

Meeting Minutes

Board Meeting

Thursday 19 December 2019 at 10.00am in The Wallace Suite, Leving House

Present:	Bob McDougall (Chair)	In attendance:	Jon Turner
	Beverley Graham		Lorna Cameron
	Bob Hartness		Lorraine Utterson
	Chris Baird		Fiona Hoffie
	Douglas Taylor		Elaine Whyte
	Frances Wood		Sharon Brady-Wardrope
	Jean Hamilton		
	Jill Pritchard		
	Stuart Dow		Annemie Breesch (Minutes)

4437

WELCOME AND APOLOGIES

Bob McDougall welcomed everyone, particularly Lorna Cameron as the new Chief Executive Officer of Horizon Housing. Welcome was also extended to Jon Turner, who had been acting as Company Secretary for the interim period between Isla Gray leaving and Lorna Cameron joining.

Apologies have been received from Janice Flanagan, Grant Carson and Susie Fitton.

Bob McDougall suggested a different approach to managing the Board meeting, on the assumption that papers have been read, staff have written the reports so were not required to speak to the papers unless by exception, or relevance and interest. This would allow more time for debate and questions. Frances Wood remarked she found it helpful if staff would give a brief, high level summary of the report to act as a reminder of what action was being asked of the Board.

Bob McDougall also provided an update on Grant Carson. Grant Carson would like to remain on Horizon's Board, but for health reasons had been unable to attend recent meetings. Approval was sought from the Board to grant a three month leave of absence, after which this could be reviewed. This was approved by Board.

Decision: The Board granted a three month leave of absence to Grant Carson.

4438 DECLARATIONS OF INTEREST

Declaration of interest were received from Bob McDougall and Bob Hartness in respect of the pension forum update paper.

Jill Pritchard declared an interest in respect of her membership of the Link Property Board.

4439 MINUTES FROM THE MEETING HELD ON 10 OCTOBER 2019

The minutes from the meeting of 10 October were approved as an accurate record, with the correction that Bob Hartness was in attendance and Jill Pritchard was an apology.

Moved: Frances Wood
Seconded: Jean Hamilton

4440 MATTERS ARISING REPORT

- **MEMBERSHIP OF THE AUDIT COMMITTEE**
- **LINK GROUP SHR ANNUAL ENGAGEMENT VISIT**
- **NORTH LANARKSHIRE CARE AND REPAIR TENDER UPDATE**

In addition to the information contained within the previously circulated report, the following verbal updates were provided.

Intra Group Agreement

Jon Turner provided an update on the intragroup agreement. The initial draft has been shared with Link Group Board and subsidiaries and feedback would be taken into account for the next draft. The plan was to bring the draft back to the Horizon Board for consultation and approval in February. Alongside the agreement a more detailed overview would be provided of how the intragroup agreement would be put into practice.

Blackwood

Jon Turner also provided an update on the conversations with Blackwood. Discussions were continuing, but financial projections needed to be revised to ensure that all risks were understood. By early February a decision on go ahead was expected.

Audit Sub Committee Membership

It was noted that the Audit Sub-Committee had a vacancy for an additional member. Although no-one expressed an interest, Board members were asked to consider the opportunity.

North Lanarkshire Care and Repair Tender Update

Sharon Brady-Wardrope provided an update on the Care and Repair North Lanarkshire tender. Although the outcome of the tender process had been delayed, Horizon had been asked by NL Council to maintain the tender price until 31 March 2020, after which a formal decision was expected.

4441

SELF-ASSESSMENT OF GOVERNANCE AND FINANCIAL MANAGEMENT STANDARD 7

An action was identified through the Annual Assurance process that self-assessment of compliance with the additional Governance and Financial Management Standard 7 was required. Jon Turner confirmed this had been carried out as part of the intragroup agreement.

Jean Hamilton questioned if the Horizon Chair already attended the Link Group Board meetings. Jon Turner advised that attendance by subsidiaries at the Link Group Board had not yet happened but would be implemented as part of the intragroup agreement.

4442

MANAGEMENT ACCOUNTS FOR THE PERIOD 1 APRIL 2019 TO 30 SEPTEMBER 2019

Lorraine Utterson provided an update on the management accounts for the period of 1 April 2019 to 30 September 2019 which had already been reviewed by the Audit Committee.

The result for the period was a surplus on ordinary activities of £333,068. A question was raised on why the forecast has not yet been adjusted. Lorraine Utterson advised that there was still caution in spending at half year point, and that re-adjusting would start in Q3. The expenditure for planned maintenance was also lower than forecasted. This was due to a later start of the planned maintenance, but the planned programme would be completed by the end of February.

In response to a question from Stuart Dow, it was confirmed that there were no priority projects that needed to be completed before the end of year.

The Board approved the management accounts for the period 1 April 2019 to 30 September 2019.

4443 **DRAFT RENT SETTING POLICY**

The Board considered the previously circulated paper which provided the revised policy and detailed progress being made to ensure implementation of the policy from 1 April 2020.

The Board noted that the revised rent setting policy was governed by principles of fairness, sustainability and value for money. All tenants had now been issued a leaflet explaining how the new rent policy would work accompanied by an individual letter about how the new rent policy would affect the rent for their property.

As a result of the rent restructure exercise it was identified that 109 tenants faced a rent increase of £20-£40 per month. Of these 109, 53 paid full or partial rent and had been identified as most vulnerable. An initial assessment by the Housing officers had indicated that approximately 33 of the 53 might require the rent increase to be capped or require additional support, for which a budget of £6,680 had been set aside.

A discussion was held about the individual approach on discussing rent increase with tenants and identifying those in need. There was a strong feeling that an inclusive approach was needed to ensure integrity and that all tenants who faced an increase are supported if they were facing affordability difficulties. Even a small change to rent may have a big impact on individual tenants and it was unfair to presume that it was those facing the biggest increases who would require most support. The Board asked that there be regular communication with tenants through emails or texting, and it should be ensured that tenants were able to get in touch with Horizon to receive support with any payment difficulties. The importance of recognising that all tenants could be impacted by the rent increase was noted.

Douglas Taylor raised concern about costs faced by tenants in the electric only and dual fuel properties (Winchburgh and Gyle). Whilst the new rent structure does take into account the relative costs of running gas and electric heating systems to a certain extent, Douglas pointed out that heating costs faced by these tenants were excessive. It was agreed that Sharon Brady-Wardrope would prepare a report for the Board on the scale, nature and solutions for a way forward for dual fuel properties.

Jill Pritchard wanted to highlight that she welcomed the fact we no longer recharge tenants for adaptations, and we should share this best practice with other housing organisations and SFHA.

It was agreed that:

1. Horizon would address the affordability needs of all tenants, as impacted by the rent setting policy changes. A provision of £6,680 to support those who need it would be made and the initial focus would look at the 53 who had been identified as most vulnerable, but would not be restricted to this group.
2. A separate budget line would be used to keep track of progress on the allocated provision and reported back to the Board. On actual policy the wording in paragraph 4.1.2 will be amended from 30% or more (instead of 30% or less)

Decision: The Board approved the revised policy and noted the progress on work to implement the policy from 1 April 2020.
The Board approved provision of a fund in the budget to allow phasing of some later rent increases on a case by case basis.

4444 BOARD STRATEGY DAY REPORT

It was agreed that the recent Board Strategy day had been a positive event with lots of examples of partnership working and showed how far the relationship between Horizon and the Link Group had improved since the previous Strategy Day.

In response to a request from Jean Hamilton for further details as to what Horizon Housing Association currently offer to promote accessibility, Sharon Brady-Wardrope expanded on some of the ongoing smaller projects demonstrated Horizon's influence in promoting inclusive living. With Lorna Cameron now in post as Chief Executive there would be greater opportunity for Horizon to raise its profile further, with Lorna engaging in networking/joint working and leading from the front.

Lorna was asked by the Board to prepare a paper in due course detailing an engagement strategy of external influencing opportunities and how this would be approached.

4445 POLICY UPDATE

- **DELEGATED AUTHORITY APPROVAL**
- **SETTLEMENT AGREEMENT POLICY**
- **SERIOUS COMPLAINTS ABOUT SENIOR OFFICER POLICY**
- **SUMMARY OF POLICY CHANGES**

4445.1 Delegated Authority Approval

The purpose of the previously circulated paper on delegated authority for policy approval was to agree where policies best sat for approval, ensuring that the

Board was still able to discharge its responsibilities for maintaining an oversight of policies.

There was a shared view that the number of policies was excessive and wherever possible steps should be taken to try to reduce the number of policies to a more manageable number.

The Board noted the summary of minor changes to policies that were detailed within the report.

Decision: The Board approved the updated list of delegated policy approvals and noted the policy review dates.

4445.2 Settlement Agreement Policy

It was suggested that the approvals section be expanded to Director of HR and Business Support (or appropriate senior member of staff). A number of minor typographical and formatting were also picked up and a final proof read of the document was recommended.

Decision: The Board approved the Settlements Agreement Policy (subject to the changes above)

4445.3 Serious Complaints About the Chief Executive Policy

It was requested that feedback to be provided to Link to request clarification on section 2.1 regarding the references to the Chair/Chief Executive be made clearer as to whether this refers to the Link Chair/CEO or the subsidiary's own Chair/CEO/Senior Officer. A number of minor typographical and formatting were also picked up and a final proofread of the document was recommended.

Decision: The Board approved the serious complaints about Chief Exec policy (subject to clarifying the reference to the Chair and Chief Exec roles and some minor tidying points)

4446 NEW FORMAT BI-ANNUAL SERVICES REPORTS

Sharon Brady-Wardrope presented a draft template for future reporting to the Board for operational activities on a 6-monthly basis. The report provided an overview on operational activities from Housing Management, Asset Management and Care and Repair services. It would remove the need for quarterly reports and would only provide an update by exception. The Board reviewed the paper and it was suggested that the paper would benefit from some tables to present the numerical data. It was also acknowledged that there was overlap in this report with the KPI report.

Decision: The Board agreed that:

- the report would remain quarterly, but joined with the KPI report, and less detail be provided
- indicators mentioned in this report, but not in KPI report should be included in KPI report going forward
- as part of the business planning process, the KPIs should be reviewed to ensure that the appropriate areas were being measured

4447 ANNUAL WORK PLAN AND ANNUAL SCHEDULE OF MEETINGS

The annual work plan and annual schedule of meetings for 2020/21 had been reviewed. Jon Turner highlighted that Link Group were reviewing the business planning and objective setting process to ensure better alignment. He added that the Link Group hierarchy and corporate structure was also being reviewed and that this would result in a revised schedule of meetings once the intragroup agreement has been approved.

The Board approved the schedule of meetings and work planner subject to changes coming out of the corporate structure review.

4448 KPI REPORT Q2

The previously circulated KPI report was noted by the Board.

Beverley Graham queried that the percentage of complaints upheld was higher than the target. Sharon expanded on the information contained within the report, providing assurances that training for all staff in complaint handling, and any training required as a result of learning taken from complaints, has taken place. Sharon further explained that other mitigation and actions had been put in place, but the benefit of these would take some time to flow through into the results. She added that Horizon recorded every instance of dissatisfaction as a complaint, so the volume of complaints recorded were often higher than other parts of the Group. Fiona Hoffie pointed out that the focus for Horizon was on learning lessons from complaints rather than trying to manage down the proportion of complaints upheld.

The Board noted the performance information noted within the report.

4449 BENCH TERMS OF REFERENCE

To reflect current practice, the BENCH terms of reference had been revised to remove the HR Business Partner from the Employer Representative quorum

Decision: The Board approved the revised BENCH terms of reference

4450 UNCONFIRMED MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 6 NOVEMBER 2019

Jean Hamilton provided an update on the Audit Committee meeting held on 6 November 2019. The Committee had considered the group-wide risk register and discussion was held on whether or not Horizon should still have a Horizon specific risk register.

Jon Turner welcomed the feedback and confirmed that it was not the intention to remove individual subsidiary risk registers. Whilst the Link Group risk register would focus on hierarchy and consolidate risks, some of the risks would be monitored as part of the Link Group, other risks would still be monitored by Horizon. It was agreed that Horizon would still have their own risk register, and the format and reporting schedule for this would be reviewed once the group-wide risk register had been approved.

Jill Pritchard suggested it might be helpful to have a risk management software system and Jon Turner agreed this might be worth looking at.

The Board noted the Minutes of the Audit Committee held on 6 November.

4451 GDPR AND FOI COMPLIANCE

The previously circulated report was considered and, in response to a question from Bob Hartness, it was confirmed that there was an automated system in place to support the blocking of phishing attacks.

The Board noted the update on Horizon's current level of compliance with GDPR and FoI legislation and the plans in place to ensure full compliance: and noted that the Openness and Transparency Policy has been superseded by the Data Protection and FoI Policies.

4452 TREASURY MANAGEMENT MID-YEAR REVIEW

The information and compliance assurances contained within the previously circulated Treasury Management Report were noted by Board.

4453 LOAN COVENANT REPORT

The information and compliance assurance contained within the previously circulated Loan Covenant report were noted by Board.

4454 PENSION FORUM UPDATE

The SHAPS Employer Forum had met in September to report on the performance of the scheme. Due to a regulatory change the 2018 valuation had been carried out under a new methodology. In agreement with the Employers Committee, assumptions were revised resulting in 88% of the scheme being funded compared to the 2015 valuation funding of 76%.

The deficit recovery period has been extended from February 2022 to September 2022, however this might be extended further. The pension deficit would need to be incorporated in future budget discussion.

The Board noted the information provided in the report.

4455 LETTER FROM SHR TO ALL RSL'S REGARDING TENANT AND RESIDENT SAFETY

The Board noted the previously circulated letter from SHR regarding tenant and resident safety.

4456 ANY OTHER BUSINESS

4456.1 Company Secretary

Decision: Board has approved to transfer position of company secretary from Jon Turner to Lorna Cameron.

4456.2 Electric Car Charging Points

Douglas Taylor queried Horizon's position on installing charging point for electric cars. Would Horizon be interested in paying for the installation of electric charging points? Sharon Brady-Wardrope mentioned this was also discussed at the Bench meeting. It was agreed that Sharon Brady-Wardrope would look at options and bring to Board for discussion.

Date of the next meeting

The date of the next meeting is Thursday 13th February 2020 at Leving House, Livingston.

Signed.....

Date.....