

ALBYN HOUSING SOCIETY LIMITED

REPORT OF THE BOARD MEETING HELD ON TUESDAY 25 JUNE 2013 AT 10:30 AM AT KINCRAIG CASTLE HOTEL, INVERGORDON

Board Members Present

Mrs I McLaughlan (Chair)
Mr B Summerfield
Mrs M Cairney
Ms M Smith

Mr G Sinclair
Mr D Russell
Mr J Oag

Mrs S Slimon
Miss C Cameron
Mrs I MacRae

Staff Members in Attendance

Mr C Macaulay: Chief Executive

Mr R Nairn: Finance &
Corporate Services Director

Ms H Barton: Customer Services
Director

Mr D Lockhart: Asset Management
& Investment Director

Miss C Lawrie: Corporate
Officer (Minutes)

1. APOLOGIES

- 1.1 Apologies had been received from Mr Convery and Mr Kelman for this meeting.
- 1.2 The Chair noted with regret the passing of Mrs Marge Sieczkarek, who had served for a good many years as a Board member at Albyn Housing.

2. MINUTES OF THE PREVIOUS MEETING: 21 MAY 2013

- 2.1 The minutes for the Board meeting were agreed as a true record.
 - 2.1.1 **Action Items**

Mr Macaulay updated that there had been 12 enquiries regarding the Board member vacancies. The deadline for receipt of formal applications was 1 July. An initial sift is due to take place on 4/5 July, followed by interviews on 12 July.
 - 2.1.2 Mr Nairn confirmed that Mr Summerfield will be included in the contracts for factoring and service charges. Mr Nairn will also ensure that communication of the rent message is discussed with a tenant focus group.
 - 2.1.3 Mr Macaulay confirmed that training for Board members is being progressed and that further information will be available shortly. A programme will be in place from the autumn.
 - 2.1.4 The Board discussed the issue of Albyn's pension scheme. The contribution expected this year and going forwards will be a significant cost. It was noted that this was the biggest issue facing the Society and the Board needs to be informed on the subject in order to make decisions. Staff are unable to advise the Board on this issue due to the inherent conflict of interest, so independent advice will be sought. A Board meeting specifically on this issue will be arranged for end July.

- 2.1.5 Mr Macaulay confirmed that the car accident involving Board members did not need to be reported under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR). This is because it involved people travelling to a meeting, rather than being on company business. The accident had been discussed by the Health & Safety Committee at their recent meeting.

3. DECISION MAKING PAPERS

3.1 Loan Portfolio for Scottish Housing Regulator

- 3.1.1 The Finance & Corporate Services Director's paper sought approval for the submission to the Scottish Housing Regulator of the Loan Portfolio Return for 2013.
- 3.1.2 The Board approved the submission to the Regulator of the Loan Portfolio Return for 2013.

3.2 Report of the Board and Financial Statements

- 3.2.1 The Finance & Corporate Services Director's paper sought the Board's approval for the Report to the Board and the Annual Financial Statements.
- 3.2.3 Mr Nairn answered a number of queries arising from the document.
- 3.2.4 The Board approved the Report and the Annual Financial Statements.

3.3 Albyn Enterprises Ltd Draft Business Plan

- 3.3.1 The Finance & Corporate Services Director's paper sought approval from the Board for the draft Business Plan for Albyn Enterprises Ltd (AEL).
- 3.3.2 A number of AHS staff are involved in AEL work, although this is primarily through members of the Asset Management & Investment Department.
- 3.3.3 The Board approved the draft Business Plan for Albyn Enterprises Ltd.

3.4 Budget Approval and Five Year Report to the Regulator

- 3.4.1 The Finance & Corporate Services Director's paper sought the Board's approval for the revised budget for 2013-14 and the subsequent four years to 2018. The paper also asked for approval to submit the five year projections to the Scottish Housing Regulator.
- 3.4.2 Mr Nairn will circulate the letter from the pension administrators regarding Albyn's liabilities to Board members once received.
- 3.4.3 The Board approved the revised budget for 2013-14 and approved the submission of the five year projections to the Scottish Housing Regulator.

3.5 An Camas Mor Development

- 3.5.1 Mr Nairn's paper sought approval in principle from the Board that Albyn Enterprises Ltd buy and rent, at mid-market rent levels, 50 properties at An Camas Mor. It also requested approval to purchase up to 30 properties for affordable rent.
- 3.5.2 Mr Lockhart tabled a diagram which detailed the location for the proposed development. The next stage, if approval in principle is given by the Board, is to work on a detailed Master Plan. A detailed proposal will contain updated figures.

3.5.3 If the development went ahead, work should start on site in Spring 2014.

3.5.4 The Board approved in principle that Albyn Enterprises Ltd buy and rent, at mid-market rent levels, 50 properties at An Camas Mor, subject to the conditions outlined in the paper. The Board also approved the purchase of up to 30 properties for affordable rent.

3.6 Highland Housing Register: Partnership Agreement

3.6.1 The Customer Services Director's paper sought Board approval for the renewal of the Highland Housing Register agreement for a further three year period.

3.6.2 The Board approved the renewal of the Highland Housing Register agreement for a further three years.

3.7 Board Member Remuneration: Verbal Update

3.7.1 Mr Macaulay had attended a meeting with the Office of the Scottish Charity Regulator (OSCR) last week and had also recently spoken with Albyn's contact at the Scottish Housing Regulator. The Regulator had outlined a number of concerns, such as the need for broad requirements to ensure that there is a clear governance structure that supports the work the Board is doing; the need for a policy around provision of remuneration; the need for clear job descriptions; that there is an appraisal process in place; and the need for audit procedures. Mr Macaulay confirmed that the only one of these that was not yet in place is the policy for the provision of remuneration. He suggested that this be picked up in the new year.

3.7.2 OSCR's comments were that the rationale for opting to go down the remuneration route had to be very clear and well-defined recruitment processes would need to be in place.

3.7.3 Mr Sinclair commented that previous discussion at Board meetings had indicated that, if there were to be remuneration, it should be for all members. This was not possible under the current charity laws so perhaps this discussion is academic.

3.7.4 It was noted that it was not possible to provide remuneration for all Board members. Mr Macaulay had raised this point with OSCR but they were firm on the current law. Lobbying on this issue is being considered.

3.7.5 It was agreed that Mr Macaulay will report back on any progress with this issue.

3.7.6 The Board noted the verbal update provided.

4. **POLICY PROPOSALS & REVIEW**

4.1 Recording of Phone Calls: Draft Policy

4.1.1 The Finance & Corporate Services Director's paper sought agreement in principle to the draft policy for the recording of phone calls. It also asked the Board to consider whether mobile phones should be included in the policy.

4.1.2 Mr Nairn confirmed that the number of mobile phones that may need to be included was approximately 20. The recordings would be stored on the supplier's server and could be accessed when required, under the same strict procedures contained in the draft policy.

4.1.3 The Board approved in principle the draft policy for the recording of phone calls. The Board also agreed that the inclusion of mobile phones will be considered after the system has been in use for a year.

5. AVIEMORE BIOMASS SYSTEM

- 5.1 The Board members considered the Asset Management & Investment Director's paper tabled at the meeting which provided them with a further update on this issue.
- 5.2 An options appraisal still requires to be provided for consideration. A meeting is due to take place with the consultants on 26 June when the options will be discussed in detail.
- 5.3 The system has been closed down over 25 and 26 June to determine the source of the major leak. Tenants and others involved have been kept informed. Mr Lockhart confirmed that the intention is to fix the system before the winter, albeit that the work might need to take place in two phases.
- 5.4 The Board will need to consider the options appraisal, and this will be circulated to them once available. It was hoped that the costs would fall within the identified contingency fund.
- 5.5 In order to maintain momentum it was agreed that following the meeting on 26 June officers will prepare a paper that will be circulated by email so that Board approval could be sought. This would allow the required remedial work to be commissioned during the next few months before winter.
- 5.6 The Board noted the contents of the report.

6. MINUTES OF COMMITTEE MEETINGS

6.1 Performance Committee: 14 May 2013

- 6.1.1 The minutes of the Performance Committee meeting held on 14 May 2013 were noted.

6.2 Health and Safety Committee: 28 May 2013

- 6.2.1 The minutes of the Health and Safety Committee meeting held on 28 May 2013 were noted.

7. STANDING ITEMS

7.1 Updates from Chief Executive

- 7.1.1 It was noted that the implementation of the organisational review continues. The alterations to the Invergordon office completed on 14 June and this has allowed the new Customer Services Department to be located in one office. Other staff have now moved to make better use of the office space.
- 7.1.2 Mr Macaulay reported that the new Chairperson of Calbyn is Peter Crome.
- 7.1.3 The Board noted the reports.

7.2 Welfare Reform

- 7.2.1 The Customer Services Director reported that the agreed policy position on whether or not to evict tenants where arrears have accrued due to the 'bedroom tax' will be included in the tenants' newsletter that is being issued in the next few weeks.

- 7.2.2 There was concern that some of Albyn's tenants have not yet been contacted regarding their payment of bedroom tax by either the Council or Albyn. Ms Barton confirmed that all of Albyn's tenants on Housing Benefit and liable to have an issue with Bedroom Tax should have been contacted, but this would be based on household information held on record. If people's circumstances were not up to date, it may be that they had been missed. She asked for the details of any missed tenants to be passed on to her.
- 7.2.3 The guidance provided to staff regarding the classification of rooms broadly follows that of the Council and other organisations. The Council makes the decision regarding bedroom classification but the landlord's views are taken into consideration.
- 7.2.4 Scenario planning and the financial impacts following implementation of the welfare benefit changes will be provided to the September Board meeting.
- 7.2.5 The Board noted the report.

8. HEALTH AND SAFETY

- 8.1 There was nothing to note on this item.

9. LEAVE OF ABSENCE

- 9.1 There were no requests for a leave of absence for the Board meeting on 13 August, which will follow the Annual General Meeting.

10. ANY OTHER COMPETENT BUSINESS

10.1 Royal Bank of Scotland: Revision to Covenant

A separate Minute relates to a revision to the covenant with the Royal Bank of Scotland. The Board agreed that this should be signed by the Chair.

11. DATE OF NEXT MEETING

- 11.1 The next meeting is due to take place on 13 August 2013 in Inverness, after the Annual General Meeting.