

Required Reading



MARYHILL HOUSING ASSOCIATION LIMITED

**MINUTES OF THE BOARD MEETING
HELD ON Thursday 22 AUGUST 2024 AT 6.30 PM
HYBRID MEETING FROM 45 GARRICOH ROAD, GLASGOW, G20 8RG**

| Board Members | In Person | Remote | Apols | Absent |
|---------------------------------|-----------|--------|-------|--------|
| ██████████ (LF) - Chair | ✓ | | | |
| ██████████ (PI) – Vice Chair | ✓ | | | |
| ██████████ (JC) | | | ✓ | |
| ██████████ (TH) | ✓ | | | |
| ██████████ (VW) | ✓ | | | |
| ██████████ (VM) | | | ✓ | |
| ██████████ (SJ) | ✓ | | | |
| ██████████ (WMC) | | | ✓ | |
| ██████████ (AK) | ✓ | | | |
| ██████████ (LS) | | | ✓ | |
| ██████████ (AS) | ✓ | | | |
| ██████████ (JB) | ✓ | | | |
| ██████████ (DF) | ✓ | | | |
| Leave of Absence | | | | |

| Officers | Items |
|----------------------------------------------------------------|--------------|
| ██████████ (RW) Interim Chief Executive | 1-11 |
| ██████████ (JS) – Director of Operations | 1-11 |
| ██████████ Interim Performance & Governance Manager | 1-11 |
| ██████████ (SB) – Acting Head of Resources | 1-11 |
| ██████████ (AD)- Acting Head of Asset & Development | 1-11 |
| ██████████ (AM) – Head of Development | 1-11 |
| ██████████ (SR) – Corporate Officer (H&S and Facilities) | All |
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| | |
| Observer | Items |
| | |

| Item No. | Issue | Action By |
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| 1. | Welcome | |
| 1.1 | The Chair welcomed everyone to the meeting. | |
| 1.2 | Apologies were noted for WMC, JC, VM & LS | |
| 1.3 | Leave of absence for were included for consideration at item 11, but as AK and SJ were both at the meeting it was noted these were not required | |
| 1.4 | VW noted declaration of interest in regard to the Dalsholm Road site in the development assurance paper, which is a joint project with West of Scotland HA. | |

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| 2. | Approval of Board Minutes | |
| 2.1 | The Board approved the minutes of meeting on the 27 th of June. | |
| 2.2 | The Chair (LF) confirmed that the confidential minutes of the special Board meeting on 16 th May had not yet been distributed. These minutes will be circulated by email for approval at September Board. | RW |
| 3. | Action Tracker | |
| 3.1 | A Board member questioned the level of actions listed on the tracker for closure and asked if any new processes had been implemented. | |
| 3.2 | RW confirmed that the current approach has been in place for two meetings. The purpose is to ensure all decisions and subsequent steps are captured, providing the Board with visibility and assurance that actions are being followed through. This approach had been implemented following a recommendation from the collaborative governance audit in 2021. | |
| 3.3 | The Board discussed the action tracker and raised concerns about the clarity and relevance of some next steps, and whether these were operational matters for staff rather than Board matters. | |
| 3.4 | It was agreed that the action tracker will be reviewed and revised to ensure only Board level matters are reflected. | RW |
| 3.5 | The Board: <ul style="list-style-type: none"> • Approved the 24 items proposed for closure. | |
| 4. | Feedback From Audit & Risk Committee | |
| 4.1 | The Chair of the Audit and Risk Committee provided an update on the Audit and Risk Committee meeting that took place on the 15 th of August 2024. VW advised Board that the Audit Committee thoroughly reviewed the Financial Statements, Audit Findings Letter, and Letter of Representation, all of which are scheduled for approval at tonight's meeting. | |
| 4.2 | VW informed the Board that BDO presented three reports that evening: Reactive Repairs, Follow-Up, and the Annual Report for 2023/24. The Committee noted significant improvements since the Reactive Repairs audit, with many actions taken by staff. All three reports were approved. | |
| 4.3 | The Management Accounts for Q1 were reviewed and approved. It was noted that common electricity was over-accrued however this should be corrected in Q2. Additionally, void repairs exceeded budget due to properties being returned in poorer condition, requiring extra work before re-letting. | |
| 4.4 | The meeting also covered standing items, including risk, governance registers, and third line of defence reviews. VW advised there had been lengthy discussion of the intrusive fire testing report, the report confirmed that the cladding is not combustible but highlighted a risk of toxic smoke and included several urgent recommendations. It was noted that staff were seeking a second opinion to ensure | |

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| 4.5 | the original contractor is not recommending unnecessary additional work as there were concerns over inconsistencies in the report provided. Additionally, it was recommended that an additional third line of defence review be added for the year, with BDO to conduct a review of IT infrastructure. The Board noted the update and the recommendations from the Audit & Risk Committee. | |
| 5. | Feedback from Training/ Events | |
| 5.1 | No feedback from training/events for the last month. | |
| 6. | Annual Accounts | Partial Conf |
| 6.1 | LF introduced the annual accounts and advised Board that these were thoroughly reviewed and considered by the Audit & Risk Committee, which has recommended them for approval. LF asked board members who were not present at this committee meeting to flag any omissions and invited questions. | SB |
| 6.2 | Board member questioned the increase in turnover by £3.5 million and the rise in operational costs by £4 million, noting that this may be raised by other shareholders at the AGM. | |
| 6.3 | SB confirmed that the main reason was the shared equity sales at Locks View, resulting in a one-time increase of £1.7 million in both turnover and operating costs. | |
| 6.4 | RW advised the Board that the financial report in the AGM pack will address and highlight these details to ensure shareholders understand the reasons for the increase before the meeting. | |
| 6.5 | Board noted the recommendations and approved the following: <ul style="list-style-type: none"> • Approved the Financial Statements, Audit Findings Letter and Letter of Representation set at Appendices A, B & C • Approved LF & VW to sign the Financial Statements. | |
| 7. | Treasury Management | |
| 7.1 | The Chair introduced report and advised the Treasury Management Strategy is an annual document that sits alongside the Treasury Management Policy & Procedures. | |
| 7.2 | The Board then: <ul style="list-style-type: none"> • Approved the Treasury Management Strategy 2024, and • Noted that the actions proposed in respect to the recommendations will be monitored by the Audit & Risk Committee. | |
| 8 | Assurance Summary | |

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| 8.1 | RW introduced paper and confirmed that the Assurance Summary cover paper set out a number of approvals, but recommended consideration was first given to Appendix J Assurance Dashboard, highlighting a material red status in Health & Safety due to water management failure on which JS would provide a verbal update. | CD |
| 8.2 | Board asked JS to provide a brief background on what the legal requirements are for the association. | |
| 8.3 | JS informed the Board that water management checks in the mini multi and multi storey stock had not been conducted as required since March 2023. The Association's Health & Safety Advisors had clarified that the Association is not in breach of any legislative requirements, however six-monthly water checks are required by our internal procedures and are necessary to ensure that water quality is not compromised, which if it did happen would be a breach of legislative requirements. | |
| 8.4 | JS confirmed that it had been identified at the start of August that our water management contract, which required checks every six months, lapsed in March 2024 with the last checks having been completed in March 2023. The contract should have been renewed and managed more efficiently to ensure ongoing compliance. | |
| 8.5 | JS advised Board immediate action had been taken and testing of water quality at the mini multis and multi storey properties commenced on the 16 th of August with the remaining half scheduled to be completed tomorrow the 23 rd of August. No issues have been identified so far. | |
| 8.6 | Board member queried why the water management contract was not renewed. | |
| 8.7 | JS explained that the reason for the lapse is currently unclear. A learning review will be conducted to understand why internal water management standards were not followed. This review will be presented at the next Board meeting | |
| 8.8 | It was also mentioned that up until now there was only one KPI for water management covering all stock types. This may contribute to the lack of water checks at the mini multi and multi storey stock having gone undetected for so long. The KPIs have now been adjusted to ensure separation of water management into two KPIs, one for the mini multi and multi storey properties and one for the non multi storey properties. | |
| 8.9 | A Board member inquired if missing the checks would breach landlord safety regulations. JS confirmed the issue was reviewed by the Association's Health & Safety advisors, which found no legal breach but noted non-compliance with internal standards for service contracts. The advisors recommended reviewing and reinforcing internal processes. | |
| 8.10 | Board member asked if there was a risk that other contracts for health & safety checks could similarly have been allowed to lapse or be subject to poor contract management. JS advised that the learning exercise would give consideration to wider contract management within the cyclical contracts. | |

