

**Board of Management Meeting held on 12 August 2021 at 6.30pm**

***Due to the Coronavirus public health crisis and government advice the Board meeting was conducted remotely using Zoom.***

The following members participated remotely:

Mark Griffiths (Chair)  
Linda Anderson  
Malcolm Begg  
Fiona Boath  
Susan Macmillan  
Margaret Vass  
Martin Earl  
Lorna Cameron (from item 5)  
Anne Law  
Fionn Stevenson

Staff in attendance: Donna Birrell, Chief Executive Officer (CEO)  
Craig Wood, Director of Housing and Property Services (DHPS)  
Jackie Leeds (HSM)  
Hilary Tennant, Governance and Compliance Officer (GCO) (Minutes)

Also in attendance: Ewan MacDonald, Gregor Cameron Consultants Ltd (EM) (Item 3 only)  
Andrew Faulk (Observer)  
Mike Morrice (Observer)  
Ken Butler (Observer)  
Scott Kirkpatrick (Observer)

Item		Action
1.	<p><b>Welcome and Apologies</b> The Chair welcomed everyone to the meeting.</p> <p>The Chair advised the Board that Fionn Stevenson had decided to stand down from the Board at the AGM in September and not seek re-election. He extended his and the Board's thanks to Fionn for her contribution to the Board and wished her well for the future.</p>	

	<p>The Chair welcomed Andrew Faulk, Ken Butler, Scott Kirkpatrick and Mike Morrice as observers to the Board meeting, and thanked Ewan MacDonald from Gregor Cameron Consultants for attending for Agenda Item 3.</p> <p>Apologies had been received from Theresa Elliot</p>	
2.	<p><b>Declarations of Interest</b></p> <p>There was a declaration of interest by Linda Anderson in respect of item 10.1 Appendix 3 Claish Farm.</p> <p>There was a declaration of interest by Malcolm Begg in respect of item 3.1 Croftamie Consulting Engineering firm employ husband of wife's niece.</p>	
3.	<p><b>Development Exception Report (DHPS)</b></p> <p><b>3.1 Croftamie Exception Report</b></p> <p>The report provided an update on progress of the development, the proposed timescales for the project, and noted the risks and mitigations. The proposed site plan was attached as Appendix 1 and the project profile as Appendix 2.</p> <p>EM highlighted the requirement to install a temporary private waste water treatment (WWT) facility until Scottish Water upgrade the current infrastructure. The site plan had been updated accordingly.</p> <p>The Board noted the additional cost for the WWT facility, and also requested a meeting with EM and designers to review the revised plans. .</p> <p>The DHPS would convene a special meeting of the Investment Working Group (IWG) to scrutinise the detailed plans to allow a planning application to be submitted in advance of the next Board meeting.</p> <p><b>The Board decided:</b></p> <ul style="list-style-type: none"> <li>◆ That the progress report be noted</li> <li>◆ That the submission of the current site layout for detailed planning permission be approved</li> <li>◆ That delegated authority should be granted to the Investment Working Group to approve the final submission for detailed planning consent of the final site design following further community feedback be approved.</li> </ul> <p><b>3.2 Kippen Exception Report</b></p> <p>The report provided an update on progress and noted that a delay by the utility service had led to an Extension of Time application for 28 weeks by Dawn Homes.</p> <p>The Board asked whether the application for extension of time was considered fair and reasonable? EM confirmed that the delay had been caused by delayed electrical diversion works and a decision on the number of weeks awarded following the Extension application would be determined by the Employers Agent.</p> <p>The project profile was attached as Appendix 1.</p>	DHPS

