

**MINUTES OF A MEETING OF THE BOARD OF MANAGEMENT
OF ANCHO LIMITED HELD VIA TEAMS
ON THURSDAY 11 JUNE 2020 AT 2:00PM**

Present: M Black, B Finlay, M Allan, K Arrol, C Love, S Travers, M Donnelly and N Fortnum.

In Attendance: Jason MacGilp, Group Chief Executive & Company Secretary
D Adam, Director of Finance and Business Services (Skype)
J Davidson, Director of Customer Services
D Holligan, Head of Finance (Skype)
Morag Boyter, Head of Business Services
P Andrews, Asset Manager ANCHO
C Owens, Governance Services Manager (Minutes)

	Item	Decision
1.	<p>Board Members Only</p> <p>The Head of Service (ANCHO) gave an overview of Teams.</p> <p>The Chair welcomed J Brown, Vice-Chair back from a leave of absence and introduced her to new members.</p> <p>The Chair updated members on the meetings attended with the Group CEO on CV-19, and the regular actions and updates which helps support staff and tenants to manage the business during the pandemic. Further budget updates on CV-19 would be presented to the next meeting. The Chair advised that she had requested more written reports and less verbal for future Board Meetings advising that this is good Governance, recording, easier for the Chair and allows all Board Members to prepare questions. The SMT have kindly said they will accommodate this where possible.</p>	Action SMT
2.	<p>Apologies</p> <p>Apologies were received from E Mounce, L Sterling, Z Brawn and R Burley.</p>	
3.	<p>Declarations of interest</p> <p>None.</p>	
4.	<p>MINUTES OF PREVIOUS MEETING AND MATTERS ARISING</p>	
4.1	<p>ANCHO Board Minute – 5 March 2020</p> <p>The Minute was proposed by Kelly Arrol, seconded by Colin Love and approved.</p> <p>Matters Arising:</p>	Approved

	<p><u>Item 4</u> – the Chair reminded SMT to ensure communications sent to all tenants is also sent to Board members.</p> <p><u>Item 9</u> – the Chair reminded members of the finance training video link circulated by the Director of Finance and Business Services who along with the Head of Finance offered to schedule a further in-depth session for all members, interest to be sent to DA.</p> <p><u>Item 8.3</u> - Group Transition & Integration Plan, the Group CEO advised that key actions had started to be incorporated into other business plan activities across the Group and an update on key projects would be provided within the next 4 weeks.</p> <p><u>Item 6.3</u> – The Head of Service (Ancho) advised that following discussions on tenant satisfaction headline figures information which was to be provided in the Spring Newsletter, estate inspections had been delayed due to CV-19 but were now in progress, therefore this would be included in the Newsletter to be distributed later in the year.</p>	<p>Action DA</p> <p>Action KH</p>
4.2	<p>CHA Board – 19 March 2020</p> <p>The Minute was noted.</p>	Noted
4.3	<p>Audit & Performance Committee - 19 May 2020</p> <p>The Chair gave an update on the preparation of the 2020-2023 Internal Audit Plans which would be drafted and circulated by RSM for finalisation by 30 June 2020. The Audit & Performance Committee Minutes would also be brought to future Board meetings.</p> <p>The Minute was noted</p>	<p>Action CO</p> <p>Noted</p>
5.	ACTION TRACKER	
5.1	<p>Action Tracker</p> <p>The Group CEO advised that following the introduction and initial induction session for board members held in January, further induction sessions had been held up due to CV-19. An Induction Sessions for new members was discussed and how we can take this forward especially given that the Appraisal Process is being taken forward. Governance Manager advised that the SMT would look at different ways of achieving this and in light of the Covid-19 it may be appropriate to be training videos and a library of video-sessions would be developed.</p>	Action CO
6.	OPERATIONAL UPDATE	
6.1	<p>Operational Update</p> <p>The Head of Service (Ancho) presented the update. In response to members questions: -</p> <ul style="list-style-type: none"> - The Partnership Agreement committed to a long term office in Irvine however, in light of CV-19, all organisations were currently reviewing the need and nature of office provision, and the office refurbishment had been paused and the current lease extended for a short time until it was clearer what the future requirements would be as part of a Group-wide approach and review of the service model. The Chair advised she had agreed that it made sense to review arrangements in light of CV-19 but 	

	<p>emphasised that a local office/service point was needed with easy access for tenants as part of partnership agreement.</p> <ul style="list-style-type: none"> - The Chair complimented the IMT on handling the CV-19 situation and for the regular updates received which focussed on tenant and staff safety as a priority. - There are now only 11 staff members with Ancho contracts, and 2 with Cairn contracts who are working as part of the local team. - The Chair enquired with KH if he had viewed the Rentsense Software and asked if he felt that it was better than what ANCHO currently use. KH advised that he has still to see an overview of the system before he could comment further. <p>The Head of Service (Ancho) reminded members of the delegated process to the Chair to sign off the ARC submission, which was available for all members to view, and advised that a new system was currently being considered which he would report back on in due course.</p> <p>Members noted the contents of the Report.</p> <p>Members endorsed the decision taken by the Chair for the proposed Lease not to be signed, for the office refurbishment works to be postponed and for Ancho to seek a shorter extension to the current Lease.</p>	<p>Action KH</p> <p>Noted</p> <p>Endorsed</p>
7.	ITEMS FOR DECISION/APPROVAL	
7.1	<p>Five Year Financial Projections (FYFP) & Loan Portfolio SHR Submission</p> <p>The Five Year Financial Projections (FYFP) & Loan Portfolio SHR Submission were presented by the Head of Finance and Director of Finance and Business Services who provided an overview and agreed to provide more detail to Bill Finlay before submission.</p> <p>The Chair asked if CV-19 would require a re-submission, Head of Finance and Director of Finance and Business Services advised the Group is sending monthly updates to SHR, and are reforecasting for good practice although it was not yet a regulatory requirement to re-submit.</p> <p>The Board Approved the annual Five Year Financial Plan and end of year Loan Portfolio return for submission to the Scottish Housing Regulator.</p>	<p>Agreed</p> <p>Approved</p>
7.2	<p>Shareholding Membership Review</p> <p>The Report was presented by the Governance Service Manager. In response to a member's question it was confirmed that shareholding members had been advised prior to the last AGM that if they did not attend their membership would end.</p> <p>The Shareholding Membership Review was Approved.</p>	<p>Approved</p>
7.3	<p>Group Board Recruitment Policy</p> <p>The Governance Services Manager presented the Group Board Recruitment Policy for comment and endorsement. In response to a member's query it was confirmed that the SHR Regulatory Framework was circulated to all new members but that it would also be included in the list</p>	

	<p>of documents sent to new members. A discussion took place on tenant members being a focus for future board recruitment. It was confirmed that work towards establishing a new tenant forum and plans to engage tenants and under-represented groups for Board membership would assist in this process. Progress on this has stalled due to CV-19 pressures. Colin Love volunteered to work with the Head of Service on this work.</p> <p>The Chair enquired if new Board members had received a letter of welcome and induction pack as stated in the Policy. The GSM advised that an email rather than a letter was sent out and all members had in received an induction pack.</p> <p>The Board considered and endorsed the Group Policy on Board Recruitment.</p>	<p>Action JH & CL</p> <p>Endorsed</p>
7.4	<p>Rent Bad Debt Write-Off's</p> <p>The Head of Service (Ancho) presented the report. In response to a member's question on bad-debt age the Director of Finance and Business advised that the finance/housing systems were complicated and nullifies the data when payment arrangements are made, however, a summary of former write offs would be circulated and current arrears could be included in the management accounts pack. It was also asked if the date of the debt where possible could show on future reports.</p> <p>Report was noted.</p>	<p>Action DA</p>
8.	GROUP UPDATES	
8.1	<p>Partnership Investment Delivery Update</p> <p>The Group CEO gave an update on issues relating to home owner refusals which was currently being progressed by the Assets Manager (Ancho) and Head of Property Services (Cairn). A report on the challenge of operational difficulties to investment promises to home owners around shared blocks, and a proposed way forward related, would be brought to the next meeting.</p> <p>The Report was Noted.</p>	<p>Action PA & MD</p> <p>Noted</p>
8.2	<p>Governance Improvement Plan Update</p> <p>The Report was presented by the Governance Services Manager. The Vice-Chair noted that some targets had not been met and asked why given the initial priority. The Group CEO responded that the majority of required actions to date had been completed, with those that have been missed the delays were largely due to the current CV-19 situation and restrictions around implementation of actions. The March 2020 partnership review meeting confirmed satisfactory progress at that point.</p> <p>The Report was Noted</p>	<p>Action JMG,CO, MB, DJ</p> <p>Noted</p>
8.3	<p>T&Cs Harmonisation and Job Evaluation Projects (Verbal Report)</p> <p>The Director of Finance and Business Services provided a verbal update on progress advising that T&C's harmonisation was awaiting the outcome of the Job Evaluation/Benchmarking project approval by CHA Board.</p>	

	<p>The Group CEO advised that T&C's harmonisation was part of the partnership integration plan, however due to timescales and upcoming review of constitutional arrangements over the next year it is prudent to extend the timeframes for the Harmonisation project. Proposals to next Cairn Board meeting</p> <p>The Report was Noted.</p>	<p>Action DA</p> <p>Noted</p>
9.	ITEMS FOR DISCUSSION/EARLY VIEWS	
9.1	<p>Proposal for Garage Transfer (Verbal Report)</p> <p>The Director of Finance and Business Services provided a verbal report and advised that it would be proposed in a future paper to move non-core activities of Ancho to management by CHA. This would involve management of properties by CHS (Cairn Living) so that certain assets are managed, but not owned by, CHS (Cairn Living) to help with VAT savings, clarity of surplus/deficits and clarity around management. A paper would be presented to the next Board meeting relating to management of Ancho garages.</p> <p>In response to a member's question it was confirmed that, subject to approval, the Leases will change to CHS (Cairn Living).</p> <p>The report was Noted</p> <p><i>N Fortnum left the meeting</i></p>	<p>Action DA</p> <p>Noted</p>
10.	ITEMS FOR NOTING/PROGRESS MONITORING	
10.1	<p>Q4 Management Accounts</p> <p>The Head of Finance presented the management accounts highlighting there were no changes expected and there has been an overall strong financial performance for 2019/20. The Audit process had gone well and an update would be brought to the Board after the Audit & Performance Committee Meeting.</p> <p>Options on future reporting for the Board were presented and members were requested to feedback on preferences for presentation of information.</p> <p>In response to a member's question it was clarified that the intra-group agreement charge was calculated based on agreement at the time of partnership date, and does not properly reflect actual costs of Group management support. The auditor has advised that this needs to be addressed. It was confirmed that consultant fees related to a roofing consultant and a pensions consultant for advice relating to the Strathclyde pension scheme. The Head of Finance would respond further to Michael Allan on the split of costs for the independent Governance Review and further work on actual costs would be part of budget building for 2021-22.</p> <p>Following a discussion on reporting preferences, it was agreed that as much detail as possible, actuals, budget, variances and another page for narrative with as much detail as reasonably possible across each group, as well as continuity and uniformity across the three groups would be provided. Members were requested to advise the Head of Finance on key information required in the reports.</p>	<p>Action DH</p> <p>Action Members</p> <p>Action DA</p> <p>Action DH</p> <p>Action DH Members</p>

	The Report was Noted .	Noted
10.2	<p>Q4 Performance</p> <p>The report was presented by the Head of Service (Ancho).</p> <p>In response to members' questions:-</p> <ul style="list-style-type: none"> - It was agreed that a meeting would be arranged with the Head of Service (Ancho), Head of Business Services, the Chair and K Arrol to discuss more useful presentation of information on customer complaints, lessons learned, types and outcomes and focus on continuous improvements and how to track them. The customer feedback group would be focussing on customer engagement and it was the intention to consider options for a digital panel with increased membership. Learning from complaints and regular surveys were carried out with improvement notices for low scoring areas, and that this would all be captured to create future Board reports. - CHA response rates not achieving targets were partly due to sickness absence issues and increased length of calls due to CV-19. It was noted there are currently different call answering approaches and record keeping at Ancho and CHA. The new MATS customer management system would be implemented later this year to address some of the issues and a Group approach, were explained along with an overview of current arrangements for review, launch of the digital panel, and resource planning work which was ongoing. Kelly Arrol offered to provide assistance with the project with Head of Service. - Emergency repairs performance throughout the year did not meet the target, a reactive maintenance contractor would be procured during the next year and it would not be prudent to review the target this year however, it would be kept under review. - SHQS compliance, timescales and financial implications would be included in the report. <p>The Chair concluded that the 118 arrears cases required monitoring and corrective actions where required, and complemented the team on the generally good performance, especially in exceptional circumstances</p> <p>The report was Noted.</p>	<p>Action KA</p> <p>Action KH & NG</p> <p>Action KA & KH</p> <p>Action KH PA</p> <p>Noted</p>
10.3	<p>Performance Framework and KPI Targets</p> <p>The Head of Business Services presented the report providing an overview of the targets which had been agreed by the Group Audit & Performance Committee, advising that there was not an intention to change targets in light of CV-19.</p> <p>In response to a member's question in relation to the Scottish Government's net zero carbon agenda, and how the Group was addressing this within policy/strategy, the Group CEO advised that the Group's Asset Management Strategy focusses on EESH and EESH2 work and that further work was needed to further develop an approach on zero carbon – for which there may be significant cost implications to deliver, including a move away from gas supply for heating. Further decision on the approach to Planned Maintenance and targets would be required to progress this, and to choose targets relevant for Ancho.</p>	<p>Action MD</p> <p>Noted</p>

	The Report was Noted .	
10.4	Gifts and Hospitality Register The Report was Noted	Noted
10.5	Annual Declarations of Interest Register Subject to an addition from Kelly Arrol, the Register was noted. The Report was Noted	Noted
10.6	Board Meetings Schedule/Forward Planner The Report was Noted	Noted
10.7	Q4 H&S Update (Verbal Report) The Group CEO provided an update advising that H&S responses around CV-19 have taken precedence and updates had been provided to the Board on a weekly basis. More work would be undertaken in relation to the re-start and a service route map would be published aligned to the Scottish Government national route-map on timelines for resuming services, informed by Scottish Government's advice and health and safety advice. The H&S Group meets in next few weeks and other H&S work continues. In response to a member's question on the H&S structure the Group CEO advised that CV-19 responses had taken precedence. The structure would be monitored and the interim action plan was ongoing with a revised strategy and action plan would be prepared for approval in September. Representation from all areas of group would be welcomed. A new IT system to log and manage H&S issues would be introduced in the course of the next year. The report was Noted . <i>C Love left the meeting</i>	Action MT Action MT Noted
11.	GOVERNANCE & REGULATION	
11.1	Recent SHR Publications/Guidance for Information (Verbal Report) The Governance Services Manager reminded members to log in to SFHA and SHR websites for recent publication, guidance and sector news updates and explained to new members that they would require to log on and register as a member.	
11.2	Governance Update The Governance Services Manager presented the report highlighting that the AGM would be held digitally and that options for appropriate and inclusive ways to host and encourage "attendance" were currently being explored. Following discussion on the Adoption of SFHA Model Rules 2020 the chair asked if it would be possible to have a short video training session for the Board for clarity and consistent understanding once they new rules are approved.	GSM

	The Report was Noted .	Noted
12.	DECISIONS TAKEN UNDER DELEGATED AUTHORITY	
12.1	ARC submission to be signed under Chair's action following circulation Covered under Item 6.1	Action MB & JMG
13.	AOCB	
13.1	Board approved a 3 month leave of absence for Ruth Burley.	Approved
13.2	The Group CEO advised members that the Director of Customer Services had secured a promotion as a Chief Executive with another Housing Association, and thanked him on behalf of the Management Team for his work at CHA and ANCHO. This was endorsed by the Chair and the Board.	

The meeting ended at 4.20pm