**MINUTE OF THE MANAGEMENT COMMITTEE MEETING OF LOREBURN HOUSING ASSOCIATION HELD ON TUESDAY 27 AUGUST 2024 AT 17:30 p.m. (virtual)**

**Present:**  Jane Connechen (Chair)

Peter Nelson (Secretary)

Paul Buchanan

Russell Baird

Lynsey Brydson

Cameron Kirkpatrick

Neil Madden

Stuart Turnbull

Mark Wilkinson

Allison Devine, Alexander Sloan

Kirsteen McGinn (Chief Executive)

Elkie Astley (Director of Corporate Services)

Fiona Campbell (Director of Operations)

Tony McInnes (Director of Finance)

Rebecca Wilson (Head of Governance & Assurance)

 Kim Thomas (Minute Taker)

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| **Item**  | **Minute**  | **Action**  |
| **1.** 1.1.1.2. | **APOLOGIES** Apologies were received from Alan Sandey and Katie Hryschko.In the absence of the Convener Jane Connechen Chaired the meeting. |  |
| **2.**2.1. | **DECLARATION OF INTEREST**Declaration of interests from Jane Connechen as Chair of the People and Culture Committee, from Paul Buchanan as Chair of the Audit and Compliance Committee, from Kirsteen McGinn and Tony McInnes as board members of D&G Homes were NOTED. |  |
| **3.**3.1. | **APPROVAL OF PREVIOUS MINUTE**The Minute of the Management Committee meeting of 13 August 2024 on the proposal of Neil Madden and seconded by Peter Nelson was APPROVED. |  |
| **4.**4.1. | **MATTERS ARISING**There were no matters arising from the Minutes of 13 August 2024. |  |
| **5.** | **MINUTE ACTION LOG**Management Committee members NOTED the Minute Action Log. |  |
| **6.**6.1.6.2. | **MINUTES FOR NOTING****Health and Safety Executive Group Minutes of 16 May 2024**Management Committee members NOTED the Health and Safety Executive Group Minutes of 16 May 2024**Minutes of the People and Culture Committee of 20 May 2024**Management Committee members NOTED the Minutes of the People and Culture Committee of 20 May 2024 |  |
| **7.**7.1. | **CONVENER’S VERBAL UPDATE**Due to Alan Sandey’s absence at this meeting, there was no Convener’s update |  |
| **8.**8.1. | **CHIEF EXECUTIVE’S VERBAL UPDATE**The Chief Executive gave a brief update to Management Committee members on:* The organisation has now taken up the lease of Dudgeon House and the new hub is working well
* We hosted the first Working Group of the Factoring Review at Dudgeon
* The sale of Huntingdon is due to complete on 6 September 2024
* There has been some interest in the office in Stranraer but will have more information on this to come
* Following audit, we have a set of Unqualified Accounts
* The Chief Executive attended the latest Staff Forum where staff motivation and morale was high
* We have a new telephone system rolling out in September which will improve the functionality for staff and tenants
* We are waiting final information from Homemaster about the launch of the Tenant Portal

Management Committee members NOTED the update |  |
| **9.**9.1. | **NOTIFIABLE EVENTS**The Head of Governance and Assurance stated that there were no new Notifiable Events since the last Management Committee meeting.  |  |
| ***For Discussion*** |
| **11.** | **Confidential Item** |   |
| ***For Approval*** |
| **13.** | **YEAR END AUDITED ACCOUNTS**The Director of Finance presented Management Committee members with the Draft Statutory Accounts:* The Accounts have been prepared by LHA’s auditors, Alexander Sloan and in their opinion give a true and fair view of the state of the organisation’s affairs as at March 2024 and of the surplus for the year then ended
* These Accounts have been prepared in accordance with the UK Generally Accepted Accounting Practice and also in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2019.
* These Draft Statutory Accounts were presented at the Audit and Compliance Committee on 6 August 2024
* Alexander Sloan will provide a Letter of Representation and Audit Summary report
* In line with the Rules, once approved, the Accounts will be presented to the shareholding membership at the AGM on 3 September 2024
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| *Staff left the meeting at this point* |
| 13.1.13.2. | Allison Devine summarised for Management Committee members the key issues arising from the audit of the Financial Statements:Management Committee members:APPROVED the Draft Statutory Accounts; andAPPROVED the use of the Annual Accounts for the purposes of regulatory returns, with submission to follow only once the Accounts are signed |  |
| *Staff rejoined the meeting at this point**Allison Devine left the meeting at this point* |
| ***For Discussion*** |
| **10.**10.1.10.2. | **Q1 PERFORMANCE** The Head of Governance and Assurance updated Management Committee members with the Q1 Strategic Performance and the Key Milestones:* Performance has been good with 13 SPSIs performing above target
* 12 were below target but many of them are within 5% of target
* Additions to the SPIs include oversight of the compliance performance and Section 5 homelessness sustainment

Key variances – below target:* *Percentage of Stage 2 complaints responded to within timescales* – target 60%, two Stage 2 complaints running over the 20-day timescale
* *Customers satisfied with the outcome of their complaints* – target 75%, performance – 61% with 14 surveys completed during Q1. There have been 33 Stage 1 complaints and 11 Stage 2 complaints received. SPSO are setting up a Working Group to look at communication with tenants
* *Development* – there were no new handovers completed
* *Non-emergency repair times* - this has been missed by 10 days. 47 work orders required further work when operative arrived at the job, there were 29 works orders which required specialist parts. 11 works orders were breached in May due to “no access” being granted
* *Percentage of all properties sustained for more than a year* – below target by 7%. However, performance during April and June was strong. During May there were 3 tenancies not sustained for a full year

Key Variances – above target:* *Performance of senior staff turnover in the reporting year* – no senior leavers
* *Percentage of tenants with planned works carried out who are satisfied* – 100%, this is continuous exceedingly good performance from Asset
* *Percentage of tenants with aids and adaptations who are satisfied* – 100%, with 23 tenants being contacted and returning surveys

Management Committee members discussed:* 2.4.2. - *Customers satisfied with the outcome of their complaints* – the target set has been acknowledged by the management team that this was an ambitious target. LET benchmark across the sector and look at performance from the previous year before setting targets and include looking at the ARC figures in the process
* 2.4.4. – *Non-emergency repair times* – the target being missed by some works requiring specialist parts. It is difficult not knowing what parts would be required, however we have increased stock levels and we are building relationships with suppliers
* Overall Management Committee members felt that there were too many KPIs and if some are outwith our control they were not sure why are we measuring these. However, there are certain ones we need to repot to the SHR. It would be good for Management Committee members to have a better understanding and importance of these KPIs and if they were RAG rated showing the level of priority
* 2.6.2. – *Complaints* – complaints training has been undertaken by staff and all complaints have been reviewed by the Corporate Services Lead Officer. For future reports it would be good to see where lessons have been learned and action taken to resolve issues

Management Committee members:NOTED the Q1 Strategic Performance Indicators and the Key Milestone Update; andAGREED that KPIs should be discussed in more detail at the next Strategy Day |  |
| ***For Approval*** |
| **12.**12.1. | **Q1 MANAGEMENT ACCOUNTS**The Director of Finance provided Management Committee members an update of the financial performance for 2024/25 and presented Quarter 1 Accounts:Management Committee members discussed:* It would be good to see for future reports cashflow over the next two or three years and what outgoings are to see the peaks and troughs
* Rent Arrears – these are counted as “technical arrears” as Benefits are paid in arrears. We do not have a high proportion of tenants on Universal Credit (UC) but in general, rent arrears performance is good. Staff, through the Housing Excellence Plan, are looking at high level arrears and how this can be managed. We are awaiting more information from the DWP on the rollout of UC and we are currently trying to move tenants onto payment in advance

Management Committee members APPROVED the Accounts to 30 June 2024. |  |
| **14.**14.1.14.2.14.3. | **DEVELOPMENT**The Chief Executive updated Management Committee members on LHA’s Development programme. Management Committee members:NOTED the on-site new build programme update;NOTED the update on the sale of and dry rot works for Huntingdon, andAPPROVED the additional costs associated with the Garrick project |  |
| **15.** | **Confidential Item**  |  |
| **16.**16.1. | **STANDING ORDERS REVIEW**The Head of Governance and Assurance informed Management Committee members that only minor amendments have been made to the Schedule of Delegation and relate to:* The Terms of Reference for the Audit and Compliance Committee in the Standing Orders and the removal of functions that are no longer considered standard functions
* It is proposed the group is renamed Audit and Risk as the primary function of the group is monitoring, assessment and mitigation of risk
* The Terms of Reference for the People and Culture Committee have been amended to propose an increase to the level of delegated authority to matters affecting up to 20% of staff. The Meeting Schedule proposes reducing the number of People and Culture Committee meetings to two per year instead of four
* Following the review to provide increased control and scrutiny of costs and defined approval requirements for project overspends, additional clarity and scope regarding the approval of development projects within the Schedule of Delegation has been made
* Clarification on the process for Written Resolutions in line with Rule 55 has been added to the Standing Orders

Management Committee members APPROVED the Standing Orders |  |
| **17.**17.1. | **REGISTERS COMPLIANCE**The Head of Governance and Assurance presented Management Committee members assurance that Rules 62 to 67 have been followed and with the Registers of:* Documentation signed by the Management Committee/Executive Team
* Sponsorship given or hospitality and/or gifts received
* A separate report is presented regarding the Fraud Register

ManagementCommittee members NOTED compliance with Rule 68 as detailed in the report.  |  |
| **18.**18.1. | **MEETING SCHEDULE**The Head of Governance and Assurance presented management Committee members with a meeting schedule for Management Committee and Sub-CommitteesManagement Committee members APPROVED the meeting schedule for 2024/25 |  |
| ***For Noting*** |
| **19.**19.1. | **FRAUD REGISTER**The Director of Finance informed Management Committee members of the Fraud, Defalcations and Irregularities (FDI) that were recorded in 2023/24.All risks are managed and monitored via the Risk Register.Management Committee members NOTED the Fraud Register for 2023/24 |  |
| **20.**20.1. | RISK REGISTERThe Director of Finance advised Committee members a summary of any significant changes and movements of all current corporate risks with a score of 16 or above:* Since June current the corporate risk status has changed to 8 with the insertion of a new risk:
	+ Risk Reference 6 – Reputational – potential protest planned in D&G against immigration which could impact our communities and tenants. Inherent Risk Movement – 16. Proactive communication to remind tenants that LHA is an inclusive landlord and will not tolerate discrimination, violence or damage to property. This has been deescalated since report was written

Management Committee members NOTED the key risks identified |  |
| **21.**21.1. | **INVESTMENT**The Chief Executive updated Management Committee members on the progress being made on the 2024/25 Planned Investment Programme:* The programme is professing well however there is a concern over the progress of the Retrofit works
* Progress to date:
	+ Communal door replacement at Donald Court is now complete
	+ Works tendered via Direct award have either started on site or going through the survey and order stage
	+ Kitchen and bathroom tender is now complete
	+ Retrofit works are planned at three developments and progress is dependent on funding being secured or savings being made elsewhere in the planned programme. We need a programme, economies of scale, equal funding to come direct to LHA or to local authority rather than to contractors. We are relying on funding to supplement this going forward.
	+ We currently have 26 tenants on the waiting list for Aids and Adaptations works

Management Committee members NOTED the progress made again the Investment Programme |  |
| **22.**22.1. | **DAMP AND MOULD**The Chief Executive gave Management Committee members an update on damp and mould reports within LHA’s properties:* The process has now fully moved into Homemaster to ensure there is a full audit trail of reports and remedial actions taken
* The Stock Investment Officers are now taking on the inspections and ordering any required works
* A quarterly report will now be submitted to Management Committee and the Health and Safety Executive Group
* For Quarter 1:
	+ First Inspections – 34 raised, 32 completed and 2 are outstanding
	+ Second Inspections – 59 raised, 32 completed with 27 outstanding
	+ Third Inspections – 41 raised, 31 completed and 10 outstanding
* From November 2023 to the end of Q1 there has been a total of 190 reports of damp and mould
* 475 Works Orders have been created to address issues encountered by inspecting offers with 329 of the Works Orders now complete
* Access to properties has created the outstanding first inspections
* On one occasion following an inspection one vulnerable tenant was temporary decanted
* As soon as we have a report of damp or mould in a property our approach is to assume it is the buildings fault until we can carry out investigations. We also have clear discussions with tenants and leaflets are available on what their responsibilities are
* We have a risk matrix and prioritise where the risks are but most are lower cases of damp. The high risk cases will be highlighted to Management Committee members and actions taken

Management Committee members NOTED the report |  |
| **23.**23.1. | **IHR** The Chief Executive highlighted to Management Committee members the operational performance of the IHR team:* Average hours emergency repairs completed – 2.34 (target is 3 hours)
* Right First Time – 99% completed (target 94%)
* Percentage of Appointments Kept – 97% (target 98%)
* Customer Satisfaction – 95% (target 95%)
* Percentage of Call Handling missed calls – 5% (target 10%)
* Outstanding repairs as at the end of July:
	+ Total non-completed works – 811
	+ Total unappointed works – 254
	+ Total appointed works – 498
	+ Total sub-contractor works – 59
	+ Percentage appointed – 61%
* The backlog of work has occurred due to utilising IHR team to rack our new vehicles and to assist the with move to Dudgeon

Management Committee members NOTED the report and asked LET to pass on their thanks to the Head of Repairs and Maintenance for providing this information |  |
| **24.**24.1. | **HOUSING SERVICES**The Chief Executive presented Management Committee members with an update on Housing:* Housing Excellence Plan has been split into areas and the first give of these have been introduced to staff as workstreams and staff allocated to specific groups to work on actions plans.

Management Committee members NOTED the report and that this information will be brought back to Management Committee on a quarterly basis. |  |
| ***For Discussion*** |
| **25.**25.1. | **TENANT VOICE**The Chief Executive explained to Management Committee members that a lot of information, e.g. Rent Restructure, Factoring Review, already gets communicated to tenants to keep them informed.  |  |
| **26.**26.1. | **AOCB**NA |  |
| **8.** | **DATE OF NEXT MEETING**TBA | All |