

TRUST HOUSING ASSOCIATION LIMITED

Minutes of the Board Meeting held on Thursday 1 August 2024 At 12 New Mart Road, Edinburgh EH14 1RL.

PRESENT:

Board Members

Norval Bryson
Gordon Laurie
Ian Mitchelmore
Laura Bornatici
Kyle Ruparella
Ian Gunning

David Knight
Steve McGowan
Paul McFarlane
Mary Niven
Graham Curran

Officers in Attendance

Rhona McLeod, Chief Executive (& Acting Company Secretary)
Zoe Purdie, Director of Finance & People
Neil Ferguson, Director of Business Development & Digital
Ian Davie, Head of Development & Asset Strategy
Gillian McCusker, Head of Customer Experience (Landlord)
Annette Brown (Observer)
Claire Mottram (Observer & Minute Taker)

DR NORVAL BRYSON IN THE CHAIR

Agenda Item	Detail
1.	Chair's Opening Remarks
1.1	Dr Norval Bryson welcomed everyone to the meeting and noted the attendance of two observers today, both Annette Brown who will be proposed as the new Governance & Business Support Manager (& Company Secretary) under Item 14 and Claire Mottram, former Company Secretary who is covering today as minute taker temporarily.
1.2	He welcomed Ian Davie, Head of Development & Asset Strategy and Gillian McCusker (Head of Customer Experience (Landlord) who are standing in for Jackie McIntosh, Director of Assets & Sustainability and Jenny Wallace, Director of Customer Experience, respectively.
1.3	Norval suggested that under Item 16 he would also like to discuss some of the general themes which arose at recent Board appraisals, which the Board Members present welcomed.
2.	Audit & Performance Committee Chair Opening Remarks
2.1	David Knight, Vice-Chair of the Audit & Performance Committee shared that he stepped in for Ali Ross, Chair of the Committee earlier today due to her apologies.
2.2	David reported that it was a good meeting, with Andy Shaw from AAB (external auditors) present to provide a summary of Trust's Annual Report for 23/24 and to hold the usual private discussion with Board Members on the Committee without the Executive Team

<p>2.3</p> <p>2.4</p> <p>2.5</p>	<p>present. David noted that there were no internal auditors present as there were no reports to share this quarter.</p> <p>David was pleased to note that a clean and unqualified audit report was issued. Approval was given by the committee to the audited financial statements subject to minor amendments minuted and also the letter of representation. David added that additional cost provisions in relation to the proposed Housing Support funding changes by North Lanarkshire Council, were also included in the Accounts and this has been accepted by AAB. <i>Kyle queried if this provision was accepted as not material by AAB, which Zoe Purdie, Director of Finance and People, confirmed.</i></p> <p>Additionally, the Performance Report for Q1 2024/25 was reviewed by the Committee. David noted some early trends around complaints and lettings performance and advised that KPIs will be monitored closely as we progress throughout the year. David highlighted that new KPIs relating to Damp and Mould are planned to be included in the performance report item quarterly, rather than within the Health and Safety paper.</p> <p>David shared that the Committee also received an update on Cyber Security from Neil Ferguson, Director of Business Development & Digital, as well as the Risk Register by Zoe and finally Health and Safety by Ian, who as per Norval's remarks, was stepping in for Jackie McIntosh.</p>
<p>3.</p> <p>3.1</p> <p>3.2</p>	<p>Tel Board Update</p> <p>Gordon Laurie, Board Member and Vice Chair of Trust Board, provided an update from the TEL Board earlier this week, noting two main items: the approval of the TEL Annual Accounts 23/24 which showed a surplus of £100k (against budget of £102k) which was gift aided back to Trust; and the Q1 financial review which highlighted a positive start to 24/25, with a surplus of £32k for Q1, £5k positive against budget</p> <p>Gordon shared that there was only one void in Q1, which shows there is still a strong demand for the Mid Market Rent stock, and noted too a small arrear balance which is under control and subject to repayment plans. Gordon added finally that TEL Company Secretary arrangements were also noted, in line with Board plans today.</p>
<p>4.</p>	<p>Chief Executive's Open Remarks – <i>please see private minutes*</i></p>
<p>5.</p> <p>5.1</p>	<p>Declaration of Interests</p> <p>Executive Team declared an interest in Item 16 and Annette Brown in Item 14. Both parties left the room at appropriate points under these items.</p>
<p>6.</p> <p>6.1</p>	<p>Apologies</p> <p>Apologies received from Board Members Sharron Elsdon and Ali Ross. Apologies also received from Jackie McIntosh, Director of Assets & Sustainability and Jenny Wallace, Director of Customer Experience.</p>
<p>7</p>	<p>Audited Financial Statements for the year ended 31st March 2024 – <i>please see private minutes*</i></p>
<p>8.</p>	<p>Time is Now Update – <i>please see private minutes*</i></p>

<p>9</p> <p>9.1</p> <p>9.2</p> <p>9.3</p> <p>9.4</p> <p>9.5</p> <p>9.6</p>	<p>Operational KPIs & Target Setting 2024/25</p> <p>Neil Ferguson, Director of Business Development & Digital took the Board through the suite of Operational KPIs and proposed targets for 24/25, advising that it was agreed at Audit Committee this morning that this paper is taken to them first for scrutiny before then coming back to the Board for final approval. Board Members were happy to agree with this suggestion.</p> <p>Neil reminded the Board that this paper comes to them in July to get the benefit of sector benchmarking published following the Annual Return of the Charter, however there is the option to bring it earlier if desired.</p> <p>Neil noted the suggested KPIs to be added and removed from the performance framework. Of particular discussion was Complainant Satisfaction - Neil noted the intention to bring this back following a move to customer pulse surveying on this topic in 25/26 which would offer a more realistic view on customer feelings and also more broken down by the complaint handling and outcome. Neil advised that at present, the KPI is based on employee recording of their interpretation of customer satisfaction. Norval agreed this was a better approach but requested that the KPI remain reported on in the current manner for completeness until the process changes.</p> <p>Ian Mitchelmore, Board Member, voiced support for streamlining the bank of KPIs where appropriate. Paul McFarlane, Board Member, noted his agreement with targets being the right level for the business. Kyle Ruparelia, Board Member, queried the logic behind target setting and the debate held in the lead up to final figures shared with the Board. Neil concluded that there isn't a scientific criterion, but instead a healthy debate at Leadership Team and various factors taken into consideration, for example sector guidance and any improvement activities that would impact on the KPI that year. Neil offered the example of a change in contractor, then we might get higher times to complete repairs, or with complaints, whilst we'll take into account the SPSO timescales, we want to prioritise handling the complaint as best we can and offering a final resolution for the customer.</p> <p>Steve McGowan, Board Member, queried how much long-term voids being re-let affects the overall days to let figure. Rhona advised that this was a topic at the Committee earlier today and it was agreed that they would begin splitting the reporting of this KPI by overall performance and then omitting the longer 'days void' outliers.</p> <p>Decision: Approved the proposed suite of operational KPIs and associated performance targets for 2024/25</p>
<p>10</p>	<p>Arran Property Acquisition – <i>please see private minutes*</i></p>
<p>11.</p>	<p>Treasury Strategy – <i>please see private minutes*</i></p>
<p>12.</p> <p>12.1</p>	<p>Property Acquisitions & Disposals Policy</p> <p>Ian (D) took the Board through a presentation which summarised the key messages of Item 12 in the pack and highlighted that overall the new policy aims to support Trust in achieving its wider business objectives around growth, investing in communities and managing our property portfolio in a way which strengthens Trust's financial position. He explained the additional parameters Trust have as a regulated landlord around disposals of land and the use of funds for acquisitions, before explaining what</p>

	constitutes a disposal and the reasons they can occur. Ian remarked on the sensitivity required around disposals given the context of the housing emergency and the care taken when considering the need for proceeding with a disposal.
12.2	Steve noted the reference in the policy to any potential sale of office accommodation and queried if there would be prior consideration around the space being using for residential accommodation first. Ian confirmed that this would be the case and they would typically engage with consultants, engineers and architects to see how property can be utilised before disposal is considered.
12.3	David queried if valuations are undertaken for disposals as well as acquisitions. Ian confirmed this was the case and added that an independent valuation report would be instructed in each case, via a RICS accredited valuer.
12.4	Ian (D) referred to the new consent to dispose and acquire forms as appendices to the policy, as well as the new register which will created and reported to Board, annually. Gordon noted that only a record of disposals were noted in the policy as being brought to Board annually and queried if this is meant to refer to both acquisition and disposals. Ian confirmed this was the case and advised this would be updated. Laura Bornatici, Board Member, queried if there was a reason why checking the insurance arrangement wasn't on the disposal form. Ian confirmed this was an error and advised this would be added.
12.5	Decision: Noted the contents of this report
12.6	Decision: Approved the new Disposals & Acquisitions Policy (AMP013).
13.	Risk Register
13.1	Zoe referred to the Risk Register paper within the packs, which is brought to Board annually for noting. David confirmed that this had also been brought to Audit Committee earlier in the day for review as well and no concerns to raise. Norval noted that he was pleased to see the addition of damp and mould on there now, for awareness and monitoring.
13.4	Decision: Noted the content of this report and the attached Risk Register
14.	Governance Update
14.1	Annette left the room for Item 14 as per rules around Declaration of Interest. Rhona referred to the recruitment process for the role of Governance & Business Support Manager and Annette's CV included in the pack for Board's oversight. Norval confirmed his involvement in the competitive recruitment process and the excellent candidates to choose from. The Board were happy to approve the appointment of Annette to the position.
14.2	Rhona moved onto the other items noted within the Governance paper and gave particular reference to the Annual Assurance Statement (AAS) information. David queried if the same process to last year would be followed in relation to logistics, adding that this worked well. Rhona confirmed this would be the case and Annette would be in touch to help arrange dates with board member volunteers in due course. Norval referred the Board to the Regulator's recent publication around investigations they

14.3	carried out in relation to various aspects of governance and the continued importance of the AAS.
14.4	Gordon queried if there was anything to note in relation to the upcoming virtual AGM today at Board. Rhona noted that the mailing to members is planned and the preparation work is underway.
14.5	Decision: Noted the contents of the report.
14.6	Decision: Homologated the Chair's decision to appoint Rhona McLeod, Chief Executive, as Acting Company Secretary from 12 July to 1 August 2024
	Decision: Approved the appointment of Annette Brown as the new Company Secretary from 1 August 2024.
15.	Company Secretary Annual Report
15.1	Rhona referred to the Annual Company secretary report and assured the Board in her remit as acting company secretary that the technical requirements of the Governing Rules have been met.
15.2	Decision: Noted the contents of the report.
16.	CEO Appraisal & Objectives 2024-25 – <i>please see private minutes*</i>
17.	Board Meeting Minutes Approval
17.1	Minutes from the Board Meeting held on 29 May 2024 were proposed by Paul and seconded by David.
18.	Action Tracker
18.1	Discussion was held around the action tracker.
19.	AOB
19.1	Rhona referred to the earlier comments around a potential 4 acquisitions in coming weeks and the need for delegated authority. Ian (M), Board Member, queried the scale of private finance required. Ian D confirmed that this was to be c. £950k of which 65% would be grant funded. Ian M confirmed that was a level he was comfortable with for office bearer approval in between board meeting cycles. The Board members present agreed for the Chair and Vice Chair to have delegated authority for this opportunity. Rhona confirmed that the paper would be shared on the Board Teams site for information and the Board will be kept updated.
19.2	Gordon referred to the list of development pipeline opportunities noted within the Treasury Strategy and suggested that this would be a good topic to hear more on, if possible, at the next away days. Rhona agreed this would be looked into.
19.3	Steve queried if there were any thoughts on how the latest Winter Fuel Payment announcements would impact on self funders. Rhona noted this was early days and Trust will need to see how this plays out for Scotland.

19.4	Rhona referred to a recent update she received from Trust's Head of People around Labour Government discourse around employment law and an action should be taken to brief the Board in due course once there is a clearer picture on developments.
20.	Date of next meeting
20.1	Thursday 12 September 2024 (in the Edinburgh office).

****Items marked private have been excluded from these minutes due to at least one of the following reasons:***

- ***Confidentially sensitive information***
- ***Discussion on commercial interests***
- ***Person specific information***

