

Hanover (Scotland) Housing Association Ltd

## Board Meeting

Minutes of a meeting held at 3.30pm on **Thursday 18 March 2021** via Microsoft Teams

---

Present	Mr M Martin (Chair), Ms A Campbell, Mr G Devlin, Ms A Erwin, Mr F Mitchell, Dr L Reid, Ms J Roger, Mr R Rowe, Mr J Rowney, Mr A Stewart, Dr M Whoriskey, Mrs C Wyllie
In attendance	Ms A Currie, Mr A Curry, Mr D Gold, Mrs D Henderson, Mr C Milburn, Ms J Voisey, Mrs E McNeill-McCallum (minute taker)
Apologies	Ms J Fitzpatrick, Prof Sir G Palmer

15/21

### Apologies

Apologies had been received from Ms Fitzpatrick and Sir Geoff.

Mr Martin welcomed Ms Voisey to her first Board meeting as Director of Asset Management.

16/21

### Declarations of Interest

None.

17/21

### Board Minutes (BRD1)

Nothing in the Minutes required attention and no questions were raised.

Decision

The Minutes were agreed and approved as a correct record.

18/21

### Audit Minutes (AUD1)

Mr Devlin explained that the Audit Committee had been delegated approval of the pay award. They had discussed this in some depth and received unanimous approval. He also noted that the external auditors had been changed to Anderson Anderson Brown.

Decision

Board Members noted the information.

19/21

### Partnership Committee Progress (BRD2/01)

Although Ms Fitzpatrick was unable to attend she had sent Mr Martin her notes from the papers, and had offered to join the Partnership Committee. Mr Martin reminded the meeting that other members were still welcome.

The scheduled Partnership Committee had not taken place as it would not have been quorate, but there had been a meeting of a smaller working group with a key focus on the options appraisals for Arnside Avenue and Barrland Court.

Decision

Board Members noted the information.

20/21

### 2021/22 Director Salary Banding (REM01)

The Remuneration Committee had been held just prior to the Board meeting. The Committee had approved the proposal put before them but requested a review of its

future and place in Hanover. Ms Currie would take forward a piece of work on the Remuneration Committee's purpose and report back to the Committee in Quarter 3 this year.

**Decision**

Board Members noted the information.

21/21

**Matters Arising (BRD2/02)**

Ms Currie drew attention to the Gender Pay Gap report which had been produced and would be published on the website. The Board had made suggestions last year, which had not been fully progressed due to COVID-19, and these would now be taken forward. There was no gender pay gap, but it was acknowledged there was a gender bias within the lower paid front line roles, which was common in the care and support sector. To support the lower paid female employees to take advantage of progression opportunities, a clear route map through the ranks would be developed. The Board noted there were several positive examples of female employees progressing within the organisation.

**Decision**

Board Members noted the information and welcomed the revised Matters Arising approach.

22/21

**COVID-19 Update (BRD2/03)**

The report reflected that the number of cases were reducing and the number of tests/vaccinations were increasing. Over 76% of frontline staff had received their first vaccination. Ms Roger noted that a small number of staff were reluctant to be vaccinated and asked if this was mandatory. Mr Milburn explained that it was not mandatory and that the focus was to persuade staff of the positive benefits to them, their families and Hanover's customers.

Voids was the key focus for operational staff. Ms Campbell asked if it was thought that this was due to people being slow to move or if there was a reluctance to move to a property with shared areas and communal services. Mr Milburn explained that there were still people that wanted to move and this was being facilitated, all in alignment with Government guidelines.

Dr Reid had noted the reference to a pilot marketing scheme and asked for more detail. Mr Milburn explained that a pilot project was taking place in Hamilton at three Very Sheltered developments. The developments had previously had high occupancy rates. A targeted marketing campaign was being used to raise awareness and, if successful, would be rolled out in other areas.

Dr Whoriskey questioned if there had generally been an impact on the services residents had received. Mr Milburn explained that this was one of the drivers for re-opening dining rooms, as staff had noted that some residents were becoming frailer with reduced mobility and lack of social interaction, however, Mr Milburn was not aware of a wider, more general impact.

**Decision**

Board Members noted the information.

23/21

**2021/22 Draft Budget and Business Plan Priorities (BRD2/04)**

Two options were being presented - Option A was more prudent and based on agreed assumptions, whereas Option B was based on achieving an improved financial position, enabling more investment in stock. Mrs Henderson drew attention to the table in her report outlining the key challenges impacting the budget. A key focus was covenant compliance, and Option A made this more comfortable than Option B.

In response to a question from Mr Rowney, Mrs Henderson explained that Option A assumed a slower recovery than Option B, but the key factor was reducing voids. The recommendation was Option A but it would be possible to switch to Option B if voids reached a certain level. Mrs Henderson proposed a quarterly review which it was hoped could be brought to the July Board, and this would make a recommendation on either sticking with Option A or moving to Option B. Ms Currie clarified that the budgets assumed there would be no further significant lockdowns that would impede service delivery.

Mr Devlin raised a number of related questions. In response, Mrs Henderson explained that the assumptions could be changed but there was a requirement to invest more (not less).

A Strategic Voids Management Group had been put in place to look at the stock and hard to let properties and would report to the Board later in the year. The Board noted that the impact on the allocation of homes to older people due to the impact of COVID-19 was unknown at this stage. It was acknowledged that it had had a significant impact on the older population of Scotland

Mr Martin felt the use of the word “agile” had been appropriate, and this would need to be the approach taken. He felt it was essential for the budget to be scrutinised on a quarterly basis, and if there was confidence to do so then a move from Option A to Option B could be taken.

An extension of the higher Quick Quote threshold was sought. This had been introduced in September 2020, and had been successful but only to small extent due to further restrictions introduced in December 2020. The Board sought reassurance that there was no breach of procedures in doing so. Mr Gold explained that the regulation threshold was £2m, but there was no requirement to procure works of that amount using this approach. The threshold was fully compliant and a temporary measure that would provide more agility.

#### Decision

Board Members approved the recommendation to adopt Option A and move to Option B if the financial position allowed; agreed the need for further savings to be identified; and approved the continuation of the Quick Quote threshold.

24/21

#### Financial & Performance Results (BRD2/05)

Mrs Henderson drew the Board’s attention to the part of her report that showed the key income and expenditure areas and highlighted variances. On the KPIs, red indicators showed where performance needed improved, but most had been highlighted to the Board previously.

In response to questions, Mrs Henderson explained that the underspend in IT was due to a planned project being replaced with a re-build of the finance system and this would not be included in the next year’s budget; and that travel costs had been re-profiled in September which was why they were close to target.

#### Decision

Board Members noted the information.

25/21

#### Service Charges (BRD2/06)

This was a follow on from the introduction of service equalisation accounts, and that earlier Board paper had been circulated to provide background. There were a number of legacy issues and it was proposed to transition from service charge to rent over the next five years. Full consultation with tenants would take place in conjunction with the rent review consultation. Board approval to the transition was

sought, with more information on further stages to be provided to the Board in the Summer.

**Decision**

Board Members approved the recommendations.

26/21

**Strategy Development (BRD2/07)**

Ms Currie had provided a report on where Hanover was with its strategy and the priority actions at year two of a three year plan, and provided a summary flavour of the focus for the final year of the strategy. Approval was sought on a refresh of how values were stated, with a focus on key themes. The way the values were currently written did not make it easy for them to be weaved into conversation around Hanover's culture.

Mr Martin had viewed this report as a cue for the strategy session planned for April. He was looking forward to challenging and revisiting objectives, and hoped at the conclusion there would be a revised understanding which would be a basis for staff consultation and external messages.

**Decision**

Board Members noted the information and approved the areas of priority.

27/21

**Development Activity Update (BRD2/08)**

Ms Voisey talked through the regular update on the development programme. There had been some amendments made to provide more focus, and the format of the report would continue to be reviewed.

There had been some impact on the programme with the shutdown of sites over the course of the pandemic, but it was hoped that some of this could be recovered. There was now some concern from contractors regarding supplies and materials delays. It was not clear if this was related to the pandemic, Brexit or both. Measures had been put in place to ensure the quality of developments were not impacted.

The piece of land that was currently up for sale was not part of a redevelopment of an adjacent development as there was no requirement to carry out work to the main development, rather this was a plot around the size of a three bedroom house. As a clarification to her report, Ms Voisey noted that this was delayed due to no notes of interest. The marketing would be re-visited and alternative methods investigated.

Mr Martin noted the need to reflect on where geographically future development might take place, and he looked forward to discussing this as part of the strategy session.

**Decision**

Board Members noted the information.

28/21

**Policy Activity (BRD2/09)**

Mr Curry highlighted that the recruitment policy had been updated to reflect recommendations made during an internal audit. Ms Fitzpatrick's note had some comments, which Mr Curry would pick up separately.

Mr Milburn stated that the allocation policy update noted that a consultant would be appointed to determine if Hanover, Bield and Trust were still in strategic alignment to operate a joint policy. Mr Martin was keen that the Board gave a collective view and noted that this might require some further discussion.

Ms Campbell asked for some further background on this in advance of the strategy session and Mr Milburn undertook to provide her with previous Board papers.

The Housing for 2040 vision and Independent Review of Adult Social Care in Scotland (known as the Feeley report) gave further opportunity to refresh and review.

**Decision**

Board Members approved the revised recruitment policy and noted the update on the joint allocations policy.

29/21

**Governance Update (BRD12/10)**

The report was fairly self-explanatory and feedback was sought.

Mr Martin drew attention to Mr Devlin's indication that he would be interested in acceding to the Chair position and that there would then be a vacant position for Vice-Chair. He asked all members to have a think about whether they would be interested in assuming Vice-Chair, noting that the strategy day might provide more insight, although he was happy to discuss at any stage.

**Decision**

Board Members approved adding Ms Voisey as an authorised signatory and noted the updates provided.

30/21

**Any Other Business**

Mr Martin welcomed the ongoing work on re-formatting Board reports, the reduction in size of packs and the use of the Cloud site.

Mr Martin looked forward to seeing as many Board members as possible at the Strategy Session on Thursday 1 April 2021, commencing at 10.30am.

**Date of Next Meeting**

The next meeting was scheduled for Thursday 20 May 2021 as follows:

15:00 Pre-Meeting (if required - Board Members only)  
15:30 Board Meeting

Details of how the above meetings would be held to be circulated in due course.

Chairperson:



Date: 20 May 2021