

MARYHILL HOUSING ASSOCIATION LIMITED

MINUTES OF THE BOARD MEETING HELD ON TUESDAY 23rd June 2015 AT 5.30PM IN THE ASSOCIATION'S OFFICES AT 45 GARRIOCH ROAD, G20 8RG

PRESENT:

| Board Member | Attend | Apologies |
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| Lorain Mackinnon (Chair) | √ | |
| Betty Smith | √ | |
| Bruce Dunsmore | √ | |
| Les Currie | √ | |
| Alastair Goad | √ | |
| Cllr. Mohammed Razaq | | √ |
| David Brophy | | √ |
| Roger Popplewell | √ | |
| Sandra Blair | √ | |
| Brian Trearty | √ | |
| Eleanor Brown | √ | |

IN ATTENDANCE:

| Staff Member | Attended |
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| Lynn Wassell | √ |
| Eleanor Biggs | √ |
| Donna Birrell | √ |
| Bryony Willett | √ (part) |
| Paul Hughes | √ |
| Kim Grant (Minutes) | √ |
| Cindy McNeil | √ (part) |
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| In Attendance | |
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| Mark McLintock | Agenda Item 7 |

| Item No. | Issue | Action by |
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| 1.0 | OFFICE SAFETY PROCEDURES | |
| 1.1 | Fire safety – The main exits and assembly point were pointed out in the case of fire. | |
| 1.2 | Leaving the office – The staff member responsible for locking up is Eleanor Biggs. For safety reasons Board members were asked not to leave the office unless accompanied by a staff member to lock the door behind them. | |
| 1.3 | Getting home safely – Arrangements were made to ensure that everyone present at the meeting would get home safely. | |
| 1.4 | Apologies – Apologies were received on behalf of David Brophy and Councillor Razaq. | |
| 1.5 | Declaration of Interests – None. | |

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| 1.6 | <p>Other – The Chair introduced Bryony Willett who had recently accepted the post as Director of Housing Services. Bryony is due to join Maryhill Housing Association in August 2015.</p> <p>Board members were invited to join staff in taking part in the volunteer afternoon on 19th August. The project boards were displayed around the room and members wanting to take part were asked to add their names to the relevant Boards.</p> | All |
| 2.0 | APPROVAL OF PREVIOUS MINUTES : 26th May 2015 | |
| 2.1 | The minutes were approved by the Board. | |
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| 3.0 | MATTERS ARISING/ACTION TRACKER | |
| 3.1 | <p><u>Meeting 28th April</u></p> <p>3.1 Stock valuation - Eleanor Biggs had just received the information and a report will be going to the Audit Committee meeting scheduled for early July 2015, following which it would be reported to the Board.</p> <p>4.3 Recruitment of Independent Co-optees – Covered under Agenda Item 5.</p> <p>8.1 Commercial lease, Maryhill Locks: Donna Birrell reported that drafting of the required documents could take 6-8 weeks.</p> <p>10.1(4) Information on Maryhill Locks Phase 2 was included in the CEO report.</p> | EB |
| 3.2 | <p><u>Meeting 26th May</u></p> <p>4.5 Publicising the work of the Scrutiny Group would take place following considering of the response to the recommendations, which is Agenda Item 12.</p> <p>5.9 None had been reported and Board members were advised that any issues with voids maintenance in future should be raised with Housing Services.</p> <p>7.6 City Building has proposed an information session with the Board. Members agreed that they would prefer this to be a separate meeting from a Board Meeting and that it should be held before the next Board meeting on 25th August. It was also noted that some of the changes discussed by the Board at the May 2015 Board Meeting were now being implemented.</p> <p>The action tracker was approved by the Board.</p> | PH/JB All PH |
| 4.0 | PRESENTATION ON DELIVERY PLAN 2015/16 | |

