

ATRIUM HOMES

Minutes of Meeting of the Board held on Tuesday 27 February 2024

At 6:00 p.m. at 14 Central Avenue / via Zoom

Present: Alistair Reid, Carolyn Hope, Joe Keen, Steven Fraser, Maureen Gimby, Craig Leitch, Dominic O'Donnell, Alan White, Ron Sharpe

Attending: Joyce McCroskie (Director of Operations, DoO), Barry Lees (Director of Investment, DoI), Shannon Watson (Chief Executive, CX)

Chair: Alistair Reid

The Chair opened the meeting asking everyone to confirm that they had read and understood the papers which had been circulated via DropBox the week prior to the meeting.

The Chair confirmed that the meeting was quorate.

Confirmed

Item	
1	Apologies
	Ken Tudhope, Julie Templeton
2	Declarations of Interest
	No declarations of interest were noted
3	Minutes of Meeting on 30 January 2024
	The minutes of the meeting of the Board held on 30 January 2024 were reviewed and approved. <i>Approved for publication</i>
4	Matters Arising
	a) Board noted the updates given on actions arising from previous meetings, and progress made to date. <i>Noted</i>
	b) Board noted that Atrium is up to date with all compliance requirements. <i>Noted</i>
5	Policies
	Board noted the Health & Safety Policy statement which was presented to the meeting and approved this for signature by the Chair and the Chief Executive on behalf of the Board and management of Atrium Homes. Board further noted that ten policies and been reviewed and approved by the three sub-committees which met in February 2024. CX noted that a FASSC member had raised a query regarding the wording of one of the staffing policies at the FASSC meeting, and that following referral to employment law specialists, the wording would need to be reviewed.

	<p>Board therefore endorsed nine separate policies and agreed that the appropriately amended staffing policy would be reviewed and put forward to a future sub-committee meeting for approval.</p> <p>Finally, Board noted that the review of all policies which were due in the year ending 31 March 2024 have been completed.</p> <p style="text-align: right;"><i>Approved</i></p>
<p>6</p>	<p>Finance, Audit & Staffing</p> <p>a) Board noted the minutes of the Finance, Audit & Staffing Sub-Committee (FASSC) meeting held on 19 February 2024 were a good summary of matters considered during the meeting.</p> <p>Board noted that the Internal Audit reports presented to the meeting were primarily positive and that some recommendations had already been addressed by management. The External Audit planning documents for Atrium Homes and its subsidiary were reviewed at the meeting and approved.</p> <p>Board noted the contents of the minutes.</p> <p style="text-align: right;"><i>Noted</i></p> <p>b) Board considered the results reported in the Quarterly Performance Reports to 31 December 2023 and the key areas which had been discussed at FASSC on 19 February 2024 as noted in the minutes of the meeting.</p> <p>Board noted that the actual surplus is ahead of budget. Void repairs are lower than budgeted as, while the volume of voids has been as per budget, the average cost of repairs has been lower; Board noted that this trend could change quickly if just a few houses were handed back to Atrium in poor condition. It was also noted that Atrium had taken the opportunity to undertake HFF21CLS improvement works in some properties which had become void and which had previously been the subject of abeyances due to tenant preference.</p> <p>Reactive repairs spend has increased in quarter three and the spend for the year to date is now above budget. Board discussed the impact on reactive repairs of historic delayed spend on the HFF21CLS works programme and the age profile of the properties which Atrium had built itself.</p> <p>Loan Interest costs are in line with budget and Interest received on cash held is ahead of budget.</p> <p>Board noted that the forecasts for the year to 31 March 2024 had been reviewed in detail and incorporated into the budgets prepared for FASSC’s review. Board further noted that, due to two key items of spend requiring to be finalised ahead of the final budgets being present to Board for approval, FASSC would be holding an additional meeting in March to review the final budgets before these are recommended to Board.</p> <p>Board approved the Quarterly Performance Reports.</p> <p style="text-align: right;"><i>Approved</i></p>

7	Investment
	<p>Board noted the minutes of the Investment Sub-Committee meeting held on 13 February 2024 were a good summary of matters considered during the meeting.</p> <p>In particular Board noted the progress made on Phase 3 of the HFF21CLS works programme which are now nearing completion, and that approval had been given for staff to commence the call-off of 114 properties in Phase 4 for 2024/25.</p> <p>Board noted that a grant application has been submitted to support External Wall Insulation works to homes owned by Atrium. It was confirmed that this work can be accommodated within the budgets and the interest cover requirements of our lenders. Board were pleased to note that the grant funding would enable this work to be brought forward and await the outcome of the application process.</p> <p>It was noted that our main repairs contractor has appointed an additional apprentice as a result of the contract in place with Atrium and that staff continue to monitor the community benefits delivered by Atrium’s contractors. Staff also continue to investigate possible acquisitions of properties on the open market but that this has been extremely challenging this year.</p> <p>Finally, Board endorsed the award of the landscaping and gas servicing cyclical maintenance contracts commencing 1 April 2024.</p> <p style="text-align: right;"><i>Noted</i></p>
8	Operations
	<p>Board noted the minutes of the Operations Sub-Committee meeting held on 15 February 2024 were a good summary of matters considered during the meeting.</p> <p>Board commended staff on the continued good performance in arrears management and voids. Board noted that some potential tenants were refusing offers of accommodation as they waited to see if they might be allocated a new build property current under construction by a peer RSL.</p> <p>Board noted the arrears write offs and write backs approved at the meeting.</p> <p style="text-align: right;"><i>Noted</i></p>
9	Draft Budget for 2024/25 and Business Plan update
	<p>Board noted the contents of the report which detailed updates to the business plan for 2021-26 and a note of Board’s commitment to completing the HFF21CLS works programme which was affirmed at its meeting on 10 November 2023.</p> <p>Finally, Board noted the draft budgets which had been put to the February FASSC meeting, and in particular that there were two key items of costs which had remained outstanding at that meeting. As noted above, FASSC would meet on 13 March 2024 to review the updated budgets prior to recommending these to the March Board meeting.</p> <p style="text-align: right;"><i>Noted</i></p>
10	Strategic Risks – emerging risks and changes
	<p>Board noted that the Strategic Risk Register which had been included in the papers was largely unchanged from that reviewed in January. In response to a question which had been raised in January, CX noted that the risk of contractor failure had been the subject of a deep dive at the February FASSC meeting, and on balance</p>

	<p>FASSC had considered that the Residual Risk score was appropriate as it remained a fairly high score for that risk.</p> <p>No additional risks were noted as being required to be recorded on the register and no changes were required.</p> <p style="text-align: right;"><i>Noted</i></p>
11	Health & Safety (Standing Item)
	<p>DoI noted that a sample across all of Atrium’s property types, containing concrete in the building envelope, had been selected and visited by external surveyors, to provide independent verification of management’s initial assessment that the risk of the presence of RAAC in our tenants’ homes was very low. No serious concerns regarding RAAC in our tenants’ homes have been identified.</p> <p>There were two property types within the sample where surveyors did not gain access to the roof structure in the properties, but since there was no RAAC detected in the walls or floors, management considered the risk of RAAC being present was low enough to justify not undertaking invasive investigations at this time. Board agreed with this approach.</p> <p>DoI noted that Atrium had received notification on the 27th February of a product safety recall notice on boilers manufactured by Ideal. This recall has arisen due to a 1/10,000 potential risk of fire due to a loss of pressure in some boiler types that were manufactured between August 2022 and January 2024. The Investment team is reviewing its records and will liaise with the manufacturer of the boilers and our gas servicing contractor to ensure that there is a plan in place to modify all the affected boilers. All affected tenants will be written to as soon as they have been identified.</p> <p>No other health & safety matters require to be noted.</p> <p style="text-align: right;"><i>Noted</i></p>
12	Any Other Competent Business
	<p><u>Reach & Connect Initiative</u></p> <p>Board noted the contents of the paper which had been uploaded to the portal. Management noted that the proposed changes to the staffing would enable Atrium to make available a project-based resource which can focus on tenant engagement, communication and support. Management would also look at whether grant funding might be able to be used to extend the reach of the team.</p> <p>Board was pleased to note the dedicated resource being recruited to for this work, and noted that the proposed changes to team titles would provide greater clarity on the purpose of the teams and more clearly link to the organisation’s strategic objectives.</p> <p>On a question from a Board member regarding the proposal to make the project roles fixed term, management confirmed that they were taking advice from employment specialists on how best to manage these posts.</p> <p style="text-align: right;"><i>Noted</i></p>
13	Date of Next Meeting – Tuesday 26 March 2024 at 6:00 p.m.
	The meeting closed at 7:15 p.m.

Chair:

Date: 26 March 2024