

Minutes of a board meeting of Castle Rock Edinvar Housing Association Limited t/as Places for People Scotland ('PfPS' or the 'Association') held at 4 pm on Tuesday 29 August 2023 at 1-2 St Andrew Square, Edinburgh, EH2 2BD and via Microsoft Teams

Present: Pamela Scott (Chair)
Janet Hamblin
Moira Sibbald
Euan Campbell
Kenny Fraser
Katie Smart (Director, PfPS)
Andrew Winstanley (Chief Financial Officer)

In Attendance: Dan Urmston (Finance Business Partner - Income)
Kate Alsop (Company Secretary)

Actions

1.0 APOLOGIES

1.1 Apologies had been received from Tavish Scott.

2.0 CHAIR'S INTRODUCTION

2.1 The Chair welcomed all those present in the room in addition to those dialling in from elsewhere.

2.2 The Chair updated board members on work that had started to better align the structure of the meetings for both the parent and its subsidiary with the overall strategy. Working with the chair of PfP Scotland Commercial the agendas would be reviewed which would more than likely change how some information was currently reported but would work with management to agree any changes prior to implementation. Acknowledging feedback received as regards duplication of information and length of papers it was hoped that making these changes would resolve some of those concerns. The consequence of any changes might involve combining meetings, altering the length of meetings and increasing number of attendees but current thinking was likely to evolve as the proposed changes were worked through and the Chair would keep board members updated as matters progressed.

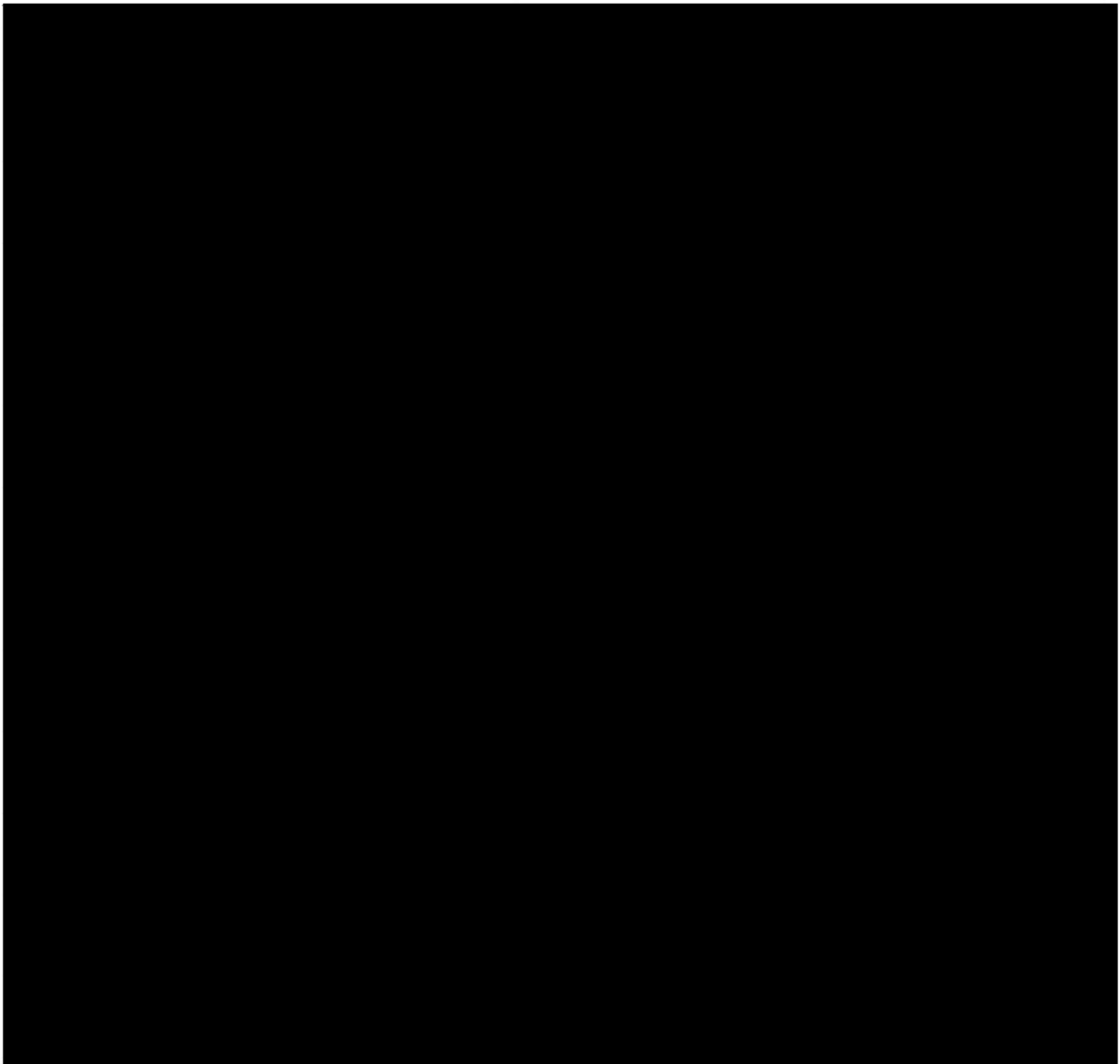
2.3 With regards to upcoming meetings, it was suggested that the PfPS Strategy day, currently scheduled for 4 October should be postponed until after the Group Board's Strategy day and it was proposed that this would follow the PfPS Audit & Risk Committee scheduled for 31 October. It was further proposed that the board's rent discussion on 12 December be moved to 13 December. These dates were **agreed** and outlook invitations would be revised accordingly.

