**MINUTE OF THE 46th ANNUAL GENERAL MEETING**

**HELD AT**

**THE PRIORY**

**CANAAN LANE**

 **EDINBURGH EH10 4SG**

**At 11.30am**

**On THURSDAY 28th SEPTEMBER 2023**

**Item 23/01****Those Present:**

Share Members: Ms Kate Douglas, Mr William Duncan

Executive Team: Mr Bobby Duffy (Secretary and Chief Executive Officer), Mr Stuart Green (Director of Finance & Digital Improvement), Ms Victoria Knox (Director of People & Organisational Development), Ms Caryn Innes (Director of Development & Customer Engagement), Mr Mark Hall (Director of Care & Support), Ms Mary Bell (PA) (minutes)

External Auditor: Mr Jeremy Chittleburgh (Partner, CT)

**Ark Board Members (in addition to Mr Graham Mitchell)**

Mr Ian Logan, Mr Darcey Black, Mr Dave Proudfoot, Ms Joanna Mansell, Mr Oliver Saint and Ms Lucy Robertson (Remote attendance), Co-optee Mr David Belfall, Co-optee Mr Craig Unsworth

In accordance with Rule 26.1 the Annual General Meeting was chaired by Mr Graham Mitchell who is Chair of the Ark Group Board. Mr Mitchell provided a warm welcome to the Ark Housing Association 46th Annual General Meeting and began by reading out the Apologies and Proxy Votes received from the membership.

The Association’s Rules state that a member’s name will be removed from the Register of Members if they have not attended or presented apologies for an Annual General Meeting for 5 consecutive years. A note reminding members about Rule 11.1.3 was included with the AGM papers when they were sent out: not members were removed from the Ark membership list under this rule.

There have been 3 new members since the 2022 AGM.

As part of the papers notifying the 2023 AGM, the 41 members were asked to complete the pro forma to confirm if they wished to continue their membership of the Association.

* There were no responses received from 13 members, however all 13 memberships will automatically continue as Rule 11.1.3 was not invoked.
* One member confirmed that they wish to cancel their membership.
* One member has been removed under Rule 10. No forwarding address.
* 26 members confirmed that they wish to continue with their membership.
* Total members now stand at 39.

**Item 23/02 Minutes of 2023 Annual General Meeting**

The Minutes of the 46th Annual General Meeting held on 28th September 2023 were taken as read, and approved as a true record of the meeting, proposed by Mr Darcey Black, and seconded by Mr Dave Proudfoot. The minutes were then signed by Mr Graham Mitchell, Chair.

There were no Matters Arising from these minutes.

**Item 23/03 Chair’s Report**

I am delighted to welcome you all here today, to Ark’s 46th Annual General Meeting. This has been another very busy and productive period for Ark Since last year’s AGM.

As we all continued to feel the impacts of high inflation and rising interest rates, the Ark Board frequently considered how this impacts the business and the lives of the people we serve and the people we employ. This was not more obvious than when we agreed the pay award for this year for our employees. This was a difficult decision for the Board as we understood clearly that the final offer, did not match the cost of living challenges our staff were living through; however the total cost of the final award was not matched by increased funding through our operational contracts and rent increases which we tried to keep to a minimum, which ultimately meant we had to find additional funds to meet the overall pay award. The Board will continue to monitor this situation very closely and ensure we do the best we can for future pay offers to our employees. Given the very challenging environment that Ark’s services operate within, this has been another successful year from a strategic planning and operational delivery perspective; I will leave it to Stuart to update you on the financial performance of Ark Group in a few minutes.

I will now highlight several areas where our performance has been strong, and we have delivered good outcomes for our community in Ark.

**Housing Services**

I will begin by highlighting the work of the housing services team, who last year had some ongoing challenges from a recruitment and retention perspective; however, in July 2022 they recruited to the two vacant Housing Services Officer posts, allowing the delivery of housing services to return to normal levels. The key focus for the team was to resume the in person annual visits to all tenants, and in the last 6 months of the financial year they visited 59% of all tenants. The Officers were able to make assessments of whether tenants were struggling with the “cost of living” crisis, and discussed issues related to difficulties paying rent. Officers made referrals to appropriate agencies where needed, to help ease the financial pressure on tenants and by the end of the financial year we had secured £2788 of funding for 34 tenants to help them with their energy costs and £1,500 for 1 tenant who was in serious debt with their energy provider. In general, however tenants continued to prioritise paying their rent and the rent arrears at year end fell from 1.11% at the end of the previous year to 0.76%.  The turnover of stock decreased again during the year, falling from 5.5% to 3.9% and this was reflected in the number of allocations made in the year, a total of 11, compared to 27 the previous year.  Despite having a low turnover and fewer lets, the average number of days to re-let increased from 32 days to 44 days and the total void loss incurred was 0.55% of the total rent debt. This increase in days to re-let were mainly due to challenges that we had with contractors sourcing materials and completing void works within the target timescale.  We continued to encourage tenant participation and involvement by involving tenants in estate walkabouts, the review of the format of our tenant newsletter and through the Scrutiny Group, no called the Ark Rainbow Service Improvement Group. The Group had a successful year and completed their first area of scrutiny, which focused upon how Ark provisions the landscaping contract for all our properties, a key outcome was the production of an action plan which will be implemented in 2023-24. The Group has now moved onto their second area of scrutiny which will be to focus upon how Ark delivers its property repairs service.

**Asset Management**

During the financial year our Asset Management Team delivered over £300,000 in component replacements across our housing stock, including bathrooms, full heating systems, boiler improvements, windows, and doors. Our repairs service delivered over 294 emergency repairs and 594 non-emergency repairs throughout the year, for all works orders for Ark HA properties we completed 1426 jobs and completed void repairs to 11 properties, which became vacant and were re-let within the year; this turnaround is important as it ensures our properties are of a good standard when we let them and the void period and therefore loss in income, is minimised.

Over the past year, we have completed 19 Stage 3 Adaptations at a cost of £80,000. The adaptations are designed to enable and support people to maintain their independence in their own home and are wholly funded by Scottish Government grant funding. Arks Asset Management Strategy was approved by Board of Management in June 2023, which sets the strategic vision and investment ambitions for the next 10 years, this is an important strategy which will guide our decision making in how we continue to improve the quality and energy efficiency of our existing stock.

**New Build Development**

As part of our five-year financial plan, we have set out aspirations to build a total of 100 new affordable homes over the next five years. This is a key strategic objective for Ark, as we work to support the Scottish Governments plans to build 100,000 affordable homes over the next 10 years. The Board have currently approved two developments:

The first is at Crusader Rise, Livingston - Located in the Dedridge area we are in the process of building 20 affordable homes for social rent for tenants who require general needs housing and those that require more specialist housing. The properties will be a mix of 1-, 2- and 3-bedroom homes for a range of varying needs. JR Construction (Scotland) Ltd commenced site works on in July 2022 and the properties will be available for letting early 2024.

The second is at Windsor Square, Penicuik - The site, comprised of a former care home which is owned by Ark. This was fully demolished, and the site cleared during the year. Key project principles include a modular design and construction solution to ensure the construction process has minimal impact on the neighbouring community and achieve net zero in heat emissions.

Following a competitive tender process, Connect Modular have been identified as the preferred contractor. The aim is to achieve a start on site this calendar year and complete works of 12 new homes, in the summer of 2024.

**ICT**

One of our key strategic aims is to build Ark’s technological and digital capability, to support a successful business. During the year, the Board approved Ark’s first Digital Strategy, setting out the key digital considerations and objectives that we will focus on over the next few years, to support Ark staff deliver the best possible service and care to our customers.

System change has been identified as a key theme across several departments, as existing critical pieces of software are now no longer fit for purpose and at end-of-life support from suppliers. Significant work has been undertaken throughout the year to prepare for change, with Housing, Asset Management, and Finance system replacement projects getting underway in April. Just last week Housing and Asset Management went live with their new software, with Finance to follow in early October. This work will lay the foundations for how staff deliver services to customers, while reducing back-office operating costs. During the year, business approval was also obtained to upgrade to Microsoft 365 software across the organisation, including introducing this to frontline Care & Support staff for the first time. This significant investment will bring transformational change to how staff interact with one another, and across departments. IT staff have also been working hard, most of the time in the background, maintaining and upgrading infrastructure, including the roll out of multi-factor authentication across devices, as part of preparation work for achieving Cyber Essentials accreditation.

**People & Organisational Development**

The Health & Safety team have been immersed in day-to-day activities, particularly with the reinstatement of the routine Care & Support Audit Programme. The Health & Safety Manager has committed time to improve Fire Safety across all services and provide crucial support and training for managers. Notably, significant improvements have been made in incident recording and reporting through implementing a new system. This has led to a higher number of reported incidents, subsequently improving our reporting to the Audit Sub Committee. The Health & Safety Manager has also played a pivotal role in developing the Mould and Dampness Framework for Ark's tenants, aligning with SHR requirements, enabling us to successfully sign off on this aspect of the Annual Assurance Statement. Within the HR function, they have achieved significant strategic milestones, most notably approving Ark's first Equality, Diversity, Inclusion & Human Rights Strategy, which touches all parts of the organisation. The next phase involves implementing this strategy over a multi-year plan. HR have also initiated a pilot to improve recruitment and retention, with a focus upon the Care and Support Edinburgh Services which has resulted in improved results in recruitment, retention rates and reduced agency expenditure in the initial six months. Additionally, HR has established the Employee Communication and Engagement Forum, Ark Employee Voices Group which has been running for just over a year. The EVG has proven highly effective, providing another platform to engage with staff on matters of importance, including decisions related to providing gift vouchers, team development budgets, and the initial draft of Ark's Wellbeing strategy. The Learning & Development team has made substantial progress, notably increasing compliance rates significantly for critical and mandatory training Key Performance Indicators. They've taken steps to enhance quality assurance and introduced comprehensive evaluations after each training session, facilitating a continuous improvement approach to delivery. The team have also actively engaged with the wider sector, participating in key consultations with stakeholders such as SSSC, Care Inspectorate and NES.

Finally, the People & OD team have implemented Ark's annual pay award, led the review of Executive Directorates to align with the delivery of key strategies, successfully re-tendered the internal audit contract, which followed on from three audits that provided substantial assurance in critical business areas, and accomplished successful recruitment into key Senior Leadership Team positions. Notably, one of these appointments was internal, reinforcing stability and creating opportunities for succession planning. In summary, the people teams have made substantial improvements and developments across various areas, driving positive change, and ensuring Ark remains an employer of choice.

**Care & Support**

The effects of Covid-19 on our care services have been long lasting and it continued to impact the delivery of our care and support services at the beginning of 2022-23. We monitored Scottish Government, Public Health, Care Inspectorate and Local Authority guidance, developing and implementing an Infection Control Manual, which reflects national infection prevention control measures. We continued to manage significant levels of staff absence which impacted our ability to deliver the usual level of service, working closely with the people we support and their families to help them understand the restrictions that the pandemic placed on all of us; including where necessary to help people to adhere to social distancing and to isolate. All our support staff continued to test and record results for Covid and were assisted to access the NHS vaccination programme.

**Care Inspectorate**

During to the pandemic, the Care Inspectorate all but ceased inspections, recommencing in 2022 after a three-year gap. Seven of Ark’s ten registered services were inspected, and services received very positive feedback; Examples of comments from the Care Inspectorate are;

* “Staff we spoke with felt valued, respected and proud to work for Ark. Staff felt supported, skilled and led by a manager who guided by example.”
* “We were confident people were receiving support with a high level of care and compassion helping them to achieve their individual outcomes.”
* “People were involved in decisions about their life, care, and their service because staff actively promoted empowerment and involvement. This meant that people's rights were respected because staff had a rights-based approach and understood legal issues.”

80% of grades awarded were good or very good and only three requirements were made across all seven inspections.

**Supported Peoples’ Feedback**

We offer regular opportunities for the people we support to provide feedback and this year we received over 500 responses providing valuable satisfaction information; from the feedback received:

* 91% of people said they were happy with the support they get.
* 96% of people said they were always treated with respect during their support time.
* 96% of people said they knew who to speak to if they wanted to make changes to their support.

This feedback provides evidence of supported people’s views on the quality of care and support they receive from Ark.

**Participation**

As Covid19 restrictions eased further, we were able to safely reintroduce a range of in-person opportunities for supported people to get involved.

* We increased the number of Speak Out Groups from 10 to 14, offering people opportunities to socialize and influence their local service and their community.
* We increased the number of supported people involved in the Working Group which reviews the policies and procedures that affect them.
* And we strengthened the involvement of supported people in recruitment. A key highlight was supporting five individuals to take part in the recruitment of the Head of Compliance & Improvement and the Assistant Director for Care & Support roles earlier this year.

In summary this has been both a challenging and rewarding year for Ark. We continue to focus upon being the best we can be and delivering high quality services to all our customers and being a good employer. These ambitions run through the heart of our new 3-year strategy which the Board agreed this year, the progress of which the new Chair, will update the membership at the next AGM in September 2024.

**Item 23/04 Report and Presentation of 2022-2023 Accounts**

A summary of the Group Financial Statements for the year to 31 March 2023 was presented by Mr Stuart Green, Director of Finance & Digital Improvement. Mr Green noted that the group includes Ark Housing Association and 2 fully owned subsidiary companies, Ark Commercial Investments Limited that leases property for student accommodation and Ark Services Limited a landlord to several properties in Aberdeen.

Mr Green provided the following summary report: -

* There is a small operating surplus for the year that is an improvement on recent years, reflective of pension deficit contributions ceasing.
* Care & Support and Housing Services both generating surpluses (once impact of pension deficit costs is excluded).
* Long-term impact of pandemic to both sectors is starting to be felt, including higher repair and maintenance costs, and staff recruitment / retention challenges within Care & Support.
* Results include increased investment in our housing stock, and development of new social housing – an important milestone for Ark.
* Group is in a strong financial position to support the long-term strategy that will see the transformation of Ark over the next three years and beyond.

A copy of the Summary of Financial Results 2022/23 is available on request.

The Chair thanked Mr Stuart Green for his presentation.

**Item 23/05 Appointment of Auditors**

The Chair advised that CT had been rebranded from Chiene and Tait and that they have been Ark’s external auditors for several years now, noting that their work has been of a consistently high standard. The Chair reported that the Board agreed to re-appoint CT as Ark’s external auditors for the period 2023-2024, subject to member approval at today’s AGM. Members were asked to propose and second that CT be appointed to provide external Audit Services to the Ark Group for the period 2023-2024. Mr Dave Proudfoot proposed, and Mr Oliver Saint seconded that CT be appointed. The Chair concluded that the membership had confirmed CT as Ark Groups auditors for 23/24.

**Item 23/06 Election for the Board of Management**

The Chair provided an update regrading Board of Management appointments noting that there have been 2 resignations from the Board of Management since the 2022 AGM. The Associations rules require one third of Board Members to retire each year, at the AGM as well as any Board Members co-opted during the previous year. This year the following Board members are due to retire:

* Ms Joanna Mansell
* Mr Dave Proudfoot
* Ms Kayleigh Bryan
* Mr David Belfall (co-optee)
* Ms Donna Downie (co-optee)
* Mr Craig Unsworth (co-optee)

Retiring Board members and Co-optee members are eligible for re-election; from the 6 retirees, all 6 have confirmed that they are willing to remain on the Board of Management.

Mr Neil McKnight has confirmed his resignation from the Board of Management effective from today’s AGM. I would like to take this opportunity to thank Neil for the time and commitment he has given to Ark over the past 7 years.

Given that there are more vacancies on the Board of Management than retiring members as the Chair and as per rule 40.1 I declare that the 6 retiring Board members be re-elected without the need for a vote.

**Item 23/07 Any Other Business**

Mr Bill Duncan enquired if Ark remains in a financially healthy position and Mr Stuart Green advised that Ark have done well this financial year and have been able to maintain this position over the year. In addition, Mr Green advised that the there is a risk that the pension deficit payments will commence again, and this is being monitored closely. Mr Green further added that positive income will be achieved from the new builds and work is ongoing to achieving the right mix of income going forward noting that Housing and Care together is beneficial to the organisation. Mr Green added that the Regulator has not flagged any issues to date and that the 5 year financial plan going forward is fully funded.

The Chair extended his thanks to Members and closed this year’s AGM at 12.25pm.