

ATRIUM HOMES

Minutes of Meeting of the Board held on Tuesday 28 November 2023

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

Present: Alistair Reid, Carolyn Hope, Joe Keen, Ken Tudhope, Steven Fraser, Maureen Gimby, Craig Leitch, Dominic O'Donnell, Julie Templeton

Attending: 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
	Alan White, Ron Sharpe
2	Declarations of Interest
	None noted
3.1	Minutes of Meeting on 31 October 2023
	The minutes of the meeting of the Board held on 31 October 2023 were reviewed and approved. <i>Approved for publication</i>
3.2	Minutes of Meeting on 10 November 2023
	The minutes of the meeting of the Board held on 10 November 2023 were reviewed and approved. <i>Approved</i>
4	Matters Arising
	a) Board noted the updates given on actions arising from previous meetings, and progress made to date. Board approved the removal from the document of all items which had been completed in the past. <i>Noted</i> b) Board noted that Atrium is up to date with all compliance requirements. <i>Noted</i>
5	Annual Rent Review Consultation and Business Planning
	Board noted the contents of the paper which included a copy of the papers considered by the Finance, Audit & Staffing Sub-Committee at their meeting on 20 November 2023. CX noted that the organisation has historically used an inflation-based indicator to arrive at proposed rent increases. For the year which started on 1

	<p>April 2023, Board had agreed to apply a rent increase of 5% which was well below the actual inflation in costs the organisation was experiencing at that time, particularly on the costs of maintaining and improving tenants' homes.</p> <p>Board noted that the CPI inflation rate fell between September and October. The DWP has confirmed that benefits will be increased in line with the rate of inflation reported in September 2023. Board is aware however that there are a proportion of tenants who are not in receipt of benefits and whose salaries might not be increasing in line with inflation.</p> <p>Board noted that the contract costs for CCG's Homes Fit for 21st Century Living Standard works will increase by 7% from 1 April 2024, with the cost of kitchens increasing by 10%. This increase comes after recent below inflation increases in costs applied by CCG in accordance with the competitively tendered contract. A Board member asked for clarification as to whether this was in line with the contract and if these levels of cost increases might be expected to continue past the year ending 31 March 2025. DoI confirmed that Atrium would most likely look at tendering for the works needed for 2025/26 onwards. DoI further noted that the current contract costs have been reviewed by an external advisor and we have been assured that these remain competitive compared to recent tender activity in the market.</p> <p>JT joined the meeting at 6:28 p.m.</p> <p>With the organisation's continued focus on improving tenants' homes to a 21st Century living standard at as fast a rate as our cash levels can accommodate, Board approved Atrium consulting with its tenants on a 6.5% rent increase to be applied from 1 April 2024.</p> <p style="text-align: right;"><i>Approved</i></p>
6	Policies
	<p>Board noted the contents of the paper and the new Scheme of Delegation presented for approval.</p> <p>It was noted that the draft Scheme of Delegation was first reviewed by the Finance, Audit & Staffing Sub-Committee (FASSC) at its meeting on 20 November 2023, as the Financial Regulations and the Internal Financial Procedures were reviewed at this meeting and all of these documents are interlinked.</p> <p>CX noted that the Board has several documents in place which set out the governance requirements and procedures for Atrium Group. These documents are referenced at the beginning of the Scheme of Delegation and so the aim of the document is to summarise the key approval structures in one place.</p> <p>Board approved the new Scheme of Delegation.</p> <p style="text-align: right;"><i>Approved</i></p> <p>As noted above, the Financial Regulations and the Internal Financial Procedures were reviewed in detail by FASSC and the updates and additions to the documents approved.</p>

	Board endorsed the updated Financial Regulations. <i>Endorsed</i>
7	Finance, Audit & Staffing
	<p>a) Board noted the minutes of the Finance, Audit & Staffing Sub-Committee (FASSC) meeting held on 20 November 2023 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 good progress had been made in addressing historic recommendations made.</p> <p>It was noted that after HFF21CLS expenditure in quarter 1 being ahead of budget due to more houses than anticipated having been improved, activity had slowed in quarter 2 due to the contractors' holiday period. Board noted that the budget and forecasts provided in the performance reports for quarter 2 had been adjusted to more accurately reflect the expected split between revenue and capital allocations, and actual expenditure was in line with expectations to the end of September.</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 30 September 2023 and the key areas which had been discussed at FASSC on 20 November 2023 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; with voids needing less work than budgeted, this has enabled the Operations team to relet the void properties faster which has contributed to a lower than budgeted void loss. 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 item 5 above.</p> <p>Board approved the Quarterly Performance Reports.</p> <p style="text-align: right;"><i>Approved</i></p>
8	Investment
	<p>Board noted the minutes of the Investment Sub-Committee (ISC) meeting held on 14 November 2023 were a good summary of matters considered during the meeting.</p> <p>It was noted that the team is working with the Area 2 Repairs contractor which is in its first year of delivering the procured reactive repairs service. The team is seeking some improvements to service, particularly around the gathering of data on customers' satisfaction with the repairs service received.</p> <p>It was noted that the initial feasibility reports on the potential new build sites owned by Atrium indicated that there might be a significant need for grouting works before any construction can be contemplated and DoI has approached the Scottish Government to explore whether any additional funding would be available to assist</p>

