

Board Meeting Minutes

Minutes of a meeting held at 3.30pm on **Thursday 10 August 2023** via Microsoft Teams

- Present** Gary Devlin (Chair), Ashley Campbell, Adele Erwin, Fraser Mitchell, Christa Reekie, Louise Reid, Rob Rowe, James Rowney, Alan Stewart, Donald Taylor, Margaret Whoriskey (arrived 15:36/left 16:40)
- In attendance** Angela Currie (Chief Executive), Donna Henderson (Director of Strategic Finance), Chris Milburn (Director of Customer Services), Wendy Russell (Director of Business Support & Transformation), Clare Dodd (Head of Asset Management)
- Apologies** Kathleen McAdams, Jo Roger (absence approved by Board), Cathie Wyllie (leave of absence)

1. **Introduction & Apologies**
The Chair welcomed Board Members to the meeting. All Members were happy for the meeting to be recorded. Apologies were accepted from Kathleen McAdams and Jo Roger.
2. **Declarations of Interest**
CR and DT declared their interest in item 8.3 Governance Matters as both are nominated for membership approval.
WR noted that MW would be joining the meeting shortly and advised that MW had declared interest on item 6.1 Telecare Service Improvement Plan as she has responsibility for the national Telecare policy and program as part of her employment.
GD noted that his employer (Azets) has a number of housing associations as clients. This does not create a conflict of interest but is noted for completeness.
AC noted that she has recently become aware that her grandfather-in-law is a tenant of Hanover. WR advised that a Declaration of Interest Form would be send out for completion.
3. **Minutes**
 - 3.1 **Board Minutes (BRD15 May 23)**
Discussion No discussion took place.
Decision The Minutes were agreed and **approved** as a correct record and signed by the Chair following the meeting.
 - 3.2 **Audit, Performance & Risk Committee (AUD12 May 23)**
Discussion Due to the timescales from the Audit, Performance & Risk Committee meeting to mailing of Board papers the minute is not available yet. JR was able to provide a verbal update from the recent meeting, providing a brief overview of the following:

WR

Statutory Accounts 2022-23 & Final Audit Findings

- The Committee were very pleased with the outcome of the clean audit and happy to recommend to the Board for signing.

Q1 Performance Report

- The Committee received some additional analysis on performance areas which were a concern which was a welcome addition to the papers.
- Concern was raised again about Void Properties and time to relet – this will be a major focus for Hanover
- Telecare call times were a concern – paper on the agenda for Board to discuss.
- Committee received some helpful analysis on all that we are doing to improve staff turnover.

Overspends, Tender Exceptions & Write off report 2022-23

- Biggest write off for the year £457K relates to excess void costs within Service charges, as approved in principle by the Board in March this year.
- 4 Single Tender justifications were done during the year, all with valid justification and details presented to APR Committee

Internal Audit Programme 2023-26

- New Internal Auditor, Henderson Loggie has completed their audit needs assessment and APR committee approved the 3-year plan.
- The plan for 2023-24 audits will now be scheduled.
- APR Committee scrutinised the key areas highlighted and were comfortable with the plans.
- APR Committee will review a schedule in February of each year for the Audits for the following year so that we can flex according to risk and any key issues that have arisen.

Risk Management Review

- APR Committee reviewed the updated strategic risk register. Main addition was the escalation of the Telecare Service Risk. APR Committee received confirmation that a stand-alone operational risk register has been created to support the Telecare Service Improvement Plan

Annual Assurance Framework

- A plan was presented to the APR Committee for our review of this year's evidence back. Wendy will speak about that in her Governance paper on the agenda.

Policy Review Plan

- APR Committee received a report on the programme of work underway to review our suite of policies in Hanover, following concerns raised about out of date policies. The programme is taking a robust approach and we are now more than 60% completed in the review of policies which were out of date. The plan is to complete the majority of reviews by September, with only a handful falling out with that timescale due to a wider review on GDPR and FOI processes and procedures.

MW joined the meeting at this point. (15:36)

JR noted that the Audit, Performance and Risk Committee were also looking for new members. WR advised that information will be going out to all Board members looking for members to join committees and office bearer positions now available.

Post Meeting Note:

Email sent to all Board Members.
The Board **noted** the update.

WR

Decision

3.3

People Committee (PPL5 June 23)

Discussion

Due to the timescales from the People Committee meeting to mailing of Board papers the minute is not available yet. Ashley Campbell was able to provide a verbal update from the recent meeting, providing a brief overview of the following:

Annual People Committee Report to the Board 2022-23

- This report is on the agenda tonight under Governance Matters for approval. The Committee had discussed that it has, at times struggled with Membership, as there had been times when Board members could not attend.

Annual People Profile Report 2022-23

- The Committee received its first annual report outlining the people data that has been gathered throughout the year.
- The Committee noted that there was a lot of positive information in the report and that it was good to see that there had been a positive downward trend in Grievances over the last 18 months.
- The Committee discussed the Gender Pay Gap report and noted that Hanover does not have inequality in its pay framework.

Investors in People Accreditation

- The Committee were pleased with the IIP assessment report and with the reaccreditation.
- The Committee noted lots of work being progressed such as the People & Engagement Strategy and a new Employee Management Framework that will support the recommendations in the plan. Committee will continue to monitor the IIP Action Plan

HR & OD Report

- The Committee received an update on our progress around Equality, Diversity and Inclusion and Wellbeing and noted good progress being made.
- The People Committee noted progress on the Pay review at that time.

AC noted that Jo Roger would be stepping down as Chair of the People Committee and Board member, ideally the People Committee would benefit with more members to ensure meetings are quorate.

Decision

The Board **noted** the update.

4

Matters Arising

There were no matters to be discussed.

4.1

It's Good to Know

Report Summary

This provided Board with an update on key issues happening in Hanover that are not included in Board papers through the formal Board or Committee meeting cycle.

Discussion

The Board noted that after achieving the recent Scottish Home Awards 2023 - Affordable Housing Development of the Year (Social Rent) award for the Passivhaus development in Drymen, they would like to encourage Hanover to pursue other awards as the organisation does such good work.

The Chair noted that he has been involved with assisting the Hanover team in their submission for the Chartered Institute of Housing (CIH) Awards this year for Excellence in Leadership.

WR provided an overview of the awards that will be submitted to CIH as detailed in the report thanking the Board members who have helped with the recent submissions.

Decision	The Board acknowledged the update.
4.2	Update on outstanding Board Actions
Report Summary	The were no outstanding actions.
Discussion	There was no discussion.
Decision	N/A
5.	Strategy Spotlight
5.1	Financial Statements 2022-23 & Associated Matters
Report Summary	This report provided Members with an opportunity to review the audited financial statements for the year ended 31 March 2023 and to consider the contents of the auditor's Audit Results Report.
Discussion	<p>DH noted that a clean audit had been given and highlighted the following:</p> <ul style="list-style-type: none"> • Turnover for the year was £46m, an increase of £2.2m on the previous year actual (5.02%) • Operating costs increased by £2.54m to £42.1m (4.41%) • Creditors due in less than one year of £14.2m are higher than last year by £3.4m. This increase relates to accruals and deferred income and trade creditors. This relates to mainly an increase in Asset Management accruals for projects that were completed or ongoing at the end of the year. • Fixed Assets of £195.7m are down slightly on the previous year by £316k. • The total comprehensive income for the year is £309k after an actuarial loss of the pension schemes of £1.7m. The loss is due to a change in the assumptions in relation to valuations of liabilities increasing. <p>The Board queried the circumstances of the pension schemes actuarial loss of £1.7m. DH advised that in September 2021 Triennial Valuation revealed a scheme deficit of £27m and a recovery plan was in place to eliminate the deficit by September 2022. Hanover used to pay past service deficit payments as part of their contribution to the overall scheme but that ended last September because the scheme was deemed to be fully funded. The latest accounting valuation as at 31 March 2023 indicated the Hanover share of the estimated deficit would be £1.45m an increase on the accounting valuation produced last year by £1.01m.</p> <p>DH noted that in terms of our SHAPS pension scheme the hedging strategy failed post Truss mini-budget which caused the deficit in relation to the scheme. DH explained that we may have to reintroduce past service deficit payments after the next Triennial Valuation in September 2024. DH noted that some Board members were part of a small pension group committee and we felt that we had de-risked as much as possible at the time, however we will continue to monitor this closely.</p> <p>The Board queried if targets are set for the reserve balance as felt that the £44.5m noted was too high. DH explained that reserve balances could not be accessed due to our covenant requirements. Discussions have already taken place with banks regarding the relaxation of covenant for the next financial year and the plan would be to seek this</p>

