

ALMOND ENTERPRISES LTD

MINUTES

of the virtual Board meeting held at 5.00pm on Thursday 17th February 2022

BOARD MEMBERS IN ATTENDANCE:

Alistair Barton
Ian Crawford
Tatyana Duffie

APOLOGIES:

Kevin Clark

IN ATTENDANCE:

Vicky Wilson (for items 628 to 644)	AEL Manager
John Davidson	Chief Executive, AHA
Angela Coutts	Director of Corporate Services, AHA
Iona Taylor	Director of Asset Management, AHA
Tammy Allan	AHA - Minutes

OTHERS IN ATTENDANCE

Sheelagh Norris – Observer (for items 628 to 644)

Please note that these minutes have been edited to remove any commercially sensitive or confidential discussions.

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STANDING ITEMS

628	<p>Welcome AB welcomed everyone to the meeting and introduced Sheelagh Norris, who was attending as an observer, and as a prospective Board member.</p>
629	<p>Apologies A record was made of apologies from non-attendees.</p>
630	<p>Approval of Previous Minutes The Board approved the minutes of the meeting held on 18th November 2021.</p>
631	<p>AOCB Approval None.</p>
632	<p>Declaration of Interest None.</p>
633	<p>Matters Arising None.</p>
634	<p>Manager's Report</p> <p>VW submitted her latest Manager's report. Regarding current contracts, she had met with Link Management, and they advised they will be taking back the stair cleaning work at Leyland Road in the next financial year.</p> <p>With regards to business development, VW advised that the work is going well with Graham Developments. Good feedback has been received and they have requested that AEL provide cleans for an additional 11 units at new properties in Polbeth.</p> <p>With regards to landfill costs, IT advised that the report regarding amendments to costs will be reviewed in the near future. She is currently awaiting confirmation of what the uplift costs will be and the SOR code will in turn be reviewed. Budgets may require small adjustments once the final figures are known, but IT was hopeful that AEL will be able to recycle and re-use some items based on the current business plan that is being developed.</p> <p>With regard to possible new ventures, VW advised that the proposed domestic removals service would not proceed as there were too many risks involved, including the costs of registration and insurance.</p> <p>The Board noted the Manager's report.</p>

PRESENTATIONS

635	None.
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PAPERS for APPROVAL

636	<p>Business Plan 2022-23</p> <p>The draft Business Plan for 2022-23 was submitted. IC commended the work that had been done by staff. Following a review of the draft the Board approved the Business Plan text for 2022/23 and noted that this would now be submitted to the AHA Board for approval.</p> <p>The Board also approved the appointment of a consultant to assist with taking forward the strategy leading to future growth.</p>
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637	<p>Cost of Living Award 2022-23</p> <p>The Board reviewed proposals for the cost-of-living award 2022-23. This was based on the new National Living Wage from April 2022 – a 6.6% increase to £9.50 per hour. It was noted that AEL sought to pay slightly above the NLW rate.</p> <p>IC stated that he would like to see AEL move towards the Real Living Wage in the future. AB advised that the costing of current AEL contracts was based on the National Living Wage, but that when contracts were due to be renewed this could be considered, although we had to be aware of the risk of becoming uncompetitive regarding our costs. JD agreed with these comments.</p> <p>Following discussion of the options presented, the Board approved the following new rates for 2022-23: Operatives - £9.53 per hour, Supervisors - £11.70 per hour.</p>
638	<p>Budget 2022-23</p> <p>The draft budget for 2022-23 and the following two years was presented. The budget in year 1 showed an estimated surplus of £8,170 with £8k in gift aid to Almond AHA.</p> <p>The following two years showed a small deficit. The Board were advised that this was because an estimate of the cost of sick pay had been included. Currently, AEL does not offer sick pay for staff, other than the Statutory Sick Pay (SSP) levels. However, during the course of the past year it had been agreed that if staff were off due to Covid, they would receive their full pay for the first 2 weeks, and then SSP. It was now being proposed that we should offer a sick pay scheme covering all absence. This would require consultation with staff and agreement on a policy/procedure covering absence management and sick pay.</p> <p>TD asked what the impact would be if there were to be a deficit in years 2 and 3. AB advised that there are reserves in place to cover this. However the Board was also reminded that if AEL were to report a deficit in a year, it would be a notifiable event and the Scottish Housing Regulator would need to be informed.</p> <p>The Board noted that the budget would now be finalised with the pay award just approved. Subject to these amendments, the Board approved the draft budget and noted that the final version would be issued separately and also incorporated into the Business Plan.</p>
639	<p>Review of Audit Services</p> <p>The Board reviewed a paper summarising a comparison of the costs of AEL’s current external auditor with an estimate provided by the Almond HA auditor. There was little difference in the overall costs and the Board noted that, while the current auditor had worked with AEL for 12 years, he provided a good service and was local, thus meeting one of AEL’s aims – to use local services where possible.</p> <p>Following discussion, the Board agreed to retain the services of Brian Maloney, the current auditor, but also to review this service at least every three years.</p>
640	<p>Risk Register – Annual Review</p> <p>VW presented the annual review of the Risk Register, and proposed that three ‘amber’ risks, which were no longer applicable, be removed.</p> <p>The Board approved the latest version of the Risk Register.</p>
641	<p>Finance report and management accounts to January 2022, incl. proposed Gift Aid payment</p> <p>The finance report and management accounts to January 2022 were submitted. VW provided additional details on specific items.</p> <p>With regard to the Gift Aid payment due to Almond HA, the Board were reminded that paying this before the end of each financial year reduced the corporation tax due by AEL. Prior to this report it had been estimated that £52,000 would be due in Gift Aid, but this had now been revised to £70,000.</p> <p>The Board: (a) noted the financial position as at 31 January 2022</p> <p>(b) approved a Gift Aid payment of £70k to Almond HA for 2021-22, to be made in the current financial year.</p>

	It was also agreed that AHA would provide a report at the next meeting on how the Gift Aid received from AEL has been utilised recently.
FOR INFORMATION	
642	<p>Business Plan 2021/22 – Action Plan update</p> <p>VW submitted the latest update on the progress made against the 2021/22 action plan.</p> <p>There were no matters for discussion and the Board noted the Action Plan update.</p>
643	<p>Performance report</p> <p>VW submitted the latest performance report with comments on the two indicators that had triggered amber in the quarter.</p> <p>The Board noted the report.</p>
644	<p>Board Members – items for future meetings</p> <p>None.</p> <p>SN and VW left the meeting at this point. Before leaving SN confirmed that she still wished her application to become a Director to be considered by the Board.</p>
645	<p>AOB</p> <p>a) <u>Board membership</u></p> <p>The Board welcomed the application by Sheelagh Norris to become an AEL Director, and unanimously agreed to recommend approval of the application to the Almond HA Board.</p> <p>b) <u>Cost of living award: Manager</u></p> <p>Following discussion, the Board approved a 4% cost of living pay award to the Manager, and noted that the cost had already been taken into account in the draft budget for 2022-23.</p>
646	<p>Date of Next Meeting:</p> <ul style="list-style-type: none"> Thursday 19th May 2022 at 5.00pm, online.