



**MEETING of the  
GOVERNING BODY OF  
SCOTTISH VETERANS RESIDENCES  
On MS Teams, Friday 4 September 2020**

**Record of Decisions**

**Present:** George Lowder MBE, Chairman  
Jonathan Tweedie, Vice Chair (VC)  
Maj Roddy Laing (RL)  
Rev Neil N Gardner (NG)  
Sue Bomphray (SB)  
Richard Edlmann (RE)  
Tony Jones (TJ)  
Iain Lindsay (IL)  
Clive Masson (CM)

**In attendance:** Jeremy Chittleburgh, Treasurer (JC)  
George Corbett (DCEO)  
Susie Hamilton, Head of External Relations (HER)  
Martin Nadin OBE, Chief Executive (CEO)  
Susan Duthie, Company Secretary (Minutes) (CS)

**Apologies:** Sqn Ldr Derek Morrison (DM)  
Troy Johnson (TAJ)  
Pippa Shields (PS)

	<b>Subject</b>	<b>Raised by</b>	<b>Additional Documents</b>	<b>Decision</b>
<b>1</b>	<b>Chairman's Introduction</b>	<b>Chairman</b>		
	The Chairman thanked everyone for attending and sent his best wishes to TAJ for a speedy recovery.			
<b>2</b>	<b>Apologies</b>	<b>SD</b>		
	As noted above.			
<b>3</b>	<b>Previous Minutes</b>	<b>SD</b>		<b>Accepted</b>
3.1	Minutes of the Governing Body Meeting of SVR held on 26 Jun 20 were reviewed. There were no matters arising.			
3.2	Minutes accepted: Proposed by: R Edlmann Seconded by: R Laing			

<b>4</b>	<b>Action Log</b>			<b>Approved</b>
	<p><b>Actions:</b></p> <p>55. CEO is to meet with the Risk Advisor from our Insurance Brokers to review the Strategic Risk Register. CEO will ask for Risk Management Training recommendations. c/f.</p> <p>63. Whitefoord House Bowling Green redevelopment – progress delayed due to COVID-19 restrictions. Celebrity gardeners will be approached via their agents starting with Charlie Dimmock and we are waiting for a response before contacting others such as Monty Don and George Anderson.</p> <p>66. Service updates, c/f.</p> <p>68. CEO has written to FOSNI, awaiting reply. c/f</p> <p>70. All actions completed with the SGM held today. Close.</p>			
<b>5</b>	<b>Ratification of Out of Committee Decisions</b>			<b>Approved</b>
5.1	The Governing Body was asked to ratify its Out of Committee decision to agree the Digital Transformation Business Case dated 4/8/20.			
5.2	The Chairman added that it was right for the business to be able to agree unanimous responsibility in support of the OOC proposal.			
	<b>Decision: Agreed to support the Digital Transformation BC OOC decision.</b>			
<b>6</b>	<b>COVID-19 Update</b>	<b>CEO</b>	<b>Paper</b>	<b>Information</b>
6.1	To date there has been no significant illness in the residences. The one employee who was seriously ill with COVID-19 in March has recovered and should return to work soon.			
6.2	<p>Infection prevention/Covid-19 protocols and procedures have been independently reviewed by GS Group, and SRM Safety Management has reviewed specifically with regards to Health &amp; Safety policies.</p> <p>They have visited Rosendaal and a report is due to follow. Verbally a good bill of health was given with some minor adjustments to be made.</p> <p>Whitefoord House review is lined up. Bellrock visit has been postponed due to the additional local Covid-19 measures.</p>			
6.3	Financial figures are shown on Annex A. SHR Monthly Return Comparison with the figures for August showing that SVR continues to fare better than the majority of other RSLs in the sector.			
6.4	Chairman asked if there were any insights that could be shared from the affected employee. CEO advised that their age, overall general health and fitness had probably led to the disease presenting at the severe end of the spectrum and that it was unlikely additional measures should be introduced on that basis.			
6.5	Chairman added that a bleak economic outlook is expected when the furlough scheme ends in October and it is likely that society will see greater hardship across all sectors which may also may potentially lead to more veterans coming to SVR.			

