



1986-2016: Celebrating 30 years working in the community

**Barrhead Housing Association Limited  
Minute of Governing Board Meeting  
Thursday 13<sup>th</sup> December 2018 at 6.00pm  
60/70 Main Street, Barrhead**

**Present**

<b>D McCready, Chairperson</b>	<b>D McKinney</b>
<b>J Hamilton, Vice Chair</b>	<b>B Connelly, MBE</b>
<b>M Mukhtar</b>	<b>R McGuire, BEM</b>
<b>C Boyd</b>	<b>T Reilly</b>

**In Attendance**

<b>S Robison</b>	<b>Chief Executive</b>
<b>H Sutherland</b>	<b>Group Secretary and Director of Corporate Services</b>
<b>L Dallas</b>	<b>Director of Customer Services</b>
<b>J Ward</b>	<b>Director of Asset Management</b>
<b>I MacLean</b>	<b>Corporate Services Manager (minute secretary)</b>

<b>Agenda – BHA Governing Board meeting</b>	
<b>1</b>	<b>Apologies &amp; Sederunt Check</b> Apologies were received from Councillor A Ireland, C Baird and B Welsh. The sederunt was signed by members present.
<b>2</b>	<b>Declaration of Interest: Board and Staff</b> J Hamilton declared a late declaration of interest for the Chief Executive's report on the Barrhead Business Improvement District award scheme. He will remove himself from the discussions at this agenda item.
<b>3</b>	<b>Approval of Minute</b> <b>(a) Board meeting 1 November 2018</b> The Board approved the minutes of the meeting as a true record. Proposed by D McKinney and seconded by J Hamilton.  <b>(b) Board Action Tracker</b> The Chief Executive explained the purpose of the Board action tracker, and that this would track progress in future against actions arising from each Board meeting. Once an item had been completed and reported to the Board, it would be removed from the tracker.  <b>(c) LPS Minute 15 November 2018</b> The Board noted the minute.

	<p><b>(d) Audit and Risk Committee 8 November 2018</b> The Board noted the minute.</p> <p><b>(e) Staffing Sub Group 6 November 2018</b> The Board agreed that these two minutes would be brought to the next meeting of the Governing Board. Chief Executive highlighted that there was a JNC appeal hearing on Monday 17<sup>th</sup> December 2018.</p> <p><b>(f) Development Sub Group 22 November 2018</b> The Board noted the minute.</p> <p><b>(g) Office Bearers Group 21 November 2018</b> The Board noted the minute.</p> <p><b>(h) Tenant Scrutiny Panel</b> The Board noted the minute.</p>
4	<p><b>Matters Arising from Above Minutes</b> There were no matters arising.</p>
5	<p><b>Matters for discussion and approval</b></p> <p><b>5.1 Asset Management Strategy – update on 5-year investment</b> The Director of Asset Management explained the purpose of the indicative 5 year investment programme. He explained that this programme includes provision for the fire safety compliance measures, although it is difficult to predict costs accurately given that final guidance is still awaited. The Director further explained that the investment in year 1 focuses largely on these fire safety measures and a proposed kitchen replacement programme in 68 dwellings. He also provided brief detail of the main areas of expenditure anticipated over the programme.</p> <p>Having heard the Chief Executive confirm that this programme would need to be refined and updated before running through the BRIXX model, the Board <b>noted</b> the report.</p> <p><b>5.2 Chief Executive Report</b> The Chief Executive took the Board through her regular update report. She confirmed that a Board member (tenant) place remains vacant, and that it was proposed that the existing interested tenant would be asked to continue to participate in the Tenant Scrutiny Panel arrangement meantime, and that a meeting would be arranged with her along with the Chief Executive and Chair in due course.</p> <p>The Chief Executive asked the Board to approve Alan Oliver and Neil McClusky as LPS Board Members. This was <b>approved</b>.</p> <p>Regarding the Business Planning event report prepared by Allpark Consultants, David McCready asked that this report be revised to take account of the following</p>

observations:

- That the Governing Board has committed to the proposed direction of the Association, notwithstanding any future change in the Association's Senior Management arrangements,
- That the Allanpark report be held as evidence to support the decisions taken around the Association's new 5 year business plan; and,
- That a review should be undertaken annually by the Governing Board.

Having heard the Chief Executive and Chair in this connection, the Board **agreed** that these changes should be made to the Allanpark report.

The Chief Executive then provided an update on her mid year review which had been undertaken, and it was **noted** that the future CEO appraisal process would be undertaken jointly by the Chair and Vice Chair.

**J Hamilton declared an interest for the next discussion, and left the meeting**

Finally, the Chief Executive advised the Board of the new Barrhead BID Awards. The Chief Executive explained that she would consider in due course whether to make a submission to these awards, but meantime she was seeking the Board's approval for the Association to act in the capacity as sponsor to one of the award categories (Employee of the Year or Innovator of the Year). The Board **approved** the suggestion to act as Gold sponsor at a cost of £650 plus VAT.

**J Hamilton returned to the meeting at this point.**

**5.3 Draft Budget 2019/20**

The Director of Corporate Services took the Board through her report on the draft budget for 2019/20. She explained the range of assumptions made in relation to the proposed budget, all of which were detailed in the report. She confirmed that these figures are not all exact at this point, and will be refined as the Association moves towards the development of its final budget. She confirmed that provision has been made within the budget for the draw down of funding for the new housing development in Neilston.

Regarding a query raised regarding the payment of VAT in relation to 3<sup>rd</sup> party factors, the Chief Executive agreed that this would be raised with the auditors to clarify the position.

In relation to the tenant participation budget, the Chief Executive gave detail of the type of activity undertaken within this budget line.

Finally regarding professional fees, the Director of Corporate Services confirmed that

the 2019/20 increase arises largely as a result of the new loan arrangement fees, QL development and the pension liability tracker.

The Board **noted** the report, and that a budget would be brought back to the Board for approval in due course.

#### **5.4 Rent Affordability**

The Director of Customer Services gave the background to her report, and explained the complexity and range of methods available to calculate affordability. She confirmed that, to ensure consistency, she had used the same method of calculation as had been used for 2018/19. She confirmed that some modelling had been undertaken in relation to 2.9% and 3.4%, both of which offered similar results in relation to the numbers of tenants who might be on the margin of affordability (47 using moderate income and 295 using a Living Wage methodology).

She then explained the current position in relation to rent harmonization, and confirmed that further work would be required in this area.

The Director explained that the Association could consult with tenants in relation to options, but that it was likely that in this scenario tenants would likely opt for the lower rent option. It was also noted that the SHR might have an expectation of RSL's that options are offered to tenants, and that the forthcoming Annual Assurance Statements will require the Board to be satisfied about the robustness of its arrangements around rent consultation.

The Chief Executive then gave the Board some detail of rent levels being considered by other landlords, some of which are in the range of 3.8-4.4%, and that against this background the Association was seeking to continue to take a reasonable approach to affordability, whilst having regard to existing a new commitments (such as fire safety).

Having heard the Chair (supported by D McKinney) ask that the Association be transparent and open as possible with its rent consultation, and having noted that the report only seeks approval to consult at this point in relation to a proposed 3.4% rent increase, the Board **approved** the recommendations contained within the report.

#### **5.5 Community Regeneration Update**

The Director of Asset Management provided the Board with a brief update in relation to the range of ongoing and planned community regeneration programmes and proposals. This included DIY Dunterlie, Creative Pathways, Community Choices 2019, Dance Craft and CCF 2019. He also confirmed the proposed submission of an application for funding for a pilot Car Club project. The Board **noted** the report.

In relation to the Dunterlie Resource Centre, the Chief Executive agreed to seek

	<p>clarification from the Council in relation to the feasibility study which it is understood to be planned for 2019.</p> <p>Regarding the Neilston Windfarm Legacy Fund, it was generally agreed across the Board that little is known in relation to the existence of this fund.</p> <p><b>5.6 Report on Private Finance for development programme</b> The Director of Customer Services gave brief background to this report, following which the Board <b>approved</b> the proposal that the Association should proceed with the offer of funding from Triodos which is considered to represent best value.</p> <p><b>5.7 "Make a Stand" Pledge</b> Having heard the Corporate Services Manager give the background to the pledge, the Board <b>approved</b> the recommendation that the Association should commit to the pledge and agreed to proceed to make the necessary arrangements to implement the required actions.</p>
6	<p><b>Policy updates –</b></p> <p><b>6.1 Co-opted Committee Members</b> The Corporate Services Manager explained the minor changes to the policy, following which the Board <b>approved</b> the updated policy, subject to this being named Co-opted <u>Governing Board</u> Members.</p> <p><b>6.2 Entitlements, Payments and Benefits Policy for Governing Board and Staff</b> The Board <b>approved</b> the updated policy</p> <p><b>6.3 Succession to Tenancy and 6.4 Sub-Letting</b> Having heard the Director of Customer Services explain the updates to these policies were necessary to take account of the 2014 Act, the Board <b>approved</b> the revised policies.</p>
7	<p><b>LPS Summary report – Management Accounts Q2 30 September 2018</b> The Board <b>noted</b> the report.</p>
8	<p><b>Matters for Information</b></p> <p><b>8.1 Correspondence</b> The list of correspondence was <b>noted</b>. Any Board Members requiring more information should contact the office.</p> <p><b>8.2 Notifiable events</b> None</p> <p><b>8.3 Documents for execution/approval/noting</b></p>

<b>9</b>	<p><b>9.1 and 9.2 Health &amp; Safety Incident Reports</b>  The Director of Asset Management provided brief detail of the 2 x incident reports. The Board <b>noted</b> the reports.</p>
<b>10</b>	<p><b>AOCB</b>  R McGuire confirmed that the Community Choices project was being taken forward on behalf of ERC by an independent group (Linking Communities). Once established, it was noted that any Governing Board member involved in this Group would require to update BHA’s declaration of interest register.</p> <p>The Director of Corporate Services advised the Board of implications in relation to those employees in the Defined Contributions pension scheme. Having heard the Chief Executive and Chair confirm that they were reluctant for any employee to be financially disadvantaged, the Board <b>agreed</b> that the Association should continue with the existing employer contribution levels of 10% or 6%, and that the Association would pay the additional 0.45% contribution related to the life assurance element of the contributions.</p>
<b>11</b>	<p><b>Date of Next Meetings:</b>  <b>31 January 2019 - GB Training/Meeting</b>  <b>14 February 2019 - Full GB Meeting</b></p>

The Minute was approved by the Board at the meeting on: \_\_\_\_\_

Signed by Chairperson: \_\_\_\_\_

Date: \_\_\_\_\_