

TRUST HOUSING ASSOCIATION LIMITED

Minute of the Audit and Performance Committee Meeting held on Thursday 2 Dec at 11am By Microsoft Teams call

Present:

Board Members

Officers in Attendance

Paul McFarlane	Rhona McLeod, Chief Executive
Ali Ross	Zoe Purdie, Director of Financial & People
Gordon Laurie	Gail Gourlay, Director of Customer Experience
Sr Jenny Lindsay	Jackie McIntosh, Director of Assets & Sustainability
Nicky McLaughlin	Neil Ferguson, Director of Business Development & Digital
	Darren Lewis, Head of Service Design
	Claire Mottram, PA & Company Secretary
	Claire Robertson, BDO
	Kara Flannigan, BDO

PAUL MCFARLANE IN THE CHAIR

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1.	Convener's Opening Remarks
1.1	Paul McFarlane, Chair, welcomed everyone to the meeting which was our last of the year 2021 and will be reviewing Q2 2021/22. Paul noted that Claire Robertson and Kara Flannigan join us today from our internal auditors BDO.
2.	Declarations of Interest
2.1	No declarations of interest by those in attendance.
3.	Apologies
3.1	No apologies submitted.
4.	Quarter 2 2021/22 – Internal Performance Report
4.1	Darren Lewis, Head of Service Design, advised that the performance report related to Trust's operational performance for Quarter 2 2021/22. Darren noted that the report continues to highlight combined Trust (pink) and WDH (purple) organisational performance, which is compared against 2020/21 year-end results, 2021/22 proposed targets and Scottish Average results for 2020/21 where available.
4.2	Darren gave a summary of complaints for Q2 and noted that we have received 74 complaints during the period which is higher than the same period of 2020/21 but in line with the normal fluctuations of complaints during the year. Darren highlighted that at the end of Q2 in the previous financial year we had received 140 complaints, compared to 160 this financial year. Darren noted that 88.9%

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	<p>(YTD) of all complaints have been responded to within timescale, against a target of $\geq 90\%$. Darren noted that of the 74 complaints received in Q2, 66 of these were frontline (Stage 1) and 8 were investigative (Stage 2) – with 87.2% of frontline complaints YTD resolved in timescale and 100% of investigative complaints YTD resolved in timescale. Darren highlighted that we are therefore seeing the dip in frontline responses and noted that we have been internally promoting across iTrust communications and across our teams, the importance of resolving in timescales and he is pleased to note an improvement in timescales over the current period already.</p>
4.3	<p>Darren reviewed the most common complaint categories in Q2 21/22, noting that ‘Standard of Service’ remained the highest category. Darren noted that overall, for 2020/21, Treatment/Attitude of Staff was the second highest, but this is the fifth highest for Q2, with more varied categories receiving higher levels this period. Darren reviewed location intelligence, noting regular fluctuations and no concerning trends. Paul queried if we had more analysis on ‘Standard of Service’ and the types of complaints received within this category. Gail Gourlay, Director of Customer Experience advised that they included complaint themes like garden maintenance, wi-fi, lounge access and a couple medication complaints.</p>
4.4	<p>Darren referred to the slide on upheld complaints, offering a reminder than in 2021, SPSO guidance required RSLs to include a new ‘resolved’ category for complaints that were closed down after a simple resolution that required no investigation into whether the complaint was upheld, partial or not upheld. Darren noted that up to the end of Q2, 22.2% of the 135 complaints closed over the 6 months were classed under the new ‘resolved’ category. Darren added that of the remaining 105 complaints closed, 67.6% were either upheld or partially upheld. Darren noted that 65.2% of complaints resolved (YTD) were satisfied and both staff training and communications have highlighted the importance of categorising complaints correctly in relation to upheld and satisfaction.</p>
4.5	<p>Gordon Laurie, Board Member, commented that an increase in complaints is a trend he has noted across the sector and in the media, we see comments around a post-Covid society becoming less tolerant and generally more discontent. Gordon queried how and where we report any complaints that are escalated to the SPSO. Darren advised that the Company Secretary notifies the Board, and these are recorded on Cirrus, our complaints handling system. Darren added that these are being built into the new complaints system we are moving to in the new financial year, alongside the ‘live compensation claim’ field previously suggested by Board. Darren agreed with Gordon’s comments around the uplift in complaints, noting the recent letter from SPSO to all RSLs around the increase in complaints in the sector and general drop in response times across landlords, which was the initial impetus for the aforementioned internal comms.</p>
4.6	<p>Darren moved onto IT Helpdesk KPIs and referred to the continued high levels of helpdesk requests, adding that Quarter 1 had seen a slight decrease in the level of requests, but for Q2 we’re up to 913 requests which is very busy for the team. Darren advised higher numbers are to be expected with Covid-19 and</p>

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	working from home. Darren advised that satisfaction remains high with a rating of 4.7 YTD.
4.7	Jackie McIntosh, Director of Assets & Sustainability summarised the Asset Management KPIs, noting that overall performance is in a pretty good place considering the very challenging operating environment at present. Jackie noted 821 emergency repairs complete in Q2 with an average response time of 3.6 hours during the period, making a total of 3.4 hours YTD. Jackie added that she would expect emergency jobs to increase over the Winter period and we are beginning to feel the pressure in terms of material and labour shortages from several contractors. Jackie noted that our smaller contractors feel this the hardest but we're seeing this across our bigger contractors as well. Jackie added that this context extends into the KPI non-emergency repairs, sitting at 4.7 days YTD for average completion so far for Q2.
4.8	Jackie advised that 'Repairs completed Right First Time' has been stable and there are no real concerns around this KPI. Jackie noted that 'Appointments Kept' is sitting at 99.0% YTD which is comfortably above target >=95%. Paul commented that the Scottish average within the graphs of this report is a great benchmarking tool and noted the positivity of the results shown so far. Gordon referred to the pressures of the current operating environment, commenting that despite this, Wishaw & District Housing (WDH) is sustaining high performance – Gordon queried the cause of this difference. Jackie advised that we do use the same contractor in WDH elsewhere within our Trust stock. She added that there is a geographical element to this with WDH having a concentration of stock in one area which makes for quicker responses. Jackie referred to legacy arrangements that perhaps lead to better performance as well. Jackie noted that performance will be looked at in depth as we go to tender for our new contracts for the whole of Trust, over the next 18 months. Jackie referred to our discussions at the Board Away days around the rise of construction, labour and material costs and noted that we will expect to see a rise in our contract costs. Jackie suggested that in the short term, contractors may feel that the current contract isn't making enough money and cause performance to potentially dip. Jackie confirmed that we have had requests from some contractors in relation to a cost uplift but these are early days and she will keep the Board informed as the picture emerges.
4.9	Jackie noted that there have been no Gas Safety fails since August 2020, and she foresees no future issues. Jackie moved on to medical adaptations and noted similar anecdotal evidence of contractors taking longer to complete jobs because of delays with materials, particularly in more rural areas where they don't have the strength of the bigger suppliers across the central belt. Jackie added that overall, we're sitting at an average of 67 working days to complete.
4.10	Gail noted that for Q2 YTD, Days to Let is sitting at 68, which is below our 21/22 target of <=70 days. Gail referred to the operational risk presentations and discussions at the Board Away Days and the inclusion of Voids and the effects of the pandemic on vacancies and letting times. Gail advised that each week we

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	<p>are seeing improvements in relation to voids. Gail confirmed that we have 184 voids at present and high numbers are being let (23 properties have been let in the past week), however we are also receiving approximately 10 terminations each week. Gail suggested that DTL is not the most important metric at present, with current focus on overall void property numbers. Gail added that we work on the oldest void first unless we know we have demand.</p>
4.11	<p>Gail moved onto Void Loss, noting the link with what we've just discussed, with the more voids, creating a higher rent loss figure. Gail noted that we've come in at 4.92% for Q2, which is above our target of 4%. Gail added that every week we are getting new voids, but we do still have legacy voids from the lockdown period. Gail expressed her hope that with the hard work of the Customer Partner team, we'll start to see this come down.</p>
4.12	<p>Gail advised that refusals are sitting at 22.9%, well within target and Scottish average. Gail added that we do monitor the reason for refusals, and we try to address these. Gail commented that a common refusal reason is that an applicant may like the development itself but after viewing, they refuse a particular flat, due to its outlook or position in the building for example. Gail noted a dip in 'satisfaction with the standard of your new home', based on 64 responses in Quarter 2 (84.5% YTD). Gail advised that a theme of cleanliness in the property was noted, so this is being reviewed and addressed.</p>
4.13	<p>Gail moved on to summarise the Rent KPIs and highlighted that we achieved 2.91% Gross Rent Arrears which is below our target and under Scottish Average. Gail noted the positive effects of Rent Sense which is our rent management tool for Customer Partners. Gail noted that once we move to our new housing management system, WDH will also move to use Rent Sense. Gail noted that the Customer Partners are very focused on voids right now and are therefore not managing to complete the same percentage of rent cases as is normal and we may therefore see a slight increase in gross arrears for this reason, but it will be kept under review and we will focus on keeping a balance. Paul noted that overall, 2.91% is very good performance, particularly in comparison with the Scottish Average.</p>
4.14	<p>Breaking that down, Gail noted that current tenant arrears is sitting at 2.3% and former tenant arrears sitting at 0.5% which in monetary terms is about £140k. Gail noted that we will bring to Board any final write offs before the end of the financial year. Gail added that if that former tenant returned to Trust in the future, we would still have them pay that debt before becoming a tenant again, however a majority of our former tenants will have passed away or gone into care.</p>
4.15	<p>Gail noted 66 ASB complaints over Q2 with 95.5% resolved in timescale YTD (15 working days). Gail noted one category A complaint where a tenant has been taken to court. Gordon queried if this was Trust court action. Gail confirmed that the police charged this individual, but Trust has also taken action, but this is not court action. Gail reviewed the locations of these ASB complaints made in Q2 and referred to the 12 WDH ASB complaints which were over 10 locations, noting</p>

