

MINUTES OF MEETING NO.666
QUEENS CROSS HOUSING ASSOCIATION BOARD OF MANAGEMENT
HELD ON TUESDAY 26 APRIL 2022 AT 6.00 P.M.
Mackintosh Room, 45 Firhill Road

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

Shona Stephen (Chief Executive), Neil Manley (Director of Finance & Corporate Support), Rona Anderson (Director of Property, Enterprise & Regeneration), Donalda Hogg (Head of Business Services), Elizabeth Hood (Depute Director of Neighbourhood Services), Louise Smith (Director of Neighbourhood Services), Fiona Smith (Executive Office Manager), Adele Drennan (Governance Officer).

ACTION

1.0 Housekeeping

1.1 Noted.

2.0 Welcome and Apologies

2.1 The Chair welcomed everyone to the meeting.

Apologies received from Sadie Gordon.

3.0 Declarations of Interest

3.1 There were no new declarations.

4.0 Salary Offer 2022/23

4.1 The purpose of this report was for the Board to agree the final salary offer for 2022/23.

4.2 The Director of Finance and Corporate Support advised that, since the last Board meeting, the EVH full members and Unite had agreed a wage settlement of 4.1%. Although QCHA is not a full member of EVH this agreement always provides a context for the discussion with Unite and our staff will be aware of the percentage agreed.

4.3 The EVH offer and other wider sector offers, or agreements were set out at section 2.1 of the report. The Board was being asked to consider a 3.25% consolidated offer on pay plus a 1% unconsolidated amount in 2022/23 only, and also one day additional annual leave to be taken in the year. This offer is within the budgetary constraints of the association and takes account of the need to ensure continued investment in our stock and to maintain affordable rents. The Executive Team believes the offer addresses the affordability issues raised by Unite including the spike of inflation that has occurred since October 2021. the 1% unconsolidated offer limits the long-term impact on the Association's viability and will allow the Association to review the forward trend on inflation this year and reflect this into forward financial planning. The Board noted that the additional leave day provided reflects the extra day being provided more widely by employers for the Queen's Jubilee, but staff will have the flexibility to take this depending on their own circumstances and business need. The ET believes this to be both a fair offer and at the top of our affordability parameters so, if agreed, the Board would not be asked to consider going beyond this as the service and employment impacts would be significant.

- 4.4 Following a lengthy discussion and having considered the financial implications and risks set out in the report , the Board:
- a) Agreed a 3.25% consolidated offer on pay plus a 1% unconsolidated amount in 2022/23 only, and also one additional leave day to be taken in the year.
 - b) Confirmed that the pay award agreed would be the final offer and not subject to further negotiation.

5.0 Lettings Plan 2022/23

5.1 The purpose of this report was to present the lettings plan for 2022/23 for approval, and for the Board to note the allocation outcomes for 2021/22 and the implementation of Find my Home (Choice Based Lettings).

5.2 The Depute Director highlighted an error in the report at section 6.1 and confirmed that this should read: 1 April 2022 to 31 March 2023.

5.3 As part of our allocation policy, we annually review the Lettings Plan to forecast how our future empty properties should be allocated. We set targets for each letting category to ensure that we create fair opportunities for all applicants. The Depute Director advised that the covid restrictions during 2021/22 were still presenting some lettings challenges for us. Our void turnaround performance didn't improve due to issues our contractor had in sourcing materials and labour. The high number of covid cases in the area also caused some delays and impacted on our performance. The allocation outcomes for 2021/22 were detailed at section 3.1 of the report. The Board reviewed the proposed letting plan for 2022/23 which was set out at section 4.1 of the report. It was noted that, whilst Glasgow City Council have not yet announced the letting quotas, there is a requirement to meet demand from homeless applicants and it is anticipated that it will remain around 60%.

5.4 The Depute Director then provided an update on Find my Home, the new choice-based letting system. As of 31 March 2022, a total of 1993 applications have been received since the system went live in October 2021. On average, 40 applications are being received per week. The system is bringing benefits to customers and staff and the ease and convenience for customers being able to manage their housing application online and the transparency of the letting process is being well received. Work is still ongoing to improve the system and ensure that as much information as possible is made available so that potential applicants can make an informed decision on whether to bid on a property. The Board also noted that GCC have recently launched their digital housing strategy and are showing a keen interest in using Find my Home as a platform for re-launching the development of the Glasgow Housing Register. The Board was supportive of a common housing register as it would make applying for homes easier for all involved and avoid applicants having to make multiple applications to various RSL's across the city.

5.5 The Board:

- a) Noted the allocation outcomes for 2021/22
- b) Approved the Lettings Plan for 2022/23
- c) Noted the implementation of Find my Home (choice-based lettings).

6.0 Proposed SGM / Rule Change

6.1 The purpose of this report was for the Board to consider and formally agree the next steps in relation to the operational boundary, membership of the Housing Association, composition of the Housing Association Board, fixed-terms of appointment, payment to board members and the format and timing of an SGM, if required.

6.2 Following consideration of a report and a detailed discussion at the meeting on 22 February, the Board requested a follow up report setting out a proposed way forward for the board to discuss and make a final decision on how to proceed. The Executive Office

Manager recapped on the benefits and risks in relation to each of the recommendations set out at section 1 of the report.

6.3 The Chair thanked the Executive Office Manager for her detailed report and invited the Board to consider each of the recommendations in turn.

6.4 **Operational Boundary and Association Membership**

6.4.1 At the meeting on 22 February, the Board acknowledged that removal of the operational boundary would ensure that the Association is ready for future opportunities such as the development of new homes and offers to work in collaboration with others to develop and deliver services. Removing the boundary would also open up Membership of the Association to anyone who is committed to upholding the values of the QC Group regardless of where they live. This would also align us with most of other Glasgow RSL's where this change has already been made. The Executive Office Manager highlighted that our Independent Board Members were not currently Members of the Association but are committed to making decisions that are in the best interests of our tenants and local people. She also explained that if membership was opened up, applications would continue to require Board approval and so it would remain within the Board's control to refuse membership to anyone whose behaviours or intentions were likely to harm the reputation of the Association.

6.4.2 The Chair invited the Board to participate in a vote and the outcome was as follows

- Members **in favour** of removing the geographical boundary – **7**
- Members **not in favour** of removing the geographical boundary – **1**

The Board voted in favour of removing the operational boundary by a majority and accepted that removing the boundary will open up Association Membership.

6.5 **Housing Association Board Composition**

6.5.1 The Board was invited to consider the current composition which is up to 8 Community Members and up to 4 Independent Members, along with the option for up to 3 co-optees. The Executive Office Manager reminded members that the community places were not reserved for tenants and can be taken up by anyone who is resident in a property in our current geographical boundary. The Board noted that we have always tried to make sure that there has been representation from local people, particularly tenants on the board, but this had been a challenge, and despite our best efforts, we have never managed to fill all 8 vacancies. The Board discussed the proposal to remove all categories membership which would provide the Board with more flexibility to appoint the best people to lead the organisation and use an annual succession plan to set out its recruitment priorities for the year ahead which would include an agreed number of tenants. This would also reduce the risk of Board Membership falling to 7 or below, which would be a notifiable event to the Regulator. The Board appreciated and understood the need to consider removing categories of membership and was supportive of the proposal set out in the report on the basis that appropriate mechanisms were in place to allow the voices of our tenants and local people to continue to be heard at Board level.

6.5.2 The Board agreed to remove all categories of Board Membership which were currently defined in our Rules.

6.6 **Fixed Terms of Appointments**

6.6.1 Under the existing rules when the number of Board members is less than 12, members are required to 'step down' every other year resulting in unnecessary elections and administration. The Board considered and agreed to fixed terms of 3 years for all members which would provide more stability to board membership and to succession planning.

6.7 **Payment to Board Members**

6.7.1 The Housing Association Board has discussed this option **many** times in the 13 years since SHR allowed it and has always strongly rejected the idea. As the offer of

payment needs to be included in the rules, this was another opportunity for the Board to consider if it wants to do so. The Board was in unanimous agreement that payment to Board Members should not be an option and therefore not included in the rule change.

6.8 **Format and Timing of an SGM**

6.8.1 For the Association to hold the AGM scheduled for Monday 19 September 2022 under these new rules it was proposed that an SGM takes place week beginning 20 June or on Monday 27 June at the latest. This allows time for the rules to be registered by the FCA which is a legal requirement before they can be put into place. The Board gave its approval to instruct our legal advisors to draft new Rules based on the agreed amendments and noted that these would be presented to the Board at the meeting in May for consideration.

