

Agenda Item 3.1

BOARD OF MANAGEMENT MEETING MINUTE

Minute of the Board of Management Meeting held on Tuesday, 23 January 2024 at 6.00pm. Meeting held online via Microsoft Teams

Attendance:

Board Members: Gavin Waddell, Chairperson
Jordan Henderson
David McIndoe
Stephen Boag

Staff/Advisor(s): Anne Marie Brown, Chief Executive
Carla Cameron, Finance & Corporate Services Manager
Arlene Dickson, Care Services Manager
Kimberley Tennant, Corporate Services Officer

Paul McNeill, HRC (Temporary Finances Services)
Steve Bromley, Bromley Consultancy, Agenda Item 9.1
Ewan MacDonald, Development Consultant, Agenda Item 11.1

Observers: Jade Murray, Observer (potential new Board member)
Julie Ann Cloherty, SHARE (for Board annual appraisal purposes)

Board meeting minute prepared by K Tennant, Corporate Services Officer post meeting from the meeting recording.

ITEM	NOTE	ACTION
	<p>WELCOME AND ORDER OF BUSINESS</p>	
	<p>Chair welcomed all to the meeting and confirmed that the meeting pack was issued to members on Wednesday, 17 January 2024 with a revised pack issued on Friday, 19 January 2024.</p>	
	<p>J Murray was welcomed to the meeting as an observer and potential new Board Member under item 7.0.</p>	
	<p>Members were advised that JA Cloherty from SHARE would also be observing the meeting as part of the Board's Annual Appraisal process.</p>	

Chair welcomed consultants Steve Bromley, Bromley Consultancy and Ewan MacDonald, Development Consultant who will both be presenting reports at this evening's meeting.

Members **approved** bringing forward agenda items **9.1** and **11.1** for discussion before item 3 on the agenda. This will allow S Bromley and E MacDonald to leave the meeting thereafter.

1.0 APOLOGIES

Apologies received in advance of the meeting from: Francis Polding, Michelle Donnelly, John Lennox and Anita Williamson.

1.1 Approved Leave of Absence

Chair confirmed that J Gherardi is on an approved LOA.

1.2 Non-Attendance

None to note.

2.0 DECLARATIONS OF INTEREST

Chair asked for any declarations of interest; there were none to note.

9.0 FINANCE (item brought forward)

9.1 IT Support Tender Report Confidential

Report
Summary

[Redacted text]

[Redacted text]

[Redacted text]

Discussion

[Redacted text]

[Redacted text]

[Redacted]

[Redacted]

Decision

The Board:
Approved the appointment of [Redacted] as the Association’s IT Support Services Provider.
Approved the issue of contract for a 3-year period, with the option to extend for a further 2-years.

6.24pm S Bromley left the meeting

11.0 OPERATIONS (item brought forward)

11.1 New Build Development Update Report Confidential

Report Summary

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Discussion

[Redacted]

[Redacted]

[Redacted]

AMB/ EM

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

PMcN

[Redacted]

[Redacted]

[REDACTED]

[REDACTED]

Decision

The Board:
Noted the contents of this progress update report.
Approved the following recommendations, with regards to the opportunity at [REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

E MacDonald left the meeting at 6.30pm

3.0	MINUTES
3.1	Minute of previous meeting (28 November 2023) Chair asked for accuracy and approval. AM Brown advised that P McNeill’s name has been mis-spelled and requested this is to be amended. C Cameron advised that item 5.2 requires to be reworded as the budget is showing the deficit overall not within the overheads as minuted. Subject to the above noted amendments, the minutes were approved on a proposal by S Boag and seconded by G Waddell.
3.2	Audit and Risk (13 November 2023) Chair asked for accuracy and noting. There were no suggested amendments to the draft minutes.
3.3	Policy Review Working Group (12 December 2023) – For Noting Chair asked for accuracy and noting. There were no suggested amendments to the draft minutes.
3.4	Staffing Committee (19 December 2023) – For Noting

Chair asked for accuracy and noting. There were no suggested amendments to the draft minutes.

3.5 Audit and Risk (15 January 2024) – For Noting

Chair asked for accuracy and approval, noting.