	<p><b>The Board decided:</b> that the contents of the report be noted.</p> <p><i>Ewan MacDonald left the meeting following consideration of this item</i></p>	
4	<p><b>Health and Safety</b></p> <p><b>4.1 Health and Safety Update</b> – there was no incidents or matters to be reported to the Board.</p> <p><b>4.2 Landlord Facilities Health and Safety Update</b> – there was no incidents or matters to be reported to the Board.</p>	
5.	<p><b>Group Minutes</b></p> <p><b>Board</b></p> <p><b>5.1 Minute of Board Meeting: 17 June 2021</b> The Minute was <b>approved</b> following a motion by Fiona Boath and seconded by Malcolm Begg.</p> <p><b>5.2 Confidential Minute of Board of Management Meeting: 17 June 2021</b> The Confidential Minute was <b>approved</b> following a motion by Fiona Boath and seconded by Malcolm Begg.</p> <p><b><u>Audit and Risk Committee</u></b></p> <p><b>5.3 Minute of Audit and Risk Committee 29 July 2021</b> Noted</p> <p><b>5.4 Confidential Minute of the Audit and Risk Committee 29 July 2021</b> Noted</p> <p><b><u>Subsidiary</u></b></p> <p><b>5.5 Minute of Venachar Ltd Board meeting 17 June 2021</b> Noted</p> <p><b><u>Working Groups</u></b></p> <p><b>5.6 Action Note of the meeting of the Investment Working Group 13 July 2021</b> Noted.</p> <p>A question was asked on whether RSHA had a template for the Action Note produced by the IWG. The CEO advised that the remit of the IWG provided for the production of an Action Note, not minutes as these meetings are more informal. There is no agreed template for Action Notes. There is a template for Board reporting. The minutes of Board and Committee tend to follow a standard format based on the Agenda. It was agreed that the CEO would review the requirement for a template and report back to the Board.</p>	CEO
6.	<p><b>Matters Arising Schedule (CEO)</b> The Matters Arising Schedule was <b>approved</b>.</p>	
7.	<p><b>Record of Electronic Approvals (CEO)</b> No report.</p>	

8.	<p><b>Group Key Risks Review (CEO)</b></p> <p>The report noted that the RSG Risk Register had been fully reviewed by SMT and scrutinised by the Audit and Risk committee at its meeting in July. The updated Register was attached as Appendix 1. It was noted that all key risks had remained static since the last report.</p> <p>The Board discussed the current rising costs and supply issues surrounding building materials within the construction sector and indicated that this risk should be included within the Risk Register. The Board asked the CEO to review Risk 4 to assess whether this risk could be extended to cover this risk, or whether a new risk was required, and to report to the next Board meeting.</p> <p><b>The Board decided:</b></p> <ul style="list-style-type: none"> <li>◆ That the updated Group Key Risk Register for RSG be approved, subject to a review of Risk 4.</li> <li>◆ That all key risks remained static since the last report be noted.</li> </ul> <p><i>The Business Continuity and SHR COVID-19 Quarterly Information Return had been emailed to Members by the CEO as previously agreed.</i></p>	CEO
9.	<p><b>Strategy</b></p> <p>No report</p>	
10.	<p><b>Performance and Policy</b></p> <p><b>10.1 Quarterly Performance Report (Q1 April – June 2021)</b></p> <p>The report presented the Quarter 1 Performance Report to the Board. Detailed information on ARC indicators and Universal Credit, Planned Maintenance, Development Programme Monitoring, Strategic Delivery Plan and the TSS Action Plan were provided in appendices 1-5.</p> <p>The Board noted the drop in repairs satisfaction results in Q1. The DHPS noted that following the recent lockdowns there was a general increase in dissatisfaction, however this performance indicator would be monitored.</p> <p>The Chair noted the good performance results given the current circumstances.</p> <p><b>The Board decided:</b> that the contents of the report be approved.</p> <p><b>10.2 Quarterly Complaints Report</b></p> <p>The report provided information on the Association’s complaints performance in Quarter 1, (April-June 2021) with a detailed breakdown provided in Appendix 1. An Action tracker to capture lessons learned from complaints and a record of actions had been developed, and a summary of the complaints performance would be included in the Summer edition of Rural Matters.</p> <p><b>The Board decided:</b></p> <ul style="list-style-type: none"> <li>◆ to approve the Quarter 1 complaints performance report in line with the SPSO and SHR requirements.</li> </ul>	

	<p><b>10.3 Policies recommended for adoption by the Audit and Risk Committee</b> The report detailed the policies which had been reviewed by the Audit and Risk Committee and were now recommended for adoption by the Board.</p> <p><b>The Board approved the following policies:</b></p> <ul style="list-style-type: none"> <li>i) Draft Stress Management Policy</li> <li>ii) Draft Treasury Management Policy</li> <li>iii) Draft Financial Investment Strategy</li> <li>iv) Draft Borrowing Strategy</li> </ul> <p><b>10.4 Draft Policies for Review</b> The report provided details of the recommended revisions to four existing policies.</p> <p><b>The Board approved the following policies:</b></p> <ul style="list-style-type: none"> <li>i) Adoption of SFHA Model Code of Conduct 2021 – Board of Management</li> <li>ii) Adoption of SFHA Model Code of Conduct 2021 - Staff</li> <li>iii) Adoption of SFHA Model Entitlements Payments and Benefits Policy 2021</li> <li>iv) Revised Information Security Policy 2021</li> </ul>	
11.	<p><b>Finance</b></p> <p><b>11.1 Confidential Quarter 1 Management Accounts (DCEO/DFCS)</b> This item was confidential</p> <p><b>11.2 Commercially Confidential Annual Financial Statements and Recommendation on Appointment of External Auditor</b> This item was confidential</p> <p><b>11.3 Annual Internal Financial Assurance Report</b> The report provided a statement from the DCEO/DFCS to provide assurance that the implementation of the internal financial controls had adhered to the Association’s financial procedures in relation to:</p> <ul style="list-style-type: none"> <li>• Internal financial controls, policies and procedures,</li> <li>• Loan agreements and relationship with lenders</li> <li>• Internal and External Audit</li> <li>• Statutory returns</li> <li>• Venachar Ltd returns</li> <li>• Insurance</li> <li>• procurement</li> </ul> <p>The Board discussed the necessity of the report, which had been introduced following a request from a Board member, to ensure that the Board had sufficient management information to gain full assurance on the financial position of the Association. The Chair noted that the report could be used as evidence for the Annual Assurance Statement.</p>	DCEO/ DFCS

	<p><b>The Board decided:</b> that the contents of the report be approved.</p> <p><b>11.4 Recommendation on Private Finance Procurement</b>  The report provided details of the three preferred tender submissions received following the loan tender exercise undertaken in July 2021, from RBS, Bank of Scotland and CAF Bank.</p> <p>Full details of all tender submissions were provided in Appendix 2, and information on those tender submissions not shortlisted was provide in Appendix 1.</p> <p>The issue of environmental and social governance (ESG) considerations within tender submissions was discussed. It was agreed that the current tender evaluation could not be amended to include this but that ESG considerations could be a factor considered for future tenders.</p> <p>The CEO noted that any amended tender criteria should apply to all RSHA tenders, and that if it was to be introduced to the tender process the Board would need to agree on the criteria and weighting of the ESG element.</p> <p>The Chair noted that advice would be sought from the SFHA in relation to incorporating ESG within the tender framework.</p> <p><b>The Board decided:</b> that the taking forward negotiations with RBS to secure the new £3m loan funding requirement be approved.</p>	<p>Chair</p> <p>CEO</p>
12.	<p><b>Chief Executive’s Report</b>  The report provided the Board with an update on key issues, actions and developments since the last meeting.</p> <p><b>Development:</b>  The quarterly Performance report had been discussed earlier in the meeting. Updated project profiles would be emailed to Board members following the meeting.</p> <p><b>Annual Performance Report:</b>  Work had commenced with designers to agree style, layout and content for the annual report, which would include a 30<sup>th</sup> Anniversary timeline of achievements and milestones. The report would be available by the AGM.</p> <p><b>Equality, Diversity and Inclusion (EDI) Consultancy Services:</b>  The draft EDI report following the EDI focus group sessions held in May had been received, and a meeting with the consultant had been arranged. The report will be made available to the Board following this meeting. The report noted multiple recommendations with a corresponding RAG status and may result in a re-prioritisation of CEO work tasks.</p>	<p>CEO</p>

	<p>Practical Guidance, including an EDI template strategy, was expected from the SFHA and SHR shortly. The SHR had advised that assessment of EDI compliance would not take place in 2021, but that a statement on progress towards compliance should be included in the Annual Assurance Statement.</p> <p>The CEO had completed SFHA EDI Ambassador training, and training for Board and staff would be held during October/November 2021.</p> <p><b>Investment Working Group:</b> The IWG met in July and the action note had been considered earlier in the meeting.</p> <p><b>Correspondence:</b> all correspondence received had been circulated or was attached as appendices.</p> <p><b>The Board decided:</b> that the contents of the report be noted.</p>	
13.	<p><b>Governance - Ethical Conduct and Notifiable Events/Annual Assurance Status</b></p> <p><b>13.1 Notifiable Events:</b> No Report.</p> <p><b>13.2 Office Bearers’ Decisions:</b> None</p> <p><b>13.3 AGM: Administrative Arrangements and Notice to Members</b> The report provided the Board with an update on arrangements for the virtual AGM to be held on 16 September 2021 at 7pm. Invitations would be issued prior to the deadline of 19 August. Our guest speaker for the AGM will be Gavin Oattes from Tree of Knowledge.</p> <p>The question of a return to face-to-face meetings was considered by the Board. The Chair noted that AGM arrangements had been agreed prior to the move to Level Zero, but that hybrid meetings were being considered. The CEO noted that advice on Boardroom capacity with 1m distancing had been sought, and that it was hoped to hold the October Board as a hybrid meeting.</p> <p><b>The Board decided:</b> that the contents of the report be noted.</p> <p><b>13.4 Rule 68 Report from the Secretary</b> The report provided the assurance to the Board that the requirements of Rule 68, attached as appendix 1, had been met.</p> <p>Rule 68 of the Association’s Rules states: <i><b>At the last Board of Management Meeting before the annual general meeting, the Secretary must confirm in writing to the Board of Management that Rules 62 to 67 have been followed or, if they have not been followed, the reasons for this. The Secretary’s confirmation or report must be recorded in the minutes of the Board of Management Meeting.</b></i></p>	CEO

<p>Details of actions to comply with rules 62 to 67 were included in the report, and further information on loan balances as at 31 March 2021, and Board attendance in 2020/21, were contained in appendices 2 and 3.</p> <p>The two actions identified in the report would be completed as soon as practicable.</p> <p><b>The Board decided:</b></p> <ul style="list-style-type: none"> <li>◆ that the report provided assurance and compliance purposes be approved</li> <li>◆ that the actions identified for completion, as detailed in the report, be noted.</li> </ul> <p>The report will be issued to the Chair for signing using DocuSign.</p> <p><b>13.5 Confidential Annual Assurance Statement 2021</b> This item was confidential</p> <p><b>13.6 i Recommendations from the Audit and Risk Committee</b> The report provided details of the recommendations from the Audit and Risk Committee. The annual reviews and the reports provided to the Audit and Risk Committee were provided in appendices 1 and 2.</p> <p>The Board’s attention was drawn to the revisions to the Schedule of Delegation and the Entitlements, Payments and Benefits Register. Arrangements would be made for the Chair to sign the EPB register.</p> <p><b>The Board decided to approve the following annual reviews:</b></p> <ol style="list-style-type: none"> <li>i. Annual Assurance Action Plans 2020: End of Year Report</li> <li>ii. Annual Review of Health &amp; Safety</li> <li>iii. Annual Review of Code of Conduct and Breach Protocol</li> <li>iv. Annual Review of Schedule of Delegation and Effectiveness</li> <li>v. Annual Review of Entitlements, Payments and Benefits Register</li> </ol> <p><b>13.6 ii Annual Review of the Audit and Risk Committee Performance</b> The report provided the Board with the outcome of the annual review of performance of the Audit and Risk Committee (Appendix 1). The Employers Checklist, Committee Remit and Board Member Feedback (appendices 2-4) had formed part of the review.</p> <p>The review had confirmed that the Committee had performed effectively and fulfilled its role during 2020/21. The report noted:</p> <ul style="list-style-type: none"> <li>• areas identified for improvement/consideration: formal appraisal for the internal audit function and 5 yearly review of performance,</li> <li>• policies which had been implemented</li> <li>• policies required,</li> <li>• recommendations implemented since the last review.</li> </ul>	<p>CEO</p> <p>CEO</p> <p>CEO/Chair</p>
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	<p>The review of the A&amp;R Committee remit had highlighted that the Committee agendas had become very lengthy and an in-depth review of the remit should be undertaken to consider which areas should be considered directly by the Board.</p> <p><b>The Board decided to approve following recommendations for improvement from the Audit and Risk Committee:</b></p> <ul style="list-style-type: none"> <li>◆ that an Equalities &amp; Diversity Policy be created</li> <li>◆ that a framework for formal appraisal of the Internal Audit function be created</li> <li>◆ the introduction of a 5-yearly review of the Association’s pension scheme</li> <li>◆ that all Board Members receive notification of the release of A&amp;R Committee papers on Decision Time prior to each A&amp;R Committee meeting.</li> </ul> <p><b>13.7 Review of RSHA Membership and Cancellations</b></p> <p>The report provided the Board with details of proposed membership cancellations (Appendix 1) and the reason for cancellation, including those subject to the 5-year rule:</p> <p style="padding-left: 40px;"><i>Rule 11.1.3: For five annual general meetings in a row you have not attended, submitted apologies, exercised a postal vote or appointed a representative to attend and vote on your behalf by proxy.</i></p> <p>A total of 16 share memberships were proposed for cancellation.</p> <p><b>The Board decided:</b> that the member shares listed in Appendix 1 be cancelled</p> <p><b>13.8 New Member Applications</b></p> <p>The report provided details of five applications for membership received since the last meeting.</p> <p><b>The Board decided:</b> that the applications for membership be approved and the subsequent use of the Seal.</p> <p><b>13.9 Annual Governance Review – Electronic Approval Items</b></p> <p>The Board received annual review reports for the following:</p> <ul style="list-style-type: none"> <li>● Board/Committee Structure and Effectiveness</li> <li>● Investment Working Group mid-year review of effectiveness</li> <li>● Compliance and Notifiable Events requirement</li> <li>● Governing Body Members Guide</li> <li>● Operation of Subsidiary</li> <li>● Effectiveness of Governance and Control of Subsidiary</li> </ul> <p>It was noted that Electronic Voting forms for the above were to be returned to HT by 20 August. Alternatively Board members could use the voting function on Decision Time to record their vote. All votes will be collated and reported to the October Board meeting.</p>	<p>DCEO/ DFCS</p> <p>GCO</p> <p>GCO</p> <p>GCO</p>
