

**West of Scotland Housing Association
Minutes of the Board Meeting
Held by Video Conference
Wednesday 27th January 2021**

<p>Present: Kelly Adams (Chair), Nick Farrell, Ann Reid, Derek McGowan, John Shearer, Irene McFarlane (items 1 to 3); Ryan Docherty, John Muir, George Kpodo, Paul McNeil, Ruth Simpson</p> <p>In Attendance: Brian Gannon, Chief Executive Officer, Colin MacCallum, Director of Finance, Jennifer Cairns, Director of Corporate Services; Andrew Kubski, Director of Development & Asset Management; Colin MacCallum, Director of Finance; Robert Campbell, Director of Housing & Community Services; Caroline Stobo, HR & Corporate Service Assistant; David Davison, Spence & Partners; Sandy Hunter, (Observer)</p> <p>Apologies: Elaine Davidson (leave of absence), Clare Newton, Christine Musasa</p>	
<p>Disclosure of Interests The Chief Executive advised that staff would be required to leave at the point that the Board were making any decisions on relation to the pension scheme.</p>	
<p>1. Approval of the minutes The minutes from the special meeting held on 18th November were approved by Paul McNeil & John Shearer. The minutes from the meeting held on 25th November 2020 were approved by Irene McFarlane and Ann Reid</p>	Approved
<p>2. Matters Arising The Board received an update on actions arising from the previous Board meeting on the 25th November 2020.</p>	All Actioned
<p>3. Pension Consultation Feedback</p> <p>The Chief Executive outlined the background to the recent pension consultation. The Chief Executive advised the Board that the 60-day consultation on the pension review resumed on 1st December 2020, based on the revised offer to all WSHA staff in the Group proposed by the Board at their Special Board meeting on 18th November. The closing date for the consultation ended on 22/1/21.</p> <p>He advised the Board that the JNC Appeal Hearing would be held on the 5th February 2021 and that we will know the outcome verbally within 2 working days of the hearing.</p>	

The Board agreed that any decisions in relations in relation to current final salary scheme members would be deferred until after the Board know what the outcome of the JNC Appeal Hearing is.

He outlined the revised offer as agreed by the Board in November and provided and an outline of the consultation process. He advised the Board that 48 responses had been received and provided a breakdown of the responses as per the table below:

Consultation choice selected	Number of staff	As a % of all WSHA staff *
Option 1 - I am in favour of closing the current defined benefit option and offering a Defined Contribution Scheme to all staff in the Scheme	19	27%
Option 2 - I am in favour of another arrangement. (Please use the box below to say what this is)	29	40%
No Feedback form returned	24	33%
	72	100%

The Board paper also included full details of feedback from each member of staff (anonymised).

The Chief Executive advised that the key theme of feedback from the those who wanted an alternative arrangement was for the Board to consider a CARE Scheme option. He then introduced David Davison, from Spencer and Partners to provide the Board with further information on CARE Scheme options.

David Davison explained that there may be a misunderstanding with staff in respect of the CARE Scheme options. He showed the Board figures in respect of the differences for individuals in respect of the CARE 80th Scheme and advised that the difference in benefits to the majority of staff are marginal compared to the new Defined Contribution offer.

Irene MacFarlane suggested sharing these figures with staff to explain this. It was agreed that this could be done as the next step in the process in response to staff feedback from the consultation.

The Chief Executive outlined the decisions that the Board needed to make at this meeting.

The Board must decide on interim pension contributions for final salary staff, there are 3 options detailed below:

1. Continue to cover the full costs of additional contributions
2. Advise staff that they will have to share the additional contributions on a 50/50 basis.
3. Advise staff that the Board will no longer meet the additional contributions and that from a certain date staff will be required to cover the full additional costs.

The Chief Executive advised that with options 2 and 3 a 60 consultation would be required before changes in contributions could be made. John Shearer queried why another consultation would be required. The Chief Executive advised that this was a legal requirement and that the previous consultation had been around closure of the final salary scheme and that this consultation would be to increase staff contributions.

Irene MacFarlane questioned when this consultation would start. The Director of Corporate Services advised that the Board should consider waiting until after we know the outcome of the JNC Hearing before starting the consultation but that we can start the consultation following the hearing outcome if required.

The Chief Executive also advised that the Board should consider whether they wish to close the Final Salary option to new members and go ahead with the implementation of the new defined contribution offer to staff from 1st April 2021. He advised that SHAPS required two month's notice in respect of closure of the scheme to new members. Two months' notice of this decision is required to be given to SHAPS.

All staff members left at this point in the meeting.

The Board discussed the decisions to be made and agreed the following:

- Current final salary scheme members should be asked to pay full additional contributions from a certain date, dependent on the outcome of the JNC Appeal Hearing
- The Final Salary scheme is to be closed to new members from 1st April 2021
- The new Defined Contribution offer is to be implemented for all non final salary members from 1st April 2021

4. Rent Consultation Results

Robert Campbell, Director of Housing & Community Services presented the Board with the outcome and comments from the recent rent consultation. He outlined the consultation process and advised that tenants had been consulted on options to increase rents by 1.5% or 0.5% as agreed by the Board in November 2020.

