



MARYHILL HOUSING ASSOCIATION LIMITED

MINUTES OF THE BOARD MEETING HELD ON TUESDAY 22 MARCH 2016 AT 5.00PM IN THE ASSOCIATION'S OFFICES AT 45 GARRIOCH ROAD, G20 8RG

PRESENT:

Board Member	Attended	Apologies
Lorain Mackinnon (LM)		✓
Betty Smith (BS)	✓	
Lynn Graham (LG)	✓	
Les Currie (LC)	✓	
Alastair Goold (AG)	✓	
Cllr. Mohammed Razaq (MR)	✓	
David Brophy (DB)		✓
Roger Popplewell (RP) (Chair)	✓	
Sandra Blair (SB)	✓	
Brian Trearty (BT)		✓
Eleanor Brown (EB)	✓	
Linda Duff (LD)	✓	

IN ATTENDANCE:

Staff Member	Agenda Item
Lynn Wassell (LW)	All
Donna Birrell (DBir)	All
Bryony Willett (BW)	All
Kim Grant (KG)	All
Caroline Cameron (CC)	All
Cindy McNeill (CM)	Item 4
Paul Welsh (PW)	Item 7
Cameron Syme, See Saw Creative (CS)	Presentation

Item No.	Issue	Action by
	PRESENTATION ON BRANDING OPTIONS – SEE SAW	
	<p>Cameron Syme of See Saw Creative presented the options prepared for MHA Branding. Six logos had been presented to a staff group last week and they had indicated a preference for two of these. CS then presented each of the six logos to the Board along with a description of the reasoning behind the design.</p> <p>It was noted that there was still work to be done on the preferred typefaces and a strapline. It was also noted that astrapline is needed which really jumps out. LW advised that the proposed strapline of 'Inspiring People' had been voted on by the staff and included on some of the mock ups of how the logos could be used. These mock ups had been prepared using the two logos preferred by staff. The strapline does not need to sit with the logo when it is used and can be used in different contexts and use different parts of MHA's vision statement e.g. 'inspiring homes'.</p> <p>It was asked if the Board were happy that the strapline be 'Inspiring People'. The Board agreed.</p> <p>The Board was then asked if they had any preferences from the six logos shown.</p> <p>CS presented the detailed work ups of the two logos selected by the staff. Suggestions of how the whole or part of the logos could be applied were shown on banners, leaflets, newsletters and vans. CS, in response to a question, advised that once a logo was selected, detailed design guidelines would then</p>	

	<p>be prepared on how the logo should be used. The Board then discussed each of the logos.</p> <p>CS then moved onto the second part of the presentation which was how a complementary version of the logo could be used for the new proposed Community Improvement Fund. A number of stand-alone logos for the Fund were also presented.</p> <p>CS added that the Community Improvement Fund was not a brilliant name and they were now using a working title for the Fund – Inspire! – in the presentation. The Board felt that there still may be better alternative titles for the Fund.</p> <p>It was pointed out the logo which complemented the main logo the Board had indicated a preference for.</p> <p>Following further discussion RP concluded by listing the decisions:</p> <ul style="list-style-type: none"> - The logo selected was Option 4, the triangular logo - The strapline would be ‘Inspiring People’. - The strapline is to be more prominent in the final design - The Community Improvement Fund preferred logo is to be based on the main logo as shown in the presentation - Brand design guidelines are to be worked up, applied to the new Corporate Plan document in April and rolled out during the year <p>The Board agreed these outcomes.</p> <p>It was asked that if any Board member has any better suggestions for the naming of the Community improvement Fund they should advise KG. An email would be sent out reminding Board member of this opportunity. It was agreed that final designs and the title of the fund would be decided at the Board meeting on 7 April 2016.</p> <p>CS left the meeting.</p>	Board/ KG/See Saw
1.0	OFFICE SAFETY PROCEDURES	
1.1	Getting home safely – Arrangements were made to ensure that everyone present at the meeting would get home safely.	
1.2	Apologies – Apologies were received on behalf of Lorain MacKinnon, Brian Treaty, and David Brophy	
1.3	Declaration of Interests – None.	
2.0	APPROVAL OF MINUTES OF 7 MARCH 2016	
2.1	DBir asked that the Minutes be amended at Section 2.3 replacing DB with DBir	
2.2	With this amendment, the minutes of a Board meeting held on 7 March 2016 were proposed for approval by Lynn Graham, seconded by Alistair Goold and agreed by the Board.	
3.0	ACTION TRACKER	

	<p>LW noted the main items:</p> <p><u>Board Meeting of 28 April 2015</u> 3.1 – treatment of stock valuation in annual financial statements- MHA is still liaising with RBS who have provided information on what they require. With the anticipated return to work of Eleanor Biggs, progress towards a final decision is expected.</p> <p><u>Board Meeting 9 February 2016</u> Item 10.2 – Botany Windows. A meeting had been held with J B Bennett which confirmed the work required following which a Contract Instruction had been issued. It was advised that an 8-10 week lead in time would be required by the window supplier. However, the Nordan factory who supplies the windows had recently been flooded and this has affected their production. As a consequence works are not now likely to complete until July 2016. Residents have been advised.</p> <p>The Board asked if July was a start or completion date. DBir is anticipating work completing in early July 2016.</p> <p>It was noted that the programme was built around the supply of 2 windows. It was asked if the works not be split and the other works carried out and then the windows installed when available. DBir responded that the contractor wants to complete all works when on site rather than complete some and then have to return to the site at a later date. It was asked if we are satisfying the requirements of the contractor rather than our tenants and residents. DBir advised that the arrangement with J B Bennet was always that they would be on site and complete all works in one programme.</p> <p>No other matters were raised with the Board.</p>	<p>EB</p> <p>DB- post meeting note issued</p>
4.0	CORPORATE PLAN 2016-20 AND 2016/17 DELIVERY PLAN AND BUDGET	
	<p>LW advised that both she and CM would be introducing this Agenda item.</p> <p><u>Corporate Plan 2016-20 & Delivery Plan 2016/17</u> LW advised that the Corporate Plan provided was similar to that discussed by the Board at their meeting in February with some revisions. The final agreed Plan would be designed and edited for distribution to tenants, stakeholders and other interested bodies.</p> <p>The Delivery Plan has been drawn up by CC in consultation with staff and gives the main activities for 2016/17. These activities reflect the Corporate Plan priorities with each activity listed under one of the Corporate Plan themes. Progress on implementing the Plan will be reported regularly to the Policy & Performance Committee and to the Board at the Strategy weekend.</p> <p>The board asked what the difference in section 4.2 was between Acquisitions and Land Banking. DBir advised that whether they were land banked or acquired depended on the feasibility study outcomes. Of those listed, MHA already owns the site at Smeaton Street and the site at Maryhill Road/Dundrum Street may be land banked once the feasibility study was complete. The same was the case with the Health Board site.</p> <p>The Board noted that there were a number of sites in Maryhill following</p>	

demolitions with pockets of land throughout. An example of this was the site near the mini-multis where 3 blocks had been demolished. It was noted that this site was not in the Transformational Regeneration Area.

The Board asked that in addition to the 3 sites currently being assessed there may be some further work to be undertaken on potential other sites? DBir agreed that this was the case.

It was asked how Delivery Plan progress would be reported. If it was to be against every activity listed it would be a very large report. LW advised that activities are reported by exception so only those reported as Amber and Red would be highlighted and reasons for slippage provided.

The Board were asked if there were any further queries on the Plan. It was asked if the number of ways that finance can be raised was still being considered. DBir advised that this is in the plan, 'financial and asset management review'.

It was proposed by LC and seconded by EB that the Board approved the Corporate Plan 2016-20 for publication and the Delivery Plan for 2016/17. This was agreed by the Board.

LW

CM introduced the 2016/17 Budget and reported a planned operating deficit of £600k in 2016/17 which would rise to £1.3m once financing costs were paid.

CM then took the Board through the highlighted items as provided in the covering report:

- Rental Income includes the 1.8% rent increase for 2016/17 and the 17 properties recently purchased with a 100% grant
- Right to buy ends on 1 August 2016 and so no income for RTB is shown
- The Voids and Bad Debts provision reflects current performance
- Employee costs are shown as £3.6m. Some NIC costs will increase in 2016/17 due to changes in contracted out costs. These are included.
- Reactive maintenance spend is reduced, reflecting the reduced rates secured from City Building for the one year contract extension
- Planned maintenance is as reported except that the number of properties benefiting from roofing works will increase from 6 to 21
- Cyclical maintenance shows significant savings following re-procurement
- Mortgage interest & Charges. £4m will be drawn down in 2016/17 leaving a further £4m for future years.
- Concierge Services may be further adjusted following the Board discussion on Concierge Service options on 7 April 2016
- Wider Role and Community Engagement. It has just been confirmed that £38k will be provided by the Scottish Government's People and Communities Fund for 2016/17. The remaining funding (e.g. Scottish Legal Aid Board and Big Lottery) is not guaranteed. On the basis of the funding received to date, the Management Team, had previously discussed and agreed to extend from 6 to 12 months the contracts of the 4 temporarily funded members of the Financial Exclusion Team.
- Efficiency Savings at 2% of controllable costs.

It was asked if the efficiency savings included overheads. It was confirmed

	<p>that they do.</p> <p>A Board member advised that, as Maryhill has a large number of ethnic minority and asylum residents there is ring fenced funding available and MHA should be looking as this. Equalities issues can attract funding from a wide range of organisations and this could complement other funding in order to tackle financial inclusion for hard to reach groups.</p> <p>The Board asked why the Arrears Campaign was budgeted at £30k. BW advised that the campaign would only cost a few hundred pounds as most of the budget was designated for the roll out of MHA's new brand e.g. new banners and new signs for buildings etc.</p> <p>Would the 2% efficiency savings would be achieved through the new maintenance tenders and from using our own staff to carry out works in house where possible. BW advised that the Concierge Service Review due to a Board meeting on 7 April will result in savings as as some works move in house and the Business Case identifies that this will provide better services to our tenants along with efficiency gains. BW confirmed there is no issue with challenges from our contractors as there will be no guarantees on quantities of work in the new contract. It is also intended that the new maintenance contracts will deliver savings.</p> <p>Could MHA get some form of apprenticeship scheme up and running. BW advised that in order to have maintenance apprentices we need to have the trades in place. Within MHA we now have 3 apprentices and 1 graduate trainee. All posts are will be promote these opportunities to local people and new maintenance contacts will have a specific question on apprenticeships.</p> <p>It was proposed by SB and seconded by AG that the Board approve the 2016/17 budget, subject to further changes following the Board decisions on the future of the Financial Support Team (on this agenda) and the concierge review (April 2016).</p> <p>This was agreed by the Board.</p> <p>The running order of the Agenda would be changed to take Item 7 next. This would allow the member of staff waiting to present the report to do so.</p> <p>CM left the meeting.</p>	DBir
7.0	FINANCIAL SUPPORT TEAM STRUCTURE	
	<p>BW introduced Paul Welsh (PW) who would be introducing the report. PW would then leave the meeting as he has a conflict of interest in terms of the decision around his own post being funded. BW also apologised for there being no formal recommendation on the paper. This would be given verbally after the report had been presented.</p> <p>PW introduced the paper by stating that the desired outcome was to change the structure of the team and the activities it undertakes in order to deliver a more people-centred service.</p> <p>Financial Inclusion is a very busy service and had gained a lot for both our tenants and MHA since it was established in May 2014. However, during this</p>	

period it has been identified that assistance is provided to a certain point but we are not addressing the wider needs of tenants. A pilot has been carried out where two members of the team have been working with the Revenue Team to provide a fuller service which takes account of all circumstances, for example life changing events etc., and the benefits to customers have been better and faster results. It is proposed that this new way of working continues as well as putting in place services for those tenants who can do some of the work themselves, for example dedicated phone lines for them to contact DWP etc. IT was also important that we make facilities available for June 2017 when benefits in Glasgow may go fully digital.

The Board commented that it was excellent that this work was being done. It is needed and that this shows that an absolute social responsibility along with a Business Case can work together.

The Board asked for clarification of the difference between a Welfare Rights Office and a Financial Inclusion Officer. PW advised that Welfare Rights Offices work purely on Social Security Benefits with a Financial Inclusion Officer also providing advice on affordable credit and bank accounts. At MHA, all staff are cross-trained to provide all of these services.

Is there is likely to be a log jam of service requests in 2017 when Universal Credit is likely to be introduced in Glasgow and if there would be enough support from DWP. PW advised that there was sufficient resource currently but this could become an issue over the next 12-18 months based on the experience of Universal Credit pilots. In addition, the full digitalisation of the service means that c50% of claimants will require additional help and support. PW also commented that the DWP are determined that other organisations will take up the slack.

The Board noted that unlike the Council and DWP we have offered a drop-in service. Will this continue after any restructuring? PW said that a drop-in service will also be provided.

A Board member commented that the DWP were offering some financial support to individuals and were MHA aware of this.

It was commented that those in the DWP are not always fully aware of what can be claimed, they are simply not well enough trained. PW agreed and advised that when his team goes to a Tribunal they have a 70% success rate.

The Board see this as an important area of work.

PW left the meeting.

BW advised that the recommendation was that

- **the Financial Inclusion team and Revenue team be restructured as detailed in the paper to help MHA tenants maintain their tenancies whether new or existing tenants**
- **that Financial Inclusion services be provided for a further three years, funded from mainstream funding where grants were not available.**

EB proposed that this recommendation be approved by the Board. This was seconded by LD and agreed by Board members.

5.0	GOVERNANCE EXCELLENCE PLAN	
	<p>KG introduced the paper on the Board Excellence Plan. KG noted that, as recorded in the covering report, the 2016/17 Plan builds on the very positive outcomes of the 2015/16 Plan.</p> <p>The Plan has been drawn up based on Board input to and feedback from META, the Board Strategy weekend, Appraisals results etc. The Plans covers:</p> <ul style="list-style-type: none"> - Board responsibilities - Strategic Focus - Board reporting and performance review - Skills, knowledge and behaviours - Equality - Governance <p>Under each of these heading, a number of activities are proposed which will be monitored and progress reported.</p> <p>Finally, the covering report also provides the final delivery position from last year's plan.</p> <p>It was reported that the Chair had read through the plan and is particularly keen to see implementation of 'Joint Working with other RSLs and Bodies' and would endorse its inclusion.</p> <p>I was noted that all Board members will undergo annual appraisals in June 2016 and a programme for these will be developed in the near future. There were some questions on how these would be carried out and it was agreed that proposals on who would carry out the appraisals and who else might be involved will be developed and reported.</p> <p>It was noted that the final date on page 5 should read May 2016 not May 2015.</p> <p>It was raised by MH and seconded by SB and the Board Excellence Action Plan was approved</p>	KG
6.0	STANDING ORDERS	
	<p>LW introduced the paper, advising that Standing Orders are, as it says in the covering paper, MHA's Constitution stating how we operate. The timing of presenting the Standing Orders to the Board is good since the Board has approved the new governance structure and all relevant governance policies papers recently, all of which have put our house in order.</p> <p>When the Policy & Performance Committee met last week, they considered the draft Procurement Policy. The final Procurement Policy along with any resulting amendments to the Scheme of Delegation will be included on the Board Agenda for the May 2016 Board meeting.</p> <p>The Standing Orders also include the Financial Regulations and these have not been considered by Risk & Audit Committee as it is appropriate for the Board should comment on these first.</p> <p>LW advised that Standing Orders is a substantial document and may require</p>	