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| 4.1 | <p>Lynn Wassell introduced the Delivery Plan presentation and asked members to consider, during the presentation:</p> <ul style="list-style-type: none"> • Do we have the right themes? • Are these the right priorities for year – changes? (Note: Regulator/legal requirements can't be changed) • How is governance plan progressing – changes? • Is the plan realistic/deliverable – can it all be done? Or is the plan not challenging enough? • Do we have all the risks covered? • What else? <p>The five themes were then presented in detail and the Board raised the following:</p> | |
| 4.2 | <ul style="list-style-type: none"> • Happy, healthy, engaged team <ul style="list-style-type: none"> • Query on the Concierge review and when this would be completed. Also raised the issue of the temporary nature of the Financial Inclusion staff along with other staff. Lynn advised that all temporary contracts due to finish by January 2016 had been extended through to 31 March 2016 to give sufficient time to review what would be required in the longer term. This included the potential effect of welfare reform affecting rental income and what Maryhill HA would be required to do to minimise this effect. The Concierge review would be undertaken this year. • Was it intended to look again at the Housing Services structure? Lynn responded that there would be a need to review structures to ensure what was put in place was working as intended. It was then asked if we have measures to use in the assessment. Lynn advised that some measures and evaluation would be straight forward including those for the Contact Centre, voids and arrears etc. Others would come as a result of the Tenant Survey being undertaken in August. | |
| 4.3 | <ul style="list-style-type: none"> • Excellent Leadership <ul style="list-style-type: none"> • In addition to the information in the presentation, Lynn gave further information on the proposed training for new or less experienced managers which would be undertaken. | |
| 4.4 | <ul style="list-style-type: none"> • Compliance, improved performance, and value for money <ul style="list-style-type: none"> • The information required by the Regulator was highlighted including SHQS, Procurement Strategy, Low Demand Strategy and the Financial Business Plan review. | |
| 4.5 | <ul style="list-style-type: none"> • Caring about our customers <ul style="list-style-type: none"> • Lynn highlighted specific actions being taken including | |

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| | <p>using some of the savings from the re-negotiated City Building contract to provide housing staff with delegated powers to carry out, without further authorisation, small environmental improvement works. In addition, it was being proposed that a small number of Concierge staff would carry out basic tidy up work on the Estate. Paul Hughes had spoken to the proposed new Landscape Contractor who had agreed to support these staff, particularly in terms of Health & Safety.</p> <ul style="list-style-type: none"> Using small sums of money in this way was a really good idea and an opportunity to achieve some 'quick wins'. It was noted that some environmental improvements were problematic in terms of determining land ownership issues. This has been the experience of other Housing Associations. It was felt that environmental improvements were important since they did impact on the attractiveness of properties to let. Lynn responded that the environmental works proposed were very small scale and so land ownership issues should not impact. However, we should not lose sight of land ownership issues. Some Board members felt that some tenants wanted too much done and that they were prepared to sit back and let others do. It is important that environmental and other improvements are carried out as a partnership and involved tenants. Lynn recognised the importance of involving others in this delivery plan activity. | <p>JS/PH</p> <p>PH/JS</p> |
| 4.6 | <ul style="list-style-type: none"> Being out there | |
| 4.7 | <p>Lynn asked the members if these were the right themes and were they the right priorities. The Board felt that there as a lot included in the plan but that it should be manageable. The Association needed to move forward, recognising what we had done well in the past and what we will do in the future.</p> | |
| 4.8 | <p>We needed to communicate some of the positive messages better. For example, the work being carried out during the volunteering initiative. Lynn agreed we needed better communications overall.</p> | |
| 4.9 | <p>Lynn highlighted that the Board need to ensure that MHA's identified risks are tied in and consistent with the delivery plan. There are key strategies for MHA such as fuel poverty which we cannot realistically tackle this year. It is potentially a major piece of work in terms of getting people resources and funding etc. Donna noted that the fuel poverty work would have to address two main issues, ensuring that our properties are energy efficient and affordable to heat as well as providing advice to tenants on fuel costs. We are also developing our strategy for EESSH this year. It was suggested that we draw in other organisations to work with us on these major issues so that Maryhill Housing Association becomes a catalyst for work in the area. For</p> | <p>LW/KG</p> |

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| | <p>example, a mass fuel switch be considered in partnership with others.</p> <p>It was agreed that there were big agenda/pieces of work coming up in the future so we need to concentrate now on the essential priorities. Lynn agreed getting some small, quick wins was important whilst the large pieces of work due were planned</p> <p>The Board agreed that the five themes were the correct themes and, although challenging, the essential priorities for this year were realistic and should be delivered. Progress is to be reported monthly to the Programme Board.</p> | LW/KG |
| 5.0 | MODEL RULES : SGM 2015 | |
| 5.1 | <p>Lynn introduced this item advising that it was another item for discussion. The main issues were:</p> <ul style="list-style-type: none"> • Should we be reviewing the Rules again before going to the 2015 SGM? The Board has already approved a new set of Model Rules which has been approved by our regulators. • The Board needs to be clear as a result of this discussion about what changes they wish to make or potentially set up a sub-group of the Board to be given delegated powers to make changes. This expedience is needed because any proposed changes must be sent to the Regulator no later than mid-August in order for them to be agreed at the SGM in September. The Board is not due to meet again until 25 August 2015. | The main |
| 5.2 | <p>The areas for discussion were:</p> <ul style="list-style-type: none"> • The overall risks presented by the current approved Rules to the delivery of MHA's long term strategy and ability to sustain an effective Board and succession plan • Removing the boundaries of operation and eligibility for membership set for Maryhill Housing Association • Inability for Independent (non-tenant/resident) Board members to become shareholding members • The composition of the Board • The size of Board and opportunities for co-optees <p>A detailed discussion followed.</p> | |
| 5.3 | <p>Lynn advised that the current Rules were for a Board of 15 members plus 1 councillor nominated by the City of Glasgow. Of these, 12 should be residents and 3 Independents. Co-optees would count towards the total of 15 members. Currently there are 10 Board members in post plus 1 Councillor. Of the 10, 7 are resident and 3 Independents. It was noted that the Board was strong but sometimes there were advantages in have additional external</p> | |

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| <p>5.4</p> <p>5.5</p> | <p>expertise available, for example additional financial expertise.</p> <p>In terms of Board composition, the current approved Rules refer to 'resident' numbers and not 'tenants'. It was felt that it was important to protect the tenants' voice. The Board discussed the potential for owner occupiers being more active and for tenants to lose their majority and voice on Board. It was proposed that the majority of local people (which would be at least 8) should be split 6 tenants and 2 residents.</p> <p>One Board member noted that when she joined the Board there were Independents with a range of experiences and knowledge along with 3 Councillors who also had a range of skills. This worked well. The Board advised that it was important to have a balance with elements of flexibility accompanied by key principles, for example always have tenants in the majority on the Board or the Rules stipulating the minimum number of tenant members.</p> <p>Lynn advised that the Regulator emphasises that Boards must have the right level and balance of skills and experience on the Board. The Board was of the view that this was important and must also recognise that CEO and senior managers bring their skills and knowledge to advise the Board and this should not be forgotten. Lynn agreed that it was a partnership and it was important that there are enough Board members with knowledge and experience to challenge senior staff reports and recommendations.</p> <p>In terms of Board size and the number of residents, Board members felt it could be a risk if MHA did not have the right balance of skills and experience on the Board. If the Board comprises a majority of local people as proposed (8+) this will allow for an increase in independent members from 3 up to a maximum of 7. It was felt that if the Board is made smaller there is likely to be no space to address skills gaps. It would also limit the opportunity to co-opt potential Board members for development. The Board was happy to amend the numbers and the make-up of the Board but would have a problem if Maryhill tenants were not in the majority.</p> <p>It was highlighted that the boundary issue limited Maryhill HA's opportunities to develop housing and other business out with the current boundaries. The Board commented that they saw no issue in removing the boundary restrictions ('red line') and there was general consensus around this point. There was also general agreement that independent members should be able to be shareholding members of the Association.</p> <p>The current position on co-optees was discussed, as the Board agreed to recruit one or two independent co-optees at a recent Board meeting to support strategy development and finance. The timing now means it would make sense for them to join after the AGM.</p> | |
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| 5.6 | <p>It was also noted that there is already the maximum of 3 independent members already on the Board and there are no vacancies under current Rules.</p> <p>Board approved to redraft the current approved Rules as follows:</p> <ul style="list-style-type: none"> - The boundary/red line to be removed for purposes of working outside the area - Independent members to be able to become shareholders of Maryhill Housing Association - Board size will remain at 15 but the composition will be changed subject to the following principles: <ul style="list-style-type: none"> - It should be stated that tenants will always be the majority of members of the Board. This would mean at least 8 members of which at least 6 would be tenants and 2 residents. This could also be stated as <ul style="list-style-type: none"> - specifying the number of tenant members, - specifying a maximum number of independent/co-opted members or by - specifying a number of places to be used for short term co-options and/or as development opportunities for potential board members | |
| 5.7 | <p>Lynn would now speak to the Association's legal advisors about the most effective wording to draft the proposed Rule changes.</p> <p>It was noted that this would require further approvals by the Scottish Housing Regulator and OSCR.</p> | LW |
| 5.8 | <p>It was also agreed that a new potential co-opted member, Carron Garmory observes the August Board meeting.</p> | LW |
| <p>6.0 BOARD DEVELOPMENT UPDATE AND ACTION PLAN</p> | | |
| 6.1 | <p>The presentation on this topic highlighted the achievements of the Board in terms of its effectiveness plan:</p> | |
| 6.2 | <ul style="list-style-type: none"> - Understanding responsibilities and more strategic focus <ul style="list-style-type: none"> - Short life groups – Programme Board and Financial Planning and Investment Group - 2 workshops held on regulation and the Board's role - Agreeing the priorities - Better planning and agendas - Procurement policy | |
| 6.3 | <p>The Board was advised that items for inclusion on Board Agenda for the remainder of the financial year would be circulated to Board members for comment.</p> <ul style="list-style-type: none"> - Board performance, skills and knowledge - Approved better performance reports | LW/KG |

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| | <ul style="list-style-type: none"> - Completed 8 out of 11 appraisals - Talking about our Rules and delegations - Set up CEO performance review - Team building set up 1 July (Meta) - More support – Corporate Services - Mentoring programme? <p>The CEO performance review was discussed and it was agreed that CEO meeting would not be an appraisal but rather a performance review based on the delivery of the priorities outlined in her presentation.</p> | |
| 6.4 | <p>Results of appraisals and workshops –what did they tell us?</p> <ul style="list-style-type: none"> - Things are pretty positive - We’re achieving a lot but it means a lot of commitment - We need to get to know each other better – Board and staff - We know our priorities for training and development <p>The appraisals will be used to develop the Board’s learning and development plans. The results from the 6 appraisal documents already seen would indicate that most of the training needs are the same or similar.</p> | |
| 6.5 | <ul style="list-style-type: none"> - Our learning and development - Committed to appraisals, training, workshops and conferences - Coaching/mentoring if we need it - Leadership and team building – building up trust - Being out there – other Housing Associations - Learning Festival Group? <p>For the mentoring it was agreed that coaching and mentoring would be offered to existing and proposed Board members but it would not be compulsory to take part in these. This was agreed</p> <p>The Learning Festival would involve other Housing Association, which was seen as important and provided an opportunity to learn from others including how they achieved value for money. It was agreed that firmer, more detailed proposals on learning and development be brought back for consideration by the Board. This was agreed.</p> | LM/LW/KG |
| 6.6 | <ul style="list-style-type: none"> - What else do we need to make us excellent - A recruitment plan for new Board members – especially tenants - Use co-optees when we need to - Board feedback on CEO performance - Reviewing our decision making - More focus on risk - Annual Board meeting without staff - Use workshops to talk about big issues/decisions well in advance | |

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| | <p>It is anticipated that the new legislation will come into force by April 2016, and does not change any previous legislation but does add further duties to contracting authorities:</p> <ul style="list-style-type: none"> • A much greater emphasis on a duty to procure sustainably (in social, economic and environmental terms) with a particular emphasis on supporting local economies and the reduction of inequality in our communities • Formal procurement process is now required at lower thresholds (£2m for works and £50k for goods/services) • Greater transparency with a mandatory procurement strategy when aggregate expenditure is greater than £5m per annum, a procurement report at the end of each financial year and a contracts register published on the Association's website. <p>To ensure compliance with the new legislation a new Procurement Policy and Strategy have been developed together with a Procurement tool and suite of documents and templates for staff to use.</p> <p>7.3 The new procurement approach will be implemented following adoption and approval of the Policy. The Strategy will be adopted and approved in advance of the new legislation.</p> <p>Although there were new requirements, the Board were reminded that proportionality still applied and therefore what was required depended on the size and type of contract.</p> <p>The Board:</p> <ul style="list-style-type: none"> - approved the Procurement and Contract Management review strand of the Improvement Programme and the recommendations outlined in the final Main Street Consulting Report - deferred approval of the Policy itself until August 2015 but give some consideration to delegated levels of authority in advance - deferred approval of Strategy to coincide with Corporate Strategy work being carried out in later in the year/when the new legislation comes into effect - approved the Training and Development of staff in the new Procurement Policy and Procedure to follow in due course | |
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| 8.0 | SCOTTISH HOUSING REGULATOR ANNUAL RETURN: ANNUAL LOAN PORTFOLIO AND 5 YEAR FINANCIAL PROJECTIONS | |
| 8.1 | Cindy McNeil gave the background to the report. There is a requirement to submit the financial information to the Regulator which then allows them to compare all RSLs on the basis of the same information. | |
| 8.2 | It was reported that the annual drawdown figures were due to Treasury Management on change of banker and that the full loan facility must be | |

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| | taken and then move to bank account(s). | |
| 8.3 | Cindy advised that the 5 year projections and assumptions given are the first 5 years of the 30 year projections previously agreed by Board. Subject to the Board agreeing to the report, the submission will be made electronically to the Regulator tomorrow. | CM |
| 8.4 | It was agreed that the Board approve the Loan Portfolio Report and the Five Year Financial Projections and assumptions as at 31 March 2015 for submission to the SHR. | CM |
| 9.0 | LANDSCAPE MAINTENANCE CONTRACT – TENDER ACCEPTANCE | |
| 9.1 | Paul Hughes introduced the report and asked that all Board members note that the report was Confidential and not as noted on the front page. | |
| 9.2 | The report seeks approval to award the Landscape Maintenance contract for the period 2015-18. The costs given are within budget. | |
| 9.3 | Paul also advised that discussions had been held with the company whose tender was recommended for acceptance and that they were happy to assist in support Concierge staff carrying out environmental maintenance activities. | |
| 9.4 | There were questions about the provision of £25k per annum for one-off works. Was this likely to be charged even for small additional jobs? Paul advised that it was a contingency and the costs of any additional works would be negotiated as they arise. | |
| 9.5 | A member of the Board raised some issues with the proposed successful contractor and that there had been some issues that he was aware of with Health & Safety and general management. He did note that there were no issues with the manpower. Paul Hughes advised that he will raise these issues with contractors and seek assurance on performance, which will be monitored against the contract criteria and KPIs which are yet to be agreed. | |
| 9.6 | It was asked why, when we had just extended the City Building contract for a further year, the same could not have been carried out for landscaping. Paul advised that the current landscaping contact was an ad-hoc contract from the time of stock transfer and that the current contractor was on a short extension to enable the tender process to be followed. | |
| 9.7 | It was asked that the non-TUPE note on the tender be confirmed. Paul Hughes confirmed the non-TUPE status. | |
| 9.8 | It was noted that a number of issues and queries had been raised and that the Board felt that further information was required before she could make a decision on awarding the tender. Lynn advised that it would be | |

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| | <p>difficult to hold the tenders until the next board meeting in late August and would it be acceptable to approve delegated authority to the Chair to decide on this matter?</p> <p>Paul Hughes advised that the tenders had already undergone a quality assessment and so the decision for the Board was based purely on price. If the Board decide to turn down the awarding of the contract there would have to be sound reasons why.</p> <p>It was asked if there was a mechanism for going to the next quote. The Board has not seen the quality assessment – was it robust enough? Paul should come back to her concerning further discussion on quality and quality assurance.</p> | |
| 9.9 | The Board agreed to delegate authority to the Chair to determine whether the tender detailed in the report be awarded. | LM/PH |
| 10. | FACTORING SERVICE – MARYHILL PRIMARY SCHOOL | |
| 10.1 | Donna introduced the paper which sought approval to withdraw from providing factoring services at Maryhill Primary School. | |
| 10.2 | <p>Donna reported that since completion there has been a history of complaints regarding defects and an inability of the Association to agree the level of Factoring service to be provided to the owners. Relationships were therefore at an all-time low. The current situation was regrettable however the owners have high expectations which could not be delivered and the situation was not sustainable.</p> <p>Donna advised that the owners would be advised that if factoring services were to be withdrawn that we would continue to deal with any outstanding latent defect issues in our role as a developer.</p> | |
| 10.3 | The Board asked that the owners also be made aware that they will be removed from the block insurance policy. Donna agreed that this would be advised to them. | DB |
| 10.4 | The Board agreed that Maryhill HA withdraws Factoring Services from Maryhill Primary School (2H Viewmount Drive) effective from 1 st August 2015. | |
| 11. | CUSTOMER SATISFACTION SURVEY 2015 | |
| 11.1 | Donna Birrell introduced the report. Regulators require each RSL to carry out a full customer survey every 3 years and Maryhill HA is required to carry this out in 2015. The report describes how we will secure a company to carry out the work and the timescales for the survey results so that they are in time to feed into Corporate Strategy. The Board's attention was drawn to the proposed questions to be included. Some questions are required by the Charter and others are desired by Maryhill HA. | |

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| 11.2 | It was agreed that any additional questions wanted by Board members should be notified to Lorain, Donna or Jamie by mid-July 2015. Jamie would send a reminder to all Board members concerning the questions. | All JB |
| 11.3 | It was noted that the timescales required to allow the survey results to be back in time to feed into the Corporate Strategy would require delegated power to be given to appoint a suitable contractor. | |
| 11.4 | It was agreed by the Board that delegated authority is given to the Chair and the Director of Investment and Regeneration, supported by the Customer Engagement Manager, to take forward the procurement and appointment of a suitable contractor to carry out this survey. | SM/DB/JB |
| 12. REPORT ON RESPONSE TO TENANT SCRUTINY GROUP RECOMMENDATIONS | | |
| 12.1 | Paul Hughes introduced the report which was in response to the report and recommendations made by the Tenant Scrutiny Group on repairs presented to Board in May 2015. Paul advised that all recommendations are being actioned but at different speeds and at different levels as shown in the report. | |
| 12.2 | Paul also noted that the responses had been agreed with the Scrutiny Group before being reported tonight. | |
| 12.3 | There were a number of detailed comments on the report raised by a Board member who preferred to discuss these outside the meeting. It was suggested that they arrange to meet with Paul Hughes to go through the report in detail. | AG/PH |
| 12.4 | The Board noted the response provided to the Tenants Scrutiny Panel's report on the repairs service. | |
| 13. CHIEF EXECUTIVE REPORT | | |
| 13.1 | Lynn Wassell advised that this report was to provide the Board with an overview of key activities and issues for information. Lynn also advised of additional items being brought to the Board for information. <ul style="list-style-type: none"> - Float Your Boat event. This is being followed up with letters going out to those who had attended addressing issues raised. Jamie will send copies to Board members. - Financial Conduct Authority Licence: The application is required to be submitted by 30th June 2015 and is currently being worked on. There is a requirement for some policies to be developed for money advice services and these will be submitted to the FCS as drafts before being brought to the Board for approval. | JB KG |

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| 14.0 | CONFERENCE FEEDBACK | |
| 14.1 | It was agreed the SFHA Conference Feedback will be emailed to all members. | RP |
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| 15.0 | ANY OTHER COMPETENT BUSINESS | |
| 15.1 | There being no further business to discuss, the meeting closed at 2010 hrs. | |