

MINUTES OF MEETING NO.661
QUEENS CROSS HOUSING ASSOCIATION BOARD OF MANAGEMENT
HELD ON TUESDAY 26 OCTOBER 2021 AT 6.00 P.M.

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

Shona Stephen (Chief Executive), Rona Anderson (Director of Property, Enterprise and Regeneration), Elizabeth Hood (Depute Director), Louise Smith (Head of Housing & Housing Support – virtual attendance), Adele Drennan (Governance Officer).

Niall McKinnon (Head of Development) – items 4 and 5 only.

ACTION

1.0 Housekeeping

1.1 Noted.

2.0 Welcome and Apologies

2.1 The Chair welcomed everyone to the meeting.

Apologies from Margaret Glass, Matt Millar, Neil Manley (Director of Finance & Corporate Support), Donalda Hogg (Head of Business Services) and Fiona Smith (Executive Office Manager).

3.0 Declarations of Interest

3.1 There were no new declarations.

4.0 Development Strategy 2021-2024

4.1 The purpose of this report was to present the Association's Development Strategy 2021-2025 for approval and authorise its publication on the website.

Niall McKinnon, Head of Development, was in attendance to speak to the report and delivered a short presentation to the Board.

4.2 The Board noted that the Development Strategy identifies the following 6 key objectives for the Development function over the next 5 years:

1. Develop a new community in Hamiltonhill
2. Create a green neighbourhood in Hamiltonhill
3. Provide new build housing to meet people's needs
4. Remodel our redundant existing stock
5. Promote a Zero Carbon agenda
6. Address the Scottish Government's Procurement Agenda

4.3 A risk matrix was attached as an Appendix to the report and outlined the scope of the risks which the Board should be aware of in the delivery of this strategy. Most risks are financial, but there are also political and resourcing risks.

4.4 The Board:

- a) Noted that the Strategy reaffirms the Association's aspiration to continue as a developing RSL with a very significant programme over the next five years, maintaining our position as a leader in the sector.
- b) Noted that the Strategy, as well as re-confirming ongoing priorities, also identifies new agendas which will require to be addressed in the current development climate, while managing the risks and ensuring we maintain our capability to deliver Excellent Housing in Vibrant Communities.

- c) Approve the Association's Development Strategy 2021-2025 and authorised its publication on our website.

5.0 Green Infrastructure Fund (GIF) Proposals at Hamiltonhill –private and confidential commercially sensitive report .

6.0 Annual Rent Consultation

6.1 The purpose of this report was for the Board to consider and agree the level of rent increase and any alternative options that tenants are to be consulted on in the annual rent setting review.

6.2 In January 2021 the Board agreed that the Association would use the CPIH (Consumer Prices Index Including Owner Occupiers' Housing Costs (UK)) as the more relevant measure of inflation rather than the RPI (Retail Price Index). The Board noted that inflation has increased significantly over the last 6 months and the September CPIH figure was 2.9% (slightly down on August which was 3.2%). The Board were therefore being asked to consider consulting on CPIH at 2.9% with alternative options offered at 2.4% and 3.4%. The draft tenant consultation document was shared with Board Members in advance of the meeting and outlines the challenge of balancing rent affordability with the Association's commitment to maintaining and investing in its homes and neighbourhoods.

6.3 The Board considered the current economic climate and recognised that household incomes are falling due to a variety of factors including the ending of furlough payments, the ending of the universal credit uplift, an increase in national insurance payments for those in employment and increasing energy and food prices. The implications of consulting on a rate as low as 2.4% was discussed and some members were concerned that if this was chosen by tenants as the preferred option, it could potentially have a significant impact on our ability to deliver on our investment programme, new build and other projects which have already been delayed due to Covid. There is great difficulty in striking the right balance between keeping rents affordable and being able to maintain the high level of service that our tenants have come to expect, as well as the statutory legal obligations that have been placed upon us. The Board was also noted that an increase of 3.4% would not necessarily mean that we could deliver all of our objectives due to the volatility of the market which means the outcome of tenders is unpredictable and it would be wrong to give certainty when there isn't any at this time. The Board also took into consideration that the CPI figure was over 3%, so offering a potential increase of 2.9% was still lower than the rate of inflation. Offering 2.9% as the lowest offer was still considered by the majority of members to be a good deal and would allow our business plan to be worked up based on this figure as a minimum.

