

TRUST HOUSING ASSOCIATION LIMITED

Minute of the Board Meeting held on Thursday 26 May 2022 at 15:30 by Microsoft Teams call

PRESENT:

Board Members

Gordon Laurie
David Knight
Dr Norval Bryson
Wendy Wilkinson
Kyle Ruparelia

John Burke
Ali Ross
Sr Jenny Lindsay
Karen Cawte

Officers in Attendance

Rhona McLeod, Chief Executive
Gail Gourlay, Director of Customer Experience
Zoe Purdie, Director of Finance & People
Neil Ferguson, Director of Business Development & Digital
Jackie McIntosh, Director of Assets & Sustainability
Mary Strathearn, PA/Company Secretary

JOHN BURKE IN THE CHAIR

Agenda Item	Detail
1.	Chair's opening remarks
1.1	John Burke, Chair, welcomed everyone to the meeting and wanted to pass on his thanks to Sarah Holland for very informative EDI training session.
1.2	John referred to the Board agenda for today's meeting and noted that TV and news coverage is very much focused on the current economic crisis. He added that the finance papers presented today will help shape our decision and allow opportunity to analyse different scenarios and mitigations to overcome the current financial pressures.
2	Vice-Chair of Audit & Performance Committee Opening Remarks
2.1	Ali Ross, Vice-Chair of Audit & Performance Committee, updated that she had stepped into chair in the earlier Audit & Performance Committee due to Paul McFarlane having to send his apologies for the meeting. Ali shared that the staff team have now introduced a traffic light system on performance reporting which has been a huge help in focusing the Committee's discussion on key performance areas.
2.2	Ali highlighted that there are some performance stress areas and in particular, that right first-time repairs are below target together with the added challenges of supply chain issues and one of our key contractors in the central belt, Turners, winding down their operations.
2.3	Ali noted that there has been an increase in staff absence and the staff team are going to carry out a deep dive into the numbers as absence relating to stress and depression are at the same level as covid absences. She advised that training has been rolled out to 40 mental health first aiders across Trust to provide peer to peer support. It has been a tough couple of years with covid and this has clearly taken its toll on employees' mental health. The Committee were pleased to learn of the help and support Trust is offering to our staff team.
2.4	Ali concluded that the Committee were very satisfied with the good overall performance in Q1.

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<p>3.</p> <p>3.1</p> <p>3.2</p> <p>3.3</p> <p>3.4</p> <p>3.5</p>	<p>Chief Executive’s Opening Remarks</p> <p>Rhona McLeod, Chief Executive, advised that as the covid legal restrictions and guidance have been removed we have reduced the level of effort internally in dealing with covid and are standing down the covid team which have been in place for 2 years. Rhona was pleased to share that our tenant lounges and dining rooms are fully open. However, we are still asking that face coverings are worn at our developments. For tenants and staff, this is the most “normal” Trust has been able to operate for the past 2 years.</p> <p>Rhona reminded the Board that at the last meeting the Board agreed to an increase in rates for our reactive repairs contract with Turner Property Services. However, since the last meeting our concerns around the contractor’s ability to deliver the service have come to fruition with Turners giving us notice to terminate the contract. As we are in emergency measures, we can appoint another contractor as soon as is practically possible. The Asset Team have been on the front foot with sourcing an alternative contractor and we have received 3 submissions from other companies that we already work with. This will be a difficult position for maintaining service performance, but Rhona highlighted that the Turners contract ceasing would only affect around 400 homes and noted it will take some careful management.</p> <p>Rhona went on to mention the work around our re-brand and Trust’s upcoming 50th anniversary in 2023. We would like to link Trust’s 50th birthday celebrations with the new brand launch.</p> <p>The first in person meeting of the Board this year will be at our June away day at the Norton House Hotel next month. We have shared our ideas for the away day programme with the Chairs Support Group and we hope to have external input and content. One topic area will be a perspective of the challenges faced by both RSLs and tenants. We hope to bring our own Benefit Advisory Team who will be able to set a bit of context on the issues faced by tenants. We will share detailed scenario planning and play back to the Board the timescale for our Time Is Now programme for this year. We will also undertake a review of opportunities and, scanning for growth and partnership opportunities.</p> <p>Gordon Laurie asked about the Turners contract and whether we were seeking another provider again jointly with Bield & Hanover. Rhona confirmed that we were procuring a contract on our own to ensure we get best value for our tenants.</p>
<p>4.</p> <p>4.1</p>	<p>Declarations of Interest</p> <p>None received.</p>
<p>5.</p>	<p>Apologies</p> <p>Apologies were received from Ian Gunning and Paul McFarlane.</p>
<p>6.</p>	<p>Financial Update – <i>please see private minutes</i></p>
<p>7.</p>	<p>30 Year Plan – Narrative & Covenants – <i>please see private minutes</i></p>