C Cameron advised that there was some rewording that was required to be made to the draft minute as P McNeill did not carry out the Stock Condition Surveys as minuted – he carried out checks on a sample of results. Also a repeated word is to be removed and the void and repairs budget sentence is to be tidied to reflect the report that was issued to members. The amended minute will be presented to the next Audit & Risk Committee meeting for approval.

KT

P McNeill explained that their reasoning behind sampling the stock condition results was to test the results reported by JMP. Upon ~~his~~ their own investigation it was found that some of the close painting works were not required. Advising P McNeill advised that there is a bit of work to be carried out on JMP’s report as the results will need to be verified then put into the long-term business plan.

Chair thanked P McNeill for taking the time to explain their rational for the testing.

4.0 RECOMMENDATIONS TO THE BOARD FOR APPROVAL FROM:

4.1 Staffing Committee, 19.12.2023: Customer Services Team Staff Resource Proposals
Confidential

Report Summary

[Redacted]

[Redacted]

[Redacted]

A Dickson joined the meeting 6.56pm

Discussion

[Redacted]

There were no further comments or questions.

Decision

The Board:
Noted the contents of this report.

Approved the recommendation [REDACTED]
[REDACTED]
[REDACTED]
Approved the recommendation [REDACTED]
[REDACTED]
Approved the recommendation [REDACTED]
[REDACTED]
Agreed [REDACTED]
[REDACTED]

4.2 Audit & Risk Committee, 15.01.2024: Draft Budget 2024/25 & Rent Increase Options for Tenant Consultation

Report Summary

C Cameron presented the report to members highlighting that this is the first draft of the budget and includes the options for rent consultation. Members agreed that the Association should consult with tenants on 5.9% and 6.4% rent increase for 2024/25 as agreed by Audit & Risk Committee.

The assumptions used in the draft budget are visible at item 2.1 of the report, noting that EVH negotiations continue in relation to the salary increase for 2024/24. C Cameron is hopeful that a final figure will be available prior to the revised budget being presented to members at the February 2024 meeting.

C Cameron reminded members that the 2023/24 rent increase was capped at 5% due to the high level of inflation. Looking at 2024/25 CPI was 3.9% in November 2023 and with the level of investment planned and services to be delivered it was felt that an additional 2% on top of CPI was reasonable. C Cameron noted that the Appendices 1-4 are based on the 5.9% assumptions. If our tenants indicate that they would like a 6.4% increase the figures will be ran again.

C Cameron advised members that the Association remains comparable with our peer group in terms of rent consultation increases for the year ahead.

Referring to P McNeill’s previous comments, C Cameron advised that Stock Condition Survey (SCS) results will be factored into the review of the 30-year projections once phase 2 of the SCS planned to start in April 2024 is complete. The investments works included within the 2024/25 budget are essential works identified from the Association’s own investment programme. A revised investment programme, based on the SCS information will come into effect from April 2025.

C Cameron noted that updated stonework surveys will also be included in the 30-year plan; the architect currently carrying out this work.

C Cameron provided a summary of how service charge costs are calculated noting that 2024/25 charges are based on the last full year of expenditure which is 2022/23.

It was noted the Association’s Factoring Management Fee will increase to £100 per year, with other local RSL’s averaging £130 and the fee increases for Dalmuir Out of School Care Group for the year ahead can be seen at appendix 3.9.

Continuing with the update C Cameron advised that options are being considered for the commercial units owned by DPHA and that final costings for stone works, door entry upgrades and extractor fan replacement costs are also still to be included in the 2024/25 budget.

Closing their update C Cameron advised that the 2024/25 Rent Consultation has begun and will run from 16 January 2024 to 2 February 2024. Advising that feedback and results will be reported to the Board at the February 2024 Board Meeting.

Discussion

Member asked regarding budgeted assumption in the investment programme; The Business Plan assumptions were showing a £1.1m investment spend and this is now £604k to replace kitchens and boilers asking for clarification on what has happened to the planned spend?

Member also noted that the proposed rent increase is lower than the previously budgeted assumptions asking how this will affect the level of income within the 30-year plan, stating that they are looking at the mid to longer term plans to ensure covenant compliance and healthy cashflows.

C Cameron responded advising that the amended investment programme is mainly based on the pending results of the SCS, coupled with the kitchen and boilers components lasting longer and not having to be replaced as frequently as anticipated. C Cameron clarified that no investments work within our properties will be dropped only rescheduled.

