



Board Meeting – 30 August 2017

Agenda Item: 5

Subject: Minute of Board Meeting 28 June 2017

Prepared by: Alan Park

**Minute of the Board meeting held on Wednesday 28 June 2017 at 5.30pm in Main Street, Ayr**

Present: **Tenant Members**  
Kenny George  
Suzi Williamson  
Frances Maguire  
Georgina Dawson

**South Ayrshire Council**  
No members present

**Community Members**  
Roy Martin (Chairperson)  
Bobby Pyper  
Simon Leslie

In attendance: Jim Whiston  
David McGivern  
Caroline Donald (until after presentation)  
Helen Ross (until after presentation)  
Alan Park (Minutes)

Roy welcomed everyone to the meeting and invited Caroline Donald and Helen Ross to deliver their joint presentation - *item 6 (a) on the agenda* - on our Tenant Participation Strategy and Tenant Scrutiny Framework. Caroline and Helen provided a very informative insight into these initiatives and what we have achieved so far. Frances commented that we have made significant progress in only one year and was pleased to see so much has been implemented already. Roy wondered how the group was supported and Caroline confirmed that Ayrshire Housing staff have volunteered to support them.

The Board thanked Caroline and Helen for their presentation and the work done so far.

The Board approved the revised Tenant Participation Strategy and the new Tenant Scrutiny Framework subject to incorporating the references to the Equality and Diversity Policy as appropriate.

Caroline and Helen left the meeting at this point.

**1. Apologies**

Apologies were received from Sandy Paton and Rhonda Leith.

**2. Declarations of interest**

Roy asked that any member with an interest in any agenda item declares that fact at the appropriate time during the meeting.

**3. Minute of the Board meeting held on Wednesday 31 May 2017**

The Minute of the meeting held on 31 May 2017 was accepted as a true record as proposed by Bobby Pyper and seconded by Frances Maguire.

**4. Matters Arising**

Jim updated the Board regarding the filming of training sessions.

Jim updated the Board on the recent meeting with SAWA which had been positive and will perhaps lead to establishing a new working arrangement with them. Bobby asked if there was a formal minute or note of the meeting on record. Jim confirmed he had received an emailed note of the meeting which he is happy with, although he has suggested some minor amendments.

The Board accepted the report.

**5. Projects (Business Development)**

Jim reassured the Board that in terms of the new build at Kings Arms, Dailly the external insulated render specified by our architect is fit for purpose.

Jim updated the Board on our negotiations with a local charity in relation to the potential acquisition, assisted by grants from the Scottish Government, of up to seven properties in Ayrshire with sitting tenants. We have reached agreement in principle and the charity's Board is also meeting tonight. Roy asked if we have looked at it from a Value for Money aspect and Jim confirmed that we have done so. Jim will keep the Board advised on progress. In response to a question from Frances, Jim confirmed that the likely timescale may be 6 to 9 months given that we will need to manage the transition of tenancy agreements.

The Board gave authority for the purchase to be finalised on the basis referred to in the report.<sup>1</sup>

The Board noted the content of the paper.

**6. Housing Management activity**

David noted that all KPIs are within target so far for the new year.

Some individual relets are above target for different reasons.

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<sup>1</sup> Authority granted to progress the acquisition of up to seven properties

Kenny queried why a flat at The Clachan, Barr didn't feature on the list and David confirmed that it is because the flat is still vacant. The report only shows mainstream voids let within the month.

The Board accepted the report.

**(a) Review of Tenant Participation Strategy and Tenant Scrutiny Framework**

This item was dealt with at the beginning of the meeting. Please see introductory section of Minute.

**7. Property Maintenance Activity**

David confirmed that all KPI's are within target with the exception of right first time which didn't meet the target. David pointed out that this was due to 19 out of 252 repairs failing to reach target.

Progress at Rowan Road, Girvan is good and the Board noted the following additional information from the report:

“Following the tragic fire affecting Grenfell Tower in London, discussions have taken place to ensure that the system utilised at Rowan Road meets the necessary standards.

The cause of the fire and the reasons behind the rapid fire spread have yet to be identified and no conclusions should be drawn until the fire investigation is complete. However, it is understood that the tower block had been retro-fitted with a 'rain screen' curtain wall cladding system using Aluminium Composite Material (ACM) cassette panels.

These panels have an insulation material core, sandwiched between two layers of aluminium. Individual cassette panels are then fixed to a rail system which creates a cavity between the structure and the cladding system. One theory being investigated is that this cavity acted like a chimney and contributed to the vertical spread of fire.

The external wall insulation (EWI) being applied at Rowan Road is an insulated render (Alumasc Swislab) and differs significantly from rain screen cladding panels. The EWI system is fixed directly to the structure and comprises expanded polystyrene insulation boards (EPS), mechanically fixed to the existing building and having a render coating applied.

In addition, horizontal and vertical fire breaks comprising non-combustible mineral wool have been incorporated into the project in order to compartmentalise the building and prevent the spread of fire.

The Swislab EWI system is BBA approved and is rated Class 0 (low risk) for surface spread of flame as defined in the Building Regulations.

The project is being monitored by the consultant architect and the association clerk of works and it is suggested that no further action is required at this time.

Any recommendations / actions required arising from the official investigation into the London fire will be implemented as necessary on completion of the report into the fire.

It is also proposed to review our fire prevention processes as part of the proposed adoption of the Landlord Health and Safety manual. Where the association has fire prevention measures in place including smoke control ventilation and dry riser systems, regular servicing is completed in accordance with statute and good practice.

With regard to other properties that have been subject to cladding, the association has a number of flatted properties where EWI has been applied as a result of external improvement works co-ordinated by South Ayrshire Council. In addition, the association previously undertook EWI works to the steel framed properties (BISF) houses in Leslie Crescent. These EWI projects utilised a similar system to that being used at Rowan Road.

The association only has two block of flats in our management which are greater than 4 storeys; Blackfriars Court, Block 1 (5 storeys) and Viewfield Court, Block 1- (6 storeys). Both blocks are of framed construction and have not been subject to cladding as they are new build developments completed in 2001 and 2009.”

The Board further considered the information provided and concluded that they are content with the position statement provided and they feel able to reassure our tenants that the potential risks have been reviewed satisfactorily. The Board asked Jim to include the wider aspects of Health and Safety legislation in the autumn training event. The Board thanked Jim for his prompt action in relation to this matter.

The Board accepted the report.

**(a) Asset Management Plan – Progress Report on Action Plan**

David provided the annual update to the Asset Management Plan. David responded to various questions from the Board and offered clarification to some specific maintenance issues.

In relation to some concerns raised regarding grounds maintenance David undertook to follow up on these with Scott. Jim asked for specific feedback to be provided to David and suggested that this would be more beneficial as soon as issues arise so that we may deal with them promptly.

The Board noted the progress and actions taken.

**(b) Review of Repairs and Maintenance and Gas Safety Management Policies**

David provided the background to these updates and confirmed that there were no significant changes from previous versions. Jim confirmed that there will be no change to the standard or quality of the services provided.

The Board approved the updated policies.

## 8. Financial Matters

Alan explained that the Annual Accounts would be approved by the Audit Committee at its August meeting for acceptance by the Board later that month. The indicator of administration cost per tenancy is above target due to the anticipated number of units in management being lower than actual. This is due to our budgeted position being higher due to the inclusion of open market purchases which are effectively the portfolio of properties not yet acquired from a local charity.

### (a) Loan Portfolio Return

Alan described the return and its content. The SHR uses this return (part of five key pieces of information they collect) to perform their desk top assessment of the risk rating of each HA and LA in Scotland.

The Board agreed to the submission of the Loan Portfolio Return to the SHR.

### (b) Five Year Financial Projections

In terms of the five year financial projections Alan detailed the various assumptions made in drawing the projections together and also highlighted some of the main changes brought about by the housing SORP 2014 reflecting the requirements of FRS102 which are now reflected in the return to SHR. In overall terms the projections are in line with expectation and previous results. Alan indicated that the previously reported loss of the temporary furnished accommodation has had an impact on our overall rent receivable figure and will also impacts on our planned maintenance programme leading to the review that has been discussed at several Board meetings.

The Board agreed to the submission of the five year financial projections to the SHR.

