

FINAL Albyn Housing Society Board Meeting | MINUTES

Date: Tuesday 27 June 2023
Time: 6:00pm
Location: Teams'

Members Present

Carl Patching,
Vice Chair (Teams)

Ian Fosbrooke,
Secretary

Scott MacLeod,
Member

Nile Istephan,
Member

Fiona Mustarde,
Member

Nicola McLelland,
Member

Angela Currie,
Member

In Attendance

Kirsty Morrison,
Chief Executive Officer
(CEO)

Maureen Knight,
Executive Dir. of Operations
(ExDO)

Andrew Martin,
Executive Dir. of Group Services
(ExDGS)

Audrey Murphey,
Interim Dir. of Governance &
Business Improvement
(DG&BI)

Laura Morgan,
Interim Corporate Lead
(CL)

ACTION

1. WELCOME & APOLOGIES

- 1.1 Apologies had been received from Lesley McInnes, David Cargill, Clea Warner, Jim Convery, and Laurie MacLeod.

2. CONFLICT OF INTEREST

- 2.1 No conflicts of interest 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. PREVIOUS MEETING

4.1 Minute of Board Meeting: 23 May 2023

- 4.1.1 The minute of the last meeting was approved. This was proposed by Fiona Mustarde and seconded by Scott MacLeod.

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4.4 Matters Arising

- 4.4.1 A written update on the action items had been provided and was reviewed. All actions were complete or in progress.
- 4.4.2 The Board noted that the Highland Residential (Inverness) Ltd (HRL) Business Plan had been updated following Board feedback and had been issued to Members for approval on Govenda. Six Members had noted their approval and the HRL Business Plan was therefore accepted as the final version.

5. DECISION PAPERS

5.1 AHS Financial Statements 2023/24, Letter of Representation, & AEL Letter of Support

- 5.1.1 The ExDGS presented the AHS Financial Statements 2023/24, Letter of Representation, and Albyn Enterprises Ltd (AEL) Letter of Support to the Board for approval.
- 5.1.2 There was one outstanding item within the Financial Statements to be resolved regarding defined benefit pensions. This was the result of the pension provider TPT having had its controls qualified when being audited by PWC. RSM needed to understand more about this matter before signing off the accounts. It was noted that this issue was sector wide as TPT provided pension services to many Registered Social Landlords. It was likely that the outcome would result in some additional narrative being added to the accounts. It was hoped to close the matter off in the next week.
- 5.1.3 It was noted that a £490K loan from The Highland Council had been added to the Letter of Representation. This was originally a five-year loan for two landbank sites, which was expected to be repaid at the end of this term. The five-year term expired in 2012 and so the Society had since then been exposing this as a liability within its accounts.
- 5.1.4 The ExDGS advised the Board that following scrutiny by the A&RM Committee, there were some minor corrections to be made to the Financial Statements. The Board was assured these corrections were purely to the narrative and that there were no concerns with the actual figures. Also, more emphasis on the good work the Society has done supporting tenants with the Energy Support Fund and TRUST Fund would be included.
- 5.1.5 The Chair made sure that new Board Members were comfortable with how the Group Financial Statements worked. They confirmed that they were and had received induction training from the ExDGS. Further training was offered to Members by the ExDGS should they want it.
- 5.1.6 The Vice Chair commented that the Financial Statements were a great reflection upon how the Society had evolved and improved. He extended his thanks to the ExDGS and his Team.
- 5.1.7 It was noted that the objectives within the Financial Statements should be updated to reflect the change to 'maintain and build'. The ExDGS agreed to ensure this was updated next year

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- 5.1.8 The Board approved the AHS Financial Statements 2022/23. This was proposed by Angela Currie and seconded by Fiona Mustarde.
- 5.1.9 The Board approved the Letter of Representation. This was proposed by Fiona Mustarde and seconded by Angela Currie.
- 5.1.10 The Board approved the AEL Letter of Support. This was proposed by Scott MacLeod and seconded by Angela Currie.

