

**West of Scotland Housing Association  
Public Minutes of the Board Meeting  
Held by Video Conference  
Wednesday 24<sup>th</sup> June 2020, 5.30pm**

<p><b>Present:</b> Ruth Simpson (Chair), Clare Newton, Nick Farrell, Kelly Adams, Ann Reid, George Kpodo, Derek McGowan, John Shearer, Irene Campbell, Paul MacNeil.</p> <p><b>In Attendance:</b> Brian Gannon, Chief Executive Officer, Colin MacCallum, Director of Finance, <i>From agenda item 4 onwards:</i> Jennifer Cairns, Director of Corporate Services; Robert Campbell, Director of Housing and Community Services; Andrew Kubski, Director of Development &amp; Asset Management; and Gemma Rickman, BDO (observer)</p> <p><b>Apologies;</b> Elaine Davidson (leave of absence), Ryan Docherty, Paul McCandlish</p>	
<p><b>Disclosure of Interests</b> None.</p>	
<p><b>1. Approval of the minutes of the 27<sup>th</sup> May 2020</b> The minutes from the meeting held on 27<sup>th</sup> May 2020, were approved by John Shearer and seconded by Claire Newton, after a correction to spelling of Paul MacNeil's name.</p>	<b>Approved</b>
<p><b>2. Matters Arising</b> The Board received an update on actions arising from the previous Board meeting on the 27<sup>th</sup> May 2020. All updates were noted.</p>	

<p><b>3. Final Salary Pension Review</b></p> <p>The Board received a report which sought their view on the next steps in respect of their earlier decision to close the Final Salary Pension Scheme and the subsequent grievances made by staff in respect of that decision. It also updated the Board on the latest information from SHAPS on WSHA’s defined benefit pension scheme liabilities.</p> <p>The CEO advised that it was now over 12 weeks since the Board decided to suspend their decision to close the Final Salary Pension Scheme as a result of the Covid crisis.</p> <p>The CEO also explained that he and the Director of Finance would be available to answer questions about the report but would leave the meeting when the Board wanted to discuss its decision in respect of the report.</p> <p>A long and detailed discussion took place in respect of the Board’s previous decision to want to close the Final Salary Scheme and the forthcoming grievance hearings.</p> <p>With no more questions for the CEO and the Director of Finance, they left the meeting.</p> <p>The Board members then discussed options further and the way forward.</p> <p>The Board’s decision was to maintain the decision to close the FS Defined Benefit Pension scheme and look to arrange the JNC hearing as soon as possible.</p>	<p><b>Approved Action</b></p>
<p><b>4. Coronavirus Update</b></p> <p><i>All Directors and Gemma Rickman from BDO joined the meeting.</i></p> <p>The Director of Corporate Services took the Board through the latest report on our Business Continuity and Recovery planning. The report also provided a summary of the latest Covid staff survey, where 96% of staff feel supported by their line manager.</p> <p>The Director of Corporate Services noted that we were planning for staff to return to the office from the end of July.</p> <p>John Shearer noted that he had been made aware of an operative from our Repairs contractor who had visited a tenant’s home without any PPE. The Director of Development &amp; Asset Management advised that he was aware of this case and the operative had been warned about future conduct.</p> <p>Nick Farrell asked if we had a date for when we planned to begin carrying out Non-Emergency Repairs again. The Director of Development &amp; Asset Management Andrew Kubski advised that we had begun to have discussions with Robertson’s, but no specific date had been agreed. Andrew noted that the backlog of repairs was now significant.</p>	

Staff clarified for Irene Campbell that rent arrears were increasing although the increase from the previous month was not as significant. The Director of Housing & Community Services discussed the actions his team were taking.

Kelly Adams asked how we minimised risks to the business as a result of rising rent arrears due to Covid. The Director of Housing & Community Services noted that we don't write-off current rent arrears and will continue to pursue these and discussed the actions his team were taking and noted that the planned restructure due to be implemented on 1<sup>st</sup> July would assist with this process. He noted that one-third of tenants were now on Universal Credit. He also advised the Board that our investment in new performance reports would be a significant benefit to our Income Maximisation Team.