	<p>with these costs.</p> <p>Board noted that the Area 2 Repairs contractor has employed additional local staff as a result of winning the contract with Atrium Homes. They have been asked to consider the possibility of any additional Community Benefits they might be able to contribute.</p> <p>The team was commended on continuing to ensure that all reactive and cyclical works are completed timeously, ensuring that Atrium complies with its Health & Safety and other regulatory requirements.</p> <p>DoI noted that there are a number of key cyclical and planned maintenance contracts being procured at present and that the closing date for these is January 2024.</p> <p>Board noted the minutes of the Investment Sub-Committee meeting.</p> <p style="text-align: right;"><i>Noted</i></p>
9	Operations
	<p>Board noted the minutes of the Operations Sub-Committee meeting held on 16 November 2023 were a good summary of matters considered during the meeting.</p> <p>Board noted that Arrears have continued to remain low, and that the timing of Housing Benefit payments meant that the 4-weekly payment of tenants' rents was received 2 days after the quarter end which accounted for a slight rise in arrears. Staff were commended for their good performance on arrears levels given the challenging environment for tenants who continue to suffer from the cost of living crisis.</p> <p>The average number of days to re-let properties has continued to come down and the team was commended on efforts to turn these properties around and so keep losses from void periods low.</p> <p>Board noted the minutes of the Operations Sub-Committee meeting.</p> <p style="text-align: right;"><i>Noted</i></p>
10	Eviction Update
	<p>Board considered the update provided by the Operations team on the actions taken on the previously approved eviction case.</p> <p style="text-align: right;"><i>Noted</i></p>
11	Training
	<p>Board noted the contents of the paper which provided a summary of the training needs identified by Board members during their 2023 appraisals. A discussion was held on the external training opportunities available through Atrium's membership of SHARE as well as the recent briefing sessions which had been provided at the start of the Board meetings in August, September and October.</p> <p>Board is conscious of the cost implications of providing external training but this needs to be balanced against the need for Board to be confident in their strategic leadership of the organisation through personal training and development undertaken.</p>

	<p>Board agreed that bite-sized training sessions were popular and the combination of these with programmed Board meetings made it easier for the training to be incorporated into scheduled time already committed to Atrium's business.</p> <p>CX noted that SHARE are launching an e-learning system which will be investigated and reported back on, and reminded the Board that if there are specific topics which Board members would like to know more about, these can be provided as briefing sessions before meetings or as one-to-one sessions with Executive Team members.</p> <p style="text-align: right;"><i>Noted</i></p>
12	25th Anniversary Activities
	<p>CX provided a verbal update on activities taking place to mark Atrium's 25th anniversary. Staff had a lunch on 12 October to mark the day, and long-serving staff members who were present were presented with small gifts to commemorate their service to the organisation.</p> <p>As noted in the Operations Sub-Committee minutes, Atrium's team are doing the advent calendar activities again this year but have increased this from 1 tenant drawn at random to receive £50 on each of the days from 1 to 24 December, 2 tenants will receive £50 each on each of the days from 1 to 25 December, and we will repeat a draw in January which is always a tough month financially.</p> <p>The team is also organising a January Blues event where tenants will be able to drop in for a warm drink and a biscuit as well as being able to get advice or signposting on heating bills and other financial worries.</p> <p style="text-align: right;"><i>Noted</i></p>
13	Strategic Risks – emerging risks and changes (Standing Item)
	<p>Board noted that there had been no material changes to the Strategic Risk Register since it was last reviewed by them. FASSC had undertaken a deep dive on the three highest risk areas at its meeting on 20 November 2023 and had confirmed the appropriateness of the scoring applied to these risks in light of the risk factors and mitigating controls in place.</p>
14	Health & Safety (Standing Item)
	<p>The Executive Management team noted that no corporate or tenant and resident Health & Safety matters required to be highlighted to the Board at this time.</p> <p style="text-align: right;"><i>Noted</i></p>
15	Any Other Competent Business
	<p>No matters were noted</p> <p style="text-align: right;"><i>Noted</i></p>
12	Date of Next Meeting – Tuesday 30 January 2024 at 6:15 p.m. in person
	<p>The meeting closed at 7:02 p.m.</p>

Chair:

Date: