

**Minute of the Meeting of the Board of Management of Langstane Housing Association Limited held on Monday 21 October 2019 at 680 King Street, Aberdeen AB24 1SL**

**Present:** J Knowles, Chair  
J Fraser  
J Greener  
J Drummond  
J Marshall  
A Stevenson

**In Attendance:** H Gauld, Chief Executive  
M Ballance, Director of Asset Management  
L Macfarlan, Director of Finance and Corporate Services  
J Sutherland, Director of Housing and Social Justice  
A Quinn, Quinn Internal Audit and Business Services  
A Bruce, PA to the Chief Executive (Minutes)

**Apologies:** K Hutchens  
I Jamieson  
C Lynch  
M Martin  
K McIntosh  
R Stewart

**1. Apologies**

The apologies noted above were intimated to the Board.

**2. Declarations of Interest**

J Greener noted an interest in Items 9 and 14.

**3. Draft Minute of Board of Management Meeting held on 19 August 2019**

The Board approved the Minute as an accurate record.

Matters Arising

**3.1 15 – Write Off Report**

The Director of Housing and Social Justice, in response to J Fraser's query, informed the meeting the timetable for tendering for debt collection services had still to be finalised.

**3.2 17 – Governance and Financial Management Review Update**

It was confirmed the Governance and Financial Management Committee would remain in place for the foreseeable future with meetings being called as and

when required. All update reports on governance and financial management would be presented to the full Board of Management.

#### **4. Draft Minute of Board of Management Meeting held on 16 September 2019**

The Board approved the Minute as an accurate record.

##### **Matters Arising**

##### **4.1 2.4 / 2.5 Company Secretary / Depute Company Secretary**

It was agreed the Chief Executive would remain as Company Secretary until the new legal service contract is in place.

##### **4.2 8 – Committee Membership**

It was noted there had, as yet, been no discussion held with A Stevenson regarding her preference for committee membership.

#### **5. Draft Minute of Joint Audit Committee Meeting held on 13 August 2019**

The Board noted the Minute.

#### **6. Draft Minute of Health and Safety Group Meeting held on 3 September 2019**

The Board noted the Minute. J Fraser asked that the Minute be amended to reflect that although he receives papers for the meeting and provides comment, he no longer attends meetings in person.

Item 3.2 – Pool Car, the Director of Housing and Social Justice reported she would establish when the report on the pool car vs travel expenses would be presented to the Senior Management Team.

#### **7. Statement of Outstanding Business**

The Board noted the Statement.

#### **8. Financial Information**

##### **8.1 Financial Reports to 31 August 2019**

The Board noted the report which had previously been circulated to members by email.

##### **8.2 Financial Reports to 30 September 2019**

The Director of Finance and Corporate Services reported the Association's income, direct costs and overheads are all on track and there are no concerns with regard to covenant compliance. Year to date there is a positive variance of

£432,000 ahead of budget and a positive outturn of £259,000 anticipated at year end. The Board would be presented with a more detailed half year report at its next meeting on 18 November 2019.

The Board noted the report.

## **9. Rent Increase Report**

The Board considered the report and supplementary information which set out the overall rental increase using a number of options.

In particular, the rent alignment information and the households affected were noted. The Board agreed to draft budget setting scenarios being presented that, taking into consideration income and affordability, presented a freeze to 1 bedroom rents in Aberdeen City.

In relation to affordability, the Board agreed an internal target for affordability measure. This will be 30% or less of net income spent on housing costs to be calculated on the basis of the living wage.

Scenario testing will be done on the long term financial viability of an inflationary increase of 2.1% and on 1.6%.

## **10. Write Off Report**

The Board approved the write off of former tenant arrears in the sum of £46,864.33.

## **11. Disposals**

The Board gave formal approval for the disposal of 17 Granton Place and 69-71 Crown Street, Aberdeen.

It further approved the progression of discussions with a developer on an offer to purchase Granton Place subject to obtaining planning permission and, if appropriate, extend the current Heads of Terms.

## **12. Redundancy Report**

It was agreed this item would be taken at the end of the meeting.

## **13. Chief Executive's Update Report**

The Board considered the report presented and the verbal report provided by the Chief Executive in respect of Items 1, 3, 6, 7, 8, 9 and 11. Lengthy discussion ensued on Item 2 with approval from the Board to delegate authority to the Governance and Financial Management Recovery Committee to approve the brief for the executive resource and to engage L West for a period of 6 months with a review thereafter.