KS/PD

2.4 It was noted that a quorum was present, so the meeting was declared constituted and open.

3.0 DECLARATIONS OF INTERESTS

3.1



3.2

3.3 The Secretary would make arrangements to update the register of interests. There were no further disclosures or updates to existing disclosures of interests.

KA

4.0 MINUTES & ACTIONS ARISING FROM PREVIOUS MEETINGS

4.1 The minutes from the meetings held on 10 May 2023 and 31 May 2023 were approved. In addition, decisions taken by board members by email on 12 July 2023 to dispose of assets, 1f4 37 Bryson Road & 3 Hilltown Terrace, were ratified.

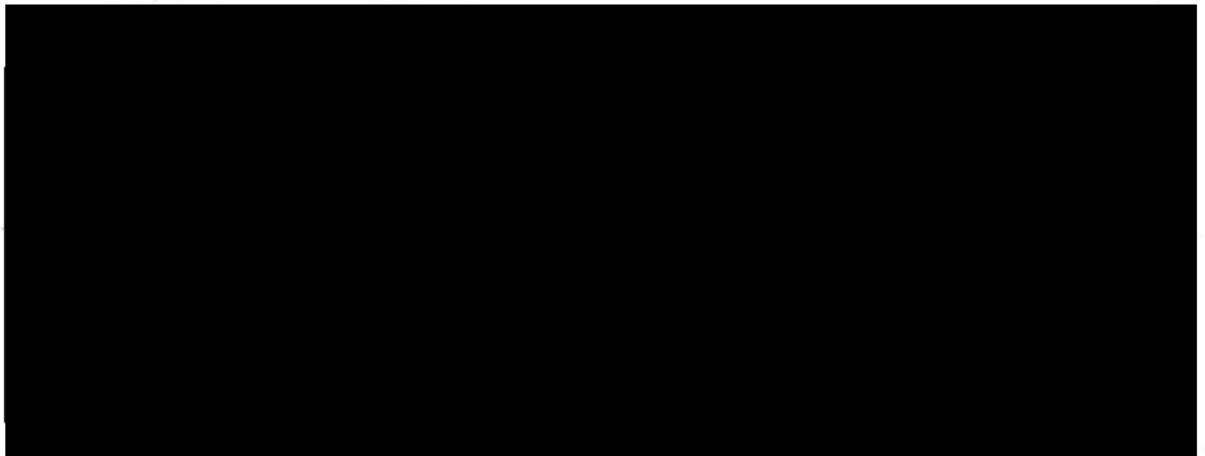
4.2 In respect of minute ref 8.3 (Peffer Street), the structural survey had been received and management needed to mobilise to get the units relet. With regard to action 10.2 (changes in calculating service charges) management was pushing to complete its analysis of the position by September. Board members further commented that the 5:15 reports provided useful weekly operational updates.

4.3 Where deadlines had been reached and relevant action taken, or otherwise covered within the papers, it was **agreed** that these items could be removed from the action list. **KA**

5.0 FEEDBACK FROM ANY GROUP BOARD, SUBSIDIARIES AND COMMITTEES HELD SINCE THE PREVIOUS MEETING

5.1 *Update from Group Board meeting(s)*

5.1.1



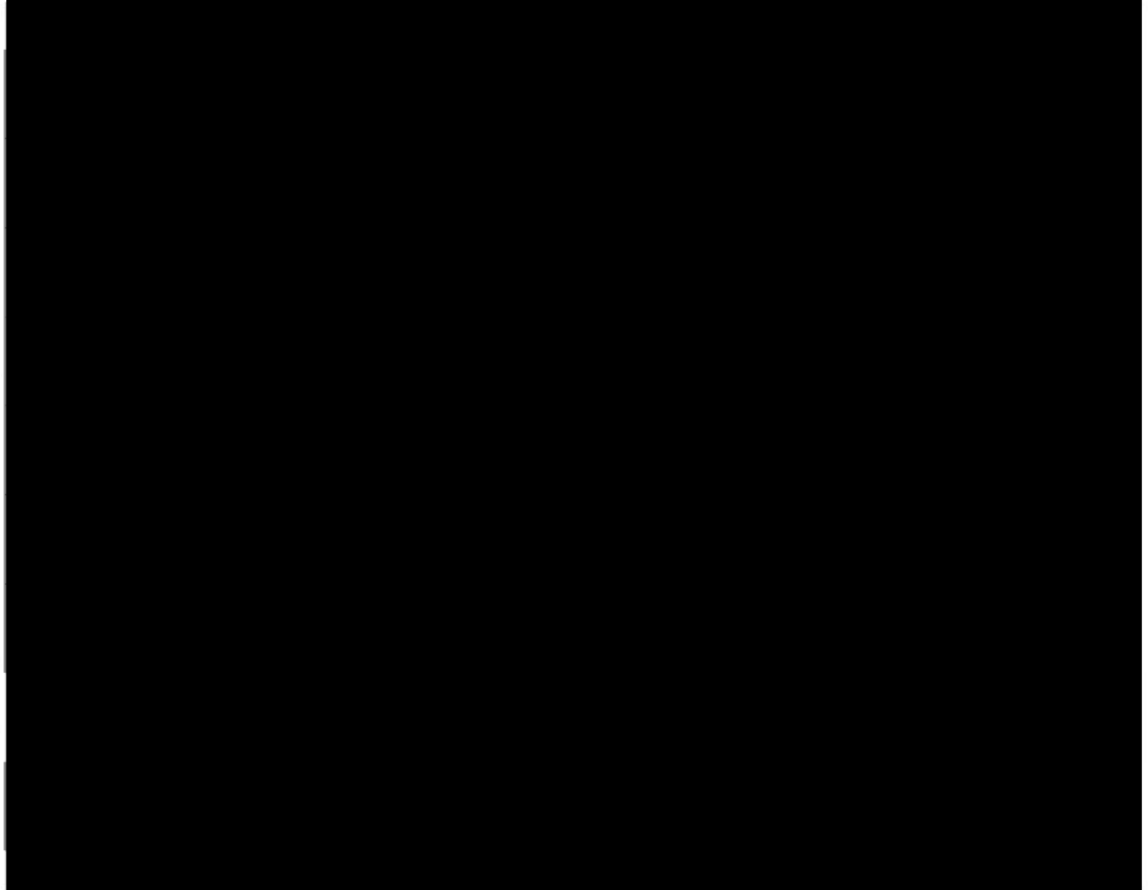
5.2 *Update from PfPS Audit & Risk Committee*

5.2.1 Mr Campbell provided feedback from the most recent Audit & Risk Committee meeting noting that Group's Business Assurance team had provided updates on recent audits noting that nothing of significance had been reported. Committee members had further reviewed the draft financial statements and subject to completing the audit and making final amendments had recommended subsequent approval of the financial statements by the respective boards. Committee members had further queried the higher than expected corporation tax charge within Pfp Scotland Commercial. The Director of Risk had provided an update on the

Group's risk management framework and a separate strategic risk management session had been held immediately following the meeting.

5.3 *Places for People Scotland Limited (t/as PFP Scotland Commercial)*

5.3.1



5.4 *Update from the Joint Development meeting*

5.4.1 Starts on site were going well. Board members were aware of issues at Raploch, Stirling noting that if this site did go ahead, it would move into 2024/25. Three further sites were approved (1) Abernethyn Road, Newmains, North Lanarkshire; (2) Saltscoat Field, Gullane; and (3) Longniddry (Phase 2), the latter having made provision for overage.

6 DIRECTOR'S REPORT (INC Q1 OPERATIONAL UPDATE)

6.1 Regional structures in England were now in place and aligned with those in Scotland.

6.2 During the period there had been two significant fires, one at Peffer Street and the other at Craigievar House which had led to 42 customers being decanted elsewhere. Management had not been able to determine the cause of fire at Peffer Street comprising 12 flats, 10 of which, the residents had been able to move back in. Whilst board members had been pleased with management's immediate response it questioned whether more

needed to be done around fire prevention. A paper was due to be brought to the next meeting on lessons to be learnt from recent experiences allowing board members an opportunity to explore preventative measures.

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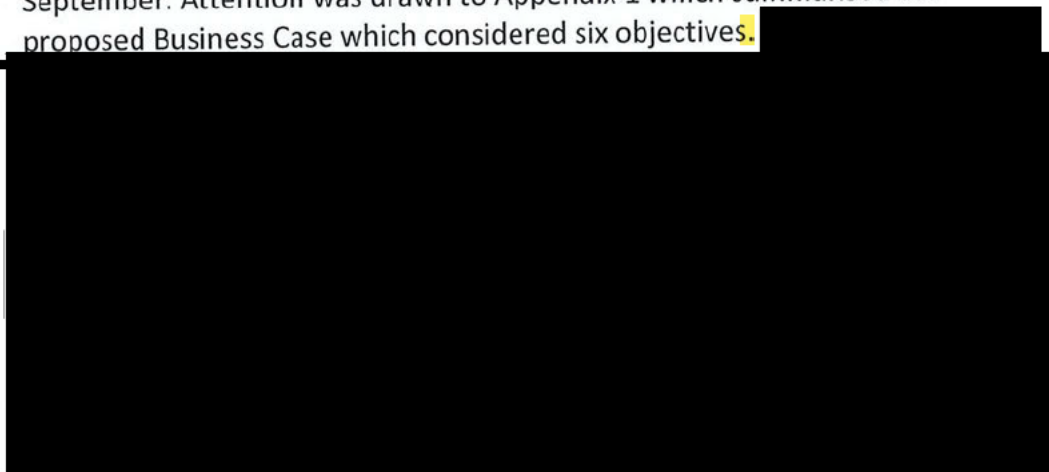
- 6.3 There had been an increase in complaints (some of which related to contractors) and our response rate and concerns over void loss which might be related to Synergy and rollout of new systems. Void loss was particularly high in retirement and over-55 schemes. Board members considered that this gap could be bridged by better marketing in local areas and by explaining that homes offered self-contained independent living.

