

COMMITTEE MINUTE RECORD	
Minute of:	ARK Housing Association Board of Management
Date Held:	28 th October 2021, 2.00pm
Venue:	via Zoom
Chair:	Graham Mitchell
Secretary:	Bobby Duffy
Present:	Mr Graham Mitchell (Chair), Mr Neil McKnight (Depute Chair), Mr Ian Logan, Mr Ken Brown, Dr Darcey Black, Ms Anne Lane, Ms Catriona Clarke, Mr Nikolas Koutris, Ms Lucy Robertson
In Attendance:	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 (Head of Finance), Ms Mary Bell (PA to CEO) (Minutes)
ITEM	
1.	Welcome The Chair welcomed all attendees to the 28 October 2021 Board of Management meeting
2.	Apologies: Ms Joanna Mansell, Mr Dave Proudfoot, Ms Lorraine Charnley, Ms Kayleigh Bryan
3.	Declaration of Interest It was noted that, Mr Ken Brown 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.
4.	Items for Approval
4.1	Minutes of Previous Meeting held on 26 August 2021 <ul style="list-style-type: none"> ○ The Chair enquired if Members had any comments or queries in regards to the 26 August 2021 Board of Management meeting minutes. ○ There were no queries or matters arising from the meeting minutes and Members noted that they were content to accept the 26 August 2021 minutes as an accurate record of the meeting. Members approved the 26 August 2021 Board of Management meeting minutes
4.2	Minutes of Previous Meeting held on 23 September 2021 <ul style="list-style-type: none"> ○ The Chair enquired if Members had any comments or queries in regards to the 23 September 2021 BoM meeting minutes. ○ It was noted that Ms Lucy Robertson had been recorded as attending the meeting and an adjustment will be made to reflect her apologies. Further to this change Members noted that they were content to accept the 23 September 2021 minutes as an accurate record of the meeting. Members approved the 23 September 2021 Board of Management meeting minutes
4.3	Actions The action list was reviewed and the following updates were noted:- 26 August 2021 <ul style="list-style-type: none"> ○ Item 6 - Members mobile phone numbers have been shared with all Chairs ○ Item 6 - Internal & External Auditors planned dates for 2022 ○ Item 7 - Suggested changes to the complaints policy have been incorporated and the Policy is now in the Policy and Procedure Folder
4.4	Policies G17 Retention of Documents Policy – Obsolete <ul style="list-style-type: none"> ○ The DPOD advised that Ark’s external Data Protection Officer had recommended that Ark replace G17 Retention of Documents Policy with the new procedure G24c Retention of Documents and Schedule and asked for Member approval to archive G17. Members approved that G17 Retention of Documents Policy can be archived
Items for Discussion/Decision	
5.	Chairs Remarks <ul style="list-style-type: none"> ○ The Chair advised that Dr Fraser Quin had tendered his resignation on 23 September 2021 due to pressures at work and asked that this take effect immediately. The Chair noted his thanks to Dr Quin for being a member of Ark Board,

	<p>for his contributions and wished him well for the future. The Chair added that there has been some movement in Membership over the past year and that he would like to focus on retention and that it would be preferable not to have another round of recruitment. The Chair added that the vacancy can be fulfilled through the previous recruitment process where new Members had been successful as Non-Executive Directors for ACIL, ASL and Ark, noting that Mr Yaseen Yousaf who had been successful in becoming a Non-Executive Director of ACIL had been approached and accepted the offer of joining the main Ark Board. The Chair proposed that Mr Yousaf joins the 09 December 2021 meeting and be co-opted onto the Board with full membership being confirmed after the 2022 AGM.</p> <p>Members approved the co-option of Mr Yousaf as a Member of the Board of Management at the 09 December 2021 meeting</p> <ul style="list-style-type: none"> ○ The Chair informed that he had been in discussion with the CEO in regards to the Board pre-meetings taking place two weeks before the meeting date to allow the papers to be issued earlier for Members questions to be lodged to the individual person prior to the next meeting. The Chair added that this would give all Members the opportunity to know the questions and allow a complete openness in terms of Board Operation and that this would facilitate a more open questioning and answering session. ○ The Chair highlighted that further to following items on today's agenda that discussions will commence in relation to Ark's future reflecting on the last 2 years strategy and business plan highlighting the pressures that everyone could be facing. The Chair noted that today will be stage 1 of the discussions with stage 2 discussions taking place at the 09 December 2021 meeting. The Chair added that stage 3 will take place in January 2022 when BoM, ET and SLT members will come together for a brain storming session looking at a more agile and flexible approach to moving forward to protect Ark and make the organisation sustainable for the future. The Chair noted that this will be an interesting time for Ark and he was looking forward to hearing about the pressures, triggers points and potentials for Ark in the market place in the short and medium term. <p>Members noted the Chairs Remarks</p>
<p>6.</p>	<p>CEO Remarks</p> <p>Method of Board and Sub Committee Meetings</p> <ul style="list-style-type: none"> ○ The CEO informed that he had sent an email to Members in relation to how they would prefer future meetings to take place and the majority had selected to use a hybrid approach with some Members being in a room and some joining remotely. The CEO noted that a discussion will take place with the Chair and Depute Chair at the pre-board meeting in regards to how the 09 December 2021 meeting will take place and this will be promptly communicated to Members. ○ The CEO advised that the Scottish Government had announced on the 5 October 2021 that they will be funding a 300m winter financial package for Health and Social Care designed to see health and social care through one of the most challenging periods in some time. The CEO highlighted that there is a number of aspects where the funding would be used and one key area was that 48m had been allocated to improve adult social care worker's salaries from £9.50 per hour up to £10.02 per hour effective from 01 December 2021. The CEO advised that there had been a huge amount of activity around this noting that CCPS have been very active in negotiations with the Scottish Government and other agencies. The CEO advised that issues will continue to evolve and one of the key questions for ARK about this decision is the potential implications for staff structures within Care & Support services in regards to the impact the uplift to Support Worker's salaries is the differential with the next level in the salary scales. The CEO informed that following feedback from providers the Scottish Government had made another offer which was an 86% uplift on the proposed increased amount for the care at home hourly rate and a 71% uplift on the proposed increased amount for the care home rate, adding that Ark and other providers were asked if this would make the award affordable. The CEO added that as the mechanisms for paying this has still to be finalised the Scottish Government asked if Ark could make the payment up front with a letter of comfort from them and claim back from the local authorities. The CEO informed that the Head of Finance prepared the figures in relation to the uplifts and advised that it is affordable and in terms of Cashflow there is no issues in making the payment. The CEO advised that Ark awaits the final position from the Scottish Government in relation to actually making the award. The CEO noted that this will create some issues in regards to pay increase as a pay award has already been made for this year and that this is an initiative by the Scottish Government to retain care workers in Social Care as there is a crisis in recruitment and retention within the sector. The CEO noted that a number of providers are preparing to make the payment and Ark would not want to be left behind as there is a concern that staff may move to another provider. The CEO clarified that the uplift was 5.47% uplift on 86% of the contract. The CEO confirmed that over the past couple of years it has been a nationally negotiated settlement and Ark has had a full uplift to cover additional on-costs and this was agreed in April 2021 for this year noting that the offer from the Scottish Government is to pay social care workers only. The CEO noted that one outstanding question to be answered is in

