



West Lothian Housing Partnership (SC188968)

MINUTE OF A MEETING OF THE BOARD OF DIRECTORS

Date: 5 February 2020
Time: 2.00pm
Venue: 64 North Bridge Street, Bathgate, EH48 4PP

Chair: John Hill

Present: Lesley-Anne Williams
Judith MacGlashan
Lesley Bloomer
Mairi Martin
Bryan Sheriff

In attendance: Anthony Allison, Director of Governance
Alex Lamb, Head of Housing
Morgan Kingston, Finance Manager
Moray Nichol, Governance and Secretariat Manager
Stephen Devine, Director of Lowther and Business Growth (in part, item 7)
David Fletcher, Director of Development (in part, item 9 and 10)
Elspeth Lang, Development Manager (in part, item 9 and 10)
Brian Stewart, Director of Investments, Repairs, Compliance (in part, item 11)
Mark Nicol, Group Protection and Strategic Partnership Lead (in part, item 12)

1. Apologies for Absence

Apologies for absence were received from Fiona Burden.

2. Declarations of Interest

The Board noted the standing declarations of interest.

3. Minutes of Board Meeting held on 20 November 2019, action points and matters arising

Decided: The Board approved the minute of the meeting held on 20 November 2019.

4. Chair's Update (verbal)

The Chair advised the Board that Bill Yeoman has taken the decision to step down from the Board and provided an update on further progress with recruitment. The Chair confirmed the date of the forthcoming Governing Our Group event.

5. Rent and others charges 2020/21

The Board received a report on feedback from our consultation on the 2020/21 rent and service charge increase and a presentation on our analysis of the level of rent and service charges as a percentage of household income, based on the Scottish Federation of Housing Associations (SFHA) affordability toolkit.

The Board discussed the affordability of rents for our tenants, how rents compare with other Registered Social Landlords and feedback from tenants on our rent increase proposals.

Decided: The Board:

- 1) Considered the feedback received through the extensive consultation process with tenants on our 2020/21 rent increase;**
- 2) Approved a 3.4% rent and service charge increase for 2020/21 and that we formally write to tenants to confirm this; and**
- 3) Approved the proposal to change the date on which the rent increase is applied.**

6. Financial Projections 2020/21

The Board received an update on projections for investment in assets and services over the five-year period to 2025, in support of our strategic ambitions.

The Board discussed in particular our capital investment programme and planned maintenance costs associated with our cyclical maintenance programme. The Board discussed the new build funding profile, in particular the EBITDA MRI interest cover ratio, and sought assurance that cash flow is sufficient to service intra-group debt across the 5-year programme.

The Board considered the sensitivity analysis undertaken to show the potential impact of key risk factors on our business plan and discussed key assumptions including the level of rent arrears relating to the impact of Universal Credit.

Decided: The Board:

- 1) Approved the updated financial projections for investment in assets and services over the five-year period to 2025; and**
- 2) Agreed that the projected 2020/21 figures form the basis of next year's annual budget which will be presented to the Board for final approval in March.**

7. Update on proposed transfer of housing stock from Barony

The Board received an update on the proposed transfer of Barony's housing stock to WLHP and discussed the conclusions of due diligence undertaken. It was confirmed that the proposed transfer of Barony's housing stock to WLHP is progressing to plan and we are now working to conclude the transfer, taking account of the interdependencies with the wider restructuring involving Barony's care activities and properties that are not transferring to WLHP.

Decided: The Board:

- 1) Noted progress in developing the transfer of Barony's housing stock including the positive result of the tenant ballot and findings from due diligence;**
- 2) Agreed, subject to there being no material changes, the draft transfer agreement at Appendix 4; and**
- 3) Delegated authority to any Board member, the Group Chief Executive, Group Director of Finance, Director of Treasury or Group Company Secretary to execute such documents as are required to give effect to the transactions and complete required filings with Companies House.**

8. Inspiring Ambition, Unleashing Potential: Our Strategy 2020-25

The Board received the West Lothian Housing Partnership strategy 2020-2025 following the approval of the Group strategy in October 2019 by the Wheatley Group Board.

The Board discussed in particular our management of the transition of Barony tenants and housing stock to WLHP, our focus on the environmental services and working with partners to alleviate homelessness.

The Board reflected on the themes of the strategy and proposed a greater emphasis is placed on our ambitions in relation to health, wellbeing and the environment.

The Board discussed the setting of performance targets, specifically in the relation to the time to re-let properties and the percentage of properties allocated to homeless applicants. It was confirmed that a new performance framework is being developed and will be brought back to Board.

Decided: The Board approved the summary West Lothian Housing Partnership Strategy 2020-2025: Inspiring Ambition, Unleashing Potential.

9. [redacted].

10. Five Year Development Programme

The Board received a presentation and report on the five-year development programme. The Board discussed in particular the key risk that we do not identify a pipeline of development opportunities to realise our assumed development programme.

Decided: The Board:

- 1) Approved the WLHP five-year development programme as summarised in this report; and**
- 2) Noted that the five-year development programme will be reviewed annually and presented for approval to the Board, in conjunction with the presentation of the Group Business Plan.**

11. Core Investment Programme 2019/20 Update

The Board received an update on the progress of West Lothian Housing Partnership's Core Investment programme for 2019/20. The Board discussed our approach to communicating with tenants the type of work included in the programme and when it is likely to commence. The Board requested more detail on the programme during the forthcoming year be reported to Board. It was confirmed a five-year core investment programme will be brought to the next meeting for the Board to consider.

Decided: The WLHP Board noted this report and our continuing commitment to deliver our 5-year investment programme by 2020.

12. Fire Safety update (presentation)

The Board received an update on our approach to fire safety.

13. Finance Report for the period to 31 December 2019

The Board received an overview of the Finance report for the period to 31 December 2019.

Decided: The Board:

- 1) Noted the management accounts for the period to 31 December 2019 at Appendix 1; and**
- 2) Approved the intra-group facility agreement and delegated authority to the Chair, any Board member, Group Chief Executive, Group Director of Finance, Director of Treasury or Group Company Secretary to execute.**

14. Housing Performance 2019/20 - Quarter 3

The Board received a report of progress on the Delivery Plan Measures and Projects for Quarter 3.

Decided: The Board noted the content of this report and the actions highlighted within it to maintain and improve performance.

15. Board succession planning

The Board were provided with feedback from the 2019 Board appraisal process and a revised 3-year succession plan for approval.

Decided: The Board approved the updated 3-year succession plan, including;

- 1) The immediate appointment of Mairi Martin as Vice Chair; and**
- 2) Subject to Group approval, Mairi Martin's appointment as the successor to John Hill as the Chair from the 2020 AGM.**

16. AOCB

There was no other competent business