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| 8.11 | JS advised that once the checks on the multi-story buildings are completed and lab results are received, compliance will be achieved, with certificates expected next week. | |
| 8.12 | RW asked if the Board would be satisfied with receiving a new updated dashboard showing a risk status of amber once all water checks are confirmed. | |
| 8.13 | The Board agreed for delegation of authority to the Chair for updated dashboard approval. | RW |
| Performance Report Quater1 | | |
| 8.14 | JS provided an update on the Quarter 1 Performance Report, noting that factoring debt has decreased compared to the previous quarter. Rent arrears are ongoing, but an income maximisation manager has been appointed to work with the team to identify any trends. Void performance has improved significantly, though work continues to resolve data issues related to damp and mould cases. | |
| 8.15 | It was noted that the paper provided in the Board pack was not the correct Q1 24/25 paper. It was agreed that the correct report would be re-issued, and Board member comments or issues would be addressed accordingly. | RW |
| Complaints Report Quater1 | | |
| 8.16 | OY provided brief update on complaints and mentioned satisfaction levels have improved in relation to the reactive contractor. | |
| 8.17 | A Board member asked about the root causes of complaints like late appointments and poor workmanship. JS explained that these issues often stem from property officers not raising work orders after visits | |
| 8.18 | RW asked the Board if the reported data was detailed enough and if it provides sufficient information to identify trends. | |
| 8.19 | Board members suggested that providing more context on the nature of the upheld complaints would enhance understanding. They also recommended including data on how many complaints were not resolved at Stage 1 and subsequently escalated to Stage 2. | OY |
| 8.20 | Agreed staff will look to revise the reporting format to include this additional information for better clarity and tracking. | |
| Financial Report Quater1 | | |
| 8.21 | SB introduced the proposed rating for financial management and confirmed that the financial overrun is due to void repairs. The projected amount is £185,000, which does not pose a concern for breaching covenants but will be monitored in line with the golden rule. | |
| 8.22 | SB advised that the management accounts had been approved by the Audit and Risk Committee. | |
| Health & Safety Report Quater1 | | |

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| 8.23 | JS confirmed that overdue actions related to the fire assessment have decreased due to duplicate actions been removed, with the outstanding items mainly relating to fire-stopping works which is being procured. | |
| 8.24 | For the LD2 update, only eight properties still lack an EICR. A forced access program is ongoing, but issues persist in gaining the necessary access to complete this work due to the meters been tampered or the condition of the properties when access is obtained. | |
| 8.25 | An asbestos risk assessment is currently underway, with the target to finish by the end of November, followed by procurement for re-surveys. Efforts are also being made to disconnect as many communal water tanks as possible to reduce the need for ongoing checks also. | |
| 8.26 | A verbal update was provided regarding lift outages, noting that the KPI reporting method will be changed to track outages by hours. This adjustment will give the Board and staff a clearer understanding of the extent and impact of these outages. | |
| 8.27 | AD provided an update with regard to an external report on the condition of the lifts at the three Glenavon blocks following the recent frequent outages. The report confirmed that all three lifts, which were installed in 2013/14 were mechanically sound and did not need replaced. However, the manufacturer of the control system ceased trading several years ago which made sourcing parts difficult and could lead to prolonged outage. The report recommends replacement of all three lifts control systems. AD advised the proposal was to replace the control system in 115 this year, which was the most problematic lift, and then replacing the other two blocks in future years. | |
| 8.28 | Board members stressed the importance of maintaining the lifts to prevent customers from being unable to access their homes or experiencing extended wait times due to lift outages. | |
| 8.29 | The Board asked staff to consider bringing forward the replacement of the control system in all three lifts. | AD |
| 8.30 | <p>Risk Management</p> <p>RW provided an update on the intrusive fire risk assessment which had also been discussed at length at the Audit & Risk Committee. RW advised that the risk rating on Health & Safety was still not being proposed to be changed as there was a lack of confidence in the validity of the reports provided. Since the committee meeting, the contractor continued to be unable to provide the video evidence referred to in the original reports. RW advised that nothing had been received that increased confidence in the reports and the contractor continued to seek to be commissioned to carry out the recommended installations of which his company was a manufacturer and installer. RW advised that a second opinion is now being progressed with new intrusive fire risk assessments having been commissioned. In the first instance new intrusive fire risk assessments have been requested on one mini-multi and one high rise block, however it may be that our insurers will require retesting of all 15 blocks.</p> | |

