

BUIDHEANN TIGHEADAS LOCH AILLSE AGUS AN
EILEIN SGITHEANAICH LTD
LOCHALSH AND SKYE HOUSING ASSOCIATION

**MINUTES of MEETING of BOARD OF MANAGEMENT held on
Monday, 26 June 2023 at 2.00 pm by Zoom/in person**

PRESENT:

In person Mrs Audrey Sinclair (Chairperson)
 Mr Ian Young (Vice-Chairperson)
 Mr Iain Lewis (Elected Member)
 Mr David Clapham (Elected Member)
 Mr Robert Muir (Co-opted Member)

By Zoom: Mr Robin Nairn (Elected Member)
 Mr Rory Brown (Co-opted Member)
 Ms Liz Williams (Elected Member)
 Mr John Watson (Elected Member)
 Ms Emma Johnston (Elected Member)

IN ATTENDANCE:

In person: Mr N Clapperton (Chief Executive - CE)
 Mr G Coull (Director of Finance & Corporate Services)
 Ms H Brown (Corporate Services Manager)
 Ms J MacInnes (Corporate Services Assistant)

On Zoom:

1. **APOLOGIES**

Mr Ken Wong (Co-opted Member), Mr Robin Sarkar (Co-opted Member),
Mr Gareth Morgan (Elected Member), Mr Donald Fergusson (Elected Member)

2. **DECLARATIONS OF INTEREST**

Rory advised that due to his employment he would abstain from any discussion
on Community Energy.

3. **MINUTES OF PREVIOUS MEETINGS**

The minutes of the Board Meeting held on Monday, 8 May 2023 were proposed
by David Clapham, seconded by Iain Lewis and approved unanimously.

There was a small amendment to the minutes of the Board Meeting held on
Monday 22 May 2023. At section C6 pg 16 the wording should read "the Board

agreed to submit the ARC based on the information provided.” Otherwise the minutes were proposed by Robert Muir, seconded by Robin Nairn and approved unanimously.

ACTION:–

- (i) *Amendment to section C6 pg 16 of minutes of Board Meeting held on Monday 22 May 2023 to read “the Board agreed to submit the ARC based on the information provided”.*

4. **PROGRESS REPORT FROM PREVIOUS MINUTES**

CE advised that a presentation on Shared Equity will be provided by Lesley Kirkwood, a date is to be agreed.

5. **OTHER MATTERS ARISING**

A Member asked about TESM requirements on the ARC, CE advised that key information is shared through the Annual Report.

6. **RECOMMENDATIONS FROM AUDIT, FINANCE AND RISK SUB-COMMITTEE**

Ian Young provided a verbal report giving information on the discussions and recommendations from the AFR sub-committee meeting held on 19 June 2023.

The CE updated Members about Handyperson Funding, noting that NHS have responded and are providing funds to cover the short fall for the remainder of the year while they continue with their review of the Service.

Mr Young confirmed to Members that the Financial Statements had been audited by RSM and there were only a couple of trivial issues raised. He advised that the Audit Findings Report was positive and that the sub-committee had a confidential discussion with the auditor and no issues were raised.

The DoFCS advised that there is an outstanding issue in relation to TPT, whereby PwC have qualified the TPT audit opinion. A statement may be required for all RSM clients, which is on a non-signed page of the LSHA Financial Statements, and could be added once wording is received from RSM. Members discussed the implications of this and DoFCS is to check with RSM to see when this statement will be available.

Members decided it may be useful to consider the timescales for future years as getting the Accounts and Financial Statements complete is more important than having an early AGM.

Members **approved** the **recommendations** of the AFR sub-committee, **accepted** the Financial Accounts subject to additional wording in the pension note required by RSM, and **accepted in full** the Audit Findings Report.

7. CHIEF EXECUTIVE'S REPORT

ARC Report on Void Loss

The CE confirmed that the ARC figures were correct and that the difference in the quantum change could be to do with the mix of properties that were void, which may have been due to higher value properties being void in 2022-23. He advised that the Regulator had raised two queries on the figures submitted. One was correct, the other was related to Factoring Fees and was inaccurate due to a misinterpretation of the guidance. This figure is being corrected through the SHR's amendment procedures.

Events, Meetings, News & Correspondence

The CE advised that Rural Housing Scotland is planning to have a consultative event on 27 July at An Crubh on Co-Housing tenure and the potential for Skye and Lochalsh.

Energy Costs & Power Circle Project

The CE advised that the Board had been due to receive a new build and retrofit desktop study into the use of an Energy Services/Supply Company (ESCo) model and combinations of various technologies to address fuel poverty and meet regulatory expectations. This has been delayed until September 2023. CE provided two documents to inform new members, the original report from February 2022 and a Power Point report to the Scottish Government, if anyone has questions then he asked for these to be submitted out with the meeting due to today's large agenda.

Rockfield Site, Portree

Members were pleased that there is progress being made regarding the acquisition of this strategic piece of land and approved of it being added to the Association's Development Programme.

