

ALBYN HOUSING SOCIETY LIMITED

REPORT OF THE BOARD MEETING HELD ON TUESDAY 18 OCTOBER 2016 AT 10:30 AM AT ALBYN'S OFFICES, INVERGORDON

Present

Mr D Russell (Chair)
Mrs I McLaughlan
Mr J Convery

Mr S Smith
Mr G Sinclair

Mr I Fosbrooke
Mr S Gracie

In Attendance

Mr C Macaulay: Chief Executive
Miss C Lawrie (Minutes)

Mr R Nairn: Chief Operating
Officer

Ms S Watson: Finance & Corporate
Services Manager (Items 4.3 to 4.5)

1. APOLOGIES

- 1.1 The Chair welcomed the Society's three new Board members – Messrs Gracie, Fosbrooke and Smith – to their first meeting.
- 1.2 Apologies had been received from Ms Smith, Mrs Grant and Mr McMaster for this meeting.

2. DECLARATIONS OF CONFLICTS OF INTEREST

- 2.1 Mr Fosbrooke and Mrs McLaughlan noted their conflicts of interest for the service charges review document. Mr Smith also noted his conflict of interest for any items which may be impacted by his current employment with the Royal Bank of Scotland.

3. MINUTES OF PREVIOUS MEETINGS

3.1 Board Meeting: 16 August 2016

Apart from one amendment, the minutes were agreed as a true record.

3.1.1 **Action Items**

A written update on the action items had been provided.

3.2 After AGM Board Meeting: 13 September 2016

The minutes were agreed as a true record.

4. DECISION MAKING PAPERS

4.1 Election to Committees and External Bodies

- 4.1.1 The paper asked the Board to elect members to Albyn's three Committees. It also sought decisions for Board representation on external bodies.

- 4.1.2 **Audit and Risk Management Committee**
Membership of this Committee was agreed as: Mrs Grant, Messrs Convery, Sinclair, McMaster and Smith.
- 4.1.3 **Performance Committee**
Membership of this Committee was agreed as: Mrs McLaughlan and Messrs Russell, Convery, Fosbrooke and Gracie.
- 4.1.4 **Staffing, Health & Safety and the Environment Committee**
Membership of this Committee was agreed as: Mrs Grant, Ms Smith, Mrs McLaughlan and Messrs Russell, Fosbrooke and Gracie.
- 4.1.5 **Highland Small Communities Housing Trust (HSCHT)**
Ms Smith currently represents the Board on this Trust. It was agreed that Ms Smith will continue in this role.
- 4.1.6 **Employers in Voluntary Housing (EVH)**
The Board is entitled to one representative member to EVH, as it is an associate member. Since Ms Dingwall's departure from the Board there has been no representative. It was agreed that Ms Dingwall will not be replaced by a named individual.
- 4.1.7 **Scottish Federation of Housing Associations (SFHA)**
Mrs McLaughlan has been the representative member for the Society since 2010 and is now an elected SFHA Board member. It was agreed that on an ongoing basis the Chief Executive will check whether there were any issues arising which would require a separate representative.
- 4.1.8 **Albyn Enterprises Ltd (AEL)**
Ms Smith is currently the Society's representative on the Board of AEL. It was agreed that she would continue in this role. AEL determines Board membership and the Chair's election.
- 4.1.9 **Tenant Participation Advisory Service (TPAS)**
The Society is entitled to one representative. Since Miss Linden's departure from the Board there has been no representative. Mr Fosbrooke agreed to be the new representative for the Society.
- 4.1.10 **Rural & Islands Housing Association Forum (RIHAF)**
The Society is entitled to one representative on RIHAF and this is currently Mr Macaulay. After discussion it was agreed that Mr Macaulay would continue in this role.
- 4.1.11 The Board approved the committee and external bodies representation as detailed above.

4.2 Society Membership: Cancellations

- 4.2.1 The Board was asked to consider removing 10 members from the Society's membership register. This follows the recent Annual General Meeting when a number of members were identified who had not attended an AGM for five years, nor given their apologies or proxy vote. There is also one member who had passed away during the year.
- 4.2.2 The Board members approved the removal of the Society members listed.

4.3 Service Charges Review

Ms Shannon Watson, Finance & Corporate Services Manager, joined the meeting for this item. Mrs McLaughlan and Mr Fosbrooke left the meeting for this item, due to their conflicts of interests.

4.3.1 The paper detailed the process followed regarding the review of service charges required from the Society's tenants. The paper sought the Board's approval of a number of principles. The paper also sought approval for a phased implementation process.

4.3.2 Ms Watson took the Board through the main points of the process. A separate consultation would be required should common stairwell cleaning be introduced to all relevant households.

4.3.3 The Chair noted the annual deficit of £200k currently experienced by the Society as a result of charges not being made.

4.3.4 The Board approved the principles relating to charging for Service Charge activities.

Mrs McLaughlan and Mr Fosbrooke rejoined the meeting.

4.4 Sale of Property

Ms Watson remained in the meeting for this item.

4.4.1 Ms Watson's paper, carried over from the last meeting which had not been quorate, sought approval to sell a property. The current tenant had terminated their tenancy.

4.4.2 The Board approved the sale of the property.

4.5 Financial Arrangements: Bank Covenants Review

Ms Watson remained in the meeting for this item. Mr Smith left the meeting for this item, due to his conflict of interests.

4.5.1 The paper provided the Board with an update on progress with the restatement of the bank covenant requirements due to the accounts changes brought about by FRS102. The Board was asked to approve the revised covenants and to appoint representatives to sign the document on its behalf.

4.5.2 A further paper had also been circulated to the Board separately, regarding an update on the Private Placement Investment.

4.5.3 The additional paper proposed a Board Sub-committee be created, comprising Mrs Grant and Messrs Russell, Sinclair and Convery.

4.5.4 Mr Nairn commented that the process was progressing well. 90% of the information needed by the lawyers to secure the funding is now in place. A timetable had been provided within the papers.

4.5.5 An update on Private Placement will be provided to the November Strategy day.

4.5.6 The Board approved the supplementary agreement with the bank and the extract minute, and to appoint representatives to sign the documents on its behalf. It was also agreed that the Board Sub-committee will be created.

Ms Watson was thanked for attending. At this point she left. Mr Smith rejoined the meeting.

4.6 Eviction Approvals

4.6.1 Board members were asked to endorse the Chair's approval to enforce three court decrees for eviction.

4.6.2 The Board members discussed the cases. The Chief Executive explained that it was not possible to cancel evictions if the tenant is declared bankrupt on or after the day on which the court decree is awarded.

4.6.3 It was noted that the evictions were all single males. Mr Nairn agreed that a significant number of the eviction cases were single males. There would be reasons why they had been allocated a property, such as they had been homeless or their relationship had broken down and they had had to move out of a shared property. Housing Services Officers pay close attention to such tenants and assist them much earlier in the process to try and maintain their tenancy.

4.6.4 The Board endorsed the Chair's approval of the three court decrees for eviction.

4.7 Board Remit: Review

4.7.1 The Board's remit was last revised in 2013 and it is now due for review as part of its three yearly cycle. A remit with proposed amendments had been circulated for consideration. The proposed changes were not substantive but primarily reflected revised job titles and changes to the organisation structure.

4.7.2 Board members discussed the remit and commented on succession planning issues.

4.7.3 The Board approved the draft revised remit for the Board.

5. **MINUTES OF COMMITTEE MEETINGS**

5.1 **Albyn Enterprises Ltd Board: 11 August 2016**

The minutes of this meeting were noted. The Chair of the AEL Board, Mr Convery, noted that factoring had been discussed at the meeting.

5.2 **Performance Committee: 23 August 2016**

The minutes of this meeting were noted. As Chair of the Committee Mrs McLaughlan reported that all areas were improving and there was confidence in the reduction in the arrears. Staff had settled well into their new posts and were doing well under difficult circumstances.

5.3 Discussion took place about the Society's "fit homes" project. Mr Macaulay said that construction had begun on the 16 homes. 14 of the initial 16 homes will be tenanted and the remaining two will be for community use. The properties should be complete around the turn of the financial year. The Board discussed suitable publicity for the project and asked that arrangements be made for Board members, and other interested parties, to visit the homes.

6. HEALTH AND SAFETY

6.1 There was nothing to note for this item.

7. LEAVE OF ABSENCE

7.1 There were no requests for a leave of absence for the 22 November 2016 Board Strategy Day.

8. ANY OTHER COMPETENT BUSINESS

8.1 Board Code of Conduct: Annual Commitment

The Board members were asked to confirm their annual commitment to the Board's Code of Conduct by signature. A form had been provided for this requirement.

9. DATE OF NEXT MEETING

9.1 The Board Strategy meeting is due to take place on 22 November 2016 in Inverness.

10. POLICY PROPOSALS AND REVIEW

10.1 Entitlements, Payments and Benefits Policy

10.1.1 Following earlier discussions on this subject, the Chief Executive's paper provided the Board with a principles-based approach for consideration.

10.1.2 Mr Macaulay clarified that the draft Entitlements, Payments and Benefits Policy was for consideration at this stage. The paper and revised policy had been produced following concerns raised by the Board during earlier discussions of the Scottish Federation of Housing Associations' (SFHA) proposed model policy and the Highlands & Islands variant of it. The concerns raised by Board members had primarily been regarding their ability to conduct their day to day work if they were to sign up to the SFHA model or the local variant. The revised model provided to this meeting was therefore based on the Nolan Principles. These are recognised as being the primary model for organisations and individuals working in the public sector.

10.1.3 If the Board members approved the proposal, the next stage would be to consult with staff. It would then return to the Board for final approval.

10.1.4 Board members were content to accept the draft proposal being based on the Nolan Principles.

10.1.5 The Board members approved the principle of the draft policy.

11. INFORMATION PAPERS

11.1 Key Actions and Future Activity: Chief Executive

This paper had been circulated separately by email to Board members. The contents were noted.

- 11.2 **Cluster Housing: Periodic Update**
A paper on this item would follow at a later date.
- 11.3 **Mazars Social Housing Sector Survey**
This paper had been circulated separately by email to Board members. The contents were noted.
- 11.4 **Scottish Housing Associations' Pension Scheme: 2015 Valuation Summary**
This paper had been circulated separately by email to Board members. The contents were noted. It was agreed that the Pensions Sub-committee will meet straight after the January 2017 Board meeting.