

**Minute of meeting of River Clyde Homes' Board  
held in the Beacon Arts Centre, Greenock on Wednesday 24<sup>th</sup> January  
2018 at 5.30pm**

**Re-Scheduled from 16<sup>th</sup> January 2018**

	<b>Name</b>	<b>Designation</b>
<b>Present</b>	Albert Henderson (AH) Jillian Moffat (JM) Jenny Speck (JeS) Marilyn Beveridge (MB) Elizabeth Grant (EG) Stephen McCabe (SMcC) Graeme Brooks (GB) Tom Ferrier (TF) Sheila Adamson (SA)	Board Member (Chair) Board Member Board Member Board Member Board Member Board Member Board Member Co-optee Co-optee
<b>Apologies</b>	Jim Strang (JS) Chris McEleny (CMcE) Tommy McVey (TMcV) Craig McGinn (CMcG) Lesley McInnes (LMcI)	Board Member Board Member Board Member Board Member Co-optee
<b>Others in Attendance</b>	Kevin Scarlett (KS) Sandra McLeod (SMcL)  Gary Wilson (GW)  Aileen Metcalfe (AM) (up until conclusion of item 4.3) Siobhan O'Kane (SO) Kirsty Anderson (KA)	Chief Executive Executive Director (Customer Services) Executive Director (Property Services) Head of Finance and Legal Services  Minute Taker Scottish Housing Regulator

**1. Sederunt, welcome introduction and apologies**

AH welcomed all and sederunt as outlined above. He reminded the Board that this meeting had been rescheduled due to quorum not being achieved on 16<sup>th</sup> January 2018 as a consequence of the extreme weather.

**2. Declarations of Interest**

AH, JM and GW declared an interest in any matters arising pertaining to RCPM given that they are Directors of the company.

SMcC declared an interest during discussions at item 6.2 below.

**3.1 Minute and Confidential Minute of meeting held on 26<sup>th</sup> September 2017**

**The Board:**

- **Approved the minutes as a true record.**

**3.2 Action Tracker**

Approved 20 March 2018

3.2.1 The Board agreed that all actions on the tracker were completed and could therefore be removed from the tracker.

3.2.2 AH requested an update in respect of action 3 of the Performance and Services Committee action tracker. SO confirmed that progress in relation to the Customer Senate action plans will be presented at Performance & Services Committee meetings going forward.

#### **4.1 Strategic and Business Planning Event (Confidential Item)**

Contained in Confidential Minute.

#### **4.2 New Funding Approval (Confidential Item)**

Contained in Confidential Minute.

#### **4.3 Rent and Charges Setting 2018/19**

4.3.1 KS reminded the Board of its previously agreed rent strategy and that this has been a key feature of the refinancing offers from prospective lenders. In addition there has been the need to include in the business plan allowance for the unforeseen emergency works undertaken during 2017. He further advised that the strategy as agreed is RPI only this year, RPI only next year then CPI only from 2020/21; that the planned 4% rent increase for this year has been confirmed with prospective lenders. Other charges are proposed at an increase to cover costs only.

4.3.2 SMcL provided more detailed information in respect of the proposed warden charge increase. The proposed 35% increase is a consequence of the costs associated with auto-enrolment, cuts in the council's grant support and increased staffing costs. She reminded the Board of the excellent report received from the Care Inspectorate following an inspection of the service and as confirmed on the Forward Plan, a full review of the service will be undertaken during 2018.

4.3.3 AH advised the Board that TMcV had provided a written submission prior to the meeting detailing his comments on the proposed increases. This submission was circulated at the meeting and time provided to read it.

4.3.4 MB had compared current average rents with a number of other housing associations and found that rents for smaller properties tended to be more expensive than others whereas rents for larger properties tended to be cheaper. KS confirmed that this was one of the reasons for the proposal to undertake an externally led review of all rents and charges this year.

4.3.5 SMcC noted the content of TMcV's submission and felt there is always some unpredictability when adopting an RPI only increase rent setting strategy. However given the strategy had been previously agreed by the Board this should be followed. This was supported by AH.

4.3.6 JeS commented that the rent setting strategy to date has delivered significant improvements to homes and services. People are getting more now than ever before for their rent.

- 4.3.7 Board members felt that the wording of the consultation questions needs to be revisited and that they would like an input into these questions going forward.
- 4.3.8 AH then requested for a vote to be held in respect of the first recommendation to increase rents by RPI only (4%) and noted the written disapproval from TMcV. EG also opposed the increase. All others present supported the recommended increase.
- 4.3.9 SA queried whether or not the increase should be restricted to properties that have had investment works. KS confirmed that all our stock was SHQS compliant with the exception of out of management voids. In addition the proposed rent review will consider options to vary rents such as location, age etc.
- 4.3.10 AH noted the generally negative feedback relating to the proposed factoring charge increase from factored owners. GW confirmed that there is a full review of the service currently. In addition systems will be in place shortly to ensure more timely and accurate billing of owners. KS advised that owner dissatisfaction may increase as we start to bill for work more efficiently and accurately.
- 4.3.11 JM queried the proposed warden charge increase; that this was exceptionally high and asked what work has been done with residents to ensure affordability and maintain their ability to pay. SMcL advised the Board of the support her teams will provide to ensure customers can remain in their home. 43% are however self-funders, not in receipt of housing benefit at present. This will be discussed in detail on an individual basis and advice and support given.
- 4.3.12 SMcC advised that whilst he understands the need to cover costs, he is of the view that this increase will have a major impact on a large number of customers with little preparation or advice provided to date to allow them to manage the increase. TF added that there will also be the compounding factor of the 4% rent increase.
- 4.3.13 KS suggested that if the Board could defer a proportion of the warden charge increase pending the review of the service this year. The review could be undertaken with customers in the full knowledge of the need to ensure a fully self-funded service from 2019/20.
- 4.3.14 Board members supported a 10% only increase in warden charges for 2018/19, consistent with the proposed warden charge increase for Bagatelle Court..

#### **The Board:**

- **Approved an increase in rents at RPI only (4%) for 2018/19;**
- **Approved an increase in heating, garages, covered parking, factoring, ground sites and allotments charges at RPI only (4%) for 2018/19;**
- **Approved an increase in the Wardens service charge at our sheltered complexes of 10% for 2018/19, subject to a full older persons review being undertaken and the Board being presented with options to cover the cost going forward;**
- **Approved an increase in the Wardens service charge at Bagatelle Court**

Approved 20 March 2018

of 10% for 2018/19; and

- **Approved an increase in the Caretaking service charge of 4.2% for 18/19.**
- **Noted that a full rent and service charge review will be undertaken during 2018/19.**

### **5.1 DLO Consultation Outcomes**

5.1.1 GW updated the meeting on progress with the recommendations previously approved by the Board in June 2017.

5.1.2 AH noted the impressive changes to date progress has been achieved amicably with staff and trades unions. JM endorsed these comments and noted in particular the positive change in culture.

5.1.3 GW advised that the performance of the DLO has also greatly improved and provided examples in relation to this. This improvement in performance allows the company to plan repairs for the first rather than the previous over dependence on responsive works. Productivity will also improve further as multiskilling becomes the norm and dynamic repair scheduling is implemented.

5.1.4 SMcC enquired as to the practical issues in relation to an externally managed stores function and how this will be procured. GW advised that the stores function will remain in Inverclyde, but significant improvements will be introduced particularly in relation to van stocking. Procurement will be undertaken via Scotland Excel or Procurement for Housing.

5.1.5 In respect of the review of the joinery workshop GW requested further time to consider options. This was supported by all Board members.

#### **The Board:**

- **Approved the adoption of the modernisation proposals following consultation with the trade union and the staff in the DLO as approved by the Board in 20<sup>th</sup> June 2017.**
- **Approved the adoption of the outsourcing of the stores activities to provide a managed stores function following consultation with the trade union and the staff in the DLO as approved by the Board in 20<sup>th</sup> June 2017.**
- **Deferred a decision on approving the extension of a further consultation period of 3 months with the trade union and relevant staff on the proposed outsourcing of the joiner shop activities.**

### **5.2 James Watt Dock Land Disposal and Development Agreement (Confidential Item)**

Contained in Confidential Minute.

### **6.1 Board Training and Development Plan (Confidential Item)**

Contained in Confidential Minute.

### **7.1 Minute and Confidential Minute of Audit and Finance Committee meeting**

Approved 20 March 2018

**on 12<sup>th</sup> December 2017**

**The Board:**

- **Noted the content of the minute.**

**7.2 Minute and Confidential Minute of Performance & Services Committee meeting on 12<sup>th</sup> December 2017**

**The Board:**

- **Noted the content of the minute.**

## **6.2 Board and Committee Forward Plan**

6.2.1 SO advised that there had been some minor amendments to dates in the plan and presented the Board with an updated version advising that this will be published on to the shared documents section of Virtual Boardroom.

6.2.2 SO also advised that as per requests made during appraisals, we are considering alternative accommodation for Board and Committee meetings.

6.2.3 SMcC declared an interest at this point as he is a Director of the Board for the Beacon Arts Centre.

6.2.4 It was agreed that the Committee meetings in February and the Board meeting in March will take place within the new Broomhill Community Hub and that we would seek to rotate venues going forward.

6.2.5 KS confirmed that this plan will give the Board an indication of agenda items going forward although items may still be removed or added if required.

**The Board:**

- **Noted the Board and Committee Forward Plan**