

**MINUTES OF THE JOINT GOVERNING BODIES' BOARD
MEETING OF CAIRN HA AND ANCHO LIMITED
HELD ON 28 OCTOBER 2021 AT 3:00PM
VIA TEAMS**

Present via Teams:

Cairn HA Don Jamieson (Chair)
 Angus Lamont (Vice-Chair)
 Neil Wood
 Laurence Casserly
 Bill Gillespie
 Lizzie Crawford
 Helen Barton
 Emma Peveril
 Douglas Reid

Ancho Bill Finlay (Vice-Chair and acting Chair)
 Steven Travers
 Colin Love
 Nigel Fortnum

In Attendance: Jason MacGilp, Group CEO and Company Secretary CEO
 Meg Deasley, Director of Property Services DPS
 Morag Boyter, Director of Business Services DBS
 Sean Connor, Director of Customer Services DCS
 Derek Adam, Director of Finance & People Services DFPS
 Carolyn Owens, Governance Services Manager GSM (*CHA & Group Minute*)
 Catherine Bradley, Governance Services Assistant, (*Ancho Minute*)

	Item	Decision/ Action
1	CAIRN HA BOARD MEETING	
1.1	Board Members only session Members discussed the day's agenda and the issues that should be given prominence in order to manage the meeting well and get best value from the time.	
1.2	Apologies Apologies were received from Nigel Chapman.	Noted
1.3	Declarations of interest None.	Noted

1.4	<p>Minutes of previous meetings</p> <p>Cairn HA Board Meeting- 9 September 2021 Minutes of the Board meeting held on 9 September 2021 were proposed by Neil Wood, seconded by Emma Peveril and approved.</p>	Approved
1.5	<p>Cairn HA Special Board Minutes, Cyber Fraud – 30 August 2021</p> <p>The previously circulated Minutes of the Special Board meeting held on 30 August 2021 were proposed by Laurence Casserly, seconded by Angus Lamont and approved.</p>	Approved
1.6	<p>Cairn HA SGM Minute, Rules – 23 September 2021</p> <p>Minutes of the Special General Meeting held on 23 September 2021, to approve adoption of the amended Cairn HA Rules 2021, were proposed by Lizzie Crawford, seconded by Neil Wood and approved subject to Director of Property Services being removed from the attendance list.</p>	Approved
1.7	<p>Cairn HA Minute - Elections – 23 September 2021</p> <p>Minutes of the Board Meeting held on 23 September 2021, to elect Chairs and Working Group members, were proposed by Douglas Reid, seconded by Lizzie Crawford and approved.</p>	Approved
1.8	Matters arising	
1.9	<p>CHA Action Tracker</p> <p><u>Item 8</u> – in relation to the total spend with Harper Macleod, the £295,000 other costs includes day to day tenancy issues of 120k.</p>	
2	CHA ITEMS FOR DECISION/APPROVAL	
2.1	<p>Rent Proposal For Consultation</p> <p>Members agreed to defer Item 2.1 until after Item 7.3</p>	Agreed
2.2	<p>Ancho nominee to Cairn HA Board</p> <p>The Group CEO advised that following nominations and voting by Ancho Board members, Steven Travers was recommended as the Ancho nominee to the Cairn HA Board. The co-option of Steven Travers to the Cairn HA Board was approved.</p>	Approved
3	CHA UPDATES	
3.1	Q2 Management Accounts	

	<p>The DFPS presented the Q2 management accounts reporting the surplus was currently £168,000 ahead of budget primarily due to underspends in planned maintenance due to Covid restrictions in delivery.</p> <p>The DFPS responded to a member's questions/comments:-</p> <ul style="list-style-type: none"> - write-offs reflected irrecoverable rents and any movement in bad debt provision. - the member commended the restatement of accounts which provided clarity on overall operational expenditure. - service charges may equal out toward the year end, this year there would be an element of service charge voids, plus some non-recoverable service charge costs. The budget is set to make a deficit as voids due to Covid restrictions, and related lost service charges income, are inevitable and service charge provision for bad debt is included, however this may offset the deficit by year end - the DFPS is intending to provide more information to the Board on a quarterly basis and welcomed members' input - the 5% reduction in income from Highland Council for the Care & Repair handyperson service is due to reduced Council budgets. The Group CEO advised that cost impacts of reduced budgeting had been absorbed over the past couple of years however, should the reductions continue from the Council/NHS a discussion on sustainability of delivery on the budget available would be required. The DPS advised that all providers of Care & Repair services in the Highlands were united in ongoing negotiations with NHS Highland. - the DPS advised planned maintenance spend was currently behind budget due to a combination of supply chain and inflated price issues. The full allocation of PM may not be spent this year however, component replacement elements of the void programme were being accelerated where possible. - on high void costs, the DPS confirmed that voids cost increases had been reported across the sector and explained the approaches being taken for cost effective delivery including the use of frameworks and contracts. <p>The report was noted.</p>	<p>Noted</p>
<p>4</p>	<p>CHA DECISIONS TAKEN UNDER DELEGATED AUTHORITY</p>	
<p>4.1</p>	<p>Confidential – Bequest</p>	
<p>4.2</p>	<p>Revised Audit Plan In consultation with the Chair and with approval of the Audit & Performance Committee the audit plan had been adjusted to move the HR audit to 2022 and replace it with a more detailed audit on general financial control measures across the organisation to further enhance and strengthen them partly as a result of the recent cyber fraud issue.</p>	<p>Noted</p>

4.3 & 4.4	<p>The DPS reported slight variations in the application of the Procurement Policy, noted as exceptions:</p> <ul style="list-style-type: none"> - A one year extension of North Painting Contract; - Appointment of architects at Wimberley Court, tendered by invitation outwith the Public Contracts Scotland portal. 	<p>Noted</p> <p>Noted</p> <p>Noted</p>
5	CHA AND ANCHO JOINT BOARD MEETING	
	<i>Items 5.1 and 5.2 were deferred until later in the Agenda</i>	
5.3	<p>Audit & Performance Committee Minutes – 17 August 2021</p> <p>Previously circulated Minutes of the Audit & Performance Committee meeting held on 17 August 2021 were noted.</p>	Noted
5.4	<p>AMDC Minutes – 26 August 2021</p> <p>Minutes of the AMDC meeting held on 26 August 2021 were noted subject to Angus Lamont being added to the attendance list.</p>	Noted
5.5	<p>ASWG Minute – 19 August 2021</p> <p>Minutes of the Assurance Statement Working Group meeting held on 19 August 2021 were noted.</p>	Noted
5.6	<p>ASWG Minute – 15 September 2021</p> <p>Minutes of the Assurance Statement Working Group meeting held on 15 September 2021 were noted.</p> <p><i>Members agreed to consider Agenda item 7.1 next</i></p>	Noted
7.1	<p>Partnership Investment Delivery update</p> <p>The DPS presented the report and provided an overview of the content. The report was noted.</p> <p><i>Nigel Fortnum joined the meeting. It was confirmed that the Ancho Board was now quorate.</i></p>	Noted
5.1	<p>Ancho Apologies</p> <p>Members were advised that Kelly Arrol had resigned from the Board on 28 October 2021.</p> <p>Mary Black, Chairperson, had requested a leave of absence for three months. The Ancho Board members approved the leave of absence.</p> <p>Apologies were received from Mark Cunningham, Zoe Brawn, Michael Donnelly and Mary Black (LOA)</p>	<p>Noted</p> <p>Approved</p> <p>Noted</p>

5.2	<p>Ancho Declarations of Interest</p> <p>Steven Travers declared an interest as Ancho Board nominee and member of Cairn Living.</p>	Noted
6	<p>GROUP ITEMS FOR DECISION/APPROVAL</p>	
6.1	<p>Development Strategy</p> <p>The DPS presented the Development Strategy in the board pack, and separately circulated cover report.</p> <p>In response to members' questions/comments:-</p> <ul style="list-style-type: none"> - the DPS advised the demand reports used to determine where new development were located was based on local authorities' housing need demands assessments in addition to discussion/information from LA's Strategic Housing Investment Plans (SHIPs), Scottish Government's housing planning teams, Local Housing Strategies and community based groups. - the Group CEO advised the AMDC had discussed servicing costs and low demand issues related to geographically outlying properties, and that future discussions on potential disposal or local service partnership arrangements with third parties may be proposed in due course. The DPS confirmed these would be considered under the Asset Management Strategy. - members discussed changing local demands, longer term views on where future demand may occur and determining the viability of a project in terms of positive Net Present Values (NPVs) and comfort built in to the process, that Housing Needs Assessments are for five years with caveats that they are related to applications received. Broader community sustainability and changes in future working patterns also need to be considered. - on assessing viability using current costs of interest where true costs of capital are higher than that, and the viability of projects if interest rates increase significantly, the DFPS advised that CHA has fixed interest costs over the next 25 years. The only element of variable was the Ancho loan with Nationwide, and a discount factor within the calculation should be used above current interest levels to gain an internal rate of return of 5%. The current rates would move depending on interest rates, costs and inflation. <p>The Ancho Board and CHA Board approved the Group Development Strategy 2021-2024.</p>	Approved
6.2	<p>Group People Strategy</p> <p>The DFPS presented the three year review of the Group People Strategy.</p>	

	<p>In response to members’ comments the DFPS would review the document and incorporate: defined outcomes and measures related to critical success factors; additional references to ‘leadership’; and reference to the Group People Strategy underpinning delivery of the Business Plan.</p> <p>A survey had been circulated to staff with a proposal to returning to a hybrid home/office version of working, similar to before Covid. Work undertaken in Q1–Q4 of 2021-22 would influence an updated approach, including office structures/capacity and working in a more digitally enhanced environment. The DCS highlighted increased digital customer service engagement choices, which would be discussed further at the Strategy Day.</p> <p>The Group CEO confirmed that the Pentland Integration Plan would address culture, retention and TUPE requirements. He advised there may be impacts on the wider team and that frontline management arrangements would be reviewed as a result of that over the first year post transfer</p> <p>A member highlighted reported observations of staff being more loyal where employees attend the office on a regular basis under a hybrid model.</p> <p>The DFPS advised the induction programme for new staff during Covid had been challenging and OD are currently working on improving corporate induction.</p> <p>Board members postponed approval of the Group People Strategy 2021-24. The DFPS would re-circulate the document for approval once the amendments had been incorporated.</p>	<p>Action DFPS</p>
<p>6.3</p>	<p>Group Annual Assurance Statement Sign-off /approve ToR</p> <p>The GSM presented the Assurance Statement Working Group Terms of Reference, as agreed at the ASWG meeting held on 19 August 2021, and the final 2021 Annual Assurance Statement document for approval by both Boards, as detailed in the report.</p> <p>The Ancho Board and CHA Board approved the ASWG Terms of Reference and 2021 Annual Assurance Statement.</p>	<p>Approved</p>
<p>6.4</p>	<p>Group Board Training and Development Plan</p> <p>The GSM presented the Group Board Training and Development Plan and provided an overview of the sessions. In response to members’ comments it was noted that Saturdays would be preferred for the Development Day in Spring 2022. Stock tours could also be delivered virtually.</p> <p>The Ancho Board and CHA Board approved the Group Board Training and Development Plan</p>	<p>Approved</p>
<p>7</p>	<p>GROUP UPDATES</p>	

7.2	<p>Pentland Transfer Project update</p> <p>The DBS presented the update report and overview of the integration plan.</p> <p>The Ancho Board and CHA Board noted the report.</p>	Noted
7.3	<p>Group Financial Issues Paper</p> <p>The DFPS presented the report detailing current financial issues facing the Group and the Sector, and options for discussion. It was clarified that the budget building timescale would be ongoing but decisions would be required for the 2022-23 budget assumptions, which would be generated from the rent decisions. The 30 year financial projections and assumptions could be amended at any point. He asked whether members would prefer to move average rents forward with CPI or CPI+, rather than RPI to keep rents more affordable for tenants.</p> <p>A discussion took place, members commented:</p> <ul style="list-style-type: none"> - it would be useful to have a view of the financial position of tenants; - was there an issue with the business model if the position worsens; the DFPS clarified the position worsens due to reduced income/increased borrowing and covenant tightening, the major programme of delivery of £14 million Planned Maintenance in the next year, development and improved services meant there had to be a level of investment in core staffing resources to support and ensure effective delivery of those increased programmes. - moving from RPI to CPI has been a trend in the sector, English HA's had previously been instructed by UK Government on rents. The Group CEO advised the message from SHR around rent affordability had been consistent, though definitions subject to interpretation. SFHA has a toolkit on affordability. By January there should be an indication of rent increases in the sector. The Scottish Government have not yet insisted on rent cuts or a freeze though there is debate in the sector about future rent control measures by the Scottish Government (see Programme for Government); - giving options and comparisons is useful for tenants, cost structures could be further analysed; - rents need to be affordable, and we should consider MMR rents in terms of affordability <p>The Ancho and CHA Board noted the report.</p> <p><i>The deferred Item 2.1 Rent Proposal was considered next</i></p>	Noted
2.1	<p>CHA Rent Proposal For Consultation</p>	

	<p>The DCS presented the report detailing the proposed rent consultation process. In response to members' questions;</p> <ul style="list-style-type: none"> - on 6.2 the DFPS advised there was some flexibility within the budget; - the DCS would include in the consultation letter details of what the higher options offer to tenants could deliver. - if we could accommodate 2.9% why is that not offered as an option, the DFPS advised the rent proposal is now based on a CPI figure, but the move from RPI to CPI (or a less than CPI figure) has a very significant compounding impact over 30 years. For example, 0.2% would be £1m lost income over the course of the model, although this could be reversed in future years based on Board decisions. - it was agreed to communicate the move to CPI at 3.1%, as opposed to RPI at 4.9%, in the letters to tenants <p>Following consideration the CHA Board:-</p> <ul style="list-style-type: none"> - Approved the proposal to consult on September CPI, coupled with the financial issues paper we are proposing, that we move to September CPI, currently at 3.1%. - Approved to consult on both options: Option 1 a proposed inflation only increases based on September 2021 CPI rate which was published on 20 October. The current CPI rate is 3.1%. Option 2 a proposed inflationary increase of September 2021 CPI figure of 3.1% plus 0.5%. - Approved the Rent Increase Consultation Letter to be sent out to tenants, subject to an amended version being pre-circulated to Board members. - Approved to consult with tenants within Lochside, Coatbridge to move from RPI to CPI as the basis for current and future rent consultations. - Agreed to receive a further report in January on the outcome of the consultation exercise which will include a recommendation on the increase. 	<p>Action DCS</p> <p>Action DCS</p> <p>Approved</p> <p>Approved</p> <p>Approved Action DCS Approved</p> <p>Agreed</p>
<p>7.4</p>	<p>Group Health & Safety: 6 Month Strategy Update</p> <p>The DBS presented the Report highlighting the issue raised at 3.3 on increased levels of threatening behaviour and abuse to staff, from tenants and on estates, and that active steps to respond in terms of reviewing lone working policy and devices, tenancy obligations, staff training, and rationalising the contract to ensure modern lone working devices are in place.</p> <p>A member commented that conflict resolution training and de-escalation techniques for lone workers may also be an option to consider.</p> <p>The Report was noted.</p>	<p>Action DFPS</p> <p>Noted</p>
<p>7.5</p>	<p>Annual Report on Staff Engagement and People Issues</p> <p>The DFPS presented the report and an overview. In response to a member's comments; on the high level of staff wellbeing, the DFPS said that this</p>	

	<p>reflected the range of support being offered to staff; needs of the business v needs of the individual would be considered in relation to future working arrangements; the Exec Team’s low engagement scores, the DFPS said that discussions had been held to explore engagement within the team, the Group CEO said recent conversations had taken place within Exec team on how to continue to improve engagement_as a team.</p> <p>The report was noted.</p>	Noted
7.6	<p>Development and Asset Management Update</p> <p>The DPS presented the report highlighting delivery of 76 new homes already this year, with another 85 on track for this year (though with one scheme possibly handing over early in quarter 1 of next year). The DPS highlighted the approach across all development and asset management activities was about close monitoring, risk assessing and flexibility in programming, against challenges of infrastructure, supply chain issues and availability of labour and contractors. At this stage, all was on track for this year. The Scottish Government had circulated draft revised grant level figures and agreed increased grant levels for a site approved in December 2019, and another project has been approved for grant level of £95,000 per unit. The increased costs of voids and repairs would be kept within the overall property budget, and related to planned maintenance spend. A member commented on EESSH2 affecting development plans.</p> <p>The report was noted.</p>	Noted
7.7	<p>(South) Repairs Contract Update</p> <p>The DPS presented the report and an overview on the content. The Group CEO reminded members the new South repairs contract was for Ancho and CHA. The DPS advised members that a tenant consultation survey was included as Appendix 2, with a high level of interest and engagement from tenants providing valuable feedback and additional information on digital engagement and variation across the customer base.</p> <p>In response to a members’ question, on Scotland Excel, the DPS gave an overview of the service they provide and of our internal resource.</p> <p>The report was noted.</p>	Noted.
7.8	<p>CHA Q2 KPIs</p> <ul style="list-style-type: none"> - New supply delivered – to review YTD figure and target - Voids as a % of lettable stock – the notes should include reasons - Complaints responded to in timescale – notes should include case types - % of calls in 60 seconds – does not include calls logged out of hours, Phone Call responses YTD has increased to 72% and opening hours are Mon-Thu 9.30-4.30 and Fri 9.30 to 4. 	Action DBS

	<ul style="list-style-type: none"> - Overheads as total % income comparison to peer, the Group CEO referred to Housemark sector figures, DFPS will explore the overhead position with other organisations but there is not a consistent approach across the sector. Notes 4&5 of the statutory accounts would be explored further and comparison with SHN. - 2021/22 targets on staff absence was raised from 3.2 to 3.5 in response to potential impacts of Covid, and was approved by A&P Committee and approved by Board in March 2021. <p>The CHA KPI's were noted</p>	Noted
7.9	<p>Ancho Q2 KPIs</p> <p>The Ancho KPI's were noted</p>	Noted
7.10	<p>Risk Register and New/Changed risks (if any)</p> <p>The DBS advised risk would be covered at the Group Strategy Day.</p>	Noted
8	GROUP GOVERNANCE, REGULATION & CORPORATE	
8.1	<p>Chairpersons' Update Reports</p> <p>The CHA Chair gave an update on his activities. The report was noted.</p>	Noted
8.2	<p>Governance & Regulation Update</p> <p>The GSM presented the report highlighting that the FCA annual returns and CHA Rules changes had been submitted to the FCA portal. The Ancho Rules would be submitted on 29 October 2021.</p> <p>The report was noted.</p> <p>The next CHA Meeting will be held on 9 December 2021</p> <p><i>The CHA Chair handed over to the Ancho Vice-Chair to Chair the next section of the meeting.</i></p>	Noted
9	ANCHO BOARD	
	<p><i>Julie Sinclair, Finance Manager, joined the meeting.</i></p> <p>The Vice-Chair of Ancho noted that the Ancho Board is down to eight members with one on LOA and that care should be taken to ensure meetings are quorate. The GSM would follow up with prospective new Board members.</p>	Action GSM
9.1	Ancho Minute – 2 September 2021	

	The Minute from Ancho Board meeting held on 2 September 2021 was proposed by Steven Travers, seconded by Bill Finlay and Approved .	Approved
9.2	<p>SGM Minute, Rules – 16 September 2021</p> <p>The Minute of the Special General Meeting held on 16 September 2021 was proposed by Colin Love, seconded by Steven Travers, and Approved.</p>	Approved
9.3	<p>Ancho Minute Elections – 16 September 2021</p> <p>The Minute from the Ancho Elections on 16 September 2021 was proposed by Steven Travers, seconded by Colin Love and Approved.</p>	Approved
9.4	<p>Matters Arising</p> <p>There were no matters arising</p>	
9.5	<p>Action Tracker</p> <p>The Vice-Chair of Ancho queried the status of the proposed management of garages transfer to Cairn Living. The CEO advised on a specific lack of support on IT changes required from Capita, which is causing a delay. He advised that the DFPS is continuing to work on finding a solution.</p> <p>There was a discussion on the proposed ‘Meet the Board’ session and the issues that could arise due to a current shortage of Board members. The CEO suggested a follow up with the tenants that had previously shown an interest in joining the Board. It was also suggested that a ‘Meet the Board’ session could be an opportunity to engage with tenants and invite them to apply. The theme of the session was discussed and emphasised that it would need to be a topic that would encourage a high attendance, with a social element</p> <p>The rent increase was suggested as a theme if there was a good tenant response to the proposal letter, as well as the £100,000 identified for environmental and community development. The Ancho Vice-Chair suggested that a part of the £100,000 could be used as a hardship fund. With the 3.1% rent increase possibly being introduced, the increased costs of energy and the UK Government removal of the £20 Universal uplift, it is likely that many tenants will have hardship issues over the next few months. The DCS advised that he will look at how this could work and be managed. Another member agreed that this would be a good way of spending some of the fund.</p> <p>The Ancho Vice-Chair asked for an update on the customer involvement strategy. The CEO advised that the strategy was approved at the previous round of Board meetings and there is an Action Plan in place. The DBS advised that there have been restrictions on what the team have been able to do on the ground due to Covid-19, however, there have been efforts to increase the numbers of people who are registered within the Ancho tenant</p>	Action DCS

	<p>group as willing to participate. The email newsletters are being distributed and there has been some active engagement from those.</p> <p>The DFPS confirmed that the Pensions advisor would be at the December Ancho Board meeting.</p> <p>The action tracker was noted.</p>	<p>Noted</p>
<p>10</p>	<p>ANCHO ITEMS FOR DECISION/APPROVAL</p>	
<p>10.1</p>	<p>Rent Increase Consultation</p> <p>The DCS asked for the Ancho Board to Approve the proposed Rent Increase. Consultation process would consist of three parts. He asked the Board to Approve the proposal to consult on September CPI, currently at 3.1%, in line with the Rent Guarantee; to Approve the Rent Increase Consultation Letter to be sent out to customers; and to Agree to receive a further report in January on the outcome of the consultation exercise which will include a recommendation for final decision on the increase.</p> <p>He advised that this increase would work out as an average increase of £2.55 per week, per household which would be a £90,000 uplift to the organisation which would be used to support customers further. The increase would not apply to the Mortgage to Rent scheme or the lock up garages, which are subject to separate processes.</p> <p>The Vice-Chair at Ancho noted that the September CPI rate of 3.1% is a lot, and strengthens the possibility of the requirement of a hardship fund. Another member asked if a comparison could be drawn on rent increase across the group and if it would be possible for the increase to be equal. The DFPS advised that CHA had always previously advised an RPI increase but in the Rent Guarantee made to Ancho tenants as part of the partnership promises, CHA committed to increases based on the Consumer Price Index for Ancho tenants; the CPI was a lower rent increase for a period of time so Ancho tenants were seeing lower increases than CHA tenants. It would therefore be problematic to change that now that the CPI rate is higher, however it could be useful to have a consistent across the group approach in future. Another element to consider is the Pentland partnership possibility, where Pentland have been promised a rent freeze for year one, and then CPI only for the following 4 years, with that being a benefit if Cairn is on RPI. It is for the Ancho Board to decide if an increase lower than CPI is offered, or if the offer is CPI as proposed in the paper, however they must not offer higher than CPI due to the partnership promises.</p> <p>A member suggested that a line is included in the letter to tenants that there is an opportunity for them to join the Board and there were further comments on what had been advised. The Board members reached agreement on the proposed 3.1% increase as agreed.</p>	

	<p>The proposal to consult on September CPI, currently at 3.1%, in line with the Rent Guarantee was Approved.</p> <p>The Rent Increase Consultation Letter to be sent out to customers was Approved.</p> <p>Members Agreed to receive a further report in January on the outcome of the consultation exercise which will include a recommendation on the increase</p>	<p>Approved</p> <p>Approved</p> <p>Agreed</p>
11	ANCHO UPDATES	
11.1	<p>Operational Update</p> <p>The DCS provided a verbal update in support of the written report. He highlighted that two customer services assistants have resigned and two members of staff have been recruited. There are 7 active cases of rent arrears in the system and the Rent Sense system is continuing to work well for staff which is reflected in the KPI's. There were 17 tenant responses to the newsletter which included a survey on tenant views. Of those, 4 tenants expressed an interest in joining. The DCS will follow up with those tenants and member Nigel Fortnum advised that he would be happy to contact them directly as well.</p> <p>The Small Steps project is going well, and a funding extension bid has been submitted to the Scottish Government's People and Communities Fund for 2022-23.</p> <p>Ancho applied to the Nationwide Community Grant programme to expand the welfare advice service to an equivalent full-time post with a £50,000 match-funded bid over the next 2 years. Unfortunately, that bid was unsuccessful.</p> <p>The report was noted.</p>	<p>Action DCS</p> <p>Noted</p>
11.2	<p>Q2 Management Accounts</p> <p>The DFPS presented the management accounts which show a good surplus position ahead of budget. This is primarily due to the impact that Covid-19 is having on the planned maintenance service, as well as slightly reduced overheads within the business. A relaxing of the covenants has been agreed with Nationwide which will allow for catch up on maintenance works. The team are working on ways to ensure the full amount can be spent before the end of March although they are still facing the impact of earlier delays and restrictions caused by Covid- 19 and some labour/materials shortages which is making this a challenge. He explained that at present the loan facility with Nationwide is on a LIBOR basis (the basic rate of interest used in lending between banks on the London interbank market) which is used as a reference for setting the interest rate.</p>	

	<p>From 1 April 2022, the FCA requires this to have transitioned to a SONIA base (SONIA is an overnight rate, not a term rate: Whereas LIBOR gives the cost of borrowing for a range of different periods (1 month, 3 months, 6 months, etc.), SONIA is a single rate that measures the cost of overnight borrowing). His team is working closely with Harper Macleod and Nationwide on this transition and he will bring a report to the next Board meeting.</p> <p>The report was noted.</p>	Noted
11.3	<p>6 Monthly Complaints/Feedback Overview</p> <p>The DBS highlighted the low level of complaints and that the Ancho team are learning from every complaint received. She welcomed questions.</p> <p>The report was noted.</p>	Noted
12	ANCHO DECISIONS TAKEN UNDER DELEGATED AUTHORITY	
	-	
13	AOCB	
	<p>The Chair of CHA asked when there would be an update on the rollout of the new IT systems and on the structure of the organisation. The DBS advised that there will be a full IT Systems report with the proposed programme and timeline at the December Board meeting.</p> <p>The Group CEO advised that he will provide the organisational staffing charts and a briefing note within the next few weeks.</p> <p>The CHA Chair thanked staff for their efforts in organising the Joint meeting and thanked Members for their attendance.</p> <p>The GSM reminded Ancho members of the forthcoming Eydent Conference and asked them to contact her if they were able to attend. CHA and Ancho Members would be contacted shortly with information on the Christmas social event.</p>	<p>Action DBS</p> <p>Action CEO</p>
14	DATE OF NEXT MEETING	
	The next Ancho Board meeting will be held on 2 December 2021	