Agenda Item	Detail
8.	<p data-bbox="256 241 826 275">Annual Return of the Charter 2021/22</p> <p data-bbox="105 315 1489 461">8.1 Neil Ferguson, Director of Business Development & Digital, took the board through the ARC presentation (attached as <i>Appendix 1</i> to these minutes). He explained that after the Board signs off the ARC today, Rhona will formally submit the ARC return online through the Scottish Housing Regulator portal tomorrow afternoon.</p> <p data-bbox="105 501 1489 568">8.2 Gordon asked what the full-time employee figure relates to in actual head count and Neil confirmed that we have a total of 750 employees.</p> <p data-bbox="105 609 1489 790">8.3 Neil shared that Ali Ross had highlighted in her overview of the earlier Audit & Performance meeting, that we have seen an increase with staff absence in the last year. We haven't carried out our staff survey since 2019 but we do have plans to undertake a large-scale employee survey this year and we hope to get a better understanding of how our teams are feeling.</p> <p data-bbox="105 831 1489 1048">8.4 Jackie McIntosh explained that the ARC indicators 6 to 9 relate to the Scottish Housing Quality Standard and our performance in these areas have dipped this year due to pressures on labour and supply chain challenges. She added that properties can sit in abeyance if we can demonstrate that we have a mitigation plan in place to address the issues. We have spoken with SHR who have stated we can take the properties considered in abeyance out of our overall performance figures.</p> <p data-bbox="105 1088 1489 1270">8.5 Dr Norval Bryson asked if there were any surprise numbers that would be a trigger for the regulator to pause for thought. Neil advised that he didn't think there were any surprises in the figures. He added that we always carry out a thorough check to compare against our previous year's performance and we ensure that if we have any amendments that we include a comment in the performance area.</p> <p data-bbox="105 1310 1489 1491">8.6 Norval enquired whether the regulator audit the figures provided by RSLs. Neil confirmed that the regulator does carry out an audit of RSLs but over the 10 years that we have had to submit the ARC return we haven't yet been audited. He noted that it is usual for the regulator to come back to us with some queries, but we have full bank of evidence to back up our results for any audit purposes.</p> <p data-bbox="105 1532 1489 1635">8.7 Decision: Approved the ARC return, covering the period 1st April 2021 to 31st March 2022, for submission to the Scottish Housing Regulator by 31st May 2022 at the latest.</p>
9.	bLEND Financing Update – please see private minutes
10.	City of Edinburgh Council – Care at Home Service – please see private minutes
11.	<p data-bbox="256 1825 858 1859">Benefits Advice Service Annual Update</p> <p data-bbox="105 1899 1489 2112">11.1 Gail Gourlay, Director of Customer Experience, advised that we launched our Benefits Advice Service in 2007 to assist our tenants in maximising welfare benefit entitlement and the service has been a great success. Over the last four years the gain has increased by over 300%, from £474k in 2018 to £2m in the last reporting year. As part of our Wishaw & District partnership promises we brought on board one further team member from Wishaw, Mykela Dunlop, who has been a great addition to working with</p>

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11.2	Aisha Nadeem who has headed up the service since its conception. Gail noted that we received an excellent internal audit report on the benefits service and the auditors recommended an annual report should be brought to the Board on the benefits service performance.
11.2	Gordon asked about the development of the service and whether we help our tenants with debt advice for those tenants who are struggling. Gail noted that we sign post tenants to appropriate services and participate in the AFTAR scheme in the North Lanarkshire area which provides debt advice.
11.3	Nicky McLaughlin acknowledged that the benefits team are doing great job and he was aware of a lot of good organisations that the team can sign post tenants to. From his professional experience, he was aware that the cost-of-living crisis is really starting to hit people. He asked if there are any further plans to extend benefits service to help address the current economic impact on tenants. Gail advised that we can cope with the current demand. We now have the additional post as part of the partnership promises. We have also rolled out benefits training to our Customer Experience Partners who are able to deal with general enquiries. Gail believed we have the right level of resource at present and we deliver training to our development-based staff.
11.4	Nicky noted that it was important that our customers are able access the right benefits they are entitled to. Nicky was supportive of the proposed annual report to the Board so that the Board has oversight of the benefits service performance.
11.5	Decision: Noted the content of the report on the Benefits Advice Service and its performance.
11.6	Decision: Agreed as per the Internal Audit recommendation that Board are updated on the service annually.
12.	Bonds Drive Latent Defects Update – <i>please see private minutes</i>
13.	Governance Update
13.1	Mary Strathearn, Company Secretary, updated several governance matters.
13.2	Firstly, as the Board are aware we have 3 vacancies to fill at the September AGM and over the spring months we have undertaken a Board Member recruitment exercise. The interview panel, consisting of John, Norval, Ali and Rhona, have now met with 3 applicants. The panel wish to recommend to the wider Board that these 3 applicants are put forward for election to the Board at the AGM in September as per our rules on elections. The 3 applicants are: Stephen McGowan, Ian Mitchelmore, and Mary Niven, who will be the tenant representative. Mary Niven, who is vice chair of the Customer Panel, has previously been a Trust employee and is now a Trust tenant.
13.3	We have membership applications on the Chairs Actions today and this is to approve Stephen McGowan and Ian Mitchelmore to join the Trust membership in order for them to seek election at the AGM as per our rules. Mary advised that Mary Niven is already a Trust member.

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13.4	Mary asked the interview panel if they would like to share any feedback from the interviews.
13.5	Ali shared that Mary Niven gave an excellent interview and Ali was confident that Mary will be a great asset to the Board. As for Ian Mitchelmore and Steve McGowan, they brought expertise from local authority and financial sectors and both would add value to the Trust Board.
13.6	Norval acknowledged his disappointment in the number of applications that we received through this recruitment exercise and Wendy noted that it is important we ensure we have a diverse range of skills and experience on the Board. She was of the view that we need to focus on diversity especially if we need to recruit new Board Members again next year.
13.7	Rhona advised that we advertised the Board Member vacancies in the Scottish Housing News and the SFHA. We also used LinkedIn as another recruitment platform but unfortunately, we did not receive any appropriate applications. Rhona noted that we would take an action on this issue and consider how we can improve our diversity and ensure we reach the widest audience for any future recruitment adverts. Rhona shared that in the past we have had a greater number of high calibre applicants.
13.8	Mary moved on to the next item, which was the proposal to make amendments to our governing rules to include an additional clause which provides the Board with the power to appoint up to 3 Elected Members to the Board out with the usual AGM election process. The benefit of this addition to the rules would mean we could draw on particular skills areas we may feel are missing on the Board at any given time. If this proposal is approved today by Board, then a special General Meeting needs to be convened to seek formal approval from the Membership and it is proposed that this be held on the same day as the AGM in September.
13.9	David Knight asked whether the Board would be able to appoint Appointed Members to become Elected Members should a vacancy arise. Mary confirmed that this would be possible, and we would have to follow the rules on elections should there be a vacancy.
13.10	Norval referred to rule 37.1 and asked that we specify the length of term for Appointed Members to not exceed 3 years. Mary took an action to include this point in the rule changes and will add that <i>'The specified term of office for Appointed Committee Members may not exceed 3 years.'</i>
13.11	Gordon noted that under rule 59, office bearers must be elected members and cannot be appointed or co-opted members. Mary confirmed that this was correct.
13.12	Mary went on to discuss the plans for this year's AGM and noted that we have held the last 2 AGM meetings by Microsoft Teams and today are asking for approval to agree to hold our AGM meetings virtually going forward. Our tenants living in staffed developments are now all connected to Wi-Fi and all development based employees are connected to Microsoft Teams which means we can reach a large number of our tenant members virtually. We would hope to make the event engaging and interactive by using break out rooms to facilitate question and answers with smaller groups on the Teams call.

