

ATRIUM HOMES

Minutes of Meeting of the Board held on Tuesday 26 November 2019 at 5.45pm in the offices of Atrium Homes, 14 Central Avenue, Kilmarnock

Present: Joe Keen, Graham Piggott, Jim O'Neill, David Sherlock, Alistair Reid, Marie Coyle and Angela Milloy.

Attending: Stephen Black, Chief Executive; Joyce McCroskie, Director of Operations; Valerie Wilson Head of Finance & Corporate Services; Barry Lees, Technical & Property Asset Manager; Karen Edgar, Operations Manager and Shelley Hunter, PA/Corporate Administrator.

Chair: Joe Keen

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

Confirmed

Declarations of Interest

Staff noted an interest in Item 4 – Pensions.

1. Apologies

Apologies were noted from Ken Stewart.

2. Minutes of Previous Meeting

- 2.1 **Minutes of the Board Meeting on 24 September 2019** – The minutes (previously circulated) of the meeting of the Board held on 24 September 2019 were submitted for approval.

The following amendments were requested:

- 4.1 – wording to be changed to make it clear that Alexander Sloan are Atrium's current Internal Auditors
- 11.2 – the action should be changed from 'Noted' to 'Approved'

Following these amendments, the Board approved the minutes as an accurate record of the meeting and approved them for publication.

Approved for publication

3. Matters Arising

- 3.1 **Board Actions** – Actions taken to progress previous Board decisions were noted.

Noted

4 Pensions Working Group Report & Recommendations

- 4.1 All staff except Karen Edgar, who was a member of the Pensions Working Group left the meeting for the pension discussion.

Board considered the paper presented by the Pensions Working Group including all its recommendations. There Board then had a lengthy discussion on the recommendations before agreeing that they be presented to staff for consultation.

Following consultation Board will consider its position again at its meeting on 28 January 2020.

Approved/remit to staff

5 Annual Rent Review Consultation Proposals

- 5.1 On an annual basis, Atrium is required to review its rent and service charges and determine the charge to be levied in the coming financial year. Prior to the implementation of the rent increase, Atrium Homes has a statutory duty to consult with its tenants and the report contained a timetable for this exercise.

It was proposed to simplify the rent increase consultation with tenants this year to two options, reflecting the outcomes of the Business Planning consultation exercise and the subsequent decision to proceed with the HFF21CLS works packages. The options are: RPI + 0.5% or RPI +1% and would apply to all stock owned by Atrium, including lock-up garages.

In the past, Atrium has used the December RPI figure for the actual rent increase, which is normally reported mid-January. This means that we are only able to give our tenants an indicative RPI figure when we consult with them.

It was suggested to review the approach and use the October figure going forward. This means that Board is aware of what they are approving for consultation with tenants and it gives greater clarity to the consultation process itself.

- 5.2 Following discussions regarding the means of communicating the rent increase to tenants, Board noted the timetable for rent increase consultation and approved the proposed approach to be taken to consult with tenants.

Noted/Approved

6 Investment Report

- 6.1 **Minutes of the Meeting of the Investment Sub Committee of 12 November 2019** – the key items from the minutes were highlighted.

6.1.1 Discussion took place regarding the East Ayrshire Council Strategic Housing Investment Programme (SHIP) and Board noted that Atrium has not been put forward as the partnering RSL for 2 of the affordable housing policy sites despite their close proximity to existing stock. Board requested that staff write to EAC to ask for clarity on the situation and enquire what the criteria for selection is for future reference.

6.1.2 Board discussed the properties that were damaged due to flooding and queried why the reinstatement works were taking so long. Staff advised that it was established that the properties have cavity wall insulation, which is saturated and needs to be extracted - this has subsequently extended the drying out period and added additional works to those initially catalogued.

- 6.1.3 There being no further questions, Board noted the content of the minutes of the Investment Sub Committee meeting of 12 November 2019.

Noted

- 6.2 **Procurement Strategy** – The Procurement Strategy was presented as a final draft for Board consideration and approval before being published.

Board was asked to approve the Procurement Strategy for publication.

Approved

- 6.3 **Contract Approval – Painter Work and Gutter Cleaning** - This paper was presented to update the Board on progress with the combined contract for Painterworks and Gutter Cleaning.

The deadline for return tenders was extended to 29 November 2019 and given the timing of this tendering process, staff requested delegated authority from Board to proceed to award the contract to the winning tenderer based on the most economically advantageous tender (MEAT).

Board noted the content of the report and delegated authority for staff to award the contract to the winning tenderer.

Approved

- 6.4 **Policies for Approval** – Board was asked to note the following reviewed policies which had previously been circulated and approve same:

- 1) Procurement Policy
- 2) Sustainability Policy
- 3) Design Brief & Standard Specification Policy

Approved

7 Finance Reports

- 7.1 **Minutes of Finance, Audit & Staffing Sub Committee of 18 November 2019** – The minutes of the Finance, Audit & Staffing Sub Committee meeting were presented for information.

Staff highlighted item 5, SHAPS – which identified an administration error in processing pension contributions. Remedial action is being taken via The Pension Trust, who administer SHAPS, aimed at ensuring that no individual is adversely affected by the administrative error. The Pension Regulator has been informed and has given advice on how to address the situation.

There being no further comments or questions, Board noted the content of the minutes.

Noted

- 7.2 **Financial Performance Report to 30 September 2019** – Staff advised that this is the final version of the management accounts following the draft version that went to the FA&S Sub Committee on 18 November 2019.

Board was asked to note that there was a small caveat on the balance sheet where a double entry had been input in error, this will be altered and the amended papers will be considered at the next Finance Sub Committee meeting in February.

There being no further items to note, Board was asked to note Atrium's financial position as at 30 September 2019.

Noted

- 7.3 **Management Accounts to 30 September 2019** – Board was asked to note the management accounts as at 30 September 2019.

Noted

- 7.4 **Treasury Management Report as at 30 September 2019** – Board was asked to note the content of the Treasury Management Report as at 30 September 2019.

Board queried the drawdown of the £3m and Staff advised that there is a separate paper on this later in the meeting.

Board noted the content of the report.

Noted

- 7.5 **Financial Regulations – Removal of Former Staff as Administrators of the Clydesdale Bank Online Account** – Board was asked for approval to remove two former staff members as Administrators on the Clydesdale Bank account online.

Approved

- 7.6 **RBS Loan Facility – Review of Agreement Pre Drawdown** – At the Board meeting in September 2019 it was agreed to draw down the 5 year revolver by 31st October 2019 to avoid any Brexit related issues.

Staff advised that when they attempted to draw down the facility RBS highlighted the existence of obstacles related to the original loan agreement. Further action had been taken in co-operation with the Bank to amend the terms of the loan agreement to remove the obstacles.

The formal draft minute and the new draft agreement were attached to the report for consideration and staff highlighted the main changes.

- 7.6.1 Following discussion Board approved the changes, including the formal draft minute and delegated authority to the Chief Executive to sign the loan facility amendment letter on behalf of Atrium in order to proceed to access, the revolver loan.

Approved

8 Operations Report

- 8.1 **Minutes of the Operations sub Committee of 14 November 2019** - Board noted the minutes of the Operations Sub Committee meeting on 14 November 2019 which were presented for information.

Noted

9 Statutory & Public Holidays 2020 -

- 9.1 The Chief Executive presented a report containing the proposed dates for office closure for statutory and public holiday in 2020.

Board also approved an additional half-day's annual leave for all staff to allow the office to close on Christmas Eve at 12.30pm rather than at 5.00pm.

10 Overview of Complaints – April to September 2019

- 10.1 Board noted the content of the complaints report which contained complaints, compliments and subject access requests received and completed from April to September 2019. Staff advised that the report is scheduled to be presented to Board on a quarterly basis going forward.

Staff advised that there will also be a separate Freedom of Information report brought to Board. The first of which can be expected at the February 2020 Board meeting.

Board queried if a column could be added to the report detailing which department the complaint refers to. Staff advised that this can be done and the next report will reflect this addition.

Board commented that they were pleased to see that there were also a number of compliments in the report.

Noted

11 Board Training

- 11.1 There was a report detailing upcoming training opportunities for Board.
If any member was interested in attending any of the events, they were advised to contact the Corporate Administrator.

12 Eydent

- 12.1 Nothing to report

13 Ongoing Assurance Confirmation

- 13.1 Board expressed their on-going confidence in the assurance statement and were reminded that this will be included in the agenda at all future meetings.

14 Any Other Business

- 14.1 **Shortlees Primary School & Early Childhood Centre Emergency Evacuation Plan** – The primary school are in the process of reviewing their emergency disaster evacuation plan. They have requested Atrium's assistance should they ever have to put the plan into practice by asking if the youngest children (under 2 years old) who are too young to make the journey on foot to the nearest primary school could be accommodated in the office until their parents can be contacted to collect them. Staff members from the school would accompany the children at all times. Board queried if Atrium's insurance would cover children in the office and staff advised that this has already been investigated and the schools insurance would cover them.

There being no further comments, Board approved to accommodate the children should the need arise.

Approved

- 14.2 **Technical & Property Asset Manager Post** – Staff advised that recent

recruitment for the post has been unsuccessful and asked for approval to take a different approach in order to maintain momentum to keep up with contractual obligations to HFF21CLS.

Staff recommended that we pause recruitment to the vacant TPAM post for now and use the salary to create a 12 month, additional Investment Officer role at Grade 4, focussing on HFF21CLS project management and delivery.

The vacancy would be advertised internally only with a closing date of Friday 6 December and would be an opportunity for someone to move into a different, and possibly promoted role. Any vacancy arising from an appointment to this role will also be advertised internally.

Following in depth discussion it was agreed that this was the best route at this time and Board approved the above.

Approved

- 14.3 **Board Recruitment** – Staff advised that steps are being taken to recruit new members. Board were asked to identify anyone they think could be interested in joining and staff are also looking at other routes of getting members to join i.e. via the tenant scrutiny group etc.

The meeting closed at 8.10 pm

Chair:

Date: