

Board Minutes

Name of Meeting	Board	Date of Meeting	21 May 2018
Venue of Meeting	CVG Office, 50 Scott Street, Motherwell, ML1 1PN	Time of Meeting	5.15pm

1. Sederunt and Apologies

- 1.1 A Murray (Chair), A McFarlane, W Kelly, C Boyd, L Usher, J Fair, A Baird, E Harkins, I McGowan.

K Luscombe was dialled in remotely for the meeting.

In Attendance

L Wassell, S MacDonald, C Garmory, J Turnbull, K Morrison, J Armit (Minute).

- 1.2 Apologies

None.

2. Declaration of Interest

- 2.1 L Usher declared the lobbying act as a potential conflict of interest, as she is CEO of another Registered Social Landlord (RSL).

3. Minutes of Previous Meeting

- 3.1 The Board approved the minute of the meeting held on 26 March 2018, on a proposal by C Boyd, seconded by A Baird.

4. Action Log

- 4.1 Agenda Item 9.4 18/9/17 – Amendment of SHR Regulatory Framework Self-Assessment

- 4.1.1 It was suggested the framework self-assessment should include ‘traffic light’ system similar to that of the Performance Report to show progression of actions. The Internal audit to be carried out of self-assessment once new audit contract in in place from April 2018 (Q1). This change would be proposed with other audit recommendations. L Wassell confirmed the internal audit will take place week commencing 18 June 2018.

- 4.2 All other actions are ongoing.

5. 30 Year Business Plan - Confidential

This item is confidential

6. Refinancing Due Diligence – Delegated Authority – Confidential

This item is confidential

7. SHR Returns (ARC, 5 Year Viability, Annual Loan Portfolio)

- 7.1 K Morrison presented this report to the Board to seek delegated authority to submit these returns by the due deadlines and provide summary updates to the Board on the contents of these.
- 7.2 Given the process and timescales involved in the compilation and input of the ARC return, it will not be finalised until the end of the month and K Morrison requested delegated authority to the Chairman to validate and submit this return.
- 7.5 The SHR requires all housing associations to submit a 5-year projection by 30 June 2018. The main financial projections in this return will be drawn from the business plan approved for the private placement exercise and revised and presented to the Finance Committee on the 17 May as per the agreed process at the board meeting on the 26 March 2018, with any adjustments from the final year end position as at 31 March 2018. Due to audit and business planning cycles it is requested that delegated authority be approved to allow this to be submitted by the Finance Director by the due deadline. The return will be considered by the Finance Committee on 30 August 2018.
- 7.6 The SHR requires all housing associations to submit an Annual Loan Portfolio Return by 30 June 2018. The main purpose of this return is to update the regulator on the amount of borrowings RSL have made in the year and also how much headroom is available. In addition the Mark to Market exposure of derivatives held by the Association as at 31 March 2018 and intercompany lending is included. The Finance Committee is updated on these matters throughout the year in quarterly treasury management reports. The return will be considered by the Finance Committee on 30 August 2018.
- 7.7 Following discussion, the Board approved delegated authority for submission of these returns by the required deadlines on an approval by C Boyd, seconded by A McFarlane.

8. Governance: Scheme of Delegation

- 8.1 L Wassell presented the above report to the Board to consider and approve the Scheme of Delegation, which will be subject to review of its operation before the end of the 2018/19 financial year.
- 8.2 The Scheme of Delegation sets down the decisions that the Chief Executive can make on behalf of the Board Trustees. Some of these decisions are subject to onward delegations to officers by the Chief Executive. CVHA currently has a range of policies, manuals and other documents which include delegated authority levels for decision making. The revised Scheme of Delegation would be included as part of CVHA's Standing Orders and pulls together all authorities in one master document. Once approved, relevant policies and manuals would need to be updated.
- 8.3 It was noted that it is important the Board exercises appropriate levels of control over decision making to comply with the Regulatory Standards. There have been a number of recent discussions at Board meetings about ensuring operational decisions are defined as such and delegated appropriately. The Scheme of Delegation proposes new delegations from Board to the Chief Executive in respect of repossession (Section D3) and write offs (Section B9), which have been subject to debate at Board and Committee meetings. The new Scheme of Delegation also supports effective Board and Committee workload planning to ensure continued strategic focus.

