

Meeting Minutes

Board Meeting

Thursday 10 October 2019 at 10.00am in The Wallace Suite, Leving House

Present:	Frances Wood (Chair)	In attendance:	Isla Gray
	Beverley Graham		Carol Bonham*
	Bob Hartness		Elaine Whyte*
	Bob McDougall		Emma Wilson*
	Chris Baird		Sharon Brady-Wardrope*
	Douglas Taylor		
	Jean Hamilton		John Flaherty, Chair of the Board, Link Housing, and Link Board member*
	Jim Watt		
	Stuart Dow		
	Susie Fitton		Michelle Proust (Minutes)

* Excluding Private/Reserved items

4417 ELECTION OF THE CHAIR AND VICE CHAIR

The Board welcomed Company Secretary, Isla Gray, to assume the Chair for this item of business.

Isla confirmed that Frances Wood had resigned as Chairperson of the Board at the Annual General Meeting, held on 12 September 2019. Although no longer the Chairperson, Frances would continue to be a member of the Board.

A nomination for Chairperson of the Board had been received for Bob McDougall. Bob confirmed his willingness to assume this office.

Proposed: Frances Wood

Seconded: Chris Baird

Bob McDougall was duly elected as Chairperson of the Horizon Board of Management.

With Bob's election to Chairperson a vacancy was left for Vice Chairperson. A nomination for Vice Chairperson had been received for Jill Pritchard. Although not present at the meeting, Jill had confirmed her willingness to assume this office to Company Secretary, Isla Gray.

Proposed: Bob McDougall
Seconded: Beverley Graham

Jill Pritchard was duly elected as Vice Chairperson of the Horizon Board of Management.

4418 WELCOME AND APOLOGIES

Apologies had been received from Jill Pritchard, Susie Fitton, Grant Carson and Dougie Taylor.

Frances Wood advised the Board of the resignation of Jim Watt, for personal reasons. Frances conveyed Jim's best wishes to the organisation, staff and Board members and he wished everyone at Horizon every success for the future.

The Board expressed their regret at Jim's resignation, thanking him for his contributions to the organisation, formerly as CEO and during his time as a member of the Board. His contributions were always of value and his expertise would be missed. The Board wished him well for the future.

4419 DECLARATIONS OF INTEREST

There were no declarations of interest.

4420 APPOINTMENT OF COMMITTEE AND SUB-COMMITTEE CONVENERS

4420.1 AUDIT COMMITTEE

It was confirmed that membership of the Audit Committee should be no less than five members and no more than seven, and that the current membership is as follows:

1. Bob McDougall (Convener Audit Committee)
2. Bob Hartness
3. Janice Flanagan
4. Jean Hamilton
5. Douglas Taylor
6. Frances Wood

Bob McDougall resigned as Convener of the Audit Committee but wished to remain a member of the committee.

Jean Hamilton indicated her willingness to assume office as Convener of the Audit Committee, and her nomination was supported.

Proposed: Bob McDougall
Seconded: Frances Wood

Jean Hamilton was duly appointed as Convener of the Audit Committee.

4420.2 EMPLOYMENT SUB-COMMITTEE

It was confirmed that membership of the Employment Sub-Committee should not be less than four or more than five members.

The current membership was confirmed as being:

1. Jill Pritchard (Convener of ESC)
2. Frances Wood
3. Bob Hartness
4. Beverley Graham
5. Bob McDougall (Co-opted)

Jim Watt had been a member of the ESC, and with his resignation from the Board this left one space on the ESC. Bob McDougall, who had been co-opted to the membership of the ESC in all matters relating to the CEO recruitment process, indicated his willingness to remain on the Committee as a full member. This was supported by the Board.

Bob McDougall joined the membership of the ESC.

Jill Pritchard has indicated to Company Secretary, Isla Gray, that she was willing to remain the Convener of the ESC. This was supported by the Board.

Proposed: Bob Hartness
Seconded: Janice Flanagan

At this point, Isla Gray, Company Secretary, handed business over to the new Chair of the Board, Bob McDougall, who took the opportunity to pay tribute to Frances Wood and to thank her for her hard work and diligence in fulfilling her responsibilities as Chairperson of the organisation for the previous five years. Bob praised Frances for having always acted in the best interests of the organisation, for having always been fair and equitable in her enactment of her role, and for having successfully chaired the organisation through challenging times. Board members indicated their pleasure that, although Frances would leave the Chair, she would remain a member of the Board.

PRIVATE/RESERVED BUSINESS

The following items were considered Private/Reserved Business and with the exception of Isla Gray and Michelle Proust, no other staff were present during consideration of the following three items.

4421 CONFIDENTIAL MINUTES OF THE MEETING HELD ON 11 JULY 2019

The confidential minute of the meeting was approved as an accurate record.

Moved: Jean Hamilton

Seconded: Beverley Graham

4422 CONFIDENTIAL MATTERS ARISING

There were no matters arising.

4423 INTERIM ARRANGEMENTS – CEO RECRUITMENT

The Board considered a paper which updated the Board on the timescale for the start of the new Chief Executive and proposed interim arrangements – including the appointment of Company Secretary – for the period between the departure of the Interim MD and the start of the new chief Executive.

In addition to the detail contained within the report, Isla Gray was able to further advise the Board that the start date for Lorna Cameron, the new chief executive, had now been confirmed as Monday 16 December 2019.

The Board approved:

- The appointment of Jon Turner as Company Secretary from 25 November 2019;
- Delegation of authority to Jon turner to fulfil the Managing Director role as set out in the Standing Orders and Financial Regulations;
- The extension of Sharon Brady-Wardrope’s contract as Interim Operations Director to 30 June 2020;
- The extension of Emma Wilson’s contract as Interim Asset Manager to 30 June 2020, and;
- The extension of the fixed term contract for Asset Planning Officer 30 June 2020.

Staff members Sharon Brady-Wardrope, Elaine Whyte, Emma Wilson and Carol Bonham were welcomed to join the meeting. John Flaherty, Chair of the Board of Link Housing, and Link Group Board member, was also welcomed to join the meeting.

ITEMS FOR DEBATE/DECISION/APPROVAL

A special welcome was extended, and introductions made, to John Flaherty, Chair of the Board of Link Housing, who was attending the meeting as an observer. Bob McDougall confirmed that he had also received invitations to attend other subsidiary Boards as an observer.

4424 MINUTES OF THE PREVIOUS MEETING HELD ON 15 AUGUST 2019

The minute of the meeting was approved as an accurate record.

Moved: Chris Baird
Seconded: Jean Hamilton

4425 MATTERS ARISING

The Board noted the information provided regarding KPI figures in the previously circulated report.

Membership Policy

The Board also considered the additional information regarding the Membership Policy, specifically in regard to the gathering of Equality and Diversity information from ordinary Members. The Board was in agreement regarding the reasons for not wishing to gather this information unless there was a specific purpose in mind which, at present, there was not.

Decision: Following their consideration of the information and further clarification provided in the Matters Arising Report, the Board approved the updated Membership Policy as presented at the Board meeting on 15 August 2019.

Asset Management Strategy

In reference to the Minutes of the previous meeting, it was noted that the Strategy was in the process of being updated in accordance with Board members comments at the Board meeting in August. Board members would be notified when the refreshed Asset Management Strategy is made available on the Extranet.

4426 RENT STRUCTURE REVIEW

Andrea Patterson, Indigo House, was welcomed in to the meeting.

Andrea Patterson, Indigo House, provided the Board with a presentation that summarised the process and objectives, values applied, impact assessment, and affordability and comparability that were detailed in the full 'Rent Modelling Including Affordability Analysis' report.

Bob McDougall invited questions and comments from the Board in response to the presentation and reports. Deliberations focused on the following themes:

- Energy efficiency - The Board were interested to know about the current energy efficiency status of the current housing stock, and about plans for the future and measures in place to improve energy efficiencies. Sharon confirmed that an action plan was already in place to bring the nine properties which currently fail in energy efficiency rating up to pass standard. It was noted that, currently, only the 12 newly built properties at Stoneyburn have solar panels.
- Affordability analysis – there was detailed discussion on the methodology applied to previous years assessment of affordability, and the methodology used in the current analysis. Further clarification was provided on the profile of those households who were likely to feel the biggest impact of any rent increase. It was accepted that it may not be appropriate to use the terminology 'modest increase' to describe the proposed changes to rent levels. Some assurance was provided that the affordability analysis exercise has increased awareness of those tenants who are nearing the housing benefit cap, and that this being taken into consideration when planning for the future. On a case by case basis, staff will work to support tenants, especially those whose rents fall - or could soon fall - above the local housing allowance, ensuring that those tenants who are or will be impacted can work with the Tenancy Sustainment Team and Housing Officers to maximise their access to assistance and income they are entitled to.

The previously circulated report set out three options for the implementation of the rent restructure, these being:

1. Option 1 – All decreases applied in year one but rent increases above £7 per week phased over 2 years.
2. Option 2 – All decreases applied in year one and rent increases above £10 per week phased over 2 years.
3. Option 3 – Rent increases and decreases above £7 per week phased over 2 years.

Upon consideration and deliberation of the options presented the Board a fourth option was put forward by Board members for a Full Implementation Option that would be subject to protection and contingencies for the outliers. This fourth option had the support of the Board.

Discussion then moved on to deliberation of the rent increase options for consultation with tenants. Although keen to minimise rent increase as far as possible, the Board accepted that based on the current financial position a 2% increase would not be affordable and would therefore not be a figure to consult upon. This lent support towards consulting tenants on a 2.5% and 3% increase. It was noted, however, that when the results of the rent consultation are reported back to the Board in February 2020 other factors that affect the final financial position may have moved to a more favourable position. With the final budget position in hand it may, at that time, offer the Board the option to consider a rent increase smaller than that consulted on, if it made financial sense to do so.

