

**Minute of the Virtual Meeting of the Board of Management of Langstane Housing Association Limited held on Wednesday 28 April 2021 at 12.30pm**

**Present:** J Knowles, Chair  
J Fraser, Vice Chair  
A Habib  
I Jamieson  
J Marshall  
M Martin  
A Stevenson

**In Attendance:** H Gauld, Chief Executive  
M Ballance, Director of Asset Management  
L Macfarlan, Director of Finance and Corporate Services  
J Sutherland, Director of Housing  
A Bruce, PA to the Chief Executive (Minutes)

**Apologies:** J Greener  
J Drummond  
M Keith  
G Urquhart

**1. Apologies**

The apologies noted above were intimated to the meeting.

**2. Declaration(s) of Interest**

There were no notes / declarations of interest.

**3. Draft Minute – Board of Management – 15 February 2021**

The Minute was approved as an accurate record.

**4. Matters Arising**

4.1 7 – Budget for Financial Year 2021-2022 – The Board, in response to a question, was informed a review of the arrangements for company vehicles is currently underway but no decision has, as yet, been made on whether to lease or purchase vehicles.

4.2 Sale of Crown Street – the Board was referred to the recent email regarding the sale of the property.

[REDACTED]

4.3 11 – Chief Executive’s Update Report – Pension Deficit – The Board was informed the Association had been advised the actuarial valuation of the Association’s liability for closure of the Growth Plan 4 pension would not be available for 3-4 months.

## 5. Statement of Outstanding Business

The Board considered and noted the statement; all of the actions had future target dates.

## 6. Financial Reports to 31 March 2021

The Board considered and noted the financial reports to 31 March 2021 which detailed the end of year financial position. The Director of Finance and Corporate Service’s advised year end work is currently in progress but it is not anticipated there will be any material changes to the accounts.

Speaking to the report, the Director highlighted the surplus [REDACTED] [REDACTED] This is due, in the main, to the reduced level of activity and cost savings as a result of the pandemic restrictions and ongoing efficiencies agenda. Details of which were set out in the commentary section at the beginning of the report. The Director highlighted a number of areas where savings had been achieved. In addition she advised the Association is working hard to manage arrear levels and reduce re-let times and further highlighted the Association complies with its Treasury Management Policy and all covenants have been met.

Referring to the void re-let times, it was queried what effect the easing of lockdown would have on the year ahead. The Director of Housing advised this had also been the subject of discussion at the Langstane Property Limited Board earlier in the day. Indications from Citylets and Propertymark are that demand is set to increase in the private market and this is likely to be reflected in the social housing market too. [REDACTED]

The Chief Executive advised the financial reports provide a snapshot of the financial position and Board members can, at any time, direct queries to the Senior Management Team.

The Board noted the report.

### 6.1 Efficiency Savings 2020-2021

The Director of Finance and Corporate Services spoke to the report highlighting the actual savings as at year end 2020-2021 [REDACTED]

Responding to the question as to whether there would be any challenges in meeting the 2021-2022 targets due to the changing circumstances, the Board was informed

additional savings may be achieved due to flexible working. However that would be offset against any costs incurred as a result of the staffing structure review, IT activity and pension debt.

The Board noted the report.

## **7. Write Off Report**

The Board considered the report and approved the write off of former tenant debt to the [REDACTED]

## **8. Transition from LIBOR to SONIA – Lloyds Agreement**

The Board considered the report which set out in detail the requirement for the Association to amend its loan agreements to reflect one of the new options available from January 2022 when LIBOR ceases to be the underlying basis for interest calculations. The report presented referred to the loan agreements and Revolving Credit Facility for the Lloyds Banking Group (Lloyds) but as the Association also has a term loan agreement with Santander it will be the subject of a separate transition.

The Director of Finance and Corporate Services informed the Board the basis of the transition process is to achieve economic equivalence for both parties but not increase costs to borrowers. As LIBOR will cease, the Association will have no option to change to one of the new options, it does however have the choice to make the transition before or on the January 2022 deadline and on the methodology used for calculating the Credit Adjustment Spread (CAS). In order to make an informed decision the Association had sought guidance from its Treasury Advisors, with it recommending the Association transition on 30 June 2021 and adopt the 5 year historic median to calculate the CAS.

Having noted the recommendation, the Board:

Approved the transition process on the following terms accepting

- The proposal on the basis it advocates the principle of economic equivalence;
- The selection of the 5 Year Historic Median CAS method on the grounds that it is based on historical data from the 5 year lookback which reduces the potential volatility of the CAS compared to the Forward method to take effect on the agreed Switch date;
- The transition date of 30 June 2021 to minimise risk of volatility of LIBOR rate going forward to cessation.

The Board further approved the Chairperson sign the Transition Agreement on behalf of Langstane Housing Association on the terms approved above.

## **9. Chief Executive's Update Report**

The Board considered and noted the report. The Chief Executive spoke to each of the items and discussion on the following ensued:

Item 1 – SHR – the Board congratulated and thanked the SMT on the work they had carried out to get the Association to the position it is currently in.

Item 2 – Housing to 2040 – A detailed report on the impact on the Association would be brought back to a future meeting.



Item 8 – The Langstane Housing Support Team will be measuring social value and a report on this will be brought back to a future meeting.

Item 9 – Memorandum of Agreement between Langstane Housing Association and Unite Union - The Board approved the agreement which would be signed on behalf of the Association by the Chief Executive.

The Board noted the report.

## **10. Corporate Document Review Report**

The Board considered the report which detailed the changes made to policies presented under Items 10.1 – 10.6.4 on the agenda.

### 10.1 Complaints Policy V5

The Board approved the Complaints Policy V5 as presented.

