

## Required Reading



### MARYHILL HOUSING ASSOCIATION LIMITED

**MINUTES OF THE BOARD MEETING  
HELD ON Thursday 24<sup>th</sup> October 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	1-13
██████████ – Vice Chair	✓				██████████ (JS) – Director of Operations	1-13
██████████ (JC)	✓				██████████ (SB) – Interim Director of Resources	1-13
██████████ (VW)	✓				██████████ (AD)- Acting Head of Asset & Development	1-13
██████████ (SJ)			✓		██████████ (SM) Head of Neighbourhood & Communities	1-13
██████████ (WMc)	✓				██████████ (SR) – Corporate Officer (H&S and Facilities)	1-13
██████████ (AK)			✓		<b>External</b>	<b>item</b>
██████████ (LS)			✓		██████████ (AK)- Knowledge Partnership	6
██████████ (AS)		✓				
██████████ (DF)	✓					
██████████ (MM)	✓					
<b>Leave of Absence</b>					<b>Observer</b>	<b>Items</b>

Item No.	Issue	Action By
<b>1.</b>	<b>Welcome</b>	
2.1	The Chair (LF) welcomed everyone to the meeting and informed Board AK from Knowledge Partnership will be attending remotely for item number 6.	
2.2	Apologies were noted for SJ, LS & AK.	
2.3	No Declaration of interest were noted.	
<b>2.</b>	<b>Approval of Board Minutes</b>	

## Required Reading

Item No.	Issue	Action By
2.1	<p>The Board approved the minutes of the meeting held on 26th September 2024, and the minutes of the special meeting held on the 16th May, subject to the following changes:</p> <ul style="list-style-type: none"> <li>• Amend the attendance list on the 26th of September minutes to note LS once and add DF as an attendee.</li> <li>• Update the special meeting minutes to reflect the correct date of 16th May, rather than 15th May.</li> </ul>	
<b>3.</b>	<b>Matters Arising</b>	
	No matters arising.	
<b>4.</b>	<b>Action Tracker</b>	
4.1	<p><b><u>Items Proposed for Closure</u></b>            LF informed Board members that 9 items were proposed for closure. Decision: The Board approved the closure of all 9 items.</p>	
4.2	<p><b><u>Verbal Updates</u></b>            LF advise Board members there were four verbal updates to be provided, primarily focused on development sites and staffing. Updates provided by staff as follows:</p> <ul style="list-style-type: none"> <li>• <b><i>Dalsholm Road Development item number 16.11</i></b> RW advised a draft development agreement with West of Scotland HA is still pending.</li> <li>• <b><i>Locks View/Botany- 5.5</i></b>: This project is at the defects stage. A claim is with the cost consultant, and updates on the specific costs will be shared with the Board once available.</li> <li>• <b><i>North Maryhill (TRA Wild Flower)- 8.5</i></b>: RW advised acquisition of the land is progressing, therefore works contract is not yet entered into but the contract will have a clause included to ensure the wild flower planting areas are maintained.</li> <li>• <b><i>Lift Control System- 8.29</i></b>: AD recommended advancing the control system replacement for all blocks. The upgrade for two lifts per block is priced at £105,000, with total cost of £310,000 for the three blocks. SB advised that incurring this expenditure in 2024/25 would breach the interest cover golden rule unless the spend could be capitalised, which is being checked with the bank and our auditors.</li> </ul>	
4.3	The Board discussed the potential advantages for customers and costs in upgrading all control systems and agreed it would enhance service reliability. Board recommended to staff to obtain another quote.	
4.4	The Board approved the replacement of the lift control systems across all 3 blocks at Glenavon.	AD
<b>5.</b>	<b>Feedback From Training &amp; Events</b>	
5,1	A Board member shared insights from a recent Scottish Housing Network (SHN) event attended and provided a brief update on Glasgow and West of Scotland Forum (GWSF) discussions. The GWSF report indicated that smaller community based housing associations generally outperform larger ones in several key areas.	

## Required Reading

Item No.	Issue	Action By
5.2	It was highlighted that the GWSF event had a speaker from PATH (Positive Action in Housing) who promote pathways for people from ethnic minorities to enter into housing careers. Maryhill Housing was given as an example of an association who has provided effective trainee roles in the past. RW advised Board that we have had several PATH trainees over the years, including a current trainee role in finance.	
5.3	A further Board member attended the national Direct Works Forum and reported on several updates. A significant topic was the English Housing Regulator's introduction of annual checks for dampness and mould, which will become part of a healthy home check in England. Additionally, fire door inspections will be mandated for buildings with three or more floors, with full compliance and relevant certifications required by next year in England.	
5.4	The Board noted these regulatory changes and discussed that it would be prudent to assume similar measures may be introduced in Scotland in future, given the significance of these two key areas.	
5.5	Board members had also attended a Bitesize Training session on Finance prior to this evening's meeting and confirmed that this had been informative.	
5.6	RW confirmed that the Bitesize Finance Training session is a standing annual item of Board training.	
<b>6.</b>	<b>Customer Satisfaction Survey - Interim Results</b>	
6.1	JS introduced Alan Kennedy (AK) from Knowledge Partnership. JS advised Board that the last Customer Satisfaction Survey (CSS) was completed in 2021 and is required every three years.	
6.2	JS discussed the targeted response rates confirming a 40% response rate for social housing tenants and 30% for property owners. JS informed the Board that AK would provide an overview of the survey results today with a more in-depth session scheduled for January.	
6.3	AK then delivered a presentation on the CSS findings covering trends in tenant satisfaction, comparing results with the 2021 survey.	
6.4	After presenting the overview of the CSS results, AK invited questions from the Board. The following queries and responses were discussed:	
6.5	Board member asked if the damp and mould issues raised by tenants had been addressed. AK confirmed that these concerns were escalated to JS for follow-up action. JS provided a brief update, noting that the volume of damp and mould cases is high. While the team is actively addressing these cases, current staffing levels are insufficient to meet KPI targets for response time.	
6.6	RW advised that due to the high volume of damp and mould issues identified in the CSS and the expected findings from the upcoming Stock Condition Survey, a temporary Damp and Mould Officer was currently in the process of being recruited. RW advised this may potentially come to Board for approval as a permanent role as part of the current staff structure review.	

## Required Reading

Item No.	Issue	Action By
6.7	Board member enquired whether MHA's satisfaction data could be compared to similar surveys conducted by other RSLs, noting that face-to-face surveys often yield higher satisfaction results compared to phone-based surveys. AK explained that while general trends are monitored and compared across RSLs, the survey methodology is not taken into account.	
6.8	The Board found the presentation to be clear and well organised, noting that the feedback aligned with insights from recent tenant events and was not unexpected. The Board and staff expressed their gratitude to AK for delivering the presentation.	
6.9	AK left the meeting at 7:20 PM.	
<b>7.</b>	<b>Interim Results from the Stock Condition Survey</b>	
7.1	AD presented the interim results from the Stock Condition Survey, highlighting key findings following the approval of the interim strategy last month. AD explained the purpose of a stock condition survey and its significance for the association, noting that the last survey was conducted in 2015.	
7.2	AD highlighted that so far 35% of our stock has been surveyed externally, and 28% of internal stock surveys have been achieved with an access rate of around 50%. Survey work is due to complete by January 2025 and will include aiming to improve access for internal surveys.	
7.3	AD confirmed the surveys conducted so far have noted no significant failures. However, kitchens, bathrooms, and ventilation systems were identified for replacement within the next five years, with the ventilation fans being linked to damp and mould concerns received.	
7.4	AD advised that 10% of internal surveys so far had identified damp and mould issues. A Board member asked about the status of damp and mould survey findings and whether these cases are being addressed. AD confirmed that these cases have been made active and are being progressed.	
7.5	A Board member queried if specific property types or particular areas within the properties, such as bathrooms or living rooms, were identified in the stock report regarding damp and mould issues. AD confirmed that these issues are fairly widespread across properties, with a significant number of instances observed in both mid-rise and high-rise buildings, affecting various areas throughout the homes.	
7.6	AD confirmed that a specific ventilation contractor has been appointed to install fans which should assist with the removal of damp and mould cases related to bathrooms.	
7.7	JS advised the Board that there is often underreporting related to communal fans, as tenants may switch them off due to concerns about energy costs and suggested a reminder may be useful to provide education on the importance and efficiency of fans. Additionally, JS mentioned exploring funding opportunities to provide dehumidifiers, aiming to reduce moisture in flats and other properties with limited space for drying laundry or where mould is present.	JS

## Required Reading

Item No.	Issue	Action By
7.8	The Board noted the report.	
<b>8.</b>	<b>Net Zero &amp; Affordable Warmth Report</b>	
8.1	AD introduced the report and informed the Board of a date error in the document. The report incorrectly states that the full Asset Management Strategy will come to Board in October 2026 however it should be March 2026.	
8.2	AD provided an overview of net zero targets expected to be set by the Scottish Government in the new Social Housing Net Zero Standard which is currently in draft stage. AD advised MHA's "fabric-first" approach prioritises thermal efficiency of the property before heating systems, with the report proposing an Affordable Warmth Target tailored to building types.	
8.3	The Board discussed feasibility concerns in obtaining net zero target. AD advised that limited funding underscores the difficulty of achieving these targets which will be reflected in MHA's report to evidence this position.	
8.4	LF proposed a workshop session be offered to Board members to explore this area in more detail. AD confirmed that a bite size training session on net zero is already scheduled for the slot immediately before March Board meeting.  <i><b>Board took a break at 7.55pm</b></i>	
<b>9.</b>	<b>Annual Rent Increase Proposals</b>	
	<i><b>Board meeting recommenced at 8.02 pm.</b></i>	
9.1	LF asked Board to carefully consider the factors of affordability, viability and comparability when determining which options should be selected for consultation with tenants.	
9.2	SB introduced the report and outlined the modelled rent increase options of 2.5%, 3%, 3.5%, and 4.5% explaining the impact each option would have.	
9.3	An in-depth discussion followed covering affordability, comparability and viability of each rent increase option. SB invited the Board to ask questions or comments on each section.	
9.4	<u><b>Affordability</b></u> SB highlighted that all rent increase options proposed delivered rents which were within the 30% affordability measure in the Association's Rent & Service Charge Policy.	
9.5	A Board member questioned the salary data presented in the affordability tables, specifically asking how the salary costs were determined. SB clarified that the figures used are based on the minimum wage for ages 21+ and a moderate salary level. A follow-up question was raised by the Board regarding whether the figures reflected the announced increase in Real Living Wage to £12.60 yesterday. RW confirmed that the data in the reports was produced using the Housemark	

## Required Reading

Item No.	Issue	Action By
	affordability tool before the recent announcement on the increase to in real living wage.	
9.6	A Board member then asked whether the implications of the stock condition survey and net zero requirements had been factored into the data. SB confirmed that no, this information was not yet built into the business plan as it was not yet finalised.	
	<b><u>Viability</u></b>	
9.7	SB presented the viability assessment of the various rent increase options, noting that a 2.5% was not recommended from availability perspective.	
9.8	A Board member inquired whether the salary increase assumption of CPI was realistic when considering EVH standards. RW responded that our treasury advisers DTP raise this issue annually, and they propose an assumption of 0.5% above CPI. However, the Association's approach is to stay within the salary budget by managing vacancies within the financial envelope.	
9.9	A Board member asked if housing benefit is based on CPI. SB confirmed housing benefit, unlike other benefits, is not linked to CPI. For social landlords it's based on their actual rent, for private renters it is based on local housing allowance for their area with the local allowance changing each year based on rents charge in the area rather than any inflation.	
	<b><u>Comparability</u></b>	
9.10	SB presented the comparability information from the report.	SB
9.11	The Board noted a misalignment in how rents for larger properties compare to those in the rest of the sector and agreed that consideration of a rent structure review should be discussed at the March 2025 Away Day.	
9.12	LF confirmed that the recommendation is not to proceed with the 2.5% increase, as this could risk breaching the interest cover and loan repayment golden rules if additional spending is required and asked the Board to consider the proposed options.	
9.13	A Board member questioned why the rent increase options skipped from 3.5% to 4.5%, excluding a 4% option. SB clarified that while the 4% option was considered during modelling, it showed only a minimal difference from the 3.5% option. To provide a clearer choice with a more significant impact the decision was made to not include the 4% option.	
9.14	The Board had a detailed discussion and agreed that selecting an option below a 3.5% increase 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.	
9.15	The Board also discussed the impact of each option on the 5-year investment plan in detail.	

## Required Reading

Item No.	Issue	Action By
9.16	<p>Following a detailed discussion the Board <b>approved</b> for all general needs, shared ownership, retirement properties (excluding fair rent properties) to consult on the following two rent increase options:</p> <ul style="list-style-type: none"> <li>• 3.5% option with an investment value of £28.2m, and</li> <li>• 4.5% option with a £29.4m investment value</li> </ul>	
9.17	Board also asked for communication to customers to include an explanation of why a rent freeze would not be feasible.	SB
9.18	The Board noted that the outcome of the consultation would come to the January Board meeting to inform the decision on the 2025 rent increase.	JS
9.19	The Board also agreed not to include a question on income source as this information would not impact on the Boards final decision on what rent increase to apply.	
9.20	LF asked Board to consider the remaining items on the report for approval and if any questions in relation to this.	
9.21	Board member asked if we could increase the rent in type 1 & type 3 rent by RPI +2%. RW confirmed the lease is currently set at RPI +1% and can't be altered at present.	
9.22	<p>The Board then considered the remaining items and approved the following:</p> <ul style="list-style-type: none"> <li>• For retirement housing tenants – setting service charges for 2025/26 as per the Rent &amp; Service Charge Policy, i.e., based on projected costs for the services provided plus 15% administration fee, subject to consultation with tenants.</li> <li>• For leased properties Type 1 (e.g., Mears) and Type 3 GCC temp furnished flats – increasing rents in accordance with the Rent &amp; Service Charge Policy, i.e., the lease terms of RPI +1% (Retail Price Index inflation rate), using September RPI rate.</li> <li>• For leased properties Type 2 (registered charities turnover &lt;£1m) – increasing rents in accordance with the Rent &amp; Service Charge Policy, i.e. the lease terms of RPI +1% (Retail Price Index inflation rate), using September RPI rate.</li> </ul>	
<b>10.</b>	<b>Write Offs &amp; Write Backs</b>	<b>Redact</b>
10.1	[REDACTED]	
10.2	[REDACTED]	

**Required Reading**

Item No.	Issue	Action By
10.3	<p>[Redacted]</p> <p>[Redacted]</p> <ul style="list-style-type: none"> <li>• [Redacted]</li> <li>• [Redacted]</li> </ul>	[Redacted]
11.	<b>CEO Report</b>	
11.1	LF advised Board there was two approvals for consideration within the paper.	
11.2	<p>Board had a discussion around the minimal changes to both policies and approved the following:</p> <ul style="list-style-type: none"> <li>• Approved proposed changes to the Adaptations Policy in respect of Maryhill Living tenants</li> <li>• Approved proposed changes to the Appendix to the Entitlements, Payments &amp; Benefits Policy</li> </ul>	SR SR
11.3	The Board noted the remaining content in the report.	
12.	<b>Governance Report</b>	<b>Partial Redact</b>
12.1	LF introduced the report and asked Board to note the succession plan.	
12.2	[Redacted]	
12.3	The Board noted the remaining content in the report.	
13.	<b>AOCB</b>	<b>Redact</b>
13.1	[Redacted]	
13.2	[Redacted]	
14.	<b>Meeting Review</b>	
14.1	The meeting review did not take place as the meeting had overrun.	

Signed: \_\_\_\_\_

Date: \_\_\_\_\_