	<p>regards to this taking Ark out of an annually negotiated position in terms of uplifts and this is being asked by the fair work stream group adding that it is hoped this is an interim position then move back into an annual negotiation.</p> <ul style="list-style-type: none"> ○ The CEO confirmed that funds should be re-paid to Ark by the end of January 2022. The HoF added that the monies to pay the increase will be taken from Ark reserves. ○ The CEO clarified that each LA will do their calculations on each contract and that Ark would expect them to match its calculations for refund. ○ The CEO advised that this is likely to move pretty quickly with implementation date being prior to the next BoM meeting and as this progresses he will notify the Board when this has been completed. ○ The Chair enquired if the CEO was seeking approval today or if this would be carried out later by email. The CEO asked if Members happy to approve on the basis of the information he had provided and if there were any material changes he would come back out to them for further approval. ○ The DPOD clarified that the majority of Ark’s competitors typically pay the Scottish Living Wage (SLW) but some are a little higher noting that rates varied much more in the past before the Scottish Government put the SLW policy in place. The DPOD added that sleepovers are paid at the same rate and Ark are pretty consistent with other providers. ○ The HoF said that some stand-alone care services may not be able to pay the increase as they may not have the cash reserves noting that Ark has the Housing part of the business to rely on. Ms Lane noted that it could be an advantage for Ark retaining and recruiting much needed staff if the increase is applied on 01 December 2021 and the DPOD advised that the HR team are in the process of drafting up job advertisements with the change in salary to be uploaded as soon as the uplift is made. <p>Members noted the CEO Remarks and approved the uplift to Support Worker Salaries</p>
7.	<p>Standing Items</p>
7.1	<p>AIMS</p> <ul style="list-style-type: none"> ○ The DoO recapped that AIMS is Ark’s information management system that is for rota management and a care planning system that was introduced to Care & Support in 2018. The DoO noted that AIMS has a three and half year roll out plan but was impacted by Covid during the course of 2020. The DoO informed that at his last update he had advised that the reviewed plan was implemented in December 2020 and since then full implementation had been completed in Edinburgh, Angus, Perth & Kinross, West Lothian and most recently Moray and the Western Isles and added that the implementation of AIMS has commenced in Falkirk and Clackmannanshire in line with the revised plan. The DoO advised that Borders and Fife will be the last aspects of implementation and will be completed during 2022. The DoO advised that that plan for this year was also to develop a dashboard for reporting purpose and that the team are currently working with the Access Group, who are the providers and host for AIMS in its development. The DoO noted that the team are aiming to have a draft dashboard created by the end of quarter 4 this year. The DoO added that a full update paper will be brought to the 09 December 2021 meeting and confirmed that this will also include a financial update in regards to the budget. <p>Members noted the AIMS Update</p>
7.2	<p>Finance Report – Period 6</p> <ul style="list-style-type: none"> ○ The HoF summarised the period 6 accounts, highlighting that there is an overall surplus against a budgeted deficit and noted that this was a very positive result in year to date. ○ The HoF reported that C&S had generated a surplus ahead of budget for the year to date, noting that the P6 results were broadly in line with period 4, reflecting a very positive result for the first 4 months while the last 2 months have been more in line with budget. The HoF advised that the key driver for the more recent results included additional agency spend and the loss of packages at the end of August. The HoF noted that it is expected that performance over the next few months will be more challenging reflecting the staffing issues across the sector. ○ The HoF reported that Housing has also generated a surplus favourable to budget, driven by a reduction in depreciation costs and a staffing vacancy within the Housing department and compared to earlier in the year this has been a positive improvement. ○ The HoF notified that Ark’s central overheads continue to outperform budget in terms of expenditure reflecting the continuation of staff working from home. The HoF added that treasury management has seen a positive movement reflecting the increase in value of the Brewin Dolphin investments. ○ The HoF advised that both subsidiary companies are out performing budget noting that the budget for ASL was set put on a prudent basis and the budget for ACIL had assumed there would be no income over the festival let period but there had been an increase in student lets over this period which has had a positive impact on the

		<p>results. The HoF added that the Board had agreed to reduce the ACIL re-charge to Ark and as there is an outperformance of budget the monies will end up back in Ark at end of year as a gift aid contribution.</p> <ul style="list-style-type: none"> ○ The HoF noted that in terms of capital spend it has been relatively quiet on the new builds aspect, with some expenditure on the demolition of the buildings at Penicuik and receipt of grants for the Livingston site. The HoF added that the main area of investment over the last couple of months has been on the fire alarm replacement programme in terms of Ark meeting legislation. The HoF added that some capital investment has been made to the continuation of the AIMS rollout in regards to IT equipment. ○ Mr Brown noted that 2 Care & Support services are running with margins under 10% and this will cause a deficit if overheads are included. The HoF advised that the services where this is transpiring are Fife and East Lothian noting that the Fife deficit is driven by the Rymouth service and there is a plan in place to improve this position and further noted that East Lothian is a relatively small service and the recent performance is relatively back in line with budget. The HoF added that there are longer conversations to be had in regards to the C&S operating surplus and noted the expectation from the LA's is for a contribution of between 8% - 10% towards central costs. ○ Mr Koutris noted from the report that Ark C&S has not been outperforming budget in recent months, enquiring if, during the second part of the year, we expect Ark to recover this position. The HoF advised that he is in the process of producing the Q2 forecast, and it is reflecting the current staffing challenges and that he would be happy if by year-end Ark achieved current performance against budget, ensuring that it doesn't get financially worse. The DoO added that as part of the Business Plan a portfolio analysis of every service to provide a clear sense of trajectory and consider how to move forward. The DoO added that this will be completed by the end Q3 in terms of developing the figures to start to plan for implementing plans for the next financial year. The DoO noted that it is hoped to have information available to commence discussions at the get together on 13 January 2022 <p>Members noted the Finance Report for Period 6</p>
7.3		<p>[Redacted Content]</p>
8		<p>Strategic Discussion</p>
8.1		<p>Housing to 2040</p> <ul style="list-style-type: none"> ○ The DDBI provided a presentation in relation to Housing to 2040 noting the background to the creation of the publication and the actions for the 4 key themes and timelines. The DDBI informed Ark's business plan alignment to Housing 2040 and noted the other key influencers. The DDBI noted the next key steps and opened up for discussion. The Chair noted that there is a huge amount of work for Ark to be considering and the information provided will pose subsequent questions once it has been digested. The Housing 2040 presentation will be forwarded to the PA for dissemination to Members. <p>Members noted the Housing to 2040 Presentation and Discussions</p>
8.2		<p>Strategic Review</p> <ul style="list-style-type: none"> ○ The CEO provided a presentation in regards to future strategic planning noting the background and what it is designed to achieve. The CEO highlighted the process that will be followed and asked if Members if they were happy with the process as described, happy to meet physically for an away day in January 2022 (guided by what is allowed re: Covid at that time) and asked if Members wish to spend some time at the meeting in December beginning a conversation on the big issues that may impact Ark. ○ The Chair stressed that there are some issues that could be business critical for Ark in terms of Housing and Care & Support and that Members should have the devoted time to discuss and plan the future of Ark and allow the ET to proceed and feed through to Members as to what the future looks like next year and following years. ○ Mr Logan enquired about the Finance aspect of the business and the Chair noted that Finance was crucial to future plans. Mr Logan noted that his query was in relation to the capital structure and enquired if Ark are

		<p>optimally geared to be carried forward. The Chair added that there are huge conversations to be had in terms of finances. The Strategic Review presentation will be forwarded to the PA for distribution to Members.</p> <p>Members noted the Strategic Review Presentation and Discussions</p>
9.	Items for Noting	
	9.1	<p>Audit Sub-Committee Minutes - 24 February 2021, 19 May 2021, 16 August 2021</p> <p>There were no queries noted in regards to the Audit Sub-Committee meeting minutes.</p> <p>Members noted the Audit Sub-Committee meeting minutes for 24 February, 19 May and 18 August 2021</p>
	9.2	<p>Finance Sub-Committee Minutes – 23 February 2021, 10 March 2021, 18 August 2021</p> <p>There were no queries noted in regards to the Finance Sub-Committee meeting minutes.</p> <p>Members noted the Finance Sub-Committee meeting minutes for 23 February, 10 March and 18 August 2021</p>
10.	AOB	<p>There was no other business to discuss and the meeting was closed at 1.30pm</p> <p>It was noted at the end of the meeting that there were no potential impacts identified in relation to people with a protected characteristic.</p>
11.	Date of Next Meeting: Thursday 09 December 2021	

2022 Dates for Board of Management Meetings – commencing 14.00
Board Member Only sessions will commence at 13.30 unless agreed otherwise

TBC.

ACTIONS

Meeting Date	Agenda Number	Action	Who	Status
17/06/21	9.4	<p>Review outcomes reporting to consider whether critical information is being missed</p> <p>Review outcomes reporting to establish whether there is evidence of the pandemic impacting on people achieving their outcomes</p>	MH MH	To be reported back at 09 December 21 meeting
28/10/21	8.1	Housing 2040 presentation to be forwarded to Members	MB	
	8.2	Strategic Review Presentation to be forward to Members	MB	