5.2 Q4 Management Accounts

- 5.2.1 The ExDGS spoke to his paper and sought Board approval of the Q4 Management Accounts.
- 5.2.2 There was a discussion about the overspend on reactive repairs and how the Society could more accurately budget for planned, cyclical, and reactive repairs in future. The ExDGS advised the Board that the past couple of years had been unusual due to the pandemic restrictions resulting in a backlog of repairs which had to be addressed. The Customer Services redesign had now assigned repairs to technically qualified staff and it was hoped that this would result in better data that could be used for future budgeting. Also, increased expenditure on planned and cyclical maintenance should reduce the volume of reactive repairs, although the impact of this would take longer to filter through.
- 5.2.3 The ExDO commented that the upturn in reactive repairs was also linked to staff being more proactive in terms of visiting tenant homes and engagement with tenants at pop up surgeries. It was added that following the Customer Services redesign, the technical expertise of staff managing repairs would ensure the Society had greater control over what repairs were carried out, and that detailed works orders would be issued to ensure that the work was specific. Overall, with the improved internal processes and controls it is anticipated that there would be a levelling out of the amount of repairs and that this would result in a more efficient and cost effective reactive repairs service.
- 5.2.4 There was a discussion about development income. The ExDGS advised the Board that the biggest delay to development had been in getting Scottish Government approval of grant funding. This had been compounded by the loss of the Development Manager and the challenging nature of a couple of sites where extensive community engagement was required. The Board noted that the Society was to bring in some external development services to support the Development Team.
- 5.2.5 The Board approved the Q4 Management Accounts. This was proposed by Fiona Mustarde and seconded by Angela Currie.

5.3 Annual Governance Review

- 5.3.1 The DG&BI spoke to her paper and sought Board approval of the Annual Governance Review.
- 5.3.2 The Board noted the improvements to the number of meetings and the balance that new Board Members had brought to the governance of the Society.

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5.3.3 The Board advised that in future the review should contain reflections upon areas where improvements could be made. For example, the roll out and take up of Board Member training might be an area of focus for the coming year.

5.3.4 The Board approved the Annual Governance Review. This was proposed by Angela Currie and seconded by Nile Istephan.

6. CONFIDENTIAL ITEM

6.1 Confidential Item

7. STRATEGY & POLICY

7.1 Group Risk Management.

7.1.1 The DG&BI advised the Board that the Group Risk Management Strategy had been scrutinised by the Audit & Risk Management Committee the week before (20 July 2023). The Committee requested a number of small updates to the strategy which were currently being completed, and this had resulted in a delay to this item being issued to Board.

7.1.2 It was confirmed to Board that the Group Risk Management Strategy was being updated to better reflect the management of risk within Group subsidiaries and to correct some typos.

7.1.3 The DG&BI suggested that the Group Risk Management Strategy be issued to Board for approval outwith the meeting via Govenda. The Board approved this course of action. This was proposed by Angela Currie and seconded by Carl Patching.

8. INFORMATION PAPERS

8.1 'Putting Safety First' - SFHA Briefing Note

8.1.1 The Vice Chair brought to the attention of Board a recent briefing note issued by the Scottish Federation of Housing Associations (SFHA). The note was prepared specifically for Board Members to provide them with the background knowledge and perspective they need to discharge their responsibilities in terms of tenant safety.

8.1.2 The Board noted the briefing.

9. APPROVED MINUTES OF COMMITTEE MEETINGS FOR NOTING

9.1 The Board noted the approved minutes of the following meetings:

- Albyn Enterprises Ltd Board meeting: 23 February 2023
- Highland Residential (Inverness) Ltd Board meeting: 18 April 2023
- Audit & Risk Management Committee meeting: 21 March 2023

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10. AOB

10.1 Verbal Update: Scottish Housing Regulator Review of the Regulatory Framework

10.2 The CEO updated the Board regarding a review of the Regulatory Framework which was conducted by the Regulator every five years.

10.3 The review was discussed, and the Board agreed that the Society was in a unique position to provide valuable feedback on its experience and journey of being 'compliant under review'. It was requested that the recent Altair Report commissioned by the SFHA on this matter be issued to the wider Board. The CL accepted this as an **action**. **Laura Morgan**

10.4 The Board noted the update.

11. DATES OF FUTURE BOARD COMMITTEE MEETINGS

11.1 The dates of upcoming meetings were noted by the Board.

11.2 The Board was updated that the date of the AGM had been finalised as 20 September. It was hoped the AGM would be preceded by a Staff and Board Engagement event if enough Members were able to attend. Further details would follow in due course.

The meeting ended.