

Minute of the Hybrid Meeting of the Board of Management of Langstane Housing Association Limited held at 680 King Street, Aberdeen, AB24 1SL on 20 April 2023 at 12.30pm

Meeting start time	12.36pm	Meeting end time	2.12pm
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Present	Members - In Person	Members - Remote Attendance
	M Martin, Chair	J Knowles, Vice Chair
		J Drummond
		J Fraser
	Co-Optee	Co-optee- Remote Attendance
	D Bain	

In Attendance	In Person	Remote Attendance
	H Gauld, Chief Executive	M Ballance, Director of Property
	J Sutherland, Director of Housing	L Macfarlan, Director of Finance and Corporate Services
		A Bruce, Executive Assistant (Minute Taker)

Apologies	I Jamieson
	A Stevenson
	G Urquhart

Absent / no apology	Number of previous missed meetings without apology
A Habib	None

1. Apologies

The apologies noted above were intimated to the Board.

2. Declarations of Interest

There were no notes or declarations of interest.

3. Draft Minute – Board of Management – 16 February 2023

Decision: The Minute of the previous meeting was approved as an accurate record.

3.1 Matters Arising

3.1.1 6.1 - Draft Budget 2023-24 – Langstane Housing Association Limited - The Board was assured repairs issues, highlighted by tenants during the consultation exercise, are in the process of being actioned or have been completed. Similarly, tenants who had indicated they required assistance with rent, housing support or income maximisation had also been given help.

3.1.2 8. - Chief Executive's Update – The Board noted the Director of Property's confirmation there were approximately 25 cases of damp and mould being addressed. These were in the main, minor issues, with only one or two more complex cases. Officers were, with the new processes and new temperature logging equipment in place, dealing well with all of the cases.

3.1.3 7 - Landbank Sites Impairment – The Board discussed the revised impairment figure noting it is currently being finalised as part of the year end process and further noting covenant compliance is also being checked.

4. Statement of Outstanding Business

The Board reviewed the Statement and noted the following:

- Item 1 – Asset Management Strategy will be presented in June 2023 along with the Business Plan.
- Item 2 had been presented to the Board at its previous meeting and could therefore be removed.

5. Financial Reports

5.1 To 31 March 2023

The Director of Finance and Corporate Services apologised for the late issue of the paper. Appreciating the Board may not have had sufficient time to review the report, the Director advised she would be happy to take questions during the meeting or should any member wish to do so, at any time after the meeting. The Director further apologised for the numbering error in the Statement of Comprehensive Income. An additional line had been added to disclose the grant income separately and had thrown the numbers out by one e.g. line 24 was in fact 25 etc.

Taking the Board through the reports, the Director highlighted the figures presented were the draft year-end figures which are currently being reviewed as part of the pre audit checks. It is not anticipated there will be any material changes other than the decision on the level of impairment of the land bank sites highlighted under Item 3.1.

The Board noted the higher than forecast surplus which was in the main due to the non-recurring items listed on Page 2, the most significant being the adjustment to Housing Association Grant (HAG) and depreciation. These had arisen from a major exercise to fully reconcile the asset management system (RAM) and the financial accounting system. Board members were reminded the reconciliation had been a feature of the last two years audit reports. The Association had previously carried out a reconciliation between the two systems but no adjustments had been made, pending a deeper investigation; much of the adjustments were historic. A full reconciliation has now been carried out and everything accurately recorded. As a result of this work, the Association has reviewed its procedures and going forward, monthly rather than annual reconciliations will be carried out.

Board attention was also drawn to the following:

- The improved void, re-let and termination position;
- In respect of Property, the overspend, due to the volume and higher cost of responsive repairs, was offset by an underspend in asset management;
- Office costs were higher than budget but this was offset by a saving in legal costs;
- There had been two property sales and the sale of vehicles;
- Interest rates were higher than budget; and
- Component spend was as planned.

The Director further highlighted the cashflow and informed the Board there had been no breach of covenants. In respect of the Association's loans, shown on Page 6, the Revolving Credit Facility is still shown. However the new facility was in place from 12 April 2023 and as such will be recorded in future reports.

There followed brief discussion with Board members raising queries on whether the improvement in re-let times would continue, whether the HAG would need to be shown as a prior period adjustment (this would be discussed with the external auditor in advance of the audit with a view taken by the Association on advance re how it would like this to be dealt with) and on the work to analyse the responsive / cyclical repairs to ascertain why spend has increased so significantly. The work in relation to repairs would be carried out after the Annual Return on the Charter (ARC) has been submitted as much of the detail is analysed for the ARC.

The Board noted the reports.

5.2 To 31 January 2023

The Board had considered and noted the reports which had been available to view in the Board Portal.

6. 5 Year Financial Plan

The Board considered the Return, noting the Scottish Housing Regulator (SHR) collates information on the financial projections of all Registered Social Landlords. The information provided is taken from the Brixx budget projections reviewed and approved by the Board on 16 February 2023 and inserted in the SHR's template document with additional information provided.

Decision: The Board approved the 5 year financial plan as presented and approved its submission to the SHR.

7. ATFS Economic Review Report – March 2023

The Board considered and noted the report which detailed key economic data and market interest rates. Speaking to the report, the Director of Finance and Corporate Services highlighted the key points which included the stagnant growth, interest rates and wage growth.

Arising from the information provided by the Director on wage growth, a query was raised as to the progress of negotiations with Unite on the annual salary increase. Board members were informed the negotiations had been delayed due to unforeseen circumstances, however a meeting has now been arranged for 10 May 2023. Staff have been kept informed.

8. Tenant Safety

The Chief Executive reported she had attended the recent SFHA Governing Body webinar "Putting Safety First". The session had concentrated on damp and mould but there was nothing of note, from the issues highlighted, to bring to the Board's attention. Board members were informed the Association will be taking a strategic review of tenant safety. The Director of Property, as part of the Annual Assurance Statement, does provide a detailed report on health and safety but this is an area now high on

everyone's agenda and an area which needs dedicated resource to manage. The Association will need some time to carry out a robust review of safety and consider how this is resourced moving forward. This will link into the Asset Management Strategy and the Business Plan. In the meantime an analysis has been undertaken regarding the issues highlighted and Langstane's current position.

Action: Analysis of tenant safety to be brought back to a future meeting.

Action: Recording of the webinar will be circulated to the Board.

Decision: The Board noted the Chief Executive's verbal update and await the analysis mentioned above.

R Davidson joined the meeting.

9. Presentation by Rebecca Davidson, Customer Services Manager

The Board was given a power point presentation by the Customer Services Manager on the work undertaken with the Customer Service Team since taking up the post some 16 months ago; the journey the Team has undertaken, the priorities moving forward and the ambition to embed excellent customer service across the organisation for the benefit of both external and internal customers. The presentation also highlighted the excellent work being carried out by the Housing Support Team and the Customer Participation Officer.

Following the presentation, there was a question and answer session which included discussion on whether any of the Team's interaction with tenants had identified any prospective Board members, the newsletter (R Davidson would feedback D Bain's comments on how informative the newsletters are) and the proposed workshops with Teams across the organisation. In respect of the discussion on prospective Board members, it was noted the Tenant Participation Officer is aware of the Board's previous offer of members taking part in tenant events rather than the more daunting prospect of a tenant sitting on the Board. The Officer has been tasked with taking this forward.

R Davidson left the meeting.

10. Chief Executive's Update Report

10.1. Scottish Housing Regulator (SHR) – For Noting

The Board noted the information which included the SHR's recently published guidance on the effective recording of decisions and discussions by governing bodies. The guidance, attached as Appendix 10.1.1 had been available to Members in the Board Portal and noted by them. The Board also noted the information on the publication of the SHR's publication of Registered Social Landlord Engagement Plans.

Action: In respect of the guidance, the Chief Executive reported only minor amendments would be required to the Association's minutes, to meet the guidance requirements. The Association must give consideration to whether or not Committee Minutes and reports are published (this will be raised with appropriate Committees), and how to handle confidential matters.

10.2. Scottish Federation of Housing Associations (SFHA) – For Noting

The Board noted the report and had considered Appendix 10.2.1 – “SFHA Impacts” which had been available to view in the Board Portal.

