

Minutes of the Management Board meeting held on Tuesday 26 May 2020 at 6.00pm using ZOOM Video Communications.

Present: Joan McFarlane (Chair)
Tanith Diggory
Jonathan McAllister
Elspeth Kerr
Paul McBride
Margaret Bowie
Helen Eakin
Andrew Loen

In attendance: Pauline Burke, Acting Director
Sharon Flynn, Depute Director (temporary)
Duncan McKnight, Technical Manager
Jackie McGoran, Senior Finance Officer
Stephen Watt, Corporate Services Assistant
David Ampofo, FMD Financial Services

In light of the current coronavirus situation and Government guidelines, Board and staff agreed that the meeting would be via Zoom video communication.

1. Apologies

- 1.1 Apologies were received from D Riddell, T Harvey and S Smyth.
- 1.2 Chair J McFarlane welcomed A Loen to his first Board meeting.

2. Declaration of interest

- 2.1 There were no declarations of interest.

3. Minute of the previous meeting

- 3.1 The minute of the meeting on 14 April 2020 was proposed by E Kerr and seconded by J McAllister. These minutes will be signed at the first available date after lockdown.

Action – S Watt

4. Matters arising

- 4.1 Agenda item 6.6.2: Deputy Director S Flynn informed the Board that the Decree for Eviction was likely to “fall”. This would entail the Co-operative beginning the process once more. The Board were informed that no further rent payments had been received since November 2019.

5. Acting Director’s report

5.1 Management Accounts to March 2020

- 5.1.1 J McGoran presented the Management Accounts to 31 March 2020 highlighting the main variances between actual and budgeted spend
- 5.1.2 The surplus for the year was just over £695k more than budget. J McGoran explained that the main contributory factor to this was the £486K actuarial gain -pension scheme. The budget assumed there would be no gain in the period, however the net pension liability reduced significantly due to more favourable assumptions.
- 5.1.3 The Co-operative continues to maintain a healthy, robust financial position
- 5.1.4 The Board approved the Management Accounts to 31 March 2020.

5.2 Treasury Management report to March 2020

- 5.2.1 D Ampofo presented the Treasury Management report
- 5.2.2 Detail was provided on the amount and status of existing loans; the amount of stock secured against loans; future proposed borrowing; and management of cash available for investment.
- 5.2.3 It was noted there are no loan covenant issues expected at any point based on the long-term projections which cannot be remedied by changing the timing of planned maintenance.
- 5.2.4 The Board approved the Treasury Management report.

5.3 Five-year financial projections for submission to the Scottish Housing Regulator

- 5.3.1 Board were informed that the Five-year Financial Projects Return deadline had been relaxed to 31 July. However, the Co-operative has worked towards the initial deadline 31 May and seek approval for submission of the return to the Regulator.
- 5.3.2 D Ampofo presented the main assumptions used in the five-year financial projections.
- 5.3.3 The projections and ratios demonstrate a positive financial outlook
- 5.3.4 D Ampofo advised that presently, it is uncertain what medium to long-term net impact the current Covid-19 pandemic might mean for the Co-operative, however presented some points to note regarding impact of Covid-19. It was noted that the situation is being monitored continually and a mid-year review of budgets may be required
- 5.3.5 It was recognised that the ratio page was omitted from the Board papers, that no issues had arisen on this page, and that it will be sent out by David following this meeting to our Board members for their consideration.

Action – D Ampofo

- 5.3.6 The Board approved the five-year projections and submission to the Regulator subject to any amendments on viewing the financial ratios.

5.4 Loan portfolio return for submission to the Scottish Housing Regulator

- 5.4.1 D Ampofo presented the draft loan portfolio return highlighting total loan debt as at 31 March 2020 of £2.5918m with all loans due to be repaid between 2020-2042.
- 5.4.2 Board were informed that the Loan Portfolio Return deadline had been relaxed to 31 July. However, the Co-operative has worked towards the initial deadline 31 May and seek approval for submission of the return to the Regulator.

- 5.4.3 The Board approved the loan portfolio return for submission to SHR.

5.5 Findlay's Chartered Accountants – Pre memo audit

- 5.5.1 P Burke presented the external pre-audit programme due to commence on 8 June 2020.
- 5.5.2 The Board approved the pre memo audit.

5.6 Management team report – Covid-19 impact

5.6.1 P Burke presented the management team report to the Board, highlighting the impact which Covid-19 had on the Co-operative and the actions taking to mitigate the impact.

At 7.00pm, M Bowie briefly lost her internet connection and exited the meeting. S Watt exited meeting to call M Bowie.

5.6.2 The Board noted the management update.

5.7 Items identified that require retrospective Board approval

5.7.1 The Board approved the retrospective items.

At 7.10pm, M Bowie and S Watt returned to the meeting.

At 7.10pm, D Ampofo left the meeting.

6. Temporary Depute Director's report

6.1 Annual Return on the Charter (ARC) 2019/20 for submission to the Scottish Housing Regulator

6.1.1 S Flynn presented the ARC report which will be submitted to the Regulator upon Board's approval. It was highlighted the Depute Director would be the person submitting the return and not the Chairperson as noted on the return provided to the Board for approval.

6.1.2 Referring to Appendix 2 – Quinn's ARC verification report – it was recommended that in order to comply with Data Matters, supporting files and reports will be date and time stamped.

6.1.3 The Chairperson wished for it to be recorded that the Board were appreciative of the staff's efforts to get the ARC report complete.

6.1.4 The Board approved the ARC report for 2019/20 for submission to the Regulator on 31 May 2020.

6.2 Maintenance Expenditure Report to 31 March 2020

6.2.1 D McKnight referred the Board to the summary of variations.

6.2.2 The Board noted the maintenance expenditure report.

7. Policy review

7.1 There were no policies for review this month.

8. Governance

8.1 Membership Report

8.1.1 The Board approved Membership applications for prospective members and noted there were no tenancies granted during this month.

8.2 Ethical Conduct and Notifiable Events

8.2.1 The report on notifiable events to the Scottish Housing Regulator was noted by Board.

9. Audit, Risk and Staffing sub-Committee

9.1 Minutes from the meeting on 6 February 2020

9.1.2 The Board noted the minutes from the meeting on 6 February 2020.

9.2 Recommendations from the meeting on 7 May 2020

9.2.1 The Board approved the recommendations from the Audit, Risk and Staffing sub-Committee regarding the Internal Audit Plan 2020/21.

Staff P Burke, S Flynn, D McKnight, J McGoran and S Watt left the meeting at 7.29pm due to confidential business.

Staff P Burke returned to the meeting at 7.40pm

9.2.2 The Board confirmed the extension to the temporary contracts for the Depute Director and Acting Director for a further six months.

10. Any Other Competent Business

10.1 There were no items under AOCB

11. Date of next meeting

11.1 The next meeting will take place on Tuesday 30 June 2020 at 6.00pm using ZOOM Video Communications.

The meeting closed at 7.45pm.