

<b>COMMITTEE MINUTE RECORD</b>	
<b>Minute of:</b>	ARK Housing Association Board of Management
<b>Date Held:</b>	24 <sup>th</sup> February 2022, 2.00pm
<b>Venue:</b>	via Zoom
<b>Chair:</b>	Graham Mitchell
<b>Secretary:</b>	Bobby Duffy
<b>Present:</b>	Mr Graham Mitchell (Chair), Mr Neil McKnight (Depute Chair), Mr Ian Logan, Mr Ken Brown, Ms Catriona Clarke, Ms Lucy Robertson, Ms Joanna Mansell, Mr Yaseen Yousaf (Co-optee)
<b>In Attendance:</b>	Mr Bobby Duffy (Chief Executive Officer), Ms Victoria Knox (Director of People & Organisational Development), Mr Mark Hall (Director of Operations), Ms Caryn Innes (Director of Development and Business Improvement), Mr Stuart Green (Director of Finance), Ms Mary Bell (PA to CEO) (Minutes)
ITEM	
1.	<p><b>Welcome</b></p> <p>The Chair welcomed all attendees to the 24 February 2022 Board of Management meeting noting that it was quorate. The Chair noted that Mr Yaseen, as a Co-optee, has no voting rights until he adopts full Membership at this year's AGM.</p>
2.	<p><b>Apologies:</b> Ms Lorraine Charnley, Mr Nikolas Koutris, Dr Darcey Black, Ms Kayleigh Bryan, Ms Anne Lane, Mr Ron Watson</p>
3.	<p><b>Declaration of Interest</b></p> <p>It was noted that, Mr Ken Brown, Ms Lucy Robertson and Mr Ian Logan are also members of Ark Services Limited (ASL) Board. In addition Mr Neil McKnight, Ms Lucy Robertson and Ms Catriona Clarke are also members of Ark Commercial Investment Limited (ACIL) Board.</p>
4.	<p><b>Items for Approval</b></p>
4.1	<p><b>Minutes of Previous Meeting held on 09 December 2021</b></p> <ul style="list-style-type: none"> <li>o The Chair enquired if Members had any comments or queries in regards to the 09 December 2021 Board of Management meeting minutes.</li> <li>o There were no queries or matters arising from the meeting minutes and Members noted that they were content to accept the 09 December 2021 minutes as an accurate record of the meeting.</li> </ul> <p><b>Members approved the 09 December 2021 Board of Management meeting minutes</b></p>
4.2	<p><b>Actions</b></p> <p>The action list was reviewed and the following was noted:-</p> <ul style="list-style-type: none"> <li>o (Removed for Security)</li> <li>o Item 9.2.1 Development Risk Register – The DDBI noted that she will share the development risk register immediately after today's meeting for information only.</li> <li>o Item 10.7 Entitlement, Payments and Benefits – It was noted that the PA will resend the Entitlements, Payments and Benefits form to the outstanding recipients only.</li> </ul> <p><b>Members noted the current status of the action list</b></p>
5.	<p><b>Policies</b></p> <ul style="list-style-type: none"> <li>o AM29 - Stage 3 Medical Adaptations – The DPOD advised that the Head of Asset Management had reviewed the policies within his responsibility and had introduced AM29 as a new policy for Members approval. Mr Brown enquired if there was a way that Ark Services Ltd (ASL) could access this funding directly. The DDBI informed that Stage 3 Medical Adaptations funding is for Housing Association's only noting that in extreme cases self-funded adaptations are carried out for supported people in ASL. The DDBI added that potentially there could be funding through Care and Repair which is for private tenants and owners and noted that this can be discussed at the 31 March 22 ASL meeting.</li> <li>o Mr Proudfoot highlighted that all policies include identical information on the first few pages and posed the question if this is required or if the duplicated words could be removed to streamline the policies. The DPOD noted the reason that all information is included in all templates as it is quite often that Ark are asked for one individual policy only. A discussion ensued in relation to Ark's overarching policy that contains the words duplicated in all policies but it was noted that the policies will remain as they are now.</li> <li>o HS01 - Health &amp; Safety, HS02 Managers Guide to Health &amp; Safety, HS14 First Aid and HR18 Disciplinary – The DPOD advised that the cyclical review of HS01, HS02, HS14 and HR18 had not identified any changes noting that the four policies had been moved over to the new template.</li> </ul>

	<ul style="list-style-type: none"> <li>Mr Proudfoot noted that as the Audit Sub has specific responsibility in its remit in relation to items of Health &amp; Safety within Ark that these policies should be presented for review by Members. The DPOD advised that as part of Ark's Board Members induction they are provided with policies and during the inductions Health &amp; Safety responsibilities as a Board Member are covered. It was agreed that Health &amp; Safety policies will be presented to the Audit sub-Committee.</li> </ul> <p><b>Members approved AM29 Stage 3 Adaptations, HS01 Health &amp; Safety, HS02 Managers guide to Health &amp; Safety, HS14 First Aid, HR18 Disciplinary Policies</b></p>
6.	<b>(Removed for Security)</b>
7.	<b>Chairs Remarks</b> N/A
8.	<b>CEO Remarks/Reports</b> Agile Working <ul style="list-style-type: none"> <li>The CEO highlighted that the Agile Working Policy had been approved by Members in March 21 but due to the continual uncertainty over Covid restrictions the next phase had been delayed. The CEO advised that now that return to the office is an option for people workshops are being delivered and are designed to engage teams and establish a new way of working, all staff are included and have a chance to contribute to agree key principles that everyone can work to. In addition the CEO advised that managers will ensure they have regular 1-2-1 meetings planned with their direct reports with regular conversations about employee's wellbeing, encouragement for the right work life balance and the use of technology to the best effect. The CEO noted that managers will set out clear objectives for assessment and will have a focus on desired results and outcomes as the main measures of how performance is managed. The CEO informed that social connection is also being encouraged both as face to face and on line social spaces to keep people connected. In addition the CEO advised that clear guidelines have been developed by the HR Team designed to support teams to establish a new way of working with a focus on flexibility, communication and inclusion and teams have been asked to develop a team charter to set out the key principles for working together. The CEO noted that the planning demonstrates that Ark are not drifting into a new way of working but have approached this in a coordinated and structured approach with a key focus on delivering objectives, performance management, business priorities and employee wellbeing.</li> </ul> 2022/23 Pay Award <ul style="list-style-type: none"> <li>The DPOD noted the uplift applied to front line staff salaries of £10.02 per hour from December 2021 and the Scottish Government's policy was to increase the salaries to £10.50 from 1 April 22, which equates to a 4.6% increase. The DPOD advised that Scottish Government have confirmed that they will follow the same process as previously being an 86% weighting on the contract levels. In addition the DPOD advised that CCPS have asked providers to confirm their affordability noting that this might pose some challenges for Ark in relation to sleepover payments and that the funding will not cover any increase out with front line staff and a discussion will be required in regards to the corporate services staffing annual uplift. The DPOD noted that she will bring a paper to 31 March 22 BoM meeting highlighting the full financial position.</li> <li>The DPOD informed that there has also been discussions at CCPS concerning the NI changes where potentially there could be funding for the increase, the DPOD advised that she will provide a fuller update at the 31 March 22 meeting in this regard.</li> <li>The Chair highlighted a news article in regards to the Unions wish to have Social Care salary increased to £15 per hour and noted that something fundamental requires to be resolved or issues with recruitment and retention will continue.</li> <li>The DPOD advised that Ark recognise Unite and have a good strong relationship with the full time official noting that he is incredibly supportive and views Ark as a very reasonable employer. It was noted that pressures from other organisations has also added to recruitment issues.</li> <li>Mr Proudfoot noted his thoughts in regards to the cost for social care being funded by the LA's and if Unions have agreement for a £15 per hour salary increase then the risk would be with the LA's in relation to securing funding from the Scottish Government. Mr McKnight linked this back to the National Care Service in terms of the commissioning being taken away from LA's in the future noting that it is a real worry in terms of the National Care Service where elderly people, who can't receive care are going back to geriatric hospitals.</li> </ul> <p><b>Members noted the CEO and DPOD's Remarks</b></p>
<b>Items for Discussion/Decision</b>	
9.	<b>Session 21/22</b>
.	<b>9.1 Session 21/22</b>

		<p>Crusader Rise Development Proposal</p> <ul style="list-style-type: none"> <li>○ The DDBI noted that she had added supplementary papers to the papers issued to Members so that all new Members are at the same position and provided a summary update and advised what was required from today's meeting. The DDBI noted background information and advised that the Crusader Rise development was part of the Business Plan and 5 year financial plan noting that it was and previously unaffordable due to the external environment. The DDBI informed that due to this Ark progressed with an open tender process through Public Contract Scotland and are now in receipt of the full tender report, noting that the preferred contractor was JR Construction who are a competent contractor with a number of past and present contracts with HA's.</li> <li>○ The DDBI advised that she was looking for approval for the revised financial part of the revised business case noting that it was presented to a special Finance Sub-Committee meeting and had received their support. The DDBI highlighted that as part of funding that Ark funds will be used for Crusader Rise and this will allow time for exploring opportunities to put finance facilities in place for the wider development programme noting that the front part of the development funding is part of the Housing Association grant through Scottish Government and also noted the savings to be made on interest.</li> <li>○ The DDBI advised that Ark have submitted the technical application to Scottish Government who are working through this in detail and noted that they have committed to give Ark a response early next week to allow the tender to be awarded on Friday 04 March 22 subject to Members approval. In addition the DDBI advised that the physical tender submission has been submitted on the Scottish Governments Housing Information Management system in response to getting agreement from the Scottish Government and Members approval the physical go ahead will commence within 24 hours.</li> <li>○ The DDBI advised that a discussion in regards to the financial capacity of the contractor had taken place with the Finance Sub-Committee and confirmed that the DoF is about to review of last 3 years accounts and carry out a credit check and they have also been asked to provide a statement on tier financial position and this has been signed off by their Director of Finance.</li> <li>○ The Chair of the Finance Sub-Committee agreed with the DDBI's update and placed his focus on two distinctive areas that were discussed at length advising that these were the choice of contractor and the funding for the project. The Chair of the Finance Sub-Committee summarised the points raised and noted approval subject to due diligence.</li> <li>○ The Chair enquired if the depreciation period for the building is on the same base as Ark's existing assets or if it will be over a different timeframe. The DoF confirmed that the development appraisal for Crusader Rise has not included depreciation in the account as it is non cash components and when the development is complete a review of components will be carried out using a useful life assumption.</li> <li>○ The DDBI confirmed that there is a two year liability period within the contract.</li> <li>○ The Chair asked how 3% inflation was decided and asked that based on inflation as of now if there was still comfort in this amount. The DoF advised that it was based on the approved 5 year financial plan using the same inflation for voids and bad debts etc. and this has been tied back to the Bank of England's long term inflation rates and noted that he will add some scenario inflation testing as part of the wider 5 year financial plan. The DDBI noted that a full rent and service charge review is required around all stock and inflation at that point Crusader Rise will be occupied and in the existing stock and will be part of the overall review. Affordability was discussed and the DDBI noted that there will be lots of discussions and considerations for the ET and BoM in the future.</li> <li>○ A discussion in relation to loan providers ensued and the DoF advised that he has and will be contacting a variety of providers and not just use the same providers we have now noting that the SFHA have released an updated treasury and management strategy and guidance and will be very useful for Ark. The DDBI added that there are emerging financial and development strategies being produced and will create a business plan to take to the banks. The pension deficit was highlighted as one of the big unknowns until a definitive update is received in the summer time.</li> <li>○ The DDBI explained how the tender scoring was carried out and how the scoring and quality was set in conjunction with Summers Inman and provided her assurance that Ogilvie had ranked number 1 but failed to provide a fixed price contract and were non-compliant with the tender The DDBI added that it is a 10 day standstill period and it had expired last week and there has been no notifications or disputes or debates</li> <li>○ A discussion in regards to paying of the pension deficit and taking a loan for the development would make financial sense and the DoF noted that this would not be seen as a benefit to Ark.</li> </ul>
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<p><b>9.2</b></p>	<p><b>Strategic Review Output</b></p> <ul style="list-style-type: none"> <li>o The CEO thanked Members for their attendance and contributions at the strategy day and noted that he had shared an unedited list of feedback with a summary of Members views and asked for their views or if there is anything else that should be pulled out of the feedback or any suggestions for additions. The CEO noted that the key aspect of this is to take the feedback and build on it moving forward. The CEO asked that Members confirm by Friday 4 March 22 that they are satisfied with the output by email to him or the PA and this will be pulled into a paper for the 31 March 22 meeting for discussion.</li> <li>o Ms Clarke highlighted that in terms of the conclusion all 4 key items have conflicting priorities on resources would it be worth including that this is recognised by Members. The CEO noted that this was a good suggestion, that he recognises this and will find a way of including this for discussion at the 31 March 22 meeting. The CEO noted that this will be the start of discussion and noted some suggestions on the format of the paper and it was noted that this could potentially be part of new strategic thinking.</li> <li>o The Chair asked if there was an opportunity for bringing information forward earlier than October for consideration and the CEO noted that as a basis on the paper discussed on 31 March 22 and how this is taken forward where areas need accelerated more than others these will be agreed, the CEO noted that he will prepare a coherent paper to Members that makes more sense to commence discussions.</li> <li>o The Depute Chair noted that he is keen in terms of partnerships and collaborate working and noted the lessons that can be learned from previous experience and making positive steps entering into terms of partnerships. The CEO agreed and noted that entering into the right types of partnerships is important and as mentioned previously that making improvements has been the recent focus and partnership working is vital to Arks own aims.</li> <li>o Mr Proudfoot noted the very positive and constructive views in the paper and highlighted that this might be the appropriate time for now or in the near future for Ark to review its structure and its ongoing need for the subsidiaries on the basis of what they bring to Ark. Mr Proudfoot asked if the subsidiary Board is currently people from Ark Board and all work is carried out by Ark staff as opposed to them having their own staff. The CEO confirmed that it is Ark staff who work on behalf of the subsidiaries and it is Ark Board Members who reside on their Boards. The DDBI added that she is finalising the desk top review of both subsidiaries and this will be presented to each subsidiary at their 31 March 22 meetings. The DDBI added that ACIL, ASL and Ark are 3 different services who have different grant monies associated to them.</li> </ul> <p><b>Members noted the Strategic Review Discussions</b></p>
<p><b>9.3</b></p>	<p><b>Draft Programme for Improvement 22/23</b></p> <ul style="list-style-type: none"> <li>o The CEO advised that discussions had taken place in terms of the amount of areas for improvement and these had been reduced to twenty and the other areas are operational and will be going on in the background and monitored. The CEO added that some areas for improvement were a continuation of areas previously identified and others are starting this year and all are in keeping with Ark’s plan and delivery of the strategic objectives, the CEO noted that final area for improvement is in relation to agile working that is a key factor whether the Priory remains a viable factor in terms of office space. The CEO advised that the IT systems are being reviewed and in terms of the systems Ark have arrived at a conclusion that the systems are not fit for Ark’s business needs noting that the companies who support the current systems are withdrawing their support and it has been concluded that new digital systems should be procured to support the remote working capability to determine what is required. The CEO confirmed that milestones can be added to the programme for improvement and Mr Logan added that he would be open to discussions in regards to putting in realistic timelines.</li> </ul>

		<ul style="list-style-type: none"> <li>Mr Proudfoot asked for commitment to complete the Asset Management and Communication and Engagement strategies. The DDBI noted that the target for the Asset Management strategy was to go to the BoM in Q4 but through the updates that have been provided this has been pushed back to 22/23 because of the extensive time it has taken to carry out the stock condition survey and the upload and analysis of the data on the capita module adding that the strategy will be completed for approval by September 22.</li> <li>The Depute Chair noted that it was a good time for reviewing the office space and corporate services adding that this could be a good opportunity for sharing and investing in new systems that are required and that he is happy for external consultants to be used to support the delivery. The CEO noted his agreement and informed that he was attending a webinar about organisational transformation.</li> </ul> <p><b>Members noted the Draft Programme for Improvement 22/23</b></p>
	9.4	<p><b>Programme for Improvement 21/22 Q3</b></p> <ul style="list-style-type: none"> <li>The CEO advised that the Q3 paper and appendix were emailed out to Members for their information and opened up to questions. No questions were noted.</li> </ul> <p><b>Members noted the Programme for Improvement 21/22 Q3 report</b></p>
	9.5	<p><b>AIMS Implementation Progress</b></p> <ul style="list-style-type: none"> <li>The DO advised that AIMS continues its implementation in Q3 as per the plan in Falkirk and Clackmannanshire despite some management changes in Clackmannanshire and Covid outbreak in Falkirk. In addition the DO noted that there were catch up sessions were carried out in East &amp; Mid Lothian and Edinburgh in terms of learning from the continuing roll out of the system and Borders has just started with the tablets being set up for rota management. The DO noted that the Assistant Director of Care &amp; Support has been viewing the reporting and monitoring options and is liaising with IT to determine the best way forward.</li> </ul> <p><b>Members noted the AIMS Implementation Progress</b></p>
	9.6	<p><b>Priory Appraisal</b></p> <ul style="list-style-type: none"> <li>The DDBI explained the direction of travel with the Priory appraisal noting that sufficient information in regards to relocating and disposal of the Priory will be available for the 31 March 22 BoM meeting. The DDBI noted that there is potential for re-development of the site and further information will come to the Finance Sub-Committee for discussion prior to being presented to the BoM on 31 March 22.</li> </ul> <p><b>Members noted the Priory Appraisal Update</b></p>
10		<b>Items for Noting</b>
	10.1	<p><b>Period 9 Management Accounts</b></p> <ul style="list-style-type: none"> <li>The DoF informed that results for period 9 were the same as recent periods and were in line with budget. The DoF noted that there has been challenges over the last 6 months with staffing within care and support and the Q3 forecast has a 120K swing from Q2 positive forecast. The DoF noted that it is more realistic within housing and asset management and the profile of repairs have been back ended in the winter period noting the year-end will even out.</li> </ul> <p><b>Members noted the Period 9 Management Accounts</b></p>
	10.2	<p><b>Compliance Performance</b></p> <ul style="list-style-type: none"> <li>The CEO advised that the quarterly compliance performance report was presented for information in terms of agreed compliance areas. It was noted that this report was very useful to Members in regards to operations.</li> <li>The CEO confirmed that NSND acronym was "Neither satisfied nor Dissatisfied"</li> </ul> <p><b>Members noted the Compliance Report</b></p>
11	11.1	<p><b>Annual Rent Review</b></p> <ul style="list-style-type: none"> <li>The DDBI informed that tenant responses from the annual rent review had been reviewed and collated and the outcome was for a 2.5% uplift, the DDBI asked for Members support and approval. A discussion ensued in regards to inflation and the DDBI noted that the increase will not fully cover repairs and maintenance. The DDBI advised that a rent and service charge review will be carried out and consultation will be carried out accordingly noting the policy review requires to meet EESH 2 targets..</li> </ul> <p><b>Members noted and approved the 2.5% Annual Rent Increase</b></p>
10.		<p><b>AOB</b></p> <p>The Chair noted that the 31 March 22 BoM would take place remotely and from June a hybrid or full meeting will be arranged to bring back a form of normality.</p>
		There was no other business to discuss and the meeting was closed at 4.10pm
		It was noted at the end of the meeting that there were no potential impacts identified in relation to people with a protected characteristic.

11.	<b>Date of Next Meeting: Thursday 31 March 2022</b>
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**2022 Dates for Board of Management Meetings – commencing 14.00**  
**Board Member Only sessions will commence at 13.30 unless agreed otherwise**

- ✚ 26 May
- ✚ 25 August
- ✚ 29 September
- ✚ 27 October
- ✚ 15 December

**ACTIONS**

Meeting Date	Agenda Number	Action	Who	Status
24/02/22	5. Policies	Health & Safety Policies to be presented to the Audit Sub-Committee for review	VK	
	6. HSE Legal Action	Confirm if there is an excess on the policy Communication process with the family to be discussed with the Solicitor	VK VK	
	9.1. Crusader Rise Proposal	Email update in regards to due diligence being carried out and confirmation of Scottish government funding to be sent to Members	CIN	
	9.2. Strategic Review	Members to confirm to BD or MB by 10 March 22 that they are satisfied with the output from the strategic review	Members	
09/12.21	9.2.1	Development Risk Register to be circulated to Members	CIN	Complete
	10.7	Entitlement, Payments and Benefits Form to be forwarded to the BoM for completion	MB	One Member outstanding