



MINUTES OF BRIDGEWATER HOUSING ASSOCIATION

BOARD MEETING

Venue: Virtually via Zoom

Date: 26th May 2021

Time: 5.30pm

Present:

Alastair Morris Chair, Heather Stirling Secretary, Angela Westrop Board Member, Frank Bradley Board Member, Rab McNally Board Member, Suzanne Austin Board Member and Steven Webster Board Member and Denise Webster Board Member

In attendance:

Ian McLean Chief Executive, Angie Kennedy Head of Finance, Gary Stapleton Technical Services Manager, Scott Currie Corporate Services Manager (part), Lesley Carr Minute Secretary.

Alastair Berwick, Aquila Treasury and Finance Solutions (ATFS) – (part)

Item	Details	Action
1.	Welcome and Chairs remarks	
	The Chair welcomed everyone to the meeting and confirmed that members had received their papers on time. The Chair agreed that the Chief Executive manage the meeting on his behalf.	
2.	Apologies	
	Apologies were received from Ken McIntosh, John Paterson, Craig McGarry and Aileen Naismith	
3.	Declarations of Interest	
	Members were invited to declare any interest in any of the items on the agenda, in terms of the Association’s published policy.	
	There were no declarations made by those present.	
4.	Minute of the Board Meeting held on 31st March 2021	
	Members were invited to consider the minute of the Board Meeting of 31 st March 21.	
	Members approved the minutes as a correct record of the meeting as PROPOSED by Rab McNally and SECONDED by Angela Westrop.	
MATTERS ARISING		

5.	There were no matters arising from the previous meeting.	
6.	Loan Portfolio Review - Alastair Berwick, Aquila Treasury and Finance Solutions (ATFS)	
	<p>Alastair explained to those present that ATFS have been appointed to provide the Board with an overview of the Association’s existing funding arrangements and to consider a Treasury Management Strategy.</p> <p>The latest approved Budget covering the financial year 2021-22 highlights that no additional funding will be required in the short-term as Bridgewater does not plan to make any property purchase within the next financial year. Any revenue expenditure or capital spend will be met from existing cash resources. As part of the review ATFS will also consider the structure of the existing loan facilities and its suitability for the future growth of Bridgewater.</p> <p>Alastair went on to highlight some of the main points contained within the report and recommended a further review of the financial plan in order to incorporate any projected capital spend on EESH and EESH2. It was also suggested that the Board consider, as part of a Treasury Management Strategy, to put in place an element of fixed rate loans in line with the Treasury Management Policy parameters and the financial projections of the latest business plan and recommend that consideration is given to putting in place a 3 or 5 year fixed rate loan for the Nationwide loan 1 of circa £4.2m. This would mitigate against any possible future interest rate rises on approximately 67% of Nationwide Loans.</p> <p>Alastair updated the Bridgewater has a significant amount of charged security, well in excess of the minimum asset cover test required by the Nationwide and if the Association has no immediate plans to borrow additional monies from the Nationwide then it would be recommended to consider the release of some of this excess security, this would provide the Association with additional unencumbered properties to use as security for potential future borrowings for other lenders.</p> <p>The Head of Finance will contact the Nationwide to ascertain its proposals for the LIBOR transition process and allow Bridgewater to consider the options available ahead of the 31st December deadline.</p>	
Treasury Management Presentation by Alastair Berwick		
	<p>Alastair provide those present with an Introduction to Treasury Management and details of what the Regulator expectations are.</p> <p>Following the presentation, Alastair asked if anyone had any questions. The CE said that since there were no questions from those present it was evident that the Board are more knowledgeable about Treasury Management than they thought. The CE thanked Alastair for attending the meeting agreed that the presentation contained good information. This information has been used to produce the Treasury Management Policy. There is a requirement for additional polices to be produced and the Head of Finance will start work on these. The HOF will also look at introducing a separate Treasury Management Report to be presented to the Board.</p> <p>A member said that she was aware that the CIPFA code is due to be updated and part of this includes the requirement for Board Members to be provided with Treasury Management Training. The CE explained that this will be recorded as Treasury Management training for Board and Staff Members who attended this meeting.</p>	

	Alastair said that if anyone has any further questions these can be directed to him through the Head of Finance.	
MATTERS FOR APPROVAL		
7.	New Treasury Management Policy	
	<p>Members were invited to consider the New Treasury Management Policy prepared by the Alastair Berwick ATFS, the purpose of which was to set out the Treasury Management Policy Statement of the Association together with the Treasury Management Practices and Procedures it adopts and operates.</p> <p>The Association recognises that it is exposed to risk from a wide range of factors and these risks can impact on the achievement of the Associations business objectives. The Association undertakes risk mapping to identify and quantify these risks and has established and maintains systems and procedures to manage, monitor and limit the impact of all such risks.</p> <p>The Policies referred to within this document are derived from the latest CIPFA Treasury management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes 2017 (“the Code”). The Association will also ensure that of its Treasury Management activities comply with its statutory powers and regulatory requirement including the SHR Charter Standards.</p>	
7.1	Members APPROVED the Treasury Management Policy.	
	Alastair Berwick left the meeting at this point.	
8.	Annual Return of the Charter	
	<p>Members were invited to consider a report by the Chief Executive, the purpose of which was to provide the Board with the 2020/21 ARC submission to the Regulator and to seek approval for its submission.</p> <p>Members are aware that the Annual Return on the Charter is required to be submitted to the Scottish Housing Regulator by 31st May 2021. The return is appended to this report.</p> <p>The Chief Executive reported that the performance figures reported in the ARC are not as good as they normally would be, this is mainly due to the restrictions placed on us during the Pandemic. This should not come as a surprise to members as our quarterly performance figures which have been presented to the Scrutiny Committee reflect this. The CE added that the Leadership Team have included context where possible within the ARC to provide explanations for the variations in figures.</p> <p>The Leadership Team are confirming that they have, as far as possible, checked their input and that the figures are correct. The CE has reviewed the submission and following some amendments is also confirming that as far as possible the figures are correct. Board Members are required to be assured that the information is as accurate as possible.</p> <p>The Associations Internal Auditors will review the submission, together with the evidence available during the first week following the submission date. This will be carried out remotely. Any recommended changes will be communicated to the Regulator and to members of the Board.</p>	

<p>8.1</p> <p>8.2</p> <p>8.3</p>	<p>Members APPROVED the 2021 ARC for submission to the SHR Portal</p> <p>INSTRUCTED the Chief Executive to intimate any necessary changes to the SHR following the Internal Audit and</p> <p>INSTRUCTED the Chief Executive to arrange the Internal Audit report to be considered at the next available Audit and Risk Committee.</p>	
<p>9.</p>	<p>Stress Management Policy Review</p>	
	<p>Members were invited to consider the review of the Stress Management Policy, prepared by the Corporate Services Manager, the purpose this Policy is to show that the Association is committed to reducing and where possible eliminating stress for its employees. The CSM explained that although stress itself is not an illness, it can be a contributory factor in many conditions and can cause both physical and mental illnesses. Stress can also result in poor mental health of employees even if the effects are not severe enough to result in a medical diagnosis. Bridgewater recognises the need to promote a culture of good mental and physical health under the requirements of the Health and Safety at Work Act 1974.</p> <p>There have been no issues with the current Policy, the CSM explained that the only difference is the questionnaire as he has decided to incorporate the current version as he thought it was more appropriate than the one provided by EVH in their model document.</p> <p>The review of this Policy allows it to be updated in line with relevant legislation.</p> <p>Members are requested to approve the changes as outlined by the CSM.</p>	
<p>9.1</p>	<p>Members APPROVED the revised Policy.</p>	
<p>10.</p>	<p>Care & Repair update report</p>	
	<p>Members were invited to consider a report by the CSM, the purpose of which was to update the Board on the progress of the current Care & Repair Contracts and other relevant Care and Repair Team issues.</p> <p>The Corporate Service Manager provides detailed reports and meets quarterly with Renfrewshire, East Renfrewshire and Inverclyde Councils to monitor contractual progress and performance. The attached quarterly statistical report summarises completions for all services showing the year to date progress against contractual targets. The reports includes statistics form RC and ERC, 6 month contract extension, Novembers to April 2020 and Inverclyde Q4 report 20/21.</p> <p>The CSM reported to Board on 24th February that the Associations had received an offer of an additional 6 month contract from May to October 21 and that he had responded to request that this be increased to 8 or 11 months as this would align with financial year quarters, with a 1% uplift.</p> <p>This was agreed and an 11 month negotiated contract was uploaded to the PCS portal. The CSM submitted the required documents and the contract has now been concluded. This contract and the existing Inverclyde contract will conclude on 31st March 22. Inverclyde have an option for a 2 year extension and the CSM has suggest to RC and ERC that a 3 local authority contract may be an attractive prospect for all parties and he will pursue this option.</p>	

	<p>The CSM updated that Graham Collins, Project Officer is due to retire on 11th June and although the team can cope with current adaptations demand in the short term, a replacement will be required. The PM has spoken to a former Inverclyde Project Officer who may be interested in taking up this post and she has arranged to meet with him along with the CSM to discuss a short term contract. If this candidate is not interested in taking up this position the full recruitment process will take place.</p>	
<p>10.1</p> <p>10.2</p>	<p>Members NOTED the details of the report.</p> <p>APPROVED that the CSM to pursue the recruitment of a Project Officer, either through negotiation of in-line with the Recruitment and Selection Policy, whichever is the more economically advantageous.</p>	
11.	Appointment of new External Auditors	
	<p>Members were invited to consider a report by the Head of Finance, the purpose of which was to provide information regarding the recent tendering exercise for External Audit Services. This report was considered by the Audit and Risk Committee at their meeting on 12th May where the Sub Committee recommended to the Board that we appoint new Auditors at this year's AGM, for the next four years beginning 2021.</p> <p>The Board considered the information contained within the report.</p>	
11.1	<p>Members NOTED the content of the report and APPROVED the recommendation in relation to External Audit Services to the membership at the Annual General Meeting in August 2021 to appoint Alexander Sloan for a period of 4 years.</p>	
12.	Office Refurbishment – to follow – circulated 24.5.20	
	<p>Members were invited to consider a report by the Chief Executive, the purpose of which was to provide members with information concerning work that has been undertaken to redesign the internal space of Bridgewater Office and to seek approval to appoint a design team, outwith the Association's usual procurement processes. The report also seeks additional budget approval to ensure that there are sufficient funds to carry out all the works required. Members should note that the office is leased and not owned by the Association.</p> <p>The Chief Executive explained the background to the proposed office refurbishment and explained that up until now there has been no great urgency for the Association to regularise its lease arrangement with the landlord or to carry out a refurbishment of its office. Although Board has been aware for some time that it would be a good thing to reconfigure the office layout, it nevertheless has worked for some years. However, the pandemic has created an added incentive to re-imagine the office space and to make it a more effective place for staff to work and a more inviting and accommodating place for visitors.</p> <p>The proposed design provided significant flexibility in terms of how many staff can work in the office at any given time. The refurbishment provided innovative use and distribution of the space available, accommodating the current complement of staff but also to remain fully functional if the number of staff attending the office fluctuates e.g. to meet social distancing requirements.</p>	

	<p>The final design was issued to Staff and Board Members in April for consultation and all comments were favourable. Some Board members and some Staff members made minor recommendations, all of which can be accommodated and given the timescales involved authorisation was provided to the Architect to submit a Building Warrant application, it is estimated that this will take three months for the council to consider and make a decision. Consequently, in order for the design work to continue, the CE seeks authority to appoint Grant/Murray to complete the design and provided full architectural services.</p> <p>The CE updated that following completion of the design concept, the QS was asked to cost the design. This resulted in a total cost of £556,000 excluding fees and VAT. Following discussions with the Project Manager, the CE and CSM and the design team budget costs were reduced to £332,000. This is also excluding fees and VAT. Final “real” costs will not be known until the return of tenders.</p> <p>[REDACTED]</p>	
<p>12.1</p> <p>12.2</p> <p>12.3</p> <p>12.4</p> <p>12.5</p> <p>12.6</p> <p>12.7</p>	<p>Members NOTED the content of this report.</p> <p>AGREED to set aside the Association’s Procurement Policy and APPROVED the appointment of Grant/Murray as Architects in respect of the Association’s Office refurbishment.</p> <p>APPROVED an increase to the Associations Budget in respect of the works to [REDACTED] inclusive of fees and VAT.</p> <p>INSTRUCTED the Chief Executive to agree a suitable lease deal and to report back to the Board.</p> <p>INSTRUCTED the Chief Executive to report further on discussions with the Landlord on their proposals for contributing to the refurbishment.</p> <p>INSTRUCTED the Chief Executive to report further on the procurement of a suitably qualified Contractor.</p> <p>INSTRUCTED the Chief Executive to report further on working practices following a return to office work when this is allowed, both as interim measures prior to the refurbishment and more permanent measures following the refurbishment.</p>	
MATTERS FOR CONSIDERATION, COMMENT AND NOTING		
<p>13.</p>	<p>Covid Impact Report – May 2021</p>	
	<p>Members were invited to consider a report by the Chief Executive, the purpose of which was to provide the Board with “end of year” information in relation to the impact of COVID-19 on the Association’s services and on the work of the Association generally. The Board last reviewed the impact of the pandemic on the Association’s services at their meeting on 31st March 2021.</p> <p>Members are also aware that the SHR introduced a monthly monitor return which they require to be submitted to them by 7th of each month, (for the previous month). The Board are copied in to this return and it features as an agenda item at each subsequent Board meeting. All of these returns have been provided within the required timescale. The SHR has recently taken the decision that this return should now be submitted quarterly.</p>	

	<p>The CE explained that this is a continuous report as he believes that it is useful for SHR to keep hearing the full story of the impact of COVID. The CE outlined a few additions to the report but there was nothing which needed to be highlighted.</p> <p>The Chair agreed that this report was very comprehensive and asked whether we have received any applications for Share membership, the CE explained that it had been a difficult year for everyone and it is usually at the tenancy sign-up stage where we would receive share membership applications, however our allocations have been less this year than in previous years.</p>	
13.1	Members NOTED the contents of this report and INSTRUCTED the Chief Executive to provide a copy of the report to the SHR for information.	
MATTERS FOR BRIEFING AND INFORMATION ONLY		
14.	There were no matters for Briefing and information.	
REGULATORY ISSUES		
15.	Notifiable Events	
	There were no new notifiable events for consideration an update on the current live notifiable event was included in the Covid Impact report.	
ADMINISTRATION		
16.	Issues which the Chair has agreed as urgent	
	There were no urgent issues for consideration.	
	<p><u>Staff Recognition</u></p> <p>A member asked if the Board have considered providing staff with a small gift to thank them for their hard work during the year. He updated that his employer had organised to send fruit and vegetable boxes or afternoon teas to their staff and this had been appreciated by the staff involved.</p> <p>The CE agreed to discuss this with the Leadership team at their next meeting and will provide Board with an update.</p> <p>A member suggested that if this is something that we decide to do for staff that we should look at using a local supplier. The OA will investigate local suppliers to see if they would be able to deliver out with the area as well as the costs involved.</p>	
17.	<p>Meeting concluded - 7.15pm</p> <p>Date of next Board meeting – 30th June 2021</p>	

Signed: _____(Chair)