



Board Meeting – 29 November 2017

Agenda Item: 4

Subject: Minute of Board Meeting 25 October 2017

Prepared by: Alan Park

Minute of the Board meeting held on Wednesday 25 October 2017 at 5.30pm in Main Street, Ayr

Present:

Tenant Members

Suzi Williamson
Frances Maguire
Pauline Elliot
Georgina Dawson

South Ayrshire Council

Ian Cavana

Community Members

Rhonda Leith (Chairperson)
Bobby Pyper
Simon Leslie
Mike Tomlinson
Gemma Collins

In attendance: Jim Whiston
David McGivern
Alan Park (Minutes)

Jim welcomed everyone to the first meeting of the new session and indicated that one person, Rhonda, had expressed an interest with the required written statement for the position of Chairperson. Rhonda was duly elected to serve as Chairperson for the forthcoming year.

Rhonda mentioned that there had been no expressions of interest for Vice-Chairperson so far. We can have two Vice-Chairs. Ian suggested, as not everyone was present and that the new members had not yet experienced a full meeting, that we wait until next month to appoint these positions. This was agreed.¹

Jim then invited all present to introduce themselves for the benefit of the new members.

Rhonda thanked everyone for their support and also welcomed the new members to their first meeting.

¹ Board members to consider nominations for Vice-Chairperson positions

1. Apologies

Apologies were received from Chris Cullen and Kenny George.

2. Election of Chair and Vice Chair

See introductory paragraph.

3. Declarations of interest

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

4. Minute of the Board meeting held on Wednesday 30 August 2017

The Minute of the meeting held on 30 August 2017 was accepted as a true record as proposed by Georgina Dawson and seconded by Simon Leslie.

It was noted that the reference to 'spire2access' should be 'Aspire2access' under agenda item 11 of the Minute.

5. Matters Arising

Jim reported that he had reviewed the Facebook posts raised at the August meeting and thought they were quite benign. Bill Grant MP was also content with the signposting arrangements which he had brought to our attention following contact from one of his constituents.

If anyone needs further information on the Mortgage to Rent scheme, please contact Alan.

Jim will distribute Google analytics information on our new website usage in due course.²

The Board accepted the report.

6. Possible new Board report format

Jim explained the rationale for the proposed changes following a review assisted by Caroline Donald. The proposal to move to quarterly performance reporting will provide an enhanced level of reporting and will allow for trend comparisons across all our activities in one report. Any areas of concern out with the quarterly cycle will be reported on an exceptions basis. This should free up time at Board meetings for more detailed discussion on important issues like the Corporate Plan review, the budget and rent setting, and for presentations on specific topics. Rhonda suggested that the quarterly meetings should avoid including presentations to allow sufficient time for reviewing the performance information.

The Board agreed to trial the new format, beginning next month.³

² Jim to distribute Google analytics information for our website activity

³ New style reporting format to be trialled from November meeting

7. Projects (Business Development)

Jim updated the Board on progress on the various projects and confirmed that Kings Arms, Dailly would complete on schedule in January 2018.

Limonds Wynd, Ayr is now contractually complete with all defects addressed by the contractor within the prescribed period. The tenant feedback has been very positive and the findings from the HAB-LAB evaluation will inform future developments.

Mike Tomlinson enquired about the Gardenrose project and wondered why there was a high risk of it not proceeding. Jim explained the background to the project and confirmed that SAC had decided it no longer was a priority but it still appears on the SHIP reserve list.

Frances Maguire queried the demand for housing in Barrhill which is listed as a potential development site. Jim explained that the site has become available again and that the local community development group are examining housing need for Barrhill. Rhonda wondered if it was a strategic priority for us and Jim suggested that we could review our investment in the villages in the context of our Corporate Plan.

The planning application for Peebles Street should be submitted next week.

Pauline Elliot asked about the development at Corton, Ayr and Jim confirmed that we have expressed an interest in being involved. Mike added that he is interested in other areas where we can become involved under section 75 agreements. Jim cautioned that we need to be realistic in terms of development in relation to other pressures on our business. Jim has written to SAC to remind them of our primary focus in South Ayrshire in terms of our development activity in contrast to other developers who appear to spread activity throughout Ayrshire and beyond.

Jim confirmed that we are finalising the acquisition of six properties from the Hansel trust which should complete in early course.

The Board noted the content of the paper.

8. Housing Management activity

David reported that most performance indicators are within target apart from relet times which exceed target due in part to the staffing issues described in the paper. David confirmed that a new Housing Officer has been recruited and they will start with us on 20 November. David also referred to the impact that Universal Credit will have on staff and arrears performance given the move to full service which started today in East Ayrshire and will start in South Ayrshire in February 2018.

The Board accepted the report.

9. Property Maintenance Activity

David reported that the indicators are all within target but that right first time had dipped slightly from previous levels.

The Rowan Road works are now complete and it is hoped that tenants will notice a significant difference during the forthcoming winter.

The Board approved the proposal for loft insulation for 14 properties in Hadyard Terrace, Dailly.

Frances referred to the letter issued one year ago to tenants in Maybole regarding the installation of gas to their properties. David confirmed that the scheduling of such work by the utility company is out with our control and it was generally accepted that their performance is unacceptable. It was agreed that Scott Hutchison would update all affected tenants by letter⁴ and Simon Leslie volunteered to contact ex colleagues in the energy agency who may be able to provide contact details for someone who could assist in progressing the works.⁵

The Board accepted the report.

10. Financial Matters

Alan reported that the key financial indicators were all within target for the six months to 30 September 2017.

10. (a) Management Accounts for the 6 months ended 30 September 2017

Alan reported on the management accounts for the 6 months to 30 September 2017 and confirmed that we have exceeded the budgeted surplus figure for this period. He also confirmed that the financial strength of the company remains strong and is expected to remain so. The detailed performance indicators are all within target and the loan covenants have been met.

The cash flow statement for the six months shows that we have generated £1.8M from our operating activities. This relates to all rental and service charge income less all expenditure on salaries, office running costs, maintenance and so on.

The full development cost added to our asset base in the period was £1.4M. This includes the cost of the improvement programme, Mortgage to Rent acquisitions, our development at Kings Arms, Dailly and some additional spend on our pipeline development projects. We sold three properties under the now obsolete RTB legislation which generated cash receipts of £131k.

We used the cash generated and received to pay interest of £792k (including loan breakage costs) and to fund payments on the capital programme. We also repaid £3.6M of loans in line with the repayment schedules in our overall loan portfolio and the early repayment of our borrowings with the Co-op Bank.

At the end of the six months the organisation has £3.4M less physical cash than it started the year which reflects the planned use of cash balances which no longer contributed interest of any significance.

Alan reported on the main variances to the budget. Rent receivable was higher than budget largely due to the fact that we are still able to let some temporary

⁴ Scott to write out to tenants with an update on the position

⁵ Simon to seek contact details and pass to David

furnished accommodation at higher rents which had been budgeted at the mainstream rent in case SAC had no requirement for them.

The Board approved the management accounts for the six months ended 30 September 2017.

11. Marketing and Public Relations

Jim reported that his colleagues Wendy and Joan had attended the recent SAC fun day on our behalf which had been very successful.

Whitletts Victoria ran a second children's soccer school during the recent Autumn break using the equipment we funded.

The Eydent conference is on 15 November.

Rhonda is pleased to see the Facebook page is active.

12. Operational Matters

Jim reported that the Board attendance for the previous session had exceeded target and thanked everyone for their commitment.

There will be a Health and Safety committee arranged for December. There is also a need to arrange a training session on Health and Safety for the Board.⁶

Jim invited members to select the panels they would be willing to support covering various operational matters. The list of panels will be distributed to all members.⁷

Jim's performance review is due and a panel of three is required for this. It was suggested that this could comprise the Chair and the Vice-Chairs once selected.

Jim will circulate a reminder of the Equalities and Diversity training arranged for November.⁸

Bobby Pyper wondered if we have captured all of the action points which arose from the away day? Jim will do a summary and distribute it via Basecamp.⁹

Georgina suggested that affected tenants be informed of staff changes, especially if a staff member is leaving the organisation. David indicated there could be practical issues in relation to keeping everyone up to date. Rhonda suggested that Facebook could be used for that purpose.

The Board noted the change to staffing costs highlighted in the report.

The Board accepted the report.

⁶ Jim to arrange Board Health and Safety training session

⁷ Jim to distribute the list of panels to all members for selection and return

⁸ Jim to circulate reminder of date and arrangements for the training

⁹ Jim to summarise the action points and updates and distribute to the Board via Basecamp

12. (a) Proposed changes to the Articles

Jim brought the Board up to date with developments in the proposed changes to our articles and explained the background to these for the benefit of the new Board members.

The Board considered the detailed report and agreed the recommendation.

12. (b) Minutes from the Audit Committee meeting held on 23 August 2017

The Board accepted the Minute of the Audit Committee meeting.

13. Any other business

Ian proposed a vote of thanks to the Chair.

Document signed –

The Minutes of the meeting held on 30 August 2017

There was no other business and the meeting closed at 7.15pm

Signed

Dated
