



Please note compliance with Scottish Housing Regulator's Standards and Freedom of Information requirements at end of these minutes Minutes of the Committee of Management of Blue Triangle (Glasgow) Housing Association Ltd, held at Head Office, 100 Berkeley Street, Glasgow, G3 7HU on 23 January 2020.

1.	<u>Present</u>	<u>Action</u> <u>By</u>
	Mr N Robinson (NR) (Chairman), Mr S Dryburgh (SD), Ms D McGuire (DMcG), Mr K Jones (KJ), Ms H Ward (HW), Ms A Davis (AD), Mr M Trant (MT), Ms E Campanaro (EC), Mr D Simpson (DSm), Mr S McIvor (SMcl), Ms C Clark (CC), Ms R Harper (RH)	
2.	<u>In Attendance</u>	
	Chief Executive Officer, Finance Director, Operations Director, Acting HR Manager, Property Manager, Admin and Communications Co-Ordinator (minute taker)	
3.	<u>Apologies</u>	
	Mrs F Miller (FM) (Vice Chair),	
4.	<u>Conflicts Of Interest</u>	
	None	
5.	<u>Minutes of the previous Committee of Management Meeting</u>	
	The minutes of the meeting held on 28 November 2019 were approved and duly signed by the Chairman.	
	These minutes had been issued in draft for prior to the meeting and the chairman highlighted the 3 small amendments that had been made before signing the final draft.	
6.	<u>Matters Arising</u>	
6.1	<u>Employee related matter</u>	
	The CEO advised that she was aware that members of the COM had received an anonymous questionnaire which she believed had come from a recently made ex-member of staff. An investigation into the properties of the word document attached as the questionnaire was able to provide some assurance of this.	
	The CEO indicated that she would investigate the matters raised within this questionnaire and that she may be in touch with COM in between the	



scheduled meetings in order to provide information or update on progress.

The CEO advised that she will be meeting with the association's solicitor directly following the COM meeting and the solicitor will be issuing a letter reminding the ex-employee that they are not allowed to contact anyone from the association, including COM members. The CEO asked in the meantime, that COM members be vigilant as to who they speak to purporting to be from the organisation and to not enter any discourse with the ex-employee in question by responding to any e-mail or any other contact but to forward these on immediately.

There was discussion about the implications of GDPR (around this individual's access to COM e-mail addresses) and the CEO will be discussing this with the solicitor. A question was raised as to whether the Regulator had been advised and the CEO confirmed that she had been in contact with all the Regulators to advise them of the situation.

COM members also expressed concern that they did not know the person's name in the event of unsolicited contact. It was agreed that the solicitor be asked as to whether this person's name can be released. In the mean-time it was confirmed that it would only be a few agreed members of staff who would contact the COM in any case.

The Committee of Management:

1. Accepted the verbal update

7. **Health and Safety**

No Report

8. **Chief Executive Reports**

8.1 **Succession Planning**

The CEO spoke to her report and explained that The Scottish Housing Regulator has authority to direct us to undertake a more formal review such as an options appraisal. They have indicated that they will only do this if they do not have assurance that our current business plan (strategic plan) is up to date and/or they do not have assurance that the plan demonstrates a viable future for Blue Triangle that is in the best interests of service users (if a direct replacement is made).

As a result of the above, the CEO advised that the updated Strategic Plan and strategic direction had been reviewed on the basis of an internal review and a new risk assessment and distributed with the papers prior to the meeting. In addition, she noted that the investment plans for the properties are attached as an appendix as are the 5 year projections, our KPIs and our accounts. The Internal Management Plan activities have also been updated.

The Scottish Housing Regulator requires that our strategic plan



demonstrate:

- We have a viable future that is in the best interests of service users
- That on the basis of that assessment it is a recommendation that Blue Triangle recruits a like for like replacement

Assurance in terms of viable future can be gained from:

- Our overall governance
- Our future plans to meet service users' needs (investment in service users, staff and buildings)
- Our strategic plans to develop Blue Triangle
- Our assessment of our risks and whether we are mitigating them effectively
- Our KPIs (Financial, service user's outcomes, organisational)

The CEO advised that staff have carried out a robust risk assessment which was done in reference to the Regulators' guidance on Business Planning.

She highlighted our strengths as being:

- Well managed and governed (we have a clearly articulated mission, vision and strategic direction)
- Service users are at the heart of what we do (our values)
- We consistently deliver good outcomes (trend information)
- We have excellent staff (CI inspections)
- We have a good reputation with stakeholders (retendering and relationships)
- We are a good employer (relationship with UNISON and staff)
- We provide high quality accommodation which is safe and secure (property investment plans, property management, Health and Safety)
- We are experts in the delivery of a range of models of housing support (history of delivering different models of accommodation and support)
- We have financial strength (financial KPIs)

We understand our weakness and threats:

1. We have a reliance on two uncertain income streams (in that they are subject to change and efficiencies)
2. Our costs are under pressure (wage demands, Scottish Living Wage) and our income is subject to efficiencies
3. The policy environment around homelessness is fast moving and we have to adapt to the needs of the Scottish Government and local



authorities

4. Many of our services are temporary residential housing support and the sector is moving towards more prevention of homelessness, less temporary accommodation, more floating support for homeless people
5. Our structure is dispersed and our “presence” in each local authority is different and requires a different approach
6. Our strategic aim of diversification could take some time to deliver

Our opportunities:

We have a budget to deliver our ambitions covering a number of significant change programmes:

- Future proofing projects working group – investment plans for our projects and staff (quality of staff, quality of service, quality of buildings) based on stakeholder needs
- Digital Transformation Working Group – using digital tools to transform how our organisation works
- Performance management – we have a change programme around a new value based performance management system
- A staffing plan to help us diversify and grow funded from reserves for the next 2-3 years based on diversification and creation of new and innovative services.

The CEO went on to explain that the choice is really around whether the COM feel that on the basis of the current risk assessment it should be a like-for-like replacement or whether this is the opportunity to consider other options such as sharing services, group structures or mergers. This is relevant both in terms who and how to recruit as well as the advert for the new CEO given that they would need to know what current and future tasks they would be expected to undertake in the short and medium term.

The CEO explained that the members of the COM needed to assess (based on the risk assessment and information provided within the Strategic Plan and annexes) if a like-for-like replacement or other option is in the best interests of the association’s service users. She added that part of this assessment needs to consider our financial viability and stability and also our current outcomes for service users and whether a different constitutional arrangement would better serve their needs.

The CEO explained that in her opinion there was no immediate need in the short term to change our constitutional arrangements. This needs to be carefully monitored and assessed on a regular basis to ensure that we are delivering high quality services in the best way to meet the needs of our mission and our service users going forward.

The CEO asked that that



1. the COM consider the revised strategic plan and risk assessment and the conclusions made in this report to agree their approach to the replacement of the current CEO
2. If the decision is to replace like-for-like the COM consider what skills, they need to deliver on the strategic plan going forward
3. How best to recruit – use in-house resources or buy in the services of a recruitment agency

The CEO advised that the decision will then be communicated alongside the supporting documentation to the Scottish Housing Regulator.

The Chair asked Operations Director and Finance Director to give a brief overview of what their view was of Blue Triangle's future based on their understanding of the current challenges and operating context.

The Operations Director said that the landscape of homelessness provision is changing all the time and there is no doubt about the many risks facing us going forward. He indicated that he had been present through many iterations of homelessness policy over the years. In the past, for example, Blue Triangle provided floating support as its main business and this was replaced gradually over time with residential support. In effect, certain service models fall in and out of favour at various times, and the association has always been very good at adapting to new environments and meeting these new challenges. He stated that his preference going forward was that the association would benefit from evolution and not revolution.

The Finance Director said that over his 24 years with the association, he felt that we have embraced a lot of change and adapted to meet the needs of our commissioners. Whereas past surpluses are not a predictor for the future, we are in a solid financial position in terms of our assets and financial performance, and although we were dipping into reserves over the next few years, this was for specific purposes to enable us to grow and become more efficient. Recently we had to deal with a lot of very difficult changes such as GDPR, FOI and Job Evaluation and we have come out the other side and are now in a very good position to move forward. As we are a Registered Social Landlord we are in a relatively good position when tendering for local authority contracts as we attract full housing benefit subsidy for the local authority whereas charities do not, leaving the local authority with a funding gap. We also have plans going forward that will help us such as digital transformation and our Better Futures Tool.

The CEO invited the acting HR Manager as a relatively new recruit to provide an overview of the association. She felt that she had a lot of experience to bring to the association from her background in working in HR sections in the prison service and private sector. She felt that the association was well placed both now and going forward with its current structure.

Comments/queries from the COM:

"What leeway does the association have to change direction, if it is decided

that this would be needed?”

The CEO indicated that it would be dependent on the timing as to the proposed change. It is important that the next CEO understands the context of what they are expected to deal with when they first come to the association. It would be a difficult situation if the next CEO was presented with a merger or a group structure proposal immediately after they joined when this was not highlighted at the time of interview.

The CEO confirmed that if there was a decision in the medium term, this would not be a problem for the Regulator as they are looking for assurance at this point that we are viable and if there are changes in the future, this would require a business case to be presented to them at that time.

