

Present: Ron Neave (Chair), Kath Mands (Vice-Chair), Ian Byers, Paul Crichton, and Alan Fraser.

In Attendance: Barry Moore (CE), Marjorie Sloan (CSD and Secretary).

24/11/01 Apologies

Apologies were received from Board Members Kevin Braidwood and Darren Keddie and Clare Talbot (CSO). In accordance with Rule 44.3 of the Association's Rules Vicki Cutler had been granted special leave of absence.

The Chair welcomed everyone to the meeting.

24/11/02 Declarations of Conflicting Interests

No Member declared a conflicting interest.

Asset Management & Development Committee Reports (AM&DC)

24/11/03 AM&DC Meeting 30 October 2024

The Chair of the AM&DC provided an update on the meeting which took place on 30 October 2024. The Chair confirmed that she and Darren had been confirmed as Chair and Vice-Chair of the AM&DC respectively.

The Chair confirmed that the 2024/25 Planned Maintenance Programme was progressing very well.

The Chair stated that grant decisions on Angus Street and Clepington Road were awaited and the CE confirmed that the schemes should be ready to progress subject to grant by the end of Quarter 4 2024/25.

Board **noted** the AM&DC Report.

Audit, Finance & Risk Management Committee Reports (AF&RMC)

24/11/04 AF&RMC Meeting 13 November 2024

The Chair of the AF&RMC provided an update on the meeting which took place on 13 November 2024. The Chair confirmed that he had been confirmed as Chair. The position of Vice Chair will be considered at the next meeting.

The Chair discussed the items which required Board approval.

A Board Member asked whether the Asset Management Strategy and the Equality and Diversity Strategy which items are outstanding on the Internal Audit Recommendation Compliance Monitor should be added to the Tracker. It was agreed to do so.

Board **noted** the AF&RMC report.

Board **approved** the Treasury and Investment Management Activity in Q2 as set out in the AF&RMC report 24/11/08.

Board **approved** the Treasury Management Mid-Year Review as set out in the AF&RMC report 24/11/10.

Board **noted** the Tayside Pension Scheme cessation valuation as set out in the AF&RMC report 24/11/13 and **agreed** that the Association maintains the current pension arrangements.

24/11/05 Minute of Board Meeting 23 October 2024 and Tracker

The Chair talked through the minutes of the meeting held on 23 October 2024 and asked for comments.

Approved. Proposed Alan Fraser, **Seconded** Kath Mands.

The CSD talked through the tracker highlighting that the information on rent in respect of acquisitions was included in item 24/11/24 as requested and will therefore be removed from the Tracker. A number of the policies will be addressed at the January 2025 Board Meeting.

24/11/06 Matters Arising

There were no matters arising.

24/11/07 Chair's Actions / Decisions between meetings

The CE presented the report and confirmed there had been no Chair's Actions since the previous Board Meeting on 23 October 2024; the Chair confirmed this to be the case.

Board **noted** the report.

24/11/08 Draft Budget for 2025/26 and 30 Year Financial Plan

The CSD gave a comprehensive and detailed brief on the budget. The CSD highlighted that decisions relating to the following four reports 21/11/09-12 may affect the budget, and that any impact would be incorporated in the updated report to be presented at the Board Meeting on 26 February 2025. The CSD stressed that Board may wish to make their recommendations once all 5 reports had been presented.

The CSD explained the assumptions that had been made including on rent increase and salary increase for 2025/26.

The CSD talked through the general economic assumptions which are based on the most recent DTP Business Plan assumptions. The CSD gave a review of CPI predictions and the effect of the UK Government's Autumn Statement. The CSD talked through factors specific to the Association and advised that the Mossgiel Development was included in year 2 reflecting the agreement last year in report 23/11/26. The CSD confirmed the Oak Gardens development, and the Angus Street and Cleington Road Developments had been included in the Budget in year 1.

The CSD reported that a decision would be required at this meeting in relation to the Retirement Housing service charge. The CSD gave a comprehensive overview of the charges including the additional costs incurred for staff costs and maintenance increases. The proposed increase of £10.26 would lead to a service charge of £86.17 per month for 2025/26 to cover costs.

The CSD gave a detailed overview of the 30 Year Planned Maintenance Programme highlighting that the figures had been comprehensively reviewed and although overall, the requirement was for 1.9% more maintenance than was in the Plan, the timing of replacements raised issues. The Planned Maintenance Programme Report at 24/11/09 provides further detail.

The CSD gave a comprehensive explanation of the Association's loan structure. The CSD confirmed that all covenants were being comfortably met and talked through the sensitivity analysis.

There followed a detailed and comprehensive discussion by Board on the budget. It was noted that there were unprecedented significant ongoing and increasing financial challenges for the Association, particularly in relation to our primary responsibilities to the tenants in respect of planned maintenance, and the effects of the impending Employer's National Insurance increase exacerbates the challenges.

The figures in the budget do not include provision for Net Zero, which will be discussed at a Board Away Day in Q4 2024/25.

Board **noted** the Draft Budget for 2025/26 and 30 Year Financial Plan and asked staff to update it in accordance with decisions made for the Board Meeting on 26 February 2025.

Board **agreed** the owners' charges increase by 2.7% or the same level as rents to be agreed by the Board on 22 January 2025.

Board **agreed** the proposed retirement service charge of £86.17 per month, an increase of 13.5%.

24/11/09 Confidential Planned Maintenance Programme – 2025/26

The CE presented the report. He gave a comprehensive overview of the appendices. The CE reported that the decisions in relation to what works are carried out is driven by the allocated budget, which was presented by the CSD, and would be effected by the rent increase to be agreed in January 2025.

The CE advised that the Plan presented financial challenges and there was the potential for further cost increases in the current economic climate.

The CE informed the Board that the strategy and principle of investing in planned maintenance to drive down and reduce reactive repair costs was working.

Board **approved** the Planned Maintenance Programme – 2025/26 subject to the decisions made on the rent increase in January 2025.

24/11/10 Annual Rent Review

The CE presented the report. The CE highlighted that the Association has a legal obligation to consult with tenants and to provide them with one month's notice of its intention to increase the rent and therefore we must progress with the consultation in December 2024.

The CE talked through the rationale in relation to the proposed rent increase of 6.0% and the impact this may have on tenants. The CE gave a comprehensive overview of the two reports which were pertinent to the rent increase decision: Voids – Reasons for Termination of Tenancies and Rent Arrears. He highlighted that in the past three years only one tenant had indicated that they had terminated their tenancy due to the rent costs and rent arrears figures had decreased year on year.

The CSD highlighted that the SFHA affordability tool was unusable due to how it had dealt with cost increases and as a result the information provided could not be used as a measure of an affordable rent. As a consequence, the Association was not using this information as the only measure with which to decide rents. It was proposed that no adjustment is made in relation to rent affordability for this financial year.

The CSD confirmed that one of the Board Members who had submitted apologies had stated his preference for a 4.0% rent increase, recognising that this was subject to tenant consultation.

There followed comprehensive and detailed discussion on the proposed consultation options with Board agreeing that there should be two options; 7.0% and 6.0%. It was agreed that any increase above 2.7% would be used to enhance the planned maintenance programme. This would provide tenants with the reassurances that the Association was investing in their homes.

The CE confirmed that the consultation document included images of works carried out to support the reassurances.

Board **agreed** that the Association consults with tenants on whether they would prefer:

- (a) A rent rise of 6.0% to assist in carrying out the objectives set in our Business Plan; focusing on energy efficiency aspects, and kitchen and bathroom replacement programmes; or
- (b) A rise of 7.0% to carry out all of (a) above, but with an increase in our planned maintenance programme of around £98,500.

Board **noted** that the results of the consultation with tenants will be reported to them on 22 January 2025 when the final decision on the rent increase must be made.

The CSD left the meeting.

24/11/11 Confidential Annual Staff Salary Review

Board **noted** the Annual Staff Salary Review Paper with a view that a further report would be presented in January 2025.

The CSD returned to the meeting.

24/11/12 Review of the Customer Services Team Leader Position

The CE advised that this Report was the final piece in the review of Senior Positions in Housing Services, Objective 68, Action 78 of the Internal Management Plan 2024/25. The proposal was to create the position of Customer Services Manager to work with and support the Housing Services Manager and the Property Services Manager. This post would be filled by the current Customer Services Team Leader who would also keep some of their responsibilities from their current role and manage the new Customer Services Team Leader and the Tenant Involvement Officer.

The new Customer Services Team Leader post would be on a lower grade as it would not hold the same responsibilities and would be recruited internally from the Current Customer Services Assistants.

The CE advised that this and previous decisions in relation to Objective 68, Action 78 would lead to an overall financial saving of £289,000 on salary costs alone over a six year period.

Board Members asked that a copy of the new structure, together with an age profile of staff be brought to the Board Meeting in January, together with an analysis of staff costs as a percentage of rent over the last five years.

Board **approved** the creation of the post of Customer Services Manager and the recruitment of the Customer Services Team Leader from the existing Customer Services Team.

24/11/13 Internal Management Plan Quarter 2

The CE presented the report and provided a comprehensive and detailed update on the Internal Management Plan.

In relation to Objective 1, Action 3, the CE advised that to date applications had been received from three potential Board Members. He had met with two of them, and they would attend the January Board Meeting as Observers. Meetings with the Chair, Vice-Chair and senior staff would be programmed in for January 2025. The CSD advised that in accordance with the Association's Rules the maximum number we could co-opt onto the Board is three.

Board **noted** the Internal Management Plan: Quarter 2.

24/11/14 Operational Performance Report KPIs 2024/25: Quarter 2

The CE presented the report and provided a comprehensive and detailed update on the Operational Performance Report KPIs 2024/25: Quarter 2.

There was discussion on the reduction in the Board Member Attendance KPI.

Board **noted** the Operational Performance Report: Key Performance Indicators for Quarter 2 2024/25.

24/11/15 SHR Communication and Correspondence

The CE talked through the report highlighting the communications received during the Quarter.

The CE will update the SHR on the progress in relation to Oak Gardens following this meeting.

Board **noted** the SHR Communication and Correspondence.

24/11/16 Risk Management Tables

The CE talked through the report and provided an update on the Ten Most Serious and Significant Risks. The CE reported that updates to the Risk Management Tables were highlighted in blue text. The CE talked through the changes and covered the report in comprehensive detail stating there are robust procedures in place to manage and mitigate all risks identified within the Risk Management Tables.

Board **approved** the Ten Most Serious and Significant Risks.

24/11/17 Health and Safety Quarterly Report Quarter 2 2024/25

The CE talked through the report highlighting the five areas covered: Asbestos, Electrical, Gas, Legionella and Lifts.

The CE highlighted there were four Asbestos Surveys, and no asbestos removals carried out during the Quarter.

The CE provided an update on the Five-Year Electrical Safety Checks stating that the end of Q2 showed that 98.88% of the housing stock had compliant five-year electrical inspection certificates.

The CE provided an update on Gas Safety Checks declaring that 100% of properties had an up-to-date Landlord's Gas Safety Certificate.

The CE highlighted that legionella testing had been carried out as detailed in the appendices.

The CE highlighted that Lift testing and maintenance had been carried out as detailed in the appendices.

A Board Member pointed out that with another Member's planned departure from the Board we would lose their Health and Safety experience and wondered whether a potential Board Member could be identified through their connections. The CE agreed to pursue this.

Board **noted** the Health and Safety Quarterly Report: Quarter 2.

23/11/18 Fire Safety and Prevention: Fire Risk Assessments – Housing Schemes

The CE talked through the report. He gave an overview of the recommendations as reported and highlighted the progress being made. He gave a comprehensive overview of the results of the assessments and progress towards achieving the recommendations and ensuring compliance with the principles of fire safety and prevention.

It was noted that there were significantly fewer recommendations than four years ago, and no priority 1 recommendations. The quarterly inspections and meetings with providers will have assisted in keeping the recommendations down.

A Board Member asked for examples of what sort of things resulted in Priority 2 and 3 recommendations. The CE confirmed that a further report would be provided in February 2025 and that he would include such examples within the report.

Board **noted** the Fire Safety and Prevention: Fire Risk Assessments – Housing Schemes

24/11/19 Rent Arrears Report: Quarter 2 2024/25

The CE presented the report highlighting the excellent progress made by the Income Team. He talked through paragraphs 2.1.1 and 2.1.2 which showed figures before and after Universal Credit payments have been taken into account. The CE provided a comprehensive overview of the legal action for rent arrears.

The CE discussed the National Report on the Social Housing Charter which was presented at the October meeting which showed average gross rent arrears of 4.4% compared with the Association's figure of 1.6%. The Board noted that the Association's performance in this respect was exceptional.

There was discussion on the number of Notice of Possession cases which resulted in Court Cases. The CE informed Members that court proceedings did not necessarily lead to eviction. The CE pointed out that notwithstanding the number of court cases only five tenants had been evicted for rent arrears in the previous four years.

Board **noted** the Rent Arrears Report: Quarter 2 2024/25 Report.

24/11/20 Former Tenant Arrears Write-Offs: Quarter 2 2024/25

The CE presented the report, providing an overview of the seven cases reported in Q2. The CE highlighted that the write-offs were relatively low and with the work being carried out by the Income Team the figures continued to reduce.

Board Members noted the significant proportion of the write-offs which related to rechargeable repairs. The Association will always attempt to recover these, and even if written-off, if the opportunity arises, will pursue the debt.

Board **approved** the Former Tenant Arrears Write-Offs: Quarter 2 2024/25 Report.

24/11/21 Voids Reasons for Termination of Tenancies: Quarter 2 2024/25

The CE presented the report highlighting that it provided the data from previous years in order to make comparisons and to enable us to have comprehensive data on our assets. The CE highlighted paragraph 2.1.1 and the Appendix which provided further details on terminations.

The CE assured the Board that all aspects associated with termination of tenancies are monitored on a daily basis so that we continue to effectively manage the void and allocation process.

The CE noted that only once in the last three years was rent too high given as the reason.

Board **noted** the Voids Reasons for Termination of Tenancies: Quarter 2 2024/25 Report.

24/11/22 Void Rent Loss Report: Quarter 2 2024/25

The CE provided a comprehensive update which confirmed the continued progress and performance figures. The CE emphasised that the Association's Void Rent loss figures were low and the average re-let time of 21 days was a very ambitious and very demanding target. As previously reported, the CE reiterated the correlation between the figures in respect of the ending of tenancies and reletting of properties.

The CE discussed the National Report on the Social Housing Charter which was presented at the October meeting which showed an average re-let time of 73 days for Local Authorities and 39 days for RSLs compared with the Association's figure of 24 days.

Board **noted** the Void Rent Loss Report: Quarter 2 2024/25.

24/11/23 Tenant Allowances Report: Quarter 2

The report was tabled at the meeting.

The CE presented the report highlighting that there had been two tenant allowances approved in Quarter 2. The CE provided a comprehensive update on each case.

Board **noted** the Tenant Allowances Report: Quarter 2.

24/11/24 Acquisitions and Disposals

The CSD talked through the report. The CSD confirmed that since the last report in August 2024 the Association had purchased four properties. Grant is not yet confirmed for five further properties purchased since 1 April 2024. This is due to the Strategic Housing Investment Programme (SHIP) being over committed following the reduction in grant allocation by the Scottish Government. The CSD confirmed that a further three properties were pending acquisition. The CSD stated there were a number of other potential purchases being considered, but no offers have been made or accepted at this time. The CSD confirmed that there have been two disposals since the last report, and none are in progress.

Board **noted** the Acquisitions and Disposals Report.

24/11/25 Procurement Quarterly Report: Quarter 2 2024/25

The CSD presented the report highlighting that there had been no tenders over £50k awarded within the reporting period.

Board **noted** the Procurement Quarterly Report: Quarter 2 2024/25.

24/11/26 Confidential Development Report: Oak Gardens

The CE advised that the original contractors had returned to site this week to work for Arch Homes, [REDACTED]. It has all the appropriate corporate structure and insurances in place. This meant that there would be no issues with warranties for work carried out by different sub contractors. The cost is expected to be similar to the original agreement. The first phase of work is expected to be complete by the third week in January, with the second phase complete by the end of the Financial Year. The Association will monitor progress on a weekly basis.

[REDACTED] declared an interest in that Arch Homes are a client of his firm, although he is not the partner responsible.

Board expressed their gratitude to the CE for his hard work in addressing the issues in respect of Oak Gardens.

Board **noted** the progress in relation to Oak Gardens

24/11/27 Model Complaints Handling Procedure

The CSD advised that since it was four years since the Association had adopted the Scottish Public Services Ombudsman's (SPSO) most recent Model Complaints Handling Procedure (MCHP). There are minimal changes proposed to reflect changes in Terminology and changing the Scottish Housing Regulator's guidance on Serious Concerns updated in March 2024.

Board **approved** the adoption of the updated MCHP for complaints.

24/11/28 PSPR: Condensation, Damp and Mould Policy

This has been delayed due to other priorities and will follow by Chair's Action before Christmas.

24/11/29 Share Membership Register: Update Report

The CSD presented the report stating there were seven people to be removed from the register and one to be added.

Board **approved** the Share Membership Register: Update Report.

24/11/30 Board Training Updates

The CSD advised of upcoming training opportunities. The CSD advised that should any Members wish to attend training detailed in the planner to get in touch with the CSO.

Board **noted** the report.

24/11/31 AOB

1. Board Evening Event

Plans for a Board Evening Event were discussed. The CSO will circulate dates for the new year, ideally before the Board Meeting on 22 January. Suggestions for a venue are welcome.

2. Christmas

The Chair wished all Board Members and staff a Merry Christmas and Happy New Year.

Meeting closed at 19:35hrs.