

**MINUTES OF A MEETING OF THE BOARD OF MANAGEMENT
OF ANCHO LIMITED HELD VIA TEAMS
ON THURSDAY 21 JANUARY 2021 AT 6:00PM**

Present: Mary Black (Chair), Bill Finlay (Vice-Chair), Michael Allan, Colin Love, Michael Donnelly, Nigel Fortnum, Zoe Brawn and Steven Travers

In Attendance: Jason MacGilp, Group Chief Executive & Company Secretary
Derek Adam, Director of Finance & Business Services
Keith Henderson, Head of Service (ANCHO) *(Item 4.1 onwards)*
Morag Boyter, Director of Business Services *(Item 4.1 onwards)*
Meg Deasley, Director of Property Services *(Item 4.1 onwards)*
Jacquie Gardner, Area Housing Manager *(Item 4.1 onwards)*
Carolyn Owens, Governance Services Manager (Minute)

Report	Item	Action
1.	<p>Board Members only</p> <p>The Board discussed a pre-set Agenda and managed to cover two of the agenda items in detail: Tenant Participation and the Constitutional Review with the Chair asking for a consensus of Board opinion and any suggestions/ideas. Also discussed how to be a more effect Board in 2021. It was agreed to continue to hold Board only discussions prior to all meetings. Notes from the discussion were sent to the CEO.</p>	
2.	<p>Apologies</p> <p>Apologies were received from Kelly Arrol and Ruth Burley (LOA)</p> <p>Board approved an extension to Ruth Burley's leave of absence until 11 March 2021.</p>	Approved
3.	<p>Declarations Of Interest</p> <p>Michael Allan declared an interest as a Director of Cairn Homes & Services Ltd (trading as Cairn Living) and a board member of Cairn HA.</p>	Noted
3.1	Restructure Update – Confidential	
4.	MINUTES OF PREVIOUS MEETING AND MATTERS ARISING	
4.1	<p>Ancho Board Minute – 3 December 2020 <i>The other officers joined the meeting. The Chair and Board members welcomed Jacquie Gardner and introduced themselves.</i></p> <p>The Minute of the Ancho Board Meeting held on 3 December 2020 was proposed by Colin Love, seconded by Michael Allan and approved.</p> <p>There were no matters arising.</p>	Approved
4.2	AGM Minute – 17 September 2020	

	The Minute of the AGM held on 17 September 2020 was noted for formal approval at the 2021 AGM.	Noted
4.3	Ancho Board Minute Elections - 17 September 2020 The Minute of the Meeting held on 17 September 2020 (Elections) were proposed by Bill Finlay, seconded by Michael Donnelly and approved .	Approved
4.4	CHA Board Minute – 10 December 2020 The Minute of the Cairn HA Board Minute held on 10 December 2020 was noted .	Noted
5.	ACTION TRACKER	
5.1	Action Tracker The Chair had requested that new target dates be added alongside the original dates and the garages items 3 & 4 be combined. The target date for the virtual meet the Board session was agreed as 31 May 2021.	Agreed
6.	OPERATIONAL UPDATE	
6.1	Operational Update The Head of Service (Ancho) presented the Report and provided an overview of each section. <u>Item 4.1</u> Staffing - In response to a member's question on whether new postholders, employed by Cairn HA, would be based at Sovereign House the Head of Service (Ancho) advised that as all staff are currently working remotely and would then be working from any of the office locations therefore could potentially be working at Sovereign House. <u>Item 4.2</u> EVH – It was clarified that the EVH pay negotiations were for eight Ancho staff on existing T&C's, those employed by Cairn HA would be subject to proposed cost of living increases to be considered by the Cairn HA board. In response to a member's query on the appropriateness of Ancho being an EVH member when the parent was not and equality on pay and conditions, it was clarified that Cairn HA had not been EVH members for many years and that the partnership agreement made a joint commitment to harmonise terms and conditions (T&C's) and pay structures across the group. This had been delayed pending a Cairn HA review of terms and conditions and pay structures/benchmarking during the coming year which after consultation would be for implementation in April 2022. The Director of Finance & People services also explained complications in terms of T&C's' due to different pension schemes/Defined Benefit v Defined Contribution calculations. Members would be notified once EVH negotiations with the Union had reached an agreement on the proposed 2021 cost of living increase. <u>Item 4.3</u> SPSO case partially upheld - In response to a member's question on communicating with the tenant and improving communications processes, the Head of Service (Ancho) advised that the tenant had been advised that Ancho did not have power to act in the first line complaint response, and the housing officers and admin team had received further training on what advice they were able to offer in future.	Action JMG