P McNeill advised that within the long-term Business Plan it has made assumptions based in relation to inflation and increases which were very high at the time of writing the Plan. It was also noted that component repairs had uplifts of 30%, and when the Association reviews its 30-year Business Plan it will go back to basics and review the Plan and all assumptions.

CC/ PM/GB

Member appreciated the comments made by P McNeill and the assurance of revisiting line by line is comforting to note.

AM Brown added to the discussions highlighting item 3.11 within the report and the use of 'holding' language, explaining to members that the investment programme and life cycle costings will be fully and robustly revised once the SCSs are complete fully. Noting that it is crucial to the Life Cycle Costing Plans and the future replacement costs.

Decision

The Board:

Approved the 2024/25 draft budget – version 1.

Noted that A&R Committee Agreed to consult tenants on two rent increase options, these being: 5.9% and 6.4%.

Noted that a final draft budget for 2024/25 and supporting papers, including the rent increase proposal and service charge review, will be brought to the February

2024 Audit & Risk Committee meeting for discussion and recommendation to the Board for approval.

5.0 BOARD MATTERS ARISING SCHEDULE

Report Summary AM Brown presented the report to the members, highlighting updates to actions 1 and 8 regarding the deposit accounts and that investigations are currently ongoing and results with options will come to the March 2024 Board Meeting. CC

Discussion Noting that items 6 & 7 relating to the Pension Review will be picked up by G Bruce upon their return to duties. GB

Decision The Board:
Noted the updates to the Matters Arising Schedule.

6.0 CHIEF EXECUTIVE PROGRESS UPATE: Confidential

Report Summary [REDACTED] AM

Discussion [REDACTED] KT

Decision The Board:
Noted the contents of this report, especially:
[REDACTED].
Agreed [REDACTED]:
[REDACTED]
[REDACTED]
[REDACTED]

7.0 GOVERNANCE

7.1 Governance: Governance & Financial Management Improvement Plan Quarterly Update

Report Summary	<p>AM Brown presented the report to members and advised that the staff Annual Reviews noted in appendix 1 are planned to take place February and March 2024.</p> <p>Meetings regarding the Reinforced Autoclaved Aerated Concrete have taken place with Gen3 Consultant Engineers, who have been identified to carry out the surveys. RAAC surveys are due to start some-time in February 2024.</p>
Discussion	<p>Member asked if there was a start date in mind to start the surveys? AM Brown advised that there was no date agreed however they will be starting imminently. The member asked if the timescale that the Association has set will impact any dates set out by the Regulator?</p> <p>AM Brown advised that no, there would be no impact and that the information is required to support our statement in the Annual Assurance Statement and that the Regulator has not provided an end date for checks to be carried out.</p>
Decision	<p>The Board: Approved the updated GFMIP at Appendix 1.</p>
7.2	Governance: Equality & Human Rights Action Plan – 6 Month Update Report
Report Summary	<p>AM Brown presented the action plans to members advising that the last Board update was July 2023 and updates and changes to the plan are in red text Work with TPAS' associate is due to start in April 2023 and the Data Collection project is progressing for all customers and is being led by K Tennant.</p>
Discussion	<p>Member asked if the action plan end dates are achievable with the majority of them being 31 March 2024. AM Brown advised that the dates reflect the current financial year and that some of these tasks will be carried over into the next financial year with revised dates being brought to the Board at the start of the new financial year.</p>
Decision	<p>The Board: Noted the contents of this report. Approved the updated Equality & Human Rights Action Plan for 2023/2024 as attached at Appendix 1.</p>
7.3	Shareholding Membership
Report Summary	<p>K Tennant presented the report to members requesting the approval to cancel the shareholder that no longer meets the requirements and to approve the new shareholder as detailed within the report.</p>
Discussion	<p>There were no questions or discussions.</p>
Decision	<p>The Board: Approved the proposed new Shareholder membership at 3.1.1. Approved the cancellation of the Shareholder member to be removed from the member register as outlined in section 3.2.1. Noted the summary of Shareholders at 3.3.1.</p>