10.3. Update on Meeting with Scottish Government to Discuss Landbanked Sites

The Board noted the outcome of discussions with the Scottish Government on the 28 February 2023 with regard to the Association’s six landbank sites. Members noted and were supportive of next steps and the suggestion the Association defer sale of the sites until nearer its return to development.

10.4 ICT Update

The Board noted the updates on the work being carried out on the implementation of the new integrated housing management and finance system and the completion of the new payroll system. Mindful of the pressures placed on people regarding end of year work alongside this project. Concern was raised regarding decisions made by the Association’s existing Housing Management system to withdraw their new Cloud based product.

10.5 Revolving Credit Facility with Bank of Scotland

The Board noted the the loan arrangement work was completed on 12 April 2023 and the Bank of Scotland properties were now held as security with M & G (formerly the Prudential).

10.6 Decision making under delegated power - for ratification

The Board ratified the decisions made by the Joint Audit and Governance Committee on 14 March 2023.

10.7 Union Street Office - for approval

Decision: The Board accepted the rental offer by Aberdeen in Recovery to lease the office at Union Street, Aberdeen.

10.8 Unencumbered Stock

The Board noted the update on the valuation of the Association’s 781 unsecured properties and were pleased to note the Association was in a strong position. Board members noted the Association’s commercial stock had not been formally valued at this time.

There followed discussion about the benefits and challenges of having such a high level of unencumbered stock.

Decision: Board noted the position regarding unencumbered stock and asked for a Strategy to be produced (October 2023).

11. Corporate Document Review

11.1 Corporate Document Review Report

The Board noted the report which detailed the change to the policy listed 11.1.1 and a status update on Item 11.1.2.

1.1.1 Health and Safety Policy V8

The Board noted the annual review of the policy had resulted in minor changes, in particular the reference to Covid being removed in favour of the more generic term “infection”.

Decision: The Board approved the policy as presented.

1.1.2 Business Plan 2023-25

The Chief Executive reported verbally on this item informing members the business plan is in progress. To inform the plan, the Chief Executive has been meeting with teams across the organisation. Meetings have been successful, informative and engaging. The plan will be further informed by the housing need and demand publications from the local authorities. These are currently being updated and the Association hopes to have updated information to inform its plans.

12. Minutes

The Board had considered and approved the draft Minutes which had been available to view in the Board Portal and listed below as Items 12.1 to 12.3 listed below.

- 12.1 Draft Minute – Board of Management Langstane Property Limited – 16 February 2023
- 12.2 Draft Minute – Performance Committee – 7 March 2023
- 12.3 Draft Minute – Joint Audit and Governance Committee - 14 March 2023

13. Quarterly Reports

13.1 Strategic Risk Register, Quarter 4, 2022-23

The Board noted the summary report presented and had considered and noted the Register which had been available to Members to view in the Board Portal.

Speaking to the report, the Director of Finance and Corporate Services highlighted the key risks, namely legal / regulatory which included the Association’s ability to meet EESSH2 and Housing to 2040, organisational risk which included the high void rates and the Association’s vulnerable client group, fraud risk and the emerging risk in respect of governing body membership. In respect of the latter, it was the Chair’s recommendation the Association consider engaging a recruitment agency to recruit new members to the Board of Management.

Decision: The Board approved the Strategic Risk Register, Quarter 4, 2022-23 and further approved the Chief Executive look into the possibility of recruiting new Board members through a recruitment agency.

13.1 Strategic Risk Register, Quarter 3, 2022-23

The Board noted the summary report presented.

13.2 Signings Report

The Board considered and noted the report which provided summary information in relation to all signings, leases and disposals added to the relevant registers during Quarter 4, 2022-23.

13.3 PR, Communications and Social Media Report

The Board had considered and noted the report which detailed information on the public relations, communications and social media activity during Quarter 4, 2022-23. The report had been available to view in the Board Portal.

14. **AOCB**

The Chair reported that following the recent recruitment exercise, the Association has appointed the new Director of Finance and Corporate Services.

15. **Date of Next Meeting**

15 June 2023.