

Board Meeting

Minutes of the meeting of the Board
at 5:30pm on **8 August 2023**

Board Members

Mr I Thompson (Chair)
Mr D McIntosh (DM)

Ms K Kennedy (KK) (virtual)
Mr J Clyne (JC)

Ms C Lumsden (CL) (virtual)
Ms P Russell (PR)
Mr S R McIvor (RM)

Attending

Jean Gray, Chief Executive Officer (CEO)
Esther Wilson, Director of Housing and
Care (DHC)

Howard Vaughan, Director of Finance & Business Support (DFBS)
Lynne Feeney, Business Support Administrator (minute taker)

Apologies received

Mr T Roehricht (TR)
Mr L Parry (LP)

Mr S Robertson (SR)
Tom Hainey, Director of Assets (DA)

Minutes

Item	Subject	Action	Due Date
00	Welcome		
a	There being a quorum present, the Chair welcomed all and opened the meeting.		
b	There were no conflicts of interest noted other than those presently on record.		
01.a.	Minutes of previous meetings and matters arising		
a	The minutes of the meeting on 27 June 2023 were reviewed and the Board unanimously approved them as an accurate record.		
01.b.	Matters arising and outstanding actions		
	Outstanding Actions Log		
	All actions moved to completed, apart from 189 which remains as "in progress"		
	There were no other matters arising which were not on today's agenda.		
01.c.	FRAC Committee Update (verbal)		
	In TR's absence, IT gave an update on the Finance Risk and Audit Committee meeting held on 25 July 2023.		
	The Committee had received a presentation from David Hourston, Regional Director of RBC Brewin Dolphin, David explained that Brewin		

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	<p>Dolphin had been acquired by Royal Bank of Canada last year, and this enhances their expertise, and enables access to wider geographical markets as well as to now offer banking functionality.</p> <p>A copy of the presentation is on Convene.</p> <p>The market is in a peculiar position, with property values going down, but there are a few technology investments which are doing well.</p> <p>There was a suggestion from Brewin Dolphin regarding Viewpoint's investments which will be discussed later in this Board meeting.</p> <p>There was also an accounts presentation from Allison Devine, from Alexander Sloan – AD presented the draft Statutory Accounts, the draft Audit Summary and a draft Letter of Representation. There were no major concerns other than the volatility of the SHAPS pension scheme, which had generated a credit last year, with a negative being generated this year. An additional clause (clause 23) has been added to the Letter of Representation relating to this.</p> <p>It had been agreed to re-categorise Lennox House and this now sits in current assets due to the fact that it is now being marketed for sale.</p> <p>In response to our concern about SHAPS, the DFBS reported that he had contacted TPT Retirement Solutions last year informing them that the Board had been keen to meet with them. They, in turn had requested some detail of the areas we would wish to be covered. This had been circulated to Committee members but there had been no response. The Board agreed they would wish the DFBS to approach TPT Retirement Solutions again and ask them to present a general update.</p> <p>The Management Accounts to 30 June 2023 had been considered, and the improvement in void loss was noted.</p> <p>The Q1 Reforecast is presented within the papers for today's meeting.</p> <p>With regard to the Treasury Management Report it was noted that some of the funds have been reinvested in higher interest bearing accounts.</p> <p>The DFBS gave a presentation (available on Convene) on GDPR, prepared by our new Data Protection Officer, Claire Beckley of RGDP LLB.</p> <p>Annual Assurance Statement – it was noted that an additional meeting would require to be arranged to consider this due to the submission date being 31 October 2023. The DFBS will arrange for an email to be sent out to arrange a date.</p> <p>Risk Register - the DFBS pointed out a new risk which had been added to the Register relating to the number of Board Members. We currently have 10, with potentially 3 standing down at the AGM, which will bring us to 7. The CEO is currently speaking to potential interested people and has made contact with via the SFHA who hold a register of people who may be interested in Board membership. SMCl suggested using the Big Issue to advertise, as it's mostly purchased by people with a social conscience. We will also highlight at the AGM that we are looking for new Board members and can co-opt throughout the year.</p>	DFBS	31.10.23
	<p>The Board noted the verbal update.</p>		asap
02.	Finance Papers		
a.	Statutory Accounts to 31 March 2023	DFBS	19.09.23
	<p>The DFBS said that historically the auditors have attended both the FRAC and this Board meeting. He had discussed their attendance with Allison Devine, Senior Partner of Alexander Sloan who had explained</p>		