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| 8.31 | A Board member highlighted that a similar task regarding cladding risk assessment had been done previously in his line of work and offered to provide support. | |
| | Investment report | |
| 8.32 | AD provided an update on the progress of the investment program. The project for roof work has exceeded its budget, with capital expenditure reaching over £380,000. This increase is attributed to choosing a roof replacement, which offers a lifespan of 70+ years, compared to a 7 year repair option, and therefore provides a better value for money solution. | |
| 8.33 | Board had discussion and believed that this was a sensible choice giving the difference in the lifespan the investment will return.. | |
| 8.34 | AD highlighted the tender for the foyer refurbishment of mini multi-story buildings came in significantly under budget. | |
| | Development programme | |
| 8.35 | AM reported ongoing compliance with the Charter, including efforts to identify housing needs. Challenges persist at Gairbraid Avenue due to fund reallocation and pending government grant confirmation, creating uncertainty around project completion. | |
| 8.36 | The Smeaton Street development faced delays due to a late connection from Scottish Power, which has now been completed and date of handover is 2 nd of October 2024. | |
| 8.37 | Board member inquired about the number of units in the Smeaton Street development. AMC confirmed that it consists of 4 houses, 8 two-bedroom flats, and 4 one-bedroom flats, totalling 16 units. | |
| | Governance Effectiveness | |
| 8.38 | RW introduced report and confirmed that in respect of the relaunch of the Service Improvement Panel, TPAS had now been appointed and last week had delivered the first training to the panel. It was noted the scheduled EDI training session has been postponed to allow this to take place once new CEO appointed. | |
| 8.39 | RW also encouraged Board members to complete their Cybersecurity training, which is a video they are asked to watch. Any members struggling to access the training video were requested to contact corporate support. | |
| | Delivery Plan | |
| 8.40 | RW explained that a new method for rating projects on a scale of 0 to 5 has been implemented, with the vast majority on track for completion of all planned tasks by March 2025. There were three projects within the Digital Strategy that had not progressed, and the BDO review will assist in recommending how best to proceed with these. | |
| 8.41 | The Board acknowledged the update on the assurance reports and the steps being taken to ensure compliance with Health and Safety. | |

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| 8.42 | Having considered the detailed assurance papers, Board then gave consideration to the Overall Assurance Position report and approved the Assurance ratings set out at Appendix J. Noting that when the water management actions were complete a revised version would be issued for Chris approval as per 8.13 above. | | |
| 9. | CEO Report | Partial Conf | |
| 9.1 | RW introduced the report, noting that a few items required approval. RW highlighted the Health and Safety Policy outlined in Appendix A [REDACTED] | | |
| 9.2 | [REDACTED] | | |
| 9.3 | Board approved the following: <ul style="list-style-type: none"> • Approved the revised Health and Safety Policy shown at Appendix A for supplementary reading. • [REDACTED] | | |
| 9.4 | [REDACTED] | | |
| 9.5 | [REDACTED] | | |
| 9.6 | [REDACTED] | | RW |
| 9.7 | [REDACTED] | | |
| 9.8 | [REDACTED] | | |
| 9.9 | [REDACTED] | | RW |

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| 9.10 | [REDACTED] | |
| 9.11 | [REDACTED] | RW |
| 9.12 | <p>RW provided a verbal update on the following items:</p> <ul style="list-style-type: none"> • Affordable Housing Grant: The grant award letter for the year has not yet been received, and discussions are ongoing. • [REDACTED] | |
| 9.13 | <p>A Board member expressed concern about decreasing adaptation funding for social rented tenants and the possibility of using cyclical budget funds. JS explained that the allocation was overspent due to an anticipated cut of 25%, which was then confirmed later than usual in July as a 50% cut, and this was once work had already been committed. JS advised currently there is no plan to use the cyclical budget, however this will be kept under review and requests will be made to the council for additional funding.</p> | |
| 9.14 | <p>Board noted the remaining content of the CEO report.</p> | |
| 10. | Governance Report | |
| 10.1 | <p>LF noted that the leave of absence mentioned in the report is no longer needed, as both Board members are present at tonight's meeting.</p> | |
| 10.2 | <p>LF asked if the Board had reviewed the revised CEO remuneration remit and if there were any questions. A Board member inquired why the issue was revisited. RW explained it was to align the CEO Remuneration Procedure with the June 2024 Board decision on the CEO recruitment, which altered the salary parameters previously in place.</p> | |
| 10.3 | <p>RW also highlighted that Section 4 of the Governance Report had been standardised to match other RSLs. This was the last remaining collaborative governance audit recommendation.</p> | |

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| 10.4 | RW informed the Board of TH & VM intention to step down at the AGM. RW and the Board expressed their gratitude to TH & VM for years of dedicated service. | |
| 10.5 | Board approved the following items: <ul style="list-style-type: none"> • Approved the revised CEO Remuneration Procedure shown at Appendix E • Approved the addition of external training on effective questioning, bitesize session on fraud and workshop session on audit needs assessment to the governance effectiveness plan. | |
| 10.6 | RW then provided a verbal update that she and met with a tenant regarding their application to join the Board. The first induction with the candidate has been completed and went very well. | |
| 10.7 | RW asked if the Recruitment Panel would be available to interview the candidate ahead of September Board. The Recruitment Panel of TH, LF, and SJ, agreed to meet with the candidate. | |
| 10.8 | OY will make arrangement for the meeting to take place in the first week of September to allow the recruitment panel to attend. | OY |
| 11. | AOB | |
| 11.1 | None | |
| 12. | Meeting Review | |
| 12.1 | No meeting review took place. | |

Signed: _____

Date: _____