***MINUTES OF MEETING NO.681***

***QUEENS CROSS HOUSING ASSOCIATION BOARD OF MANAGEMENT***

***HELD ON TUESDAY 29 AUGUST AT 6.00 P.M.***

Andrew Burns, Ian Elrick, Margaret Glass, Sadie Gordon, David Horner, John McIntyre, Matthew Millar, Anne Ramsey, Bronwyn Wyper.

Margaret Brannan (Business Strategy Manager) Shona Stephen (Chief Executive), Neil Manley (Director of Finance & Corporate Support), Donalda Hogg (Depute Director of Property, Enterprise & Regeneration), Elizabeth Hood (Depute Director of Neighbourhood Services), Louise Smith (Director of Neighbourhood Services), Fiona Smith (Head of Customer First), Alison McKay (Governance Advisor) - minutes.

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|  |  | ACTION |
| **1.0** | Housekeeping |  |
| 1.1 | Noted |  |
| **2.0** | Welcome and Apologies |  |
| 2.1 | The Chair welcomed everyone to the meeting. There were no apologies. |  |
| **3.0** | Declarations of Interest |  |
| 3.1 | There were no new declarations. |  |
| **4.0** | Q1 Performance 2023/24 |  |
| 4.1 | The purpose of this report is to provide the Board of Management with performance information for the first quarter of the financial year 2023-24, covering:  * KPIs * Complaints & Compliments Report * Strategic Risk Register * Management Accounts * Hamiltonhill Progress Report * Gas Service Performance |  |
| **4.2** | Key Performance Indicators Report 2023-2024 |  |
| 4.2.1 | The purpose of this report is to present the Association’s performance report for Quarter One (Q1) 2023/24, covering April, May, and June 2023. The report highlights performance across our Key Performance Indicators (KPIs). The report includes results for the Association’s Annual Return on the Charter (ARC) and House Mark Peer Group benchmarking and allows us to analyse trends in performance over the last three years. This report was presented by Neil Manley, Director of Finance & Corporate Support. |  |
| 4.2.2 | The Board noted the report and the action being taken where performance could be better . |  |
| **4.3** | **Q1 Complaints & Compliments** |  |
| 4.3.1 | This report is the Quarter 1 (Q1) Complaints and Compliments Report for the Board of Management for the period 01 April – 30 June 2023**.** This report noted. |  |
| **4.4** | **Q1 Strategic Risk Register** |  |
| 4.4.1 | The Board and Executive Team held a risk review session linked to the new Business Plan in October 2021 as part of the Association’s risk management process. The Executive Team review and amend the Strategic Risk Register on a quarterly basis. Following the November 2022 Board planning session, changes identified were incorporated into the register. The updated Strategic Risk with updates in red is attached as Appendix 5.3. This register was noted.. |  |
| **4.5** | **Q1 Management Accounts** |  |
| 4.5.1 | This is the quarterly financial information for the Association up to the end of Quarter 1 2023/24 (30th June 2023) and consists of the narrative report and attached financial reporting appendices for the Association and the subsidiaries, Queens Cross Factoring and Queens Cross Workspace. This report was presented by Neil Manley, Director of Finance and Corporate Support.  It was noted that there are a couple of variances on Income and Expenditure with Income variance - £261,144 adverse (3.8%) below the set budget target. This is within the KPI tolerance. Section 5 showed the Q1 cash position is £32.02m and the detail of how this is invested and held is shown in the accompanying appendix. There has been a decline from the Q4 position reflecting the expenditure in new build and component costs and creditor balances within the quarter.  For the Investment Programme, the Board noted that spend is well below the profiled budget for Q1. Appendix 11 provided fuller details on the spend per project and the reasons for the saving to budget. Voids are requiring more work and unit by unit average cost 2.5k which gives an adverse number on the void position. The Q1 expenditure position is favourable for this area with a £461kbudget against expenditure of £301k a £160kfavourable variance at this point. |  |
| **4.6** | **Hamiltonhill Project Progress** |  |
| 4.6.1 | The purpose of this report is for the Board to note the progress reports for the Hamiltonhill projects, in particular the Green Infrastructure and the Phase 1 housing and approve the proposal to hold a community survey to suggest names for the two new parks, with the Board making the final decision based on suggestions. This report was taken as read. |  |