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	<p>that for most of their Registered Social Landlord clients they tended to only present to one Committee. It had therefore been agreed with her that attendance at the FRAC would be the most appropriate meeting to explain the financial statements and supporting documents.</p> <p>The draft Statutory Accounts to 31 March 2023 require to be approved.</p> <p>The DFBS drew attention to p18, where we have split our Operating Costs into Continuing and Discontinuing, with Lennox House now being in the Discontinuing column due it being for sale.</p> <ul style="list-style-type: none"> • The Board approved the Statutory Accounts for the period ended 31 March 2023. <p>The Accounts were signed by the Chair, the CEO, the Company Secretary and Pam Russell, Board member.</p>		
b.	<p>Audit Summary Report</p> <ul style="list-style-type: none"> • The Board noted the Audit Summary Report. <p>It was noted that there were no new internal control weaknesses identified and no new recommendations were included.</p> <p>The Auditors were satisfied that our Financial Statements provided a true and fair view of our affairs.</p>		
c.	<p>Letter of Representation</p> <ul style="list-style-type: none"> • The Board noted the Letter of Representation. <p>This was signed off by the Chair and Pam Russell</p>		
02.	<p>Private meeting between FRAC and Auditors</p> <p>IT reported that the Committee had a private session with the Auditors, without the Exec Team present. IT confirmed that the Auditors were happy with everything and there were no negative comments.</p> <p>The Board wished to pass on their thanks to David Aitken, Head of Finance and the Finance team for their help with the audit.</p>		
d./e.	<p>Management Accounts to 30 June 2023 and Q1 Reforecast 2023/24</p> <p>The DFBS presented the Management Accounts for the period, and was happy to take any questions. The reforecast for Q1 was now included within the Management Accounts. In the covering paper the DFBS has explained the high level assumptions made together with a reconciliation between the reforecast and the original Budget for 2023/24</p> <p>Annual Leave proposal – the Board noted that this would not be possible to implement in this financial year. The cost of this will now be included in the draft budget for 2024/25, which will be presented for initial consideration to the Board meeting in November 2023.</p> <p>Telecare – the DHC reported that she had recently met with Tunstall (the proposed new contractor) to further discuss the terms and</p>		

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conditions, and the Board noted with some disappointment that Tunstall have not provided us with information we'd requested and that we may have to make an alternative decision on this contract award.

Lennox House – the closing date for the sale is mid-August with Savills, the selling agent, expecting the process to conclude before the end of this financial year with funds being received. Given their advice was that we should only accept clean bids i.e. not subject to planning permission we would not expect any delays. If, however, we have to accept a conditional bid we will insist on a significant upfront payment of the sale price.

In response to a query about what we will likely use the cash for the Board noted that there would be more information in the CEO's report.

Investment Approach – RBC Brewin Dolphin had suggested a different approach to our investments, direct equity investment rather than the current use of collectives.

The benefits of this new approach would include reduction in third party fees, access to RBC's Research team and greater access to the US equity market.

David Houston has explained to the DFBS that many of their charity clients are adopting this recommended new investment approach..

In reference to the FRAC members concerns about the Environmental, Social and Governance (ESG) aspects, the DFBS pointed out that RBCBD have been previously adhering to our current Investment Policy and as such understand our views on ethical considerations. DM requested that RBCBD provide a quarterly comparison report outlining how the performance of the new direct equity approach compares to the performance of the previous collective approach. The DFBS will request this from RBCBD.

DFBS 31.10.23

- **The Board approved the Management Accounts to 30 June 2023 and the Q1 Reforecast 2023/24**
- **The Board agreed a change of investment approach with comparative quarterly reports to be provided to assess the performance of the new approach.**

03. CEO Update Report

The CEO presented this report. She drew particular attention to the update on the Significant Performance Failures reported to the Regulator by one tenant. It was a concern that these issues are still outstanding as we are looking towards our Annual Assurance Statement. The CEO will meet with the Regulator again at the end of September to discuss this matter further.

The Board were very concerned about the fact that this was taking up such a significant amount of staff time, and now time taken at the Board meeting on discussions around this. However, it was noted that the Board are satisfied that there are all the necessary works had been

