

ATRIUM HOMES

Minutes of Meeting of the Board held on Tuesday 28 January 2020 at 5.45pm in the offices of Atrium Homes, 14 Central Avenue, Kilmarnock

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

Attending: Celia Taylor, Director of Investment; Joyce McCroskie, Director of Operations; Valerie Wilson Head of Finance & Corporate Services; and Shelley Hunter, PA/Corporate Administrator.

Observing: Rory Ross.

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 5 – Pension Consultation Outcomes & Recommendations

1. Apologies

Apologies were noted from Graham Piggott & Stephen Black.

2. Minutes of Previous Meeting

2.1 **Minutes of the Board Meeting on 26 November 2019** – The minutes (previously circulated) of the meeting of the Board held on 26 November 2019 were submitted for approval.

Staff gave an update on item 6.1 – East Ayrshire Strategic Housing Investment Programme (SHIP). A meeting has been arranged with the Deputy Chief Executive and an update will be brought to the Board meeting in February.

Staff gave an update on item 6.1.2 – Flood Damaged Properties. Contractors formally started on site last Wednesday and there is an estimated completion time of 4 weeks, which will be dependent on what the contractor finds during the works.

There being no further comments or questions, 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** – The Chair gave a brief update on the items still outstanding including Board recruitment, Staff recruitment and Interval Auditor review.

Noted

4 Rent Review

- 4.1 Board was reminded at its meeting in November 2019, the Board approved proposals to consult tenants on two rent increase options:- 2.6%(RPI + 0.5%) and 3.1% (RPI + 1%). In the past Atrium have used the December RPI figure for the actual increase but consulted on the basis of the figure available from an earlier date. Board agreed to review the approach and simply use the October figure going forward as this allows greater transparency and certainty during the consultation process. It was proposed to simplify the rent increase consultation to these two options with the lower increase of 2.6% offering delivery of HFF21CLS by 2025 whilst the higher increase of 3.1% would offer completion of the HFF21CLS by the earlier date of 2023.
- 4.2 Consultation was undertaken by issuing a letter and form to every tenant seeking their views on the proposals. There was also a Facebook exercise launched. Staff were also tasked with encouraging tenants to complete surveys at every one to one interaction, both on site and in the office. Tenants contacting the office were asked whether they had received and responded to the consultation and staff assisted those who wished to respond to do so.

Tenants had the option of returning the form or following a link to an online version. The options were presented as follows:

- i) **An increase of 3.1% (RPI + 1%)**, allowing us to deliver our investment plans in line with the published programme.
- ii) **An increase of 2.6% (RPI + 0.5%)**, allowing us to deliver our investment plans on an extended timeline.

It was noted that Atrium's preference was for Option i), which would allow to proceed with investment at the current pace and delivering in line with the published timescales.

- 4.3 Staff answered queries from Board including what impact the 2.6% increase would have on the HFF21CLS programme in terms of completion timescales.
- 4.4 Discussions took place regarding the methods of communicating to tenants and it was suggested that it could be made clearer in communication to tenants what the amount in monetary value would be for each household as opposed to just having a percentage. Staff advised that this was raised by the tenant scrutiny group and is something that will be considered going forward.

Board was then invited to consider the representations made by tenants and determine an appropriate general rent increase to be applied from 1 April 2020, to allow staff to begin the process of notifying tenants of their revised rent charge.

Following deliberation, Board approved a rent increase across all tenanted stock and garages of 2.6%.

Approved

5 Pension Consultation Outcomes & Recommendations

- 5.1 Staff and Rory Ross left the Meeting for this item.

The Board considered the Pension Consultation paper, the purpose of which was to advise Board on the outcome of the Pensions Review - 2019 consultation exercise, which was issued to staff on 4 December 2019 and sought feedback on the recommendations presented to Board, by the Pension Working Group, at its

meeting in November.

The PWG advised that their recommendations had now been revised to take account of the feedback from staff and felt that these offered a compromise in some of the areas from the previous report, whilst still maintaining affordable pension options for both the employer and employee.

Board were happy with the changes proposed by the PWG and in particular that the CARE80th option would now become available to all staff.

Following discussions, Board approved the recommendations as contained in the report by the Pensions Working Group with an effective date of April 2020.

Approved

6 Insurance Re-Tender Process

Board was given an update on the Insurance Re-Tender Process and the report reminded Board that the Atrium Group has been insured with Zurich Municipal since September 2010. The last tender was for 3 years April 2015 – March 2018 with the option to renew for a further 2 years. The renewal option was taken in 2018-19 and 2019-20. The insurance policy with Zurich is due to expire 31 March 2020.

Board was invited to note the actions taken to date and Staff requested that a Board volunteer to assist with tender evaluation week commencing 17 February.

The tender report will be brought before the Board at the meeting on 25 February 2020 for approval.

As a precaution, in case the tight timescale for evaluation cannot be met, Board was requested to give delegated authority to the Chief Executive and Head of Finance & Corporate Services to determine the best tender, reporting the outcome to Board at the March meeting.

There being no further comments, Board nominated a volunteer to assist with the tender evaluation and approved to delegate authority to the Chief Executive and Head of Finance & Corporate Services to determine the best tender.

Noted/Approved

7 Investment Report

7.1 Award of the Maintenance Painterworks & Gutter Cleaning Contract 2020-23/4 Staff and Rory left the meeting for this item

The report contained an update on the tender outcome of the combined contract for Maintenance Painterworks and Gutter Cleaning.

Board was reminded at its meeting on 26 November 2019 that it granted delegated authority to staff to proceed to award the contract to the winning tenderer based on the most economically advantageous tender (MEAT).

Staff advised that the tender returns for this contract had been assessed on a 30% quality/ 70% price ratio, the outcome of which recommended acceptance of the tender from Dumbreck Decorators in the sum of £333,746.05. Staff took the opportunity to advise Board that there had been an error in the scoring matrix, previously circulated, however that this had no bearing on the outcome of the tender exercise and all contractors were subsequently advised of this.

7.1.1 Board noted the content of the report.

Noted

7.2 **Award of the Landscape Maintenance Contract 2020 – 24**

Staff and Rory left the meeting for this item

This paper provided an update to Board on the outcome of the tender exercise for the Landscape Maintenance Contract 2020-24 and to seek approval to accept the most economically advantageous tender (MEAT) based on a 70% quality/30% price ratio. In light of the tender report recommendations by the Project QS for both Atrium Homes and Atrium Initiatives, Board were subsequently asked to approve John O'Conner Grounds Maintenance Ltd as the preferred contractor for both companies.

Board noted the differences in the pricing element of the contract however acknowledged that the 'balancing quality and price' process had been effective under the required assessment criteria. Following lengthy discussion on this Board agreed to approve John O'Conner Grounds Maintenance Ltd as the preferred Contractor for Landscape Maintenance Contract 2020-21 for Atrium Homes and to accept the revised tender total after checking and correcting of errors amounting to £75,171.91, (core works only), subject to a satisfactory credit check and receipt of the relevant documentation.

Board also invited Atrium Initiatives Board to approve John O'Conner Grounds Maintenance Ltd as preferred contractor for the Landscape Maintenance Contract for 2020-21 and to consider accepting the revised tender total, after checking and correction of errors amounting to £95,478.63 (core works only), subject to a satisfactory credit check and receipt of the relevant documentation.

Approved

8 Operations Report

8.1 **New Case for Eviction** - Case no 12465 was presented to Board for Eviction. Following discussion Board was invited to note the action taken by staff and to approve the implementation of Decree and carry out the eviction if Decree is awarded at court.

Following discussion, Board approved the eviction.

Approved

9 Finance Report

9.1 **Clydesdale Bank Online Additional Administrators** - The purpose of this report was to provide background to Board so that they approve additional administrators of Clydesdale Bank Online Account. This follows on from the previous report in November 2019.

Committee was invited to approve a finance staff member as Corporate Administrator and 2 further finance staff be added as users, with a view to them also becoming corporate administrators of the Clydesdale Bank online account.

9.2 Board considered the report and approved the above.

Approved

10 Policies for Review

10.1 Board considered the following policies for review:

- Complaints Handling Policy/Procedure
- Complaints Handling – Customer Facing Document

Board raised questions regarding the internal procedure for handling complaints and if there was a Complaints Officer. Staff advised that there is a robust internal complaints handling procedures in place that ensures all complaints are logged, and tracked centrally which in turn ensures that they are handled in line with the model complaints handling procedure timescales.

10.2 There being no further comments or questions, Board approved the policies.

Approved

11 Proposals for Board Meeting Schedule

11.1 Under the Articles of Association Board are required to meet a minimum of 6 times per year to conduct its business. For a number of years Board has opted to meet eight times a year, whilst historically operating to a schedule of ten.

Board was invited to consider whether it wishes to continue with a schedule for eight meetings or whether it wishes to trial a ten meeting cycle, adding back in meetings in April and October. Additional Board meetings in April and October could be used for formal business, which would allow the apportion of work better and hopefully avoid bloated agendas.

Board deliberated the options and the consensus was that all were happy to include the two extra meeting per year. The following comments were made:

- No objections to the extra two meetings as long as members are committed to reading and understanding the papers and the actions/decision required for each item in advance of the meeting. This will allow the agenda items to be considered in a timely manner without long and unnecessary discussions at the meetings.
- Members could submit any questions or get clarification in advance of the meeting.

Board discussed the meeting day and start time and all agreed that the current arrangements of the last Tuesday of the month suited but the time would suit some better if it was a 6pm start. This would allow those coming from further afield a little more time in case of traffic etc.

11.2 Board concluded that there will now be 10 meetings per annum. The meetings will continue to be held on the last Tuesday of the month and will start at 6pm.

Approved

12 Board Training

12.1 Board noted the Board training report and the chair advised that if anyone was interested in attending any of the training sessions, they should contact the Administrator.

Noted

13 Eydent

13.1 **Minutes of Meeting of 7 October 2019** – Board noted the minutes of the Eydent Meeting of 7 October 2019.

Noted

13.2 **Report on Eydent Conference 24 October 2019** – Board noted the report on the Eydent conference and commented that they felt it went well and the report is very positive.

Noted

14 Ongoing Assurance Confirmation

14.1 Board discussed the requirements for this to be on the Agenda as a standing item and following this, expressed their on-going confidence in the assurance statement.

15 Any Other Business

15.1 **Recent Criticism of SHR Approaches**

GWSF Regulation Update – Board noted the paper and discussed Atrium’s experience with the regulator to date, which has mostly been positive.

Noted

15.2 **SHR Advisory Notes**

Tenant Safety – Board noted the advisory note from SHR on Tenant Safety.

Noted

Fraud Prevention – Board noted the advisory note. Staff advised that Atrium recently had a penetration test carried out which highlighted only one minor issue which has since been resolved.

Noted

There being no other business, the meeting closed at 7.10 pm

Chair:

Date: