



DUNEDIN CANMORE HOUSING LIMITED

MEETING OF BOARD OF DIRECTORS held at 8 New Mart Road, Edinburgh on Thursday 28 November 2019

Present: Mary Mulligan (Chair), George Cunningham, Mark Keane, Ruth Kynoch, Anne McGovern, Jill Cronin and Bryan Pitbladdo.

In Attendance: Anthony Allison (Director of Governance, DCH Secretary) Alan Glasgow (Director of Housing Services), Morgan Kingston (Finance Manager), Elaine Melrose (Group Director of Resources), Hazel Young (Managing Director) and (In Part) Helen Berry (Head of Assurance – items 12-14), Evelyn McDowall (Director of Group Assets – item 15) and Elspeth Lang (Development Manager – items 8-10)

1. Appointment of Board member

Decided: The appointment of Mark Keane to the Board was confirmed with immediate effect.

2. Apologies for absence

Apologies were received from Jack Cadell.

2. Declarations of Interest

The Board noted the standing declarations of interest.

3. Minute of Meeting held on 10 October 2019 and Matters Arising

The Board approved the minute of 10 October 2019.

4. Rent Campaign (Presentation)

The Board received a presentation setting out our rent campaign approach, in particular the key messages and communication approach.

Decided: The Board noted the update.

5. MySavings Phase 2 (Presentation)

The Board received a presentation on the next phase of MySavings. It was explained that the first phase has been very well received by tenants and a key focus is how we raise awareness.

The potential extensions to our existing offer were set out, including the potential to deliver significant savings on white goods.

The Board welcomed the continued focus on how we can support tenants with the cost of a home and overall affordability. The Board discussed uptake levels to date and how we will seek to increase them in future.

Decided: The Board noted the update.

6. Delivery Plan 2019-20: Quarter 2

The Board received an update on performance for the year to date, in particular in relation to Dunedin Harbour and arrears.

The Board discussed how our reporting could incorporate additional benchmarking, such as Scottish averages. The Board further discussed tenancy sustainment and the potential to innovate in this area.

It was agreed that an update on Dunedin Harbour be brought back to the next meeting.

Decided: The Dunedin Canmore Board noted the contents of this report.

7. Universal Credit and Welfare Reform Update

The Board received a detailed update on the impact of Universal Credit, including the number of tenants affected, the key workstreams underway to support tenants and ongoing partnership working. The engagement with the Department for Work and Pensions was emphasised as particularly important, including how we communicate the implications for our tenants and communities.

The Board discussed the projected migration of tenants to Universal Credit and the implications for this based on current arrears levels. The analysis of how arrears is impacted by Universal Credit was explained, including how it compares with non Universal Credit tenancies and how it changes over time.

The Board reiterated its support for the range of support activities we have in place and discussed the disproportionate impact on young people.

Decided: The Board:

**1) Noted the update on Universal Credit and Welfare Reform; and
2) Noted the range of mitigations in place to manage the impact of Welfare Reform on our customers, communities and business.**

8. New Build Project Approval - North Berwick Phase 3

The Board received a summary of the proposed project approval. It was explained it was small scale and as such considered to be low risk. The Board discussed the Net Present Value and financial analysis associated with the scheme. It was explained that the proposals were within our agreed parameters.

Decided: The Board:

1) approved the acquisition from Cruden Homes (East) Ltd of two completed accessible bungalows at North Berwick (Phase 3) at a cost of £318,278;

2) agreed that subject to DCH Board approval, a report on this project be presented to the Group Development Committee on 9 December 2019; and

3) agreed that authority is delegated to any Dunedin Canmore Housing Board member, the Group Chief Executive, the Group Director of Property and Development, Dunedin Canmore Housing Managing Director or the Company Secretary to approve a missive that is conditional upon Dunedin Canmore Housing and Group Development Committee approvals, and excludes any liability of Dunedin Canmore Housing for any costs, losses or expenses incurred by Cruden Homes (East) Limited if the required approvals are not obtained.

9. DCH New Build Project Approval: Longniddry, East Lothian

The Board received a summary of the proposed project approval, in particular the financial analysis and site plans.

The Board discussed the proposals, which are within a footprint where we have sought to develop.

Decided: The Board agreed that:

1) we acquire land from Cruden Homes (Longniddry) Limited and enter into a design and build contract with Cruden Homes (Longniddry) Limited for the construction of 10 mid-market rent properties at Longniddry, East Lothian at an acquisition and construction cost of £1,357,750 and an overall development cost of £1,395,053.00;

2) subject to DCH Board approval, a report on this project to be presented to the Group Development Committee for approval on 9 December 2019; and

3) authority is delegated to any DCH Board member, the DCH Managing Director, the DCH Managing Director, the Group Chief Executive, Executive Director of Property and Development or the Company Secretary to sign the Design & Build contract and any associated acquisition and contract documentation subject to Group Development Committee approval.

10. New Build Performance Dashboard

The Board received a summary of performance in delivering our development programme, including detailed updates on contractor engagement, projects currently experiencing delays and spend.

The Board discussed how we engage tenants when delays arise and how we pass on any discount we receive to tenants. It was explained that we seek to negotiate, for example, upgraded finishes for tenants where there has been a delay.

The Board discussed progress with Lang Loan. It was explained that the project experienced some minor technical issues but that these have been resolved, including us receiving additional assurances.

The Board considered progress at West Craig and the projected timescale. It was explained that the first stage was to acquire the site and complete the necessary infrastructure work.

Decided: The Board noted the contents of the report and attached New Build Performance Dashboard, including highlights and exceptions outlined in Section 5.

11. Finance Report for the period to 31 October 2019

The Board received an update on financial performance for the year to date, in particular the variance within the investment programme.

The Board discussed variance in relation to repairs and it was explained that we have been undertaking analysis of repairs in areas such as average per unit and benchmarking. The Board discussed repairs projected spend further, recognising that the service is demand driven.

The Board received an update on pensions actuarial valuation and the confirmation that the scheme has agreed to continue with additional contributions to cover the shortfall. The Board discussed the pension position and how we continue to keep the position under review.

The terms of the consent letters were explained to the Board and it was confirmed that none of the terms would have an adverse impact on us.

Decided: The Board:

- 1) Noted the management accounts for the period to 31 October 2019;**
- 2) Approved the draft EIB consent letters and delegated authority to any Board member, the Group Chief Executive, Group Director of Finance, Director of Treasury or Company Secretary to agree the final form of the letters and execute same on behalf of DCH;**
- 3) Approved the draft funding syndicate consent letter and delegated authority to any Board member, the Group Chief Executive, Group Director of Finance, Director of Treasury or Company Secretary to agree the final form of the letter and execute same on behalf of DCH; and**
- 4) Noted that the funding syndicate letter can also be signed by Wheatley Housing Group Limited as agent of DCH.**

12. Information Governance Update

The Board received an update on our preparations for the extension of Freedom of Information to Registered Social Landlords.

The Board discussed our compliance with General Data Protection Regulation, including the potential penalties for non-compliance.

Decided: The Board noted the status of the FOISA implementation plan.

13. Group Assurance update 2019/20

The Board received an update on the progress of the assurance plan. The Board welcomed the progress and strength of our internal control environment.

Decided: The Board noted the contents of this report.

14. Dunedin Canmore Corporate Risk Register

The Board reviewed the risk register and agreed that we hold a risk workshop next year to consider risk in more detail. It was agreed this should include an element of 'lived experience'.

Decided: The Board approved the revised Corporate Risk Register and confirmed it appropriately captures the current corporate risks.

15. Dunedin Canmore Health and Safety Update

The Board received a detailed update on the overall health and safety system and how this is implemented to reflect our own stock and risk profile.

The Board discussed at length the assurance systems we have in place, our fire safety approach including the stay put policy and how we engage tenants.

The Board discussed lone working, in particular the safeguards we have in place to protect staff. The Board further discussed how our geographic spread can impact the likelihood of lone working as well as the training provided to staff.

Decided: The Dunedin Canmore Board noted the contents of this report.

16. Application for membership

Decided: The Board approved the share application from the named tenant.

17. AOCB

There was no other competent business.