

**MINUTE OF MEETING
PARTICK HOUSING ASSOCIATION BOARD
HELD REMOTELY USING VIDEO / CONFERENCE CALL
6.15pm Wednesday 19 August 2020**

Present: Alan Howie (Chair)
Annette Bonar
David Downie
Alastair Firth
Iain Mackenzie
Yvonne MacQuarrie
Les Milne
Janet Napthine
Helen Turner

Apologies: Jeremy Kemp
Patrick McGlinchey
Jennifer Young

Attending: Stewart MacKenzie, Chief Executive (CEO)
Georgina Kent, Operations Director (OD)
John McIntyre, Finance Director (FD)
Brian Lochrie, Development & New Business Director (DD)
Jacqueline McCutcheon, Corporate Services Manager (CSM)
James Armit, Senior Corporate Services Assistant (Minutes)

<p>Item 1</p>	<p>Chair's Welcome The Chair welcomed everyone to the meeting and thanked everyone for their attendance in the new virtual environment.</p> <p>Apologies Apologies were noted as detailed above.</p> <p>Declaration of Interest No interests were declared.</p>	
<p>Item 2 Doc 1</p>	<p>Approval of Previous Minutes PHA Board – 17 June 2020 The minute of 17 June 2020 was agreed as a true record, subject to a minor date amendment of the next meeting date. Following this change, on a proposal by Alastair Firth and seconded by Les Milne, the minute was approved.</p>	
<p>Item 3 Doc 2</p>	<p>Review of Action Tracker A number of the items on the action tracker had been completed or were included within the agenda for this meeting.</p> <p>The Board noted the action tracker.</p>	

<p>Item 4 Info 1</p>	<p>Human Resources Committee Update The Chair introduced this report on behalf of the Human Resources Committee, commenting that its purpose was to provide an update on the activities of the Human Resources Committee over the past year.</p> <p>It was noted that the remit of the Committee allowed for up to five members, but there were currently only four members. This would be reviewed at the post AGM Board meeting.</p> <p>Members commented on the effective chairing of the Committee as an important factor over the year.</p> <p>The Board: 1. Noted the contents of this report.</p>	
<p>Item 5 Info 2</p>	<p>Investment Committee Update The Investment Committee Chair, Les Milne, presented this report to the Board. There was a brief overview of the new housing supply including developments at St Peters, Laurel Street and Purdon Street.</p> <p>There was discussion by Members on the unfortunate delays at the St Peters development. It was hoped that the project would be completed towards the end of 2020/21.</p> <p>It was further noted that the Asset Management Strategy was due for scheduled review in May 2021.</p> <p>The Board passed on their thanks to officers for their continued work for the Investment Committee.</p> <p>The Board: 1. Noted the contents of this report.</p>	
<p>Item 6 Dec 1</p>	<p>Final Audited Accounts 2019/20 The FD introduced this report seeking approval of the Audited Financial Accounts for 2019/20 and the Letter of Representation. The FD apologised for a few typed errors on the covering report noting the corrected and additional as follows:</p> <ul style="list-style-type: none"> - on page 27 the PHA surplus was noted as £1.8m, the corrected figure per the accounts was £2.1m. - the net worth of the Association was noted as £45.4m, this was corrected to £45.6m. <p>The contribution of the Finance Manager was acknowledged by Leadership Team and Board in completing of the accounts and assisting the auditor following the retiral of the former FD in June 2020.</p>	

