

FINAL Albyn Housing Society Board Meeting |MINUTES

Date: Tuesday 22 February 2022
Time: 6:00pm
Location: Virtually via 'Teams'

Members Present

Lesley McInnes, Chair	Carl Patching, Vice Chair	Ian Fosbrooke, Secretary
Fiona Mustarde	Nile Istephan	Clea Warner
David Cargill		

In Attendance

Kirsty Morrison, Interim CEO	Andrew Martin, Director of Finance & Corporate Services	Laurie Macleod, Head of HR
Morag Beers, Director of Assets & Property Services	Maureen Knight, Interim Director of Customer Services	Audrey Murphey, Interim Director of Governance & Business Improvement
Laura Morgan, Corporate Officer (minutes)		

ACTION

- 1. APOLOGIES**
 - 1.1 The Chair was unable to connect to MS Teams at the start of the meeting and so the Vice Chair assumed the duty of Chair.
 - 1.2 Apologies were received from Angela Currie, Jim Convery, and Isabell McLaughlan.
- 2. DECLARATION OF CONFLICTS OF INTEREST**
 - 2.1 No interests were noted.
- 3. STANDING ITEM**
 - 3.1 Board Remit
 - 3.1.1 The meeting met the quorum as set out within the Board Remit.
- 4. MINUTES OF PREVIOUS MEETING**
 - 4.1 Minutes of Board Meeting: 14 December 2021
 - 4.1.1 The minute of the last Board meeting was agreed as accurate and proposed by Ian Fosbrooke and seconded by Nile Istephan.

ACTION

4.1.2 Regarding the last meeting, the Board enquired when the City Region Deal drop in sessions would be made available to Members. Kirsty Morrison advised that dates of sessions would be agreed shortly, and Members notified.

4.2 Matters Arising: 14 December 2021

4.2.1 A written update on the action items had been provided and was reviewed.

Lesley McInnes joined the meeting at this point and resumed as Chair of the meeting.

5. VIDEO

5.1 Channel 4 News Video

5.1.1 The Board watched a clip from Channel 4 News which featured an Albyn tenant residing in Tain, speaking about the difficulties they faced heating their home due to the rising cost of electricity.

5.1.2 Maureen Knight advised the Board that the tenant had been contacted by the Society and provided with support to access the Energy Redress Fund and a Trust Fund food voucher. It was added that the property where the tenant resided was one which used older electric storage heaters that would require upgrading.

5.1.3 Maureen Knight went on to inform the Board about the work the Society was doing to support customers struggling with energy costs, this included educating them to use heating systems more efficiently and ensuring they were accessing maximum welfare benefits. The Society was also working with Cairn Housing Association to obtain three year funding for an Energy Advisor to support customers. It was added that the rising cost of energy not only impacted customers but may also begin to impact rental income and it was important that the Society be proactive and lobby on this matter.

5.1.4 The Board discussed the rising cost of energy and advised that the issue was not limited to the source of heating but incorporated the energy efficiency of the whole house, and that the Asset Management Strategy of the Society was key to understanding the impact of this. It was suggested that using third parties to deliver education on energy efficiency to tenants might be more successful. Regarding lobbying, the Board advised that the Highland & Islands Housing Associations Affordable Warmth Group could be a valuable partner to the Society.

5.1.5 The Board agreed that the issue of energy use in homes would require a long-term strategic response and the Chair requested that the Board discuss this at its meeting on 03 March 2022. The Interim CEO accepted an **action** to add this to the agenda.

Kirsty Morrison

5.1.6 The Board discussed some quick interventions that the Society could implement to support customers and it was agreed that the Trust Fund would be the most appropriate vehicle to target support to those who needed it most. Andrew Martin advised that the underspend on the Trust Fund to date demonstrated that some customers may not seek out support and this should be considered. The Interim CEO accepted an **action** to explore how customer support with energy costs could be prioritised by the Trust Fund in March.

Kirsty Morrison

5.1.7 David Cargill noted an interest as an employee of Cairn, before suggesting to the Leadership Team that Cairn Housing Association and the Society might work in partnership to access Investment and Community Grant Funding from The Scottish Government. The Interim CEO welcomed this idea.

6. DECISION MAKING PAPERS

6.1 Funding Proposal: Development Programme Borrowing Facility and Stock Security Arrangements

6.1.1 Andrew Martin spoke to his paper and sought Board approval for the recommendations made within it.

6.1.2 The Board enquired if ATFS had been used by the Society before. Andrew Martin advised that the company had been used for the past 18 months and that it was well know and credible within the RSL sector.

6.1.3 The Board enquired if ATFS had advised of any other lenders, outside of the seven reviewed, who might potentially be able to make a competitive offer to the Society. Andrew Martin advised that outside of private placement providers, the option for the type and level of lending required by the Society was limited to those seven lenders reviewed by ATFS.

6.1.4 The Board enquired if the level of debt would attract greater interest from the Regulator. Andrew Martin assured the Board that the development plan of the Society was part of its agreed Business Plan of which the Regulator was aware of.

6.1.5 The Board enquired if Allia Bonds had been considered. Andrew Martin advised the Board that they were considered but the value that could be allocated through them was less than what was required.

6.1.6 Morag Beers commented that the stability of income provided by the social sector compared to the uncertainty of the retail market, alongside the requirement to decarbonise social housing, was making it an attractive opportunity for investors.