## **14. Policy and Strategy Review**

### **14.1 Rent Setting and Service Charge Policy V2**

The Board, having noted changes to the rent setting timetable at paragraph 5.6 and the amendment to service charges at paragraph 5.2, noted the current rent matrix and the policy would be further updated to reflect the decision agreed earlier on the Agenda under Item 9, to set affordability at 30% or less, of net income spent on housing costs to be calculated on the basis of the living wage.

The draft policy would now be subject to full tenant consultation.

### **14.2 Asset Management Strategy Annual Update**

The Board considered the annual update on the Strategy and Action Plan and after lengthy discussion approved the amendments to Appendices 1, 2 and 3, noted the summary report at Appendix 4 which detailed how the strategic stock assessment was carried out, what the high level findings were and detail of the eight schemes which had been highlighted as requiring further investigation.

### **14.3 Records Management Policy V1**

The Board approved V1 of the policy noting it had been created to comply with Freedom of Information (FOI) requirements. The policy would be subject to review in 1 year.

### **14.4 Harassment Policy V3**

The Board considered the Policy and the accompanying results on the consultation with the Register of Interested Tenants. A Stevenson suggested the policy did not go far enough with regard to the Association's moral responsibility to tenants and to staff. It would also be her suggestion tenants comments had not been incorporated into the document. The Director of Housing and Social Justice agreed to look at the policy again taking into account the comments made.

It was agreed Item 16 would be discussed before Item 15.

## **16. Annual Assurance Statement**

The Board of Management met with internal auditor, A Cameron, Quinn Internal Audit & Business Support Services to discuss in detail the findings of his review of the Association against the Scottish Housing Regulator's regulatory guidance on Governance and Financial Management. Board asked A Cameron to confirm how he had reached his opinion and the level of assurance he reached given the evidence before him. There followed detailed discussion on the matter and it was agreed the Board would await further correspondence from the Scottish Housing Regulator, particularly in relation to the business planning process, prior to making a decision on its Annual Assurance Statement.

A Cameron left the meeting.

**17. Business Plan 2019-2023**

The Board noted the amendments to the Business Plan highlighted in purple. Given the discussion under Item 16, it was agreed the Chief Executive would carry out a further review of the plan. J Marshall would review the financial information and provide the Chief Executive with his comments / suggestions.

**18. Performance Culture Working Group Progress Report**

The Board noted the progress report.

**19. IT Working Group Progress Report**

The Board noted the progress report.

**20. Quarter 2, 2019-20 Performance Reports**

19.1 Staffing and Absence Management Report

The Board noted the report which showed an improvement in both short and long term sickness absence.

19.2 Housing Services

The Board noted the Housing Services report and accompanying complaints analysis report.

19.3 Asset Management

The Board noted the performance report and following brief discussion on component replacement and associated tendering the following was agreed:

1. When tendering in partnership with other housing associations, the Board should be provided with information on Langstane's portion of the tender only.
2. The Board would be presented with a report on retentions held for developments at a future meeting.

**20. Budget Timetable 2020-21**

The Board noted the timetable.

**21. Signings, Quarter 2, 2019-2020 For noting**

The Board noted the report which detailed a summary of all signings, leases and disposals for the period 1 July to 30 September 2019.

**22. Board / Committee Meeting Calendar 2020**

The Board considered the meeting schedule for the next twelve months and agreed to continue with monthly meetings.

**23. Draft Annual Planning Calendar 2020 For noting**

The Board noted the calendar which set out detail of statutory returns, Board / Committee and SMT reporting requirements for 2020. Members were asked to provide comments / suggestions for any additional items.

**24. AOCB**

A Bankline Third Party Mandate Resolution Confirmation was presented for signature by the Chair and Chief Executive.

**25. Confidential Discussion Remuneration Policy**

The Senior Management Team and A Bruce left the meeting.

**26. Redundancy Report**

After brief discussion the Board agreed to delegate approval of a redundancy pay structure for the organisation (to become policy and be applied to any future redundancies), to the Remuneration Committee which is due to meet on Monday, 28 October 2019.

**27. Date of Next Meeting**

18 November 2019 at 7.00pm