	<p>Clarification was sought on Gift Aid arrangements, with the FD noting that the External Auditor had requested changes in reporting this. It was noted that the External Audit had attended the Audit & Risk Committee meeting in early August to present the accounts.</p> <p>The Board:</p> <ol style="list-style-type: none"> 1. Approved the Audited Financial Accounts 2019/20 as set out in Appendix 1 and authorised two Board members and the Secretary to sign them on behalf of the Board. 2. Approved the Letter of Representation and authorised two Board members to sign it on behalf of the Board, as set out in Appendix 2. 3. Noted the Auditor's Management Letter, as set out in Appendix 3, which showed a clean audit report. 	
<p>Item 7 Dec 2</p>	<p>Audit & Risk Committee's Annual Report 2019/20</p> <p>The Audit & Risk Committee Chair, Janet Napthine, presented this report to the Board noting the remit of Committee is to confirm the adequacy and effectiveness of the Group's internal financial and management system controls and the arrangements for securing value for money.</p> <p>During 2019/20 six internal audits had been carried out in the following business areas, as well as an annual updated internal audit plan based upon the initial internal audit needs assessment.</p> <ul style="list-style-type: none"> - Risk Management - Procurement & Contract Management - Tenant Participation/ Satisfaction - Asset Management - Performance Management - Electrical Review - Audit Plan 2018-21 <p>The Chair thanked Members of the Audit & Risk Committee, noting this was a positive report which supported the Annual Assurance Statement for the SHR.</p> <p>The Board:</p> <ol style="list-style-type: none"> 1. Considered the draft Audit & Risk Committee Annual Report 2019/20. 2. Approved the 2019/20 Internal Control Statement that has to be included with the final accounts as set out in Annex A. 3. Noted the contents of this report. 	
<p>Item 8 Dec 3</p>	<p>Board Skills Review, Training and Appraisals Update</p> <p>The Chair introduced this report to the Board to provide an update on the feedback from the recent appraisals and self-assessments of the Board's effectiveness.</p>	

	<p>The Chair commented that the responses had been mainly positive in terms of governance and skills set, confirming confidence in a strong, well balanced Board. Areas for improvement noted within the report are for simplified finance reports and treasury awareness. It was suggested that Members would benefit from officer-led training and team overviews by the Leadership Team.</p> <p>There was a short discussion on some comments made during the appraisals process and a suggestion to review our focus on community engagement. This can be explored further at a later date and it was suggested that the Vice Chair could lead on this.</p> <p>The Board:</p> <ol style="list-style-type: none"> 1. Considered the findings of the Annual Board Appraisal exercise 2020, noted areas to strengthen the effectiveness of the Board and agrees to put into effect those actions set out. 2. Noted the contents of this report. 	<p>FD CSM</p>
<p>Item 9 Dec 4</p>	<p>Annual Assurance Statement 2020</p> <p>The CEO presented the first draft of the Annual Assurance Statement 2020 for submission to the Scottish Housing Regulator. The PHA Board noted assurance updates in November 2019 covering 2019/20 quarters 1 & 2 and in May 2020 covering 2019/20 quarters 3 & 4. On 11 August 2020, the Audit & Risk Committee considered a draft of this Annual Assurance Statement 2020 report.</p> <p>It was noted that the content and format of the report presented clear and succinct evidence to demonstrate PHA’s material compliance with regulatory requirements and good governance. There was some discussion and minor additions agreed to the supporting evidence.</p> <p>It was further noted that the SHR was planning to issue supplementary advisory guidance at the end of August 2020 to address specific issues related to Covid-19. PHA’s initial plan was to submit the AAS to the SHR following Board approval. However this would be deferred pending the supplementary advisory guidance at the end of August and if necessary a special meeting may be required to approve any amended final version of the AAS.</p> <p>The Board:</p> <ol style="list-style-type: none"> 1. Approved the draft Annual Assurance Statement 2020, as set out in Appendix 1. 2. Delegated authority to the Chief Executive to submit the approved Annual Assurance Statement 2020 to the Scottish Housing Regulator using the relevant online portal before the deadline of 31 October 2020, subject to supplementary SHR guidance to be published at the end of August 2020. 	

<p>Item 10 Dec 5</p>	<p>CEO Report</p> <p>The CEO summarised the main headlines within the report, including updates on Coronavirus and Business Continuity; Governance; the forthcoming Annual General Meeting (AGM); the appointment of contractors in relation to our Reactive Maintenance & Small Works Contract; Procurement update; St Peters New Housing Supply Contract; and Health & Safety update.</p> <p>The Board commented that this was clear and comprehensive report and:</p> <ol style="list-style-type: none"> 1. Noted that rules 62 to 67 had been followed, that members had been notified of the Annual General Meeting scheduled to take place on 9 September 2020 and no further nominations had been received. 2. Approved the appointment of Colin McCulloch to the Board of Partick Works Limited. 3. Noted and confirms to the Clydesdale Bank that we have removed Eamonn Hughes (former Finance Director) and added John McIntyre (new Finance Director from 1 June 2020) to the schedule of authorised signatories and administrators for business banking. 4. Noted the contents of this report. 	
<p>Item 11 Dec 6</p>	<p>PHA/PWL Independence Agreement Review</p> <p>The CEO sought approval from the PHA Board for the reviewed and updated Independence Agreement between PHA and PWL.</p> <p>It was noted the current PHA/PWL Independence Agreement was approved by PHA and PWL Boards in November 2017. It was therefore scheduled for review, as almost three years has passed, to ensure that it remained fit for purpose.</p> <p>Members sought clarification on the inclusion of PWL Board Member names within the agreement, which would be checked with BTO Solicitors prior to signing of the document. It was clarified that the purpose of this report was to agree and approve the Independence Agreement and not to agree 'in principle' as noted in the covering report.</p> <p>Following this, the Board:</p> <ol style="list-style-type: none"> 1. Agreed to the updated Independence Agreement between PHA and PWL as set out in Appendix 2. 2. Noted the contents of this report. 	<p>CEO</p>
<p>Item 12 Info 3</p>	<p>PHA Management Accounts 2020/21 Quarter 1</p> <p>The FD presented this report to the Board to discuss and approve PHA's Management Accounts for 2020/21 Quarter 1, which showed financial performance against budget.</p> <p>The Management Accounts for the year to 30 June 2020 showed an overall surplus of £659k, which was £300k higher than budget. The</p>	

	<p>accounts also reported net current assets of £316k (short-term) and net assets of £46.3m (long-term).</p> <p>There was some discussion on how the Coronavirus pandemic had impacted on financial performance relating to development activity, particularly at the St Peters site, with income being under recovered due to the properties not being let. The Finance Director plans to restate budgets at the end of 2020/21 Quarter 2 to reflect the impact on income from development delays and the Coronavirus lockdown, etc.</p> <p>The Income & Expenditure Account of PWL showed a surplus of £37k for the 3 months to 30 June 2020, which was an increase of £11k on budget. The Statement of Financial Position showed net current liabilities of £114k and net assets of £2.6m.</p> <p>It was noted that the impact of Coronavirus could not be fully predicted, but it was suggested that it would be helpful to identify and track the financial impacts of Coronavirus as this would be useful for members to gain insight of the impact on PHA.</p> <p>The Board:</p> <ol style="list-style-type: none"> Noted the PHA Management Accounts for 2020/21 Quarter 1, as set out in Appendix 1. Noted the financial position of PWL at 30 June 2020, as set out in Appendix 2. 	<p>FD</p> <p>FD</p>
<p>Item 13 Info 4</p>	<p>PHA Performance Review 2020/21 Quarter 1</p> <p>The OD presented this report to the Board, noting that operational performance had been impacted by exceptional circumstances due to the Coronavirus lockdown.</p> <p>It was noted that during Quarter 1 we carried out emergency repairs only. We completed 78.59% of these emergency repairs within our 4-hour response time, this was due to the limited number of repairs carried out but also having to manage the unsatisfactory performance of our outgoing maintenance contractor.</p> <p>It was further noted that 10 gas safety inspections were overdue because some customers had been advised to shield or self-isolate due to the pandemic. We had subsequently been able to complete 7 of these, with the remaining 3 to be addressed as soon as possible.</p> <p>The Board:</p> <ol style="list-style-type: none"> Noted the content of this report. 	

Item 14 Info 5	Committee Minutes The Board: 1. Noted the content of the Audit & Risk Committee minutes of 11 February 2020 and 9 June 2020 as set out at Appendices 1A & 1B respectively. 2. Noted the content of the PWL Board minute of 19 February 2020 and note of 24 June 2020 as set out at Appendices 2A & 2B respectively.	
	AOCB The Board suggested that the next meeting scheduled for November was too far away and requested a 'catch up' meeting to be arranged for some time before then but after the AGM. This would be confirmed via email to Members with a suggested date and time.	CSM
	The Chair thanked everyone for their attendance and contributions. The meeting closed at 8.15pm.	
	Next Meeting <ul style="list-style-type: none"> • Post AGM PHA Board Meeting: Wednesday 9 September 2020 at 6.30pm (virtually). • PHA Board meeting: Wednesday 30 September 2020 at 6.15pm (virtually). 	

