

Required Reading



MARYHILL HOUSING ASSOCIATION LIMITED

**MINUTES OF THE BOARD MEETING
HELD ON THURSDAY 28TH NOVEMBER AT 6.30 PM
HYBRID MEETING FROM 45 GARRICOH ROAD, GLASGOW, G20 8RG**

Board Members	In Person	Remote	Apols	Absent	Officers	Items
██████████ (LF) - Chair	✓				██████████ (RW) Chief Executive	1-12
██████████ (PI) – Vice Chair	✓				██████████ (JS) – Director of Operations	1-6, 8-12
██████████ (JC)	✓				██████████ (SB) – Interim Director of Resources	2-6, 8-11
██████████ (VW)	✓				██████████ (AD)- Acting Head of Asset & Development	1-6, 8-11
██████████ (SJ)	✓				██████████ (SM) Head of Property	1-6, 8-11
██████████ (WMC)			✓		██████████ (SR) – Corporate Officer (H&S and Facilities)	1-6, 8-11
██████████ (AK)		✓			External	item
██████████ (AS)			✓			
██████████ (DF)				✓		
██████████ (MM)	✓					
Leave of Absence					Observer	Items
██████████ (LS)						

Item No.	Issue	Action By
1.	Welcome	
1.1	The Chair (LF) welcomed everyone to the meeting.	
1.2	Apologies were noted for WMC & AS.	
1.3	RW highlighted a declaration of interest on behalf of SB for item 8 as a family member lives within social housing.	
2.	Approval of Board Minutes	
2.1	The Board approved the minutes of the meeting held on 24 th October 2024.	
3.	Matters Arising	
	No matters arising.	

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4.	Action Tracker	
4.1	LF informed Board members that 11 items were proposed for closure.	
4.2	A Board member raised a question regarding Item 10.14 from the 26th September 2024 meeting. The update indicates that the Customer Insight and Engagement Plan has not yet been published and therefore should be re-opened for further review. RW confirmed that the matter would be re-opened to investigate whether the plan has been published.	
4.3	The Board approved the closure of the remaining 10 items.	
5.	Feedback from Audit and Risk Committee	
5.1	The chair of Audit and Risk Committee (VW) provided an update on the meeting held on the 14 th November 2024.	
5.2	VW reported that the Committee had reviewed internal audit reports. In the area of financial control, the audit rated the design as moderate and the effectiveness as substantial. For development, the design was also rated as moderate, but the effectiveness was deemed limited. Plans are now in place to address the recommendations raised in each report, with actions already underway.	
5.3	A quarterly risk review was completed, which included an amendment to the "Rent Affordability Likelihood" risk. This risk was updated to "likely," reflecting the impact of changes to National Insurance rate. The Q2 management accounts were reviewed and subsequently have been recommended for Board approval tonight.	
5.4	The Treasury quarterly report was also reviewed. Additionally, the Committee agreed to seek terms for extending the engagement of Treasury Advisors DTP. The external and internal action tracker was examined, with several actions marked as completed. Out of the 26 actions arising from the recent ARC audit, 18 have now been closed.	
5.5	VW informed Board that a phishing email may be issued to both Board members and staff. RW explained that this is part of a 12 month programme designed to enhance cybersecurity awareness. While the programme runs over a year, phishing emails may not be sent regularly or at all due to random selection. If a recipient interacts with the email by clicking on it, they will be enrolled in targeted training to improve their ability to recognise and handle similar threats in the future.	
6.	Feedback From Training & Events	
6.1	Board members attended a Bitesize Training session on Fraud prior to this evening's meeting and confirmed that this had been informative. SB confirmed that a video of the training sessions would be made available to members who had not been able to attend.	SB
6.2	Board members believed the away day was a good day and enabled a lot of discussion around the strategic issues facing the Association. Board members commented on how it had been informal and nice to be in a different setting.	
7.	Staff Structure Review – Phase 1 – Confidential Item	Full Redact

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	<i>This information has been redacted/removed as confidential.</i>	
8.	Rent Increase Options	
8.1	LF asked the Board to reconsider the rent options outlined in the paper noting that the options approved at the October meeting are no longer viable.	
8.2	LF also advised that the report contained in the Board Pack provided an update to the October paper, with changes shown in blue highlights. The key changes had been to take account of the Employers' National Insurance rise but also to reflect the correction of an error with loan interest that had been identified after the October Board meeting. LF also noted that a further updated report had been issued by email to all Board members on 27 th of November and clarified that Board members had seen this.	
8.3	<p>SB delivered a presentation on screen highlighting the changes since the October meeting. SB then outlined the two new rent increase options for the Board's consideration noted below:</p> <ul style="list-style-type: none"> • a 5.0% and 5.5% increase with CPI+1 for one additional year (set out in the paper in the Board pack), • or a 4.3% and 4.8% increase with CPI+1 for two additional years, accounting for potential changes that may arise next year (set out in the emailed report dated 27 November). 	
8.4	A Board member inquired how the additional rent option in the 27 November email came about. RW confirmed that the revised rent options in the Board pack were briefly discussed towards the end of the away day and following consultation with the Tenant Service Improvement Group on Monday this week, senior staff were concerned that the proposed figures of 5% and 5.5% were above expectations. This prompted exploring an alternative rent increase of 4.3% and 4.8% with an additional CPI+1% year, spreading the cost increase over two years, as a way to lessen the impact for April 2025 increase whilst still ensuring viability.	
8.5	A Board member questioned whether the loan interest golden rule is set too high. RW confirmed that the golden rule is designed to give a safety net to allow for unexpected contingencies, and given the current risks highlighted in SBs presentation, such as potentially higher salary increases than budgeted, the potential legal fees if the render case proceeds to court and the impact should contractors pass on the NI increase in price rises, this contingency could easily be required. It was therefore agreed that it would not be advisable to reduce the golden rue requirement.	
8.6	SB highlighted how the proposed rent increase compared with other associations, using data from the Scotland Housing Network, which shows an average increase of 4.32%, with increase ranging from 1% to 7%.	
8.7	A Board member mentioned that the figures provided for comparison likely pre-date the national insurance hike and like Maryhill other RSLs may be reconsidering rent increase on that basis.	
8.8	Board members asked if we are aware of what the options would do to affordability. SB advised the moderate income within the Housemark affordability	

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	<p>model had been updated since the October Board paper to take account of living wage increase. This had resulted in improved affordability results despite the higher rent increase levels being proposed, as set out in the updated affordability table within section 7 of the Board paper.</p>	
8.9	The Board held a discussion on the affordability of increasing rents, particularly in light of the current service delivery challenges. The Board emphasised the importance of being mindful of tenants' views and ensuring that any rent increase is clearly communicated, explaining why it is necessary and how it will contribute to improvements. Board agreed that demonstrating measurable improvements in service delivery would be essential to gain tenant support.	
8.10	The Board had a detailed discussion and agreed that selecting an option below a 5% increase based on the information provided would hinder the organisation's ability to address priorities identified in the customer satisfaction and net zero surveys. While this decision applies only to the current year, the compounding impact of a lower increase could lead to a significant shortfall over time.	
8.11	<p>Following a detailed discussion, the Board:</p> <ul style="list-style-type: none"> • Approved consultation of two rent options 5.0% and 5.5%. • Noted the tenant consultation process has been reduced to four weeks and will remain open as long as possible before the January 2025 Board paper deadline. • Noted the outcome of the consultation will be presented at the January 2025 Board meeting to inform the decision on the April 2025 rent increase. 	
9.	Assurance	
9.1	LF highlighted that the assurance paper presented has a slightly different layout compared to the format the Board is used too.	
9.2	RW explained that the cover paper had been expanded to provide a clearer understanding of what assurance entails and to suggest potential questions, from the SFHA guidance, that the Board may want to consider. Additionally, the supporting papers had been moved to supplementary reading. RW invited the Board to share any feedback or questions regarding the new layout or the information provided.	
9.3	The Board had a discussion and noted there was only one change to the Assurance Framework Dashboard since Board last reviewed this in September. The compliance level for 'Getting Good Value from Rents and Service Charges' had been reduced from green to amber. This was due to the customer satisfaction in the 2024 survey having reduced again since 2021. RW provided a verbal update that at the Board pre meet it was requested that an action be added to this Dashboard item before the papers are published, which is to state that it will be a corporate plan priority in 2025/26 to improve customer experience.	
9.4	The Board agreed the Assurance Framework Dashboard be updated on the value for money item to reflect the corporate plan priority to improve customer experience before publication of the papers on website.	RW
9.5	Following a discussion, the Board:	

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	<ul style="list-style-type: none"> • Approved the Association's overall assurance rating remains as compliant. • Approved the Assurance Framework Dashboard ratings proposed by officers, as detailed in Appendix A., subject to the change noted above • Approved the Management Accounts as of September 2024, which were reviewed and recommended for approval by the Audit & Risk Committee on 14th November 2024. 	
10.	CEO Report	Partial Redact
10.1	LF highlighted there were three approvals outlined in the paper and advised that Board would take each approval and questions before moving to the next.	
10.2	LF highlighted the Achieving Excellence Policy for approval and asked Board if there were any comments or questions.	
10.3	A Board member asked how the score is arrived at, is it through a conversation or does the manager just decide. RW confirmed that the scoring is done through a discussion in the regular 1to1 meetings, with the first scoring set to take place in January 2025. The 1to1 meetings will consider how well the staff member is meeting the role expectations of the job as well as values and behaviours. Any areas for improvement or opportunities where a staff member is exceeding expectations will be recorded in the staff members success plan which will be reviewed at each 1to1.	
10.4	The Board then approved the Achieving Excellence policy, subject to consultation with staff and union.	
10.5	<u>Remaining content of item 10 removed as commercially sensitive.</u>	
11.	Governance report	Partial Redact
11.1	LF introduced the paper and confirmed that there were three approvals required within it.	
11.2	LF highlighted the first approval and directed the Board to paragraph 2.6 confirming the Board recruitment panel, supported by consultants North Star, had interviewed ██████████ (PH). PH had subsequently also attended the Board Strategic Away Day in November as an observer. Board members who were involved in the interview noted that PH expressed a strong interest in joining Maryhill specifically, rather than any other Board.	
11.3	After a discussion, the Board approved the appointment of PH as a co-optee, with the intention of appointing him as Chair following the AGM in September 2025.	
11.4	RW highlighted the Succession Plan and advised Board there is time to consider the vice chair before the September AGM and that any member who is interested in finding out more about the role would be able to shadow the existing vice chair. Board requested that the Vice Chair role remit be circulated to all Board members for consideration.	RW

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Item No.	Issue	Action By
11.5	The Board discussed recruitment and noted that as LF and PH are both non-customer members, it is important if possible that the Association have a customer member (i.e. tenant or owner) as either Vice Chair or Chair, as it provides a good balance. An action will be taken to capture this preference within the Board Effectiveness Policy.	RW
11.6	The Board also discussed the possibility of appointing additional members to form a pool of available members to serve on the Staffing Panel. It was noted that while three members are required to form a hearing panel, having a larger pool to choose from would provide more flexibility. It was agreed that it would be helpful for hearing panel training to be provided to all Staffing Panel members.	RW/ AMcL
11.7	Board agreed that having a larger pool of people for Staffing Panel was a good idea and RW will seek interest amongst members.	
11.8/ 11.9	<u>Item redacted as confidential.</u>	
11.10	LF highlighted the remaining two approvals for the Board's consideration: the proposed 7% rent increase by the Maryhill Living Board, along with the revised remit of the Maryhill Living Board.	
11.11	The Board discussed the proposal and approved both the 7% rent increase for Maryhill Living customers and the revised remit of the Maryhill Living Board.	RW
12.	AOCB	Partial Redact
12.1/ 12.2/ 12.3	<u>Item redacted/removed as Commercially sensitive.</u>	
12.4	RW highlighted the upcoming Christmas staff event on the 18th of December.	
12.5	A Board member provided positive feedback from attending last year's event, which had been a successful event and allowed for meaningful connections with the staff.	
12.6	RW and JS left the meeting to enable the Board to conduct an independent meeting review.	
13.	Meeting review	
13.1	Members reflected on Board collective performance and agreed that the right amount of time was spent on each agenda item, that there had been a good level of discussion and debate, and that a strategic focus was maintained during the meeting.	

Signed: _____

Date: _____