



# MINUTES OF BRIDGEWATER HOUSING ASSOCIATION

## BOARD MEETING

**Date:** Wednesday 6<sup>th</sup> December 2023

**Time:** 5.30pm

**Venue:** BOARDROOM/TEAMS

<b>Sederunt:</b>		
Present	Apologies	In Attendance
Alastair Morris, Vice Chair Suzanne Austin, Vice Chair Rab McNally Aileen Naismith Ken Caldwell Jim O'Neil Gavin Dayer Liz Bowden	John Paterson Ken McIntosh Denise Love  <u>Leave of Absence</u>  <u>Absent</u>	Andy Thomson, Chief Executive Steven Ferrie, Head of Property Services Angie Kennedy, Head of Finance Lesley Carr, Minute Secretary

### BOARD TRAINING

**Prior to the start of the meeting Board Members attended a Training Session on Procurement delivered by Alan Shanks from A.D.A Construction Consultants.**

### GOVERNANCE

Item	Details	Action
<b>1.</b>	<b>Welcome and Chairs remarks</b>	
	The Chair welcomed everyone to the meeting and confirmed that members had received their papers on time.	
<b>2.</b>	<b>Apologies</b>	
	Apologies were received from <b>Ken McIntosh, John Paterson and Denise Love</b>	
<b>3.</b>	<b>Declarations of Interest</b>	
	Members were invited to declare any interest in any of the items on the agenda, in terms of the Association's published policy.	
<b>3.1</b>	The CEO reminded those present that tenants on the Board have a potential conflict of interest but are asked to be objective and consider the factors outlined in this report from a strategic point of view in determining a suitable increase amount to be implemented	

	from March 2024. The future viability of the Association may be at risk should Board not implement an appropriate rent increase	
<b>4.</b>	<b>Minute of the Board Meeting held on 23<sup>rd</sup> October 2023</b>	
	Members were invited to consider the minute of the Board Meeting held on 23 <sup>rd</sup> October 2023.	
<b>4.1</b>	Members <b>APPROVED</b> the minutes as a correct record of the meeting as <b>PROPOSED</b> by Suzanne Austin and <b>SECONDED</b> by Ken Caldwell.	
<b>5.</b>	<b>Matters Arising</b>	
	<p>The CEO apologised for the lateness of issuing of the papers for tonight’s meeting, the reason for this was that there was a delay in preparation of the Budget due to staff sickness issues.</p> <p>The CEO outlined the items detailed within the Matters arising report, any completed matters arising will be removed from this report and an updated version will be presented to the next Board meeting for consideration.</p>	
<b>5.1</b>	<p>Members <b>NOTED</b> the information contained within the matters arising report.</p> <p>A member took the opportunity to thank the staff group who were involved in organising the official office opening.</p>	
<b>MATTERS FOR DECISION</b>		
<b>6.</b>	<b>1<sup>st</sup> Draft Budget</b>	
	<p>Members were invited to consider the 1<sup>st</sup> Draft Budget, the purpose of which was to provide the Board with a First Draft Budget for 2024-25, to enable the Board to consider the proposed rent increase consultation of 6%, 7.3% increases in garage rents and managed property income and to approve service charge revisions.</p> <p>The HOF explained that inflation affects what the Association pays for the services it provides and this was running at circa 6.7% in September (4.6% in October), this does not mean that items cost less but that they are not increasing as fast as in previous months. The cost-of-living increase and higher fuel and energy bills have a knock-on effect on the cost of overheads, repairs and other expenses incurred by the Association.</p> <p>The HOF explained that the current economic climate continues to create pressures on our communities and businesses and poses a sustained challenge to the Association’s financial viability. Economic and political headwinds also make it difficult for the Association to budget and plan ahead with any degree of precision. Higher bank interest rates also make loan payments more expensive although the Association has mitigated some of these increases by fixing half of the Nationwide loan portfolio.</p> <p>This draft budget shows a surplus of £332K compared to £415K in the 2023-24 budget (excluding the SHAPS actual gain of £936,000). This report provides details of the underlying assumptions made in preparing the Budget. Surpluses are required to allow the Association to plan for major expenditure in the future and to enable us to service our loans.</p>	

	<p>The HOF outlined the main areas contained within the report.</p> <p>A member asked if changes to areas within the budget could be shown as a percentage as this would be easier to read and the HOF explained that the majority of increases are made at 6%..</p> <p>The CEO explained that the Scottish Government have released their consultation on Net Zero and measures that we are expected to carry out will cost a significant amount of funds and at present we are not clear if and when any funding will be made available towards these costs, therefore, the Association needs to make sure we make suitable increases to keep the association viable.</p> <p>A member asked what amount had been deducted from the repairs costs and how this had been worked out, the HOF and CEO explained how cuts were calculated and the HOPS explained that the figures were based on the inflationary figures and based on what we have spent on repairs during this year, although he explained that throughout this year we have been using smaller contractors and when we move to DPS, it is hoped that we may see a decrease in overall costs.</p>	
6.1	<p>The CEO proposed that the content of the report on the rent consultation should be considered along with the Draft Budget, so that decisions on rent increase consultation options can be made with viability issues fully covered.</p>	
7.	<p><b>Rent Increase Consultation</b></p>	
	<p>Members were invited to consider a report prepared by the HoHS the purpose of which was to present the rent increase consultation proposals to the Board and for Board to approve consultation with tenants on the proposed increase and approve the suggested service charge approach or make further suggestions.</p> <p>To enable the rent consultation, process the Board must assess the impact that differing levels of rent increases will have on the overall finances of the Association.</p> <p>The HoHS explained that following the development of the business plan and the draft budget the rent increases being proposed for 2024/2025 is 6% (an average increase of £5.92 per week on rent not including services). The draft budget is based on 6%. Inflation, which affects what the Association pays for the services that we provide was running at circa 6.7% in September (4.6% in October), again it was explained that this does not mean that items cost less but that they are not increasing as fast as in previous months.</p> <p>This rent increase proposal is based on September’s inflation rate as this is the available rate at the time of budget setting. The proposal we are offering is under the inflationary rate at the time. In addition, it is below other elements that we pay for, the costs to the association of providing services and keeping our neighbourhoods safe and tidy have gone up significantly in the last year and are expected to keep rising.</p> <p>The Associations biggest expense is carrying out repairs, maintenance and investing in homes and neighbourhoods. Last year the cost of our major works programme had continued to increase well above inflation. This year some contracts have doubled in price and our energy prices have increased yet again – businesses are not subject to the energy caps or assistance.</p> <p>These increased costs continue to impact the Association:-</p> <ul style="list-style-type: none"> <li>• Average Industry repairs and maintenance inflation is running at circa 4.6%</li> </ul>	

	<p>following an increase of 30% in the previous year meaning costs have increased by over 34% in 2 years. We have previously reduced maintenance programmes to keep rents lower.</p> <ul style="list-style-type: none"> <li>• Energy costs are running at circa 60% higher than 2 years ago</li> <li>• Fuel Costs are running at 8% - this impacts staff and contractor costs.</li> <li>• Computer/ICT costs are running at over 10%</li> <li>• Wages are estimated to increase by circa 6% as a best guess at this stage.</li> <li>• Loan costs for non-fixed loans have and are expected to continue to increase</li> </ul> <p>As part of our budget planning process, we have made significant cost reductions where possible which has allowed us to propose a lower than inflation increase.</p> <p>Subject to Board approval the following steps will be undertaken:</p> <ul style="list-style-type: none"> <li>• All tenants will be written to advise them of proposal and the outcome of the consultation i.e., how this will affect services and how they can have their say in the consultation.</li> <li>• This will be promoted on social media, the website, by text and email.</li> <li>• The Association will again engage Research Resource to undertake a survey of 200 tenants by telephone to seek their views on the proposed rent increase, this will be a random selection but if tenants wish to be involved, they can contact the consultant direct. The survey will run from late December to Mid January.</li> <li>• In addition to the telephone survey, we will be holding an Open Day in the office on Thursday 18th January 2024 when senior staff will be available between 11.00 am to 12 noon and 3.00pm to 4.00pm to speak to tenants about the proposed increase.</li> <li>• The outcome of the consultation will then be presented to Board at the 31st January 2024 meeting to agree the final rent increase proposal.</li> <li>• Once agreed, the rent increase will be communicated to tenants in writing no later than 29th February 2024, so that one months' notice is provided for an increase on 29th March 2024.</li> </ul>	
<p><b>7.1</b></p> <p><b>7.2</b></p> <p><b>7.3</b></p> <p><b>7.4</b></p> <p><b>7.5</b></p>	<p>Following full discussion: -</p> <p>Members <b>APPROVED</b> consultation on a rent increase of 6% in line with our proposed budget.</p> <p>Members <b>CONSIDERED</b> and <b>APPROVED</b> the proposal to increase garage rents by 7.7%</p> <p>Members <b>CONSIDERED</b> and <b>APPROVED</b> the proposal to increase managed properties/shared housing rents by 7.7%.</p> <p>Members <b>APPROVED</b> the proposal to increase service charges in line with costs, where this is not possible service charges will be increased by the same rate as the rent increase – 6%</p> <p>And members also <b>APPROVED</b> the proposals for consulting with tenants including the use of the telephone survey.</p> <p>These decisions were <b>PROPOSED</b> by Suzanne Austin and <b>SECONDED</b> by Alastair Morris.</p>	
<b>MATTERS FOR APPROVAL</b>		
<b>8.</b>	<b>Equalities Diversity and Inclusion Policy and Strategy (1<sup>st</sup> Draft pre consultation)</b>	
	<p>Members were invited to consider a report by CEO, the purpose of the Equality, Diversity, and Inclusion (EDI) Policy is to articulate Bridgewater Housing Association's commitment to providing an environment where everyone is treated with dignity and respect, while</p>	

	<p>recognising and welcoming diversity.</p> <p>A member commented that it was really good to see the Policy and Strategy and although Change HR have reviewed these documents he would be happy to have some input. The CEO encouraged the member to send any ideas to him for incorporating into the final document.</p> <p>A member suggested that they believe that it is now a legal requirement to offer sign language as a matter of course for all communications. The CEO will check up on this and if this is required then this will be added to the training plan and arranged.</p>	
<b>8.1</b>	<p>Members <b>AGREED</b> the Equalities, Diversity and Inclusion Policy and Strategy be circulated for consultation and brought back to the Board for <b>APPROVAL</b> once any suggested changes have been considered and incorporated.</p> <p>As <b>PROPOSED</b> by Liz Bowden and <b>SECONDED</b> by Jim O’Neil.</p>	
<b>9.</b>	<b>RBS Bank Signatories</b>	
	<p>Members were invited to consider a report by the HoF, the purpose of which was to keep the Board updated as to any changes in bank signatories following changes in the Board.</p> <p>The HoF explained that the bank needs to have an up-to-date list of authorised signatories to allow payments to be processed and banking returns and documentation to be signed. Failure to have a list of authorised signatories could mean payments to staff and suppliers would be unable to be authorised.</p>	
<b>9.1</b>	<p>Members <b>APPROVED</b> the changes to be made to the bank signatories as detailed within the report as soon as possible. This was <b>PROPOSED</b> by Suzanne Austin and <b>SECONDED</b> by Alastair Morris.</p>	
<b>MATTERS FOR ASSURANCE</b>		
<b>10.</b>	<b>Regulatory Engagement Report</b>	
	<p>Members were invited to consider a report by the CEO, the purpose of which was to provide Board with an update since the last report on our regulatory engagement with the Scottish Housing Regulator (SHR) and to provide an update with our tenant and resident safety and governance compliance.</p> <p>The CEO provided an update on the information passed to the SHR since the last Board meeting as detailed within the report.</p>	
<b>10.1</b>	<p>Members <b>NOTED</b> the information contained within the report.</p>	
<b>11.</b>	<b>Notifiable Events Register</b>	
	<p>The Association is clear on its obligations under the current Scottish Housing Regulator’s Notifiable Events Guidance and keeps a register of all Notifiable Events lodged – this can be substantiated via the SHR portal. The CEO explained that this is an update on the report provided at the last meeting.</p> <p>There are no new notifiable events, NE30575 regarding Gas Servicing issue has now been closed and being dealt with via a revised Engagement Plan.</p>	

11.1	Members <b>NOTED</b> the information contained within the report.	
<b>12.</b>	<b>Tenants Safety Report/Audit</b>	
	<p>Members were invited to consider a report by the Head of Property Services, the purpose of which was to provide members of the Board with an update of the Association’s status regarding tenant safety.</p> <p>The HoPS and the PSM are still working through reviewing the Association’s Tenant Safety practices. Asbestos, Legionella and Lift Safety policies and procedures are next to be reviewed, followed by Dampness and Mould.</p> <p>The HoPS and PSM attended GWSF’s (Glasgow and West of Scotland Forum) Tenant Safety and Compliance Forum, which covered all the topics noted above, but also noted that the Scottish Housing Regulator will be looking at Associations recordings and practices of Playparks, Trees and RAAC (Reinforced Autoclaved Aerated Concrete) in the near future. The HoPS explained that Bridgewater HA have one playpark at Barholm, which is maintained and certified. Members will be aware that the Association also has many trees within the area and have held discussions with the landscape maintenance contractor about carrying out a tree survey.</p> <p>The HoPS has carried out a desktop review of our stock, as well as a visual inspection at some of our exposed concrete ceilings, with no findings of RAAC. These ceilings are made up of Bison slab concrete. However, we are in the process of procuring a full stock condition survey and this survey will be used to determine if RAAC is present in any of our buildings.</p> <p>The HoPS updated that the Association has recently appointed Housing H&amp;S Compliance UK Ltd as an independent Tenant Safety consultant to carry out a full review of the Association’s Tenant Safety practices. The first meeting with the consultant was held on the 24th October 2023, and an Audit for Gas and Lifts is due to take place throughout the month of December.</p>	
12.1	Members <b>NOTED</b> the information contained within the report.	
<b>13.</b>	<b>Use of Associations Seal</b>	
	<p>Members were invited to consider a report by the Corporate Services Assistant, the purpose of which was to provide members with details of times when the seal have been used over the last year in compliance with the Association Rules.</p> <p>The Seal register has mainly been used for Share Membership Certificates.</p>	
13.1	Members <b>NOTED</b> the information contained within the report.	
<b>14.</b>	<b>Membership Status – 5 Year Rule</b>	
	<p>Members were invited to consider a report by the Corporate Services Assistant, the purpose of which was to provide members with status of the Association’s membership numbers following on from the- AGM. There were a total of 50 active members as at 30<sup>th</sup> September 2023</p>	
14.1	Members <b>NOTED</b> the information contained within the report.	

**MATTERS FOR OVERSIGHT/MONITORING**

<b>15.</b>	<b>Quarterly Business Plan 2023/24 Performance Update</b>	
	<p>Members were invited to consider a report by the CEO, the purpose of which was to provide the Board with a summary update on business plan performance and operational performance through our Key Performance Indicator (KPI) dashboards, action plans, and details of our most recent risk mapping review.</p> <p>Appended to this report are the following:-</p> <p>The Strategic Delivery Report, KPI report, the Strategic Risk Register, the Assurance Action Plan, the Governance Action Plan, the Employee Engagement Action Plan and the Policy Schedule.</p> <p>This report is issued quarterly to provide information on the Association's strategic performance.</p> <p>The CEO outlined the main areas which merit further focus and attention in the next quarter which included:-</p> <p>Sickness, Membership, Average Re-let times and void loss, Gas Safety, Contractor performance, Complaints and Arrears of Rent and Factoring Invoices.</p> <p>There are no new risks, 2 risks have had their score reduced due to actions being taken and there are 2 risks where the score has been increase, these are Risk 09 – Regulations and Risk 23 – Fraud.</p> <p>The CEO explained that through our work there are many different action plans which are established and it is important that a check is kept on these to ensure they are being adhered to and actions are being progressed. It is equally important that the Board receive assurance that these action plans are being worked on to produce the desired outcomes. This report lists specific Action Plans currently in place and provides a narrative on progress.</p> <p>These include :-</p> <ol style="list-style-type: none"><li>1. Annual Assurance Action Plan</li><li>2. Governance Action Plan</li><li>3. Employee Engagement Action Plan</li><li>4. Tenant Satisfaction Survey Action Plan</li><li>5. Factoring Improvement Plan</li></ol> <p>The CEO reminded members that members will be asked to join an assurance working group, which will be set up in January.</p>	
<b>15.1</b>	Members <b>NOTED</b> the information contained within the report.	

**MATTERS FOR CONSIDERATION**

<b>16.</b>	<b>CEO Report</b>	
	<p>Members were invited to consider a report by the CEO, the purpose of which was to advise the Board on a range of relevant issues currently being considered and to seek approval for matters as noted throughout the report where required.</p> <p>The CEO outline the main issues contained within the report these included:</p>	

- Regulatory / legislative / sector updates
- Florish road development / rots properties
- Customer service review
- Flair updates
- Equalities / data collection
- Staffing matters
- Care and repair update

The CEO explained that the Scottish Federation of Housing Associations (SFHA) has published a briefing paper on proposed changes to the Regulatory Framework, summarising the key proposed changes included within the paper and its appendices, this is now available on the SFHA website.

GWSF have published their 2022-23 Charter Report, which compares members' performance (including Bridgewater's) with that of other (mainly larger regional and national) HA's and local authorities and the CEO notified members that this is available on GWSF website.

The CEO updated that the Association was contacted by Renfrewshire Council regarding open market acquisitions/Rental off the Shelf (ROTS) purchases. The Council met with the Scottish Government to consider potential financial support for acquisitions this financial year - so closing missives by the end of March 2024. ROTS means that we would receive circa 50% grant funding to buy properties in our area of operation that are available on the open market and for sale at this time. RC have now confirmed that there is funding available, and we have indicated that we will attempt to purchase circa 5 properties before March on the open market, subject to available properties and their condition – there is no repairs grants being made available. The LT have met internally to identify suitable properties that may be available to us that we could process before the end of the financial year. Once more is known, a report will be presented to the Board seeking approval of an acquisitions budget and further details of the proposals. A figure has been included in the budget for 2024/2025 and beyond based on the assertion that this budget is to be available in future years.

As Members will be aware we have agreed to upgrade our website and recently joined the Scottish Housing Connections consortium which includes a number of RSL's who share the costs of operating and maintaining a website platform. Staff will receive training on the new website during December/January and once this is complete, we will agree a strategy internally for switching over to the new website. Staff have already commenced a review of content on the current website to agree which information will be carried over.

Members will recall that Bridgewater as part of the FLAIR group have initiated discussions around the use of shared services in the future. A brief for a feasibility study was agreed and following the tendering process there was only one suitable applicant and it was agreed by all FLAIR members to appoint Altair Ltd who will conduct the shared services review. This will be at a cost of circa £3.1k per association and the appointment has been approved by the CEO. The project will have three phases: discovery, assessment and evaluation and reporting and will conclude likely at the end of February 2024. It is hoped that the report will provide opportunities for collaboration within FLAIR which can result in efficiencies and value for money services as well as the opportunity to provide services

	<p>to tenants that we would be unable to achieve within our own limited staff base and budgets. The CEO updated that we have made no commitment to progress with any of the proposals identified as yet and Board will be kept advised of progress.</p> <p>The CEO attended the FLAIR Annual Meeting along with Suzanne Austin, on Monday 20th November 2023, where collaborative working was discussed and the positive influence the partnership has had over the last number of years. As part of the agenda a new spokesperson was elected, and the CEO is delighted to confirm that Suzanne was successfully nominated and elected the new spokesperson for FLAIR. This means that BHA will host the annual meeting in 2024 and Suzanne will sign off any joint communications to be issued to the sector or local press.</p> <p>Members will be aware that the Association has a legal and statutory duty to collect equalities data. These duties stem from the Equality Act 2010 and the Association has already been collecting some information; Staff and Board members completed this survey and there is an ongoing survey for tenants that was launched in early October. This information now forms part of our new Equalities, Diversity, and Inclusion (EDI) Strategy which the first draft was presented and approved by members earlier in the meeting, the results of the survey and feedback from Board will help us, will help us develop the association's EDI Action plan, which will now be subject to consultation with staff and tenants and other customers before being finalised in the early months of 2024.</p> <p>As noted at August's meeting the HOCS had submitted a tender response for the Renfrewshire and East Renfrewshire Care and Repair Contracts. This is a 1 year +1 +1 contract. The CEO updated that we now had verbal confirmation that the contract has been awarded to Bridgewater, once we have official confirmation, we will confirm this to the Board but this is a positive outcome. The Inverclyde Council contract is now open to tenders to be submitted by the end of the year, again we have sought approval to submit a tender at the Finance and Corporate Services Sub-Committee.</p> <p>The CEO provided an update on Staff Appraisals and Staffing Changes and new appointments as detailed within the report.</p>	
16.1	Members <b>NOTED</b> the information contained within the CEO Report.	
<b>ADMINISTRATION</b>		
17.	<b>AOCB</b>	
	There was no other competent business for consideration.	
18.	<b>Issues which the Chair has agreed as urgent</b>	
	There were no urgent issues for consideration.	
19.	<b>Meeting concluded - 7.35pm</b> <b>Date of next meeting – Wednesday 31<sup>st</sup> January 2024</b>	



Signed: \_\_\_\_\_ (Chair)