



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 Wednesday 13 December 2023 at 1-2 St Andrew Square, Edinburgh, EH2 2BD and via Microsoft Teams

Present: Pamela Scott (Chair - PS)
 Janet Hamblin (JH)
 Moira Sibbald (MS)
 Euan Campbell (EC)
 Katie Smart (Director, PfPDS - KS)
 Andrew Winstanley (Chief Financial Officer - AW)

In Attendance: Steve Ashton (Group Partnership Director – PA)
 Paula Goodacre (Director of Finance and Bus Improvement Homes Plus - PG)
 Jeannie Raine (Contract Delivery Manager – JR)
 Neil Ross (Developments Director – NR)
 Dan Urmston (Finance Business Partner, Income - DU)
 *Kate Alsop (Group Company Secretary - KA)
 *Marion Ameresekere (Deputy Group Company Secretary - MA)

		Actions
1.0	APOLOGIES	
1.1	Apologies for absence were received from Kenny Fraser.	
2.0	CHAIR'S INTRODUCTION	
2.1	It was noted that a quorum was present, so the meeting was declared constituted and open.	
2.2	The Chair welcomed all those present in the room in addition to those dialling in from elsewhere.	
2.3	The Chair informed that this was a meeting additional to the scheduled ones to consider a proposal for an increase in rent following a review, an	

*Via Teams

	update on the Transfer of Engagement with Reidvale Housing Association, and also approval for an asset disposal.	
3.0	DECLARATIONS OF INTERESTS	
3.1	There were no new disclosures or updates to existing disclosures of interests.	
4.0	MINUTES & ACTIONS ARISING FROM PREVIOUS MEETINGS	
4.1	The minutes from the meeting held on 8 November 2023 were approved subject to certain amendments to 6.10 and 6.11.	KA
4.3	The actions from previous meetings were reviewed. Where deadlines had been reached and the relevant action taken, or otherwise covered within the papers, it was agreed that these items could be removed from the action list.	
4.4	The completed actions were indicated in the schedule and were closed.	
4.5	The directors considered the requirement by the Scottish Housing Regulator (SHR) for minutes of meetings to be published in the public domain. Together with the Regulation team, KS had reviewed the minutes for 2023 and was comfortable with the proposed redacted minutes. KS agreed to circulate the redacted versions of the 2023 minutes to Board for them to approve (via email) for publication on the PfPS website.	KS
5.0	FEEDBACK FROM GROUP BOARD MEETINGS	
5.1	<i>PfPS Group (Group) Board meetings since last meeting</i>	
5.1.1	AW provided a verbal update on the merger with Origin Housing Association and banking arrangements being simplified for a smooth transition. [REDACTED]	
6	RENT REVIEW AND ANNUAL INCREASE	
6.1	The report on the annual rent increase including the feedback summary on the Rent Consultation survey 2024/25 in the appendices was taken as read. KS commented on the key points including the feedback received on the consultation. PfPS had undertaken the consultation earlier than its Peers on 4 key questions including value for money (VFM) and the	

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	<p>response rate of 12% had been better than previous years albeit still low. The consultation had been conducted by email, telephone, and face to face over a period of 4 weeks together with drop-in sessions.</p>	
6.2	<p>KS commented that the greatest number of complaints received related to repairs (service and repairs delivery) and the scale of investment was in line with complaints received by Peers. More investment was planned to address these issues. KS stated that the majority of the respondees did not agree with the flexible approach to rent increases (70%) and had asked for greater transparency in the allocation of rents.</p>	
6.3	<p>In response to a question from the Board, KS commented that a customer survey was done every three years.</p>	
6.4	<p>KS outlined some challenges in recruitment especially in the trades sector and salary increases had been applied to ensure comparability within the sector.</p>	
6.5	<p>In relation to the business plan, KS commented that it had been aligned with Homes and the plan for the rest of England. In Scotland, an in-house team with a dedicated housing manager had been installed to deal with anti-social behaviour cases. [REDACTED] A million pounds had been budgeted for a customer hardship fund. There had not been any scaling back on capital investments. Service costs would be apportioned by customer from January 2024 and they would be advised in February 2024 and confirmed compliance with the required statutory notice period of 28 days.</p>	
6.6	<p>KS outlined the changes to the Rent and Service Charge policy including the proposed discounts to certain customers based on the EPC levels. The draft business plan showed service charge gaps which would be addressed over a period of 4 years. PfPS would also provide subsidies to some customers and KS commented that there was some level of support from the residents for this policy.</p>	
6.7	<p>The Housing Officer was reviewing the charges so that costs could be apportioned and advice notice will be sent to customers in February 2024 as mentioned in 6.5. KS agreed to circulate the Rent and Service charge advice letter to the Board.</p>	KS
6.8	<p>In answer to a question from a director regarding the consultation on affordability, KS commented that an analysis of the service charges had been done to determine the services being provided. The directors discussed the increase noting that it was significant at circa. GBP10/- per week, GBP70/- per month extra including the rent increase. PG advised</p>	

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	<p>that a VFM exercise on services was being conducted to understand costs and to determine if reductions could be made over time.</p>	
6.9	<p>KS informed that a head of landscape had been appointed with a view to bringing landscaping and cleaning in-house to reduce costs.</p> <p>The Board asked if there was a breakdown of housing benefit claimants and self-payers. KS commented that the increase would be equally applied to all type of rent payers so self-payers are more likely to feel the increase more than those on benefits so may be more vulnerable to hardship.</p>	
6.10	<p>PG outlined the 3 options for rent increases in 2024/25 and confirmed that the proposal was the same in England.</p> <p>The affordability cap target is set at 30%.</p> <p>Option 1, Full increase was recommended as it would support investment and planned initiatives and for a hardship fund to be created and be aimed at those most vulnerable to the increase. PG commented that inflation had fallen compared to previous years [REDACTED]</p> <p>The Board noted that whilst the Government pay rises were 7.3%, the tenants were likely to get around 5%. KS advised that advice letters would be sent out later than usual and will include the service charge. The Board after further discussion, commented that it was in general supportive of the Rent and Service charge increases albeit it being at the higher end of spectrum could cause genuine hardship to certain customers who would find the increases unaffordable. PG re-confirmed that hardship fund support would be targeted at the most vulnerable customers and KS took an action to provide an update of the affordability changes at the Q2 Board Meeting so the Board can see any variances in affordability and where support should be diverted and targeted.</p> <p>A report on the functionality of the Homes+ app at the next meeting including enhancements like the impact of rent increases on customers.</p>	KS
6.11	<p>KS asked the Board to consider and if thought appropriate to approve the proposed regulated rent increase of a maximum of 7.7%, and the implementation of the new rent and service policy with a 3 year phased introduction of service costs that were separately chargeable. KS explained that the Scottish mid-market rent would be increased by the maximum once the Scottish Regulator had been notified.</p> <p>Following due consideration, the Board approved the increase of a maximum of 7.7% on all regulated rents in Scotland and the implementation of the Rent and Service charge policy.</p>	

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6.12	Following further discussion on the rent and service charge increases, the Board requested that a report of any changes or new legislation on rent capping for the MMR stock be provided to the Board.	KS
7	REIDVALE HOUSING ASSOCIATION TRANSFER OF ENGAGEMENT (ToE) – BALLOT UPDATE AND FACTOR REGISTRATION	
7.1	KS reported on the status of the Reidvale ToE. KS commented that the stage 2 ballot notices (Stage 2, Pre-Ballot, and Final Vote and Ballot) had been issued on the due dates outlined in the paper. The voting would take place by a mixture of ballot boxes, postal, phone, and online voting. A ballot campaign had been delivered by leafletting by Reidvale representatives. The requirement to proceed with the ToE was a majority vote [REDACTED]	
7.2	The Board discussed the implications of both ‘yes’ and ‘no’ votes , the risks of the ‘No Campaign’ gaining support, and the way forward if the majority result was ‘no’. It was noted that a daily update of voting would be provided by Civica albeit not the results. The final results will be received at the close of business today and a verbal to the Board would follow.	
7.3	SA commented on the SGM process following the results of the Tenant vote and outlined the key commitments by PfPS. KS commented that the Project team was working on the basis of a successful SGM vote and briefly summarised the integration and Go-Live preparation as outlined in the paper including TUPE and Pension arrangements. There was a discussion on the SGM proceedings and SA commented that the SGM voting was not mandated to follow the tenant vote and the outcome could very well be different in which case the Regulator might intervene.	
7.4	[REDACTED]	
8	ASSET DISPOSAL OF 28 GLEN ROAD, DEANS, LIVINGSTONE	
8.1	KS presented a proposal for the disposal of 28 Glen Road, Deans, Livingston (Glen Road). KS outlined the reasons for disposal including that	

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	the asset sat outside the approved PfPS strategy due to location and property type. KS commented on the impact of the sale of the asset and the expected proceeds. Following due consideration, the Board approved the disposal of Glen Road.	
	<i>PG left the meeting.</i>	
9	ANY OTHER BUSINESS	
9.1	PS provided an update on the non-executive director recruitment. 5 applicants had been interviewed and 2 shortlisted based on their suitability, experience and skills and they potentially would be offered the role. Approval to be sought from Group NomGov. Once recruited, PS requested that they be invited as observers to the next meetings pending their formal appointment and registration on Companies house.	
9.2	There was a discussion on the upcoming meeting and agendas. The Group strategy day and a deep dive into the business plan was set for 20 February 2024 in Newcastle. The Big Colleague survey outcomes and feedback was due on 12 March 2024.	
9.3	There was no other business.	
13	DATE(S) OF NEXT MEETING(S)	
13.1	7 February 2024 – (scheduled board meeting)	