

**Minutes of Shire Board Meeting
Held on 29 January 2025
at 18:00 via Teams**

PRESENT: S Roberts (Chair), H Carr (Convenor of the Audit Committee), B Cuthbertson, L Logan, I McKnight, R Morris, W Paterson, R Patterson.

CHAIR: S Roberts (Chair)

IN ATTENDANCE: J Munro (Chief Executive, CE)
C Donnelly (Director of Corporate Services, DCOR)
J Allison (Director of Housing, DH)
J McLelland (Minute Secretary, MS)
A Gladwin (Director, DTP)
K Roberts (Senior Consultant, DTP)

APOLOGIES: W Gallacher (Vice Chair), N Allan, A Sutherland and M Youd

ABSENT: W White-Finnigan

L of A: None

The meeting commenced at 18.00

The Chair welcomed members to the meeting and welcomed A Gladwin and K Roberts of DTP.

Item	Action
1.0 Formal Business	
1.1 <u>Apologies</u> Apologies were received from W Gallacher, N Allan, A Sutherland and M Youd. The Board welcomed R Patterson back to the Board following her Leave of Absence, which has now come to an end.	
1.2 <u>Declaration of Interest</u> ➤ Item 1.6 – L Logan advised that she is employed by SPA. The Board noted this declaration and agreed that there was no reason for L Logan not to participate in the discussion. <i>Item 2.1 was taken at this point.</i>	
1.3 <u>Minute of the Meeting held on 27 November 2024</u> The Chair presented the minute and invited any comments or corrections. The Chair presented the confidential minute and invited any comments or	

Item		Action
1.4	<p>corrections.</p> <p>The Board approved the minutes as a true and accurate record of the meeting held on 27 November 2024, including the confidential minute from this meeting.</p> <p><u>Action Plan</u></p> <p>➤ Item 7.3 (29/11/23): Staff/Board Event</p> <p>The CE confirmed that the Staff/Board event is likely to take place in May/ June 2025.</p> <p>The Board noted the content of the Action Plan.</p>	
1.5	<p><u>Matters Arising</u></p> <p>None.</p>	
1.6	<p><u>Notifiable Events</u></p> <p>➤ <u>New Cumnock Gas Safety Incident</u></p> <p>The CE presented the report to the Board. The purpose of the report was to review the Notifiable Event that occurred on 22 December 2024. The Chief Executive confirmed that he had submitted the Notifiable Events Notification to the Scottish Housing Regulator on 24 January 2025. In addition, information about the incident had been submitted to the Health and Safety Executive (HSE) on 20 January 2025.</p> <p>The CE confirmed that the Association are reviewing internal procedures and will implement any required changes. The Association are also reviewing tenant communication and will remind tenants of the risk of carbon monoxide and the importance of reacting to warning alarms.</p> <p>[FOISA Status – Exempt under Section 33 (Commercial Interests and the Economy)]</p> <p>[FOISA Status- Exempt under Section 36 (Confidentiality)]</p> <p>The Board noted that the Association has provided the Framework Provider with feedback around this incident.</p> <p>The Board discussed the potential of exploring new technologies which may help to mitigate the risk to vulnerable tenants going forward.</p> <p>The Board discussed the possibility of procuring a health and safety audit on the Association’s planned maintenance procedures and agreed to await the HSE’s review of the incident before making a final decision on this.</p> <p>The CE will provide the Board with an update when there is a response from HSE or should any new information emerge,</p>	<p>SLT</p> <p>SLT</p> <p>CE</p>

Item		Action
	<p>The Board noted the serious incident that occurred on 22 December 2024 in New Cumnock and noted that the Association will co-operate fully with any further investigation by the Health and Safety Executive. The Chief Executive will continue to liaise with the Scottish Housing Regulator.</p>	
1.7	<p><u>Membership Report</u> None.</p>	
1.8	<p><u>Health & Safety Report</u> The DH presented the report to the Board. The purpose of the report was to update Board Members on Health and Safety matters since the last report on 27 November 2024. The DH confirmed that no general office related Health and Safety issues have occurred since the last meeting in November 2024.</p>	
	<p>The Board noted the content of the Health and Safety report.</p>	
2.0	<p>Items Requiring a Board Decision</p>	
2.1	<p><u>DTP Presentation and Report on Shire Development Opportunities</u> K Roberts and A Gladwin, of DTP, presented the report to the Board. The purpose of their report was to present their review of the current financial plans and treasury arrangements and assess if proposed projects are viable and, if so, how they could be funded.</p> <p>K Roberts explained EBITDA and MRI to Board members.</p> <p>The report concluded that the financial risk of undertaking the new office project and the proposed development at Craigens Road is manageable for the Association.</p> <p>A Gladwin presented the potential funding options available and again reiterated the strong position the Association is in.</p> <p>The Board noted that there would be challenges around managing two major projects running in tandem.</p> <p>A Gladwin advised that it would be prudent to begin conversations with RBS around a top up Revolving Credit Facility (RCF) and potentially moving to an EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) only covenant.</p> <p>The CE confirmed that E Garry will attend the Board next month to present a report around the Craigens Road development.</p> <p>The Chair thanked K Roberts and A Gladwin for a very clear and helpful presentation.</p> <p><i>K Roberts and A Gladwin left the meeting at this point.</i></p>	SLT

Item		Action
2.2	<p>The Board noted that pushing the office project back would potentially result in increased costs and also noted the poor condition of the existing office building.</p> <p>The Board noted the content of the report. The CE and DCOR will initiate a conversation with RBS over the coming days.</p> <p><i>R Patterson left the meeting at this point.</i></p> <p><u>Rent Increase for 2025/26 – Tenant Consultation Results and Decision</u> The DCOR presented the report to the Board. The purpose of the report was to allow the Board to consider the consultation responses from tenants, and to reach an informed decision and approve the annual rent increase for 2025/26.</p> <p>The Board discussed and considered the findings that most tenants who responded (80%) preferred the lower increase of Option 1 - 3.3% with 20% preferring Option 2 – 4.3%.</p> <p>The Board discussed the outcome at length and agreed that it is imperative that we demonstrate that we listen and take account of the views of our tenants.</p> <p>The CE advised that EVH Wage Negotiations are ongoing, with a prudent assumption being built into the budget.</p> <p>R Morris advised that SHN recently carried out an exercise around response levels to rent consultations, with low rates recorded across the sector. R Morris offered to share any best practices that come off the back of the exercise, particularly from organisations achieving a higher-than-average response rate.</p> <p>The Board considered the consultation results and approved a 3.3% annual rent increase for 2025/26, whilst acknowledging the challenging financial environment.</p>	SLT
2.3	<p><u>Management Accounts to 31.12.24</u> The DCOR presented the report to the Board. The purpose of the report was to present Board Members with the Draft Management Accounts for the period ended 31 December 2024.</p> <p>The Board thanked the DCOR for a very thorough and comprehensive report.</p> <p>The DCOR confirmed that the Association is in the process of opening two new deposit accounts with RBS, which will spread the risk across institutions and give a better return. The Board noted that these will remain short term notice accounts to provide the flexibility required until final</p>	