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13.13	Gordon acknowledged that we are living in covid times and logistically it made sense to hold our AGM again this year online. However, he did have concerns about how we engage with the Trust membership if we hold all AGM meetings going forward digitally and Gordon shared that, in his view, it didn't feel right.
13.14	Mary accepted Gordon's point and offered to carry out analysis on attendance figures over the last 5 year of our AGM meeting. We have a membership of over 300 members and not everyone engages with the AGM process. She was happy that the virtual AGM arrangement is not made permanent, and we can review each year whether to hold in person or virtually.
13.15	Karen shared her support of Gordon's point around membership engagement but acknowledged that we don't know what the covid position will be in September and believed it was wise to hold the AGM virtually again this year.
13.16	The other points Mary wanted to highlight were around governance forward planning for the coming months including the annual Board Member review discussions will take place over the summer as well as the CEO appraisal, the feedback of which will be shared at the July Board meeting. Mary added that we plan to hold an in-person induction day for all our new Board Members who have joined over the pandemic and for the new Board Member intake who will join the Board in September. Lastly, we will be commencing work on the annual assurance statement and governance review. Mary asked if any of the newer Board Members would like to get involved in this group it would be very helpful since we will be losing Sister Jenny from the group after the AGM. For completeness the governance improvement actions update are attached to as an appendix to the governance report, and these have been recently reviewed by the Chairs Support Group.
13.17	Decision: Noted the update on the Board recruitment and verbal update at the meeting on the Tenant Board Member recruitment.
13.18	Decision: Approved that the 3 applicants who have gone through the Board Member recruitment process are recommended to be put forward for election at the AGM to join the Board as per our rules.
13.19	Decision: Approved the proposed changes to the Governing Rules attached at Appendix 1 and that a Special General Meeting be held to formally accept these changes with the inclusion of specified term of Appointed Board Members to not exceed 3 years.
13.20	Decision: Agreed to holding this year's AGM virtually by Microsoft Teams and review going forward the plan for holding AGM meetings each year.
13.21	Decision: Noted the Board Member Annual Review Discussion Programme plans for the coming months.
13.22	Decision: Noted the plans for the Annual Assurance Statement work this year and the progress against the Governance Improvement Actions attached at Appendix 2.

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<p>14.</p> <p>14.1</p> <p>14.2</p> <p>14.3</p>	<p>Delegated Authority Update</p> <p>Zoe explained that Delegated Authority document was self-explanatory and should be taken as read. She was happy to take questions if the Board had any to raise. The Board were happy to approve Version 11 of the Delegated Authority document.</p> <p>Decision: Approved the attached Financial Regulation FR06 Delegated Authority V011 including Appendix 1.</p> <p>Decision: Noted and Approved the subsequent change to the Procurement Policy noted in 2.4.</p>
<p>15.</p> <p>15.1</p> <p>15.2</p>	<p>Applications for Membership of Association – on Chairs Actions</p> <p>John advised that two applications for membership have been received and these relate to the two candidates put forward for Board Member recruitment.</p> <p>Decision: The Chair approved the 2 Membership applications as per the governing rules.</p>
<p>16.</p> <p>16.1</p>	<p>Board Minutes</p> <p>The minutes of the Board meeting on 7 April 2022 were approved.</p>
<p>17.</p> <p>17.1</p>	<p>Action Tracker</p> <p>Jackie gave an update the action tracker item relating to Bonds Drive – <i>please see private minutes.</i></p>
<p>18.</p> <p>18.1</p>	<p>AOB</p> <p>Nicky McLaughlin advised that the next Wishaw & District Area Committee meeting will be taking place in person at the end of June.</p> <p>Gordon asked if Trust had received any requests to support rehousing Ukraine refugees. Rhona advised that we have been approached by local authorities and have indicated that were very happy and willing to assist with the rehousing of refugees from Ukraine.</p>
<p>19.</p> <p>19.1</p>	<p>Date of next meeting</p> <p>Thursday 28 July 2022 (in person meeting at the Dalmahoy Country Club & Hotel).</p>

Signed as True Record by Chairperson:

