

Board Meeting Minutes

Minutes of a meeting held at 3.30pm on **Thursday 15 July 2021** via Microsoft Teams

Present Mr Mike Martin (Chair), Ms Ashley Campbell, Mr Gary Devlin, Ms Adele Erwin, Ms Julia Fitzpatrick, Mr Fraser Mitchell, Prof Sir Geoff Palmer, Mr James Rowney, Dr Margaret Whoriskey, Mrs Cathie Wyllie

In attendance Ms Angela Currie, Mr Adam Curry, Mrs Donna Henderson, Mr Chris Milburn, Ms Joanna Voisey, Mrs Emma McNeill-McCallum (minute taker)

Apologies Dr Louise Reid, Ms Jo Roger, Mr Rob Rowe, Mr Alan Stewart

49/21

Apologies

Apologies were received from Dr Reid, Ms Roger, Mr Rowe and Mr Stewart.

50/21

Declarations of Interest

None.

51/21

Board Minutes (BRD3)

42/21 - Ms Voisey provided a brief update.

Decision

The Minutes were agreed and approved as a correct record.

52/21

Audit Minutes (AUD2)

Mr Devlin explained that the Audit Committee had scrutinised the Financial Statements and Final Audit Findings, which would be discussed later in the meeting, and had been complimentary of the work of the Strategic Finance team.

There were two issues that had been raised - Telecare and Pensions. The risks around Telecare would be monitored by the Audit Committee. It was felt pension liabilities should be added to a future Board agenda as it presented a financial challenge. Mr Rowney, Mr Devlin and Mrs Wyllie would be the Board representatives on an action group to look at this in more depth.

Decision

Board Members noted the information.

53/21

Matters Arising (BRD4/02)

Ms Currie's report was fairly straightforward, and she was happy to take any questions. She did, however, wish to update the Board on the current situation with the GMB and the pay claim.

Ms Currie reminded the Board of the background to the negotiations with the GMB and provided an update on the most recent developments. Board input and feedback was sought.

The Board acknowledged that this was an important topic. They were mindful of the value placed on staff and wanted to create a supportive workplace attitude. However, they were also aware of the tight financial constraints faced by Hanover and this had not changed to the extent where a more generous offer could be made.

It was noted that the Board had previously agreed to gift staff an extra day of holiday, and two days for frontline staff, in recognition of their hard work throughout the pandemic. Although this was a gift, there was a cost implication for Hanover.

The Board felt it was important that staff were kept up-to-date with developments, especially as the GMB only represented a small proportion of the workforce, and Ms Currie confirmed that regular updates were being provided. The Board supported the approach to continue to engage with the union and consider how to progress to minimise the impact of any potential industrial action, but confirmed the current pay offer was the right one.

The Board noted the Lothian Pension Fund (“LPF”) employee consultation was now complete, following an earlier decision to close the scheme in 2020. The Board confirmed they wished to proceed with the scheme closure having dealt with all the issues raised during this process.

Decision

Board Members agreed with the actions that the ELT proposed in respect of the GMB pay claim and asked to be kept updated on this matter. Board Members agreed to move to complete the closure of the Lothian Pension Fund.

54/21**COVID-19 Update (BRD3/03)**

Mr Milburn provided this regular report and noted that, when starting to draft the content a few weeks prior, the situation had been very positive. There had now been an increase in cases and, at the time of the report, there were five new cases, but as at the meeting date, just one week later, there were 11. There had also been one further death, the first since March, bringing the total to 43. The situation was volatile and could be the start of an upward curve.

As a follow up to the previous Board meeting, Mr Milburn advised that there were three members of staff who had not been vaccinated who were also not testing. Health Protection Scotland had been contacted but there were no clear guidelines for this situation. The Board understood that staff might have valid reasons for not being vaccinated but struggled to understand why they would also refuse testing. There was an ethical issue to be considered as the majority of Hanover’s residents were vulnerable.

Both staff and residents were entitled to their privacy on vaccinations and testing, and this presented its own challenges. However, the Board were concerned about the ethics of a resident being attended to by a member of staff who had been neither vaccinated nor tested. Conversely, there was a responsibility to protect staff and it was not known how many residents were vaccinated or testing.

The Board felt it would be reasonable to assert that a test was a requirement, similar to other professions where drug and/or alcohol testing took place. This fell into Health & Safety guidance and requirements, and it was agreed that a policy should be put in place. This had already been added to new recruitment contracts.

In respect of voids, there had been an unusually high level of terminations, and these had primarily been residents moving to care homes or passing away from natural causes. There was community support to help people stay in their own homes but the level of voids in care homes was making it easier to move.

Decision

Board Members noted the information.

55/21**Financial Statements & Final Audit Findings (BRD4/04)**

The Board extended their thanks to Mrs Henderson and the Strategic Finance team in reaching a clean audit.

Mrs Henderson explained the three elements to her report. The financial statements had been scrutinised by the Audit Committee and had been recommended for Board approval and sign off, with just some minor points to iron out. Mrs Henderson drew the Board's attention to the key figures.

In terms of the Final Audit Findings, Mrs Henderson confirmed this had been a clean audit with an unqualified audit opinion. The letters of representation had also been provided for sign off.

Decision Board Members approved the Financial Statements and recommended they be presented at the AGM. Board Members approved the letters of representation.

56/21 **Q1 Finance & Performance Results (BRD4/05)**

Mrs Henderson had provided the Board with a high level summary of the financial statements to the end of June. This had been provided in a revised format, and would still require some tweaks.

The key figures were highlighted and the Board's attention was drawn to a summary sheet that it was planned to provide to the Board in future. A summary of the KPIs felt to be of most interest to the Board had also been provided.

Decision Board Members noted the information and welcomed the revised format, which highlighted key issues clearly.

57/21 **Loan Portfolio Return (BRD3/06)**

As explained at the last meeting, the SHR had problems with their portal. These had largely been resolved, although there were still some issues, one of which was the format of the report.

Decision Board Members approved the content of the Loan Portfolio Return and authorised submission to the portal.

Mr Rowney gave his apologies for the remainder of the meeting.

58/21 **Quarterly Budget Review (BRD3/07)**

When the budget had been approved in March, it had been agreed that this would be reviewed after the first quarter. Mrs Henderson's report provided an update and highlighted some new challenges.

The recommendation was to stay with Option A and review again at the end of the next quarter. The Board would like to see an increase in the capital spend if this was possible, and Mrs Henderson agreed to work up a plan and bring it to the next Board meeting.

Decision Board Members agreed that Option A should remain in place.

59/21 **Development Activity Update (BRD4/08)**

Ms Voisey advised that there had been a further delay at Buckie, with the last units to be handed over on 30 July. Drymen was not yet on site. There was still a bit of work to be done on Village Garden, Elgin, and Bearsden was on hold while Partick Housing Association negotiated with Historic Scotland.

Decision	Board Members noted the information.
60/21	Arnside Avenue & Barrland Court (BRD3/09) Ms Voisey reminded the Board that Hanover had agreed to review the options on these two properties as part of the Arklet Transfer of Engagements.
Decision	Board Members approved the recommendation.
61/21	New Scone & Sunnyside Court (BRD4/10) Both developments had been earmarked for redevelopment for some time and an options appraisal had been undertaken for both, which was provided to the Board. Following an internal review, it was recognised that both developments were in highly attractive locations and much loved by the residents, who were keen to stay in their homes. The Board noted there had been recent consultation meetings with residents at both developments, and it was clear there was a strong desire to remain in the properties. Significant communications had been received following the meetings, and residents were keen that the Board should know the strength of feeling. The ELT were conscious of the impact to residents and were keen to work through a review of the remodelling options as quickly as possible. The plan was to come back to the Board at the meeting in January 2022. The Board welcomed this report and were pleased to see engagement with the residents, and the co-production approach for the reports.
Decision	Board Members approved the next steps outlined in the report.
62/21	Development Appraisal Framework (BRD4/11) The report set out the proposed criteria for appraising potential developments. This would be two-fold – qualitative and financial. Going forward the assumptions around the financial aspect and the Net Present Value would form part of the budget approval report.
Decision	Board Members approved the recommended process.
63/21	Warden Call Procurement (BRD4/12) This was a technical procurement report seeking approval for a direct award in order to facilitate the shift from analogue to digital. The timescale for the move from analogue to digital had been 2025 but the Government had indicated that they were considering bringing this forward to 2023. An agile approach was required to this work. The Board understood the reasons for engaging with the second contractor, but they were concerned that this could be open to challenge from the first on the framework. Ms Voisey explained that she had raised this with PfH, and it was acknowledged by the number one on the framework that number two had the market share and they had agreed to the awards. On the broader issue of analogue to digital, Hanover was engaging with the Digital Telecare Playbook, a collaboration between local Government and Telecare service providers, and was regularly meeting with tech groups. <i>Mr Mitchell and Ms Fitzpatrick gave their apologies for the remainder of the meeting.</i>

64/21	Health, Safety & Wellbeing Report (BRD4/13) Mr Curry alerted the Board to the change in reporting and asked that they consider quarterly reports that would highlight the key areas split between landlord and employer's responsibilities.
Decision	Board Members noted the information and agreed that they would like to receive quarterly summary reports.
65/21	Audit Committee Annual Report (BRD4/14) This report had been approved by the Audit Committee. The report had been streamlined and it was acknowledged that this had perhaps been too brief, but this would be noted for the future.
Decision	Board Members noted the information.
66/21	Governance Matters (BRD4/15) Ms Currie's report provided the Board with updates on a range of governance related issues for noting.
Decision	Board Members noted the information.
67/21	Strategy Day Summary (BRD4/16) Ms Currie provided a summary of the strategy day held in June.
Decision	Board Members noted the information.
68/21	Any Other Business Mr Martin advised that the TSA had suspended Telecare's accreditation until their forthcoming audit in October at which point the position would be reviewed. An update report on progress with improving performance would be presented to the next Board meeting in September. Mr Martin looked forward to seeing as many Board Members as possible at the Strategy Session on Thursday 19 August 2021. Date of Next Meeting The next meeting was scheduled for Thursday 23 September 2021 as follows: 10:00 Pre-Meeting (if required) 10:30 Board Meeting 12:15 Lunch 13:15 AGM 13:45 Post-AGM Meeting/Break 14:00 Residents' Conference 15:00 Finish Details of how the above meetings would be held to be circulated in due course, and Board Members should note timings may vary.

Chairperson:

Date: