



DUNEDIN CANMORE HOUSING LIMITED

MEETING OF BOARD OF DIRECTORS held at 8 New Mart Road, Edinburgh

on Thursday 15th August 2019

Present: Mary Mulligan (Chair), Jack Cadell, George Cunningham, Terry Kirby, Ruth Kynoch, Arron Peters and Bryan Pitbladdo,

In Attendance: Hazel Young (Managing Director), Anthony Allison (Director of Governance), Alan Glasgow (Director of Housing Services), Pauline Turnock (Director of Financial Reporting), and (In Part) Lorraine McLaren (Wheatley Foundation Director, item 4 only) Brian Stewart (Director of Investment, Repairs and Compliance, Item 5 only)

1. Apologies

Apologies were received from Jill Cronin, Surbhi Gosain and Anne McGovern.

2. Declarations of Interest

The Board noted the standing declarations of interest.

3. Minute of Meeting held on 30 May 2019 and Matters Arising

The Board approved the minute from 30 May 2019.

The Board received an update on the proposed partnership with Dumfries and Galloway Housing Partnership and progress with the potential transfer of stock from Barony.

4. Wheatley Foundation update (Presentation)

The Board received a presentation recapping on the Foundation's role, the key themes of its work and what it has delivered over the previous year.

The Board welcomed the support we provide for veterans, particularly supporting resettlement and achieving stability.

The Board discussed how we fund projects and the need to be clear about how they can either have a clearly defined end point or mechanism to become mainstreamed. It was explained that sustainability is a key focus for the Foundation and an active consideration in its funding allocations.

The Board discussed the type of areas the Foundation plans to focus in the future. The Board recognised that whilst there will be a broad range of worthy causes, we need to be clear about what is appropriate for our remit.

Decided: The Board noted the content of the presentation

5. Dunedin Canmore Five Year Asset Investment Plan

The Board received a detailed outline of the proposed five year investment plan, in particular how we are evolving our planning process to factor in greater use of data analytics and more flexibility. It was further explained that the plan now more clearly carves out an additional budget specifically linked to tenant led priorities.

The Board strongly supported the tenant priority budget and the increase in tenants' ability to directly increase their level of choice and control. It was confirmed this was a small element of our wider strategic priority to increase the level of power and control for tenants.

The Board discussed potential changes in requirements relating to energy standards and climate change and how we have sufficient flexibility to respond to changes. It was confirmed that this is an active consideration in areas such as heating system 'carcasses' and their ability to be flexible.

The Board discussed how our investment activity can lead to tangible benefits for tenants in areas such as energy costs. The Board further discussed how our investment will evolve in future as house designs more generally evolve.

Decided: The Board approved Dunedin Canmore's 5 Year Asset Investment Programme.

6. a) 2018/19 Financial Statements

The Board received a summary of our draft 2018/19 financial statements, with all the variations from the year end management accounts explained.

The Board considered the financial statements and sought clarification in relation to the revaluation. The financial modelling approach which informs the valuation was explained to the Board, including the component inputs such as rent levels, repairs assumptions, investment plans and number of homes.

The Board sought an update on the movements in operational expenditure. It was explained that the changes related to depreciation, with a specific explanation given on the impact on lifecycle assumptions movements on roofs

The Board sought further detail on the investment properties revaluation. It was confirmed that this, in part, was presented based on FRS 102 requirements and the valuation methodology for the properties was explained. It was confirmed the valuation methodology was different for

Mid Market Rent (“MMR”) properties and the significant change in our number of MMR properties in year was a driver in the valuation change.

The Board discussed the pension position and its impact on employee cost.

Decided: The Board:

- 1) **Approved the 2018/19 financial statements;**
- 2) **Confirmed the preparation of the financial statements using the going concern basis;**
- 3) **Delegated authority to the Chair and Group Director of Finance to approve any non-material changes to the accounts; and**
- 4) **Approved the letter of representation from the auditors, and noted the related letter of comfort from the Chief Executive.**

b) Annual Internal Audit Report and Assurance Statement 2018/19

It was explained that the assurance statement underpinned the control framework in place in preparing the financial statements

Decided: The Board noted the contents of this report along with the overall Annual Internal Audit opinion.

7. Finance Report for the period to 30 June 2019

The Board received a summary of financial performance for the year to date with the strong performance in relation to voids in particular highlighted.

The Board discussed the implications of absence levels. It was explained that the absences related to individuals requiring surgical treatment and not short term absences.

The Board discussed the financial position of the hostel at length and it was agreed that a more detailed report on the hostel be brought back to a future meeting.

Decided: The Board noted the management accounts for the period to 30 June 2019 and the full year forecast to 31 March 2020

8. Governance update

The arrangements for the upcoming AGM were set out to the Board as well as the review of compliance with the Rules

Decided: The Board:

- 1) **Approved the formal calling of the Annual General Meeting for Thursday 13 September 2019 at 19:00 to be held 8 New Mart Road, Edinburgh, EH14 1RL;**
- 2) **Agreed to recommend the reappointment of Mary Mulligan and Terry Kirby;**
- 3) **Noted the retirement of Surbhi Gosain; and**

4) Noted the confirmation from the Secretary that Rules 62-67 have been followed.

9. Delivery Plan 2019-20: Quarter 1

The Board received an update on performance in the first quarter, where Universal Credit continues to adversely impact arrears performance. It was explained that we are continuing to focus on supporting tenants where possible.

The Board discussed performance over the period and commended the level of repairs completed right first time. The Board further discussed performance in relation to offers refused and how we were seeking to improve performance in this area more generally.

Decided: The Board noted the contents of this report.

10. Update on shared owners service

The Board received a recap on our shared owners service, details of the key feedback for previous customer satisfaction indicators and from our engagement with the shared owners' forum.

It was explained that the revised handbook sought to respond to feedback from our shared owners and in particular the policy position in relation to legal rights in the event of a shared owner death.

The Board welcomed our proposals to respond to customer feedback and provide greater clarity via the updated booklet.

Decided: The Board:

- 1) Approved the revised shared owners handbook; and**
- 2) Noted the update on actions to improve the service for shared owners.**

11. Group Hate Crime Policy

Decided: The Board noted the draft Hate Crime Policy

12. AOCB

There was no other competent business.