

AGENDA ITEM:	4A	APPROVAL OF MINUTES OF PREVIOUS BOARD MEETING
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CRAIGDALE HOUSING ASSOCIATION MINUTE OF BOARD MEETING HELD ON MONDAY 28TH JUNE 2021 AT 6.00PM VIA ZOOM

PRESENT:

John Kilpatrick	Chairperson
Morag Cameron	Vice Chairperson
Des Phee	Secretary
Helen Bayne	Treasurer
Christine McCormack	Board Member
Claire Taylor	Board Member
Hilary Tennant	Board Member

IN ATTENDANCE:

David MacKenzie	Chief Executive Officer (CEO)	
Frances Cunningham	Senior Corporate Services Officer (SCSO)	(Minute Secretary)
Graham Harper	Graham Harper Consulting	(In Part)
Fettes McDonald	FMD Financial Services	(In Part)
Karen Fitzsimons	Indigo House	(In Part)
Angela Spence	Indigo House	(In Part)

1. Apologies for Absence

No apologies were tendered for tonight's meeting.

Leave of Absence:

None

Absent:

None

2. Chairperson's Remarks

The Chair welcomed everyone to this evening's meeting and wish everyone an enjoyable summer recess.

The Chair highlighted that Agenda Item 6: Development Opportunity-Castlemilk West Church Site Update Report, Agenda Item 7: New Build Private Finance Tender Report and Agenda Item 8: Governance Review would be brought forward so Graham Harper, Fettes McDonald, Karen Fitzsimons & Angela Spence could present their reports and leave the meeting.

3. Declaration of Interests

D Phee declared an interest in relation to Agenda Item 5, CEO Report regarding Southside Housing Association.

AGENDA ITEM: 4A APPROVAL OF MINUTES OF PREVIOUS BOARD MEETING

CRAIGDALE HOUSING ASSOCIATION MINUTE OF BOARD MEETING HELD ON MONDAY 28TH JUNE 2021 AT 6.00PM VIA ZOOM

D Phee (EVH Representative) and M Cameron (EVH Executive Board Member) both declared an interest in relation to Agenda Item 12, Board Appraisal Report in relation to discussion on appointment of consultant, both refrained from discussion.

4. Minutes of Previous Meetings:**4.a Approval of Minutes of Board Meeting held on Monday 24th May 2021.**

The Board approved the minute as a correct record of the meeting held on Monday 24th May 2021 as proposed by Christine McCormack and seconded by Claire Taylor. The minute was signed and sealed by the Chair.

4.b Matters Arising from the Board Meeting held on Monday 24th May 2021.

The Chair asked if anyone had any matters arising from the previous minutes of Monday 24th May 2021.

B84, 24.05.21, Asset Management Procurement Assistance: The SCSO highlighted that there the wrong reference had been inserted into the comments. It should have read that CEO will give update on Asset Management Procurement Assistance under Agenda Item 5.

B85, 24.05.21, Lens Programme: The SCSO highlighted that there the wrong reference had been inserted into the comments. It should have read that CEO will give update on The Lens Programme under Agenda Item 5.

B86, 24.05.21, Community Activity Budget: The SCSO highlighted that we have 50 vouchers to be collected.

4.c Approval of Minutes of Board Meeting held on Wednesday 26th May 2021.

The Board approved the minute as a correct record of the meeting held on Wednesday 26th May 2021 as proposed by Claire Taylor and seconded by Christine McCormack. The minute was signed and sealed by the Chair.

4.d Matters Arising from the Board Meeting held on Wednesday 26th May 2021.

The Chair asked if anyone had any matters arising from the previous minutes of Wednesday 26th May 2021.

No questions or points of clarification were asked.

5. Chief Executive Officer Report & Governance Report

The CEO presented the Chief Executive Officer Report & Governance Report to the Board and gave a brief update on the following:

CRAIGDALE HOUSING ASSOCIATION MINUTE OF BOARD MEETING HELD ON MONDAY 28TH JUNE 2021 AT 6.00PM VIA ZOOM

2.1.1 Staffing/Service Provider Update – Staff: The CEO advised that we have appointed Richard O'Brien as the new Maintenance Services Officer. Richard unfortunately has to work a longer notice and will hope to commence mid-August.

2.1.1 Staffing/Service Provider Update – Staff: The CEO advised that Flexi has commenced and is working well.

2.1.1 Staffing/Service Provider Update – Service Providers: The CEO highlighted that the Welfare Rights appointments are taking place face to face.

