



Minutes of the Board Meeting held on Thursday 15 December 2016 at 10:00 a.m. at Leving House, Livingston

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|----------|----------------------|----------------|------------------------|
| Present: | Frances Wood (Chair) | In attendance: | Julia Fitzpatrick      |
|          | Bob Hartness         |                | Isla Gray              |
|          | Chris Baird          |                | Elaine Whyte           |
|          | Douglas Taylor       |                | Sharon Brady-Wardrope  |
|          | Jill Pritchard       |                | Lorraine Utterson      |
|          | Stan Rae             |                | Susan Fisher           |
|          | Stuart Dow           |                | Emma Russell (Minutes) |
|          | Susie Fitton         |                |                        |

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## **BUSINESS**

### **3298        DECLARATIONS OF INTEREST**

Jill Pritchard declared an interest in item 7 due to her membership of Link Property Board.

### **3299        APOLOGIES**

Apologies were received from Bob McDougall and Grant Carson.

### **4000        APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING**

The minutes of the meeting held on 13 October 2016 were approved as an accurate record of the meeting subject to clarification at item 3285.

**Item 3285:** Susie Fitton's application to fill a casual vacancy for Board membership was presented.

Nominated by: Stuart Dow (Nomination presented prior to the Board meeting)

Seconded by: Frances Wood

**Moved:**        Chris Baird

**Seconded:**   Bob Hartness

## **4001 MATTERS ARISING**

### **4000.1 Adaptation Funding Update**

Julia Fitzpatrick confirmed that she had made contact with the SFHA to provide more detailed information on the current funding position.

### **4000.2 Debt recovery: HEEPS grant for Mid Gogarloch, Edinburgh**

Julia Fitzpatrick advised that Changeworks had responded verbally to her letter and that the organisation intended to hold a meeting with Edinburgh City Council. Having received no further or formal response, a further letter will be written to both Changeworks and Edinburgh City Council in a bid to resolve the payment dispute. Further legal advice is also being obtained.

## **4001 ITEMS FOR DEBATE / DECISION / ACTION**

### **4002 Board Strategy day report**

The previously circulated report, and adjoining report on outputs from the strategy day were discussed.

The four focus areas for the Business Plan were agreed as follows:

- Existing homes and existing tenants: delivering quality services at the right price.
- Horizon's contribution to more accessible homes.
- Explore with other Link group landlords rationalisation of housing management and maintenance on a locality basis, releasing capacity to achieve Horizon's desired outcomes.
- Focus innovation towards keeping older and disabled people in the community with a good quality of life.

It was agreed that the Business Plan's references to the term Welfare Reform should be replaced with Social Security changes, or cuts. This change reflects the terminology now being used by Scottish Government in support of its intention to create a social security system based on dignity and respect and its use by campaign groups protesting against proposed reform.

It was noted that Craig Sanderson had agreed to produce a further report on progression of the Link Group strategy day outputs.

**Decision:** The Board approved the outcome statements and the proposal for a shorter Business Plan with a focus on the four identified areas.

#### **4003 Rent Increase Consultation**

The previously circulated report was discussed in the context of the wider financial environment for Horizon and tenants.

Board members sought further financial information and were advised that a first draft budget demonstrated that Horizon's sustainability could be maintained with a 2.5% increase with an additional £17,000 raised should the increase be set at 3%.

In the light of information on typical rent increases being considered by some other housing associations, it was suggested that the budget be again reviewed and tested for financial viability with a lower starting rate for the increase.

It was noted that Horizon's rents profile is historic with recognition that work is required to review the rent structure currently in place.

External factors which can affect rent affordability including social security cuts and Local Housing Allowance cuts will be added to the risk register following discussion by the Audit Sub-Committee.

The Board were advised that a major piece of work has recently been completed to identify and quantify the service charges contained within the overall rent charges. This work aims to improve accountability to tenants with provision of development specific information.

**Decision:** The Board approved the commencement of the rent consultation with tenants as proposed, with the proviso that the viability of lowering the proposed increase below 2.5% be investigated.

#### **4004 Services review**

This item was considered as confidential business, and a separate confidential minute prepared.

#### **4005 Governance Development and Board Effectiveness Appraisal 2016/2017**

The previously circulated paper was discussed. The proposed approach to Board appraisal for 2017/18 was agreed with some amendments and further proposals follows:

In circulating self assessment questionnaires for completion, Board member will receive a copy of their 2015 forms to assist them to review their previous discussions and update their plan as required.

The collated returns and associated report will be provide to the June Board meeting, with further discussion facilitated then or in July.

Appraisal of the Chair would be carried out collectively and also take place in June or July.

Further Board member recruitment would be carried out in January, with advertising to include Link Group partners, subsidiaries and previous Directors.

The need to focus on succession planning for the Board was agreed. Members were asked to reflect on their own plans and skill set in relation to accepting additional responsibilities.

**Decision:** The Board approved the lighter touch appraisal process as proposed and discussed Board recruitment will commence in January 2017. The findings of the questionnaire will be collated with a report produced in June/July 2017

#### **4006 Foulshiels Road, Stoneyburn – development funding**

The previously circulated report was reviewed. It was noted that in addition to the points recorded in the report, the delegated sub-group had also highlighted and requested information on the variations from Housing for Varying Needs – General Needs standards, and associated costs. It was agreed that this information may also be of interest to Scottish Government. It was confirmed that the HAG submission had been made in early December 2016 and a funding decision may be given by the end of December.

**Decision:** The Board ratified the decision of the delegated Board sub-group to provide additional investment to enable the Foulshiels Road development to proceed and to support costs associated with enhancing the specification to anticipate the future needs of disabled and other tenants with health or age related conditions.

#### **4007 Openness and Transparency Policy**

The Board discussed the previously circulated paper.

**Decision:** The Openness and Transparency Policy was approved.

#### **4008 Tenant Scrutiny – progress report**

The Board received the previously circulated report with the following noted:

- Horizon had received an enthusiastic response from tenants in relation to the introduction of a tenant scrutiny panel
- The term resident scrutiny will be removed and replaced with tenant scrutiny to maintain consistency.

- It is anticipated that interest in membership of the Tenant Scrutiny group will rise over time and following publication of the group's output.
- Point 4.4 of the draft Tenant Scrutiny Framework should be amended to reference Housing, Customer and Association services.

**Decision:** The Board noted the progress made and approved the proposed Tenant Scrutiny Framework with the above minor amendments.

#### **4009 KPI's Quarter 2**

The previously circulated KPI figures were scrutinised with the following noted:

- The presented figures generally showed a good trend, and in particular the positive trend in arrears control.
- Although below target, the time scale for the reallocation of void properties is reducing with real improvements seen.
- Additional funding of £87,000 has been requested from the Scottish Government to assist in the completion of adaptations.
- Ability to achieve adaptations timescales can be affected by external factors outwith the Association's control. Where this is the case, explanatory information should be provided.

#### **4010 Asset Management Report**

The Board noted the previously circulated report with the following points highlighted:

- The reactive repairs budget is currently under spent.
- Following work to address previous concerns, levels of customer satisfaction with our Gas Servicing contractor have increased.

#### **4011 Housing Services Report**

The Housing Services Report was noted with the following points raised:

- Rent arrears owed between September 2015 to September 2016 has reduced by £30,000
- The financial impact of the introduction of Universal Credit on Horizon is currently minimal but the proportion of tenants on Universal Credit who are in arrears is substantial with consequential impact on them.

**4012 Care and Repair Report**

The Board noted the previously circulated report and commented on the positive performance of both contracted services .

**4013 Management Accounts for the period 1 April 2016 to 30 September 2016**

The Management Accounts for the period 1 April 2016 to 30 September, as recommended by the Audit Committee, were duly noted by the Board

**4014 Quarterly Loan Covenant Compliance Report 2016/17 - Quarter 2**

The previously circulated report was noted.

**4015 Top Risks Monitoring Report**

The previously circulated report was noted and recommendations made by the Audit Sub-Committee for amendment to the risk register were approved as follows:

- the Pensions risks rating is retained but that this is no longer considered as a risk requiring close quarterly monitoring;
- an additional risk is added to the register on rent affordability;
- that the causes and controls related to ONS reclassification are updated;

The Board noted that a specific Welfare Reform risk register had been reviewed by the Audit Committee. It was agreed that the references to Welfare Reform within the risk registers should be amended to Social Security Changes.

**4016 Annual Meeting Schedule**

The 2017/2018 meeting schedule including the dates for the Link Group Board meetings was presented to the Board. The dates were agreed and it was noted that the revised copy will be uploaded to the extranet.

**4017 Help to Adapt Update**

The report previously presented to the Link Group Board was noted by the Board. Julia Fitzpatrick advised that Link and Horizon will work with the Scottish Government to evaluate the outcomes from the Help to Adapt project.

The Board further noted the work underway to develop a business case for a Link consultancy and adaptations hub.

**4018 ANY OTHER BUSINESS**

**4018.1 Effective Allocations Research**

It was reported that Horizon’s partnership with Stirling University and Housing Options Scotland seeking research funding for the next phase of this research has successfully reached stage 2 of the DRILL funding round (Disability research on independent living and learning).

**4018.2 Scottish Government 5 Year Plan**

The Board noted that Scottish Government had launched its 5 year plan “A Fairer Scotland for disabled people” on Friday 2 December 2016 in response to its aim to meet its obligations under the UN convention on the rights of disabled people. It was noted that 4 of the actions laid out within the document related directly to the Housing sector.

**4018.3 Equalities and Equal Rights Commission**

It was noted that the Equalities and Human Rights Commission has launched a major inquiry into the provision of accessible and adaptable housing and the effect it has on disabled people’s rights to live independently.

This work is in response to recent research which found that approximately 1.8 million people require access to suitable housing, highlighting a chronic shortage. The terms of reference for the inquiry have been published with calls for evidence beginning in January 2017.

**4019 Date of the next meeting**

The date of the next meeting is Thursday 16 February 2017 at 10.00a.m, in Livingston.

Signed: ..... Date:.....