Fair Work First

Members had a brief discussion and for due diligence advised that checks would need to be carried out to ensure all our contractors are compliant. CE advised he would provide an update for the next appropriate meeting.

Members **approved** adding the Rockfield site to the Association's programme and **noted** the other content of the report.

ACTION:–

- (i) *Update on Fair Work First to be provided for next appropriate Board Meeting.*

8. QUARTER 4 2022-23 PERFORMANCE REPORT

The CE provided the Report up to 31 March 2023. The Board were asked to consider what things it should be measuring in its oversight role particularly for the ARC but also for Housemark. He advised that following discussions with managers three specific changes were recommended:

1. Real time quarterly or biannual customer % satisfaction with repairs replacing the annual figure or the triennial tenant survey data.
2. Adding a biannual staff survey Net Promoter Score using a simplified version of the recently completed NPS questionnaire.
3. Adding a measure of current compliance failure in electrical safety checks.

Members discussed the reasons why targets may not have been achieved, mainly, but not all relating to repairs. They discussed the difficulties in recruiting tradespersons and what incentives we should be considering, e.g. salary increase, relocation package and providing accommodation and apprenticeships. The CE advised that TESM has spent time at the high schools and there are two people interested in apprenticeships, one for plumbing and the other joinery.

DoFCS advised that the first year Housemark report is complete and second year data collection is underway with the report due in the autumn.

Members requested that CE reviews the appropriateness of targets and concerning the topic of getting repairs right first time TM is to explain these figures and if there is any misreporting or reasons for it.

Members **considered** the contents of the Performance Report to 31 March 2023 and were in agreement with the introduction of the three measures recommended. They started to **review** the metrics used to inform a revised Performance Report and will revisit this when further proposals are received.

ACTION:-

- (i) *CE to introduce the three recommended measures for customer satisfaction surveys, staff surveys and measures to address compliance failure in electrical safety checks.*
- (ii) *CE to review targets.*
- (iii) *TM to provide explanation for getting it right first time figures.*

9. PROCUREMENT REPORT 2022-23

The CE and DML provided the Report. The Annual Procurement Report, recording and publishing the Association's performance and procurement activity must be published annually on regulated tenders. The regulated thresholds as per the Scottish Government advice at time of writing have remained at £50,000 for Goods and Services and £2,000,000 for Works.

There was one Site Contract Award Notice for the year and nothing which triggers the regulated thresholds.

An appendix with a list of other tendering opportunities which were less than the Regulated Procurement amount was provided as well as an appendix with list of Future Regulated Procurement Projects.

Members **considered** and **approved** the proposed Annual Procurement Report and **authorised** its publication on the Association's Website and submission to The Scottish Government.

ACTION:-

- (i) *DML to publish the Procurement Report and submit to the Scottish Government.*

10. **HEALTH & SAFETY BRIEFING**

The CE provided the Health & Safety Briefing which was sparked by the death in Bradford of Awaab Ishak from exposure to toxic mould.

The Report advised that two members of staff have direct responsibility for health and safety and others in Property and Technical Services with some related responsibilities. Staff will provide the Board with a qualitative presentation at a later date.

There have been a small number of serious, life threatening incidents in our houses within the last 3 years. One fire, due to tenant behaviour and a kitchen unit failure, which was a latent defect.

There are chronic health and safety issues which relate to fuel poverty as tenants cannot afford to heat their homes properly and without proper ventilation this creates a mould friendly environment. The level of fuel poverty has worsened in recent years with multiple complaints from Munro Place where this is the primary issue.

The recent focus on mould is a response to the symptom of something more pervasive, fuel poverty and it can be argued that the responsibility for prevention sits mostly with the Scottish and UK Governments and not just LSHA as a landlord.

Members discussed the need to be clear in our duties and responsibilities when using contractors. The CE confirmed that the kitchen cupboard incident has been treated as a latent defect and the contractor who was involved has accepted responsibility. The Board were reassured we are taking responsibility seriously on hearing that in the recent past, the Varrigill House Roof site had been closed down due to Health and Safety concerns.

The CE advised that previously John Lamont had led on Health and Safety and now this role was shared.

The Board advised that they do need a timescale to be in place as the H&S report is annual they cannot allow any slippage and should be advised of any incidents or issues which arise, at the following Board Meeting.

In response to a Member's question the CE advised that we are in a group called HEEHAW, which lobbies the Government on fuel poverty issues.

Members **considered** the contents of the Report and **discussed** how the Board might satisfy its oversight duties and be assured that significant risks were being properly managed.

11. **STRATEGIC RISK REGISTER**

The CE advised that, following a meeting with Angus Biofuels and hearing about measures which have been put in place the risk score for Item 24 is too high and will come down at the next review.

Members **approved** the Risk Register.

12. **MISCELLANEOUS CORRESPONDENCE**

None.

13. **A.O.C.B.**

Members discussed the 40th Anniversary of the Association, which is legally this year and decided a more significant point to celebrate would be the anniversary of the letting of the 1st house, which will be in 2025.

Chairperson *Ian H. Young*

The meeting closed at 3.45 pm and went into the Private Session.