“We are a unique quasi-housing association and not being courted by other associations. Feels that there is no reason to look at any other option than a like-for-like replacement, the question is only how to go about it.”

“It would be very important that the next CEO engendered the same level of respect as the current one with external stakeholders.”

“Agree that like-for-like option is safest going forward. We need to look at the skills that we would like this person to bring to the organisation in terms of our target of diversification, and perhaps this would be someone with community business and social enterprise experience or even someone with business awareness. Depending on the skills of the person recruited, this could then result in a different need overall for the likes of a Business Development Officer, for example, in the structure below the CEO.”

“Would prefer an internal candidate if possible, as very supportive of the current senior staff team and would encourage promotion from within as this gives opportunities and succession for others in the structure below.”

“Had experience of mergers and there are both massive risks and cons in a merger option, and there are things like reputational risk which is at stake, and would prefer the like for like option.”

“Every new CEO will come to the association with their own ideas and come to the COM with changes they’d like to make, and the COM and staff will need to embrace change.”

“The association is in one of the best positions to move forward in terms of its finances, it’s in a solid place to weather the change and in favour of the like for like option.”

The Chair concluded the discussion by asking the COM whether they were all of the opinion that their preferred option was to replace like-for-like. The COM agreed that this was their preferred option.

The CEO advised that the next stage will be to submit the report and decision to the Scottish Housing Regulator and then as previously agreed by the COM there will a special Recruitment sub-committee established to set up the internal processes to recruit a replacement.



The Chair then asked the COM to consider the next part of the report which was around the job description and what skills should be highlighted as essential for the next CEO.

There was significant discussion about specific skills that COM members felt important. It was agreed that one key skill could be around recruitment of someone with social enterprise or commercial skills. It was agreed that this should be discussed by the recruitment sub-committee. It was further agreed that the sub-committee would consider the job description in detail.

It was felt very important that we recruit someone with the right values and who understands and respects service users – a lot of things can be learned but you cannot teach values.

It was also felt important that someone was recruited with an understanding of networking, labour relations, and working with other representative bodies. It was also felt that insisting that the next CEO had a minimum of 5 years' experience in a strategic role might exclude people looking for the next step up and so this should be changed. There was an obvious need for the person to understand homelessness.

Lastly, the JE template showed too low a score on "emotional demands" but it was explained that the template was not flexible in that it couldn't be changed in this regard.

The Chair then moved the discussion forward to the matter of whether we should use in-house resources or an external agency to support the recruitment process. The COM agreed that they would prefer the appointment of an external recruitment agency but that they (recruitment agency) should be directed by the HR department on various key aspects to ensure that the recruitment and advert was nuanced enough to meet requirements. It was felt that the recruitment agency could do the first "sweep" of applicants to filter them and the recruitment agency could help with questions. It was considered important that the COM have a strong role in working with the recruitment agency in order to find the best way to highlight or evaluate values.

It was agreed that the staff in the first instance would contact three recruitment agencies to determine what the different options and costs were and to then bring them back to the Recruitment sub-committee for consideration. This with the caveat that their remit must be very specific and determined by a contract if using a mix of internal and external. Costs would be important in determining how to go forward but not absolute.

The Chair then asked for volunteers to sit on the sub-committee and the following COM members put themselves forward: MT, NR (Chair), EC, DMcG with HW, SMcl and AD offering their services as replacements if required. It was further agreed that there should be a maximum of five on the interview panel which would be 4 COM plus HR.

The Chair then concluded the discussion with a summary of the agreed approvals.



The Committee of Management approved:

1. the revised strategic plan and risk assessment
2. the conclusions reached in the attached report that the current constitution was the preferred option going forward
3. a like-for-like replacement for the CEO.
4. delegated authority to the Recruitment Subcommittee to manage the entire process from this point on to final recommendation to COM to appoint.

9.0 Committee Reports

9.1 Quality and Performance Committee

No report

9.2 Audit, Risk, Finance and Resources

No report

9.3 Vision and Innovation

No report

10. Policies for Approval

10.1 Policies **approved** by sub-committee

No Policies

10.2 Policies **not approved** by sub-committee

No Policies

11. Any Other Competent Business

None

12. Date of Next Meeting

26 March 2020

Signed: Neil Robinson Dated: 26 March 2020



The COM minutes are required to be recorded such that they could be either inserted onto our external website or to be released on request. This is to comply with Scottish Housing Regulator guidance and Freedom of Information legislation. Text in red will be removed or redacted prior to be posted on external website for the following reasons

Page	Section	Reason