

TRUST HOUSING ASSOCIATION LIMITED

Minute of the Board Meeting held on Thursday 6 April 2023
at 11:00 at Norton House Hotel, Ingliston

PRESENT:

Board Members

Dr Norval Bryson
Gordon Laurie
Kyle Ruparelia
Steve McGowan
Ali Ross
Graham Curran

Mary Niven
Paul McFarlane
Ian Mitchelmore
Ian Gunning
David Knight
Karen Cawte

Officers in Attendance

Rhona McLeod, Chief Executive
Jenny Wallace, Director of Customer Experience
Zoe Purdie, Director of Finance & People
Neil Ferguson, Director of Business Development & Digital
Calum Boag, Head of Assets & Sustainability
Ian Davie, Head of Asset Strategy & Development
Mary Strathearn, PA/Company Secretary

DR NORVAL BRYSON IN THE CHAIR

Agenda Item	Detail
1.	Chair's opening remarks
1.1	Dr Norval Bryson, Chair, welcomed everyone to the meeting. In particular, Ian Davie, Head of Asset Strategy & Development and Calum Boag, Head of Assets & Sustainability, who were standing in for Jackie McIntosh. Also joining us today was Graham Curran our new Appointed Board Member and Jenny Wallace, Director of Customer Experience who has recently taken over the role from Gail Gourlay.
1.2	He informed the Board that Rhona McLeod would provide an update on Project Growth later in the meeting.
2	TEL Board Update
2.1	Gordon Laurie advised that he is the Trust representative on the TEL Board. He explained that TEL was Trust Enterprises Limited which is Trust's non-charitable subsidiary that oversees 50 Mid Market Rent (MMR) properties. There are currently only 2 TEL Board Members – Pam Russell who is an independent Member and Gordon who represents Trust. Gordon noted that we may need additional Members on the TEL Board as back up as the March meeting very nearly didn't go ahead and there were important decisions to be taken around MMR rent increases.
2.2	Gordon noted that the TEL Board met on 15 March and although there are significant pressures on property costs our MMR stock is performing well, in particular, we have achieved a very good position on both arrears and voids.
2.3	Gordon advised that the TEL Board approved a rent increase of 3% and this is the maximum rent increase that can be applied due to the emergency legislation that was passed by the Scottish Government that capped rent increases in the private sector (which MMR falls into) to 3%. The other logistical issue is that the rent increase can only be applied from 4 July which means the Finance Team are working on a solution for implementing this increase in this year and future years which are impacted.

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2.4	Gordon updated that the TEL Board also agreed to increase rents in line with Trust rental increases when a tenant leaves and we have a new tenancy agreement. This will create rent differentials between properties, however, we must try and maximise our rental income especially as there have been hints that there could be long term private rent controls put in place.
2.5	Gordon added that TEL delivered a £110k surplus for the financial year 2022/23 and this has been gift aided back to Trust. There was also some small but appropriate changes to the Service Level Agreement between TEL with Trust.
2.6	David Knight asked if the modest £110k surplus was linked to the relatively low rent increase.
2.7	Gordon explained that MMR housing can be slightly more costly in relation to the maintenance of stock as we provide white goods and such fittings as carpets. He added that MMR was a landlord service with no care or support services included.
2.8	Zoe referred to the £110k surplus that TEL gift aided back to Trust and noted there is an action on the TEL Board tracker to ring fence the TEL profits in the future to use for community benefit projects.
2.9	Ian Gunning asked if the number of MMR properties will increase or decrease and Gordon advised that the numbers should stay the same as we no longer have the 'right to buy' legislation in Scotland.
2.10	Mary Niven asked what the difference was between Trust rented properties and MMR. Rhona McLeod, Chief Executive, advised that MMR sits between social rental and private rental properties. There are eligibility requirements to obtain an MMR property and other fittings such as carpets and white goods are provided.
3.	Chief Executive's Opening Remarks
3.1	Rhona McLeod, Chief Executive, advised that the Scottish Housing Regulator's (SHR) engagement plan that she shared on the Board may have caused alarm however she wanted to provide reassurance that this is not an area of concern.
3.2	Rhona advised that Trust had provided a briefing paper to the Scottish Government and SHR detailing the challenges that we have experienced with the unprecedented increase in energy costs and the actions we have had to take to manage heat with rent and communal energy charges.
3.3	Rhona noted that as we have flagged this issue to the SHR, as our regulator they have included it in our engagement plan for the coming year. Contained with the Board papers we have a 30 year financial plan which demonstrates how we plan to manage these issues and this together with other information requested will be shared with SHR.
3.4	Gordon observed that the use of language in the engagement plan was not entirely helpful as it sounds as if we have issues with financial management.

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3.5	Norval noted that in his previous experience with regulators matters are dealt with in private but this is in contrast to the SHR who publish all RSLs engagement plans on their website.
3.6	Kyle Ruparelia asked if we have had any other issues highlighted in our engagement plans over the recent years. Rhona reported that we have had to provide specific updates on other business areas and performance in previous years.
3.7	Zoe Purdie, Director of Finance & People, advised that we have all the information ready to provide to the regulator and this data is contained within the 30 year plan which will be presented to Board today. The one area we have some further work to carry out is around customer affordability but we will be able to provide this information.
3.8	Rhona updated that we have had a second successful internal promotion with Dawn Woodward taking up the role of Head of Customer Experience (Care & Support).
3.9	Rhona was pleased to share that we have completed the redevelopment of the vacant care home site at Pollok into 13 new care & support homes and places for these properties have already all been allocated through nominations from Glasgow City Council for the Housing With Care service.
4.	Declarations of Interest
4.1	None.
5.	Apologies
5.1	None.
6.	Project Growth Update – <i>please see private minutes</i>
7.	February Financial Review – <i>please see private minutes</i>
8.	Revised Budget and 30 Year Plan – <i>please see private minutes</i>
9.	Strachur Feasibility Update – <i>please see private minutes</i>
10.	Time Is Now Update – <i>please see private minutes</i>
11.	Carbon Footprint Baseline Measurement & Net Zero Plan – <i>please see private minutes</i>
12.	Responsive Repairs Contract Strategy – <i>please see private minutes</i>

Agenda Item	Detail
<p>13.</p> <p>13.1</p> <p>13.2</p> <p>13.3</p> <p>13.4</p> <p>13.5</p> <p>13.6</p> <p>13.7</p>	<p>Employee Engagement Survey Overview</p> <p>Zoe Purdie, Director of Finance & People, advised that Sarah Holland, Head of People & Organisational Development, will attend the June Board away day to give a deeper dive into the employment engagement survey and also link this to the Dolphin Index results previously shared with the Board at the autumn away days.</p> <p>Gordon asked how the 6.2% pay award went down with the employee team. Rhona advised that the pay award news was generally very positive and well received. There were however a small group of colleagues who raised the issue that the pay award was not in line with the 7% rent increase to tenants.</p> <p>Paul asked about the level of completion rate for the engagement survey and Zoe advised that this was a good performance and a better rate of completion than usual.</p> <p>Neil Ferguson, Director of Business Development & Digital, added that it was difficult to get development colleagues to complete the survey due to the demands of working at a development and finding the time to do this task.</p> <p>Jenny Wallace, Director of Customer Experience, advised that we are looking at the response rate and colleague engagement at development level. We are making rota changes for all colleagues to ensure that they have 30 minutes during their day to engage with our new technology, catch up on iTrust news and speak with colleagues over Teams.</p> <p>Zoe noted that a key theme coming from the employee responses was around the lack of confidence that action will be followed up on the survey points. She stressed the importance that we clearly evidence action that we take and communicate that back to the whole Trust team.</p> <p>Decision: Noted the contents of the report and Appendix 1.</p>
<p>14.</p> <p>14.1</p> <p>14.2</p> <p>14.3</p>	<p>Duty of Candour</p> <p>Jenny advised that we are required to bring to the Board annually a report on the Duty of Candour and to also publicise this on Trust's website.</p> <p>Jenny was pleased to report that over the course of the last year we did not incur any specific accidents or injuries during the active delivery of care and support to our tenants.</p> <p>Decision: Note the content of this report.</p>
<p>15.</p> <p>15.1</p> <p>15.2</p>	<p>Governance Update</p> <p>Mary Strathearn, Company Secretary, summarised the key points of her report and shared that we currently have a live Board Member advert across multiple channels and networks and we are hopeful to receive a wide range of applicants.</p> <p>Mary added that detailed in her report were the proposed approaches for the Board Members skills matrix and annual group appraisal.</p>

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15.3	Norval added that he was supportive of a group appraisal approach as the Board operates as a whole team and it is important that we review how we collectively work together. Norval added that if any Board Member had an individual issue they may not want to raise in the group appraisal that they should speak to him directly.
15.4	Decision: Approved 7.1 Note the contents of the report.
15.5	Decision: Approved the proposed plans for coming year around Board Member recruitment, skills matrix and Board Member group appraisal.
15.6	Decision: Noted the plans to Board Member Mentors for our newest recruits.
15.7	Decision: Noted the updated Governance Improvement Actions at Appendix 1.
16.	Company Secretary Maternity Cover
16.1	Mary asked the Board to formally approve Claire Mottram to be appointed as Acting Company Secretary to take over for maternity leave cover. The Board were happy to approve this recommendation.
16.2	Decision: Note the contents of the report.
16.3	Decision: Approve that Claire Mottram is appointed as Acting Company Secretary.
17.	Board Minutes
17.1	The minutes of the Board meetings held on 9 February 2023 were approved.
18.	Action Tracker
18.1	Discussion around what items can be moved to completed on tracker.
19.	Any Other Business
19.1	Zoe referred to the earlier discussion on the recent SHR engagement plan and noted that she had checked back to last year's plan and the same language was used around 'financial management' as we were working on our bond re-financing and SHR had requested to be kept updated on this work.
20.	Date of next meeting
20.1	Next Board Meeting – Thursday 25 May 2023 (in the Edinburgh office).