| 4.6.2 | The Board discussed the funding information detailed in the report and the environmental information requests. |  |
| 4.6.3 | The Board approved the proposal to hold a community survey to obtain name suggestions for the two new parks at Hamiltonhill. |  |
|  | Margaret Brannan joined the meeting at 6.30pm. |  |
| **5.0** | Annual Complaints report |  |
| 5.1 | The purpose of this report is to provide the Board with a summary of the Association’s complaint and compliments performance from 1 April 2022 to 31 March 2023, and to demonstrate performance to meet our targets which reflect the Scottish Public Services Ombudsman’s (SPSO) good practice. This report was presented by Margaret Brannan, Business Strategy Manager. |  |
| 5.2 | Margaret highlighted an increase in complaints about repairs recorded last year, this increase may be explained by the performance of the outgoing contractor and transition to a new contractor. The Board was pleased to note an improvement in satisfaction Quarter 2.  Margaret acknowledged the support provided from Louise Smith on closing complaints. The Associations focus this year is to learn from the previous year’s under performance and identify the reasons for the improvement following the appointment of our new contractor.  There were no questions from the Board on this report. The Board thanked Margaret for this report. |  |
| **6.0** | Approval of 2022/23 Annual Accounts |  |
| 6.1 | The purpose of this report was to present the external audit management report to the Board, the letter of representation for approval by the Board. These accounts were presented by Neil Manley, Director of Finance and Corporate Services. |  |
| 6.2 | The Board was advised that on Monday 21 August, Scott Gillon from Wylie and Bissett presented the annual accounts to the Audit Committee. Each year the Audit Committee takes time to study the annual accounts and pose questions to the Auditors. The Management letter advises no serious points were raised during the audit period. Scott highlighted that this year’s audit was a more seamless process with the introduction on new systems and technology which worked well for remote working. John McIntyre advised the Board, during the first section of the Audit Committee, staff are asked to leave the meeting. During this period Scott reiterated to the committee the seamless process conducted this year and provided a high level of reassurance to committee members. The audit committee was recommending approval of the accounts to the Housing Association Board  The Board had no questions on these accounts and approved the signing of these accounts which Alison should arrange via DocuSign. | AM |
| **7.0** | GCC Programme Agreement |  |
| 7.1 | The purpose of this report was for the Board to note the Programme Agreement confirming the AHSP grant allocation for 2023/24 and approve its acceptance. This report was presented by Shona Stephen, Chief Executive Officer. |  |
| 7.2 | The Association is ready to purchase the shops at Garscube Road with the aim of improving the area. This report was taken as read with a request for Board approval. The Board approved the acceptance of the AHSP grant allocation for 2023/24. |  |
| **8.0** | Financial covenant |  |
| 8.1 | The purpose of this report was for the Board to formally approve a revision to the loan covenants linked to the M&G Bond for the 2023/24 financial year. This was outlined within the Budget paper presented in March. This report was presented by Neil Manley, Director of Finance and Corporate Services. |  |
| 8.2 | The 2023/24 budget paper outlined that due to changes in the phasing of the Associations investment programme the Association sought to revise its interest cover covenant for the current financial year. M&G have agreed to the removal of the capital investment within the calculation if the target cover is increased to 225%. This is detailed in the attached side letter. Board approval for this change is required as per this extract minute.  The Board approved the signing of the extract minute, letter, and Officer certificate to agree the change to the financial covenant with M&G. Alison should arrange this via DocuSign. | AM |
| **9.0** | End of Year Reports: Estate Management, Anti-Social Behaviour & Financial Inclusion. |  |
| 9.1 | The purpose of this report was to provide the Board with highlights to the end of year 2022/23 on:Estate ManagementAnti-Social BehaviourFinancial InclusionA PowerPoint presentation on this report was presented by Elizabeth Hood, Depute Director. The Board noted the report . |  |