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	<p>completed regarding the fire compartmentation issues and that they had been regularly updated on this matter.</p> <p>The Board noted the contents of the CEO Update report.</p>		
04.	Performance Report Q1		
	<p>The DFBS presented this report. We now have a Data Analyst in post who preparing additional work which underpins this report. We would expect to further improve the layout and information as the year progresses.</p> <p>PR queried the time taken for emergency repairs in the care home, but it was pointed out in the supporting narrative that there were two repairs which were over target and have subsequently skewed this result.</p> <p>JC queried the average cost per void and what this related to. It was confirmed that this would include items such as redecoration costs to bring a property up to standard for re-letting.</p> <p>The Board noted the contents of the Performance Report.</p>		
05.	Governance Report		
	<p>The DFBS presented this report and invited questions.</p> <p>There were no questions, and the Board noted the contents of the Governance Report.</p>		
06.	Policies Report		
06.a.	Equality & Diversity Policy, Strategy and Action Plan		
	<p>The DHC presented this report, explaining that we have a suite of documents covering Equality & Diversity – a strategy, policy and action plan.</p> <p>Our Policy had been quite out of date, so we have now prepared this suite of documents – the strategy document, laying out what we wish to achieve, the action plan laying out what steps we need to make to achieve these, and the policy laying out the principles for it on a day to day basis. All three documents link in together and are part of the requirements of meeting the regulatory framework.</p> <p>CL acknowledged that this was a fantastic piece of work, and it feels like this is a real living document.</p> <p>The DHC highlighted that we will be employing a third party to collect the information, which then needs to be anonymised, before we can utilise the data to help us improve our services.</p> <p>IT queried whether it would be possible to see some milestone results reported in the action plan, e.g. at the end of three years.</p> <p>With regard to the Strategy Document, in terms of the aims of the policy, it was agreed that KK would forward a suggested form of wording to the DHC which could be incorporated into the introduction.</p>	DHC	asap

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	<p>It was noted that the word "ensure" may be missing on p4, para 2, "and ensure our employees".</p> <p>KK enquired with regard to the Action Plan if we would be collecting data from suppliers and third parties, i.e. contractors, and if so, how we would collect and monitor that data. DHC confirmed that at this stage it would only be data relating to tenants and staff.</p> <p>The Board approved the Equality & Diversity Policy, Strategy and Action Plan, and delegated authority to the Executive Team to incorporate the changes discussed above.</p>		
06.b.	<p>Pay and Benefits Policy</p> <p>The DFBS presented this policy which was last approved in June 2019. The reason for the delay in reviewing this was due to all the staffing changes in the HR team. The policy has not substantially changed, and reflects the current annual leave position i.e. not the proposed changes from 1 April 2024 (which have still to be approved by the Board in the 24/25 Budget).</p> <p>The Board approved the Pay and Benefits Policy.</p>		
07.	<p>AOCB</p> <p>There were three items of AOCB to be considered.</p> <p>a. JC raised the issue of changing the time of the Board meetings, from 5.30pm to 2.00pm, within the working day. He felt this was a staff welfare issue. It was agreed to get some feedback from Board members as well as staff who attend the meetings to gauge the most suitable time that would enable the best attendance for the business.</p> <p>b. JC raised the discussion of the Rent and Service Charge increase which took place in February this year. He was dissatisfied with the decision, which was made by 50% of the Board voting due to apologies given. The CEO pointed out that the decision had been made by the members present and the meeting had been quorate. There had been a very robust discussion at the November meeting when the full draft budget was discussed and agreement was reached regarding the rent consultation.</p> <p>JC felt that if members (not tenant members) were unable to attend to vote on this, then they should be able to appoint the Chair as their proxy. It was pointed out that all members were free to ensure that their comments were taken into consideration. If this were to be the case, then this would mean an amendment to our Rules, and this can only be done once a year at our AGM. As our AGM is only a matter of weeks away, it is too short notice for this year.</p> <p>DMCl suggested that we remind people about their right to vote, and try to encourage better attendance at the February meeting – but if people are not able to attend, they should ensure they make the Chair aware of their views.</p> <p>There was some discussion about whether it should be referred to as a Rent & Service Charge Review rather than increase..</p> <p>The CEO assured the Board that the Executive Team have very thorough discussions about the implications of potential rent increases before any recommendation is presented to the Board. The increase set needs to</p>	DFBS	asap

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be affordable for our tenants but must also allow the business to deliver on its Strategic and Operational Objectives.

08. Date of Next Meeting

The next meeting will be held at approx. 3.30pm on Tuesday 19 September, immediately following the AGM. The meeting will include the election of a Chair and Vice Chair.

09. Private Board Members Discussion

*** The CEO, DFBS and DHC left the meeting at this point ***

The Chair asked the BSA to remain in order to minute this discussion. IT stated that in light of the fact that we were getting very low on Board member numbers, the Governance position had been reviewed and after discussion with the CEO, it was considered that it was acceptable for him to stay on for one more year.

This does require the Board’s support. DM said that as we were in a vulnerable position in terms of Board members, we need to make it an objective for the coming year to recruit new Board members. But in the meantime he felt this was a very good decision for them to make.

KK agreed, and said that this was reassuring in terms of continuity for Viewpoint.

The Board agreed to support Iain Thompson to remain on the Board for a further year.

IT thanked the Board members for their support.

The formal meeting closed at 7.30pm.

Approval of the minutes

Signed as a true record of the meeting, following the approval of the draft minutes by a meeting of the Board.

Signed:

Date:

Iain Thompson, Chair