybrid Meeting via Microsoft Teams and Camlachie Boardroom
Wednesday 26th October 2022**

<p>Present: Kelly Adams, Ruth Simpson, Elaine Davidson, Ann Reid, Kenneth Fee, Ian Whiteman, Paul MacNeil, Nick Farrell, Michael Sozansky</p> <p>In Attendance: Brian Gannon, Chief Executive, Jennifer Cairns, Director of Corporate Services, Andrew Kubski, Director of Development & Asset Management, Robert Campbell, Director of Housing & Community Services, Donna Paton (Director of Finance), Susan Speirs (Senior Corporate Services Assistant)</p> <p>Apologies: Derek McGowan, George Kpodo, Irene McFarlane</p>	
<p>Disclosure of Interests There were no declarations of interest from the Board.</p>	
<p>1. Approval of the minutes The minutes from the previous Board meeting held on 28th September were proposed by Ann Reid and seconded by Elaine Davidson. Kelly Adams signed the minutes.</p>	Approved
<p>2. Matters Arising An update was provided on actions from previous meeting.</p>	
<p>3. Scottish Government Rent Control, 2023/24 Rent Review and Business Plan Timetable The CEO advised that the purpose of this report was to update the Board on the Scottish Government’s recent Rent Control legislation with regard to a rent freeze, to set out a timetable for a 2023 Rent Review and Annual Budget Review and the implications that this may have on our business plan. He noted that the Director of Finance would also advise the Board on the financial implications of this rent freeze.</p> <p>The CEO advised that the Scottish Government had passed a new Cost of Living Act on 6th October. The key features of this act were a temporary freeze on rent increases up to 31 March 2023 and a temporary moratorium on some evictions which is expected to continue until at least 31 March. There were also options for parliament to extend this freeze beyond March for two further six month periods. The Scottish Government must confirm by 14 January 2023 whether it will either keep the rent freeze, get rid of it completely or increase it. He advised the Board that the Association does not control the rents for tenants who are on fair rents which are set by the Rent Registration Officer on a three yearly cycle. These rents will not increase whilst the rent cap is in place.</p>	

The CEO advised that the Housing (Scotland) Act 2001 requires all landlords to consult with their tenants on any proposed rent increase and take their views into account and that rent control by the Scottish Government is a potentially worrying precedent that undermines the principles of their own legislation and Charter for social landlords

He noted that our member bodies are collating information from housing associations to present to the Scottish Government before they make their final decision on the rent freeze. RSLs are being asked to consult with their tenants by mid December on a possible rent increase should rent control not continue beyond 31st March 2023..

The CEO advised that this matter has been discussed in length with TAG. They are against consulting with tenants before Christmas as they feel it would be confusing and unsettling at the moment.

The CEO outlined the three options which are available for the Board to consider which are (1) To consult with all tenants in the first two weeks of December on a proposed rent increase following the Board meeting in November, (2) To consult only with TAG and some tenant focus groups during the first two weeks of December, or (3) Wait until after 14 January when the Scottish Government have made their decision. He advised that if we waited until after the 14 January to consult with tenants then we would still be within the timescale to implement a rent increase by 1 April 2023.

Ruth Simpson asked how we would organise the rent review focus groups. All tenants would be sent an email asking if they would like to join the group. Michael Sozansky felt that if we do this we would come up against the same problems of trying to explain why we need to consult, so there would be little difference between option 1 and 2.

It was suggested that we would arrange focus groups on how we could support tenants with the cost of living crises. These meetings could also gather views on the rent review.

Ann Reid asked how meetings would be organised for the different areas we work in. The CEO advised that this would probably be done online as attendance at in person events previously had been extremely low.

Kelly Adams felt that it would be confusing whenever the consultation took place and we should just do it now.

Nick Farrell asked what the feeling was of other Housing Associations. The CEO advised that it was difficult to get a consensus at the moment. However at the recent G8 meeting those present were all talking about going out to consult with all tenants.

