

Cloch Housing Association
Minutes of Special Board Meeting
held on Tuesday 18th February 2020 at 6.15 pm
at Cloch's Offices, 19 Bogle Street, Greenock

Present: Julianne Scarlett, Chair
 Brian Corrigan, Vice-Chair, (Chaired the meeting)
 Alison Greenhill, Secretary
 Ronny Lee, OTHA Nominee
 Eileen Tamburrini, Board Member
 Eleanor Robertson, Board Member
 Heather Thomson, Board Member

Attending: Paul McVey, Director
 Alana Durnin, Finance Director
 Liz Bowden, Corporate Services Manager (Minute Taker)

Item	Description
1.	<p>Apologies & Declaration of Interest</p> <p>The following apologies were received:</p> <p>Jackie McKelvie Kelly Ferns</p> <p>The Director reported that Karen Wilson has resigned from the Board. The Board thanked her for her contribution and wished her well for the future.</p>
2.	<p>Options Appraisal Report from 1st February 2020 Joint Meeting</p> <p>The reports attached to the Agenda were talked through by the Director.</p> <p>The Director explained that this paper was asking the Board for ratification of the preferred option following the workshop on 1st February 2020. Oak Tree Management Committee approved the option on 17th February 2020.</p> <p>The Director is communicating with the Scottish Housing Regulator (SHR) and TC Young to ascertain whether or not Cloch would need a ballot to fulfill the requirements to separate and a meeting has been arranged with West of Scotland HA. West of Scotland HA has been through a separation two years ago which is similar to the Cloch/Oak Tree separation, albeit their separation was from an English parent. This is the first time a situation like this has emerged in Scotland, with Scottish parent and subsidiary.</p> <p>A special AGM will need to take place to get the members to vote on the separation and there is a need to engage with a range of stakeholders including OSCR, lenders and FCA.</p> <p>The report outlines the key stages of work required to proceed to separation. This includes engaging TIS to communicate independently with tenants.</p>

	<p>OTHA has submitted the notifiable event and this has led to a request from SHR for reports on the partnership. CHA has provided all paperwork to OTHA.</p> <p>A joint message will be prepared with Oak Tree on the separation.</p> <p>There was a discussion on the shared services and the Board is keen to ensure Cloch can maintain and sustain our existing shared services arrangements. There are financial implications around VAT and possible TUPE however, these should all be manageable issues.</p> <p>A question was asked if the loss of shared services is a risk. It was agreed that this was indeed a risk and will be added to our risk register, however at present, it is a low risk given the willingness of both housing associations' governing bodies to maintain the services.</p> <p>It was agreed that the separation needs to be viewed and communicated positively - ie. there was an issue with Cloch previously and with assistance from OTHA, Cloch has worked to bring about success meaning that separating to an independent entity was the successful outcome of the work of the last 8 years.</p> <p>It was emphasised that all positive outcomes should be documented. It was pointed out that this is what TIS will do to ensure tenants understand this message.</p> <p>The view was expressed that if we can make the shared services continue to work, this will be seen as innovative in the sector and the Board agreed.</p> <p>The role of joint procurement of audit and the governance of that will also be covered in future discussions. These discussions should take place at a Special Working Group which is to be convened shortly consisting of office bearers from both RSLs and both Chief Officers.</p> <p>Resolution</p> <p>The preferred option to pursue separation from the constitutional partnership with Oak Tree HA was unanimously agreed and the recommendation to delegate responsibility to oversee the arrangements and come to agreement on issues of concern, to the Special Working Group, was proposed and seconded and unanimously approved by the Board.</p>
<p>3.</p>	<p>Pensions Change Report</p> <p>The reports attached to the agenda were talked through by the Director.</p> <p>The Board were advised why the share of pensions contributions has had to come back to the Board for approval. It was emphasised to the Board that The Pensions Trust (TPT), in allowing RSLs to determine the split in contribution, have now changed the field and the parity between housing associations. Different RSLs and staff now pay different contributions.</p>

	<p>It was noted that the original decision had been taken when the sums involved were less – and the increase to the employer was not as significant. While a decision may have been made on continuing with DB this must be revisited again after the next triennial valuation in 2022. as the Pension offer always gets reviewed following the triennial reviews. It was suggested that had the Board known the actual figures at that time, there may have been a different decision.</p> <p>A member asked if Cloch could absorb the extra increase for one year and then change it in 2021 so that staff and the employer pay 50/50 from next year to allow a longer period for employees to make informed decisions. Following a detailed discussion, it was agreed that this was the third option, in addition to the two put forward in the report.</p> <p>Resolution</p> <p>The Board examined the three options It was proposed and seconded and unanimously agreed to adopt the third option where Cloch will absorb the extra increase for 2020/2021 and next year will revert to the increase being split between Cloch and the employee 50/50.</p> <p>Action</p> <p>Communication/consultation will commence with employees in Sept/Oct 2020, and staff and TPT will be notified of our arrangements from April 2020.</p>
4.	<p>Initial induction on Admin Control App</p> <p>The Corporate Services Manager demonstrated the new app, AdminControl.</p> <p>After the demonstration, it was agreed that training sessions for the Board will be set up in the near future. Invitations for Board to join the app will be issued in the next week.</p>
5.	<p>AOCB</p>
5.1	<p>Board Recruitment</p> <p>A brief discussion was held on a strategy for Board Recruitment. This will be advertised and Cloch is open for expressions for interest to joining our Board.</p>
6.	<p>Date of Next Meeting: 10th March 2020</p> <p>There being no other business, the meeting ended at 7.55pm.</p>