### 10.2 Records Management Policy V2

The Board approved the Records Management Policy V2 as presented.

### 10.3 Company Vehicle Usage Policy V2

The Board approved the Company Vehicle Usage Policy V2 as presented.

### 10.4 Gas Safety and Servicing Policy V4

The Board approved the Gas Safety and Servicing Policy V4 which had been presented as a clean version. The document containing the tracked changes had been made available to members in the Board Portal.

### 10.5 Fire Safety In Communal Areas Policy V3

The Board approved the Fire Safety in Communal Areas Policy V3 which had been available to members in the Board Portal.

### 10.6 Role Descriptors

The Board approved Items 10.6.1 to 10.6.4, Role descriptors for Governing Body Members, Chair, Vice Chairperson and Secretary respectively. All of which had been available to members in the Board Portal.

## **11. Review of Board Portal - Survey Outcome**

The Board considered the report which provided detail of the outcome of the recent survey issued to members to evaluate the effectiveness of the Board Portal. The survey had highlighted additional training required to enable members to make full use of the Portal's functionality. Having noted the report, the Board approved the proposal a training session be arranged in June 2021.

## **12. Draft Minute - Resource Committee – 2 March 2021**

The Board had considered and noted the draft Minute of the Resource Committee meeting of 2 March 2021 which had been made available to members in the Board Portal. A Stevenson, Convener of the Committee provided a precis of the discussions and advised a decision on the date of the next meeting would be made today when the Chief Executive, the Chair and herself would meet with M McBain of Gravitare HR.

### **12.1 Draft Minute – Resource Committee – 15 December 2020**

The Board had considered and noted the draft Minute of the Resource Committee meeting of 15 December 2020 which had been made available to members in the Board Portal. It was noted however this item had been presented to the Board on 18 January 2021.

## **13. Draft Minute - Joint Audit and Governance Committee - 23 March 2021**

The Board had considered and noted the draft Minute which had been available to members in the Board Portal.

## **14. Quarter 4, 2020-2021 Performance Reports**

### **14.1 Business Plan 2020 – 2025, Internal Management Plan Update**

The Board considered the Internal Management Plan (IMP) presented which showed all of the changes highlighted in red. Speaking to it, the Chief Executive informed the meeting there had not been as much progress in the last quarter due to a number of factors. The following items were highlighted:

- The Association's registration with the Care Inspectorate although not yet complete will be fast tracked and in the meantime, the Care Inspectorate has given permission for the Association to trade as if registered;
- A full review of the response repairs service is in progress, led by the Director of Asset Management;
- The section "Our Homes" has been shown in red in error;
- The tender process for the external stock condition survey is underway. This is crucial to the Association knowing exactly what its future funding requirements will be;

- Our People – the Training and Development plan is in progress;  
IT improvements – [REDACTED]
- Our Communities – due to the pandemic estate walkabouts and tenant involvement has proved challenging but virtual meetings with tenants has taken place.

There ensued discussion on the staffing structure review and timescales for completion; it was noted the IMP target date for completion of this exercise was March 2023. The Chief Executive clarified both the structure review and job evaluation would be completed by the end of August 2021. However the changes to the structure would be implemented incrementally and therefore March 2023 would be the last date for a full implementation.

The change of approach to the IT infrastructure was raised and the rationale for the departure from an interim solution to full implementation of a hosted service provided to the meeting. The Director of Finance and Corporate Services stressed the work undertaken on the interim infrastructure had not been wasted and moving to the full structure was provided for in the budget.

The Board noted the updated IMP.

#### 14.2 Performance Report - Langstane Housing Association Limited

The Board had considered and noted this item and supplementary information on complaints, compliments and customer engagement (Items 14.2.1 – 14.2.3 respectively) which had been available to members in the Board Portal.

#### 14.3 Performance Report - Langstane Property Limited

The Board had considered and noted the report which had been available to members in the Board Portal. The Director of Housing informed the meeting the Langstane Property Limited (LPL) Board had discussed, the report, earlier in the day, [REDACTED]

#### 14.4 Signings Report

The Board noted the report which detailed a summary information in relation to all signings, leases and disposals added to the relevant registers in Quarter 4, 2020-2021 (1 January to 31 March 2021).

#### 14.5 Tender Report

The Board noted the report which detailed new tenders over £50,000 awarded during Quarter 4 as well as updates on key tenders.

#### **15. Quarter 3, 2020-21 Strategic Risk Register**

The Board considered and noted the Quarter 3 Strategic Risk Register which showed all updates in red. The Quarter 4 updates would be presented to the Joint Audit and Governance Committee on 1 June 2021 and the Board thereafter.

#### **16. Covid-19 Update**

The Board considered the update report. The Chief Executive informed the meeting future reports would be reduced in size as the requirement to report on all areas of business will lessen with the easing of restrictions. Items such as the repairs service will be reported as it is likely the number of repairs will increase as the service resumes. Following brief discussion on the return to the office and staff morale the Board noted the report.

#### **17. AOCB**

The Chief Executive reported a recent discussion with the Chair regarding the amount of paperwork presented to the Board had raised the question of whether an additional committee, with a remit to approve policies / strategies and review performance, should be established. If acceptable to the Board, the Chief Executive suggested that given there had recently been changes made to the governance structure she would like some time to discuss this further with the Senior Management Team and thereafter conduct a short survey with the Board.

The Board was reminded when the amount of paperwork had been discussed previously, members had recommended reporting be carried out by exception and members agreed this would still be their preference. In particular reference to policies it was suggested the covering report only, be submitted with the papers.

The Board agreed the matter be delegated to the Chief Executive to present recommendations to a future meeting.

#### **18. Date of Next Meeting**

26 May 2021.

This Minute has been edited to remove commercially sensitive or confidential discussions