<p>Kelly Adams asked if we would need to consult with tenants after the 14 January if the government decided on a 0% increase. The CEO advised no.</p> <p>After further discussion the Board felt that the best option would be option 2 as we could still feed in to the rent review information collection request but avoid confusing tenants.</p> <p>The Director of Finance then advised the Board on the impact that five different rent increases would have on the Association's 30 year Financial Plan compared to our current approved business plan.</p> <p>She advised that any increase below 5% would be challenging for the Association and that difficult decisions would need to be made. She advised that a rise of between 5% and 6% would allow us to maintain our financial viability. The Board agreed that they were comfortable with this range of increase in the current situation.</p> <p>The Board agreed to consult with TAG on a 5-6% increase for 2023/24.</p> <p>A full consultation with all tenants would take place after 14 January 2023 if rent control by the Scottish Government ended at 31st March 2023.</p>	<p>Action</p>
<p>4. Human Rights Risk Assessment</p> <p>The Director of Corporate Services advised that the Board had discussed compliance with regulatory requirements in relation to human rights at the September Board meeting and that it had been agreed that an initial risk assessment would be carried out. She advised that this has been done and that there was no significant areas of non compliance. The risk assessment did highlight the need for training and this is currently being arranged for the Board and Leadership Team. A further risk assessment will be carried out after the training has been undertaken.</p> <p>The Board noted this paper.</p>	<p>Action</p>
<p>5. Assurance Statement</p> <p>The Board approved the Annual Assurance Statement. This was signed by Kelly Adams. The Director of Corporate Services will submit this to the Regulator tomorrow.</p>	<p>Action</p>
<p>6. Write off Report</p> <p>The Director of Housing Services advised that this report is done bi-annually and that these are debts that we are unable to pursue for various reasons.</p> <p>The Board agreed to write off 8 former tenant arrears where the arrears exceed £2,000 to a total value of £27,888.09.</p>	<p>Approved/ Noted</p>

<p>The Board also noted the other recommendations in this report.</p>	
<p>7. Revision to Financial Regulations The Director of Finance outlined the minor changes to Appendices A and C of the financial regulations relating to authorisation levels.</p> <p>The Board approved the changes to the Financial Regulations.</p>	Approved
<p>8. Risk Management Report The Director of Corporate Services outlined the key issues which impact on our strategic risks and provided update on the strategic risks and high level operational risks.</p> <p>Nick Farrell asked if the IT issues had now been resolved. The CEO advised that a consultant had been appointed. We now have a clear plan on what we are going to do to address the issues. A report will be presented to the Board by the end of the financial year on the progress that is being made.</p> <p>The Board noted this report and approved the proposed changes to the risk scores.</p>	Approved
<p>9. Board Briefing The Chief Executive presented the Board Briefing to the Board. He advised that Derek McGowan is going to stand down as a Board member and also Chair of the Audit Committee. Paul McCandlish, who was a previous Board member has expressed an interest in coming onto the Board again and is also happy to take on the role of Chair of the Audit Committee. A recruitment campaign is also underway to fill the two vacancies, one in Glasgow and one in Ayrshire.</p> <p>The Board agreed to the appointment of Paul McCandlish onto the Board and also as Chair of the Audit Committee.</p> <p>The Director of Finance updated the Board on the Association’s credit rating with the Clydesdale Bank. The Board approved the removal of the Clydesdale bank from our list of deposit counter parties until such time as their credit rating improves to meet our approved levels.</p> <p>The Board agreed to changing the frequency of write offs to six monthly rather than quarterly.</p> <p>The Director of Finance has a meeting with Cairn Housing tomorrow regarding the future of the 10 flats in Ardrossan.</p> <p>The Board noted the rest of the briefing report.</p>	<p style="text-align: right;">Approved</p> <p style="text-align: right;">Approved</p> <p style="text-align: right;">Noted</p>

<p>10. Progress with 2022/23 Key Business Objectives & Action Plan</p> <p>The CEO gave an update on the progress that has been made with the actions that had to be completed by the end of September.</p> <p>The Board noted the progress with the Corporate Business Plan Key Business Objectives and associated actions.</p>	<p>Noted</p>
<p>11. Governance Conference Debrief</p> <p>Michael Sozansky provided the Board with feedback on the Governance Conference which he had attended in August. He said it was worthwhile and would encourage other Boards members to attend similar events.</p>	
<p>12. Resolutions</p> <p>The Board noted this report.</p>	<p>Noted</p>
<p>13. Notifiable Events</p> <p>The Director of Corporate Services advised that we had received notification that the amended rules had been registered with the Financial Conduct Authority and that the notifiable event should be closed soon.</p>	<p>Action</p>
<p>14. AOCB</p> <p>It was agreed that the Board meeting on 23rd November 2022 would be put back until Wednesday 30th November 2022.</p>	
<p>Review of Meeting</p> <p>Everyone agreed that the meeting had gone well with a lot of discussion around the rent freeze. The Board asked for sandwiches to be provided for the next meeting.</p>	
<p>Date of next meeting - Wednesday 30th November 2022</p>	