



CUNNINGHAME
HOUSING ASSOCIATION

More than just a landlord

Board of Management Minutes

Date of Meeting: 11th January 2023

Please note that these minutes have been edited to remove any information relating to personal/confidential/commercially sensitive or of a personal nature.

CUNNINGHAME HOUSING ASSOCIATION LTD

Minutes of Special Board of Management Meeting

Held on Wednesday 11th January 2023 at 2.15 pm in the Association's Quayside Offices,
Marina Quay, Dock Road, Ardrossan KA22 8DA



Present	In Attendance
Lesley Keenan (Chair) Janet Strang Elizabeth Shedden June Fenelon Brian McCabe John Nisbet Willie Gibson Cllr Stephen Canning John McLaren (MS Teams)	Frank Sweeney, Group CEO (MS Teams) Linda Anderson, Acting CEO Allison McColl, Exec Dir of Finance & Corporate Services (MS Teams) Jacqueline Cameron, Exec Dir of Housing & Property Services Fettes McDonald, Financial Consultant Elaine Nimmo, Minute Secretary

PRIORITY RED – SECTION 1 – STANDING ORDER ITEM AND GOVERNANCE ITEMS		ACTION
1.	<p>Apologies Apologies were received from John Kelly, Liam Loudon, Drew Hall, Margaret Davison and Brenda Johnstone.</p>	
2.	<p>Chairperson's Remarks</p> <p>1 The Chair welcomed everyone to the meeting and asked all Members to ensure that their mobile phones are switched off.</p> <p>2 As there were confidential items on the Agenda the Chair read out the following confidentiality statement:</p> <p>In compliance with the Regulatory Code of Governance and Board Members' Code of Conduct all items detailed in this notice as being confidential should not be discussed with any external party either prior to or after said meeting by any Member of the Board of Management.</p> <p>All members should note that when the Group CEO/Executive Directors/Officers are giving or presenting their report that there will be no interruptions to allow them to finish their reports. Questions can be asked after the presentation.</p> <p>3 Leave of Absence The Chair advised members that Liam Loudoun has requested a leave of absence until March 2023 due to family commitments.</p> <p>The Board of Management approved the Leave of Absence for Liam Loudon.</p> <p>4 CEO Update The Chair welcomed Frank to the meeting who preceded to have a confidential discussion, with the Board noting same.</p> <p>The Board of Management continue to be satisfied with the interim arrangements in place.</p> <p>5 Hybrid Working The Executive Director of Finance & Corporate Services advised that a report on hybrid working was pulled from today's agenda to allow further consideration to</p>	CEO

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2.	<p>be given on the subject however the board briefly discussed the situation given the current operational status. The Board were advised that over the last few months the organisation have lost members of staff, mainly due to them moving on to other positions which offer more flexible working conditions, therefore CHA require to review this to ensure staff vacancies are filled and staff retained.</p> <p>The board noted and agreed this is an operational matter and requested that the Executive Management Team review and implement as required, reporting back the decision agreed at the next board of management meeting.</p> <p>After discussion the Board of Management agreed that an information paper on the differences between hybrid/flexible working and the implications for any staff involved will be presented to the Finance & Corporate Services Sub Committee on 26th January 2023.</p> <p>The Board of Management agreed that the current job vacancies can be advertised advising that the Association is currently considering a hybrid workplace model.</p>	<p>Ex Dir F&CS</p> <p>EMT</p> <p>Ex Dir F&CS</p> <p>Ex Dir F&CS</p>
3.	<p>Declaration of Interest None.</p>	
4.	<p>Requirement of the Writing (Scotland) Act 1995 None.</p>	

PRIORITY RED – SECTION 2 – IMPORTANT ITEMS MUST BE TAKEN		ACTION
5.	<p>EVH Staff Pay Rise (CONFIDENTIAL) <i>(Confidential Report is commercially sensitive therefore has been withheld because disclosure would harm commercial interests.)</i></p> <p>The Acting CEO confirmed to the Board of Management that the EVH Salary increase for 2023 has now been received following the recent EVH Ballot. The increase was agreed as 5.25% from 1st April 2023 as well as a non-consolidated payment of £150 in each of January, February, and March 2023.</p> <p>Board received full details of the ballot which were included in the recent monthly EVH report dated December 2022.</p> <p>The Board of Management noted.</p>	<p>Ex Dir F&CS</p>
6.	<p>Draft Budget 2023/24 (CONFIDENTIAL) <i>(Confidential Report is commercially sensitive therefore has been withheld because disclosure would harm commercial interests.)</i></p> <p>Fettes McDonald, (FMD) referred members to the previously circulated draft budget for 2023/24. It was noted that the current estimated surplus for 2022/23 will be</p>	

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<p>6. around £700k below budget which is primarily due to higher repair costs and pension deficit payments charged to the Statement of Comprehensive Income (SOCl).</p> <p>The Board noted all the main assumptions are within the budget document.</p> <p>The Board noted that a satisfactory cash position is achieved and there are no issues with loan covenant compliance.</p> <p>Fettes McDonald, (FMD) advised the Association remains in a secure financial position with sufficient liquidity and access to funds when required. At the end of March 2024, it is projected that around £8m of funding is available to support the new build programme. It is expected that further loan arrangements may require to be actioned in 23/24.</p> <p>The Board of Management noted whilst there are no material concerns for 23/24 there are ongoing matters that may/are likely to have implications for the longer-term financial outlook. These include ongoing discussions on the new build programme (including recovery of costs paid in advance) and grant requirements to achieve viable projects on a stand-alone basis. In addition, higher repair costs projected shall continue to be closely monitored. The updated long-term projections shall be completed by the end of the current financial year.</p> <p>The Board of Management accepted the draft budget for 2023/24 and noted the final budget will be presented for approval by the end of the current financial year.</p>	<p>FMD</p>
<p>7. Proposed Rent Increase 2023/24</p> <p>The Executive Director of Housing & Property Services presented the previously circulated report to the Board of Management in detail and advised that the proposed rent increase of 5% for 2023/24 was subject to wider consultation with tenants from 11th November to 16th December 2022. The Board noted that the Scottish Government announced on 21 December 2023 not to extend rent controls for social housing providers beyond March 2023, therefore allowing any approved rent increase from 1 April 2023.</p> <p>The Executive Director of Housing & Property Services advised the rent consultation has now been completed within the previously agreed timescale. The consultation process comprised of:</p> <ul style="list-style-type: none"> • Newsletter sent to each tenant outlining the extent of the proposed increase and information on expenditure for 2023/24 with a response form enclosed, along with a pre-paid envelope. • This year the consultation was also made available for completion online. • Consultation roadshows in Irvine, Kilmarnock, Kilbirnie, Millport, Ardrossan, Gretna and Lockerbie. • Tenants were also given a direct contact number to have the consultation completed online for them, and Association staff proactively discussed the 	

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7.	<p>The Board of Management noted both the positive and negative comments received by tenants as detailed in the report. Overall, the feedback remains positive and the high response rate received is very encouraging.</p> <p>The results of the consultation process will be prepared and published via social media as well as included in the spring edition of the tenant newsletter.</p> <p>After discussion the Board of Management:</p> <ul style="list-style-type: none">• Noted the results of the consultation exercise.• Approved the proposal to increase rent to all secure tenancies by 5% for 2023/2024.• Approved the proposal to increase rent to shared owners by 5% for 2023/24.	<p>Ex Dir HPS</p> <p>Ex Dir F&CS</p>

PRIORITY ORANGE – SECTION 3 – ITEMS TO BE TAKEN, TIME PERMITTING		ACTION
	None	

PRIORITY GREEN – SECTION 4 – ITEMS FOR INFORMATION ONLY		ACTION
	None	

The Meeting closed at 3.00pm

	Signature	Date
Approved to Proceed to Chairperson for Sign-Off:		
Approved for Circulation By:		
Proposed By:		
Seconded by:		