

**FERGUSLIE PARK HOUSING ASSOCIATION
MINUTES OF MANAGEMENT BOARD MEETING
29 August 2018 at 5pm
AT THE TANNAHILL CENTRE, 76 BLACKSTOUN RD, PAISLEY PA3 1NT**

1. Welcome, Sederunt & Apologies

Present:

Shona McIntyre	Chair
Fiona Murphy	Appointed Board Member
Barbara Walker	Board Member
Louise McNicol	Co-opted Board Member
Andrea McLaughlan	Board Member
Helen Glassford	Board Member
Iain McGhee	Board Member
Stuart Piggott	Board Member
Andy Wilson	Co-opted Board Member
Anne Culley	Appointed Board Member
Ian Williams	Board Member

In Attendance:

Lynn McCulloch	Interim Group Chief Executive
Catrina Miller	Appointed Group Chief Executive
Lindsay Gemmill	Interim Head of Operations
Howard Dales	Finance Agent
Teresa Sadler	Minute Secretary
Ivor McCauley	Interim Asset Manager (Item 22 to 27)
Katrina Kelly	Scottish Housing Regulator
Margaret Sharkey	Scottish Housing Regulator
Siphosami Bazaya	Observer

Apologies:

Elaine Carter
Richard Bolton

Leave of Absence None

Absent None

2. Declarations of Interest

2.1 The Chair explained some members of staff and Mr Bazaya would have to leave the room when the confidential items are being discussed.

3. Membership Application, Potential Board Member & Leave of Absence

- 3.1 The interim CEO sought approval from the Board to approve an application for membership from a tenant member who is interested in becoming a member of the Association to “serve his community and FPHA”. There were no known grounds for refusal.
- 3.2 It was anticipated another tenant may have submitted an application for membership but this was not received by the time of the meeting.
- 3.3 Richard Bolton has asked for Leave of Absence for this meeting due to work commitments. Due to 3 special meetings being called in July and August, this would be Richards 4th absence which would evoke rule 44.3. The Board asked for legal advice to be sought from our solicitors in regards to the timing of the request to ensure it is viable.

Action: seek legal advice in relation to Richard Bolton’s leave of absence.

The resolution was proposed by Iain McGhee and seconded by Andrea McLaughlan.

Resolution:

The Management Board:

- i) *approved membership of Ferguslie Park Housing Association for Siphosami Bazaya;*
- ii) *noted the attendance at this meeting, as an observer, of potential board member Siphosami Bazaya, and;*
- iii) *granted leave of absence for this meeting only to board member Richard Bolton, subject to advice from TC Young.*

4. Minutes of Previous Special Meeting 7 June 2018

The resolution was proposed by Ian Williams and seconded by Iain McGhee.

Resolution

Subject to correcting the date of the board meeting from 28 June to 27 June, the minutes of the special meeting of 7 June 2018 were approved as a true and accurate reflection of the proceedings.

5. Matters arising from Minutes 7 June 2018

5.1 There were no matters arising.

6. Minutes of Previous Special Meeting 22 June 2018

The resolution was proposed by Louise McNicol and seconded by Andrea McLaughlan.

Resolution

The minutes of the special meeting of 22 June 2018 were approved as a true and accurate reflection of the proceedings.

7. Matters arising from Minutes 22 June 2018

There were no matters arising.

8. Minutes of Previous Meeting 27 June 2018

8.1 The interim CEO asked for a correction in the minutes at 8.1 in relation to who is responsible for carrying out repairs. The leaseholders are responsible for carrying out their own repairs with the exception of Renfrewshire Councils leases for the nursery and the library.

8.2 At 12.3 the date should be 12 September for the EVH event with FPHA.

The resolution was proposed by Andy Wilson and seconded by Louise McNicol.

Resolution

Subject to the corrections to 8.1 and 12.3, the minutes of the meeting of 27 June 2018 were approved as a true and accurate reflection of the proceedings.

9. Matters arising from Minutes 27 June 2018

There were no matters arising.

10. Minutes of Previous Special Meeting 8 August 2018, including confidential part

The resolution was proposed by Ian Williams and seconded by Fiona Murphy.

Resolution

The minutes of the special meeting of 8 August 2018, including the confidential part, were approved as a true and accurate reflection of the proceedings.

11. Matters arising from Minutes 8 August 2018

There were no matters arising which would not be covered in the agenda.

12. Actions from previous meetings

- 12.1 The Interim CEO reported 2 out of the 3 actions have been closed.

13. Minutes of the Group Audit & Risk Meeting 1 August 2018

- 13.1 Members noted the minutes of the group audit & risk meeting. Andrea McLaughlan reported both sets of financial accounts had been presented and thoroughly discussed before approving them to be submitted to the Management Board and Executive Committee.

14. Short Term Deposit

- 14.1 The Finance Agent presented his report to seek retrospective approval for a short term deposit of £1m with the Bank of Scotland for the period to the end of October.
- 14.2 He explained that in line with the treasury management policy, they had consulted the Vice Chair Elaine Carter and Appointed Board Member Fiona Murphy.

The resolution was proposed by Fiona Murphy and seconded by Louise McNicol.

Resolution:

The Management Board;

- i) considered and retrospectively approved the deposit of £1m with the bank of Scotland for the period to the end of October; and;*
- ii) Granted delegated authority to the Chief Executive to place deposits with approved institutions after October 2018 up to a maximum of £500k and for a maximum period of 6 months.*

15. FPHA Financial Statements 2017/18

- 15.1 The Finance Agent presented the financial statements and letters for the Association and explained the group Audit & Risk Sub-committee had

discussed them in detail and had recommended them for approval at this meeting. No concerns were raised by the auditors who had signed them off.

- 15.2 He took members through the main issues in his report and highlighted the surplus of the year of £1,059,145 compared to the surplus reported of £1,027,165 and explained the detail of the difference was contained in the cover report.
- 15.3 All loan covenants were met and the auditors were satisfied there were no matters to be brought to the boards attention.
- 15.4 Both issues raised in previous management letters have been addressed.

The resolution was proposed by Fiona Murphy and seconded by Shona McIntyre.

Resolution:

The Management Board in accordance with the recommendation of the Audit and Risk Committee, at their meeting of 1 August 2018,

- i) Considered and approved the annual financial statements for the year to 31st March 2018.*
- ii) Noted the Management Letter from the external auditors in respect of their audit to 31st March 2018.*
- iii) Approved the response to the Management Letter.*
- iv) Considered and approved and signed the Letter of Representation.*

16. NTC Financial Statements 2017/18

- 16.1 The Finance Agent presented the NTC financial statements which had also been considered at the Group Audit & Risk Committee and had been approved by the NTC Executive Committee at their rescheduled meeting on 20 August 2018.
- 16.2 Members noted the 2 points raised in the management letter at 4.9 in the cover report and the finance agent explained the circumstance surrounding these and how they had been addressed.

Resolution:

The Management Board noted the NTC Financial Statements 2017/18.

17. Pension Scheme Update

- 17.1 [Anne Culley joined the meeting].
- 17.2 The Finance Agent presented the update on the pension scheme and explained there would be a change to the presentation of the accounts next year to accommodate the result which are due mid-2019. This could potentially cause some issues with the timing in preparing the year end accounts for 2018/19 and the 5 year projections.
- 17.3 FPHA's financial assessment is classed as low risk as highlighted within the covering report appendices.

Resolution; The Management Board;

- i) Noted the improved position regarding the schemes funding position;*
- ii) Noted the possible accounting changes that could impact on the presentation of the Association's Annual Accounts with effect from 31 March 2019*
- iii) Noted the Associations continues to be rated as a low risk on the basis of the 2018 SHAPS Financial Assessment; and;*
- iv) Noted the additional costs for 2019/2020.*

18. Management Accounts for quarter ending 30 June 2018

- 18.1 The Finance Agent delivered the 1st quarter management accounts and took members through the main issues contained in the cover report.
- 18.2 Staff recruitment costs produced significant variances and this was in respect of the recruitment campaign for the new Group Chief Executive, Asset Manager and Property Services Manager.
- 18.3 Consultancy costs were above budget and a breakdown of these was detailed in the report.

The resolution was proposed by Ian Williams and seconded by Louise McNicol

[Barbara Walker joined the meeting].

