



Board Meeting – 29 May 2019

Agenda Item: 3

Subject: Minutes of Board Meeting 24 April 2019

Prepared by: Kirsty Broadfoot

Minute of the Board meeting held on Wednesday 24 April 2019 at 5.30pm in Main Street, Ayr

Present:

Tenant Members

Kenny George – Chair, until Rhonda Leith arrived
Margaret Campbell – until end of item 9a
Myra Nicol – until end of item 9a
Georgina Dawson
Jordan Dunlop

Community Members

Rhonda Leith (Chaired from 5.45pm)
Gemma Collins
Bobby Pyper
Mike Tomlinson
Simon Leslie

In Attendance

Jim Whiston
David McGivern
Alan Park
Kirsty Broadfoot – Minutes
Caroline Donald – until after My Home presentation
Jacqueline Dunlop – until end of item 6b
Wendy Smith – until end of item 6b
Margaret Woods – until end of item 9a

1. Apologies

Kenny George chaired the meeting until Rhonda Leith's arrival. He introduced Jordan Dunlop who it was agreed will fill the casual vacancy until the AGM.

Apologies were received from David Porte and Frances Maguire.

2. Declarations of Interest

Myra informed the group that Lochside Community Group had been successful in receiving a grant from the association to help with a community lunch and that she had not taken part in the award decision-making.

It was noted that Simon Leslie had been present at the March meeting, Minute to be amended to amend those present.

3. Minute of the Board meeting held on Wednesday 27 March 2019

The Minutes of the meeting held on 27 March 2019 were accepted as a true record and were proposed by Gemma Collins and seconded by Myra Nicol.

4. Matters arising

Informal Board gathering

A note has been circulated with a date.

Missing section in Corporate Plan review

This has now been bound in with March Board papers and is on Basecamp.

Seascape conference

Details have been posted to Basecamp by David.

Presentation on My Home

Caroline provided an overview of the new tenant portal, My Home and confirmed that 225 tenants have now registered. Positive feedback has been received. A group discussion took place about uploading documents to the portal. Georgina enquired if an app would be available in future. Caroline confirmed that the software developers intend to use resources to develop the web-based portal rather than having an app as well. Kenny enquired whether the calendar facility would be updated with planned maintenance dates and events for the new hub. Caroline demonstrated the feature. Bobby asked about the impact on managing the site, Caroline confirmed that it is part of her and Zoe's workload. The Board thanked Caroline for her presentation and noted their approval of the new portal.

It was agreed to bring forward Item 6a to this point in the meeting to be presented by Jacqueline Dunlop and Wendy Smith.

6a Money Advice Service Annual Report including Universal Credit Mitigation

David introduced the report and clarified the amendments and that some additional items had been added. He explained the purpose of the report was to highlight the main reason in having the Money Advice team and that the financial gains achieved for tenants had been extremely high and that the team will continue to work to ensure the income maximisation for our tenants. David then handed over to Jacqueline. Jacqueline gave an overview of the Summary Quarterly Report, Q4 2018/19. She advised the Caseload table contained two misprints as the total referrals to date figure of 1,644 was since inception and not from Jan 2019 to March 2019 as printed. Also the new referrals Q3 17/18 should be Q4.

Jacqueline confirmed the number of referrals had risen this quarter and was likely to continue to increase due to the impact of Universal Credit. She also noted an increase in the number of self-referrals due to previous contact. Jacqueline informed the group of a significant rise in financial gains over the past two quarters, gains are recorded annually.

Wendy then gave an overview of the Pensioner Project. She advised that benefits are constantly changing and they are working hard to keep tenants updated. There has been an increase in the uptake of food vouchers due to the financial hardships faced by tenants. Some people are worse off on Universal Credit, with many having to wait up to 5 weeks with no money. This is also having an impact on rent arrears. Wendy also highlighted the lack of digital skills was affecting tenants, meaning that she and Jacqueline often have to spend up to 2 hours at a time with tenants helping them access the UC portal. Rhonda asked if there are any contacts that we can refer tenants to for digital assistance. Jacqueline confirmed that the DWP work coaches can refer to the Salvation Army Supported Resource. A general discussion followed on the courses that had been run jointly with Aspire2Access and the low level of attainment. Jim highlighted that all Housing Officers now have iPads which may help with providing low level assistance. He also mentioned that there may be further grants available for digital support.

Rhonda offered thanks to the work of the Money Advice team.

5. Business Development

Jim updated the Board on the status of the various projects either on site or in the pipeline. He advised that he met with officers from South Ayrshire Council and the Scottish Government who are both very supportive of the pipeline projects and are looking for us to move forward with them as soon as possible.

Peebles Street

The contractor is being pressed for the handover proposals given that the Contract completion date is 17 May. Two open nights arranged for 1 and 8 May. Group discussion took place around the handover of the properties.

Pipeline Projects

Gardenrose, Maybole

Issues with the CPO appears to have been resolved.