6.9 In summary, the Board:

- a) Agreed to remove the operational boundary and accepted that removing the boundary would open up Association Membership.
- b) Agreed to remove all categories of Board Membership which were currently defined in our Rules.
- c) Agreed to fixed-term appointments of 3 years for all Board Members.
- d) Agreed that payment to Board Members should not be included in the Rule change.
- e) Agreed to instruct lawyers to prepare new draft Rules based on the above agreed amendments and noted that these would be presented to the Board at the next meeting for consideration.

**Fiona /
Neil**

7.0 **Organisational Growth**

7.1 The CEO delivered a presentation to allow the Board to consider the organisation's future growth strategy. She provided some background context to the presentation which was three-fold:

1. Feedback received following the CXHA partnership bid in 2021 indicated that the absence of a growth strategy was part of the reason why QCHA were unsuccessful.
2. The recently agreed budget for 2022/23 was one of the most challenging budgets to date and is one that presents significant financial challenges in the year ahead with added pressure to keep costs and rents down.
3. Another local CCHA had approached QCHA to ask if we would be willing to explore potential partnership working with them (an open-ended enquiry).

7.2 As the organisation is facing tougher strategic challenges, this was an opportunity for the Board to discuss and consider what is meant by growth, its appetite for growth and how we can increase our income to meet costs associated with investment, net-zero, increasing our service officer and being able to provide attractive employment initiatives, all whilst achieving our commitment to keeping rents low. The CEO highlighted the different types of opportunities for growth, which ranged from closer partnership working with others to merging with another organisation, or by introducing another organisation into our group structure as a subsidiary. The Board were then invited to break out into smaller discussion groups to consider the following:

- a) What are the benefits / risks of growth?
- b) What are the consequences of not growing?

7.3 Feedback from members indicated that they would be open to exploring all types of partnership working and opportunities, however, could not be to the detriment of our existing tenants and would also be subject to due diligence.

- 7.4 Following a lengthy discussion, the Board:
- a) Agreed to further explore partnership opportunities with another CCHA.
 - b) Noted that a discussion on mid-market rents would take place at the next meeting in May.

8.0 Update on CEO Appraisal & Remuneration Committee Meeting

8.1 The purpose of this report was for the Board to note the arrangements for the CEO's Appraisal and Remuneration Committee meetings and seek approval to delegate authority to the Remuneration Committee to agree the incremental salary increase for the Executive Team member not yet at the top of the salary scale, subject to satisfactory performance.

- 8.2 The Board:
- a) Noted the arrangements for the CEO Appraisal and Remuneration Committee meeting as set out in the report
 - b) Agreed to delegate authority to the Remuneration Committee to agree the incremental salary increase for the Executive Team member not yet at the top of the salary scale, subject to satisfactory performance.

9.0 Health and Safety

9.1 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.

9.2 There were no matters to report.

10.0 New Membership Applications

10.1 There were no new membership applications to be considered

11.0 Minute of Meeting No. 665

11.1 Minutes of meeting no. 665 held on 29 March 2022 were reviewed for accuracy and matters arising.

11.2 The minute was agreed as an accurate account, proposed by Anne Ramsey and seconded by John McIntyre.

12.0 Action Tracker

12.1 The action tracker had not been circulated with the reports. The CEO confirmed that there was one item on the tracker relating to mid-market rents and that this would be discussed at the next meeting in May.

13.0 AOB

13.1 QCCF Sponsored Walk

The sponsored walk was scheduled to place on Sunday 22 May at 11am. All members were invited to participate and raise funds.

13.2 Contract to Commence Construction at Hamiltonhill

The Director of Property, Enterprise and Regeneration advised that we were still pushing ahead with Urban Union to have a contract in place to commence work on the construction at Hamiltonhill. She advised that there were a number of decisions likely to require board approval. Following a short discussion, the Board agreed that a special

Rona

meeting should be called in advance of the next meeting if there is a requirement to consider any movement in the figure previously agreed.

14.0 Date and Time of Next Meeting

The meeting concluded at 8.05pm.

The next meeting is scheduled to take place on Tuesday 24 May 2022 at 6pm.

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

Chair: **Date:**