6.1.7 All recommendations within the report were approved:

- Mandate RBS, on the basis of the indicative terms and conditions submitted, to put in place a 25-year term loan of up to £15m and to extend the current revolving credit facility of £10m for a further 10- year period.
- Delegate the Director of Finance and Corporate Services take forward any further detailed discussions with RBS.
- Continue to liaise with ATFS as Albyn’s treasury adviser to discuss the terms and conditions on offer and update the Board with the final terms and conditions agreed at its meeting in March 2022.

This was proposed by Carl Patching and seconded by David Cargill.

6.2 Funding Proposal: Stock Security Arrangements

6.2.1 Andrew Martin spoke to his paper and sought Board approval for recommendation within it.

6.2.2 The Board enquired about the portfolio of unsecured stock held by the Society and how effective it would be if used. Andrew Martin advised that the usual practice was to fund future development through securing high quality stock from the previous development phase. There were challenges to using older stock, however, the work of the Assets Team to produce a land terrier would make accessing required documents for it easier. It was

ACTION

added that older stock also had a lower Energy Performance Certificate rating which often would discount it from being used as security.

6.2.3 All recommendations within the report were approved:

- Approve the granting of a standard security in favour of RBS as set out in the attached Board minute extract.
- Approve the authorisation of the named post holders in order to action the Standard Security as appropriate as set out in the attached Board minute extract.

This was proposed by Fiona Mustarde and seconded by David Cargill.

6.3 Allocation of Mid Market Rental Property to Staff Relative

6.3.1 Morag spoke to her paper and sought Board approval of the recommendation within it.

6.3.2 The recommendation to grant the tenancy of an MMR portfolio property to the family member of an Albyn staff member as outlined in the report was approved. This was proposed by David Cargill and seconded by Carl Patching.

7. GOVERNANCE MATTERS

7.1 None.

8. POLICY PROPOSALS & REVIEWS

8.1 None.

9. INFORMATION PAPERS

9.1 Presentation: Customer Satisfaction Survey Results

9.1.1 Maureen Knight gave a presentation on the Customer Satisfaction Survey Results to the Board.

9.1.2 Kirsty Morrison commented on the low engagement of customers with the Society and advised the Board how the range of engagement opportunities was being expanded. It was added that the next survey would be carried out by an external surveying company so that the Society could segment its customer base and target unhappy customers.

9.1.3 The Board discussed the results and were supportive of the Leadership Team enthusiasm to address the issues the survey raised. It added that rural location of customers could impact satisfaction results and highlighted the importance of neighbourhood walks to identify small improvements that could make a big difference to customers.

9.1.4 The Chair of Performance Committee suggested that the Committee might be used as a vehicle to review any action plans that arose from the survey to ensure that it remained visible and current between Board meetings.

9.1.5 The Board noted the update.

ACTION

9.2 Update on Board Action Plan progress

9.2.1 Kirsty Morrison presented an update on progress against the Board Action Plan to the Board for its information.

9.2.2 It was noted that the newly appointed Interim Director of Governance & Business Improvement would be conducting a full review of the Board Action Plan and collating evidence to support completion of actions. The budget allocated to the plan would also be reviewed. The Board welcomed this.

9.2.3 The Board noted the update.

9.3 Management Accounts Q3

9.3.1 Andrew Martin presented the Management Accounts Q3 to the Board for its information.

9.3.2 The Board enquired about the staffing underspend within the Assets Team and what plans were in place to address this. Morag Beers advised that three positions had recently been filled, but that the post of Capitol Investment Officer was proving difficult to recruit to.

9.3.3 There was a general discussion about the recruitment difficulties being faced within the sector, especially within the area of assets and development. Morag Beers commented that the Society needed to promote that the housing sector would receive funding for a programme of decarbonisation and so was as an exciting prospect to work within. Laurie MacLeod added that the HR Team were building a narrative of the benefits of working with the Society and the flexibility it could offer to potential employees.

9.3.4 Andrew Martin confirmed to the Board that underspend in the budget could not be carried forward to the following year due to the loan covenants applicable to the Society. It was added that some underspend would be picked up within Q4.

9.3.5 The Board requested that a forecast position be added to the accounts. The Director of Finance & Corporate Services accepted this as an **action**.

Andrew Martin

9.3.6 The Board noted the update.

9.4 Committee Business Planner

9.4.1 Kirsty Morrison presented the Committee Business Planner to the Board for its information.

9.4.2 The Board enquired if the Board Development Day scheduled for the 08 March would still take place. Kirsty Morrison advised the Board that it would take place but would be via Teams rather than face to face.

9.4.3 The Board noted the update.

10. APPROVED MINUTES OF COMMITTEE MEETINGS FOR NOTING

10.1 The Board noted the approved minutes from the Highland Residential (Inverness) Ltd Board and Albyn Enterprises Ltd Board.

11. AOB

ACTION

11.1 The Chair advised the Board that herself and the Interim CEO would be meeting with their counterparts at Carin Housing Association to discuss potential opportunities for partnership working.

12. DATES OF FUTURE COMMITTEE MEETINGS

12.1 The dates of future Committee meetings were noted by the Board.

13. DATE OF NEXT BOARD MEETING

13.1 The dates of future Board meetings were noted by the Board.

The meeting then came to an end.