

# 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:
24 August 2023	5.30pm	Hybrid - Head Office, Selkirk and via Teams

## PRESENT: In Person

Robin Hill - Chair (RH)  
Philippa Brosnan – Vice Chair (PB)  
John Paton Day - Board Member (JPD)  
Michael Grieve – Board Member (MG)  
Michael Levack – Board Member (ML)  
Ian McDonald – Board Member (IMcD)  
Matt Foreman – Board Member (MF)

## Virtually via Teams

Tracey Glover – Board Member (TG)  
Eric Glass - Board Member (EG)  
Marjory Smith – SHR (MS)  
Lynn Stewart – SHR (LS)  
Joseph Quinn – SHR (JQ)

**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)  
Catriona Notman - Governance & Minute Taker (GO)

*The Chair opened the meeting at 5.35pm and welcomed all in attendance. Chair introduced MS, LS and JQ from Scottish Housing Regulator to the meeting and extended the Board's welcome for their attendance.*

*LS thanked Chair for the invitation and confirmed to members that SHR representatives are attending as observers only and would not become involved in the meeting discussions.*

*Due to quoracy issues, EG agreed to attend the meeting as an observer for the duration of the meeting and cannot be included on items that may require voting.*

## 1.0 Apologies for absence

Apologies were received in advance of the meeting from Board Member David Cressey and Henry Coyle and Emma Garry.

## 2.0 Declarations of Interest

It was advised that there were declarations of interest under items 5.0 and item 7.0 and these would be raised and noted when they arose.

## 3.0 Finance Report - (Private and Confidential)

*Minute of discussion on this Agenda Item redacted*

**Appendix 1 – SBHA Financial Statements for the Year ended 31 March 2023**

**RECOMMENDATIONS:** The Board of Management:

- (a) reviewed the draft Financial Statements and approved them and recommended that they be adopted by the Annual General Meeting;
- (b) authorised the appropriate Members of the Board of Management to sign the Financial Statements and Letter of Representation on behalf of the Association; and
- (c) proposed to the 2023 AGM that RSM UK be re-appointed as SBHA's External Auditor.

### **Appendix 2 – Scottish Housing Regulator – Annual Financial Statements Return 2023**

DOF presented the report advising members that the figures contained in the report reflects the figures in the audited accounts and is due by 30 September 2023.

**RECOMMENDATION:** The Board of Management authorised the Annual Financial Statements return and for it be signed as approved by the Director of Finance.

### **Appendix 3 – Financial Monitoring for period ending June 2023**

*Minute of discussion on this Agenda Item redacted*

**RECOMMENDATIONS:** The Board of Management:

- (a) noted the Management Accounts as detailed in **Appendices 3** of this report;
- (b) *Minute of discussion on this Agenda Item redacted*
- (c) *Minute of discussion on this Agenda Item redacted*
- (d) approved the write-offs in **Appendix 3h**

### **Appendix 4 – SBHA's Annual Procurement Report 2022-23**

The DoF summarised the report confirming that £13m has been awarded to over 23 contracts and mainly based on local suppliers. The encouragement and increased award to local suppliers was highlighted alongside the value of the supplier roadshow events to encourage applications and the increasing value of Community Benefits in contract awards.

*Minute of discussion on this Agenda Item redacted*

**RECOMMENDATION:** Board Members approved SBHA's Annual Procurement report for 2022-23.

## **4.0 Development Programme Progress Report – Private & Confidential**

*Minute of discussion on this Agenda Item redacted*

**RECOMMENDATIONS:** The Board of Management:

- a) Noted the updates on the project which are on site.
- b) *Minute of discussion on this Agenda Item redacted*
- c) *Minute of discussion on this Agenda Item redacted*

## **5.0 Board Operational Report**

### **Appendix 1 - Strategic Plan Progress**

CE presented an overview of the report and there being no questions the Chair moved to the recommendation.

**RECOMMENDATION:** Board Members noted the progress of the SBHA Strategic & Business Plan 2020-25 and comment on performance.

### **Appendix 2 - More Sustainable Steps – SBHA Sustainability Strategy 2023-26**

CE presented the reported, highlighting the Action Plan and consultation undertaken. Discussion took place on progressing the CLES report actions, engaging Tenants in the journey to net zero effectively and the value of tenants sharing experience, alongside effective methods of communication on what can be a very complex area of work.

**RECOMMENDATION:** Board Members discussed and commented on the More Steps Strategy and approved its implementation.

### **Appendix 3 – General Governance Update Report**

CO presented an overview of the 2 tenancy offers that fell under Proposed Entitlements, Payments and Benefits and had previously received Chair approval. No notifiable events were reported in the reporting period for this meeting.

*MF left the meeting at 6.40pm.*

Board Members then considered shareholder applications received together with the overview of a number of shares where cancellation was requested.

**RECOMMENDATIONS:** The Board of Management:

- a) Ratified the Chair's decision to approve the offer of tenancies.
- b) Approved the applications for shareholding membership.
- c) Agreed the ending of membership and cancellation of shares as noted in Appendix 3

Members were given an overview of the requirements of Rule 68 of SBHA Rules.

**RECOMMENDATION:** The Board or Management noted that the Secretary confirmed that Rule 62-67 has been complied with in the financial year 2022-23.

The Annual General Meeting (AGM) was confirmed to members as being held on 14 September. As the number of Shareholders now sit at 131, the quoracy for the AGM will be 14 shareholding members. Members were asked to consider holding a Special General Meeting immediately prior to the AGM to propose a change to the SBHA Rules to mitigate the risk and quoracy issues discussed at previous Board meetings.

*The meeting paused 6.48-6.49pm due to a minor IT glitch.*

*MG left the meeting at 6.49pm.*

An overview of the current Board vacancies was delivered to members. MF and MG had both been nominated to stand for election. 1 further nomination was submitted and arrangements are being made for RH and CE to meet with the person to consider suitability for the position. No ballot is required for the 2023 AGM as there are fewer nominations to the number of vacancies. Members agreed that both MF and MG have made an excellent contribution to the Board of Management and were delighted both members wished to stand at the AGM.

**RECOMMENDATIONS:** The Board of Management:

- a) Noted that the AGM will be held on 14<sup>th</sup> September 2023 at 6.30pm followed by Board meeting; and
- b) Requested that a Special General Meeting be held on 14<sup>th</sup> September to consider the proposed Rule change.

- c) Agreed that Board Members Matt Foreman and Michael Grieve are eligible to stand for election to the Board at the AGM and that the Chair progress meeting with potential nominees;

*MF and MG re-joined the meeting at 6.52pm*

*RH and IMcD left the meeting at 6.52pm*

Members were briefed on a discussion at the Remuneration and Nominations Sub-Committee where it had been agreed to recommend that both RH and IMcD are re-appointed as Appointed members for a further 3-year fixed term.

**RECOMMENDATION:** The Board of Management agreed the re-appointment of Robin Hill and Ian McDonald as Appointed Members as recommended by the Remuneration & Nominations Sub-Committee;

*RH and IMcD re-joined the meeting at 6.53pm.*

*EG left the meeting at 6.53pm.*

Members were advised that as per previous meetings, EG has resigned as an appointed Board Member but wished to apply for the Independent member vacancy of the Audit and Compliance Sub-Committee.

**RECOMMENDATION:** The Board of Management approved the appointment of Eric Glass to the Independent Member vacancy on the Audit & Compliance Sub-Committee;

*EG re-joined the meeting at 6.55pm.*

It was agreed that RH, PB MG would form the Governance Working Group to prepare the Annual Assurance Statement for 2023.

**RECOMMENDATION:** The Board of Management agreed the approach to preparing the 2023 Annual Assurance Statement.

Members were advised that the Annual Review and Board Development Plan for Board members would commence in September. It was confirmed that the 2023 reviews will be conducted internally. Members will receive the paperwork for completion over the coming weeks.

An overview of the two policies for review were given to members. Clarification was sought on the risk of unlimited authorisation for 2 Department Heads. It was confirmed that the broader procurement framework, including the Standing Orders have additional checks and balances to ensure this is limited to circumstances where the procurement procedure has been followed e.g. the Board have authorised the expenditure of the purchase of a property and it requires sign off by 2 Department Heads.

**RECOMMENDATION:** The Board of Management approved the Authority to Incur Expenditure Policy & revised Insurances Policy.

The CO summarised performance outcomes, confirming that the new Tenant Satisfaction Survey outcomes should be due in September. Following discussion, insight was provided into the methodology and assurance was provided that customer satisfaction was a top priority and was being discussed in detail at the Customer Board. The outcomes will be shared at an early stage with reporting to the Board of Management in December 2023.

Concerns of Empty homes performance were acknowledged. The CO explained the actions in place and some of the underlying challenges around repairs and attendance. It was suggested that Empty Homes be included in the Audit Plan from March 2024.

DPS provided an update on the EESSH1/SHQS figures and the actions in place to recover the year end dip in performance as EPCs for those properties with additional works were now available.

Board Members discussed rent collection performance and the Quarter 1 trend was explained, highlighting the need for consistent focussed activity around the rent collection framework and controls. It was highlighted that demands on services such Financial Inclusion Service and Warm and Well was increasing. Emergency Legislation has increased the level of higher value arrears as legal action on below £2,250 was restricted. It was confirmed that absence was having a significant impact on the performance in this area and that absence management is high priority. Members discussed opportunities for external capacity to improve performance and it was agreed that CE would consider this further.

**RECOMMENDATION:** The Board of Management commented on the Key Performance Indicator for Quarter 1 2023-24.

*JPD made apologies and left the meeting for personal reasons at 7.32pm.*

*JPD leaving the meeting raised an additional quoracy issue. ML agreed to observe the remainder of the meeting to close the issue.*

## **7.0 Minutes of the Board of Management Meeting – 25 May 2023**

The minutes of the Board of Management meeting held on the 25 May 2023 were approved as a true and accurate record, proposed by RH and seconded by MF.

### **7.1 Matters Arising from the Minutes**

Item 13.0 – Business Growth update

*Minute of discussion on this Agenda Item redacted*

## **8.0 Minutes of the Special Board of Management Meeting – 19 July 2023**

It was confirmed that the minutes would be amended to reflect the attendance of IMcD.

DPS and GO left the meeting at 7.35pm

Subject to the above amendment, the minutes of the Special Board of Management meeting held on the 19 July 2023 were approved as a true and accurate record, proposed by RH and seconded by MG.

*DPS and GO re-join the meeting at 7.37pm.*

## **9.0 Minutes of the Audit and Compliance Sub-Committee of 21 June and 9 August 2023**

The minutes of the Audit and Compliance meeting held on the 21 June and the draft minutes from 9 August 2023 were noted.

## **10.0 Minutes of SBHA Plus of 21 June 2023**

The draft minutes of SBHA Plus meeting held on the 21 June 2023 were noted.

## **11.0 Minutes of the Customer Board Sub-Committee of 11 May 2023**

The draft minutes of the Customer Board meeting held on the 21 June 2023 were noted.

## **12.0 Minutes of the Remuneration and Nominations Sub-Committee of 19 July 2023**

*CE left the meeting at 7.39pm*

The minutes of the Remuneration and Nominations meeting held on the 19 July 2023 were approved as a true and accurate record, proposed by RH and seconded by PB.

### **Minutes Held under Separate Cover of the Remuneration and Nominations Sub-Committee of 19 July 2023**

The minutes held under separate cover of the Remuneration and Nominations meeting held on the 19 July 2023 were approved as a true and accurate record, proposed by RH and seconded by PB.

*CE re-joined the meeting at 7.45pm*

## **13.0 Board Reflection**

Board Members confirmed that despite the performance challenges, they were assured that the Executive Team were alert to the issues and sought feedback on how the Board could support. CE confirmed that further reflection would take place on seeking specialist support to address skills and capacity gaps and that the Transformation Fund was a resource to support this.

## **14.0 Any Other Business**

- a) The Customer Board Stock Tour is being held on Friday 1 September. There are 2 buses following 2 different routes. The format of the tour will follow the same as the 2022 tour.
- b) The Board of Management Away Day has been rescheduled to 27 October. Further details will follow but the agenda items for the day will include:
  - 1. Business Planning
  - 2. Rent Review Steps
  - 3. Assessing the risk of mixed tenure new build programmes

## **14.0 DATE OF NEXT MEETING – 14 September 2023**

*The meeting was closed at 7.52pm with thanks from the Chairman for everyone's attendance and contribution.*

*LS thanked the Chair and members for allowing them to observe the meeting.*