

**West of Scotland Housing Association  
Minutes of the Board Meeting at Camlachie House  
Wednesday 22<sup>nd</sup> May 2019  
Public Minutes**

<p><b>Present:</b> Ruth Simpson (Chair), Ann Reid, Clare Newton, Derek McGowan, Ena Hutchison, John Shearer and Shona Gallagher</p> <p><b>In Attendance:</b> Lynne Donnelly, Chief Executive Officer, Colin MacCallum, Director of Finance and Corporate Services, Stewart Gibb, Director of Housing and Customer Services, Jennifer Cairns, Head of Corporate Services and Kari Archibald, Executive Assistant.</p> <p><b>Also attending:</b> Alistair Reid, Tenant Engagement Officer, Lynne Clark, Janette Oliver and Margaret Story, TAG and Claire Robertson, Director, BDO (Internal Audit)</p>	
<p><b>1. Welcome &amp; Apologies</b> The Chair welcomed all to the meeting and noted apologies from Elaine Davidson and Kelly Adams</p>	
<p><b>2. Variation to the agenda</b> The Chair announced that the agenda would change to start with the TAG Annual Report and then Internal Audit Annual Report. The remaining items would then follow there on in.</p>	
<p><b>3. TAG Annual Report</b> The Tenant Engagement Officer along with TAG members presented the report to the Board and highlighted the achievements of 2018/19 which included the work involved with tenant scrutiny, reviewing rate your estate, working with staff and Board to carry out the Allocation Policy review, Asset Management, Good Neighbour Charter and Customer Service Charter.</p> <p>The TAG members spoke of the priorities for 2019 and how they look forward to continuing to be involved with scrutiny activities.</p> <p>The Board heard that TAG remain unhappy with the Board's decision to remove the £10 gift for pensioners at Christmas time and urged the Board to revisit this decision or look at another way to allow elderly tenants to receive a gift at the Christmas period.</p> <p>The Board noted the TAG Annual report and the Chair thanked TAG members for their good work over the year. The Chair addressed the concern raised and that Board did not make the decision lightly for the removal but had to consider what was best for the needs of the business.</p> <p>The Tenant Engagement Officer and TAG members vacated the meeting.</p>	

**4. Internal Audit Annual Report**

Claire Robertson presented the Internal Audit Annual Report to Board and guided through the 12 areas covered such as IT General Control, IT System Implementation Review, GAS Safety, Fire Safety and Staff Recruitment.

The report detailed the recommendations of high, medium and low priority and Claire spoke and highlighted each area for the Board to digest.

Derek McGowan asked for more clarity on the high recommendations that were placed for IT and Staff Recruitment.

The Head of Corporate Services explained that with the staff recruitment procedure it was identified that there was non compliance around employment checks but trusts that the procedure had been carried out but record keeping was the real issue. The Head of Corporate Services assured that all record keeping and checks are now being actioned and recorded.

Claire Robertson informed that the IT issue was that there was a lack of project management skills applied in the early stages of the project and that internal expertise was insufficient for a project of this size leading to inadequate project governance. The Director of Finance concurred with this view and stated that we had now employed a company to take over the internal project management and that the particular individual was an ex Civica employee with experience of the Civica products and its project management approach.

The Gas Safety validation also highlighted some discrepancies in the property list but officers had been quick to answer any queries and provide supporting evidence to address any concerns..

The Chair opened up to questions.

The Director of Finance and Corporate services confirmed that David Hull was appointed as our new internal Project Manager and that he will be coming along to the June Board meeting to provide a progress report.

The Chair enquired that if the new system is implemented should this result in an improvement. The Director of Finance and Corporate Services confirmed an integrated system will be of benefit but it will rely on the correct data being input. Several members stressed the importance of staff training, quality checking and good performance management to address errors.

Derek McGowan raised concern about the Gas Safety and did not feel

<p>comfortable with the information that was presented. Shona Gallagher felt the same and all raised concerns about this testing. Board members suggested that there should be 100% testing carried out and not just some sample tests.</p> <p>Claire Robertson offered assurance that gas service was being carried out on all stock within the 12 month timescale and the issue was more about recording data on a manual system. She referred to the Gas Audit completed in January 2019 which provided substantial assurance that 100% of services were completed on time.</p> <p>The Board requested that officers obtain a letter from the Contractor confirming all services were completed on time as this would provide further assurance. The CEO confirmed she would request a report from the Contractor, that she and the Director of Development &amp; Asset Management would review the report and advise Board of the outcome.</p> <p>The CEO also suggested that the performance of Gas safety/checks could be reported to Board on a monthly basis to give some additional assurance. The Board agreed to this.</p> <p>The Board thanked Claire Robertson for the report and noted the content.</p> <p>Claire Robertson vacated the meeting at this point.</p>	
<p><b>5. Approval of the Minute of 20<sup>th</sup> March 2019</b> The approval of the minutes from the Board meeting of 20<sup>th</sup> March 2019 was proposed by John Shearer and seconded by Ann Reid.</p>	<p><b>Approved</b></p>
<p><b>6. Approval of the Minutes of the 4<sup>th</sup> April</b> The approval of the minutes of the Board meeting of the 4<sup>th</sup> April 2019 was proposed by Clare Newton and seconded by Shona Gallagher</p>	<p><b>Approved</b></p>
<p><b>7. Disclosures of Interest.</b> None.</p>	
<p><b>8. Matters Arising</b> All matters arising were noted.</p>	
<p><b>9. Board Briefing</b> The CEO spoke to the Board brief highlighting the staff updates along with EVH and GWSF brief.</p> <p>The CEO asked the Board to pay attention to the amendment to the standing orders in relation to conference calling at Board meetings. Ann Reid suggested making it clear that those on conference call count towards the quorum. The Board agreed with this. The Head of Corporate Services will amend.</p>	<p><b>Action</b></p>

<p>The CEO referred to the Business Planning confirming there will be a working group to develop the programme and the Chair has agreed to be involved and one other Board member would be welcomed to join the group. Shona Gallagher volunteered.</p> <p>The Chair spoke about a recent training session she attended on FOI and commented that our website should contain as much information and updates as possible. Derek McGowan also commented that staff should be aware of content of emails regarding any tenant information, enquiries etc. The Head of Corporate Services confirmed staff have received training on the subject.</p> <p>The Board noted the dates for future training and meetings.</p>	
<p><b>10. ICT Project Update</b></p> <p>The CEO gave a brief update on the project. The Board had been presented with a document from DTL creative showing the findings from the review they carried out and confirming the possibility of going live in October 2019.</p> <p>The Board had been informed prior that David Hull was appointed to project manage the team and support development of the system. At a recent meeting between the CEO, David Hull and The Director of Finance and Corporate Services it was recommended that the project board consider a three month delay to allow go live with full integration. Information was being considered and a Business Case would be presented in full to Board at the June meeting.</p> <p>The Chair raised concern that this would likely take over to the next year for the system to be in place. The Board felt that the news was not great and more delay added. The Director of Finance and Corporate Services explained that if they go live with the proposed month of October then there wouldn't be a full integration and that David Hull would be best to explain further at the June Board meeting.</p> <p>The Board will be asked to consider and make a decision at the June meeting when a full business case will be presented.</p>	
<p><b>11. Shareholder Approval</b></p> <p>The CEO asked the Board to consider and accept the three new shareholder applications.</p> <p>The Board approved the applications</p>	<p><b>Approved</b></p>
<p><b>12. ARC Report</b></p> <p>The CEO presented the ARC results to Board and spoke to the paper and highlighted the stats, the CEO confirmed that validation of the figures had taken place in relation to spreadsheets but we are unable to validate straight from source due to system limitations. The Board heard of the key areas within the report being the complaints handling and Value for Money. The Board is specifically asked to approve the ARC submission for 2018/19 prior to it being processed via the Scottish Housing Regulator</p>	

