

**Minutes of the Meeting of the Board of Management
held on Thursday 16 February 2017 at 1.30pm
79 Hopetoun Street, Edinburgh**

PRESENT:	Mrs S Napier	Chair
	Mr H Carr	
	Dr L Holdsworth	
	Mrs J McCormick	
	Mr M McFee	
	Mr W Nicolson	
	Mr G O'Sullivan	
	Mr D Scobie	
Mr W Smalley		
IN ATTENDANCE:	Mr B Logan	Chief Executive
	Mr C Dickson	Director of Care Services
	Mr S Dow	Director of Asset Management
	Mr S Smith	Director of Finance & ICT Services
	Mrs N Harcus	Assistant Director (Strategic Development)/ Acting Director of HR
	Ms J Dunlop	Assistant Director of Finance (to item 3141(i))
	Ms C McSkimming	Housing Performance Manager
	Miss C Beesley	Governance & Administration Manager
	Ms J Dickie	Regulation Manager, Scottish Housing Regulator

3135. Apologies for Absence

Apologies for absence were received from Mrs I Deuling and Mr M Singh.

3136. Declaration of Interest

There were no declarations of interest.

**3137. Minutes of the Meeting held on 24 November 2016
Confidential Minutes of the Meeting held on 24 November 2016**

The minutes of both meetings, having been previously circulated, were approved and signed by the Chair.

3138. Business Arising

(i) Minute 3129(iv) – Health & Safety Report – Six-monthly Update

The Director of Asset Management advised that, regarding the query raised at the previous meeting in respect of why the fire alarm systems at both Stockbridge and Milfield Gardens were not linked to BR24, this was due to both developments being care homes with staff on site. If the alarm was linked to the BR24 system, it would by-pass staff on site who should be the first point of contact in these circumstances.

The Board noted the update.

3139. Scottish Housing Regulator

The Regulation Manager from the Scottish Housing Regulator was in attendance at the Board meeting in order to provide the Board with a summary of its engagement with Bield over the past year and to provide information on their proposed engagement during 2017-18.

It was explained that the Regulation Manager was attending the meeting due to Bield having a Regulation Plan and being systemically important (one of around 20 other RSLs in the same position). As part of the Regulation Plan, it was explained that the Regulator would generally be looking to receive information relating to Bield's Business Strategy, what challenges it faced and how these were managed, financial information including the 30 year projections, the Asset Management Strategy, together with a chance to meet the Board and, on occasion, the Chair independently of the Board. They would also receive copies of all Board and Performance & Audit Committee minutes. The Regulation Manager confirmed that she felt that Bield had a good relationship with the Regulator.

The Regulation Manager advised that the main focus over the year had been on business change and the challenges Bield was facing i.e. the economy, cuts in funding etc.

In respect of the Asset Management Strategy, the Regulation Manager advised that this was a good sound basis to work from and commended the document. She advised that she was interested in risk and received regulator update reports from the Director of Asset Management in respect of the issues at The Walled Gardens, St Andrews. She was also kept up-to-date with progress in respect of SHQS.

The Regulation Manager confirmed that Bield would continue to have a Regulation Plan in 2017-18 which would look similar to the current Plan although it may be pared back a little. She advised that Bield was in the top 15 RSLs for energy efficiency being over 90% compliant. It was confirmed that the Regulator had no concerns in respect of service quality therefore this would not form part of the Regulation Plan. Areas which would be looked at within the 2017-18 Plan related to the Business Strategy (a summary of any changes), risk reports, financials and the external environment i.e. work relating to the LHA cap.

The Board were grateful for the attendance of the Regulation Manager and were pleased and reassured that the areas highlighted as priorities by the Regulator mirrored those areas prioritised by the Board and Senior Management Team.

A query was raised into the Regulator's view on value for money. The Regulation Manager advised that this was an area the Regulator looked at and confirmed that there was some good work being done by RSLs across the sector, including by Bield. She did, however, advise if there was something to work on it would be for Bield to be 'blowing its own trumpet' in respect of, for example, work relating to the BIG, rent and service charge review, satisfaction surveys etc. The Regulation Manager advised that value for money did not wholly relate to cost cutting but also included the satisfaction of tenants and service users. She advised that Bield's rents were high compared to its peers but had noted that Bield had received some good responses to their rent consultation process which would be discussed later in the agenda.

The Chair asked the Regulation Manager if she could provide any further information in respect of the five recent statutory interventions at other RSLs. The Regulation Manager advised that she did not have information relating to all of these interventions but that each was fairly unique in its circumstances.

The Regulation Manager was thanked for her update and was invited to remain for the remainder of the Board meeting.

3140. Priority Items

- (i) Confidential Item: Report from the Chief Executive
- (ii) Confidential Item: Rent and Service Charges – 2017-18
- (iii) Confidential Item: Energy Procurement
- (iv) Confidential Item: Update on Glasgow Flexi Care Closure and Transition to New Retirement Housing Plus Model

3141. Performance

- (i) Management Accounts for the period to 31 December 2016
The Board received Report BOM/7(i)/FEB/17 and a report in relation thereto from the Assistant Director of Finance. She advised that there was not a great deal of difference in the Management Accounts from the last quarter with the usual trends continuing.

The following areas were highlighted:

- Shared Ownership sales had been reduced by £1,805K
- The difference in the depreciation charge related to (i) the inclusion of an impairment charge of £290K for Foley Court, Rothesay and (ii) the revision of some component cycles relating to bathrooms, kitchens and warden call systems. These changes would not affect the cash position but reflected an accounting change

A query was raised in respect of agency costs and the Director of Care Services confirmed that these costs should reduce given the closure of Munro Court where the highest agency costs previously related to. However, it was noted that there may be some short term increases in agency costs due to the service changes and possible resignation of staff in these services.

In respect of the cash balance, a query was raised as to what this was expected to be at the end of March 2017, given it was sitting at £1m at the end of December. The Director of Finance & ICT Services advised that he would expect there to be a zero balance by the end of March.

The Board approved the Management Accounts to 31 December 2016.

3142. Governance

(i) Board Conversation Process 2017

The Board received Report BOM/8(i)/FEB/17 and a report in relation thereto from the Governance & Administration Manager. She advised that 2017 would be the fifth year of the current Board conversation process and Linda Ewart, Consultant had produced a proposal to assist with this as in previous years. It was noted that the costs of the work could potentially increase slightly this year due to the possibility of Linda Ewart having to charge VAT on her invoice.

The Governance & Administration Manager confirmed that it would be the intention to finalise the conversation process earlier this year with meetings taking place during the early part of the year.

As requested, the Board offered suggested amendments to the Board conversation template as follows:

- The question relating to the 'Strategic Planning Process' – it was felt this should look forward to the new Business Strategy and what the priorities should be
- The question relating to 'Looking Ahead' – it was suggested that this could be expanded to include information on 'What could Bield do differently' and also to include reference to individual Board members' own development and how they feel they have performed while serving on relevant Committees

The Board of Management:

- (i) considered and approved the process for conducting Board member conversations for 2017;**

- (ii) provided suggested amendments to the Board Conversation template form; and**
- (iii) approved the appointment of Linda Ewart, Consultant, to facilitate and support the process.**

(ii) Governance Refresh – Action Plan

The Board received Report BOM/8(ii)/FEB/17 and a report in relation thereto from the Governance & Administration Manager. She advised that she had prepared an action plan which had pulled together information from previous Board reports following the Board conversation process and other required actions due to be undertaken.

The report was welcomed by the Board and they noted that the actions were those highlighted by some at their conversations. It was suggested that the action plan be reviewed at the Away Day in November as to progress made. It was also suggested that target timescales for action/completion be included.

The following actions were specifically highlighted:

- Action 3 – the Chair of the Remuneration Committee suggested that this be discussed at the next Remuneration Committee meeting in March
- Action 10 – there was some discussion around whether having separate meetings of the Board without staff being present would be a good idea. There were mixed views on this and agreement that, if there were to be any such meetings, they would have to be in very exceptional circumstances

The Board:

- (i) noted the current position in respect of the actions highlighted; and**
- (ii) considered that no further actions were required at present.**

3143. Update Reports

(i) Report from the Company Secretary

The Board received Report BOM/9(i)/FEB/17 and a report in relation thereto from the Governance & Administration Manager.

