

Minutes of the Board Meeting held on **TUESDAY 23RD JANUARY 2019** at **6.15PM** at **Larkfield, 14 Lothian Road, Greenock, PA16 0PG**

Present: Aileen Hunter
Suzanne Harris
David Wilson
Alison Akhtar
Denis Flannery

In attendance: Lynne Griffin
Tom Mallatratt
Tarandeep Kaur

Stephanie McEwan (minutes)

BUSINESS

1. DECLARATIONS OF INTEREST

Aileen Hunter declared an interest in relation to Agenda Item 21

Denis Flannery and Suzanne Harris declared an interest in relation to Agenda Item 10.

2. APOLOGIES

Apologies were noted for Jim Canning, Sheralee McMillan, Suzanne Gallagher, Danny McMillan, Harry Cooke and Adam Thompson.

3. APPROVAL OF THE MINUTES OF THE MEETING HELD ON 21ST NOVEMBER 2018

The Minutes of the meeting held on TUESDAY 21ST NOVEMBER 2018 were approved with no amendments: -

Moved: Suzanne Harris
Seconded: Aileen Hunter

4. MATTERS ARISING FROM THE MINUTES OF THE MEETING HELD ON 21ST NOVEMBER 2018

L Griffin advised that the new CEO of the Link Group, Jon Turner had commenced his role from 7 January and had indicated that he would like to meet the Committee and attend a future meeting, possibly in March 2019.

L Griffin advised that the outstanding queries had been cleared up and that we would retain the existing KPI Performance and void targets as detailed in the draft SLA. An annual uplift of 2.2 CPI would be applied from 1st April and this had been accounted for within the draft budget.

L Griffin would look to make arrangements to carry out the Board Effectiveness review and annual appraisals.

L Griffin advised the Committee that she had contacted SHARE and formally requested access to the online training package for members. Long-in details would follow shortly.

The Committee agreed to delay arrangements for the Larkfield Strategy day until Link had held their group wide Strategy day, planned for April.

L Griffin would arrange for the Committee members to meet up informally by arranging a lunch for members in the Boardroom, to be arranged initially for a Friday lunchtime.

It was noted that the EVH Pay Negotiations had stalled and would now be referred to ACAS.

5 EXTERNAL AUDIT - KPMG INTERIM AUDIT VISIT 2019

T Mallatratt advised the Management Committee that the Interim Audit to be carried out by KPMG for Larkfield Housing Association would commence on 4th February 2019.

KPMG had provided Larkfield with an Audit report following the 2017/18 annual audit for the year (ended 31st March 2018). This report highlighted key recommendations. The interim audit would reflect the appropriate responses taken to address these key recommendations.

6 INSURANCE CONTRACT RENEWAL

Members noted that the Insurance premium for 2019/2020 would be provided by Bruce Stevenson, Insurance Brokers (BSIB). This premium covers the period 28th April 2019 to 27th April 2020.

It was noted that 2019/20 was the final year of this insurance contract (procured within the Link Group) and it was likely that Link would begin a re-tendering process later in the year for a new Insurance contract, to commence in April 2020.

7. COMPLAINTS PERFORMANCE REPORT (QUARTER 3) 2018/19

It was noted that there had been 4 complaints recorded during the period which had all been completed within the target timescale.

8 KPI PERFORMANCE REPORT (QUARTER 3) 2018/19

8.1 COVERING REPORT

The Committee agreed that this item would be carried forward to the March meeting following the Housing Management & Maintenance Sub Committee in February.

8.2 KPI TABLES

The Committee agreed that this item would be carried forward to the March meeting following the Housing Management & Maintenance Sub Committee in February.

9. QUARTERLY MANAGEMENT ACCOUNTS TO 31ST DECEMBER 2018

It was noted that overall the surplus was £8,607 more than budget, with positive income and expenditure variances. The Committee were also pleased to note that the Association met the financial covenants set by RBS, as detailed in the report.

Overall, income was £16,248 higher than the budget figure of £1,409,014 for the year to date. Void loss was £10,297 higher than the budget figure, attributed to a higher than average number of void properties in Quarter 1.

Deferred income of £21,599 was released as part of the HEEPS Atholl Steel works, currently undergoing completion and through funding received from the Big Lottery to fund the Community Garden enhancement project. £18K had also now been received from the Suez Communities Fund for the community garden works.

Overall, Reactive Maintenance expenditure was over budget by £36,733. This Overspend was mainly due to the void repair expenditure which was £35,713 over Spent whereas the reactive repair expenditure was in line with budget.

The Committee thereafter unanimously approved the draft management accounts to 31 December 2018.