Nick Farrell asked about our current voids and where we are with re-letting. The Director of Housing & Community Services noted that all voids are getting repaired apart from our sheltered voids in communal blocks. We have been agreeing leases with local authorities and Women's Aid to help address homelessness. New guidance on lettings from the Scottish Government had been issued and we expected full resumption of lets from all lists (except mutual exchanges) from 29<sup>th</sup> June.

Paul MacNeil asked for clarification on the term Section 5s. Robert Campbell explained the requirements under section 5 of the Housing Act 2001, to assist local authorities with rehousing homeless applicants. Irene Campbell noted the pressures that are likely to come from significant numbers of single homeless men currently in hotels in Glasgow. Ann Reid thanked Robert Campbell and Brendan McGeever for assisting with her enquiry about grounds maintenance and noted she was happy with their proposals re monitoring current service.

Irene Campbell congratulated the Community and Support Services Manager on obtaining so much funding and advised there was more funding available from the Scottish Government. The Director of Housing and Community Services advised he would ensure that Maisie was aware of this.

Ruth Simpson thanked staff for all their work during the current crisis.

The Board noted the report.

**Noted.**

<p><b>5.Board Annual Review Report</b></p> <p>The Director of Corporate Services and the Chairperson presented a report providing an overview of the key themes and issues from Board appraisals for consideration in respect of compliance with the SHR Regulatory Standards of Governance and Financial Management. The report also outlined several proposals in respect of succession planning based on the current Board profile and succession planning for office bearers. The report also outlined proposed training and development over the next year.</p> <p>John Shearer suggested that sub committee members should be rotated more frequently. The Director of Corporate Services agreed to look in to this further. Derek McGowan was given assurance that we would continue to enable attendance at Board meetings to be via video conference when meetings were once more held in WSHA’s office. Clare Newton agreed that the default in future should be meetings within the office.</p> <p>The Board discussed how to attract new tenant members and agreed that it would be good to have members from TAG moving on to become Board members. The CEO noted the benefits of new board members participating initially as observers before becoming formal Board members.</p> <p>The report was noted.</p>	<p><b>Noted</b></p>
<p><b>6. Review of Scheme of Delegation</b></p> <p>The Director of Corporate Services presented a report on a comprehensive review of our Scheme of Delegation (SoD). Jennifer advised that there are no significant changes in terms of delegated authority. The main changes relate to format of the scheme and links to other policies and documents. The review also considered the recommendations from the external review carried out by Linda Ewart. The report outlined the next steps in respect of sub committees and subsidiaries reviewing their remits in line with the SoD.</p> <p>Kelly Adams commented that in her experience this was a very comprehensive document.</p> <p>The Board noted and approved the new Scheme of Delegation.</p>	<p><b>Approved</b></p>
<p><b>7. Review of Financial Regulations</b></p> <p>The Director of Finance presented our new Financial Regulations for approval. Colin noted that the Regulations were last reviewed in May 2019 and that the Regulations are subject to review on an annual basis. The revised document would normally have been taken to the Audit Committee, however, as the Scheme of Delegation is also being reviewed it was considered appropriate for the Regulations to be brought to the Board.</p> <p>There were several changes to the Regulations. These were principally to recognise that the regulations apply to all companies within the WSHA</p>	