7.4	Board Member Application: J Murray	
Report Summary	K Tennant presented the report to members explaining to those in attendance that J Murray has previously met with G Waddell to discuss joining the Board. [REDACTED] [REDACTED] [REDACTED]	
Discussion	Chairperson advised that they met with J Murray prior to the meeting and advised the members that they will fit in with the Association's values and they are confident in endorsing the appointment.	
Decision	The Board: Approved J Murray's Appointment onto the Board until the next AGM, which is taking place on 3 September 2024.	
8.0	STRATEGY	
	No reports.	
9.0	FINANCE	
9.2	Rent Harmonisation Project Update Report	
Report Summary	AM Brown presented the report written by Arneil Johnson advising that it is a detailed report for information only at this present time as the report will be discussed in detail at a future Board meeting or specific session.	
Discussion	Member asked if it were possible to have a one off meeting arranged to discuss the report, asking members to inform staff if they would like to take up this option.	Members
Decision	The Board: Noted the contents of this report. Noted Arneil Johnston's Tenant Consultation Outcomes Report, December 2023 (Appendix 1), which will be discussed at the March 2024 Board meeting. Agreed that the Chief Executive should contact Board members to arrange a one-off session so that Arneil Johnston can give a detailed presentation. Noted that Arneil Johnston will be attending the March 2024 Board meeting.	
9.3	Review of Financial Regulations & Procedures	
Report Summary	C Cameron presented the report to members, noting that the regulations and procedures required to be revised to ensure that the same staff member does not sign off the work order and the related invoice	
Discussion	Member asked for clarification on job roles within the organisational tree and the job titles within the report as they did not match. C Cameron advised that this has been an oversight in the report. C Cameron asked that if members were happy to approve the revised documents, they C Cameron would then amend the job titles in line with the current staff structure and that the document would then be issued to staff.	CC
Decision	The Board: Approved the revised Financial Regulations and Financial Procedures as contained within Appendices 1 and 2 .	

	<p>Approved the changes to the procedures for approving Repairs and Maintenance works orders.</p> <p>Noted that the Regulations and Procedures will be due for review in 3-years' time or earlier if required.</p> <p>Agreed the Financial Regulations and Procedures should be further amended to refer to the correct job titles, noting this amendment does not have to be brought back to the Board.</p>	
10.0	STAFFING	
10.1	Chief Executive's Compressed Working Hours: End of Trial Period Confidential	
Report Summary	<p>Chair requested that this item is discussed after item 13.0 on the agenda to allow a confidential discussion without staff being present.</p> <p>A post meeting note will be submitted by G Waddell, Chairperson for inclusion to the Minute.</p>	GW
11.0	OPERATIONS	
11.2	Stonework & Insulation Project Update	
Report Summary	AM Brown presented the report to members providing a brief update on behalf of D Wilson. AM Brown advised that weather permitting the project should be finished by Friday, 26 January 2024 and that the lead work remains ongoing as only 6-metres of lead work can be completed in any one day. The removal of the protective walkway scaffolding is also dependant on the completion of lead works and an improvement in the current stormy weather conditions.	
Discussion	<p>AM Brown voiced their delight about how well the project has been managed and that the residents' and owners' co-operation has been amazing.</p> <p>Member advised that they have experienced this type of work previously and note the great achievement of completing the works as it is a complex project to co-ordinate and deliver.</p> <p>Member advised that they supported the previous members comments and attended the conference that AM Brown and D Wilson gave a presentation to in December 2023 in connection to the stonework and insulation project.</p>	
Decision	<p>The Board:</p> <p>Noted the contents of this progress report.</p> <p>Noted the funding that has been drawn down to date to assist with costs.</p> <p>Noted the project is complete with the Practical Completion Certificate now issued.</p>	
12.0	HEALTH AND SAFETY	
	None	
13.0	USE OF DELEGATED AUTHORITY	
13.1	Policy Amendments Approved by the Chief Executive	
Report Summary	AM Brown presented the report to members noting that minor amendments were carried out to various policies referred to within the report.	
Discussion	Member noted that the Board Portal was mentioned within the report and advised that the portal is there for all members to access information about DPHA.	

Decision

The Board:

Noted [REDACTED]

Appendix 1.

Approved [REDACTED]

[REDACTED]

[REDACTED]

The meeting finished at 8.05pm

Signed _____ Date _____

(Chairperson)