

TRUST HOUSING ASSOCIATION LIMITED

Minute of the Board Meeting held on Thursday 25 May 2023
at 14:15 at 12 New Mart Road, Edinburgh

PRESENT:

Board Members

Dr Norval Bryson
Paul McFarlane
Ali Ross

Mary Niven
Karen Cawte
David Knight
Graham Curran

Officers in Attendance

Rhona McLeod, Chief Executive
Jenny Wallace, Director of Customer Experience
Zoe Purdie, Director of Finance & People
Neil Ferguson, Director of Business Development & Digital
Jackie McIntosh, Director of Assets & Sustainability
Claire Mottram, Governance & Business Support Manager (*Company Secretary*)

DR NORVAL BRYSON IN THE CHAIR

Agenda Item	Detail
1.	Chair's opening remarks
1.1	Dr Norval Bryson, Chair, welcomed everyone to the meeting. In particular, Jackie McIntosh, Director of Assets & Sustainability who has now returned to work following an absence.
2	Chair of Audit & Performance Committee Remarks
2.1	Paul McFarlane, Chair of the Audit & Performance Committee provided an update from the earlier Audit & Performance Committee meeting. He remarked on the new presentation style of the recurring 'Performance Report' item on the agenda, which has led to a more efficient and focused overview of the quarterly Key Performance Indicators (KPIs). Paul gave his thanks to Darren Lewis, Head of Service Design & Improvement, for organising the new format. Paul remarked on the overall positive 'year-end' performance, particularly in areas that have faced challenges, such as Days to Let.
2.2	Paul referred to the three reports presented in the committee's boardpack which were produced by BDO as part of the Internal Audit Plan – 'Payroll', 'Care & Support' and 'Follow Up'. Paul updated the Board that despite the limited assurance provided in BDO's reports, the committee are comfortable with the management response to BDO recommendations and controls in place. Paul added that there is a plan to arrange regular meetings with Gemma MacLeod, our new Internal Auditor at BDO, which he will attend, alongside Ali Ross, Vice Chair of the Audit & Performance Committee and Zoe Purdie, Director of Finance & People. Paul advised that these meetings will be an opportunity to keep relationships strong with our Internal Auditors and to continually review and scrutinise report findings.
2.3	Paul also noted that the Committee approved the removal of 9 recommendations as per point 2.12 in Item 5 in the Committee Boardpack, which were either very old recommendations which had already been superseded, were no longer relevant or were no longer deemed practical to be fully implemented within Trust's operating model.

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2.4	Paul concluded that all members contributed freely at the meeting and the next meeting will be 26 th July.
3.	Chief Executive's Remarks – <i>please see private minutes</i>
4.	Declarations of Interest
4.1	Board Member (anonymous), declared an interest in an item to be raised under AOB. The CEO and Executive Team declared an interest in Item 15 'CEO Appraisal & Objectives for 2023-24'.
5.	Apologies
5.1	Apologies were received by Board Members Gordon Laurie, Kyle Ruparelia, Ian Mitchelmore, Ian Gunning and Steve McGowan. Apologies were also received from Board Member Ali Ross from Item 11 onwards.
6.	Financial Review – <i>March 2023 (Year End Accounts 22-23) - please see private minutes</i>
7.	Financial Review – <i>April 2023 (Verbal Update) – please see private minutes</i>
8.	Annual Return of the Charter (ARC) 22-23
8.1	Claire Mottram, Governance & Business Support Manager, took the board through the ARC 22-23 presentation (attached as Appendix 1 to these minutes). Neil Ferguson, Director of Business Development & Digital explained that after the Board signs off the ARC today, Rhona will formally submit the ARC return online through the Scottish Housing Regulator portal ahead of the deadline (31 st May 2023). Neil advised that as per other years, all figures have all been validated by data owners in the business and signed off by Leadership Team and CEO.
8.2	Norval queried the increase in FTE hours for 'Care & Support' staff. Jenny Wallace, Director of Customer Experience, explained that this is due to a combination of recruiting into vacant hours with permanent employees rather than using agency hours, and also an increase in overall care hours deliverable and commissioned in the services. Zoe added that the overall employee headcount has remained the same.
8.3	Norval enquired about benchmarking for 'Staff Sickness' and 'Staff Turnover' performance. Zoe advised that other RSL 'Care and Support' providers have very similar performance and noted that those on 'Zero Hour' contracts which end are also counted as a 'leaver' under ARC Guidance. Zoe added that new HR system will be able to produce reports on these KPIs monthly. Claire advised that benchmarking from SHR, based on the 22-23 returns, will be available towards August, but an early indication of sector performance will be available from SHN who compile and publish member performance around end of June.
8.4	Paul noted that the presentation was broken down to show the performance of Trust, Wishaw & District Housing (WDH) and Trust without WDH included. Paul asked if this was required by the Regulator and queried whether this would continue in future years.

