

**Minutes of Shire Board Meeting  
Held on 29 November 2023  
at 18:00 via Teams**

**PRESENT:** S Roberts (Chair), W Gallacher (Vice Chair), H Carr (Convenor of the Audit Committee), N Allan, S Lowrie, R Morris

**CHAIR:** S Roberts (Chair)

**IN ATTENDANCE:** J Munro (Chief Executive, CE)  
C Donnelly (Director of Corporate Services, DCOR)  
J Allison (Director of Housing, DH)  
M Scott (Asset Manager, AM)  
J Dickson (Finance Officer, FO)  
D Loudon (Digital Bark)

**APOLOGIES:** W Paterson

**ABSENT:** B Cuthbertson  
R Patterson

**Leave of Absence:** W Pring

**The meeting commenced at 18.00.**

Item		Action
1.0	<b>Formal Business</b>	
1.1	<p><u>Apologies</u> Apologies were received from W Paterson.</p> <p>The CE advised that W Pring has submitted a request for a three month Leave of Absence, beginning with immediate effect.</p> <p><b>The Board agreed a three month Leave of Absence for W Pring.</b></p>	
1.2	<p><u>Declaration of Interest</u> None.</p>	
1.3	<p><u>Minutes of the Meeting held on 25 October 2023</u> The Chair presented the minute and invited any comments or corrections.</p> <p><b>The Board approved the minute as a true and accurate record of the meeting of 25 October 2023.</b></p> <p>The Chair presented the minute of the confidential section of the meeting of 25 October 2023 and invited any comments or corrections.</p> <p><b>The Board approved the minute as a true and accurate record of the confidential section of the meeting of 25 October 2023.</b></p>	

Item		Action
1.4	<p><u>Action Plan</u></p> <ul style="list-style-type: none"> <li>- Item 2.3 – Office Project: The CE confirmed that the engagement with community partners will take place once the project is further advanced.</li> <li>- Item 4.1 – Craigens Road Development Site: The CE provided the Board with an update on discussions with the site owner and a potential developer.</li> </ul> <p><b>The Board noted the content of the Action Plan.</b></p>	
1.5	<p><u>Matters Arising</u> None.</p>	
1.6	<p><u>Notifiable Events</u> None.</p>	
1.7	<p><u>Membership Report</u> None.</p>	
1.8	<p><u>Health &amp; Safety Report</u></p> <p>The AM presented the report to the Board and advised that no general office related Health and Safety issues have occurred since the last meeting in October 2023.</p> <p>The AM highlighted the following points from the report:</p> <ul style="list-style-type: none"> <li>• Asbestos Duty to Manage visits ongoing.</li> <li>• Fire risk assessment actions almost complete. A reassessment will be undertaken on completion of all actions.</li> <li>• The new gas servicing programme is now underway.</li> <li>• Final report for office lighting has been received. Desks have been moved within the office to help alleviate any lighting issues.</li> </ul> <p><b>The Board noted the content of the Health and Safety report.</b></p>	
2.0 2.1	<p><b>Items Requiring a Board Decision</b></p> <p><u>IT Project</u></p> <p>The CE introduced D Loudon, of Digital Bark, who made his presentation to the Board. D Loudon outlined his background and experience in system changes, technology, and procurement. The Board noted the background to the project and the proposed structure and governance, including the Project Initiation Document, Project Plan and Project Control Document.</p> <p>[FOISA Status – Exempt under Section 33 (Commercial Interests and the Economy)]</p> <p>The Board noted that the project will provide an opportunity for the Association to undertake a data cleansing exercise.</p>	

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	<p>The Board discussed the impact the project will have on the potential new office and the staff resource involved.</p> <p><b><i>D Loudon left the meeting at this point.</i></b></p> <p>[FOISA Status – Exempt under Section 33 (Commercial Interests and the Economy)]</p> <p>The DCOR will obtain a copy of the presentation slides and issues these to the Board.</p> <p><b>The Board noted the presentation and approved for the project to progress.</b></p>	<p><b>SLT</b></p> <p><b>DCOR</b></p>
2.2	<p><u>2024/25 Draft Budget</u> The DCOR presented the report to the Board.</p> <p>The Board noted the uncertainties and assumptions contained within the Draft Budget. The DCOR advised that if greater certainty was available, steps may be taken to reduce the headroom on covenants in the Final Budget, to be presented to the Board in February 2024.</p> <p>The Board thanked the DCOR for a very comprehensive and detailed report.</p> <p><b>The Board noted the draft Budget for 2024/25, which will help shape the final Budget and the required rent increase for the year. A final draft Budget will be presented to the Board for approval in February 2024.</b></p>	
2.3	<p><u>Rent Consultation 2024/25</u> The DCOR presented the report to the Board.</p> <p>The Board discussed the complexity of the current climate in terms of balancing the viability of the Association and affordability for tenants. R Morris highlighted that local authority increases are set to be at the higher end, with consultation options often being higher than that of RSL's.</p> <p><b>The Board considered the report and approved to present rent increase options of 5.1% and 6.1% to tenants. The Board also approved the programme of consultation. Feedback from the rent consultation process will be reviewed by the Board in January 2024.</b></p>	
3.0 3.1	<p><b>Items for Discussion</b></p> <p><u>Asset Management Strategy – Sustainability Matrix</u> The DH presented the report to the Board.</p>	

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	<p>The DH advised that the Scottish Government have launched a consultation on Social Housing Net Zero Standards, which will replace the second Energy Efficiency Standard for Social Housing (ESSH2).</p> <p>The Board noted that the Sustainability Matrix has been developed in-house as part of the Asset Management Strategy Action Plan. The DH thanked the FO for developing the model.</p> <p>The Board discussed the findings of the exercise and the uncertainties around whether the Net Zero Standards guidance could affect the current matrix and associated categories.</p> <p>The Board also discussed the sustainability and demand implications.</p> <p>The DH advised that a key finding from the exercise was that Logan, an area of high demand, has the highest levels of fuel poverty within the Association's stock. This can be linked to the Scottish Index of Multiple Deprivation, which shows Logan to have high levels of deprivation.</p> <p><b>That Board noted the outcomes from the development and implementation of the in-house Sustainability Matrix. The Board noted the next steps to address the outcomes.</b></p>	
3.2	<p><u>HUB Asset Database Costings' Review</u> The AM presented the report to the Board.</p> <p><b>The Board noted the current challenging environment, with increasing component delivery costs. The Board agreed for an affordability process to be undertaken, utilising the new rates and considering related life cycles.</b></p>	
3.3	<p><u>SHR Consultation on the Regulatory Framework</u> The CE presented the report to the Board and advised that, following on from their discussion paper in June 2023, the Scottish Housing Regulator (SHR) has issued formal consultation on the future of regulation.</p> <p>The Board agreed that the CE will collate any feedback from the Board and will submit a response to the SHR on behalf of the Association. The Board agreed that the response will be broadly similar to that submitted on the discussion paper.</p> <p><b>The Board noted the report, and the deadline to respond to the Scottish Housing Regulator by 15 December 2023.</b></p>	CE
4.0 4.1	<p><b>Reports for Information Only</b> <u>Verbal update on Audit Committee Meeting of 22 November 2023</u> The CE provided the Board with a verbal update on the Audit Committee meeting of 22 November 2023. The Board noted that two Internal Audit reports (Gas and Electrical Safety and Governance) were presented by the</p>	

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4.2	<p>Association's Internal Auditor at the meeting. Both reports provided 'Strong Assurance.'</p> <p><b>The Board noted the verbal update.</b></p> <p><u>Office Project Update – Procurement of an Architect</u> The CE presented the report to the Board.</p> <p>The CE advised that an inception meeting with Collective Architecture took place on Wednesday 29 November 2023.</p> <p>Office Working Group members expressed that they were keen to meet the architects, and to attend proposed site visits to other RSL offices.</p> <p>The Board noted that the next stage of the project will involve site/ground investigations and discussions with planners at East Ayrshire Council.</p> <p>The Board agreed that staff engagement is a key element of the project going forward.</p> <p><b>The Board noted the outcome of the procurement process.</b></p>	
5.0 5.1	<p><b>Training</b></p> <p><u>Carbon Literacy Training</u> W Pring will facilitate Carbon Literacy Training session on Wednesday 17 January 2024. Board members interested in taking part in the training are to contact the DCOR.</p>	BOARD
6.0	<p><b>Deferred Items</b> None.</p>	
7.0 7.1	<p><b>AOCB</b></p> <p><u>EVH – Board Contact</u> W Paterson to be asked to confirm that he wishes to remain as Shire Board representatives for EVH. The CE advised the Board that one additional contact is permitted. Any Board members who wish to volunteer are to contact the CE.</p>	BOARD
7.2	<p><u>Board Christmas Dinner</u> As most Board members are unable to attend the planned date of 6 December 2023 it was agreed that the dinner will be postponed. Board will be consulted on potential dates for Jan/Feb 2024.</p>	GA
7.3	<p><u>Staff Survey and Staff/Board Event</u> The CE advised the Board that an all-staff survey is in development. The CE also advised that a staff/board event will be organised for late Spring 2024.</p>	SLT
8.0	<p><b>Date of Next Board Meeting:</b></p> <ul style="list-style-type: none"> <li><b>Wednesday 31 January 2024</b></li> </ul> <p><b>Venue: MS Teams</b></p>	

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	<p><b>Meeting concluded at 19.40</b></p> <p>I confirm this Minute is a true and accurate record of the meeting: -</p> <p>Chair_____</p>	