7 INDIVIDUAL STOCK REVIEW: ASSET DISPOSAL RECOMMENDATION

- 7.1 The report set out the rationale for the disposal of two assets (1 and 7 Hilltown Terrace) due to significant and extensive property condition issues. Board members were reassured that the sale of both properties would only take place once suitable alternative accommodation had been found for its customers. Board members **approved** the disposal of the assets and further noted that the Group's Assets & Investments team was undertaking a further three option appraisals.

8 REIDVALE TRANSFER OF ENGAGEMENTS – BUSINESS CASE APPROVAL

- 8.1 The Managing Director reported that PfPS was now six months into the proposed transfer of engagements of Reidvale Housing Association into PfPS and described activity undertaken to date including holding a ballot and vote of the members to proceed followed by a two-month informal consultation period, drop in and community days.

- 8.2 Presented to this meeting was the proposed Business Case which outlined Reidvale's position, PfPS's current approach and the transfer commitments. The Business Case was supported by a number of appendices that had been included in Background Materials. The Business Case and appendices had been approved by the Group's Executive and subject to receiving approval from board members today would be presented to Reidvale's Management Committee on 30 August and the Group Board at its meeting on 6 September. Attention was drawn to Appendix 1 which summarised the proposed Business Case which considered six objectives.
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9 **FINANCIAL PERFORMANCE REPORT**

9.1 As at 30 June 2023, PBT was £4.2m and in line with budget and was expected to exceed budget as at the financial year end. Board members noted that asset management performance needed to be reviewed. Board members also asked when it was likely to see any returns on the £10m investment made in the MMR Fund and that it would benefit from seeing performance reports. Board members also asked management to explore whether there were opportunities to invest further and how could that be achieved.

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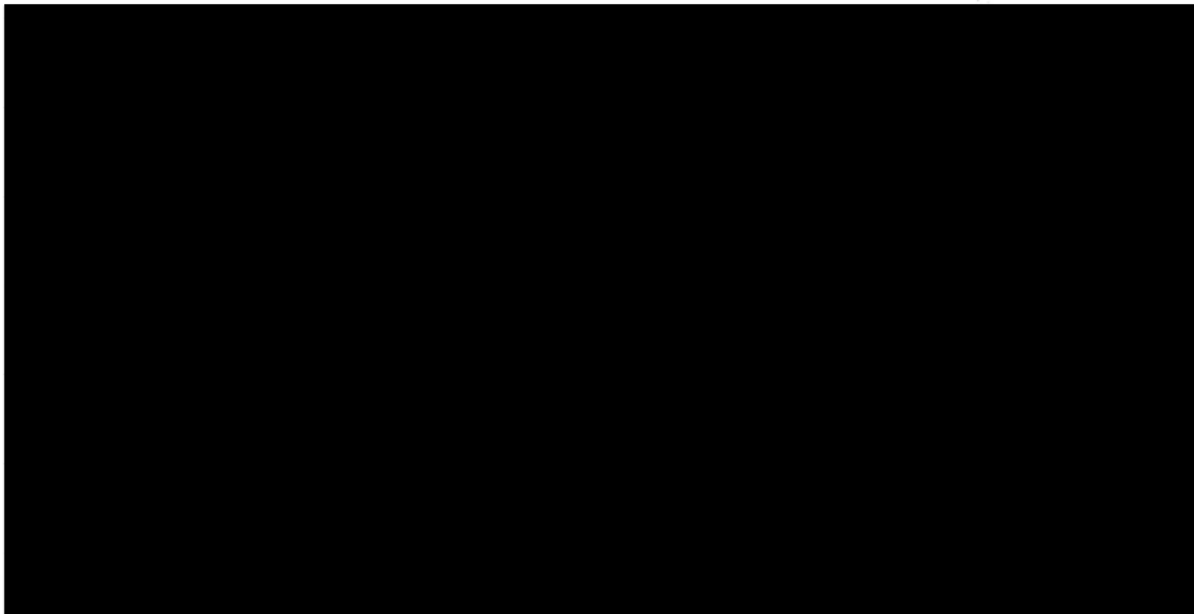
10 **APPROVAL OF FINANCIAL STATEMENTS FY 2022/23 AND MANAGEMENT LETTERS OF REPRESENTATION**

10.1 the financial statements had been reviewed by the PfPS Audit & Risk Committee earlier in the month and recommendations for changes had been made. Board members noted that the audit was now substantially complete and the changes identified by committee members, addressed in the financial statements now presented to the meeting for approval. The Group Company Secretary commented that just prior to this meeting commencing a further letter of representation and appendix had been received from Group Finance and it was **agreed** that this would be circulated to board members following the meeting with confirmation that all changes identified by board members during their initial review had been accounted for. Subject to this, board members **approved** the financial statements and supporting letter of representation in respect of the financial year ending 31 March 2023.

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10.2





11 APPROVAL OF SHR'S ANNUAL ASSURANCE STATEMENT

11.1 The Managing Director reminded board members that the statement presented to the meeting was reviewed by the PfPS Audit & Risk Committee at its meeting earlier in the month. The statement provided assurance that all regulatory requirements set out in the regulatory framework had been met. The PfPS Audit & Risk Committee had requested that evidence as regards the measures being taken in respect of damp and mould be included and subject to this recommended that the statement be presented to the PfPS board for approval. Having satisfied itself that this evidence had been included, the board **approved** the annual assurance statement and authorised the Chair to sign it on behalf of the board.

KS/AW

12 UPDATE ON DAMP AND MOULD

12.1 Given the high profile these issues continued to receive within the sector a further update had been provided by the Group's Chief Investment Officer. Board members welcomed the report and requested that a one-page update be provided to quarterly meetings for the remainder of this financial year and thereafter, bi-annual reports would be sufficient (August & February). Board members also asked whether damp and mould issues had impacted building standards and affected newer stock and management **agreed** to take away as an action.

KS/TW

13 PFP SCOTLAND BOARD EVALUATION RESULTS

13.1 The Group Company Secretary presented a paper that addressed results from the recent board evaluation exercise and drew board members attention to the recommendations made on page 185 of the board pack, some of which were being addressed such as improvements to risk management reporting. The chair of PFP Scotland Commercial suggested that it would be helpful if a similar but separate exercise be undertaken on

behalf of that board and board members also agreed that the exercise should apply to any committees and the Group Company Secretary agreed that provision would be made for this during the review of the 2023/24 financial year. Having reviewed the results, board members were satisfied that the board had operated effectively during the 2022/23 financial year.

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14 STANDING ITEMS REPORT

14.1 The report on standing items was reviewed and the list of documents signed under witness since the previous meeting including a number of dispositions, noted.

14.2 Annual General Meeting (AGM) – Board members noted that the Association’s AGM was due to be held on 27 September 2023. Having been appointed to the board since the previous AGM, approval was **sought and received** to admit Euan Campbell and Kenny Fraser as community members and the Group Company Secretary would arrange to update the register of members accordingly and issue notice of the Association’s AGM to its members.

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14.3 Membership Policy – Board members were reminded that when the Group’s Governance & Secretariat team took over the Association’s governance records it was unable to locate a membership policy. The Legal Affairs Director had drafted a policy which was appended to the paper. The policy largely reflected the Rules but extracts from the Rules dealing with admission and termination would be appended to the membership policy for additional transparency. Board members **approved** the membership policy in its current form.

15 ANY OTHER BUSINESS

15.1 There was no other business.

*Approved
Runeel Scott*

16 DATE OF NEXT MEETINGS(S)

16.1 15 September 2023 – (Reidvale...next steps).
27 September 2023 – (AGM).
31 October 2023 – (Strategy).
8 November 2023 – (scheduled board meeting).