relaxation over the coming months. Going forward, however because of the covenants that what we have agreed with our funders, we need to have 110% of interest cover. Any interest that we have on our loans, we need to make sure that we've got a surplus of 110% of that, which then means it's very difficult to try and use some of those reserves that we might have longer term.

DH concluded that we will soon have our Investment Plan in place and that will build into our Business Plan based on our stock condition survey. This is when we will have high values, in terms of investments and it would be at this point when we will be able to have discussions with our funders about our reserves and relaxation of covenants.

DH noted that one of our funders, Canada Life is based on income stream and that's the route we would want to take in the future. Our Investment Plan, along with our net zero plans will form the basis of the discussions we would present to the Bank for either a negotiation piece or possibly looking at refinance.

JR noted discussions regarding reserve balance targets took place at the recent Audit, Risk and Performance Committee meeting as the Committee would have liked to see targets, noting that too much surplus reserve could mean that we were not spending enough on our tenants.

DH advised that we have not been maximising the amount of investment that the Board have agreed by way of budgets over the past few years, and we are working hard internally, addressing the challenges we have to make sure this can be done. DH stressed that they will be going back to the banks to ask for that additional Covid catch-up, but the longer-term piece is making sure that we can maximise the investment that we're going to need as per our Investment Plan and using our reserves to do that.

DH noted that this year we were able to look at some of the funding streams we've got in terms of service equalisation balances and used them to mitigate the increases in service charges and looked to maximise the write off, to help benefit the tenant, because there wasn't the spend going through during the Covid years.

DH advised that the Auditor Reports noted there are no audit recommendations or adjustments for the Board to consider from the 2022-23 External Audit.

GD and JR agreed that their electronic signature can be used to sign the Financial Statements 2023.

WR

The Board thanked DH and her team for all their hard work preparing the Financial Statements 2023.

Decision

The Board:

- **Considered** and **discussed** the content of the report and specifically:
- **Approved** the financial statements.
- **Recommend** the financial statements are presented before the members at the Annual General Meeting on the 20 September 2023.
- **Considered** and **discussed** the content of the auditor Anderson, Anderson and Brown's (AAB) Final Audit Findings Report.
- **Approved** the letters of representation.

5.2

Q1 Financial Performance

Report Summary

This report presented our performance update to the Board for Quarter 1 2023-24.

- **Appendix 1** provides the Management accounts for Q1.
- **Appendix 2** provides an update on the Treasury activities for Q1.

Discussion

DH gave a brief overview of Q1 Financial Performance, highlighting:

- An overall surplus for the three months of £1,365k, being £464k higher than the budgeted surplus of £901k.
- The Statement of Financial Position shows a net asset and reserves position of £45,879k as at 30 June 2023 compared to the position of £44,514k as at 31 March 2023.
- Rent income is broadly on budget at the end of June.
- Actual rent void loss is at 3.5% of income when compared against the budget of 3%
- Reactive (Day to Day) Maintenance shows an underspend of £34k when comparing actual spend of £965k against the budget of £999k.
- Cyclical Maintenance is underspent by £4k when comparing actual spend of £125k against the budget of £129k.
- Planned Maintenance is underspent by £17k when comparing actual spend of £417k against the budget of £434k.
- Factoring income is below budget by £172k.
- Telecare income is higher than budget by £27k when comparing actual income of £441k against the budget of £414k. Cost are lower due to salaries being down due to vacancies but have recruited 10 new employees.
- Care at Home income is slightly higher than budget by £3k and expenditure is lower than budget by £89k, which has resulted in a surplus of £104k compared to the budgeted surplus of £12k.
- During July there was an error with one of our direct debit collections. The collection due to be taken on 14 July was processed as a payment into tenants' bank accounts rather than a collection from their accounts. This affected 88 tenants and totalled approximately £40k.

