

NOTE: THIS IS A DRAFT MINUTE SUBJECT TO APPROVAL AT THE NEXT SCHEDULED MANAGEMENT COMMITTEE MEETING.



MINUTE OF THE MANAGEMENT COMMITTEE MEETING OF LOREBURN HOUSING ASSOCIATION LIMITED HELD ON TUESDAY 30th APRIL 2019 AT 17:30 AT HUNTINGDON, DUMFRIES.

Present: Brian Pattinson (Convener)
Peter Ward (Vice Convener)
Russell Brown (Secretary)
Mike Jones (Committee Member)
Jane Connechen (Committee Member)
Maureen Farrell (Committee Member)
John McNaught (Committee Member)
Rachel Reekie (Committee Member)
Derek Rodgers (Committee Member)

Attending: Lorraine Usher (Chief Executive)
Gary Alison (Head of Finance & Procurement)
Graham Robertson (Head of Development)
Nicola Thom (Interim Director of Housing Services)
Becky Wilson (Head of Governance and Assurance) *

*Minute Taker

Item	Minute	Action
1.	APOLOGIES	
1.1	Robin Wishart	
2.	DECLARATIONS OF INTEREST	
2.1	The Convener called Members to declare any interests. Previously disclosed interests of Members of DG Homes Board were noted from Mr Jones, Ms Farrell, Mr Rodgers and Mr Ward. No further declarations were made.	
3.	APPROVAL OF PREVIOUS MINUTES	
3.1	The Minute of the Management Committee Meeting held on 29 th January 2019, on the proposal of Mr Brown, seconded by Mr Jones, was APPROVED .	
3.2	The Minute of the Urgent Items Management Committee Meeting held on 20 th February 2019, on the proposal of Mr Brown, seconded by Ms Farrell, was APPROVED .	

- 3.3 The Minute of the Urgent Items Management Committee Meeting held on 26th March 2019, on the proposal of Mr Brown, seconded by Mr Jones, was **APPROVED**.

4. MATTERS ARISING

- 4.1 Mr Ward asked for an update regarding item 7.4 regarding data quality issues. The Chief Executive advised that this had posed a problem as data had not been provided by the contractor which would be likely to impact ARC data. It was noted that further work is required surrounding the quality of data and advised that Peter Doherty is undertaking further work to ensure that the new system addresses data quality issues.

5. MINUTES FOR NOTING

- 5.1 The Notes from the Strategic Away Day held on 20th February were NOTED.

6. CONVENERS REPORT

- 6.1 The Convener advised that Development Site Visits took place in March and the day had been a success. It was noted that the work of the Board Development Task and Finish Group had been completed and that there were no further scheduled meetings. The Convener met the In-House Repairs Team in Stranraer and attended the launch of bike project which had been well attended. The Convener drew Members attention to the launch of Mr Dowson's Echo Facebook Page. In a drive to improve customer experience Members were advised that the Chief Executive will forego her annual wage increase and that money will be matched by Loreburn and used to set a prize pot for members of staff who demonstrate excellent customer service.

7. CHIEF EXECUTIVE'S VERBAL UPADTE

- 7.1 The Chief Executive advised that the In-House Repairs transition went well and staff are settling in and noted on-going work to embed the culture and create an excellent customer experience. The Chief Executive had a positive meeting with the Interim CEO of DGHP and will continue to work with DGHP to build a positive relationship. The Chief Executive attended the quarterly Strategic Housing Forum to discuss progress against the Council's Strategic Plan and discussed housing options, foyers, extra care projects and how the council will respond to the Government's consultation on intentional homelessness. The Chief Executive drew Members attention to the revised SHR Regulatory Framework which went live on 1st April 2019 and noted that the regulator is working with the SFHA to produce a 'toolkit'. North Star Consulting have completed Loreburn's initial Self-Assessment and the report will

be shared once finalised. The Chief Executive advised Members that the planning consultative process for the extra care scheme in Langholm has started with a public in Langholm in 17th April. The event was well attended and the overall perception of the vision for the site was positive,

8. CORPORATE PLAN

8.1 The Chief Executive advised that following the meeting on the 20th February, consultation on the draft plan had been undertaken with Members and wider stakeholder. There has been no change in the strategic direction and there were no comments from wider stakeholders. Minor amendments were made following feedback from Membership, including a breakdown of the types of new properties that would be built as well as a reference to working with specialist groups.

8.2 The Chief Executive introduced a video that will accompany the new Corporate Plan. Mr Brown queried whether the video would be uploaded to the website. The Chief Executive advised that a licence is required for the music prior to upload.

8.3 Members APPROVED the 2019-2014 Corporate Plan.

9. MANAGEMENT ACCOUNTS Q4

9.1 The Head of Finance and Procurement drew Members attention to the covenant headroom which has varied significantly from the Q3 management accounts and the year-end forecasting presented to the Audit and Compliance sub-committee. The variance is largely the result of an underspend against the cyclical maintenance budget. Mr Ward raised concerns about the potential deterioration of properties where maintenance budgets are not spent as well as the need to get added value. The Convener noted that forecasting has improved however there is still an issue. The Chief Executive advised that Contract Management training is being arranged. **ACTION** – Head of Finance and Procurement will implement monthly forecasting with Asset Management and update Audit and Compliance on progress and further action required.

GA

9.2 Ms Farrell raised concern regarding the underspend on the cyclical budget and potential health and safety implications. **ACTION** – the Chief Executive will liaise with Asset Management and confirm the reason for the underspend.

LU

9.3 The Convener queried development timescales and the length of time from tender return to tender approval. The Head of Development advised that the tender returns were too low to attract government funding and that work has been ongoing with the contractor to reduce costs to achieve project feasibility. Timescales also allow for Government's technical assessment.

	ACTION – the Head of Development will produce a timeline for the project to evaluate the length of time taken to reach this stage and analyse areas for improvement.	GR
9.4	Members APPROVED the Management Accounts for Quarter 4 of 2018/19.	
10.	REVISED MODEL TENANCY AGREEMENTS	
10.1	The Interim Director of Housing Services drew Members attention to new legislation and the requirement to implement revised Model Tenancy Agreements as detailed within the report for new tenancies from May.	
10.2	Members queried how tenancy agreements are enforced. The interim Director of Housing Services outlined the process.	
10.3	Mr Ward queried what the implications would be of issuing these tenancy agreements for new tenancies when existing tenancies are not updated. The Interim Director of Housing Services noted that the updated agreements are more explicit however the existing tenancy agreements still allow for matters to be addressed and noted that there is no legal obligation for existing tenants to sign up to the new agreement.	
10.4	Mr Ward advised it would be beneficial to consider how this may affect existing tenancies i.e. those with communal areas and asked for these to be mapped out. The Interim Director of Housing Services advised Members that associations will have additional powers with existing tenants as existing tenancies will fall party to the new legislation. ACTION – the Interim Director of Housing Services to map out existing tenancies which could be targeted to sign up to the new Model Tenancy Agreements.	NT
10.5	Ms Reekie advised that lots of letters are already issued regarding fire safety risks including items blocking communal hallways. ACTION – Interim Director of Housing Services to explore targeted tenant involvement following Fire Risk Assessments and confirm how many letters were issued and the matters raised.	NT
10.6	Members APPROVED the implementation of the revised Model Scottish Secure Tenancy Agreement (SST) and the Model Short Secure Scottish Tenancy Agreement as included as Appendices 1-3 from 1 st May 2019.	
11.	MEMBERSHIP APPLICATIONS	
11.1	The Chief Executive advised that Sheltered housing visits had lead to a number of Membership Applications being submitted. The Head of Governance and Assurance advised that legal advice is being sought regarding the application from a former employee and a non-tenant. Members discussed the balance between tenant	

and non-tenant Members and a concern that non-tenant members outweigh tenant representation.

11.2 The Chief Executive sought clarity around the drive to increase shareholder membership this year. Members agreed that the sheltered visits should continue however the proposal to write to all tenants should be put on hold at present.

11.3 Members APPROVED tenant Membership Applications. Approval of non-tenant applications was deferred until further legal advice is received.