6.4 In response to a question raised, the Depute Director confirmed that universal credit would also increase by the percentage agreed by the Board for those in receipt. There is a limit on how much can be claimed on universal credit, however our rents are within that and so those in receipt would not be liable for any shortfall.

6.5 In order to allow the Board to come to a decision on the best way forward, the Chair members were invited to vote. The outcome of the vote was as follows:

In favour of removing the option of a 2.4% increase:	5
Not in favour of removing the option of a 2.4% increase:	1

6.6 Following an extensive discussion, the Board:

- a) Agreed to remove 2.4% as an option in the annual rent consultation.
- b) Approved the consultation on a rent increase reflecting the CPIH at 2.9% with an alternative option offered at 3.4%.

- c) Noted the timescales for the consultation and that feedback will be brought back to the Board at the November planning day with the final rent level approved by the Board at the January 2022 Board meeting.

7.0 Approval of 2021 Annual Assurance Statement (AAS)

7.1 The purpose of this report was to present the supporting evidence and 2021 Annual Assurance Statement to the Board for approval.

7.2 In April 2019 the Scottish Housing Regulator (SHR) revised its regulatory Framework. The Association is now required to submit an Assurance Statement between April and 31 October annually and must confirm that the Association is complying with all relevant regulatory requirements or disclose any areas of material non-compliance and describe briefly how the Association plans to improve and set a timeframe for improvement.

7.3 2020/21 was a year like no other and the Association, like other social landlords, were amongst the first to respond to the unprecedented challenges of COVID-19 and support their tenants through the public health crisis. In this year's AAS we have been asked to distinguish any non-compliance with regulatory requirements that is directly due to the pandemic and from non-compliance that is for other reasons. We had been expecting to be asked to include an update on our position in relation to equalities and human rights, however the impact of the COVID-19 pandemic has slowed the production of SHR guidance, and it is not yet available. The SHR has confirmed that it continues to work with the SFHA, GWSF and ALACHO to produce guidance on equalities data collection, and working with the Scottish Human Rights Commission to develop a briefing on the right to housing. It is anticipated that these guides will be published during the Autumn. In recognition of this position, landlords have been asked to provide a statement in their AAS that they have appropriate plans to implement an effective approach to the collection of equalities.

7.4 It would not be possible for the board to have absolute knowledge of all aspects of compliance with every regulatory requirement and standard, however Appendix 2 sets out some key requirements of standard evidence or assurance and how they link to each of the Regulatory Standards. The Board has seen much of this evidence as part of the routine reporting to the Board at every meeting including performance meetings.

7.5 The 2021 Annual Assurance Statement (Appendix 1) has been prepared following good practice guidance and a letter that the SHR issued in June 2021.

7.6 The Leadership Team has been invited to consider this year's submission and supported a compliant return on the Assurance Statement with no material or significant non-compliance issues raised. The recommendation from the Executive Team is that a return of compliance should be made as there are no issues of such materiality or significance that mean we cannot confidently say that the Association is compliant.

7.2 Following consideration, the Board:

- a) Noted the summarised evidence at Appendix 2.
- b) Noted the examples of material non-compliance reported by other HAs at Appendix 3.
- c) Agreed that the Chair signs off the Annual Assurance Statement (Appendix 1) confirming compliance, to be submitted to the SHR by the deadline of Sunday 31 October 2021.
- d) Noted that the approved Annual Assurance Statement will be published on our website.

Adele

8.0 Amendment of Rules

- 8.1 The purpose of this report was to seek Board approval to instruct lawyers to prepare a report outlining the benefits and risks attached to the removal of the operational boundary for discussion by the Board.
- 8.2 The Association currently operates within a defined area of operation which is set out at section 2.3 of the Rules (Appendix 1). Queens Cross is one of the very few housing associations in Glasgow who have an area of operation. The Board noted the obvious implications of removing the boundary, such as how this would affect membership and Board composition but recognised that removing the boundary could also open up potential future opportunities for the Association.
- 8.3 The Board asked that legal advice also be sought on the risks and benefits of extending the boundary as well as removing it.
- 8.4 Following a brief discussion, the Board:
- a) Agreed that lawyers be instructed to prepare a report for the board outlining the benefits and risks attached to both the extension and removal of the operational boundary for discussion by the board.

Fiona

9.0 2022/23 Meeting Schedule

- 9.1 The purpose of this report was to present the 2022/23 meeting schedule to the Board for approval.
- 9.2 It is good governance practice to have a meeting schedule in place as this allows the Board and staff to plan, prepare for and attend meetings. The schedule was attached as Appendix 1 and sets out meeting dates to March 2023. The Governance Officer confirmed that the schedule follows the same pattern of meetings as in previous years, however highlighted some key dates that the Board should be aware of. The Board also noted that the Executive Team had reviewed the schedule to ensure that the dates set out are realistic.
- 9.3 The Board:
- a) Noted the date for Audit Committee meetings and that the Committee (who usually meet on Wednesday's) will meet on Monday 22 August to discuss and consider the QC Group Annual Accounts.
 - b) Noted that the Housing Association AGM is scheduled to take place on Monday 19 September 2022, and this will be followed by a short Board meeting immediately thereafter to agree all QC Group appointments for 2022/23.
 - c) Noted that the Board will review Q1 performance at the August meeting to avoid holding an additional meeting in September.
 - d) Noted that QCHA Board Planning Days have been scheduled to take place on 17 June and 25 November 2022.
 - e) Noted that dates have yet to be agreed for the following: QC Group All Boards Event, QC Group Chairs Meeting, Workspace SLA Review, North-West Development Board, Supported Housing, Regeneration and Governance Working Groups.
 - f) Noted that when the schedule has been agreed it will be uploaded to the Board portal and circulated to the relevant staff and Community Involvement Group members.
 - g) Noted that once the meetings have been agreed they will not be changed unless agreed by the Board.
 - h) Approved the meeting schedule (Appendix 1) that covers the period 1 April 2022 until 31 March 2023.

10. This report is private and confidential and contains business sensitive information

11.0 Eviction Report for Approval this report is private and confidential

12.0 Health and Safety

12.1 This is an opportunity to report on safety performance, funding requirements, safety failures and any other H&S related issues, to allow the board to give all such issues due consideration.

12.2 The Director of Property, Enterprise and Regeneration advised the Board that we are in the process of procuring an independent advisor for the Association to consult with regarding health and safety matters.

There were no other matters to report.

13.0 New Membership Applications

13.1 There were no new applications to be considered.

14.0 Minutes of Meeting No. 659 & 660

14.1 The minutes of meeting no. 659 held on 13 September 2021 following the AGM were reviewed for accuracy and matters arising.

The minutes were agreed as an accurate account, proposed by Anne Ramsey and seconded by Bronwyn Wyper.

4.2 The minutes of meeting no. 660 held on 21 September 2021 were reviewed for accuracy and matters arising.

The minutes were agreed as an accurate account, proposed by Sadie Gordon and seconded by Anne Ramsey.

15.0 Action Tracker

15.1 Only one item on the tracker (AT 2020/21: 04) and it was noted that the date should be corrected to January 2022.

Adele

16.0 AOB

16.1 A member queried how we, as an organisation, are taking steps to reduce our carbon footprint. The CEO confirmed that as this is one of the key commitments in our business plan, and we have had a discussion with one supplier about how we measure our carbon footprint, and the focus was on the Association's use of energy and our fleet. If we wanted to set targets and reduce our carbon footprint, our stock would also need to form part of this as the Association is responsible for the energy rating of our properties. This information can be obtained from the EPCs, however there is a bit of a collation exercise to be carried out to pull this information together. It was suggested that a Board Strategy session be held in the new year and could form part of the February Board meeting.

Shona

16.2 The CEO reminded members that the next Board Planning Day would take place on Friday 26 November. Given the current climate and to keep costs to a minimum, it was not thought appropriate to attend an external venue and it was agreed that the event would take place in our own facility at the Courtyard. It was also agreed that if Covid cases rose significantly following the COP26 conference, then Plan B would be to move the event online.

17.0 Date and Time of Next Meeting

The meeting concluded at 7:55pm.

The next meetings are scheduled to take place on:

- Friday 26 November (Board Planning Day)
- Tuesday 30 November (Board meeting)

I certify that the above minute has been approved as a true and accurate record of proceedings:

Chair: **Date:**