<p>portal.</p> <p>The Board asked how the customer satisfaction conducted with tenants. The Head of Corporate Services advised it was through one to one meetings and confirmed the Board will be presented with further information on customer satisfaction at the June meeting.</p> <p>Shona Gallagher asked for further explanation behind the re let figure as the figure seemed quite high. The Director of Housing and Customer Services informed that this figure reflects a significant number of deaths and delays to keys being returned to the office.</p> <p>Derek McGowan felt that the Value For Money Target should remain at 90% instead of the proposed movement of 85% and we shouldn't be lowering the figure because it's hard to achieve. The Board agreed to leave the figure at 90%.</p> <p>After consideration, and subject to the CEO and Director of Development and Asset Management receiving satisfactory information from the Gas Servicing Contractor, the Board agreed to</p> <ol style="list-style-type: none"> <li>1. note and review performance results against KPIs and ARC indicators for the year 2018/2019</li> <li>2. approve the ARC 2018/2019 for submission to the Scottish Housing Regulator</li> <li>3. approve 2019/2020 KPIs for inclusion in the Corporate Plan 2019-2024 subject to keeping Value for Money at 90%</li> </ol>	<p><b>Note</b></p> <p><b>Approve</b></p> <p><b>Approve</b></p>
<p><b>13.Federal Structure</b></p> <p>The Head of Corporate Services advised the Board of the findings of the tenant consultation exercise undertaken to gather views about the future make up of the Board.</p> <p>The Board noted the approach to consultation and that the response was quite poor with only 30 responses from the survey. The Tenant Engagement Officer met with an additional 50 tenants face to face and the feedback was that the qualities that a Board member could bring rather than their location matter the most. TAG also raised that there is no strong opinion on whether Board members should be elected based on their geographical location. However, TAG want to note that they believe there should always be a tenant majority on the Board, and that it is vital that tenant Board members are willing to speak up on behalf of tenants and challenge the Association where required.</p> <p>The Head of Corporate Services asked the Board to consider options to take this forward.</p> <p>The Chair commented that it would be ideal for 8 tenant members to be on</p>	

<p>Board and that the geographical area should matter as it good representation across all Local Authority areas. Ann Reid agreed that it would be good to have a good mixture but suggested that if there could be something in the rules to state that if, over a period of time, you cannot fill vacancies for one area then you can offer that vacancy out to other areas. The Board agreed to Ann Reid’s suggestion.</p> <p>Derek McGowan felt that the word constituent felt too political and if this is something that could be looked into.</p> <p>The Head of Corporate Services agreed to discuss both suggestions with our Legal advisors and report back to the Board.</p> <p>The Board noted the report and agreed to option one within the report.</p>	<p><b>Action</b> <b>Approve</b></p>
	<p><b>Approve</b> <b>Note</b></p>
<p><b>15 Anti Social Behaviour Policy</b></p> <p>The Director of Housing and Customer Services presented the report and the Board noted that the planned review in 2018 was delayed until 2019 to accommodate enactment of the Housing (Scotland) Act 2014, the revised rules came into force in May 2019. The act introduces changes to tenancy rights with specific changes to the use of the Short Scottish Secure Tenancy (SSST). The new legislation also allows social landlords to take into account previous anti social behaviour of new tenants.</p> <p>The Board noted the changes presented and approved the policy.</p>	<p><b>Approve</b></p>
<p><b>16. Annual Procurement Report</b></p> <p>The Head of Corporate Services gave the Board a detailed report on the Annual Procurement and overview of progress made against each of the objectives in the Procurement Strategy including procurement activity over the past year and value for money obtained. The revised Strategy included within the report outlines planned procurement for the next 5 years in line with the tender programme.</p> <p>The Board noted the content of the report and approved the revised</p>	

<p>strategy.</p>	<p><b>Noted /Approved</b></p>
<p><b>17. Loan Portfolio Return</b>                  The Director of Finance and Corporate Services presented a detailed report to Board outlining the details of the Association’s loans outstanding at the 31 March 2019. The loans were taken out from a variety of lenders to assist the acquisition and construction of housing properties.</p> <p>This principal changes to this year’s return are the inclusion of the new RBS Revolving Credit Facility and the conversion of some existing variable rate loans to a fixed rate. Otherwise the changes reflect updates to the outstanding loan balances, covenant calculations and interest rates.</p> <p>The Board received supporting information within the report and all commented that the Director of Finance &amp; Corporate Service presentation helped their understanding.</p> <p>After consideration the Board noted the report and;</p> <p>1.approved the attached return; and                  2.authorised the Director of Finance to complete the online electronic return on behalf of the Association within the set deadline of the 30 June 2019</p>	<p><b>Approve Approve</b></p>
<p><b>18. Extension of Business (Standing Order)</b>                  At 8:30pm the Chair invited Board to approve an extension to Standing Orders to allow the order of business to be discussed. The Board approved.</p>	<p><b>Approve</b></p>
<p><b>19.Management Accounts</b>                  The Director of Finance and Corporate Services presented the financial performance of the Association for the year as shown in the management accounts to 31 March.</p> <p>The Board was guided through the content of the report and this was supported by a presentation.</p> <p>The Board noted the content of the report</p>	

	<b>Noted</b>
<p><b>20. Regulatory Framework</b>                  The Head of Corporate Services gave an overview of the New Regulatory Framework to the Board for consideration.</p> <p>The Board was referred to the sections highlighting the key changes to the standards and the draft assurance framework</p> <p>The Chair mentioned that the report is about being honest and open about our approach and performance.</p> <p>The Head of Corporate Services explained that the assurance statement must be developed by the Board and suggested that a small working group be set up to identify and collate evidence and review its content. The Chair and Kelly Adams are already appointed on to this group. Derek McGowan and Clare Newton asked if they could be on the group. The Board agreed and appointed four members.</p> <p>The Board was advised that Linda Ewart has been appointed to support the Board to demonstrate compliance with the Regulatory Standards of Governance and Financial Management and ensure the right information is in place,</p> <p>The Board</p> <ol style="list-style-type: none"> <li>1. noted the contents of the report,</li> <li>2. approved the proposed process for development of the Assurance Statement, and</li> <li>3. approved the draft Assurance Framework</li> </ol>	<b>Approve</b>
<p><b>21. Business Plan</b>                  The CEO presented the Board report for the financial year end highlighting performance against the targets and aims outlined in the Action Plan supporting the 2018/19 Business Plan.</p> <p>The Board Note the content of the report including information on actions carried forward into the 2019/20 financial year</p>	<b>Noted</b>
<p><b>22. Appointment of Board members</b>                  The CEO announced that Paul McCandlish, Ryan Docherty and Nick Farrell had been successful in their interviews and that all three are seeking appointment to the Board.</p>	

<p>The Board has approved the shareholder membership for all three.</p> <p>The Board reviewed the resumes, noting the skills and experience of all three and agreed to approve the appointments. The CEO confirmed each would be invited to begin induction and attend their first meeting in June.</p>	<p><b>Approve</b></p>
<p><b>23.RSG&amp;FM Review of the papers</b> The CEO spoke to the content and review of the papers and informed that the Standards have now been updated in accordance with the new Regulatory Standards.</p> <p>The Board noted the content</p>	<p><b>Noted</b></p>
<p><b>24. Health and Safety</b> The Board noted the content.</p>	<p><b>Noted</b></p>
<p><b>25. Audit Committee Minutes</b> The Audit Committee minutes of 8<sup>th</sup> May 2019 were noted.</p>	<p><b>Noted</b></p>
<p><b>26. Minute of TAG</b> The TAG minutes of the 18th March were noted.</p>	<p><b>Noted</b></p>
<p><b>27. Resolutions</b> none</p>	<p><b>Noted</b></p>
<p><b>28. Notifiable Event</b> The Notifiable Events presented in the report were noted by the Board.</p>	
<p><b>29. Extension of Business (Standing Order)</b> At 9pm the Board requested a 15 minute extension in order to discuss business under AOCB</p>	<p><b>Approve</b></p>
<p><b>30. AOCB</b> The Chair advised that, during the private session of the Board, some members asked to discuss the ground maintenance contract and the decision to appoint a Clerk of Works to review and report on quality issues. Members agreed to discuss this under AOCB.</p> <p>John Shearer wanted to know more about costs for the clerk of works. Ann Reid raised a few issues about the ongoing poor quality of the ground maintenance carried out within her area.</p> <p>There was a lengthy discussion on ground maintenance and the Director of Housing and Customer Services agreed there were issues with the quality of the service and given the spread of stock and common areas we manage it was not possible for the Housing team to manage the contract on a day to day basis and that's why a clerk of works was appointed.</p>	

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The Head of Corporate Services explained the there had been a significant saving on the contract following re-procurement and the savings offset the cost of the service. The potential introduction of this service had been discussed previously at Board and following the tenant scrutiny exercise TAG also recommended considering the introduction of this service. The Head of Corporate Services confirmed the contract was in place for one year and during the period complaints on the quality of the service would be monitored and action taken to improve same. An update on complaints will be provided as part of the quarterly performance reporting.

The Chair took the opportunity to thank the CEO for her service and hard work throughout her four year service and that she will be missed by board but wish her all the very best with the future.

**Date of Next Meeting – Wednesday 19<sup>th</sup> June 2019 @ 5:45pm**