12. **URBAN REGENERATION** (Removed from Agenda due to Absence)

14. **DEVELOPMENT UPDATE**

14.1 The Head of Development advised that since the development programme was approved in January, further analysis has been undertaken with the Head of Finance and Procurement regarding rental incomes and cashflow in preparation of the Business Plan. The Head of Finance and Procurement advised Members that approval is being sought to delay three site starts as detailed within the report (tabled at the meeting) to remain covenant compliant. This programme and cashflow will form part of the 5 year plan that will be submitted to the Regulator. It was also noted that the Head of Finance and is exploring other options to increase headroom.

14.2 The Convener queried whether the site starts could be brought forward if finance was re-negotiated successfully. It was confirmed that all sites in the programme would continue to be worked up.

14.3 The Chief Executive advised that Development and Finance meet monthly to discuss any changes to the programme and drew Members attention to Appendix 1 of the report which highlighted the changes to the programme that was approved in January. Mr Jones queried how many units were to be delayed in the proposed programme. The Head of Development advised it would be approximately 125 units.

14.4 Ms Connechen queried whether there would be a risk of losing HAG funding if the projects are delayed. The Head of Development advised that this would not be an issue until after 2021 and is confident that the government would meet the requirements for these schemes. Mr Ward noted that this is a short-term decision to get a compliant business plan and which will be revisited.

14.5 Members APPROVED the changes to the development programme.

14.6 The Convener queried the costs provided in the Q4 Development Update Report to convert loft spaces to useable accommodation.

The Head of Development advised that this had been based on an average build costs.

14.7 Members NOTED the Q4 Development Update.

13. CUSTOMER SATISFACTION SURVEY

13.1 The Interim Director of Housing Services introduced a presentation from Knowledge Partnership who conducted the 3 yearly tenant satisfaction survey in January and February 2019 and noted that all details of the presentation will be made available to Members after the meeting.

13.2 Members noted a decrease in satisfaction against all ARC indicators excluding factored owners. Particular areas of dissatisfaction were noted around the repairs service, quality of homes, energy efficiency, value for money and communication. Key trends were identified amongst the majority of indicators in particular, lowest satisfaction being recorded against younger tenants with families and highest satisfaction being achieved amongst retired tenants. It was also noted that there are significant variations across locations which need to be explored in more detail.

13.3 Knowledge Partnership have noted that the decrease in satisfaction mirrors other comparable rural associations and may be part of a larger trend.

13.4 The Chief Executive noted that the results are disappointing and highlighted that a number of matters raised are already being addressed. A wider review of the results and comments will be carried out by Innovation and Improvement in particular identifying trends across locations, property groups and customer demographic. **ACTION** – the Head of Innovation and Improvement will lead a wider review of the results including a review of complaints. **ACTION** – An Action Plan to address the will be implemented and progress reported to Audit and Compliance.

MC
LU

Suspension of Standing Orders.

15. PERFORMANCE REPORT

15.1 The Chief Executive advised Members that an updated report was being tabled which included further figures from Asset Management and Finance. Members were given time to read the report.

15.2 Members Noted the Strategic Performance Indicator results from Quarter 4.

16. LEGAL TENDER UPDATE

16.1 The convener noted the extensive community benefits highlighted in paper and advised that staff should ensure that these are utilised.

16.2 Members NOTED the outcome of the recent legal tender.

17. SHELTERED HOUSING SERVICE REVIEW UPDATE

17.1 Members NOTED the progression with the restructure and remodelling of the Older Persons' Sheltered Housing Service to deliver enhanced housing management services.

18. LOREBURN HA RISK REPORT

18.1 Members NOTED the content of this report.

19. CONFERENCES AND SEMINARS PROGRAMME

19.1 Members NOTED the Conferences and Seminars Programme.

20. MINUTE ACTION LOG

20.1 Members NOTED the Minute Action Log.

21. ANY OTHER BUSINESS

21.1 The Head of Governance and Assurance advised that the Annual Health and Safety Policy Statement is required to be signed. The policy has been reviewed by the Health, Safety and Environment Co-ordinator. The Convener and the Chief Executive signed the Policy.

Close of Meeting: 20:03