

COMMITTEE MINUTE RECORD	
Minute of:	Ark Board of Management
Date Held:	25 May 2023, 2.00pm
Venue:	Hybrid
Chair:	Graham Mitchell
Secretary:	Bobby Duffy
Present:	Mr Graham Mitchell (Chair), Mr Neil McKnight (Depute Chair), Ms Catriona Clarke, Mr Ian Logan, Mr Darcey Black, Mr Craig Unsworth Co-optee, Mr David Belfall Co-optee
Present Remote:	Mr Oliver Saint, Ms Joanna Mansell, Ms Donna Downie Co-optee
In Attendance:	Mr Bobby Duffy (Chief Executive Officer), Mr Mark Hall (Director of Care & Support), Ms Caryn Innes (Director of Development and Customer Experience), Mr Stuart Green (Director of Finance and Digital Improvement), Ms Victoria Knox (Director of People and OD), Ms Mary Bell (PA to CEO) (Minutes) Mr David Boucher (Compliance & Improvement Business Partner) & Ms Trish Knight (DPO) RGDP, presenting the GDPR Annual Report
ITEM	
1.	Welcome The Chair welcomed all attendees to the 25 May 2023 Board of Management meeting.
2.	Apologies: Mr Dave Proudfoot, Ms Lucy Robertson, Ms Kayleigh Bryan
3.	Declaration of Interest It was noted that Mr Ian Logan and Mr Oliver Saint are Members of Ark Services Ltd (ASL) Board, Mr Neil McKnight and Ms Catriona Clarke are Members of Ark Commercial Investment Limited (ACIL) Board.
	<p>GDPR Annual Report</p> <ul style="list-style-type: none"> ○ The Chair welcomed Ms Knight to the meeting and handed over to her to provide the GDPR Annual Report presentation. ○ Ms Knight commenced her presentation noting the Data Protection Laws and advised that Ark also require to be compliant with the Privacy and Electronic Communications Regulations 2003 though this is in need of modernisation. Ms Knight added that the Government are bringing together a number of bills to create a framework for organisations to work more flexibly and this is currently at Committee level. Ms Knight noted the Data Protection principles highlighting the additional principle of accountability. In addition Ms Knight advised that Ark must comply with the Freedom of Information (FOI) and Environmental Information regulations noting the key requirements. ○ Ms Knight provided a summary position for Ark advising that since February 2022 Ark have made a significant improvement in all areas of GDPR compliance noting that the report shows completion of the data mapping and progression on data sharing/ data processing arrangements and these are not quick jobs to carry out. Ms Knight added that all outstanding areas are either in hand or planned in line with the audit plan. Ms Knight informed that the general health of the GDPR project in Ark is now very good at 91% compliance and continues to improve with no areas of concern. Ms Knight highlighted the priorities for 2023 and noted that an accountability tracker will be produced in Q4. In addition Ms Knight drew attention to the Risk Matrix noting how this had improved from last year and further highlighted the Heat Map where it shows that fantastic progress has been made since February 2022. Ms Knight advised that all compliance issues have been dealt with appropriately and completed on time. Ms Knight summarised a few headline breach areas where the ICO had been involved and noted the fines that were imposed. ○ The Chair thanked Ms Knight adding that it was re-assuring to know Ark's position at present and also thanked Mr Boucher for the progress that has been made to date. ○ Ms Knight clarified that when a new system change that she and Mr Boucher would discuss with the relevant person and this will be looked at from a risk assessment point of view noting that this is most important part and she would review the legal aspects and then hand over to Mr Boucher for the more specific details. The DO noted that in regards to GDPR within C&S that he will discuss with the Quality & Compliance Team to ensure compliance. ○ Mr Boucher noted his thanks to Ark staff and the previous Head of Compliance & Improvement for the progress made to date and Members concurred. <p>Members noted the GDPR Annual Report</p>
4.	Items for Approval
4.1	Minutes of Previous Meeting held on 30 March 2023

		<p>The Chair enquired if Members had any comments or queries in regards to the 30 March 2023 Board of Management meeting minutes. Members agreed that the content of the minutes are an accurate record of the meeting.</p> <p>Members approved the 30 March 2023 Board of Management meeting minutes</p>
4.2	Actions	<p>The action list was reviewed and the following was noted:-</p> <p>15/12/22 Item 9.9 Treasury Management Strategy – is on today’s agenda for discussion and approval. This action will be removed from the list.</p> <p>Item 9.11 Cost of Living Impact on Tenants – is on today’s agenda for discussion and noting. This action will be removed from the list.</p> <p>23/02/23 Item 4.2 Employment Law Update – has been completed and will be removed from the action list</p> <p>Item 7 Chairs Remarks - Plan for future BoM reporting is in progress and will be presented and discussed at the 29 June 2023 BoM meeting and will remain on the action list until this point.</p> <p>Item 9.1 Property Development – (Redacted for Security)</p> <p>Item 9.3 Aims Update - is on today’s agenda and will be removed from the action list.</p> <p>30/03/23 Item 9.2 Asset Management Strategy – next HPWG meeting date to be confirmed then invite to attend will be extended to all Members. This item will remain on the action list.</p> <p>Members noted the updates and current status of the action list</p>
5.	Policies for Approval	<ul style="list-style-type: none"> o The DPOD noted that there were no policies for approval for today’s BoM meeting. <p>Members noted that there were no policies for approval at today’s BoM Meeting</p>
6.	6.1	<p>Annual Return on the Charter</p> <ul style="list-style-type: none"> o The DDCE noted that Ark complete an annual return on the Charter as part of the Scottish Housing Regulators (SHR) protocols and as part of the BoM agenda, Members require to approve the return prior to its submission to the SHR by 31 May each year. The DDCE highlighted that the summary report details the issue identified with Arks electrical certificate compliance and this has a knock on effect to the Scottish Housing Quality standards. The DDCE added that this issue has been identified in the Q4 Compliance Assurance report and will also be recorded as a notifiable event to the SHR. The DDCE noted that there is now a plan in place and the electricians are currently out carrying out electrical testing to be completed by 31 March 2024 and any priority repairs that are identified will be carried out as soon as possible. The DDCE explained how this issue had arisen and how it should have been identified before now and assured Members that this is being addressed internally. The consequences of electrical failures was noted and the DDCE advised that the SHR tend to revise their engagement plan and this may be added to Ark’s plan for 2024/25 or they will be content with it being highlighted in the Annual Assurance Statement and reporting processes. A discussion ensued in regards to the seriousness of this failure and it was noted that an update in regards to remedial matters being resolved will be provided at the 29 June 2023 BoM meeting. The DDPO added that this issue will also be recorded in Ark’s internal exceptions report that is reported to the Audit Sub-Committee and will provide assurance to Members that there is a high focus being placed on matters. The DDCE confirmed that the Regulator does not pose any financial penalties for non-compliance but will place more intensive scrutiny on this until resolved. A discussion took place in regards to the Rubixx system and the DFDI noted that this system will automatically trigger anniversary dates for annual gas and electric maintenance. The Depute Chair highlighted that Ark are not alone with this issue noting the challenges in procuring electrical contractors at this time. The DDCE confirmed that the money has not been budgeted to get the properties compliant in this year’s budget therefore will have to be met from the approved 2023/24 asset budget. DDCE will confirm the amount of write off is £2. <p>Members Approved the Annual Return on the Charter for Submission to the SHR</p>
7.		<p>Items from Chair and CEO</p> <p>Chairs Remarks</p> <ul style="list-style-type: none"> o The Chair informed that he and the Depute Chair had attended the annual SHR Engagement Visit along with the ET, noted the discussions and the SHR’s view of Ark. The Chair added that it had been a very positive meeting and in his opinion he does not see the electrical failures damaging their relationship with Ark. o The Chair noted that Members annual reviews are due to take place in June 2023 and he will be discussing dates for Members diaries with the DPOD.

	<ul style="list-style-type: none"> o The Chair highlighted that he has asked the Depute Chair to Chair the 29 June 2023 BoM meeting as part of succession planning. o The Chair handed over to the Depute Chair who noted that if he is voted into the Chair position that he will be looking for a Depute Chair and asked Members to consider stepping into this position and note their interest. <p>Members noted the Chairs Remarks</p>
8.	<p>CEO's Remarks</p> <ul style="list-style-type: none"> o The CEO noted that his items for today were led by the DPOD and handed over to her to provide an update on each. o Pay Award – The DPOD thanked Members for their support and understanding with the revised pay offer noting that Unite and their Members had accepted the second pay award offer. In addition the DPOD advised that Ark have made the commitment to have the uplift paid through the May payroll backdated to April 2023 and thanked the payroll staff for their support in achieving this timeframe. A discussion ensued in relation to funding for the increase and the CEO advised that the ET had met up to discuss their spending commitments for this financial year that Members had approved and signed of in March 2023 and they had reached the target required to release the monies required to fund the additional payment to staff and this will come within budget. The DFDI provided an example of where the savings can be made noting that there will be no delays in priority areas that would need to come to the BoM for approval. The DPOD noted that further to the very detailed paper being sent out to staff she had arranged a meeting with the Managers to assess how the paper was received and they had confirmed that staff had provided positive feedback. The DPOD added that whilst Ark would like to reward more the staff understand the position with the funding challenges but generally they also note it is not enough. The CEO added that he and DOPD are attending the Employee Voices Group meeting on Tuesday 30 May 2023 where a number of colleagues from across the organisation attend and this discussion will be picked up there to acquire a real sense of how people are feeling. The DPOD agreed that lessons have been learned through this process and initial discussions have begun in regards to taking this forward externally and internally. In addition the DPOD advised that over the next few months the ET will be having discussions around the longer term pay strategy and continuing to support the external work that is in progress around the £12 per hour payment. o Fife Legal Case – The DOPD advised that the Fife legal case has ow been closed off. o Employee Legal Case – (Redacted for Security) <p>Members noted the DPOD Updates</p>
	<p>Items for Discussion/ Decision</p>
9.	<p>Session 22/23</p>
	<p>Strategic Focus</p>
9.1	<p>Asset Management Strategy</p> <ul style="list-style-type: none"> o The DDCE thanked Members for their understanding noting that due to a number of operational issues and ongoing injury she was unable to spend time get the Asset Management strategy to a final position informing that all outstanding information has been received with the exception of the stock valuation that is in draft at present. The DDCE noted that she has pulled together, as part of the 5 year financial plan, an appendix illustrating spend over the next five years and ambitions for the following five years. The DDCE informed that the ET will review and approve at their meeting on 1 June 2023 and then it will come to the 29 June 2023 BoM meeting for final approval. The DDCE proposed that as part of a HPWG meeting that she will add a session about the Asset Management strategy as there are areas to agree around scoring and evaluating Ark's position around disposals etc. as this is a critical part to provide comfort to Members in regards to priority areas. The Chair requested that the Asset Management strategy is circulated in advance of the normal papers to give Members time to review. <p>Members noted the Asset Management Strategy Update</p>
9.2	<p>Treasury Management Strategy</p> <ul style="list-style-type: none"> o The DFDI noted that he was asking Members to note the annual treasury management report for 2022/23 and approve the treasury management strategy for the year ahead. The DFDI provided a summary of the four key areas to highlight noting that in terms of the loan security that the value of assets secured against Ark's current loans significantly exceeds the outstanding loan balance and gives the organisation capacity to borrow. The DFDI highlighted the interest cover covenant golden rules advising that there are two ways to calculate interest cover and these are included. The DFDI added that covenant arrangements is a critical conversation in terms of securing new funding. In addition the DFDI detailed the steady approach being used for cash deposits noting that the amount of cash at bank to hold will come to the BoM for agreement on the appropriate levels. The DFDI highlighted that he will be asking for approval to the proposal for withdrawing Brewin Dolphin (BD) monies to invest primarily in existing stock and in new builds. The DFDI explained how Jones Lang LaSalle (JLL) had valued the housing stock noting that it was based on existing use values for social housing. The DDCE noted that it would be advantageous to carry out a market valuation as a high % of Ark stock has no restriction

	<p>in use and this would return a higher stock value. A discussion ensued in regards to the timescale for the need to withdraw BD monies and the DFDI advised that there is more flexibility for approval as this will be required after approval of the Windsor Square development. The DFDI noted that he will take advice from BD in relation to timings and will report back to the BoM on 29 June 2023.</p> <p>Members noted the discussions and Approved the Treasury Management Strategy</p>
9.3	<p>Procurement Strategy</p> <ul style="list-style-type: none"> The DFDI advised that the procurement strategy had been scrutinised by the Finance Sub-Committee at its meeting held on 22 March 2023 noting that the associated policy and procedures had been updated and the strategy was the next step in the process. In addition, the DFDI noted that Scotland Excel are delivering introductory training to uplift staff knowledge in regards to procurement and this sets out the key areas of focus. A question was raised in regards to joining in partnership with other RSL's to procure contracts and the DFDI noted that Ark had joined the Scottish Government's framework in regards to electricity and advised what this entailed. The DFDI explained how the procurement process is framed noting that when the tender is prepared the scoring is set out. In addition the DFDI noted that there is no partnership working in place at the moment but as procurement exercises arise this will be taken into consideration. <p>Members noted the discussions and Approved the Procurement Strategy</p>
	<p>Performance Reporting</p>
9.4	<p>Q4 Compliance Assurance Report</p> <ul style="list-style-type: none"> The CEO noted that the compliance assurance report is presented to Members on a quarterly basis noting that each Director completes their own area of responsibility and this provides a level of assurance that the ET are monitoring the key areas. The CEO advised that the detail that was discussed at item 6.1 has been included in the report noting that this is the type of detail that should be reported. The Chair noted that the report was a useful document and was very good reporting. <p>Members noted the Q4 Compliance Assurance Report</p>
10	<p>Items for Noting</p>
10.1	<p>Period 12 Management Accounts</p> <ul style="list-style-type: none"> The DFDI informed that overall, the Group has made a net deficit in the year to date but is favourable to budget. This is comprised of negative variances in both Care & Support in regards to agency spend and in Housing repairs and maintenance spend throughout the year. The DFDI noted that this has been offset by a favourable variance driven by the ceasing of the pension deficit payments in October 2022. <p>Members noted the Results for the Year to 31 March 2023</p>
10.2	<p>AIMS</p> <ul style="list-style-type: none"> The DCS provided a report on the implementation of the Care & Support Ark Information Management System (AIMS) project noting that regular updates have previously been provided to Members detailing the status of the implementation phase of this project and progress on the key objectives. The DCS provided an update on the implementation and summarised the background and rationale for the project. The DCS noted that the Access system that was procured through a tender exercise and noted the three main products that is contained within the system. The DCS advised how AIMS has been implemented throughout the services, noted the outputs during implementation and some of the challenges encountered. In addition the DCS informed what the main outcomes were and the benefits achieved and further added that the AIMS project remains within the approved budget. The DCS noted that areas for future development are being progressed. The DCS confirmed that there are no direct linkages with Local Authorities noting that the information Ark use is bespoke to the individual. The DCS further noted that the challenges continue in terms of compliance and focus will be placed in this area. The DCS confirmed that there are shared devices at present but work is ongoing as part of the cyber essentials to provide all support workers with their own email addresses and the Head of ICT has reduced the cost for this through negotiations with the provider. The Depute Chair noted that the AIMS papers included great detail and has created assurance of how it was implemented. The DCS confirmed that the AIMS paper will be shared more widely within the organisation and noted his appreciation to the AIMS Project Manager who has led the implementation of AIMS from a Care & Support point of view and has carried out a great piece of work. The Chair noted his thanks on behalf of the Board of Management to the AIMS Project Manager and to the DCS for the AIMS report. <p>Members noted the AIMS Report</p>
10.3	<p>Board Of Management Attendance Record</p> <ul style="list-style-type: none"> The CEO noted that the attendance record is presented to Members on an annual basis for noting. <p>Members noted the Board of Management Attendance Record</p>
10.4	<p>Cost of Living Report - Ark Tenants</p>

	<p>o The DCS provided an update on the impact that the cost-of-living pressures are having on Ark’s tenants and the potential risk of reduced income through tenants falling in to arrears. The DCS advised that the organisational arrears have reduced and there is no real concern in regard to the technical arrears. The DCS noted that there have been 60 house visits since December 2022 and no issue have been identified. The DCS noted that this will be kept under review and a further update will be provided to Members. A discussion took place in regard to energy improvements and the DDCE informed that there are various ways to supply, manage and bill tenants noting that energy metering is a huge piece of work that will be taken forward.</p> <p>Members noted the Ark Tenants Cost of Living Report</p>
11.	AOB
	The Chair thanked everyone for their attendance and input. There was no further business to discuss, and the meeting was closed at 4.10pm
	It was noted at the end of the meeting that there were no potential impacts identified in relation to people with a protected characteristic.
12.	Date of Next Meeting: Thursday 29 June 2023

2023 Dates for Board of Management Meetings – commencing 14.00
Board Member Only sessions will commence at 13.30 unless agreed otherwise

- ✚ 24 August
- ✚ 28 September (AGM & BoM meetings)
- ✚ 26 October
- ✚ 14 December

ACTIONS

Meeting Date	Agenda Number	Action	Who	Status
23/02/23	7 Chairs Remarks	Plan to be created for future BoM reporting	BD	Ongoing
	9.1 Property Development and Strategic Asset Management	Windsor Square New Build Development Revised Business Case to 25 May 2023 BoM meeting West Adam Street Options Appraisal to 29 June 2023 BoM meeting	CI CI	Ongoing Ongoing
30/03/23	9.2 – Asset Management Strategy	BoM Members to be invited to the next HPWG Meeting	CI	
25/05/23	6.1 - ARC	£2 write off to be confirmed	CI	
	7 – Annual Reviews	To be arranged for June 2023 Members to consider their interest in the Depute Chair position	GM/VK ALL	
	9.1 – Asset Management Strategy	Session to be set up for the HPWG meeting Strategy to be circulated in advance of all other papers	CI CI	
	9.2 – Treasury Management	The DFDI noted that he will take advice from Brewin Dolphin and will report back to the BoM on 29 June 2023.	SG	