### (c) Co-op Bank Loan

Alan updated the Board on recent events with the Co-op Bank and confirmed that it is no longer for sale due to a rescue package which has been agreed with hedge funds and other investors. The proposed repayment of the outstanding loan remains a good option for Ayrshire Housing despite this news.

Alan detailed the costs and implications for the organisation and reminded the Board that the redemption figures may vary due to market movement between now and final settlement. Alan suggested that 31 July would be a sensible target date.

The Board agreed to the repayment of the Co-op loan and agreed that Jim would have authority to finalise the transaction.

**9. Marketing and Public Relations**

Jim has circulated a newsletter to all the councillors at SAC regarding our work. Jim has an appointment to meet Phil Saxton, Portfolio Holder for Housing and Customer Services on Friday 30 June.

Jim reported that we have had a few requests under the Environmental Information Regulations from journalists following events at Grenfell Tower. Scott has been able to deal with these by return.

The Board noted the content of the report.

**10. Operational Matters**

Steven McGhee of LMA architects will make a presentation at the August meeting regarding the project in Peebles Street, Ayr. He has also been asked to speak generally on the management of construction contracts.

Jim is still waiting for the report from the Board/staff away day session held on 1 June.

Jim updated the Board on the unsuccessful university placement which only lasted one day. Bobby asked if we had played a part in the selection process and Jim confirmed that we had held one meeting but there had only been one candidate offered by the university.

Jim confirmed that following receipt of the report by Karen Anderson that the governance review was almost complete. Only the adjustments to the Member's Handbook to cover standing orders are outstanding.

The Board accepted the report.

**10. (a) Annual General Meeting arrangements**

Jim confirmed the date and time for the AGM.

Jim confirmed that Liz would stand down in the tenant category and is eligible to seek re-election.

Simon and Roy are the two longest serving members in the community category and will stand down and both are eligible to seek re-election.

Bobby and Sandy's casual vacancies come to an end at the AGM. Both are eligible to seek election.

Roy asked that appropriate catering is ensured for the AGM as the recent event held in the same venue was extremely disappointing.<sup>2</sup>

Jim explained the SAC position in terms of their participation with external bodies including Ayrshire Housing. It appears that they wish to withdraw from membership of our company. The Council is also proposing to withdraw from

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<sup>2</sup> AGM catering arrangements to be reviewed and ensure they are adequate

several other local organisations as part of a general review of its external relations. Jim had written to their Chief Executive in February to remind them that SAC have entrenched rights in our company.

He has now written again to emphasise that we need to obtain regulatory approval to change our rules and that at the very least we should have a managed transition to allow this to happen. Jim explained that he sits on the Board of the Energy Agency and that SAC are also withdrawing from their Board. However, the proposal for that is final withdrawal by June 2018. Jim is hopeful that we can agree a similar timescale for ourselves following his communications.

Roy asked that the Minute reflects that the tenant and community members are sorry that this proposal is being made and that the Councillors' experience and knowledge of local issues and residents will be sadly missed.

Frances asked if this has anything to do with the breakdown in relationships last year and wondered what benefit it is to them in not being involved. Jim explained that many organisations are losing their participation but there is no indication of what involvement that SAC may have in the future in terms of engagement with such organisations.

Jim has clarified with them that we are not a contractor to SAC which is stated in their paper and he has also asked for clarification on the quoted conflicts of interest.

Roy asked if there is anything we need to do proactively and Bobby suggested that we should find out immediately if they intend to be present at our AGM. Jim said that this work was in motion and Roy asked that Jim keeps the Board fully apprised of developments.<sup>3</sup>

In amending the articles, the Board agreed that it should on the basis of increasing the community and tenant places to six each.

The Board noted the arrangements.

## **11. Any other business**

Roy thanked everyone for their attendance and wished them a good summer break.

Document signed –

The Minutes of the meeting held on 31 May 2017.

The date of the next Board meeting is 30 August 2017.

There will be an Audit Committee meeting before this date – TBA.

There was no other business and the meeting closed at 7.35pm

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<sup>3</sup> Jim to keep the Board informed of developments in SAC membership and AGM attendance

Signed

Dated

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