- 8.4 L Wassell noted that there were minor amendments previously highlighted by A McFarlane. Reference should be to the First Tier tribunal (A19) and not the Home Owners Panel. It was also proposed that the CEO appraisal should be carried out by 2 Board members (Chair and Vice Chair) and not 3 Board members. This was agreed.
- 8.5 K Luscombe raised the issue of authority to open and close bank accounts and this should be a Finance Committee decision. This was agreed. A question was raised about Finance Committee approving annual pay increases (C2) and it was explained that this is only where EVH pay awards are non-negotiable by CVHA as part of our full EVH membership and simply included in the annual budget. Finally the process for opening tenders (F4) was discussed and it was proposed the drafting makes it clear that there are always 2 people involved in this exercise.
- 8.6 W Kelly commented that as a relatively new Board member, the document was useful in bringing together all authorities into one place.
- 8.7 Following the discussion, the Board approved the Scheme of Delegation subject to the proposed amendments. The Scheme will be subject to review of its operation before the end of the 2018/19 financial year on a proposal by L Usher, seconded by E Harkins.

9. Strategic Risk Register

- 9.1 The above report was presented to Members by L Wassell to outline the Strategic Risk Register and welcome any discussion.
- 9.2 The Strategic Risk Register was discussed at the last Audit and Risk Committee held on 3 May 2018. Committee Members requested further detail on risk SR7 (failure to manage gas, asbestos and electrical inspection within stock or other premises in line with statutory requirements) the Scottish Government's proposed requirements on smoke and heat detection. J Turnbull provided an update to Members and assured the procedures we have in place are of good practice and meet the proposed requirements.
- 9.3 L Wassell advised members that new risk SR14 (Insufficient understanding of GDPR legislation and failure to comply by enactment deadline of 25 May 2018) is subject to a detailed action plan, led by the Customer Services Director. An internal audit for compliance is scheduled later this year.
- 9.4 A Murray commented on GDPR and sought assurance on the level of detail a customer needs to provide before we give them information relating to their accounts. K Morrison advised staff have been attending lunchtime briefings on GDPR and our policy explains this.
- 9.5 It was discussed following senior staff changes SR15 (failure to have an organisational culture and strategy to attract and retain key staff) has reduced from a residual likelihood of unlikely to rare due to completion of recruitment and removed from the register.
- 9.6 With no further comments, members noted the contents of the report.

10. Workforce Planning – Resourcing & Succession Planning Update – Confidential

This item is confidential

11. New Supply Programme Update -Confidential

12. Board and Committee Minutes: Special Board Meeting (20 April 2018)

This item is confidential

13. Any Other Business

13.1 Douglas Fire Incident

13.1.1 J Turnbull updated Members on a serious fire incident which took place on Wednesday 16 May 2018 in Douglas, South Lanarkshire. Clyde Valley has a large amount of stock in this area and within one of our properties a fire started. It was confirmed the cause of this is still unknown and we are working closely with those affected and the fire and rescues service.

13.1.2 W Kelly requested the Board be kept up to date with this and a report to be included at the next Board meeting, providing a further update/investigation into this incident.

13.2 Board Recruitment

13.2.1 A Murray confirmed to Members, after 6 years as a Board Member J Fair would be stepping down at the AGM in September. A Murray, members and Directors commented on Jonathan's commitment and hard work.

13.2.2 L Wassell advised members that consultants were being engaged to recruit 2 new Board members and there would be an update at June's Board meeting.

13.3 Special Thanks

13.3.1 A Murray on behalf of the Board expressed their sincere thanks and appreciation to Finance Director Shirley MacDonald who is to leave the organisation at the end of May. Board members and Directors conveyed their gratitude for her guidance, high level of commitment and involvement in the most recent refinancing for the group.

14. Date of Next Meeting

14.1 The date of the next meeting will be 25 June 2018.

With no further formal business the Chairperson thanked Members for their input and formally closed the meeting.

15. Chief Executive Annual Appraisal

This item is confidential