10. UPDATED DRAFT BUDGET ASSUMPTIONS, 30 YEAR FINANCIAL PROJECTIONS & PROPOSED ANNUAL RENT INCREASE

Lynne provided the Committee with the following rent consultation results

- 13% of tenants responded
- 67% agreed with the proposed rent increase
- 33% disagreed with the proposed rent increase
- 82% of tenant thought their rent provided value for money
- 14% of tenants were experiencing difficulties paying their rent

It was also noted that a 2% proposed increase would be the lowest increase to be applied across the RSLs within Inverclyde.

The Committee unanimously agreed to proceed with an annual rent increase of 2% for 2019-20.

The draft budget had assumed an EVH cost of living increase of 2.5% and as previously noted the salary negotiations had broken down with no clear indication at this time of a likely conclusion.

A final proposed budget for 2019-20- and 30-year financial projections would be brought back to the Committee for approval for their meeting in March.

11. INTERNAL AUDIT REPORT 2018/19

The Committee approved the draft report and the minor recommendations contained within the report.

12. HOUSING MANAGEMENT & MAINTENANCE SUB COMMITTEE MINUTES 11TH DECEMBER 2018

The Committee of Management unanimously agreed to approve the following recommendation from the Housing Management and Maintenance Sub Committee

- Proposed Changes to the Allocations Policy and points Schedule.

13. POLICY REVIEWS

13.1 CODE OF CONDUCT FOR GOVERNING BODY MEMBERS

The Committee unanimously agreed to approve the revised Code of Conduct for governing body members.

13.2 STANDING ORDERS

The Committee unanimously agreed to approve the proposed changes to the Association's Standing Orders.

13.3 ABSENCE MANAGEMENT POLICY

The Committee unanimously agreed to approve the proposed changes to the Absence Management Policy.

14. TENANT SATISFACTION SURVEY (TSS) DRAFT REPORT & PRESENTATION

Lorna Shaw from Research Resource (consultants) joined the meeting for this agenda item to provide the Committee of Management with a presentation of the Tenant Satisfaction Survey Results.

The results showed high levels of satisfaction across the board and the Committee were pleased to note that satisfaction had only dipped in one or two areas from three years ago and only very fractionally in these areas. An Action plan and publicity statement would be arranged following receipt of the final report.

The Chair thanked Lorna for her presentation and Lorna then left the meeting.

15. PROPOSED CYCLE OF MEETINGS – FINAL DRAFT

The Committee unanimously approved for the Board of Management meetings to start at 6pm on the third Tuesday of the month and for the Sub Committee meetings to continue, on a Tuesday night at 6.30pm.

16. BAD DEBT WRITE OFFS FOR CONSIDERATION

The Management Committee unanimously approved Cases 5 & 6 to be written off as bad debt, totalling £2,401.05 for rent and £626.73 for recharges.

17. EVH PUBLIC HOLIDAYS 2019

The Committee unanimously approve the local variations to the EVH Public Holidays for 2019/20.

18. NEW MEMBERSHIP APPLICATIONS

The Management Committee unanimously approved the following application for membership -

- Thomas Boyle, 169 Auchmead Road, Greenock

19. SHAPS PENSIONS DEFICIT VALUATION

Larkfield HA is a member of the Scottish Housing Pension Scheme (SHAPS), which is a multi-employer defined benefit pension scheme. The Association is required to include an accounting estimate of its share of the pension scheme deficit.

For this financial year, 2018/19, the scheme's administrator, the Pensions Trust, had provided an estimate of the Associations obligations and assets to allow this figure to be accurately disclosed. This had an associated cost for the Association of £4,000 in the first year, and £2,000 thereafter.

The Pension Trust was now providing a service to provide this estimate identifying individual obligations and assets for each Association in SHAPS, which would allow for Larkfield's share of the pension scheme deficit to be accurately disclosed in the 2018/19 financial statements.

20. ANNUAL ASSURANCE STATEMENTS

L Griffin advised that Link were developing a framework and a self- assessment template for the new regulatory requirements in relation to the Annual Assurance Statements. Link would be required to sign a statement on behalf of Link and its RSL subsidiaries. Lynne would feedback after Link's SMG meeting.

21. PROPOSED MAINTENANCE CHARGE FOR LARKFIELD OWNERS 2019

The Committee agreed for this item to be carried forward to the next meeting.

22. ANY OTHER COMPETENT BUSINESS

No further business was discussed.

23. DATE OF NEXT MEETING:

WEDNESDAY 20TH MARCH 2019 at 6.00PM in the BOARD ROOM.

The meeting closed at 8.15 pm.