

OFFICIAL MINUTES

NOTE TO READER:

SBHA publishes the minutes of its Board of Management meetings, unless it considers, at the time of publication, that the minutes or part of the minute are exempt from disclosure under the Freedom of Information (Scotland) Act 2002. Where minutes or part of the minutes are not published, this is noted in these minutes.

MEETING: SBHA BOARD OF MANAGEMENT

DATE:	TIME:	VENUE:
21.03.24	5.30pm	Head Office, Selkirk and via Teams

PRESENT: In Person

Robin Hill - Chair (RH)
Anthony Burnette – Board Member (AB)
David Bell – Board Member (DB)
Kenny Simpson – Board Member (KS)
Michael Grieve – Board Member (MG)

Virtually via Teams

Ian McDonald – Board Member (IMcD)
Michael Levack – Board Member (ML)
Philippa Brosnan – Board Member (PB)
Dale Walmsley – First Actuarial (DW) *for part*

IN ATTENDANCE:

Julia Mulloy, Chief Executive (CE)
Maria Lyle - Chief Operating Officer (CO)
Carly Stewart - Director of Finance (DoF)
Caroline Purcell - Director Property Services (DPS)
Emma Garry – Director of Development (DoD)
Rachel Dickson – Head of People (HoP)
Catriona Notman - Governance Officer (GO)

The Chair opened the meeting at 5.31pm and welcomed new Board Member DB and thanked all in attendance.

It was acknowledged that the meeting was quorate as sufficient members were present, in the event of a vote being required it will be assessed at that point if any appointed members are required to observe only and abstain from voting.

5.31pm – IM left the meeting

1.0 Apologies for absence

Apologies were received in advance of the meeting from Board Members Tracey Glover and Matt Foreman and team member Henry Coyle.

2.0 Declarations of Interest

No declarations were made.

3.0 Board Finance Report – Private and Confidential

3.1 Pension Report

Minute of discussion on this Agenda Item redacted

5.40pm IMcD joined the meeting

RECOMMENDATION: *Minute of discussion on this Agenda Item redacted*

5.56pm DW left the meeting

3.2 Minute of discussion on this Agenda Item redacted

3.3 Former Tenant Arrears Write Offs

Minute of discussion on this Agenda Item redacted

RECOMMENDATIONS: *Minute of discussion on this Agenda Item redacted*

3.4 Rent & Service Charge Policy – amendment

DoF confirmed the Rent and Service Charge Policy approved in February 2024 was successfully being implemented as planned. Members were advised that during an ongoing review of Mid-Market Rent position it had been identified that target rents for some of SBHA rents for New Build Person Space was at a premium. To rectify this position and to ensure rents remained affordable and fair to Tenants, a revision to target rents was presented. SBHA Plus will be asked to discuss and approve the approach to Mid-Market rent increases.

Assurance was given that a viability assessment had been completed for existing and new development projects and whilst 1 bed properties remain a concern due to the challenging market in the Borders area, rents are still increasing and not decreasing and there is no adverse impact for development projects.

RECOMMENDATIONS: The Board of Management:

- a) approved the proposed changes to the new build premiums for updating the Rent & Service Charge Policy.
- b) Noted the overall position on Mid-Market rents, which will be reviewed by SBHA Plus.

3.5 Group Life Assurance Tender

The DoF presented an overview of the tender process for this procurement and the decision made by CE to award the contract under delegated authorities.

RECOMMENDATION: *Minute of discussion on this Agenda Item redacted*

4.0 Board Operational Report

3.0 Strategic Delivery Plan Progress Update - Private and Confidential

Minute of discussion on this Agenda Item redacted

6.21pm – PB joined the meeting

Minute of discussion on this Agenda Item redacted

RECOMMENDATIONS: The Board of Management:

Minute of discussion on this Agenda Item redacted

4.0 - Board Development Review outcomes

CE presented the outcomes of the recent Board Member appraisals conducted in Q3 2023-24. The skills and scores were moderated by RH and an overview of the strengths and weaknesses in the Board competencies was highlighted. Members identified areas where

skills required development were Treasury and Asset Management, with further emphasis on Commercial Acumen, Sustainability and Compliance.

Recruitment for the vacancies will focus on strategic skills for delivering in the Net Zero Environment. Members have requested more face-to-face meetings as well as more informal gatherings to build relationships. It was agreed that Members will aim to attend at least half of the Board cycle meetings in person.

Members reflected on the level of reporting information received at Board Meetings and whilst it was acknowledged that there was often a lot of data and information to review prior to the meeting, it was agreed that this level is required to perform the function of robust governance and business overview.

Members requested for an updated version of the SBHA glossary of acronyms which will be uploaded onto Decision Time in due course.

RECOMMENDATION: Board Members commented on the outcomes of the Board Development Review and agreed the proposed principles of the Learning and Development Plan for 2024/5.

5.0 Governance Update

ML declared an interest in this item

5.2 Notifiable Events

CO presented the report, providing an overview of one Notifiable Event reported to Scottish Housing Regulator (SHR) in relation to confirming the outcome of the SBHA Rule change agreed at the Annual General Meeting in September 2023.

5.5 Governance, Regulation and Policy publications

Members were advised of the recent changes to the SHR Regulatory Framework and the accompanying guidance updates. Confirmation was given that four consultation responses to Scottish Government and SHR had also been submitted during this reporting period.

5.3 Applications for Shareholding Membership

There were no shareholding membership applications for approval and that that one membership required cancellation due to the death of a shareholder. This change would leave the number of active shareholders at 129.

RECOMMENDATION: Board Members approved the ending of the shareholding membership as noted in the report.

5.4 Governance Recruitment and Succession Planning

CO delivered an overview of the current vacancies on the Board of Management and Sub-Committees. Recruitment for the Board vacancies will focus on strategic skills in delivering Net Zero and will commence in Q1 2024-25.

It was confirmed that ML has requested special leave of absence for personal reasons and the absence would be anticipated to last approximately two months.

Discussions followed and the following Members were agreed and confirmed to fulfil the Board nominee vacancies as follows:

Committee/Board	Position	Member appointed
Customer Board Sub-Committee	Acting Convenor (cover for ML leave)	Matt Foreman
Customer Board Sub-Committee	Board Nominee	Anthony Burnette
Remuneration and Nominations Sub-Committee	Board Nominee	Michael Grieve
SBHA Plus Board of Management	Board Member	Kenny Simpson Michael Grieve

As MF was not in attendance, his appointment was proposed by RH and seconded by MG. MF will be contacted to confirm acceptance of interim position.

RECOMMENDATIONS: The Board of Management:

- a) Noted that recruitment for the 2 x Board Member vacancies will be progressed
- b) Discussed and agreed to appoint Board Member Nominees to the Sub-Committee vacancies
- c) Agreed a special leave of absence from Board Member, Michael Levack.

6.0 Policy Decisions

Organisational Change Policy

CO presented the revised policy to members, confirming that the changes were a result of the routine policy review timetable and that there were no material changes made during the review.

RECOMMENDATION: The Board approved the revised Organisational Change Policy.

7.0 Key Performance Indicator Report (KPI) Quarter 3 2023-24

CO presented the report and highlighted the areas for improvement.

Assurance was provided that Rent Arrears, Rent Collection and Damp and Mould have a priority focus and procedures are in place to manage these.

It was confirmed that repairs were impacted as a result of absence and although Q4 performance was indicating improvement, this remained an area of focus. HoP advised that Q4 attendance to date had been improving significantly.

Clarity was sought on responses to reports of Damp and Mould. It was explained that generally instances were surveyed and appropriate actions put in place, including specialist surveys if required. There are 30 homes in the damp sensor pilot and the results will be reported to the Customer Board.

It was advised that the recent preliminary tenant satisfaction survey results had been received and early indications are that there has been a significant increase in areas of satisfaction across some indicators this year. The Customer Board will receive the finalised report once received.

RECOMMENDATION: The Board commented on the Key Performance Indicator for Quarter 3 2023-24.

8.0 Key Performance Indicator Targets 2024-25

CO presented an overview of the revised targets proposed for 2024-25. The main changes are the removal of duplicated targets that are monitored elsewhere in the governance

structure and the addition of indicators to track key areas such as complaints upheld by Scottish Public Services Ombudsman. The Environmental, Social and Governance (ESG) indicators were highlighted, as committed to in the More Sustainable Steps strategy Action Plan.

No additional indicators were requested by Board.

RECOMMENDATION: The Board of Management considered and agreed the proposed performance indicators targets for 2024-25 as set out in Appendix 6.

5.0 Land Sale Request - Hamilton Road, Hawick

DPS presented the report including an overview of the land proposed to be sold to Scottish Borders Council (SBC). It was confirmed that there had not been an independent evaluation of the land, however there were no development opportunities for the land and the sale would remove liability for significant future maintenance costs, alongside enabling an environment improvement.

RECOMMENDATION: The Board of Management approved the sale of the piece of land at the entrance to Hamilton Road to SBC for a nominal cost of £1 exclusive of VAT.

6.0 Minutes of the Board of Management meeting 22 February 2024

The minutes of the Board of Management meeting held on the 22 February 2024 were approved as a true and accurate record, proposed by RH and seconded by MG.

(i) Matters Arising from the Minutes

There were no matters arising from the Minutes.

(ii) Minutes held under separate cover

The minutes held under separate cover of the Board of Management meeting held on the 22 February 2024 were approved as a true and accurate record, proposed by RH and seconded by MG.

The Chair advised that the meeting had reached two hours and the Board of Management agreed to continue.

IM left the meeting at 7.30pm

7.0 Board Reflection

No issues discussed.

8.0 Any Other Competent Business

- a) The arrangements for the introduction of two-factor authentication for Decision Time were confirmed.
- b) CE provided an overview of the draft SBHA Engagement Plan with Scottish Housing Regulator (SHR) and it was agreed to circulate on publication.
- c) It was confirmed that the Health and Safety Control Manual review requires Board approval. As it is an operational document of considerable size, members agreed that the documents could be uploaded to Decision Time and approval will be requested via a portal decision.

8.1 Acquisition of Heather Mill, Selkirk

DoD presented the report. Further to previous approval for the site acquisition, the sale did not proceed due to valuation discrepancies at that time. It was confirmed that re-evaluations have been completed with a small gap between valuation and purchase price. Due to the new rent policy and land valuation, the NPV appraisal is stronger than in March 2023. A decision was required as the land valuation was slightly below the purchase price. It was confirmed that the site was zoned for housing purposes and if approved, this acquisition could progress to detailed planning approval.

An overview of previous discussions and the reporting history was given to new members to give assurance that this site has been discussed at length on many occasions before the Board agreed the principle to acquire in 2023.

RECOMMENDATION: *Minute of discussion on this Agenda Item redacted*

9.0 Date of the next meeting: 23 May 2024

The Chair thanked all Members for their attendance and contribution, closing the meeting at 7.48pm.