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14.	<p><b>Operations</b></p> <p><b>14.1 Annual Procurement Report 2020/2021</b></p> <p>The report confirmed that in 2020/21 RSHA did not exceed the threshold for significant procurement expenditure. In 2021/22 it was anticipated that RSHA would exceed the threshold and would therefore be required to produce a procurement report at the end of the financial year 2021/22.</p> <p>A review of the need for a procurement strategy should be implemented prior to the start of each financial year, with the production of a procurement report implemented no later than 5 months following the end of the financial year in which the strategy had been produced or the existing strategy reviewed.</p> <p><b>The Board decided:</b></p> <ul style="list-style-type: none"> <li>◆ That no requirement for the publication of a 2020/21 Procurement Report be noted</li> <li>◆ that the requirement for publication of a 2022/23 Procurement Strategy would be unlikely be noted</li> <li>◆ That the requirement to publish will be reviewed on an annual basis be approved.</li> </ul> <p><b>14.2 Annual Allocations Review</b></p> <p>The report provided information on:</p> <ul style="list-style-type: none"> <li>• the demand for RSHA properties through consideration of the current housing list</li> <li>• The recommended lettings plan for 2021/22</li> <li>• The success of the Allocations policy on achieving the Association’s objectives in 2020/21</li> <li>• The review of the Local Lettings Initiative (LLI) for Tyndrum</li> </ul> <p>Information was provided on the Association’s achievements against the lettings target for 2020/21 and proposed the retention of the current targets for 2021/22.</p> <p>Appendix 1 also provided evidence of the effectiveness of the Allocations Policy in meeting the objectives of the Association.</p> <p>A review of the LLI in Tyndrum, introduced in 2015, had demonstrated an improved turnover rate and community stability.</p> <p>The Board discussed the option to allow a more flexible transfer quota. Options to increase the target, review the target every three months, and to amend the target for a trial period were all considered. The HSM highlighted the challenges of managing small, rural communities within the transfer target.</p> <p>LC agreed to liaise with the HSM to provide details of different targets adopted by her organisation. JL would contact peer group RSL’s to gather information on their transfer target and operation of the target in allocations.</p> <p>It was suggested that we contact other RSL’s within our peer group and the SFHA/SHN network forums to examine current best practice. The existing</p>	HSM/LC
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	<p>Allocations policy had been designed to deliver community sustainability and the best use of our housing stock.</p> <p><b>The Board decided:</b></p> <ul style="list-style-type: none"> <li>◆ that the continuation of the lettings plan with a target of 10% of lets to transfer applicants for 2021/22, subject to a further review of the transfer target to consider improved flexibility of the target to build sustainable communities, be approved</li> <li>◆ that the continuation of the Local Letting Initiative for Tyndrum until March 2023 be approved</li> </ul>	HSM
15.	<p><b>Group Meeting Schedule</b></p> <p><b>The Board decided:</b> to approve the Group Meeting Schedule</p>	
16.	<p><b>Action Tracker</b></p> <p><b>The Board decided:</b> that the Action Tracker be approved.</p>	
17.	<p><b>Attendance at Conference/Seminar or Networking Events:</b></p> <p>The Chair reported to the Board that he had attended the EVH Chairs' Forum where there had been information on a social enterprise, Total Homes, who offer a service to clear empty/void houses where no extended family exist to undertake the task. Total Homes refurbishes items and resells these via its website.</p> <p>The Board noted the positive impact of recycling/reusing furniture, and the possibility of recycling building materials from our development sites. The HSM would contact Total Homes to enquire whether we could utilise this service and will copy the Chair into the enquiry.</p>	HSM
18.	<p><b>Any Other Competent Business</b></p> <p>There was no further competent business.</p>	
19.	<p><b>Review/Reflections of Meeting:</b></p> <p>The Chair thanked the observers for attending the Board and encouraged the Board to send any feedback from the meeting. Please email your feedback to the Chair.</p>	ALL
20.	<p><b>Date of Next Meetings</b></p> <ul style="list-style-type: none"> <li>● <b>Wednesday 8 September, 1:30-4:30pm:</b> Tree of Knowledge Development session (RSHA staff and Board)</li> <li>● <b>Friday 10 September, full day:</b> Group Strategy Session, Dunblane Hydro</li> <li>● <b>Thursday 16 September, 7pm</b> – virtual AGM</li> <li>● <b>Thursday 7 October, 6.30pm</b> – Board meeting</li> <li>● Group Briefing Session: Equality &amp; Diversity TBC</li> <li>● Health &amp; Safety Awareness for Governing Body members TBC</li> </ul> <p><i>The Meeting closed at 8:15pm</i></p>	

Chair's signature .....