Item		Action
	<p>decisions have been made on the potential office project and Craigs Road.</p> <p>The Board:</p> <ul style="list-style-type: none"> • approved the Management Accounts for the period to 31 December 2024. • approved submission of these Management Accounts to RBS. 	
2.4	<p><u>Appointment of Internal Auditor</u></p> <p>The Convenor of the Audit Committee (CAC) presented the report to the Board on behalf on the Audit Committee. The purpose of the report was to allow Board to decide on the appointment of the Association's Internal Auditors.</p> <p>The CAC advised the Board that four tender submissions were received, with three being interviewed. The interview panel unanimously agreed to recommend that the Board appoint wbg as Internal Auditor for an initial three-year term.</p> <p>The Board approved the appointment of wbg as Internal Auditor for an initial 3-year term.</p>	
3.0	<p>Items for Discussion</p>	
3.1	<p><u>Performance Update at Quarter 3</u></p> <p>The DH presented the report to the Board. The purpose of the report was to provide the Board with an update on Key Performance Indicators (KPI) compared to targets.</p> <p>The DH confirmed that the Association has a monthly meeting with Everwarm, who are aware that repair response times have increased during Quarter 3.</p> <p>The Board noted the Performance update for Quarter 3 2024/25.</p>	
3.2	<p><u>Asset Management Performance Update at Quarter 3</u></p> <p>The DH presented the report to the Board. The purpose of the report was to provide the Board with an update on Asset Management activity up to and including Quarter 3 2024/25.</p> <p>The DH advised the Board that there was an error in the graph pertaining to façade cleaning. The DH confirmed that the narrative of the report is correct, with an underspend on this project. The Board noted that the graph should read that £13,620 was spent on façade cleaning.</p> <p>The Board noted the progress of Asset Management delivery for the 2024/25 financial year to date.</p>	
4.0	<p>Reports for Information Only</p>	

Item		Action
4.1	<p><u>Update on New Systems Implementation</u> The DCOR presented the report to the Board. The purpose of the report was to provide the Board with an update on the status of the new system implementation and wider project.</p> <p>The DCOR confirmed that there are no issues or concerns at this juncture, with 'dummy go-live' commencing next week. This will allow the Association to fine-tune the process for go live.</p> <p>The DCOR confirmed that the rent increase will be processed in Capita and transferred to the new system.</p> <p>The Board noted the update on the status of the project.</p>	
4.2	<p><u>Annual Report on Register of Interest</u> The DCOR presented the report to the Board. The purpose of the report was to provide the Board with information on declarations of interest made by staff and board members throughout the year.</p> <p>The Board note the Annual Report on Register of Interest.</p>	
4.3	<p><u>Equalities Recruitment Analysis</u> The DCOR presented the report to the Board. The purpose of the report was to provide the Board with the recruitment analysis for the Housing Officer post.</p> <p>The DCOR advised that most applicants fell within a certain age bracket due to the post being an 'Officer' role, which requires experience.</p> <p>The Board noted the report.</p>	
5.0	Confidential Reports	
5.1	None.	
6.0	Training	
	None.	
7.0	Deferred Items	
	None.	
8.0	AOCB	
8.1	<p><u>Modern Apprentice Recruitment</u> The DCOR advised the Board that the Modern Apprentice's contract ends in March 2025. The DCOR confirmed that recruitment of a new Modern Apprentice will commence and that start dates may need to be flexible due to the timing of exams.</p>	
8.2	<p><u>Storm Damage</u> The CE advised that there have been 93 repairs logged so far relating to storm damage, with two-thirds of these relating to fencing and a third to roofs. The Association is currently assessing the insurance position.</p>	

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8.3	<p><u>Complaint</u></p> <p>The CE provided the Board with an update on a historic complaint and advised that the tenant is refusing access for required remedial works. As such, the CE advised the Board that legal action may need to be initiated. The DH will provide the Board with an update should legal action be required.</p>	
8.4	<p><u>R Morris</u></p> <p>The CE advised the Board that Ross Morris is standing down from the Board, with this being his final meeting. The CE thanked Ross for his input over the years. The Chair also took the opportunity to thank Ross for his dedication and support and wished him luck in his new role. Ross expressed that it had been a privilege to serve on Shire's Board and thanked the Association for the many opportunities it has given him.</p>	
9.0	<p>Date of Next Board Meeting:</p> <ul style="list-style-type: none"> Wednesday 26 February 2025 <p>Venue: Teams</p> <p>Meeting concluded at 20.11</p> <p>I confirm this Minute is a true and accurate record of the meeting: -</p> <p>Chair_____</p>	