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	all were low level ASB. Gail noted the number of complaints in Greenock related to one tenant causing ASB.
4.16	Gail noted there have been no Care Inspections at Trust since lockdown 2020 but the Care Inspectorate have started to do a limited number of inspections in Scotland, although these have mainly been related to risk (care homes, services involving children), or those they have concerns about or where there are new services. Gail added that the last inspection was just before lockdown in February 2020 and at that point we received one 6 and one 5 which was excellent. Gail added that what is unknown to us, is any impact of Covid on performance and how Trust will rate in future inspections. Gail added that to try and address this, we have started using a tool that the CI have made available, and we have chosen to look at our response to infection control, health and wellbeing of tenants and how we have responded overall during the pandemic.
4.17	Gail noted that there were no Food Hygiene inspections during the pandemic and continue to be no physical inspections, however Trust have had their first virtual inspection at Dunfermline, and we passed that with no issues at all. Gordon queried how a virtual inspection took place. Gail advised that we had to submit some evidence and they spoke to staff. Gail advised it's not the same as physical inspections but at least it's been something.
4.18	Zoe Purdie, Director of Finance & People presented the final pages of the performance report around staff absence, noting an increase throughout Q2, with the period's absence sitting at 8.09%. Zoe noted that there was a steady increase across the three months of that quarter, with 6.41% in July, 8.21% in August and 9.78% in September. Zoe advised that absence has been driven by Covid-19, with self-isolation and NHS operation waiting lists effecting long term absence. Zoe noted that long term absence has had the biggest increase, sitting at 5.20% PTD for Q2, however current numbers for Q3 are looking much more positive with 11 staff members returning to work during October and November. Zoe added that short term absence has been stable for the start of the financial year, with Q2 sitting at 2.9% PTD.
4.19	Gordon queried if asymptomatic staff self-isolating were classed under sick absence. Zoe confirmed that this was the case - the only caveat being that, with the new rules around travel, if people choose to go on holiday and must isolate due to a PCR test or a positive result, they must take annual leave if they cannot work from home during that period.
4.20	Decision: Noted contents of the report and performance against our operational KPIs for Q2.
5.	<i>Risk Register – please see private minutes</i>
6.	Internal Audit Programme Update 2021/22
6.1	

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6.2	<p>Zoe advised that we have had two internal audits since our last committee meeting. Zoe referred to the light touch review on risk management which was just discussed and noted that the set of recommendations is within the boardpack. Zoe moved on to note the second audit report which focused on 'Business Change'. Zoe added that this had a review of the initial implementation of 'Time is Now' including the communication used, our project management, the overall restructure involving redundancies and the financial planning (i.e., the 30 Year Plan tying into the strategy).</p> <p>Zoe noted the overall rating for this audit was 'Substantial' for the design and for the operational effectiveness of our controls which is a very good result. Zoe added that there was one low grade recommendation. Zoe noted that BDO will next be completing audits for the Benefits Service and the Catering Service.</p>
6.3	<p>Claire Robertson, BDO, noted that the 'Business Change' audit was a good result, with substantial assurance. Claire noted that BDO raised a lot of areas of good practice and one low grade recommendation, as noted in the report.</p>
6.4	<p>Paul noted that this was a very concise report, with all the key points required, which was excellent. Gordon agreed that this was a strong report and referred to the low-grade recommendation and a point Claire made around subjectivity with evidence being based on people's opinions. Zoe advised that Trust have taken on board that we could have done more to support line managers who were being asked questions by their team but not in a position to provide answers. Zoe added that throughout the whole process we did offer a leadership or HR contact to staff.</p>
6.5	<p>Decision: Noted the contents of this report and the attached internal audit reports.</p>
7.	<p>GDPR & Freedom of Information Update</p>
7.1	<p>Zoe referred to the GDPR & and Freedom of Information paper within the board pack and invited any questions.</p>
7.2	<p>Gordon noted that the CCTV review appeared to focus largely on the physical side (i.e. systems), and queried if there was a focus on the softer elements like appropriate and up to date signage. Zoe advised that this CCTV review was completed prior to her starting with Trust. Zoe added that the CCTV policy was recently updated but this will be a priority for Assets to pick up in 2022. Zoe noted that developments all have different CCTV systems so training and processes are not consistent and need reviewed.</p>
7.3	<p>Zoe advised that the review did look at all aspects of CCTV, adding that now the latest thing to consider is the advance in technology (i.e., Ring Doorbell Systems) and CCTV has become much more accessible and affordable in society.</p>

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7.4	Decision: Noted the content of the report.
8.	<p data-bbox="352 383 740 416">Health and Safety Report</p> <p data-bbox="204 456 1489 562">8.1 Jackie referred to the Health & Safety Report included in the boardpack and summarised key points for Board, initially noting on Riddor during Q2 and a record of all accidents and incidents at 'Table 2'.</p> <p data-bbox="204 602 1489 931">8.2 Jackie advised that our fire safety consultants M4 have started to progress with the completion of Fire Safety Risk Assessments, and we have a dashboard and action plan in place, providing visibility in terms of actions being raised and those being closed off. Jackie advised that staff are being trained to use this system and monitor their own area. Jackie added that general risk assessments carried out by property officers are being recorded and updated in a central database as well. Jackie advised that we are monitoring this regularly through our Health and Safety officer and we are working towards a more sophisticated database using Power BI with support from the Business Development & Digital department.</p> <p data-bbox="204 972 1489 1115">8.3 Jackie advised that our asbestos consultations ACS have created our asbestos register and database, and we have staff training and user guides. Jackie added that Enviraz are completing our refurb surveys pre any work commencing on Kitchen, Bathroom and Window replacements.</p> <p data-bbox="204 1155 1489 1442">8.4 Jackie noted that individual development business continuity plans are reviewed twice a year and this exercise has just completed in November. Jackie added that they have been updated and we are satisfied that they are robust. Jackie advised that the overall Trust business continuity plan is in the process of being reviewed. Jackie explained that prior to the pandemic we would physically meet in the event of a crisis, so we are updating the BCP in relation to the new digital world and we hope to have a first draft of that complete prior to Christmas, which can be a period where things can go wrong in terms of weather etc...</p> <p data-bbox="204 1482 1489 1812">8.5 Gordon queried if any recommendations made by M4 would be dealt with in line with existing budgets or would this impact on investment programmes. Jackie advised that we aren't aware of the recommendations yet and they will be looking to review and make comment prior to the report being finalised. Jackie advised that we have asked M4 to categorise recommendations in terms of urgent, medium term and longer term, and then Trust will review and agree any recommendations that come forward and their prioritisation. Jackie expressed her hope that we will not have any major recommendations that would have a significant impact on our investment programme.</p> <p data-bbox="204 1852 991 1886">8.6 Decision: Noted the content of the report.</p>
9.	Previous Minute of the Audit and Performance Committee Meeting of 29th July 2021.

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9.1	Minutes unanimously agreed.
9.2	Decision: Approved as a true and accurate record.
10.	Action Tracker
10.1	Discussion held on the Action Tracker.
11.	Any Other Business
11.1	Paul commented that the media has been reporting a common theme of people not wanting to work in care and queried if Trust found this was prevalent in feedback we receive from staff, leavers or if it is affecting morale for example.
11.2	Gail advised that recruitment is a big issue, as discussed today and at the Board Away Days but it is difficult to know if this is because of what is in the media. Gail remarked that supermarket salaries are often equal to care salaries, which is likely having an impact. Gail advised that staff are still finding it tough right now with the continued presence of Covid-19 and the complications it causes in adding to processes, like the PPE requirements, the tasks needing done in between every client – everything is just taking much longer and is more difficult. Gail concluded that it is still having an impact on people, but she doesn't feel that there is a particular morale issue.
11.3	Rhona McLeod, CEO, advised that there is a link here between recruitment and what Trust can afford by the way of a pay increase for employees this year, and this will be for Board discussion this afternoon.
12.	Date of Next Meeting – 24th February 2022