<p>Group, reflect recent changes to the Corporate Management team (composition, title and responsibilities), ensure consistency with the Scheme of Delegation and improve the clarity of the text.</p> <p>Colin noted that we have expanded the text on Budgetary Control to reflect comments made by the Audit Committee with respect to the detail to be included in the annual budget report and the discussions budget holders will have with Finance staff during the budget process and in particular with the objective of driving unnecessary costs from the business.</p> <p>Changes were made to consolidate all references to debt write-off in one section and to include reference to the new Write-Off Policy.</p> <p>The text on Procurement had also been simplified with the reader instructed to refer to the Procurement Policy for fuller detail on procurement procedures.</p> <p>Derek McGowan asked that the text at 4.1 in the regulations be changed to be clearer on who specifically was responsible for retaining letters of appointment. He also asked for clarification on the reference in appendix 3 to the CEO having no limit of authority on expenditure. The Director of Finance confirmed this was specifically within budget allocation only.</p> <p>The Board noted and approved the new Financial Regulations.</p>	<p><b>Approved</b></p>
<p><b>8. Write-Off Policy</b></p> <p>The Director of Housing &amp; Community Support presented this new policy which as noted under item 7 was required to bring clarity to authorisations and criteria used for writing off debts and credits across various customers' accounts. The Board noted that debts over £2,000 should come to the Board and debts under this would be approved by the CMT. Ruth Simpson queried whether the £2,000 limit was set too low. Robert Campbell confirmed that based on only 4 cases needing to be approved at the last meeting, this was manageable.</p> <p>Derek McGowan queried the accompanying Equality Impact Assessment and why certain protected characteristics might be specifically affected by a write-off policy. The CEO explained that this was not specifically to do with write-offs but a general assessment of any policy where there might be barriers to accessing the information in the policy.</p> <p>The Board noted that the Policy would be discussed with TAG and approved the new Policy.</p>	<p><b>Action Approved</b></p>
<p><b>9. Mid-Market Rent Subsidiary</b></p> <p>The Director of Corporate Services noted that the Board had agreed the legal status, name and interim Board of the mid-market rent subsidiary in August 2019. It was agreed that the subsidiary would be established when the Association were sure that they were going to deliver mid-market rent. We now have confirmed funding for these projects and are looking to set up the subsidiary and develop the brand so that we can start marketing the properties to prospective tenants. The report also presented the proposed Memorandum and Articles for approval to allow the subsidiary to be incorporated with Companies House. The report also provided the Board</p>	

<p>with an update on the Mid Market Rent developments and the risk assessment process that has been carried out.</p> <p>Kelly asked about the need for consolidated accounts and the suggestion that we seek an exemption from the requirement to prepare consolidated accounts. The Director of Finance advised that consolidated accounts added another layer of cost and were unlikely to provide an equivalent improvement in information to the reader that would not be available from the MMR accounts. It was agreed that the decision whether or not seek an exemption from preparing consolidated accounts could be deferred for a further year as the MMR company was unlikely to start to trade until the final quarter of the 2021/22 financial year.</p> <p>In respect of the risk assessments for MMR, Derek McGowan felt that as a well run housing association with a strong track record in delivering homes he would not have expected so many risks to be assessed as red-high risk, particularly some target risks after controls had been put in place. The Director of Corporate Services explained that these risks were for the new subsidiary rather than WSHA. Both the Director of Corporate Services and the Director of Housing and Community Services also noted that Mid-Market Rent is a new business venture for the WSHA Group, and therefore carried new risks for the WSHA. Robert also noted that a key risk was down to demand for new MMR homes. He did not however expect a significant problem with the location of both of our MMR developments.</p> <p>The Director of Development &amp; Asset Management noted that the risk assessments had been prepared after meetings with RSLs who had experience of delivering MMR and felt that they should remain red to ensure that we remained focussed on successful delivery.</p> <p>The Board noted the report, approved the Memorandum and Articles for WestScot Living subsidiary and authorised Harper MacLeod to incorporate WestScot Living with Companies House.</p>	<p><b>Approved Action</b></p>
<p><b>10. Board Brief</b> The Board noted the Board brief.</p>	<p>Noted.</p>
<p><b>11. Staff Succession and Talent Management</b> The Director of Corporate Services presented a report on a new approach which will be incorporated into our Performance Management Framework and Learning and Development Policy. Jennifer noted that at present, WSHA has no formal succession plan in place and due to the number of staff and the sector that we work in, it would be difficult to have a detailed succession plan in place. The report noted that following discussions at CMT it was agreed that we adopt an approach to succession planning and talent management as outlined in the report. The report outlined the steps that we need to take in relation to succession planning and talent management; the key first step being identification of critical roles within the organisation.</p> <p>The Board noted and approved the new approach.</p>	<p><b>Approved</b></p>