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	<p>Claire confirmed that it is only the total performance for Trust that is submitted to the Regulator and the breakdown was solely for information in this presentation. Claire explained that it reflects the use of two housing management systems, 'Omniledger' by Wishaw & District Housing and 'Open Housing' for remaining Trust stock, however with the transition to our new system Rubixx, future performance figures and evidence will be collated and saved from one source, which will negate the need for reporting in this fashion. Neil confirmed that next year the performance in the ARC presentation to Leadership Team and Board will likely be broken down instead by service type.</p>
8.5	<p>Graham asked for background information on the 'Average Days to Complete Non-Emergency Repairs' performance. Jackie noted that Trust ceased routine repairs from the end of January which will have had an effect on the figures. In addition, Jackie noted that jobs logged on Open Housing and completed in the same day had been previously reported as zero days, instead of one day, and this had recently been corrected in the year end data cleanse. Jackie added that considering the challenges faced in the sector with supplies, this remains a positive outcome. Jackie also noted the improvement in 'Reactive Repairs Completed Right First Time' and accounted this to the change in contractors to 'Concilium'.</p>
8.6	<p>Norval remarked upon the increase in households waiting on Medical Adaptations at year end. Jackie advised that we have quite a few adaptations in rural locations like Arran where we have had issues getting contractors to complete the work, however we now have a smaller contractor eager to take on these jobs. Jackie added Trust is doing a great job to take advantage of funding available for medical adaptations and that this year they are hoping to secure Scottish Government funding in excess of £600,000 to complete adaptations. Norval queried if this funding covers the entire cost incurred by Trust. Jackie advised that she intends to get a bit of analysis completed regarding the income and expenditure. Mary remarked upon the speed of her own medical adaptation getting completed as a Trust tenant. Mary noted that this was in a Central Belt location of Scotland and advised that she understood why rural would be trickier, particularly with the ferry issues for mainland contractors getting over to Islands.</p>
8.7	<p>Graham noted that the 'Days to Let' performance seemed quite high and queried the benchmarking and context around this KPI. Jenny advised that this KPI is normally much higher for Care & Support providers and the stock does tend to take longer to turnaround. Jenny added that we have some lengthy voids that impact on the overall total once let, for example we have around 10 voids which have been vacant over one hundred days. Jackie added that, from an Asset perspective, it's important to review these and see if there are solutions to aid lettable, for example a studio property at Hamilton has just been renovated into a 1 bed flat which was a modest investment when compared to the void loss incurred otherwise. Norval noted that this has been an ongoing focus for Board. David confirmed that he felt Customer Experience had always done a good job explaining why the days to let is often longer. Jenny confirmed that in terms of benchmarking, we are similar to other RSL Care & Support providers for this KPI.</p>
8.8	<p>Norval remarked upon the positive Gross Rent Arrears figure. Jenny advised that there had been a large focus on 'Rent Sense' to monitor arrears and our customer demographic tend to have a lower risk of arrears.</p>

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8.9	Mary queried what 'Write Off' reasons were for arrears. Jenny explained that this would be if a tenant passed away and there was no money left in the estate to pay off the debt, or if all options had been exhausted for contacting a former tenant and trying to recover the arrear. Jenny added that Customer Experience has specific 'delegated authority' for what can be written off each year.
8.10	Norval advised that he was satisfied that the proper process had been followed during the collation of the 22-23 ARC Return, with the senior team signing off the performance after significant work and investigation, and added that he feels comfortable with the figures presented. Ali added that performance is reviewed internally at Audit & Performance Committee meetings and the year-end figures here are in keeping with the quarterly reporting trends.
8.11	Decision: Approved the ARC Return, covering the period 1st April 2022 to 31st March 2023, for submission to the Scottish Housing Regulator by 31st May 2023.
9.	<p data-bbox="256 831 927 864">Customer Engagement Strategy 2023 - 2026</p> <p data-bbox="105 902 1489 1122">9.1 Jenny advised that the previous Customer Engagement Strategy ended in March 2023 and required updating for the next three year period. Jenny explained that this is a requirement by the Regulator. She added that our Customer Engagement Partner, had recently retired, however the Strategy has been taken to the Customer Panel who reviewed the changes and action plan, including how the strategy links in with the Wishaw & District tenant engagement going forward.</p> <p data-bbox="105 1160 1489 1339">9.2 Karen Cawte, Board Member, remarked that the strategy was quite ambitious and queried how Trust would measure success. Jenny advised that measures and targets will be explored with the group members once they are up and running and these will need to link back to the current KPIs of the business, as well as what we want to achieve around our Customer Satisfaction Survey.</p> <p data-bbox="105 1377 1489 1556">9.3 Graham remarked that he liked the fact the strategy was so positive around digital channels and engagement. Mary agreed and advised that the cost of travel to bring everyone together in person is expensive and with Microsoft Teams we can make that cost saving. Jenny agreed and added that it's important to find that balance for tenants who may not want to engage digitally, but more options is key.</p> <p data-bbox="105 1594 1489 1921">9.4 David Knight, Board Member, asked about how Customer Engagement will link in with recruitment. Jenny advised that since Covid, this had lost some momentum but she is keen to pick this up again as part of the strategy. Jenny explained that previously tenants in developments would often form a welcome group, ask questions of candidates and give them a tour of the development. They would then feedback their thoughts to the selection panel. Jenny advised that this would normally happen for care and senior staff. Jenny reflected back on her own experience interviewing for Director and added that she met with the Customer Panel and WDH Local Area Committee to take questions from members.</p> <p data-bbox="105 1960 1489 2094">9.5 Rhona McLeod, CEO, added that this is invaluable input and noted that often the views are generally consistent with recruitment panel. Mary remarked that it's also a good opportunity for the candidate coming along for interview as they can get to know the tenants and services a bit better and feel more comfortable. Norval added that this is</p>

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9.6	<p>particularly beneficial for development colleague recruitment as they will be working closely with the tenants.</p> <p>Norval gave one final comment around wording for the Strategy introduction and felt it should be reworded to reflect Trust's primary goal of satisfying customers. Jenny was happy to make this amendment.</p>
9.7	Decision: Noted the content of this report.
9.8	Decision: Approved the Customer Engagement Strategy 2023-2026.
10.	Housing Support Service Charge Update – <i>please see private minutes</i>
11.	Arran Allocation Policy
11.1	Jenny noted that as part of the 2023 review there have been no fundamental changes to the allocations process within this policy and a full Trust Allocations Policy review is about to get underway with customer consultation planned for Autumn 2023.
11.2	Paul advised that he felt the policy was very thorough and detailed. Karen queried Trust's stance on the removal of floor coverings which has been a topic in the news lately for Housing Associations. Jenny advised that Trust have an element of discretion and if the carpets are in a good condition and both the exiting and incoming tenant or family member consents, they can be left. Norval added that the good condition is key there for hygiene and pest reasons.
11.3	Decision: Noted the content of this report.
11.4	Decision: Approved the Arran Allocations Policy
12.	Governance Update
12.1	Claire summarised the contents of the Governance Update report and advised that the selection panel (Norval, Ali and Rhona) will provide a verbal update on Board Recruitment. Norval advised that following a strong set of interviews, the selection panel would like to recommend to the Board that Laura Bornitici be co-opted at our next July Board Meeting and be put forward for election at our 2023 AGM. Norval advised that Laura brings a unique skillset and perspective to the Board, working as a geophysicist at present in the oil and gas industry. Rhona added that this will be highly beneficial when thinking about the energy market and Net Zero agenda.
12.2	Norval added that due to the strength of a second candidate, he would also like to recommend that Sharron Elsdon is confirmed by Board as an Appointed Member at our next July meeting, serving a three year term (as per Rule 37.1). Norval advised that Sharron works for the Scottish Borders Council in the Homelessness Department which again is unique expertise and perspective for the Board, and of key importance given the Homelessness problems in Scotland.
12.3	Rhona added that despite our efforts to widen our advertising platforms to diversify our applicant base, all of our candidates did hear about Trust through the standard platforms