- Decision:** The Board approved;
- A Full Implementation Option for the new Rent Structure, subject to protection for any outliers;
 - the key principles for the new rent structure to be incorporated into the revised Rent Policy which will be presented to the Board for approval in December;
 - the consultation with tenants on two options for a proposed rent increase: 2.5% and 3%. With the Board holding the option to offer a lower increase rate if review of the budget, once available, allows for it.

4427 DRAFT INTRA-GROUP AGREEMENT (IGA)

Isla Gray presented the previously circulated report which provided the Board with the draft of the new Intra-Group Agreement (IGA) between Link Group and Horizon, for discussion. In addition to the information provided in the report, Isla advised the Board that due diligence had been observed and, on behalf of Horizon, she had also taken legal advice from solicitors T C Young. A response had been received from Mark Ewing, in which no concerns were raised.

The Board were invited to provide comment on the Draft Intra-Group Agreement, and the main points of discussion and recommendation are as follows:

- The language of the document while fulfilling legal requirement would benefit from review and editing to amend the tone to demonstrate a more collegiate and collective approach.

- The tone of the document could be tailored to focus more on collaboration, and to capture the atmosphere of mutual agreement between all areas of Link. Make it more partnership oriented.
- If there is not currently an 'Exit Provision' contained in the Agreement, then this should be added.
- Desire to see representation from each 'subsidiary' Board on the Link Board. Suggestion that perhaps the structure of the Link Board should be reviewed and changed.
- Requires a section to be added on the resolution of disputes. Need arbitration added.
- Group Response Schedule – states that Link is responsible for any new members. However, it was felt that this should be something for all Group members to decide.
- There could be value in having a document such as a 'Code of Conduct' that sits alongside this legal document.
- Require further clarity on what we want/expect Link to do for Horizon. Example given was commitment to a "minimum" of 10% wheelchair housing.

Frances Wood, who had another appointment to attend, left the meeting.

It was agreed that Board members would provide any further observations, comments and recommendations directly to Isla Gray before Monday 21 October. Isla would consolidate a response from the Board based upon the comments received, feeding these back to Link Group.

It was noted that several members of Horizon's Board would be attending a Link-wide Strategy Event on 22 October where further work would be carried out in regard to the IGA.

It was further noted that Jon Turner would be in attendance at the Horizon Board meeting in December, in his capacity as Acting Company Secretary, and the revised draft IGA would be considered again at that time.

The Board noted the Draft Intra-Group Agreement and would provide any further comment directly to Isla Gray before Monday 21 October.

4428 BUSINESS PLAN HALF-YEAR REVIEW

The Board reviewed the previously circulated report which provided information on the progress towards achieving the strategic objectives, actions and initiatives outlined in the Business Plan 2019/20 – 2024/25.

The Board noted the information provided in the report.

4429 POLICY REVIEW

4430.1 VALUING COMPLAINTS AND FEEDBACK POLICY

Decision: The Board approved the Valuing Complaints and Feedback Policy.

4431 DELEGATION OF POLICY APPROVAL

The Board considered the previously circulated revised delegated policy approvals. The list of delegated responsibilities had been revised in accordance with comments received from the Board in August.

The Board requested that there be a further review of the HR Policies that are delegated to SMG and, where appropriate, more of these could sit with the Employment Sub-Committee.

The Board also requested that the procedures around policy delegation should be explicit in their requirement for the Board to receive a retrospective report summarising the policies where minor variations have been reviewed/approved by ESC, SMG and Management Team. The actual policies in questions should be made available on the Extranet, for information. The retrospective report should also incorporate a list and timescales for all policies that will be coming up for review in the next 12 months.

Decision: With the above amendments in mind, the Board approved the proposed delegated authorities for policy review and approval as set out in the paper and appendix.

4432 BOARD STRATEGY DAY – AGENDA AND ARRANGEMENTS

The Board considered the previously circulated proposals for the Board Strategic Planning Event on 21-22 November 2019.

In addition to the other topics that were set out in the paper, it was noted that as Jon Turner, Link CEO, would be attending to discuss the Link Strategic Services Review, there would be opportunity to discuss Horizons relationship with Link.

Members would send any additional comment or suggestions directly to Michelle Proust, Executive Assistant.

4433 BILL ROSS – APPLICATION FOR ORDINARY MEMBERSHIP

Decision: The Board considered and approved the application for Ordinary Membership from Mr Bill Ross.

4434 ANNUAL ASSURANCE STATEMENT

The Board noted the previously circulated paper, the assurance of compliance for the Annual Assurance Statement and confirmation of submission of the statement.

4435 SHR LANDLORD REPORT 2018/19

The Board noted Horizons performance within the context of the ARC.

4436 ANY OTHER BUSINESS

There were no other items of business.

Date of the next meeting

The date of the next meeting is Thursday 12 December 2019 at 10:00 a.m. in Livingston.

Signed.....

Date.....