



## THE GLASGOW HOUSING ASSOCIATION LIMITED

### GHA BOARD

#### MINUTE OF MEETING – FRIDAY 31 May 2019

Present: Bernadette Hewitt (Chair), Jo Armstrong, Andrew Clark, Robert Geddes, Professor Paddy Gray, Councillor Kenny McLean, Jean Albert Nietcho and Michael McNamara

In attendance: Martin Armstrong (Group Chief Executive), Anthony Allison (Director of Governance), Steven Henderson (Group Director of Finance), Olga Clayton (Group Director of Housing and Care), Graham Isdale (Group Director of Corporate Affairs), Jennifer Russell (Managing Director, GHA)

#### 1. Apologies for Absence

Apologies were received from Councillor Frank McAveety, Cathy McGrath and Iwona Grazyna Majzuk-Soska.

#### 2. Declarations of Interest

The Board noted the standing declarations of interest.

#### 3. Minute of 29 March 2019 and matters arising

**Decided: The Board approved the minute of 29 March 2019.**

#### 4. GHA Strategy Update

The Board received a summary of the strategic priorities discussed at the recent Board strategy workshop and how our feedback from the workshop will feed into the wider Group strategic planning process.

The Board welcomed the strategy document and agreed it reflected well the discussions at the workshop. In particular, the Board strongly supported the 'whole family' approach and the recognition of the need to work closely with strategic partners and key stakeholders.

The Board reiterated the importance of the tenant focus we have embedded in our strategic priorities. The Board further discussed our future approach to research and development to support driving innovation. It was explained this is an area we will continue to develop, including through engagement with the universities and industry.

The Board discussed how we can engage widely in areas such as housebuilding, particularly as the UK's largest social housing builder. It was explained that this is well underway, exploring areas such as future housing types and construction methods.

The Board discussed how we harness the ability of technology as an enabler to deliver quality services for tenants and reiterated the role of technology as a service enabler.

**Decided: The Board:**

- 1) noted the summary of discussion at the GHA Strategy workshop on 8 March 2019; and**
- 2) considered and provided feedback on the draft summary GHA Strategy 2020-25**

**5. Annual Return on the Charter and year end results delivery plan report 2018/19**

The Board received a summary and analysis of performance against the Charter measures, where we continue to deliver strong performance over the range of measures.

The Board discussed the strong performance base we have developed and in particular welcomed the low levels of staff absence.

The Board discussed the impact the structural issues in our external environment, particularly Universal Credit, will have on our targets in the year ahead. The Board further discussed the value for money indicator and were advised that we have undertaken analysis of the VFM results to understand the underlying drivers and action plans are being implemented in response to the analysis. It was also explained that more widely we are developing insight into tenant value drivers.

The Board discussed how we communicate with tenants, in particular the opportunities offered via multi storey properties. It was explained that this is an active consideration as part of our accommodation and high rise living strategies as well as our wider digital agenda.

The Board discussed the satisfaction with neighbourhoods and the role of the Community Improvement Partnership ("CIP") in supporting continuous improvement in this measure. It was explained that we are revising the CIP related performance measures and that the definition of the measure has changed in recognition of the measure being nonspecific regarding the landlord's locus.

**Decided: The Board:**

- 1) approved the draft Charter results; 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;**
- 2) delegated authority to the Group Director of Housing and Care to sign off the Charter and ESSH submissions on behalf of the Governing Body; and**

**3) approved the targets and projects contained within the 2019/20 Delivery Plan.**

**6. Welfare Reform & Universal Credit update**

The Board received an update on welfare reform and Universal Credit, which continued to present a major challenge for our tenants. In particular, the structural issues in the claim process and how this leads to the accumulation of arrears was highlighted.

The Board discussed the ongoing challenge and the measures we are taking to mitigate, to the extent it is possible, the impact for our tenants. The Board discussed the activities underway such as MySavings and the potential challenge for tenants of Universal Credit being online.

The Board welcomed the engagement with the Citizens Advice Bureau.

The Board welcomed the dedicated resource and workstreams now in place and sought an update on how we will utilise predictive analytics. It was explained that we are seeking, as one example, to identify the types of changes of circumstances which trigger Universal Credit to allow us to engagement and prepare tenants before they arise.

The Board discussed the potential financial implications and provisions in our existing business plan.

**Decided: The Board noted the update on Universal Credit and Welfare Reform and the range of mitigations in place to manage the impact of Welfare Reform on our customers, communities and business.**

**7. Strathclyde (Camphill) Housing Society: Proposed Transfer of Engagements**

The Board received an update on the proposed transfer of engagement and confirmation that there would be no implications for existing tenants.

The Board discussed the due diligence approach that will be undertaken and the importance of this.

**Decided: The GHA Board agreed with the Wheatley Group Board recommendation that GHA pursues a Transfer of Engagements from Strathclyde (Camphill) Housing Society to GHA.**

**8. a) Group Governance Update**

The Board received an update on our succession plan, including proposed changes reflecting feedback from the recent Board appraisal and skills assessment process.

The Board discussed the balance of the Board, including gender, skills and experience and composition.

It was explained that in terms of the review of the recruitment process and Committee structure the intention was to now integrate this into our wider deliberations on the future approach to engagement across the Group.

**Decided: The Board:**

- 1) provided feedback on and approved the GHA skills matrix;
- 2) agreed that we seek authority from the Group RAAG Committee to revise the Board composition to increase the number of Parent Appointees to 3 and seek an appointee with housing delivery skills and experience;
- 3) approved the GHA 3 year succession plan for ratification by the Group RAAG Committee;
- 4) approved the changes to the Intra Group Agreement and delegated authority to any Board member to sign the Intra Group Agreement on behalf of the company;
- 5) delegated authority to the Managing Director to agree the form of the services agreement schedule to the IGA on behalf of the Company;
- 6) ratified the appointments of Councillor Mandy Morgan to the North East Area Committee and appointment of Robert Mooney to the North West Area Committee;
- 7) noted the revised Group Standing Orders, effective immediately;
- 8) authorised Stephen Wright, Deputy Group Company Secretary, to perform the duties of the Company Secretary, effective immediately; and
- 9) agreed to amend our funding arrangements by entering into the amendment letters attached to this report and delegated authority to the Group Chief Executive, Group Director of Finance or Director of Governance to agree and execute the amendment letters and any ancillary documentation.

**b) Development governance and 5-year development programme**

The Board received a report detailing proposals for how we strengthen our governance arrangements in relation to development activity. The Board welcomed the proposals, which reflected their feedback in relation to a desire to strengthen our governance arrangements and reshape their Board's role to being more strategic.

The Board received a detailed presentation setting out the 5 year programme and provided feedback on the proposals.

**Decided: The Board:**

- 1) agreed that our development activity remains within the City of Glasgow;
- 2) agreed the revised approach to development governance, including the remittance of individual project appraisals to the Group Development Committee;
- 3) approved a 5-year development programme, to be reviewed annually and presented to the Board, in conjunction with the business plan; and
- 4) noted the Group Development Committee Terms of Reference.

## **9. a) Development, Project approval: Scaraway Street, Milton**

The Board received a report setting out the detailed project proposals. It was confirmed to the Board that the Chair enacted the Emergency Actions provisions within the Group Standing Orders to purchase the land.

The Board assessed the proposal and in particular supported the location and our ongoing commitment to regeneration in this area.

### **Decided: The Board:**

- 1) approved the outcome of the procurement process for the proposed GHA Scaraway Street, Milton new build project; approved that we enter into a contract with McTaggart Construction Limited for the construction of 49 units of social rented housing at a total construction cost of £8,089,910 and a total development cost of £8,601,803 inclusive of land purchase; and**
- 2) noted that the GHA Board Chair had on 18 April 2019, following the Wheatley Group Board approval on 17 April 2019, approved the acquisition of the portion of the Scaraway Street site from GCC at a price of £51,900.**

## **b) Proposed Disposal of Land at Bowfield Place, G52 4HS**

The Board received a report on a proposed disposal. The Board sought confirmation there was no implications for tenants. This was confirmed to the Board.

### **Decided: The Board:**

- 1) approved the transfer of land at Bowfield Place to Glasgow City Council at nil cost;**
- 2) delegated authority to any Board member, the Group Director of Property and Development or the Director of Governance to give effect to the transaction including execution of the disposition and/or any ancillary documentation required; and**
- 3) consented to Glasgow City Council's proposed redevelopment of Penilee Park.**

## **c) Acquisition of land at Calton Village, Glasgow**

The Board received a report on the proposed land acquisition which represented the first stage in our development plans in the area.

The Board reviewed the proposals, in particular the overage arrangements. The Board were provided with a detailed update on overage methodology.

The Board discussed the likelihood and level of future grant income and the need for any development fund.

**Decided: The Board:**

- 1) agreed that we acquire 2.8Ha of land at Calton Village, Glasgow from Scottish Enterprise at a cost of £380,000 to facilitate the development of 152 units of housing;
- 2) approved the additional cost of £2,500 per unit as overage payment up to a limit of £250,000, facilitating the potential development of up to a further 100 units; and
- 3) agreed that a report on this acquisition be presented to the Wheatley Group Board on 17 June 2019.

**d) New Build Performance Dashboard**

The Board received a detailed update on the delivery of our development programme, including the development cost updates for Provanhall.

The Board considered our contract and cost monitoring arrangements, which it agreed were suitably robust and would be strengthened by the Group Development Committee.

**Decided: The Board noted the contents of the report and approved the amended Provanhall development cost sum of £3,661,013.**

**10. Group Health and Safety Update**

The Board received an update on the implementation of our health and safety policy.

**Decided: The Board noted the contents of this report.**

**11. Update on implementation of the Housing (Scotland) Act 2014**

The Board received an update on the implementation of the Housing (Scotland) Act 2014.

**Decided: The Board noted the content of this report.**

**12. Finance Report**

The Board received an update on financial performance for the year to date and a summary of the regulatory financial returns.

The Board discussed how the financial performance reflects our enforcement of contractual penalties, which it was confirmed was reflected in 'other income'.

The Board discussed areas of under expenditure which it was confirmed related to cyclical related work.

**Decided: The Board:**

- 1) noted the management accounts for the year ended 31 March 2019 and the month to 30 April 2019 at Appendix 1;

- 2) approved the summary sheet and accompanying financial data and projections at Appendix 2 and authorise these to be submitted to the Scottish Housing Regulator and delegate authority to the Group Director of Finance to approve any factual data updates that are required in advance of the submission; and
- 3) approved the loan portfolio submission in Appendix 3 and authorised this to be submitted to the Scottish Housing Regulator and delegated authority to the Group Director of Finance to approve any factual data updates that are required in advance of the submission.

### 13. GHA Corporate Risk Register

The Board discussed the risk register and the mitigations we have in place in respect of cyber security. It was confirmed that we have insurance in place.

**Decided: The Board agreed and approved the revised Corporate Risk Register to confirm it appropriately captures the current corporate risks.**

### 14. AOCB

There was no other competent business.

Signed ..... Date .....  
(Chair)