

**LOCHABER HOUSING ASSOCIATION  
MINUTES OF BOARD OF MANAGEMENT MEETING  
HELD ON MICROSOFT TEAMS ON THURSDAY 16<sup>TH</sup>  
FEBRUARY 2023 AT 6.30PM**

**Present:** Jenni Hodgson  
Andrew Carr (Chairperson)  
Moirra MacVicar  
John Cooney  
May Tosh  
Cathy Osborn

**In attendance:** Margaret Moynihan, Chief Executive  
Jenny MacKay, Customer Services Manager  
Sean Doherty, Asset Manager  
Iain MacLeod, LHAPS Manager  
Maureen Cameron, LCR Manager  
George Doran, Finance Manager  
Siobhan Toal, Customer Services Officer  
Brian Pearson, Housing Services Coordinator  
David Smith, Accountant  
Fiona Sorley, CHT

**1. Apologies**

Apologies have been received from Di Alexander, Jacqui Wight, Sarah Fanet, Jacob Green and Morag Cameron.

**2. Declarations of Interest**

The Declaration of Interest report was **approved**, and it was also **noted** that Jenni Hodgson would leave the meeting while Agenda Item 8 was discussed and be invited to re-join when this item concluded.

**3. Minutes of Meeting held on 15<sup>th</sup> December 2022**

The Minutes of the meeting held on 15<sup>th</sup> December 2022 were **approved**.

**4. Matters Arising from Minutes of Meeting held on 15<sup>th</sup> December 2022**

**(i) Housing Needs Report**

The Chief Executive advised the Board that as agreed at the meeting in December the Housing Needs survey has now been postponed. The Chief Executive has contacted the Highland Council to advise them that the £5,000 Place Based funding was no longer required by the Association and advised CHT the survey work was postponed for this financial year.

The Board **noted** the update.

## **(ii) Highland Housing Register**

The Housing Services Coordinator informed the Board of the voting structure used within the HHR Partnership Group in which they were advised that each RSL, the Highland Council and the Highland Council Policy Officer get a vote. If any member disputes, then it can go to arbitration but this has not happened before, this is reassurance to the Board that there is conflict resolution in place within the Partnership Group.

The Board **noted** the update.

## **(iii) Information Session on Heating Systems**

The Asset Manager gave a presentation to the Board on the heating systems used by the Association and the efficiencies and costs of each. The systems currently used by the Association are:

- Air to Air source heat pumps
- Air to wet heat pumps
- Storage heating
- Quantum Storage Heating
- Infra-Red heating

The Board **discussed** and **noted** the presentation.

## **5. Regulatory Standards – demonstrating compliance**

The Board **noted** the compliance with regulatory standards.

## **6. Budget 2023/24**

The Finance Manager presented the revised budget for 2023/24 to the Board highlighting the amendments since the draft presented at the December meeting but emphasised the rental income within this budget was based on 5%.

The changes made to the budget were:

1. The interest rates are now based on 4%.
2. The Board agreed at the December meeting that due to the current challenges relating to the budget The Housing Needs Survey would be postponed for the current year and therefore these costs were removed.
3. The reactive repairs budget has been increased by £100,000 to reflect current trends and costs.
4. £246,500 has been included within planned maintenance which, depending on grant funding available, may be required for heating systems. If not used for this there is a programme of works in place which can progress.

While this budget did demonstrate a surplus in the Income and Expenditure Account the Finance Manager highlighted that this could be vulnerable to further 'shocks'. It was agreed that the business plan and scenario testing usually undertaken with the Board bi-annually would be undertaken on a more frequent basis in the coming year.

There were various discussions around the Asset Management budgets and the programme of works set out within the budget. The Chair also highlighted that the Audit and Governance Sub-Committee had discussed the budget in some detail and agreed that there would be a review of significant costs such as loan interest, material procurement and staffing costs to establish if any savings could be made.

The Board **approved** the Budget for 2023/24.

## 7. Rent Consultation

The Housing Services Coordinator presented the report to the Board which outlined the consultation process that had taken place and detailed the responses received. The report also provided information in relation to the affordability of the rent increases which tenants were consulted on as well as a further two other options the Chair and Vice-Chair had requested. It was confirmed that each option met both the affordability criteria set out within our Rent Policy and the affordability tool available from the SFHA. The report also provided information on the rent increases being proposed and/or agreed by other Housing Associations within the Highlands and Islands.

The Board had detailed discussions around how each increase would affect the budget and the implication for the current year's investment programme and how this would impact future years investment in our properties.

It was **noted** that in previous years, to take account of the challenges faced by our tenants, the Board had opted for rent increases lower than our policy but acknowledged that this could not continue if the repairs and maintenance programme is to be maintained.

The Board **approved** a 7% increase for 2023/24 which would be implemented from 1<sup>st</sup> April 2023.

## 8. Development Agency Renewal with CHT

The Chief Executive presented the renewal of Development Agreement and associated Service Level Agreement between the Association and the Communities Housing Trust. This proposal extended the agreement for a further 3-year period from April 2023 to March 2026.

The Board **considered** and **approved** the agreement.

## 9. Authority to Evict

The Board **discussed** and **approved** the eviction for case CA183, while noting that action will not be taken unless the agreement made with the Housing Services Co-ordinator and Chief Executive is broken.

## 10. Audit & Governance Sub-Committee Recommendations

- i.** The Board **approved** the BADE Debt Write-Offs
- ii.** The Board **approved** the LHA Quarterly Management Accounts to 31/12/2022
- iii.** The Board **approved** the Board appraisal
- iv.** The Board **approved** the Scheme of Delegated Authority
- v.** The Board **approved** the internal audit – payroll
- vi.** The Board **noted** the Quarterly Management Accounts for (A) LHAPS and (B) LCR
- vii.** The Board **noted** the Covenant report, Treasury Management Quarterly and Annual update.
- viii.** The **Board** noted the Risk Register
- ix.** The **Board** noted the compliance with Regulatory Standards update

## **11. Maintenance and Estate Management Programme Update Quarter 3**

The Asset Manager presented the quarterly report detailing the maintenance and estate management programme for Quarter 3. The Asset Manager advised the Board that there was an overspend within two areas of the budget, reactive repairs and void repairs due to there being around 300 extra job orders than previous years for reactive repairs and that while void numbers were not particularly higher than previous years the works required to a number were significant resulting in high costs.

The Finance Manager informed the Board that the repairs and maintenance budget will likely be exceeded for the current year and asked for approval for an additional sum of £100,000.

The Board **considered** and **noted** the quarterly report and **approved** an additional sum of £100,000 to be added to the current year budget.

## **12. Health and Safety of properties update**

The Asset Manager presented the report to the Board which detailed our compliance with the Health and Safety legislation for our properties.

The Board **considered** and **noted** the update and going forward **agreed** that fire risk assessments should be included in the report.

## **13. Development**

Fiona Sorley, CHT presented the development report to the Board with the focus being on the sites at Rankin Crescent, Mallaig, Glenkingie Terrace and Glenshiel. The progress of each site was detailed.

The Board **noted** the update.

## **14. Winter Campaign**

The Housing Services Co-ordinator presented the report to the Board in which they were updated that a further £10,000 had been obtained through the Food Hardship Fund, this will allow the Association to buy vouchers from supermarkets to present to tenants who are struggling.

The Board were also advised that the winter campaign events held around the Lochaber area have been successful and the feedback from tenants has been positive.

The Board **noted** the update.

## **15. CEO Appraisal**

Please see separate confidential minute.

## **16. Performance**

The Board **noted** the performance reports in relation to Housing Management, Asset Management, Complaints, GDPR, FOI and Health & Safety.

**17. A.O.C.B**

**(i) Board Member Training – Audit & Governance Sub-Committee**

The Chairperson invited Board members to attend the Audit & Governance Sub-Committee meetings to observe and hear the discussions carried out before the recommendations are taken to the LHA Board. It was agreed that going forward this will now be part of the induction process and then members should attend at least one per year.

It was also agreed that members should observe at least one LHAPS Board and LCR Committee meeting in the year.

The Customer Services Team will contact the Board with the arrangements.

The Board **noted** the update.

**(ii) Board Highland & Islands Liaison Group Meeting – Arrangements**

The Chief Executive advised the Board that the Group meeting will take place in the Glen Mhor Hotel, Inverness on Thursday 4<sup>th</sup> May between 12-6pm and it has been agreed that two Board members should attend as well as the Customer Services Manager.

An email will be circulated to the Board with further information and members interested in attending should confirm this by responding to the email.

**(iii) EVH Consultation**

The Chief Executive advised the Board that EVH are currently consulting with members on updated the Employee Terms and Conditions to include a Mental Health first aider in the workplace and changes to shared parental leave.

The Chief Executive will email the consultation information out to the Board for them to respond to.