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12.4	<p>like SHN and LinkedIn. However there was consensus that these wider platforms are worth continuing for future recruitment efforts.</p> <p>Claire provided an additional update around the AGM being virtual this year, to reduce travel emissions and cost. Claire also noted that a digital 'Skills Matrix and Group Appraisal' form will be shared on Friday 26th May, with a deadline of Friday 9th June, for Board to fill in. Norval added that he is keen to see how the Group Appraisal will work and that this is the first time Board will undergo an appraisal as a collective. Norval offered that if any Board Member would like to speak to him separately about personal development or any issues, he is happy to meet 1-1 as well at any point. Norval noted that the Group Appraisal is a bit of an experiment and we can review how effective it has been afterward. Norval noted that he is keen to have part of the appraisal focus on his role as a Chair and any feedback members have, which he feels is important. Claire added that the appraisal is also a chance for Board and the Senior Team to think about and evaluate their working relationship.</p>
12.5	<p>Claire concluded by noting the final point of the Governance Paper around the disbandment of the Wishaw Local Area Committee which has fulfilled its remit and which will be incorporated into wider Trust Customer Engagement within the new strategy. Karen checked on how committee members felt about this ending. Rhona advised that the committee are happy with the proposed action and volunteered for it to be disbanded, but still wish to continue under the wider engagement strategy.</p>
12.6	<p>Decision: Noted the contents of the report.</p>
12.7	<p>Decision: Approved the proposed plan to co-opt and appoint the two new Board Member Candidates at our next July Meeting, with Laura Bornatici put for election at our AGM 2023, as per governing rules.</p>
12.8	<p>Decision: Approved that the Wishaw Local Area Committee be disbanded.</p>
13.	<p>Treasury Update – <i>please see private minutes</i></p>
14.	<p>Delegated Authority Update</p>
14.1	<p>Zoe referred to FR06 Delegated Authority and paper with the summary of changes from version 13 to version 14, and offered to take questions. No questions raised.</p>
14.2	<p>Decision: Approved Financial Regulation FR06 Delegated Authority V014 including Appendix 1.</p>
17.	<p>Board Minutes</p>
17.1	<p>The minutes of the Board meetings held on 6 April 2023 were approved.</p>
18.	<p>Action Tracker</p>
18.1	<p>Discussion around what items can be moved to completed on tracker.</p>

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<p>19.</p> <p>19.1</p> <p>19.2</p> <p>19.3</p>	<p>Any Other Business</p> <p>Claire raised one item relating to a recent offer of Trust Housing to a Board Member, which must be brought to the Board for approval under the Benefits & Entitlement Policy. The Board Member in question stepped out of the room due to a Declaration of Interest. Claire assured the Board that the Allocations Policy had been followed and no preferential treatment had been carried out. Claire reviewed the Shortlist of applicants and explained that the Board Member was second on the waiting list, with the first person already in receipt of an offer. Claire added that due to the property being a double bedroom flat, couples on the list were also contacted before single household applicants were considered, and the Customer Experience Manager has confirmed that no couples were interested in this void property. Claire also added that there are 6 remaining voids at the development. Claire confirmed that this would be placed on the register as a Declaration of Interest for the Board Member.</p> <p>Decision: Board approved the offer of housing (Netherlee, Retirement Housing) to the Board Member.</p> <p>No further AOB raised.</p>
<p>20.</p> <p>20.1</p>	<p>Date of next meeting</p> <p>Next Board Meeting – Wednesday 26 July 2023 (in the Edinburgh office).</p>