The Board:

- (i) approved the application for membership of Bield;**
- (ii) noted the Register of Legal Documents**
- (iii) noted the use of Standing Order 10.**

(ii) SFHA Activity – Update

The Board received Report BOM/9(ii)/FEB/17 and a report in relation thereto from the Board member, Gerry O'Sullivan who was also Board Director of the SFHA and Chair of its Finance, Audit and Risk Committee. He confirmed that he would be standing for re-election in the Summer.

A query was raised in respect of reference, on page 3 of the report, to the Brexit survey of SFHA members. It was confirmed that this related to the potential consequences for new build development and whether this would give rise to issues around the availability of labour. There were also some secondary concerns in relation to the possible demand for housing.

The Board noted:

- (i) the contents of the report;**
- (ii) that further reports would be submitted for information in due course; and**
- (iii) that the report would be shared with the Chairs and CEOs at Hanover (Scotland) and Trust HAs as part of joint working arrangements.**

3144. Policy Review

(i) Complaints Policy Review

The Board received Report BOM/10(i)/FEB/17 and a report in relation thereto from the Assistant Director (Strategic Development)/Acting Director of HR. She confirmed that the Policy was being looked at as part of the policy review cycle and had been updated with some minor housekeeping amendments. These amendments had not changed any procedures currently in place. At the same time, the opportunity had been taken to attach an appendix in relation to an Unacceptable Actions Procedure. This mirrored the SPSO policy but an additional section had been included in relation to mental health.

The Assistant Director (Strategic Development)/Acting Director of HR advised that it was likely the procedure would rarely have to be used but it was felt that something required to be in place in case of these circumstances.

The Chief Executive advised that the policy (with appendix) had been presented to the Partnership Forum who had been very understanding. It had also been presented to the Owners' Forum who had raised concerns. It was, however, noted that the document had only been tabled on the day of the meeting and therefore no time had been allowed for the Forum to consider it fully.

The Board:

- (i) noted the addition of the Unacceptable Actions Policy; and**
- (ii) approved the revised updated Complaints Handling Policy and Procedure.**

3145. Compliance

There were no compliance related matters.

3146. Reports from Committee

- (i) Confidential Minutes of the Remuneration Committee held on 18 November 2016
Mr Carr advised that there had been an open and useful conversation regarding the review of reward and recognition, pay and SMT salaries with staff representatives. It was noted that the planned meeting in January did not proceed and the next meeting was due to take place in March.

The Board noted the Confidential Minutes of the Remuneration Committee held on 18 November 2016.

- (ii) Minutes of the Owners' Forum held on 1 December 2016
The Director of Asset Management advised that the Forum was possibly looking to change the structure as it was perhaps too big. Currently two Owners per development were encouraged to join the Forum but it may be that this should be limited to one per development. It would be looked at accordingly.

It was noted that there had been some dissatisfaction raised from an Owner at Bearsden and the Director of Asset Management confirmed that the issues raised were being looked in to. It was agreed that this had been the wrong Forum to raise the matters and more work would be required in respect of making clear the role of the Forum.

In respect of Page 3 of the Minute, it was noted that the second line should read '...emergency repairs as 100% completed within 24 hours and 96% of non emergency...'

The Board noted the Minutes of the Owners' Forum held on 1 December 2016.

- (iii) Minute of the Partnership Forum held on 1 February 2017
The Board noted the Minutes of the Partnership Forum held on 1 February 2017.

- (iii) Confidential Minutes of the Performance & Audit Committee held on 10 November 2016

The Board noted the Minutes of the Performance & Audit Committee held on 10 November 2016.

3147. Date of Next Meeting – Thursday 23 March 2017, 79 Hopetoun Street, Edinburgh

The date of the next meeting was confirmed as Thursday 23 March 2017 within Bield's Edinburgh Office at 79 Hopetoun Street, Edinburgh.

3148. Any Other Business

(i) Care Inspectorate Reports

The Chair advised that she had viewed the Care Inspectorate reports for Grants Bank, Thornton Gardens and Balgowan Court which had all been very good. She wished to congratulate staff on this achievement.