He confirmed that all tenants received a letter, a text and invited to attend an open meeting with TAG about the rent consultation. The open meeting was poorly attended but over 340 tenants responded to the consultation which was an improved response from previous years. He advised the

<p>Board that the significant majority of tenants had stated that their preferred option would be a 0.5% rent increase</p> <p>The Board considered the feedback from the consultation and agreed that the rent increase would be 0.5% for 2021/22.</p>	Approved
<p>5. Risk Review of Business Objectives</p> <p>The Director of Corporate Services presented the Board with a report that outlines the potential risks to the achievement of the Business Priorities for 2021/22. She outlined the risk assessment that had been carried out and the Board discussed the potential risks identified and agreed that all risks had been considered.</p> <p>In discussion recruitment and retention of staff, Paul McNeil queried how staff were feeling about WSHA just now.</p> <p>The Director of Corporate Services explained that the culture audit had positive feedback from all staff during the current situation She advised that we would be carrying out our staff engagement survey next month which would give the Board some further feedback on this.</p> <p>John Shearer asked if we have an issue of invest in training staff and then losing them. The Director of Corporate Services explained that we don't have an issue with staff leaving after they have been trained. We have a good terms and conditions and benefits and there is a good culture therefore very rarely do staff leave after a short period of time. We do sometimes lose good staff from Willowacre Trust as some staff contracts are fixed term.</p> <p>Nick Farrell mentioned that it is difficult for the Board to get to know staff and vice versa particularly in the current situation.</p> <p>The Chief Executive stated that on the whole staff are feeling positive about the Association other than the pension issue.</p> <p>The Board went on to discuss the high level operational risks and confirmed that they had assurance that these were the right risks identified and they had assurance that these were being managed effectively. They discussed potential significant causes going forward and agreed that Covid and Brexit were the key issues to be mindful of and mitigate risks accordingly. They noted the risk assessments that had been carried out in respect of these issues.</p> <p>Kelly Adams stated that she and the board were happy with the risk assessments and objectives being managed sufficiently.</p>	Approved

<p>6. Responsive Repairs and Void Repairs Tender</p> <p>The Director of Development & Asset Management presented a paper on the tender for the Void and Reactive Repairs contract. He outlined the procurement process that had taken place and presented the quality and price scoring to the Board. He highlighted that we received we received 6 bids and that Turners was the highest scoring bid.</p> <p>Nick Farrell asked how the quality score was assessed and the Director of Development Assessment Manager outlined the process.</p> <p>Ruth Simpson highlighted the variance in cost between the bids. The Director of Development & Asset Management advised that there was an element of consideration of risk when contractors priced these bids.</p> <p>The Board approved the appointment of Turners as the new contractor and the potential extension of the current contract with Robertson FM if required due to the delay in the tender process.</p>	<p>Approved</p>
<p>7. Notifiable Events Procedures</p> <p>The Director of Corporate Services advised the Board that the recent process to prepare for our Assurance Statement had highlighted the need to expand the Notifiable Events procedures to include other regulators. Previously it only included notifiable events to the Scottish Housing Regulator. She presented the revised procedures to the Board.</p> <p>The Board approved the revised procedures.</p>	<p>Approved</p>
<p>8. Subsidiary Report</p> <p>The Director of Corporate Services advised the Board that it had been highlighted through the Assurance Statement process that there was a need for further reporting to the Board in respect of WSHA subsidiaries. The Board approved a Group Scheme of Delegation in October 2020 and this report follows on from this.</p> <p>The Director of Corporate Services provided an overview in respect of the activities of Willowacre Trust and Westscot Living. She has asked the Board for feedback on the report as this is the first report to the Board.</p> <p>Board Members fed back that they were happy with the contents of the report and that it provided them with the assurance required.</p>	
<p>9. Board Briefing</p> <p>The Chief Executive presented the Board Brief to the Board. He provided an update on staff changes and recruitment that is currently ongoing.</p> <p>He outlined the changes to reporting in line with the Agenda Planner which was approved by the Board in November.</p>	

<p>The Director of Finance provided an update on the implementation of Civica Financials. He highlighted while there is a delay in timescales, there are no additional costs.</p> <p>The Chief Executive advised that as we have not been able to raise funds for Willowacre Trust during the pandemic, he is looking for approval for Willowacre Trust to be the corporate charity for 2021. The Board approved this.</p> <p>He also advised that we have been asked to renew our membership with SFHA. The Board discussed the cost of this membership and the renewal was agreed for this year with the caveat that the issue of the cost of the membership would be raised with the SFHA in respect of continuing membership.</p>	<p>Approved</p> <p>Action</p>
<p>10. Reviews on Reporting</p> <p>The Director of Corporate Services provided the Board with an update on progress made on the review of reporting this year so far. She outlined the proposals to the Board in respect of KPI reporting and complaints reporting. The Board approved these proposals.</p>	<p>Approved</p>
<p>11. Group Information</p> <p>The Board noted the following minutes:</p> <ul style="list-style-type: none"> • TAG Minutes, 26th Nov 2020 • Audit Committee Minutes, 11th Nov 2020 • DISC Minutes, 4th Dec 2020 	<p>Noted</p>
<p>12. Resolutions</p> <p>The Board noted that the documents to draw down the Allia loan had been signed by the Company Secretary as delegated by the Board.</p>	<p>Noted</p>
<p>13. Notifiable Events</p> <p>The Board noted the outstanding notifiable events and updates</p>	<p>Noted</p>
<p>14. Review of Meeting</p> <p>The Board reviewed the meeting. It was agreed it had been a good meeting. Kelly Adams pointed that perhaps some items should have had more discussion but felt that the papers ensured that the Board had all the relevant information which mitigated the need for questions. Derek McGowan commented that the quality of the papers was again very good which made the meetings more effective.</p>	
<p>Date of Next Meeting – 24th February 2021 – 5.30pm</p>	