| **10.** | Non recoverable rent |  |
| 10.1 | The purpose of this report is to recommend that the Board:   * Approves the former tenant write-off report and agree the total amount of £32,757.31 to be written off in line with the Association’s rent arrears policy and the finance department’s accounts management procedures. (See Appendix 1 for breakdown of cases) * The budget set aside for bad debt is set at £161,700 for this financial year.  This report was presented by Elizabeth Hood, Depute Director. |  |
| 10.2 | This report covers Q4 of 2022/23 & Q1 of 2023/24 requesting to write off rent arrears of £32,757.31 in accordance with the Rent Arrears Policy as all reasonable steps have been taken to recovery this debt. Details on how this debt and the individual cases are included in appendix 1. The total value of former tenant arrears at the end of Q1 is £96,640 (0.5% of overall rent & service charge debit). Existing former tenant arrears not submitted for write-off are currently being pursued.  There were no questions from the Board and it was agreed to the write off amount of £32,757.31. |  |
| **11.0** | Good Governance Matters |  |
| 11.1 | The purpose of this report was to present information to evidence compliance with SHR Regulatory Standard 6 and the Association’s Rules. This includes compliance with the constitution, priorities and actions resulting from the QC Group Board Member Annual Performance Review (APR) meetings. This report was presented by Fiona Smith, Head of Customer First. |  |
| 11.2 | The Board were advised that the QC Group Boards recruitment event has been scheduled for February 2024. The Housing Association Board currently has 9 members with 3 vacancies. Should numbers fall below 7 members the Regulator should be notified. Board Members were asked to forward the name of anyone interested in attending the event to be passed to the Governance Team. Item 5.3.4 of this report notes that two new Directors, Sharon Martin & Louise Stergar have been appointed to the QC Workspace Board and Item 5.4.4 notes that one new Director, Rose Sehakizinka has been appointed to the QC Community Foundation Board. In accordance with the Rule 68, at the last Board meeting before the AGM, the Secretary (Neil Manley) must confirm to the Board that Rules 62 to 67 have been followed, or if they have not, the reason for this.  The Board approved and noted:   1. The priorities and actions resulting from the QC Group Board Member 2022/23 Annual Performance Reviews. 2. The QC Group Training Plan for 2023/24 3. The arrangements in place for the Association, Workspace and Community Foundation AGMs, and the Board meeting that will take place immediately after the Association’s AGM. 4. Delegated approval of the Annual Report to the Chair and Chief Executive. 5. The position regarding appointments to all QC Group Boards (including office bearers), consider the Association Board Succession Plan and agree priorities for QC Group board member recruitment during 2023/24. 6. Agreed the nominations for vacancies on the Board that will be presented at the AGM. 7. The position regarding QC Group Ambassadors 8. In accordance with Rule 68, sections 62 to 67 of the Association’s Rules have been followed. |  |
| **12.0** | Reviewing and Demonstrating Compliance with the SHR Regulatory Standards **Discussion on Customer Engagement** |  |
| 12.1 | The purpose of this session is to evidence compliance with SHR Regulatory Standard 2.4 *the RSL seeks out the needs, priorities, views and aspirations of tenants, service users and stakeholders. The governing body takes account of this information in its strategies, plans and decisions*. This session was presented by Margaret Brannan, Business Strategy Manager. |  |
| 12.2 | This presentation provided the Board with updates on Complaints & Compliments, Tenant satisfaction surveys, Consultations on our strategy/delivery carried out by TIS, rent consultation, resident consultations on investment and development and Tenant participation opportunities available. The Board considered the following questions .1. What can we do better or differently?2. What information and/or data do Board members want?3. What more could we do with the feedback?4. What can we do to update tenants on what we have done/learned? |  |
| 12.3 | The Board discussed Tenant Participation and the TIS survey being undertaken and welcomed the attendance of TiS interacting with tenant and local people at the annual Gala Day |  |