	<p>Item 4.4 Out of Hours Service – The Head of Service (Ancho) explained the technical fault and provided the lessons learned report. The Group CEO apologised on behalf of the team for the error. In response to a member’s question the Head of Service (Ancho) advised that one tenant had been left without heating, apologies had been sent out and family members had been able to provide electric heaters. In response to a member’s question, it was confirmed that if the tenant had arranged for the work to be completed independently then Ancho would be liable to cover the costs under Right to Repair legislation, a copy of Right to Repair would be circulated to Board members for further information.</p> <p>Report was noted.</p> <p>The Chair thanked Keith on behalf of the Board for his reports, feedback and very high standard of reporting. The Group CEO thanked Keith for all his work over the previous years at Ancho and as part of the senior management team at Cairn and wished him well for the future.</p>	<p>Action JG</p> <p>Noted</p>
6.2	<p>Ancho Stock Video – Questions</p> <p>In response to a member’s question the Head of Service (Ancho) explained the no-fines construction method used by Scottish Special Housing Association to form walls in properties, which led to being unable to do cavity wall insulation. This meant properties were historically cold and had electric heating but modern techniques had allowed for external wall insulation to be applied to improve energy efficiency of properties. Keith leaves the organisation on 22nd January.</p>	
6.3	<p>Covid-19 Service Route Map Update</p> <p>The Group CEO gave an update on the latest route map service update, tracked to government guidance and Covid restrictions, explaining that the December lockdown had delayed progress on the start of the planned programme, in particular the kitchen replacement programme which had to be stopped as it was assessed as non-essential work. Continuation on voids works and urgent/emergency repairs was ongoing. Twenty-two staff across the Group were currently on various forms of Furlough, including one Ancho staff member. Contact Centre team has been particularly affected by furlough due to home schooling requirements for staff. Members would be kept updated as the service route map changes.</p> <p>The report was noted.</p>	<p>Noted</p>
7.	<p>ITEMS FOR DECISION/APPROVAL</p>	
7.1	<p>Rent Increase Consultation Feedback and Proposed Rent Increase</p> <p>The Head of Service (Ancho) provided an overview of the Report highlighting the low response rate from tenants on the proposal, that rents were affordable under SFHA model, and confirming that the 3 respondents had been thanked for their responses.</p> <p>In response to a members’ questions:-</p> <ul style="list-style-type: none"> - on comparators, the council consulted on two proposals as they have their own 10 year investment plans, NAC rent charges are £71 for one bed flat, £74 for 4-bed house. Ancho’s compare well with the Scottish average. NAC are generally comparatively low under a different financial model. 	

	<ul style="list-style-type: none"> - Application of the rent increase would generate around £15,000 of additional income, and addresses other cost increases from suppliers and contractors. - The Director of Finance & People Services explained the compounded impact of the £15,000 rent increase throughout 30 years of the business plan and the impact any rent freezes would have on the plan and future services. <p>Board approved the application of a 0.5% rent increase to base rents for 2021/22 with an effective date of 1 April 2021.</p>	Action JG
7.2	<p>First Draft Business Plan 2021-23</p> <p>The Director of Business Services presented an early view of initial feedback from the Strategy Day, focussing in on agreeing workloads and projects. It had been agreed would retain the themes and outcomes of last year's business plan and focus on core housing services, repairs, voids and arrears. The pandemic impacts had led to switching to home working but brought in new systems. Corrective action to mitigate any impacts from Covid-19, including voids as a key issue. Common themes from the group discussions were prioritising projects that were important, ensuring resourcing and capacity, and that key projects should be managed with structure and support. The six outcomes were presented for the next 3 year period, including void performance, asset management and investment programme.</p> <p>Further discussions with the Chair and work on key projects, timelines, mapping interdependencies, and aligning with the budget would continue with the draft document being presented to the Board in March for approval. Communication to staff and tenants of key priorities would also be prioritised.</p> <p>A member asked whether Exec Team had tied the Business Plan into a Strategy, the Director of Business Services explained the discussions from last year keeping the core themes and articulating the outcomes to set out the direction. The Group CEO explained the core outcomes were investment in existing homes, continued service improvement, growth through development and future partnerships and continued work on modernisation/systems architecture to improve services and gain efficiencies. Discussion took place on what does the organisation look like in 3 or 5 years' time, and how does the Business Plan achieve that and previous attempts to summarise the Business Plan. The Exec Team would further consider how to describe the future business, what the strategy is and critical success factors over 3 years.</p> <p>In response to members' questions the Director of Business Services advised that the communication plans are being developed, the Comms Team were currently considering this, as meeting with tenants would normally take place it was moving towards digital methods and using newsletter and wider digital comms. In terms of what had dropped out, some of the lesser items around tidying up as they have been completed, eg, communicating on estates and inspections had now been completed via digital methods.</p> <p>The Head of Service (Ancho) confirmed that Ancho has a Facebook page, and can respond to messages and encouraged members to follow Ancho as communications were posted regularly. He also explained the Vision for Ancho was to continue to deliver high quality housing and services to</p>	Action MB

	<p>tenants in the community, dealing with increased tenant participation, delivering the tenant promises and pursuing the newbuild development opportunities available in the SHIP.</p> <p>A member thanked the Director of Business Services for the presentation and referred to KPI's as a measure on achieving business plan outcomes. The Director of Business Services advised that the KPI pack layout now mirrors the six Business Plan outcomes.</p> <p>The first draft Business Plan was approved.</p>	
8.	GROUP UPDATES	
8.1	<p>Partnership Investment Delivery Update</p> <p>The Director of Property Services provided an overview of the Report highlighting impacts of the pandemic on the kitchens programme and some replacement doors and windows. Tenants affected had been informed of the delays. Budgets would be monitored and work would continue at the earliest opportunity.</p> <p>In response to a questions from members:-</p> <ul style="list-style-type: none"> - on budget implications, these were mainly related to the budget year and how the promises are planned out. There were impacts on the covenants which may result in a 5.5 year programme rather than a 5 year programme. - Constraints were around covenants and the Nationwide were reluctant to make any covenant changes without changing loan terms as the LIBOR rate was currently low. - Re. impacts in the plan overall, the main issues were delivery of kitchens and door entry systems, delays would be manageable if late 2021/early 2020, but could negatively impact if further delays, and dependent on further impacts of Brexit. - With "LIBOR" being replaced by "SONIA", the Director of Finance & People Services will contact the Nationwide relationship manager. - It was agreed to bring further information on alternative plans and how they would be supported in budgets to the March update. - there is a plan in place to deliver with multiple contractors as part of the programme and using various property teams collaboratively to support the delivery. - Ancho borrowings are with Cairn HA and Nationwide which has banking covenants on its loan to Ancho. <p>The Director of Property Services welcomes any requests for changes or additional information to be included in the Appendix.</p> <p>The Report was noted.</p>	<p>Action DA</p> <p>Action MD</p>
8.2	<p>Governance Improvement Plan Update</p> <p>The Governance Services Manager presented the updated plan. In response to questions from the Chair, members were advised that the Group development plan was being progressed with the Housing Development session being organised in February/March. The individual training plans are updated regularly and six month reviews would be organised by the end of February with the Chair.</p>	

	<p>The Chair emphasised the importance of progressing any items on hold pending the outcome of the constitutional review within the agreed timescales.</p> <p>The Group CEO advised that on item 1 the corporate induction video had addressed that action point and the action tracker would be updated as complete.</p> <p>The Report was noted.</p>	Action CO
9.	ITEMS FOR DISCUSSION/EARLY VIEWS	
9.1	<p>Internal Audit Plan 2021/22 - early discussions on topics</p> <p>The Director of Business Services presented the internal audit plan for discussion. Members had no changes to recommend and the forward plan was agreed.</p>	Agreed
10.	ITEMS FOR NOTING/PROGRESS MONITORING	
10.1	<p>Ancho KPI's</p> <p>The Head of Service (Ancho) presented the KPI's highlighting red indicators:-</p> <ul style="list-style-type: none"> - 14 Gas safety "no access" cases which were due to Covid, these have all now been completed, - re-let turnaround time had increased and YTD figures will continue to be high due to previous period March-June where access for repairs were not possible, performance for December was 6 days to re-let. - Arrears were 4.35, however these were 3.5 through Christmas period. - Percentage income collected had improved - Call handling times are being addressed through the BI Team - Staff absence figure will continue to be managed, but likely to be high over 12 month period, impacted by previous long term absences and will increase further as Ancho employed staff numbers reduce, as one absence has disproportionate impact on the figures. - For the December pack, the BI Team are improving the format to left align and tidy up, the pack will be sent out in next week or so. <p>In response to members' questions on:-</p> <ul style="list-style-type: none"> - if the reds commentary relate to a single incident or small issues and if that is fair how realistic is it to be hitting green across the board and do the KPI's need reviewed. The Head of Service (Ancho) advised that the Board decided they would be maintained to show impacts of Covid but Board could reassess the KPI's if they wished to. The Group CEO referred to tolerances and work was underway on proposed KPI's and tolerances for 2021/22. - further detail on lets to the homeless, the Head of Service (Ancho) explained that each year the Common Housing Register Working Group agrees common goals of around 25%, remaining lets are then made on proportion of those on waiting list. This year there were particular problems in North Ayrshire and due to Covid; there was low turnover but more people presenting as homeless has increased, the Council had asked Ancho and other RSLs to increase lets to Group 1 and Ancho were supporting the Council with these needs. Post-Covid these are anticipated to revert back to normal levels. Homeless appeals under statutory guidance have 5 days to appeal. Further information on the numbers affected would be provided and how much of rental income is lost would be provided by Head of Service (Ancho). 	Action MB
		Action MB

	<ul style="list-style-type: none"> - The Chair requested a meeting date with Director of Business Services and Kelly Arrol on Complaints. - Level 1 and 2 calls were level 1 in 20 secs, level 2 answering in 60 secs. - Rentsense was successfully implemented in January, Jacquie Gardner supported the implementation. The system went live w/c 18 January and would be available this week for Housing Officers to use property from w/c 23/01/2021. 	
10.2	<p>Risk Register and any new risks</p> <p>The Director of Business Services highlighted the current situation with void rent loss and that the detail underpinning it may lead to a change in score at next meeting.</p> <p>The Report was noted.</p>	Noted
10.3	<p>Board Meetings Schedule/Forward Planner</p> <p>Noted.</p>	Noted
11.	GOVERNANCE & REGULATION	
11.1	<p>Recent SHR publications/guidance for information</p> <p>SHR had published Annual Assurance statements which were available on the SHR website.</p>	
11.2	<p>Governance Update</p> <p>The Report was noted.</p>	Noted
12.	DECISIONS TAKEN UNDER DELEGATED AUTHORITY	
12.1	None	
13.	AOCB	
13.1	<p>The Chair reported that the Eydent meeting took place, the group would be looking at joint procurement for training needs. The Chair asked Keith for the Eydent document to be circulated prior to him leaving and Keith confirmed he had already done this. It was acknowledged that this probably had gone into Junk Mail. Junk Mail issue to be resolved for the Board.</p>	MB & IT
13.2	Training course for Zoe Brawn would be checked.	Action CO
13.2	<p>The Chair thanked Keith Henderson and wished him well for his new role. Keith said he had thoroughly enjoyed his 16 years at Ancho, leading the team and thanked the Board and staff for their support and help.</p>	

The meeting ended at 8:00pm