Resolution:

The Management Board considered and approved the management accounts for the quarter ending 30 June 2018.

19. Confidential Item

19.1 A separate minute applies to this item.

[Andrea McLaughlan left the meeting]

20. Governance Improvement Plan & Policy review Schedule Progress Reports

20.1 The Interim Group CEO presented this report and explained the Governance Improvement Plan and the Tannahill centre Financial Management Improvement have been collated into one action plan which forms appendices one of the report.

20.2 There has still to be a column added to show the owners of all outstanding actions and this will be ready for the next Management Board meeting on 26 September.

20.3 The Schedule of policies is still a working progress also and members requested it be changed into format to make it easier to follow.

Action: change format of the schedule of policies.

The resolution was proposed by Iain McGhee and seconded by Fiona Murphy.

Resolution; The Management Board;

- i) approved the content of the new Group Governance Action Plan and Group Policy Review Programme;*
- ii) noted the progress achieved at August 2018;*
- iii) agreed to a further report in September 2018 to approve new approximate timescales for completion, and;*
- iv) agreed a quarterly report should be provided on progress with these two plans, beginning in December 2018 covering the period September to November 2018.*

21. Annual General Meeting, Rule Changes, Special General Meeting & Special Board Meeting 18 September 2018

21.1 The Interim GCE tabled an updated cover report and a tracked version of the Association Rules proposed changes for the Board to consider.

- 21.2 She discussed the legalities surrounding any amendment to the rules and members noted the Scottish Housing Regulator would have to give formal consent before any amendments go up for approval.
- 21.3 Proper notice for the AGM has been sent to members and invites to the AGM will be issued on 3 September in accordance to the rules.
- 21.4 Lynn explained to Mr Bazaya he could become a casual member until the AGM and if there are spaces on the Board he could then be co-opted on.
- 21.5 [Stuart Piggott left the meeting].
- 21.6 There has been some discontent on social media because the AGM is only open to shareholders. Lynn sought advice from our PR consultant who advised to open the meeting to non-shareholders as observers only.

The resolution was proposed by Fiona Murphy and seconded by Barbara Walker.

Resolution; The Management Board;

- i) Approved the draft minutes as an accurate record of the 2017 AGM and therefore suitable to be recommended to the members for approval;*
- ii) agreed that amending the Rules to refer to the governing body as the Management Board and to reduce the maximum number of governing body members from 15 to 12 is in the best interests of the housing association, in line with legal requirements, the regulatory standards of governance and financial management and constitutional requirements;*
- iii) Noted that consent from the Office of the Scottish Charity Regulator (OSCR) is not required;*
- iv) Agreed to seek the Scottish Housing Regulator's consent in principle for these constitutional changes, and;*
- v) Agreed to seek shareholder approval for the changes at a Special General Meeting to be held on 18 September 2018 for this sole purpose.*
- vi) Agreed that the Interim Chief Executive will prepare the Chairperson's report in consultation with the Chair;*
- vii) agreed to admit, to the AGM only, any non-members who request admittance to the SGM and AGM, and refer any comments or questions they may try to raise to a short meeting with them and the GCE after the AGM is finished;*
- viii) Established whether those due to retire will stand for re-election;*
- ix) Noted the Agenda for the meeting of the Management Committee which will immediately follow the AGM,*
- x) Appointed Siphosami Bazaya to the current casual vacancy for a board member, until the AGM on 18 September 2018, and;*
- xi) Noted the Company Secretary's advice to individually consider if they wish to stand for election to an office bearer's position and to discuss this with other members so that nominations are ready to be made and seconded.*

[Ivor McCauley joined the meeting]

22. Interim Head of Operations Report

- 22.1 The Interim Head of Operations delivered her report and took members through the 1st quarter operations performance.
- 22.2 Total arrears to the end of quarter 1 was 5.68%. This figure excludes technical arrears and is below target of 6.4%. Members noted as Universal Credit (UC) starting in September, it is estimated the target will be negatively impacted on.
- 22.3 Three eviction decrees have been granted since the last Board meeting in June and one case has been submitted a minute of recall. There have been 2 evictions carried out, one in July and one in August.
- 22.4 There were 21 tenants claiming Universal Credit in the last period but new cases are expected in the rollout which begins on or shortly after 18 September 2018. Members queried whether there was a strategy in place to mitigate the impact of welfare reform. Lindsay advised staff have been proactive in the lead up to the rollout of UC and would include this in the strategy to be brought to the next Board meeting in September.
- 22.5 Seventeen complaints were received which consisted of thirteen stage 1s and four stage 2s. Lindsay reported the increase is due to the improved system of recording complaints.
- 22.6 Thirteen properties were let in Quarter 1 and the average void cost came in at £2,385.50.
- 22.7 The Interim Property Asset Manager took members through the reactive repairs appendices on reactive repairs and contracts management. Ivor said he is confident the planned financial spend on the contracts would be executed and there would be no breach of covenants. Legal advice has been sought on whether the gas audit and agent service will have to be retendered.
- 22.8 Members noted the Association was not ready to join Renfrewshire Councils Common Allocation Policy but could do so at a later date.
- 22.9 There was a dip in the emergency performance result but noted changes have been made to how reporting procedures which brought up performance toward the end of the period and the next quarter report will show a more accurate picture of performance. A meeting has been scheduled with MEARS to monitor their progress.
- 22.10 Due to very mitigating circumstances which was explained to members, 1 gas safety breach occurred. Members were aware that 100% gas safety is a regulatory requirement. [Standing orders were called at 7.30pm].

Action:

- **Provide a Welfare Reform Strategy.**
- **Report back to Board on how the length of the gas safety breach.**

The resolution was proposed by Ian Williams and seconded by Shona McIntyre.

Resolution; The Management Board;

- i) Approved delegated authority to 3 Board Members to approve contract award for Arboriculture work currently being tendered;*
- ii) Noted the content of the 1st Quarter Performing Reporting for Housing Services; Arrears, Allocations, Repairs, Voids, Complaints and;*
- iii) Noted all other updates on Welfare Rights and Universal Credit, Common Allocation Policy, Renfrewshire Council, and the Tenant Satisfaction Survey 2018.*

23. Arrangements for Shared Owners

- 23.1 The Interim Head of Operations delivered her report to seek approval on the Shared Ownership Buy Back Policy and to approve the purchase of the occupying sharing owner's state in the property at 60 Fisher Drive.

Resolution; The Management Board;

- i) Approved the revised Shared Ownership Buy Back Policy;*
- ii) Approved the terms of the legal offer (subject to correcting parts in the document) to purchase the occupants current 25% share of the property at 60 Fisher Drive, PA1 2TR and at the same time let that property to the occupant on a Scottish Secure Tenancy (SST);*
- iii) Approve delegated authority to the Interim GCEO or GCEO or Interim Head of Operations as appropriate to ensure that the offer is proposed to completion in accordance with the agreed policy, context and conditions provided for in this and previous reports.*

24. Confidential Item

- 24.1 A separate minute applies to this item.

25. Group Chief Executives Report

25.1 The 2014 Housing Scotland Act will come into effect in May 2018 and members noted the update in the Interim Head of Operations report on where the association is compliant with this.

25.2 The Interim GCE informed members she had taken up the post of Interim CEO at Arklet HA and Catrina Miller would be in post full time here at FPHA. There will be a handover period throughout September.

25.3 A confidential item was discussed and a separate minute applies to this.

Resolution

The Management Board

- i) Noted that guidance for imminent implementation of the Housing Act (Scotland) 2014 has been issued;*
- ii) Nominated Shona McIntyre to attend a farewell function for FLAIR spokesperson Nanette Reid; and;*
- iii) Noted the attendance dates for Lynn McCulloch until 28 September 2018.*

26. AOCB

26.1 A confidential item was discussed and a separate confidential minute applies.

26.2 Margaret Sharkey thanked the Board for inviting her and Katrina Kelly to the meeting and she explained there would be a case conference held to decide whether the 2 appointees should remain on the Board.

26.3 There has been significant progress made but the Board noted that regardless of the outcome of the case conference the Association would remain in high engagement.

The meeting ended at 8.25pm

Date of next meetings

18 September 2018 at 6pm

26 September 2018 at 5pm

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

Signed (Chair)

Date.....*26/9/18*.....