



**LORETTO HOUSING ASSOCIATION
MINUTE OF BOARD MEETING**

Date: 18 May 2020
Time: 6.15pm
Venue: By video conference

Chairperson: Douglas Robin

Present: Jean Fyfe
Pauline Gilmore
Alex McKay
Archie Morrison

In Attendance: Olga Clayton, Group Director of Housing and Care
Laura Henderson, Managing Director
Stephen Wright, Deputy Group Secretary
Margaret Ross, Financial Controller – RSLs
Samantha Bett, Director of Treasury (item 6a only)
David Fletcher, Director of Development (item 9 only)

1. Apologies for Absence

It was noted that Board meeting was convened with a streamlined number of Board members due to the coronavirus pandemic. Board reports had been circulated to all serving Board members for comment in advance of the meeting. There were no apologies for absence and the Chair declared that a quorum was present.

2. Declarations of Interest

The Board noted the standing declarations. No new declarations were made.

3. Minutes of Board Meeting held on 10 February 2020 and matters arising

Decided: The Board approved the minute of the meeting held on 10 February 2020.

4. A) Business Update

The Board received a report detailing our response to the coronavirus pandemic and the social distancing measures which had been put in place by the government. The Board was informed in particular about the steps taken to support customers, protect the welfare of staff, and maintain a strong financial position.

It was explained that we were continuing to operate a life and limb repairs service through which 177 urgent repairs had been undertaken since mid-March covering: gas heating, boilers, sanitation and security. The Board considered in particular the approach to gas servicing during and received assurance that this complied with the Scottish government's

guidance on same. It was explained that we retain a list of customers who refuse, or who are unavailable, to allow access together with detailed notes of any discussions with the customer and the reason for refusal. These customers will then be contact again as soon as possible after the relevant social distancing guidance has been relaxed.

The Board considered the range of support being offered to customers, including the highly responsive Eat Well food package service, electronic equipment being provided to children to facilitate home schooling, and the reading books which continued to be issued to children under the age of 5.

The Board discussed the impact on our financial position and rent income and was informed about the increase number of universal credit applicants which had risen from approximately 12 per month to 39 during April 2020. It was noted that rental income had been on target at the end of the last period; however, this only included a short period of time during which the stay at home guidance had been in place and as a result, the effect was likely to be seen in the next reporting period.

Decided: The Board noted the update.

4. B) Framework for start-up and renewal of activity

The Board considered the additional paper which had been circulated on Friday, 15 May 2020 and which highlighted the planning that was in place for the resumption of non-emergency business activity at the appropriate time and in line with any easing of restrictions by the Scottish government. In particular, the Board considered the importance of ensuring that staff and customers continue to be protected and the need to ensure that we have safe working practices in place with personal protective equipment (PPE) provided where necessary. The Board noted the work that had been undertaken to source and maintain suitable supplies of PPE.

The Board discussed the intended resumption of close cleaning services and noted that our environmental teams had been adhering to social distancing guidance and carrying out essential services only, such as fire safety inspections and removal of bulk items from common closes.

Decided: The Board noted the proposals in report, the timing of which are subject to adjustment as necessary to ensure ongoing compliance with Scottish government legislation and guidance.

5. Annual Return on Charter and year end results 2020/21.

The Board received a report on the year end results and charter measures. The Board considered the targets for the year and noted that we had achieved top quartile in 53% of the 19 measures targeted. The Board noted in particular the reduction in customer satisfaction with engagement opportunities, which seemed to be inconsistent with the work being undertaken in this area. The Board considered the possible impact of the timing of the satisfaction survey, noting that it had been undertaken during a period when we were actively trying to bring down arrears and reviewing environmental services. The Board also considered the importance of continuing to engage with customers who live in some of our smaller developments out with our main areas of operation.

In relation to gross arrears, it was explained that this was impacted by the delay experienced by customers when moving to universal credit and that when universal credit figures were removed, performance improved from 5.1% to 4.2%, against a target of 4.6%.

Decided: The Board:

- 1) Approved the draft 2019/20 Charter results;**
- 2) Delegated authority to the Group Director of Housing and Care to sign off any non-material changes to the results which may be required prior to submission; and**
- 3) Delegated authority to the Group Director of Housing and Care to sign off the Charter and EESSH submissions on behalf of the Governing Body.**

6. A) Finance report for the period to 31 March 2021 and budget 2020/21

The Board received an overview of the management accounts for the period to 31 March and noted the statutory surplus of £3,391k which was £2,842k favourable to budget (£219k once interest payable and grants are removed). The Board also considered the net capital expenditure of £3,085k for the same period, which was £797k favourable to budget. The Board welcomed the update and noted that the improvement position with regards to the reactive repairs budget.

The Board discussed the impact of coronavirus on the business and noted that the recently approved strategy and business plan would now be re-reviewed. This is required to ensure that they reflect the spend profile for example in relation to investment, repairs and voids. Each of these areas were significantly affected by the current stay at home legislation and guidance. As a result, the Board noted that the budget would be re-forecast over the coming month and presented at a future meeting.

An explanation was also provided to the Board in relation to the fall of £9m in 2020/21 budget of the property portfolio. It was explained that this related to the new build properties that were expected to complete during the year 2021/22. In particular, while properties are under construction they are carried at cost; however, at the end of the year of completion that are moved to an Existing Use Value – Social Housing basis. This is mostly offset by grant which can be recognised in the year of completion.

Decided: The Board:

- 1) Noted the finance report for the period to 31 March 2020;**
- 2) Approved the 2020/21 budget**

B) Bank of England facility application

The Board received an update on Wheatley Funding No.1 Limited's proposed application to the Bank of England's Covid Corporate Financing Facility (CCFF). An explanation of CCFF was provided to the Board, together with an update on recent treasury management activity (including the settlement of two transactions through the use of the urgent actions provisions noted under the governance update at item 8). The Board was satisfied about the Association's financial and liquidity positions and agreed to convene a standalone meeting for the purpose of the approving the application.

Decided: The Board:

- 1) Agreed to provide a guarantee to WFL1 such that a full application could be made by WFL1 to the CCFF scheme; and
- 2) Approved the draft legal documentation required for the CCFF scheme and delegated authority to the Group Director of Finance and/or the Director of Treasury to agree non-material changes and to sign the documents once all required Board and lender consents were in place.

[Board recess at 6.30pm to hold a standalone meeting on this item. Reconvened at 6.35pm]

7. Alertacall expansion

The Board received the report and welcomed the phased roll-out which had so far been successful for eight customers.

Decided: The Board noted the progress made with phase one and two of the Alertacall roll-out and plans and associated timescales for phase three.

8. Governance update

The Board received a report which explained: the proposed changes to the Association's Rules; recent use of the chair's urgent actions provisions; updates to the Group Standing Orders; change in membership of Loretto Care (which was now a direct subsidiary of Wheatley Housing Group Limited); and the proposed application for a consumer credit licence to facilitate signposting customers to an affordable white goods rental scheme.

Decided: The Board

- 1) Approved the proposed changes to our Rules and delegated authority to the
- 2) Secretary to call a Special General Meeting;
- 3) Noted the use of the urgent actions provisions in the Group Standing Orders
- 4) On 20 March 2020 and 23 March 2020;
- 5) Noted the change of membership of Loretto Care;
- 6) Noted the amendments to the Group Standing Orders; and
- 7) Approved our application for a consumer credit licence

9. [Redacted]

10. AOCB

There was no other competent business.