2.1.1 Staffing/Service Provider Update – Caledonian Services: The CEO advised that we have been experiencing issues with Contractor. SHSO met with Contractor last week to discuss issues. We will closely monitor and the situation and will give a further update.

2.2.1 Board Member Recruitment: The CEO highlighted that we received six applications and were delighted with the quality of candidate. The Interview Panel are recommending five candidates as one has a similar experience already within the Board.

If the Board agree to the recommendation the candidates will be invited along to observe at our Board meeting in August with appointment at the AGM in September.

The Board approved the recommendation to appoint the five candidates to the Board.

2.2.2 Staff Skills Development Audit: The CEO mentioned that we are awaiting the report.

2.2.5 LENS Programme: The CEO advised that we had a very successful Lens pitch on 26th May. Pitch 1, Craigdale Camera Club (£2,500) and Pitch 2, Craigdale Allotments (£2,500).

Both pitches were seeking funding to progress each idea with applicants providing more details on exact costs, which will be monitored by our Staff.

The Board approved the recommendation to fund both Pitches. The reveal will be organised for Wednesday after 2.30pm.

2.2.5 Bin Store Replacement: The CEO advised that we have received the updated costs for the bin stores within Phase 1 & 2 and we can now begin to consult with tenants on the options chosen.

However, it has been brought to my attention that we have 2 closes within the development which are majority owned by owners. We will consult with owners and organise a Proprietors meeting to discuss proposals and costs.

The Board asked the following questions:

- Would there be any funding available from Glasgow City Council to help toward costs.
- How much would it costs owners. CEO advised that it would be £2,660.34 per owner.
- We have had this issue in the past the majority of owners decided against getting the work done.

CRAIGDALE HOUSING ASSOCIATION MINUTE OF BOARD MEETING HELD ON MONDAY 28TH JUNE 2021 AT 6.00PM VIA ZOOM

- What is the split of owners and tenants? CEO advised that both closes have 3 tenants and 5 owners.
- Would the area be consider a danger? The CEO advised that the brick work around the bin stores will become an issue.

2.2.6 Risk Management: The CEO highlighted that we organised another meeting for Wednesday.

The Board noted and approved the recommendation from the Chief Executive Officer Report & Governance Report.

Graham Harper and Fettes McDonald joined the meeting at 6.00pm

6. Development Opportunities: Castlemilk West Church Site Update Report

G Harper presented the Development Opportunities, Castlemilk West Church Site Report and confirmed that the Board approved acceptance of the tender and delegated authority to the employer's agent to accept the tender on Craigdale's behalf by letter. They also delegated authority to the Chief Executive to execute the formal contract documents as these become available.

The employer's agent has accepted the tender in writing and the documents are expected for review during this week. A verbal update will be given at the meeting.

G Harper presented the updated and abbreviated programme. He advised that demolition of the site has been completed and that site surveys are ongoing at present.

The CEO advised that he was really disappointed to confirm that the Time capsule has been opened however, there is nothing inside. We had scheduled an opening ceremony on Thursday.

The Board noted and approved the Development Opportunities: Castlemilk West Church Site Update Report.

7. New Build Private Finance Tender Report

F McDonald advised that the Board agreed at the Board meeting of 26th May 2021 to engage with the Association's three existing funders, Bank of Scotland, Royal Bank of Scotland & Nationwide to discuss terms of private finance.

F McDonald highlighted that we initially compared the BOS and NBS 10 year offers then the former would be more advantageous due to no non-utilisation fees, a better asset cover ratio (meaning less security to be provided) and, importantly the BOS interest cover covenant does not take account of component replacement costs. Accordingly, in our view, the NBS offer can be discounted. The Association's loan covenants do not currently take account of component replacement costs and it would prove less onerous if this position can be maintained.

CRAIGDALE HOUSING ASSOCIATION MINUTE OF BOARD MEETING HELD ON MONDAY 28TH JUNE 2021 AT 6.00PM VIA ZOOM

The RBS offer is for 10 years on 25-year repayment profile with a bullet payment or refinancing taking place at the end of 10 years. At the time of writing, they have indicated that they are awaiting confirmation that only an asset cover covenant would be required. If this is agreed, then serious consideration to this offer would be required as the loan margin is slightly lower than BOS for a 10-year loan and the asset cover (subject to no valuation restrictions and use of the MVST basis) would mean less security (compared to the BOS offer) would be required. Non utilisation fees are included in the RBS offer and the level of costs incurred would depend on the timing of project costs. An indicative calculation of these costs total around £9k only. In the event that RBS confirm that the covenant details attached all apply then, given inclusion of component replacement costs, it is likely that the BOS offer would be preferred.