The Board commented on the overall surplus being considerably higher than the budgeted surplus. The Board queried if the direct debit error had resulted in any tenants being affected and if this error could happen again. DH advised that the error was due to human error. DH advised that we have recovered 86 of these payments without issue and the remaining 2 payments will be recovered in the usual manner.

The Board discussed issues with old IT systems and suggested that it may be a good idea to bring a paper to Board to provide an oversight of systems in the organisation. DH advised that there are many legacy systems in Hanover and included in the budget this year is a provision to upgrade or main core systems. Our Customer Safety system has been approved and at the implementation stage and We are currently scoping our core systems replacement and we have new members in the IT team who are working on this just now along with our case management system.

Coinciding with the upgrades, we will also be looking at the processes and have planned roadshow events so our ICT Team and new Digital Trainer will be able to ascertain day to day processes that can then be digitalised.

The Board queried if there was any voids scenario planning and DH advised that there was a scenario for increased voids in the Business Plan that was approved in May, and the position is being monitored very closely. We have a refreshed project group that will be looking at workshop in October and have a new marketing team on board.

It was agreed that AS would join the project group in early October.

CM/AS

Post Meeting Note:

Due to work commitments AS was unable to attend the project group meeting in Perth.

Board noted that the later paper (item 5.4 Asset Management Strategy), mentioned people's perception of housing for older people and Hanover stock which ties in with the issues with long term voids and were concerned that as Hanover were leaving the joint allocation agreement with Trust and Bield that it would be more difficult to promote.

CM noted that this was an ideal opportunity, particularly with a new communications team to drive forward and promote Hanover as a brand more effectively amongst potential applicants and focusing in the areas we want to be focusing in. A review of the Allocation Policy will be commencing soon too.

Decision

The Board:

- **Considered** and **discussed** the report and each of the appendices.

5.3

Happy Customer Strategy

Report Summary Discussion

This paper provided Board with a finalised version of our new Happy Customer Strategy 2023-28 for review.

CM gave a brief overview of the Happy Customer Strategy noting that the content of the strategy was discussed at two Board events, one last June in 2022 and then one in June 2023 and has been discussed with tenant Board member Rob Rowe in July 2023 to gauge his thoughts on a draft version of the Strategy to ensure that his unique perspective as a Board member and tenant was reflected in the final version.

Board noted that it was good to see this strategy and discussed how customer happiness is measured and noted that it would be beneficial to set objectives and Key Performance Indicators to measure success.

CM

CM advised that there will be a range of metrics that will demonstrate customer happiness such as fewer voids, tenancy sustainment and satisfaction surveys. Our satisfaction surveys will be undertaken through the life of the strategy, the Scottish Housing Regulator requires that surveys are issued on a regular basis and our next tenant satisfaction survey will be issued in September 2023.

The Board commented that there was no financial information linked to the strategy. The Board discussed the age profile of our customers and agreed that we need to attract our customers at an earlier age and believe that this could be set as a goal but do not see this as an outcome in the strategy.

CM advised that the next stage of the strategy is to develop the action plan which would include the detail on what we need to achieve, our outcomes and costs. Thus, a more precise document that will provide assurance needed to clarify what we are looking to achieve.

The next stage in the strategy is very much to develop the action plan that will go alongside it. The detail needed to achieve the strategic visions such as outcomes and costs will be provided in the action plan,

and it will offer the additional reassurance needed to clarify what we're looking to achieve and how we'll measure it.

AC noted that this is the first customer focused strategy, and it is linked to many other sub strategies and plans. Our operating model needs to be reviewed which is a large piece of work and that is why we have not commented specifically what changes to resources would be needed to deliver customer services as we are not at this stage yet. However, as the strategy evolves, resource requirements will become clearer.

The Board discussed the demographics of the over 55 age group and queried if research had been carried out to gauge if there was the demand. CM advised that we are developing the Customer Engagement Plan which will detail how we will engage with the age groups. There has been research carried out on various age groups on what people want for the future and just now our Allocation Policy would not allow us to allocate to people in the 50 years age group so we will be reviewing this policy and bringing a paper to Board next year.

CM

Board noted a few errors on the age range graph (all 2%) and termination reason graph does not include information for 25% (only totals 75%).

Post Meeting Note: This has been updated accordingly.

Decision

The Board:

- **Approved** the Happy Customer Strategy 2023-28 subject to the minor amendments agreed.

5.4

Asset Management Strategy

Report Summary

This paper presented the final version of the Asset Management Strategy. It now incorporates the feedback from Board following the June Strategy Day.

Discussion

AC noted that the Asset Management Strategy that now incorporates the feedback of Board following the Strategy Day in June. The Board discussed energy efficiency standards and the Energy Performance Certificate rating (EPC). CD advised that as part of the recent Stock Condition Survey, a review of our EPC was also conducted. CD explained that there were many properties in the D and E banding and noted that we have properties in Rothes that are listed buildings that date back to 1850s so understandable will be a challenge to improve the EPC level.

CD

AC advised that currently the Scottish Government are reviewing new energy efficiency standards so we will have to await the outcome of this review and allow flexibility with our future plans.

CD agreed to issue Energy Performance Certificate ratings (EPC) to all Board members.

Post Meeting Note: EPC table emailed to all Board members.

The Board queried the Equalities Impact Assessment (EIA) on the covering paper and noted that at the recent Audit, Risk and Performance Committee meeting it was agreed that this area should have a standardised comment on every report explaining why an assessment is not applicable or an explanation if the assessment has been completed.

WR

The Board concluded that they were very pleased to see the Asset Management Strategy and look forward to seeing how it will evolve.

AC thanked the Board for their comments and noted that the new Director of Asset Management – Maurissa Fergusson - will be starting

in a few weeks, and the Asset management Strategy will be a key focus for her.

Decision

The Board:

- **Approved** the Asset Management Strategy which will allow a detailed Action Plan to be put in place subject to minor amendments agreed.

6.

Happy Customers

6.1

Telecare Service Improvement Plan

Report Summary

This paper set out what course of action we are taking in relation to the decision by TEC Quality to revoke Hanover Telecare's accreditation to their Quality Standards Framework (QSF). Provided Board with an overview of initiatives underway to improve the Hanover Telecare service, detailed as in our Telecare Service Improvement Plan.

Discussion

CM conveyed how extremely seriously we're taking this issue and gave a brief overview of the following points:

- We were informed on 11 July 2023 by TEC Quality (formerly known as the TSA) their intention to revoke Hanover Telecare's QSF accreditation due to poor performance levels.
- The level of performance that Hanover Telecare has been operating at falls short of our standards as an organisation.
- A detailed Telecare Service Improvement Plan has been developed along with regular meetings with ELT and twice weekly meetings with the Oversight Telecare Service Improvement Group.
- Regular communication with TEC Quality and we have sought expert advice from a range of organisations, including the Telecare Service Association and a specialist HR consultant and commercial consultant to support a review of best practice, people management and shift patterns.
- Forecasting Key Performance Indicators (KPIs) more accurately now following the assistance from TEC Quality on the correct method of calculation.
- Meetings with our corporate customers, including Trust, Viewpoint Cairn, North Ayrshire Council, Argyll and Bute have taken place and we will continue to reassure them of what we're doing.
- Interim Telecare Manager is in place and ten new employees will start late August/September.

The Board noted that they have been aware of the ongoing recruitment and retention issues and queried if similar organisations have similar experiences. CM advised that they have been in discussions with the Digital Office and Amy Dougan (Interim Telecare manager) is meeting with them next week to discuss some of the issues we're facing and what experiences they can offer to assist us. CM noted that typically, the Telecare sector are reticent in sharing KPI data.

The Board sought reassurance that the underlying issues that have been around for many years would be resolved. CM advised that during April an organisation was commissioned to do a review of people practises within the service and it highlighted some concerning findings. CM noted that as there has now been a change in the management team and the involvement of the Telecare Service Association (TSA) will allow us to transform the service into a high performing operation. CM was confident that the underlying issues could be resolved.

The Board queried the timescale of having a full complement of staff. CM reiterated that ten members of staff have been recruited and will start late August/early September and engage in a six-week training programme. CM noted that since the management changeover no members of staff have left the service and sickness absence rate is lower than it has been. The Board noted that they felt encouraged with this feedback

MW left the meeting at this point. (16:40)

The Board discussed the range of risks that we are actively mitigating and how they are managed. The Board noted that the Scottish Housing Regulator (SHR) had to be informed about this situation.

The Board discussed the issues around data reporting and WR advised that since it was identified that the Key Performance Indicators (KPIs) had been calculated incorrectly, and with the support from TSA, she was now confident that data reporting was now correct.

The Board discussed financial implications and DH advised that Telecare has a healthy surplus and had no concerns regarding the finances and if there were any change to this would notify the Board. AC noted that as part of our five-year financial assumptions we always ask Board about what we should be looking at in terms of surplus generation so a paper can be provided at this time, so Board are very clear.

DH

The Board queried how this situation will impact on the signing of the Assurance Statement. WR advised that we do not believe that this changes our regulatory status of “compliant”. We are keeping the SHR fully informed of the performance challenges in this service, and we will consider our progress alongside our preparation for the Annual Assurance Statement submission in October. There will no doubt be some ongoing improvement actions that will be part of our evidence bank.

The Board noted that the team appear to be doing all the right things and reminded the Executive Leadership team that they were available if any help was needed.

Decision

The Board:

- **Considered and Commented** upon the report.

6.2

Update on Scatter Flats

Report Summary

The report updated the Board on the progress in relation to the disposal the ex-Arklet Scatter Flats properties. This included a proposal to undertake a Stock Transfer of five properties. In addition, the report also sought the approval to add a further five rented properties to the list of properties for disposal.

Discussion

CM gave a brief overview of the updated report, highlighting:

The Board noted that the paper gave assurance that this has been dealt with well and noted that the Scottish Housing Regulator representatives who attended the last Board Meeting were concerned how we would manage this with our tenants. WR advised that the Regulator has received monthly updates on the progress of the plan and would receive a couple of the Board minutes.

WR

Decision

The Board **considered and commented** on the progress of the disposals and **approved**:

- The commencement of the Stock Transfer Process for five properties to Barrhead Housing Association and will follow the legal and regulatory requirements around this.

- The inclusion of the five “Ark” properties in the disposal plan.

7. Desirable Homes

7.1 Development & Assets Update

Report Summary

This report provides the Board with an update on current new build and remodelling activity and risks. It also provides information on the key work underway within the Assets service.

Discussion

The Board discussed the new build opportunity in Forres and noted that Hanover were seeking approval to enter into a Pre-Construction Services Agreement with Robertsons Construction.

The Board look forward to updates on this new build opportunity.

Decision

The Board **reviewed** and **commented** on the:

- Current development update
- Position with our Reactive and Landscaping contracts
- Update on progress within the customer safety service
- Update on damp and mould cases
- Update on Net Zero Sustainability Plan

The Board **approved** entering into the pre-construction services agreement.

7.2 Planned Maintenance Programme

Report Summary

The report provided an update on progress of the 2023/24 Capital Investment Programme at the end of Quarter 1. Any changes to the programme have been identified and the implications set out for Board.

Discussion

The Board discussed the report and queried if there were Clerks of Works that ensure that all works were completed to a satisfactory standard. CD advised that Contract Officers are on sight and oversee the contracts noting that we have recently invested in contract management training so they are managing the contracts correctly and the programme will be delivered.

The Board discussed the spend on boiler replacements and heating upgrades and queried if it would be better to wait until we are clearer what heating types are suitable going forward. CD noted that the £250k replacement boilers cost is where we have commercial systems where we are replacing a boiler that is failing in a heating system that has three boilers. CD noted that we have a company called Union Technical services that are doing quite a lot of work for us to look at heating systems that would be suitable for our properties. Our planned programme is very much on a fabric first approach and where we are upgrading it is all electric and we are also trying solar too.