Elba Street, Ayr

Rhonda enquired about the preparatory works at risk mentioned in the papers. Jim clarified that the risk is with CCG and not the association.

Dailly

Mike commented on the delay to the financial completion of the project. Jim will speak to the architect and provide an update next month to the Board.¹

6. Housing Management Activity

6a Lettings Plan review 2019/20

David summarised the annual performance for 2018/19 comparing quotas to actual performance and noted that SAC nominations increased

¹ Jim to update Board re. Dailly project.

to 40% from 28% for the previous year. He also commented that 85% of all applicants housed had a joint application with SAC and ourselves.

David explained the reasonable preference duty that we have and referred the Board to the table on page 18 of the papers which discloses the split across the classifications. He also summarised South Ayrshire's Rapid Rehousing Transition plan and noted that in year 1, 25% of all lets should come from Section 5 referrals.

The Board approved the Lettings Plan for 2019/20.

7. Property Maintenance

No items for consideration.

8. Financial Matters

Alan reported on the management accounts for the year ended 31 March 2019 and confirmed we had again exceeded the budgeted surplus figure. He also confirmed that the financial strength of the company remains strong and is expected to continue as such. The detailed performance indicators are all within target and the loan covenants have been met.

The cash flow statement for the year shows that we have generated £4.4M 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 year was £6.8M. This mainly includes spend on the Peebles Court project. We received grants of £3.2M for the development programme and 10 open market properties as well £186k in relation to the Warm Homes Fund grant. We also disposed of one property in Girvan and the remaining share of a shared ownership property in Prestwick. The association had £825K more cash at the end of the year than at the start.

Alan reported on the main variances to the annual budget:

Income and Expenditure Account

The Income and Expenditure Account discloses a surplus of £2,366k against the budgeted level of £1,733k for the year. The main variances to budget are highlighted below:

Rent receivable is higher than budgeted by £91k due to additional rent received from our continued involvement in letting temporary furnished properties which have been budgeted at the mainstream rent matrix level and the addition of properties bought on the open market.

Void loss and bad debt of £55k is lower than the budgeted figure for the year of £84k which represents 0.8% of rent receivable (budget 1.25%). The bad debt write-off was £16k with the void loss for the year being £39k.

Management costs are lower than budget by £10k. There may be some additional expenditure which could affect this position. We experienced higher than

expected expenditure in legal fees and the introduction of GDPR also required some legal advice which wasn't budgeted for. Underspends elsewhere contribute to us being slightly under budget.

Insurance costs are slightly below budget.

Routine maintenance is under budget by £99k. Our new Technical Services Manager will continue to develop our system of budgetary control.

Void repairs are under budget by £7k.

Open space maintenance is under budget by £18k. Works planned for the end of the year were held back until the new financial year.

Interest payable is under budget by £237k.

Interest receivable is above budget due to better rates and higher available funds.

Alan confirmed that the performance indicators are consistent with previous years and show no cause for concern and that the banking covenants are all within the parameters detailed in the various loan agreements.

The Board approved the Management Accounts for the year ended 31 March 2019.

9. Operational Matters

Health and Safety

Jim confirmed that the next external audit will take place on 10 May.

Eydent

The agenda for the next meeting will be issued out shortly. ²

Staffing issues

The pay award has been implemented.

The Personal Development Policy is to be redrafted to take account of Karen Anderson's proposals for the Director's appraisal.

The part time Project Manager post has been advertised.

Audit Committee

Carole Ewart of Ewart Communications will present a report on her review of compliance with equality and human rights requirements to the next Audit Committee meeting in June. This will be circulated to the Board prior to this meeting.

² Jim to pass date to Rhonda for next Eydent meeting.

Freedom of Information (Scotland) Act, 2002

A paper will be submitted to the Board in May outlining the steps we will need to put in place. Jim is to attend a session with the Information Commissioner and will ask how we ensure the privacy of our tenants. SFHA is to provide guidance on model publication scheme.

9a Annual Procurement Report

Jim provided an overview of the changes to the report. He discussed the list of current regulated procurements. During 2018/19, a number of appointments were made following mini competitions. Previously only the main reactive repairs and gas contractors were covered by the framework agreements but now all repairs and related services are covered. Jim advised that we are looking to create a framework for painter work contractors. We may also review the need to tender for legal services. Jim highlighted the pertinent points of the action plan.

The Board approved the publication of the report.

9b Board Effectiveness Action Plan

Jim summarised the new Board Effectiveness Policy and discussed the draft action plan.

The Board approved the plans.

9c Board and Committee Meetings

Jim discussed the proposed calendar of meetings and committees. The group discussed the importance of spreading the load between the Board members. Other means of meeting other than face to face should be explored for things like tenancy matters meetings.³

The Board approved the proposals.

10. Any other business

a) Date of next Board meeting – Wednesday 29 May 2019

There was no further business and the meeting closed at 7.45pm with a vote of thanks to the Chairs.

Signed

Dated

³ Jim to circulate details of community development briefing before May Board meeting.