F McDonald advised that RBS have confirmed that the component repairs covenant will not be included.

F McDonald has recommended that the Association selects RBS as the preferred funder. This is based on lower loan margin costs, a better asset cover and lower indicative fixed rates.

It is also recommended that the existing RBS debt be paid off at an appropriate time in 2021/22 and that further discussions take place in the immediate future regarding fixed rate debt. If the Association fixed around £1.8m of loan finance, then around 50% of debt would be on a fixed rate basis and 50% on a variable rate basis.

In the event of the recommendation being accepted further discussion would take place with RBS to firm up on all relevant matters prior to their confirmation as preferred funder. Ongoing discussion with lenders, solicitors and valuers would be required over the next two to three months at various stages and loan documentation would require to be approved by the Board.

The Board noted and approved the New Build Private Finance Tender Report recommendations and agreed to appoint Royal Bank of Scotland for private finance.

Graham Harper and Fettes McDonald left the meeting at 6.20pm

Karen Fitzsimons & Angela Spence joined the meeting at 6.30pm

8. Governance Review

K Fitzsimons advised that the Association appointed Indigo House in April 2021 to undertake an Independent Review of Governance against the SHR Regulatory Standards of Governance and Financial Management and report the findings with recommendations to the Board.

K Fitzsimons highlighted that we had a pre-start meeting to discuss the brief. A Spence carried out an extensive desktop review of documents and interviewed Board, Staff and Finance Agent.

K Fitzsimons advised that of the Seven Regulatory Standards Craigdale complies in full with Regulatory Standard 3: Effective Management of Resources and the applicable guiding standards in Standard 7: Organisational Change. Of the 50 guiding standards, 42 are applicable to Craigdale. Of the 42 applicable guiding standards, Craigdale complies with 27, partially complies with 15 and there

CRAIGDALE HOUSING ASSOCIATION MINUTE OF BOARD MEETING HELD ON MONDAY 28TH JUNE 2021 AT 6.00PM VIA ZOOM

is no guiding standard where Craigdale is materially non-compliant.

K Fitzsimons highlighted the main areas that the Association can improve on compliance include:

- business planning – extend sections to better meet SHR Recommended Practice, evidence rent affordability, include new build; ensure delivery plans reflect key strategic priorities
- risk reporting – prioritise risks, integrate risk reports, explain risks in report to Board for approval,
- performance reporting (including tenant health and safety) – streamline and regularise performance reporting and stay focussed at strategic level
- equality and diversity policy – establish a meaningful policy and action plan with desired outcomes and monitor progress with these
- interrogating and acting on recent declines in tenant satisfaction – meaningfully analyse the reasons for reduced satisfaction and take necessary action to improve this
- developing tenant influence – in strategic decisions, policy design and consider how to support Tenants Panel effectively

K Fitzsimons advised that she has drafted a Governance Improvement Action Plan which as 21 Short Term Actions, 52 Medium Term Actions and 38 Continuous Improvement Actions.

K Fitzsimons concluded as evidenced in the Governance Review process and report, Craigdale Housing Association is demonstrating its commitment to good governance and strong compliance by:

- Commissioning an independent governance review
- The full and open contributions from Board and staff
- Demonstrating good practice
- Being aware of areas for improvement and planning for these
- Acknowledging areas that require further attention

That Craigdale are demonstrating strong compliance, and indeed best practice, in many areas of its governance. This is commended, particularly given the last 2 years. In the areas of limited compliance, a number of these can be resolved very straightforwardly. However, the more substantive areas set out above, will require more time and effort and perhaps additional external support.

The Board noted and approved the Governance Review and Recommendations. The Board agreed that Staff would priorities the recommendations for completion.

Karen Fitzsimons & Angela Spence left the meeting at 7.20pm

9. Adoption of Model Rules 2020

The SCSO advised that M Davies had presented the draft Model Rules 2020 and other options to the Board for their consideration on 24th May 2021. The Board agreed a variety of amendments and agreed that M Davies would make the amendments to the Model Rules 2020 so the final amendments would be presented to the Board in June.

CRAIGDALE HOUSING ASSOCIATION MINUTE OF BOARD MEETING HELD ON MONDAY 28TH JUNE 2021 AT 6.00PM VIA ZOOM

The Board noted and approved the amendments and are happy to recommend the Model Rules 2020 to the Membership at our Special General Meeting scheduled for Thursday 16th September 2021.

10. ARC Validation Report

The CEO explained that the purpose of this report is to seek Board approval for changes to our Annual Return on the Charter (ARC) return following a validation exercise completed by Christine Dugan.

C Dugan has recommended that changes are made to our return then re-stated back to the SHR with Board approval.

For the 2020/21 return:**Indicators 16, 17, 18, 26, 27, 30**

- Ensure the performance submitted for the indicators is re-stated to the Regulator as detailed in Appendix 1
- Ensure the data for the indicators is revised and performance re-calculated and re-stated to the Regulator as appropriate

Indicators 19 -21 – Medical adaptations

- Review the data recorded and ensure the information reported reflects the requirements of the technical guidance.

The Board noted and approved the ARC Validation Report and Recommendations to restate ARC the above indicators. The Board also agreed to invite C Dugan into start validation in October 2021 and February 2021.

11. Investors in People 2021

The CEO highlighted that the purpose of this report is to seek Board approval for the approach to Investors in People (IIP) accreditation in 2021.

Our expectation this year is that we retain our Gold accreditation and demonstrate that we continue to meet the requirements of the IIP standard. Our approved Business Plan has an aim to reach Platinum status, however this may be difficult to achieve this year, given the significant changes that have taken place, caused by the pandemic.

The overall cost of the review this year will be £1,406 +VAT. The plaque that acknowledges and displays the accreditation costs £195.00.

As part of the assessment all staff will be invited to complete an IIP survey. We have agreed that the survey will open on 5 July 2021 and close on 26 July 2021. This will allow staff the necessary time to complete the survey ahead of the assessment.

CRAIGDALE HOUSING ASSOCIATION MINUTE OF BOARD MEETING HELD ON MONDAY 28TH JUNE 2021 AT 6.00PM VIA ZOOM

The Board noted and approved the approach to Investors in People 2021.

12. Board Appraisal Report

The SCSO advised that we are over due to carry out the Board Appraisals. The SCSO has contacted a number of organisations to see if they provide this service and also to gauge indicative costs.

Our previous Board Appraisals have been carried out by an independent organisation however the Appraisals should be carried out by the Chairperson and then the Board Appraise the Chairperson.

The following organisations have confirmed that they can provide this service and have given indicative costs for this service.

- SHARE
- EVH
- Indigo House
- Quinn Internal Audit

The Board are asked to consider how they would like to proceed with the appraisals.

Whether the Chairperson would feel comfortable carrying out the appraisal with support from consultant and a 360 appraisal of the Chair is carried out or we appoint an organisation to carry out all appraisals.

The Board noted the Board Appraisal Report and approved the appointment of EVH to carry out the Appraisal, by supporting the Chairperson through the process and by carrying out a 360 Appraisal of the Chair.

13. Policy Review: Financial Regulations

The SCSO highlighted that the Financial Regulations are being presented for discussion and approval. The SCSO highlighted that there have been a number of minor changes to job titles and Committee names however there have been a number larger insertions to cover areas not previously mentioned within the Financial Regulations. All amendments had been highlighted in yellow.

The SCSO highlighted that commitment to spend, authorised signatories if approved by the Board will be carried through the Standing Orders Policy and Procurement Policy.

The SCSO went through the policy and highlighted a couple of areas for the Board to consider as follows:

Page 22, 28.5 Capital Expenditure (Properties): SCSO highlighted that Shared/Owners buy back had been added and asked for approval on authority level. The Board agreed to amend authority level to the Board rather than the CEO.

CRAIGDALE HOUSING ASSOCIATION MINUTE OF BOARD MEETING HELD ON MONDAY 28TH JUNE 2021 AT 6.00PM VIA ZOOM

Page 22, 28.5 Capital Expenditure (Properties): SCSO highlighted that she had inserted authority levels to allow the SCSO & SHSO permission to authorise payments on Consultants Fee/Works Costs in the absence of the CEO, however additional authorisation will be required by an authorised Board Member as well.

Page 25, Appendix 1 – Authorised Signatories: The SCSO highlighted that she had inserted authority to allow the SCSO & SHSO permission to authorise Bank Payments, Cheque, Grant Offers-DRS, Grant Offers-Others in the absence of the CEO, however additional authorisation will be required by an authorised Board Member as well.

Page 26, Appendix 2 – Budget Holder: The SCSO advised that there were a couple of amendments to SCSO tasks. The SCSO has inserted Stage 3, Committee Expenses and Committee Training.

The SCSO advised that FMD have noted all changes. The SCSO asked the Board if they had any questions or comments no questions were asked.

The Board noted and approved the Financial Regulations with the above amendments.

14. Policy Review: Child Protection & Vulnerable Adults Policy

The CEO highlighted that the Child Protection & Vulnerable Adults Policy is being presented for discussion and approval. The CEO highlighted that there have been a number of minor.

The CEO asked the Board if they had any questions or comments. No question were asked.

The Board noted and approved the Child Protection & Vulnerable Adults Policy with no further amendments.

15. AGM Arrangements & Board Members Standing Down

The SCSO advised that the purpose of this report is to provide the Board with details for this year's Annual General Meeting (AGM) & Special General Meeting (SGM) which will take place on Thursday 16th September 2021 at 6.30pm at the Birgidale Complex and also to inform the Board which Board Members are due to retire at the AGM.

The longest serving Board Members are Christine McCormack and Morag Cameron.

However as two Board Members joined at the same time Helen Bayne and Claire Taylor, I will require a volunteer to step down and to confirm if they would be willing to step down and stand for re-election. If neither Board Member decides to step down lots will be drawn.

Claire Taylor agreed to step down and confirmed that she was willing to stand for re-election.

The Board noted and approved the AGM Arrangement & Board Members Standing Down Report. Christine McCormack, Morag Cameron & Claire Taylor agreed to step down and stand for re-election.

CRAIGDALE HOUSING ASSOCIATION MINUTE OF BOARD MEETING HELD ON MONDAY 28TH JUNE 2021 AT 6.00PM VIA ZOOM**16. Share Capital Report**

The SCSO highlighted that there has been one change this month due to a tenant passing away, which reduces our Share Capital to 73 Members.

The Board noted the and approved the Share Capital Report.

17. Notifiable Events Report

The SCSO highlighted that at the point of sending out the Board Reports there were no new notifiable events to report to the Board however, there has since been a change. The Chair advised the Board that our CEO has tendered his resignation as of 28th June 2021 and will terminate his employment on 28th September 2021. The Chairperson highlighted that this constitutes a notifiable event and he will contact the Scottish Housing Regulator tomorrow for advice and guidance.

The CEO thanked everyone for their kind words and support.

The Board noted the verbal update in relation to the new Notifiable Event.

18. Rent Report: May 2021

The Chairperson confirmed the Rent Report is for information only and noted the rent report for May 2021.

The Board noted and approved the contents of the Rent Report.

19. Board Training Plan

The SCSO confirmed that she has booked the following training:

- Housing Management - Understanding Voids & Allocations for Monday 6th September 2021.
- Housing Management – Understanding Welfare Reform & Universal Credit – Monday 13th September 2021
- Business Planning Away Day: Has been pencilled in for Friday 22nd October 2021 at Hampden.

The SCSO asked the Board if they had any questions. No questions were asked.

The Board noted and approved the Board Training Plan.

20. Policy Review Register

The SCSO presented the Policy Review Register and advised the Board that there were 4 policies due for review in August.

- Allocations
- Anti-Social

CRAIGDALE HOUSING ASSOCIATION MINUTE OF BOARD MEETING HELD ON MONDAY 28TH JUNE 2021 AT 6.00PM VIA ZOOM

- Complaints: Unacceptable Actions
- Data & Document Retention

The SCSO asked the Board if they had any questions. No questions were asked.

The Board noted and approved the contents of the Policy Review Register.

21. Correspondence

The Secretary confirmed there was no correspondence this month.

- a) CIH Awards 2021: Notification has been received about CIH 2021-Awards; the deadline date is 17th September 2021.
- b) SHR Announcement: An Email has been received from SHR advising of the appointment of George Walker as Chair and Board Members.
- c) Christine Leitch: An email has been received from Christine thanking the Board for the lovely card and gift voucher.
- d) Peter Menellis: An email has been received from Peter thanking the Board for the lovely card and gift voucher.
- e) Andrew Stevenson when dropping off his laptop asked to pass on his thanks to the Board for the lovely card and gift voucher.

22. Any Other Competent Business

- a) Food Pantry: M Cameron & C McCormack had both went along to the Pantry however they had to queue for 2 hours, due to covid restrictions only 2 people are allowed into the shop. By the time they got in the shelves were empty however what was there was value for money.

M Cameron mentioned that currently 16 of our tenants were members however several members have not disclosed who their landlord is so there may be more Craigdale tenants who are members.

The CEO advised that he would contact Ardenglen for more detailed figures and will update the Board.

C McCormack mentioned that the Pantry only has a year's lease at the Community Centre and agreed with Morag that it was a long wait however was good value for money.

23. Date of Next Board Meeting

- Monday 23rd August 2021 at 6.00pm

The meeting concluded at 8.00pm