	<p>more discussion or a meeting out with the Board meeting if Board feel this is needed.</p> <p>It was agreed that there was a lot of detail in the Standing Orders and that it brought together a lot of newly approved policies. A Board member agreed that a lot of papers have been through the Board recently but it would have been useful to see the changes made to the Standing Order themselves. A marked up copy would have been helpful. LW commented that most of the document would have been highlighted since the previous Standing Orders were very badly out of date. They have been substantially rewritten using a common framework used widely.</p> <p>The Board was asked if they wanted more time to consider these or a separate Board session to discuss?</p> <p>LW asked if the Board would find it helpful for the Audit & Risk Committee to comment first on the Financial Regulations. There is no deadline for the Standing Orders to be approved. LW also noted that the Standing Orders formed part of the new Induction Training for Board members.</p> <p>It was proposed by BS and seconded by LG that:</p> <ul style="list-style-type: none"> - The Financial Regulations be remitted to the Audit and Risk Committee for review and reporting back to the Board - The amendments to the Scheme of Delegation required from the Procurement Policy be brought to the next Board meeting - The Board will then consider, again, the final approval of the Standing Orders <p>This was agreed by the Board.</p>	<p>EB</p> <p>DB</p>
<p>8.0</p>	<p>RISK REVIEW STRATEGY</p>	
	<p>CC introduced the Risk Review strategy and advised on the process undertaken in order to produce the Strategy. CC also advised that the approach had been endorsed by the Audit & Risk Committee. This was:</p> <ul style="list-style-type: none"> - The relevance of past risks continuing to face MHA - Current risks to MHA - Feedback from MHA Board on a risk questionnaire, all of which has been taken into account - Feedback from audit tenderers on the strengths and weaknesses of our existing risk strategy, methodology and assessment. All those submitting a tender were asked to comment on MHA's approach and all comments were considered - The need for a shift from operational towards a more strategic risk focus at Board and Committee level so that risk is addressed at the right level - Organisational culture change to focus upon taking ownership of risk at every level - Using good practice from other RSLs including researching their Risk Registers, Horizon Scanning and other documents - The need to score risks and define our risk appetite - Scottish Housing Regulator risk assessments for 2016 	

	<p>- Horizon scanning to anticipate risks rather than focus just on the here and now</p> <p>CC then turned to Appendix A where the Risk Register has identified risk headings and the risks under these that MHA are currently facing. Are these what you would expect to see?</p> <p>The Board asked if an explanation of what the total score means was provided. CC advised that on page 2 there are explanations of Impact and Likelihood long with a matrix showing the relevant weighting of the risks,</p> <p>The Board were asked to consider if all key risks are here and if any listed are not strategic risks?</p> <p>A Board member raised the issue of not having enough people on the Board in the past – is this a governance risk. LW advised that under Risk GV2 Succession Planning is given as the mitigating action which should include ensuring a pipeline of tenant members. However, the wording of this risk may need to be clearer.</p> <p>CC then ran through the risk map on Appendix A page 2. She asked if the Board felt this was a good and clear format, members stated they found this useful and straightforward to use. It was thought there was not enough emphasis on the coverage of absenteeism given the issues MHA has faced in the past, particularly related to senior members of staff. LW stated that this was captured in risk OD1 (Failure to have strategy to attract and retain key staff) but that absenteeism could be emphasised in the risk description. CC asked if the Board would like to go through the risk register line by line due to the fact members felt some risks needed better highlighting. The conversation resulted in the following:</p> <p>OD1 (Failure to have strategy to attract and retain key staff) would be altered to reflect absenteeism and the Impact score would be raised from a 3 to a 4.</p> <p>GV2 (Loss of local accountability to our customers) should emphasis in the description that this is related to confidence in the local community in the Board and its' commitment to local matters. Impact score was raised from a 3 to a 4.</p> <p>FH2 (Failure to maximise local income) was raised from a 4 Impact to a 5 impact.</p> <p>FH3 (Failure to operate an effective Treasury Management strategy and policy and adequate financial controls) was lowered from a Likelihood score of 3 to 2.</p> <p>BC1 (Inadequate business continuity planning in place) was raised from a likelihood score of 3 to 4.</p> <p>HS1 (Staff, public or contractors come to harm) the explicit addition of Board to the list of those who could come to harm.</p> <p>CC then ran through the proposed reporting structure with the Board:</p> <p>Quarterly – The Directors Team receive full risk register for review The Audit & Risk Committee receive the full risk register and map for review along with a report on movement</p>	<p>CC</p> <p>CC</p>
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	<p>6 Monthly – MHA Board receive the risk map with a report on movement.</p> <p>CC advised that there were items related to the split between operational and strategic risk and horizon scanning on the Appendix for the Board to read for information.</p> <p>The risk methodology was approved by the Board</p> <p>CC then went through the Internal Audit Plan with the Board. This had been prepared by Quinn Internal Audit and Business Support Services, the successful tenderer for the supply of internal audit services to MHA. CC explained the thinking behind the plan:</p> <p>Q1 – Reactive Repairs - it was agreed that this was very pertinent as MHA are going out to tender and it was important that this audit was timed in order to provide some pointers on good practice, observations on how the current contract is being managed, in particular KPIs, regularity of checkpoint meetings, the systems issues and generally how effective we have been managing holding our contractor to account.</p> <p>Q2 – Contract Management – this audit will have a real value for money focus: where could we be more efficient and ensure cost control? Are we getting what we pay for? Do we recognise escalation points when there are issues? It will be a sensible follow on from the reactive repairs audit, the combination of the two could really provide MHA with a good practice checklist, a valuable self-assessment tool, and this is something we discussed with our new auditor Caron Quinn as a routine output post-audits.</p> <p>Q3/4 – Budget setting & Control Framework and Financial Regulations: These are to test that the approach is as per procedure and that those involved understand reasons for compliance, particularly in light of the fact the majority of our risks are related to financial health.</p> <p>CC went on to explain that the audits that follow on from the above have been agreed as very much a proposal, with the need to carry these out being assessed prior to the audits being agreed. Caron Quinn has agreed a very flexible by need approach to our audit programme. We’ve agreed to formally review the programme annually rather than produce a three year programme at this point as this supports our approach of encouraging a more regular strategic risk review.</p> <p>The internal audit plan was approved by the Board.</p>	
<p>9.0</p>	<p>APPROVAL OF ELECTION OF PERFORMANCE & POLICY COMMITTEE CHAIR AND VICE-CHAIR</p>	
	<p>It was reported that the first meeting of the Committee was held on 15 March 2016. The Committee sought Board approval for the election of office bearers:</p> <p>Betty Smith –Chair Alistair Goold –Vice Chair</p>	<p>KG</p>

	The appointment of these office bearers was approved by the Board.	
10.0	REPORT FROM AUDIT & RISK COMMITTEE, 22 FEBRUARY 2016	
	<p>In the absence of David Brophy and Brian Trearty, LW updated Board on the outcomes of the last meeting of the Committee. There had been detailed discussion on the new accountancy changes and Committee wishes to explore the option of applying a one off valuation to make MHA's balance sheet appear stronger. This decision relies on RBS providing sufficient assurance that MHA will not be penalised for the potential future breach of our gearing covenant that results from this change.</p> <p>Management accounts were approved, showing an operating surplus of £363k. Committee were concerned about achieving quorum. LW has taken advice and confirmed an office bearer can attend to support decision making if there is a risk of being inquorate.</p> <p>Committee also approved actions following an internal audit on overtime.</p>	
11.0	REPORT FROM POLICY & PERFORMANCE COMMITTEE 15 MARCH 2016	
	<p>BS Updated</p> <p>ELECTION OF CHAIR AND VICE CHAIR Betty Smith was elected as Chair, Alistair Goold later agreed to be Vice Chair. We agreed to seek approval from the Board for these appointments.</p> <p>REVIEW OF REMIT The Committee agreed a work plan for the year ahead.</p> <p>Committee expressed their desire to agree the targets for performance for the year 2016/17. The Board are asked to approve this addition to the remit and this was agreed.</p> <p>Q3 PERFORMANCE REPORT The Committee agreed the format and frequency of the performance report information. This would include information on performance on voids, arrears and repairs on a monthly basis by email and quarterly overall performance at Policy and Performance meetings.</p> <p>SUSTAINABLE PROCUREMENT POLICY DBi brought the Sustainable Procurement Policy to the meeting. After some discussion it was agreed that the changes should be taken to the main Board for approval as they affected the Scheme of Delegation.</p>	KG
12.0	CEO REPORT AND Q3 MANAGEMENT ACCOUNTS	
	These reports were for information and there were no specific questions from the Board.	
13.0	AOCB	
	LW advised that the Scottish Housing Association's Pension Scheme had requested a survey is completed by members by 31 March 2016, and given the timescales, and her own conflict of interest as a member of the scheme, asked for delegated authority to Audit Committee members to approve the survey	LW

	response. Board approved delegated authority to Audit and Risk Committee.	
14.0	DATE OF NEXT MEETING : The next MHA Board meeting will be held on Thursday 7 April 2016 at 5.30pm	