Discussion regarding heating systems took place and it was acknowledged that it will be a great challenge to ascertain the ideal product and AC noted that this is something that our Head of Sustainability is really focusing on.

Discussions regarding grant funding availability took place and CD gave an example of the roof replacement in Kirkintilloch where we are now considering additional works including the installation of solar panels with high heat retention and battery back-up, and full window replacements. We hope to obtain funding for 60% of the project from ECO4 and the Scottish Government’s Net Zero Fund to allow us to do more than was originally planned. AC confirmed that we are using a specialist company who are experts on the grant funding system.

Decision

Board **reviewed** and **commented** on the report.

8.	Resilient Organisation
8.1	Annual Health Safety & Wellbeing Report 2022-23 & Q1 23-24 Update
Report Summary	This paper provided the Board with an overview of Health, Safety and Wellbeing performance during 2022/23 and a brief update on the performance for Q1 2023-24.
Discussion	WR noted that the Annual Health Safety & Wellbeing Report would be presented to Board in May next year.
Decision	The Board considered and commented on the information provided and the actions required going forward.
8.2	Elgin Office – Proposed Sale
Report Summary	The paper set out the process that has undergone to review the suitability of the North Hanover Office in Elgin, the options we have explored and the financial options appraisal of the 2 key options.
Discussion	Board members were sent photograph presentation along with their board pack and discussed the current office building.
	WR explained that the disposal of any property over £125k is a notifiable event, so we would plan to update SHR following the decision by Board. As this project is part of the 2023-24 delivery plan, we will keep Board members apprised through the “It’s good to Know” bulletins to each Board meeting, and the Delivery plan Update to the November Strategy Day.
	AS advised that he was happy to assist with Heads of Terms documents if needed.
Decision	The Board approved the recommendation from ELT to sell the current North Hanover office in Elgin.
8.3	Governance Matters
Report Summary	The Governance Matters paper sets out updates and decisions required on various governance topics now and for the year ahead.
Discussion	WR gave a brief overview of the paper and discussed the Board Member review of the 2023 session to review our Annual Assurance Framework Evidence bank for the Annual Assurance Statement. AS and ACa volunteered to take part in the review. WR advised that Susan Owens (Executive Business Officer) would be in touch to organise a suitable date for early September.
	Post Meeting Note:
	6 th September 2023 – 5-7pm has been provisionally booked for the review exercise.
Decision	The Board considered each of the relevant sections as follows:
	<p>Commented on the:</p> <ul style="list-style-type: none"> • Board Member Resignations • Board Strategy Day Summary – June 2023 • Plans for the AGM & Short Board Meeting 20th September 2023 • Plans for the Board meeting in October 2023 to be held in Elgin • Notifiable Event on the Early Conciliation Claim • Decisions made out with Board Meetings since May 2023 • Annual Assurance Timeline & Plans • SHR Regulatory Framework Review • Compliance with Rule 68

Approved:

- People Committee Annual Report to Board 2022-23
- The co-option of Bryony Willett to the Board
- The six new membership applications

**9.
Report
Summary**

AOCB – Pay Review Implementation

This paper provided an update on the Pay Review negotiations for 2023-24 and made a proposal to implement the package as the collective bargaining process with GMB for this year has been exhausted without agreement being reached.

Discussion

This paper was circulated to the Board a few days before the Board meeting.

The Board noted that they had discussed this paper at the pre-Board meeting and advised the update was well constructed, really easy to read very comprehensive paper. The Board noted they agreed that we should proceed and implement the package as there are lots of people in our organisation who are not able to benefit from the quite significant and beneficial changes that management and others have worked hard to reach this stage.

AC noted that we commissioned an independent review of an engagement framework across the organisation last year which made some very firm recommendations which we shared with the GMB Union at the time. We will now look at designing a joint consultative committee with an opportunity for union representative within the framework.

Decision

The Board **considered** the option outlined in the paper and **approved** the proposal to implement the package having considered the risks.

Chairperson: Gary Devlin

Date:26/10/2023