| **13.0** | **Health and Safety** |  |
| 13.1 | Louise agreed that an update report on progress in relation to Tenant and Resident safety would be brought quarterly at performance meetings. She noted that:  * An letter informing tenants of asbestos in communal areas and what arrangements are in place for the monitoring of this asbestos and that it prevents no danger has been sent to all tenants with letters to owners being issued this week. * The EICR programme programme has to be completed this financial year . The process has been reviewed but unfortunately progress has slowed due to staff holidays or tenant no access. Regular updates will be provided to the Board. * CDM policy and procedures have been drawn up and passed to the RFT and younger persons working group for review of these documents. |  |
| **14** | New Membership Applications |  |
| 14.1 | Two membership applications have been received from Stephen Rhind and Annika Joy both will be attending the AGM subject to approval of membership .e approved. The Board approved both membership applications. |  |
| **16** | Update from Chair of Audit Committee |  |
| 16.1 | John McIntyre, Chair of the Audit Committee presented a brief report on the meeting which took place on Monday 21st August. John advised that this had been a positive meeting with a busy agenda of 12 items.  The Audit Committee had a verbal update providing assurance to the committee that significant progress is being made on the points raised in TIAA audits on Disaster Recovery and Cyber Security and a written report will be brought to the Audit Committee meeting on Monday 6 November and an update to the Board when it meets on 21 November.  The amended Treasury policy statement was reviewed. This was accessible and is complying with new requirements. The Committee recommend this for approval with a plan for a presentation to be brought to the Board in November. The Board approved the Treasury Management Statement.  A review of the action tracker was conducted. It was agreed that the Tenant Safety and Compliance audit be brought forward as it is such an important area for the Board. |  |
| **17.0** | Minute of Meeting No. 679 and 680 The minutes of the meetings 679 and 680 were reviewed for accuracy and matters arising.  Meeting 679 held on 30 May 2023 – There were no matters arising and the minute of the meeting was proposed by Sadie Gordon and seconded by Bronwyn Wyper  Special Meeting 680 held on 31 July 2023 - There were no matters arising and the minute of the meeting was proposed by Matt Millar and seconded by Ian Elrick. |  |
| **15.0** | Action Tracker |  |
| 15.1 | There were no changes to the tracker. |  |
| **16.0** | **AOB** |  |
| 16.1 | Shona requested permission for the Remuneration Committee to meet and agree the recruitment, scope and salary of new Directors following the departure of Rona Anderson , former Director of Property Services. |  |
| 16.2 | The Board approved the request for the Remuneration Committee to agree the recruitment, scope, and salary of the new Directors with the request for job titles to be looked at. This recommendation from the Committee will be brought to the Board meeting on 18 September. |  |
| 16.3 | Shona provided an verbal update to the Board on developments in the area.   * Making places have funding in place for first phase with work starting in 2 weeks which will take around part of 18 months. * Braid Square residents will be expecting to see investment in their neighbourhood. A focus group has been set up to engage with these residents to find out if the priority for making spaces is still the same and what can we do in the meantime to improve this area. * Works on the external maisonettes at Westercommon are moving on and making a positive change to the appearance of the properties . Some internal works will follow. * The Courtyard pantry is moving into old ground floor office at Westercommon with the café reopening in the original space. * Priorities will be agreed for Dundasvale following the feedback from the TiS survey . |  |
| **17.0** | Date and Time of Next Meeting The meeting concluded at 8pm   * Joint Board meeting with Maryhill Housing Association on 6September. * AGM 18th September   The next Board meeting is scheduled to take place on Monday 18 September immediately following the AGM. |  |
|  | I certify that the above minute has been approved as a true and accurate record of proceedings:Chair: …………………………………. Date: …………………………………… |  |