<p><b>12. Annual Learning &amp; Development Report</b></p> <p>The Director of Corporate Services presented an Annual Learning and Development Report covering the period 1st June 2019 to 31<sup>st</sup> May 2020. The report outlined the learning and development activity for the last year and detailed plans for future learning and development over the next year in respect of workforce development, training programme and health and safety training. The report also considers future Leadership Development.</p> <p>Derek McGowan queried some of the graphs in appendix 3 – 360 Appraisals. It was explained the some graphs did not show strongly disagree because no one had selected that in the survey.</p> <p>Kelly Adams asked how we would monitor progress with this workforce development. The CEO noted that all staff appraisals now had key business objectives set out in them and there was now a clearer link between training and development and business objectives.</p> <p>The Director of Corporate Services also advised that she is going to work on a framework that pull all the different strands together in respect of the staff performance and engagement and improving our culture so that we link everything together rather than having various pieces of work.</p> <p>The report was noted.</p>	<p><b>Noted</b></p>
<p><b>13. Annual Complaints Report</b></p> <p>The Director of Corporate Services presented a report providing a summary of our performance in handling complaints throughout 2019 / 2020. The report provided detailed information about the service areas which received complaints. The report noted that throughout the year we received a total of 226 complaints with 174 being considered as stage one complaints, and 52 being stage two complaints. The total number of complaints is a significant increase on the previous year though this reflects improved recording of complaints, particularly in relation to our Grounds Maintenance service, rather than indicating a dramatic reduction in service quality. The report highlighted some of the areas of concern around how we manage complaints, and the steps that we are taking to improve our performance in these areas. The report included an update on the introduction of the new model complaints handling procedure, and feedback from our tenant scrutiny group after their review of how we handle complaints.</p> <p>Nick Farrell asked if cases can move between stage 1 and 2. The CEO confirmed that if a customer is not happy with our response at stage 1 it moves to stage 2.</p> <p>Derek McGowan queried how many were moving from stage 1 to stage2. The Director of Corporate Services advised that we did not have that analysis but our move from an access database to Civica CX for reporting will provide much better analysis in future for the Board.</p> <p>The CEO noted that in his view WSHA had too many stage 2 complaints relative to stage 1 and that we needed to reduce the number of complaints that transition between stage 1 and 2 by better understanding the</p>	

B/20/065 – Minutes from Previous Meeting – Public Minutes

<p>complaint and expected outcome of the customer at the outset. He also noted that improving this would lead to efficiencies. The Director of Corporate Services noted that training for all staff on the SPSO Model Complaints Handling procedure would take place on return to the office.</p> <p>The report was noted.</p>	<p><b>Noted</b></p>
<p><b>14. Staff Engagement Plan Update</b> The Director of Corporate Services presented a report on progress with our Staff Engagement Plan. Jennifer noted that we carried out our first staff engagement survey in February 2020, and that the survey was developed by a working group of staff members who then worked with us to put in place an action plan to address areas of improvement identified. The action plan was approved by the Board in March 2020. This report provides the Board with an update in relation to progress made in relation to the action plan.</p> <p>The Board noted the excellent progress made with the Plan.</p>	<p><b>Noted</b></p>
<p><b>15. Minutes</b></p> <ul style="list-style-type: none"> <li>• Willowcare Trust, 12<sup>th</sup> May 2020</li> <li>• Audit Committee, 27<sup>th</sup> May 2020</li> <li>• Development and Investment Committee, 27<sup>th</sup> May 2020</li> </ul> <p>All the above minutes were noted.</p>	<p><b>Noted.</b></p>
<p><b>16. Resolutions</b> There were no resolutions to note.</p>	<p><b>Noted</b></p>
<p><b>17. Notifiable Events</b> These were noted.</p>	<p><b>Noted</b></p>
<p><b>18. A.O.C.B.</b> No other business.</p>	
<p><b>Date of Next Meeting – 26<sup>th</sup> August 2020</b></p>	