6.6	<p>CM asked if there was a protocol in place for any 'quarantine refusers'? Should SVR take a position on this for staff and residents.          CEO confirmed that new residents or returners have gone into isolation voluntarily. Staff have had discussions with their managers and have been warned of the risk and therefore CEO does not see this as an issue.</p>			
<b>7</b>	<b>Sub-Committee Reports</b>	<b>Chairs</b>	<b>Minutes</b>	<b>Approved</b>
7.1.1	<p><b>Investment, Remuneration &amp; Finance Committee</b>          Last meeting 14 Aug 20.          Next Meeting 20 Nov 20</p>			
7.1.2	<p>Chairman content that the investment managers have done an effective job in managing the investment portfolio throughout this period and to have a deficit of just 0.35% at the end of June, from the pre-Covid-19 balance was an excellent position in the current environment. The IRFC agreed to maintain a measured approach and Rathbones are have the agility and flexibility they need to maintain a balanced and diverse portfolio.</p>			
7.1.3	<p>Pay Award 2021 was discussed at the meeting and put into context for the rest of the year. CEO put forward the case for a 2.5% increase which was made up of 1% Cost of Living and 1.5% enhancement in recognition of the staff's efforts and performance during the pandemic.          CEO had confirmed that all staff are now in the correct pay bands. The proposed pay rates would take effect from 1 Jan 21. This was considered in context. It was recognised that SVR is a generous employer and unemployment is likely to rise. Within the private sector, pay cuts or no pay increase were likely to be the norm. It was recognised that there had been some greater than inflation pay awards in the public sector. On balance, the Chairman felt that staff would want certainty of job security and no redundancies in preference to a pay rise. The IRFC have asked the Treasurer to budget for a 1% increase and this will be reviewed before the next Governing Body Meeting on the 11<sup>th</sup> Dec. It was agreed to continue to pay the Real Living Wage to those employees in receipt.</p>			
7.1.4	<p>Tenant Rents were recommended to remain at current levels. It was agreed not to increase the rent from 1/1/21.</p>			
7.1.5	<p>Risk Appetite was agreed to continue to take careful advice and a measured approach. VC added that the world will be a tough environment for the next year. Our security of assets is fine but we need to be cautious. Central and local governments will need to rely on reserves more. The private sector will see zero% pay rises. SVR should follow the rest of Edinburgh City.</p> <p>The following decisions from the IRFC were recommended to the Governing Body:</p> <p>Agreed to reserve the decision on the annual pay award;          Agreed to not increase tenants' rents;          Agreed to the new parental bereavement leave policy; and          Agreed to the funding request for the raising awareness marketing campaign.</p> <p>GC asked if the rent freeze also applied to residents as they are reviewed and increased annually. The guidelines are CPI + 1% and this is budget for income to the support teams. JC clarified that this is only a freeze on the mainstream tenancies.</p> <p><b>Decision: The Governing Body approved all of the IRFC recommendations.</b></p>			

7.2	<b>Audit &amp; Risk Committee</b> Next Meeting 9 Oct 20			
7.3	<b>Quality Committee</b> Next meeting 10 Nov 20.			
<b>8</b>	<b>Chief Executive's Report</b>	<b>CEO</b>	<b>Reports</b>	<b>Actions</b>
8.1	<p><b>CEO's report</b></p> <p>Internal Audit Service tender advertisement published in Scottish Housing News and Scottish Financial News. It will run for 2 weeks with a closing date of 25 Sep 20. CEO expects to have selected by 1 Nov.</p>			
8.1.2	<p>Annual Assurance Statement – Action Plan The constitution is now approved. Tenant Engagement Strategy has been circulated to staff for comments. Governing Body Succession policy is outstanding – CEO making use of the Scottish Charity Commission guiding documents. CEO will bring the above to the next Audit &amp; Risk meeting on 9 Oct and then make recommendation for an Out of Committee prior to submission. The SHR has deferred the deadline from 31 Oct to 30 Nov. CEO expects the AAS to be 95% complete. There may not be time to have received feedback from the tenants on the Tenants Engagement Policy by then.</p>			
8.1.3	<p>Bellrock Close Review is underway with the NDA and GDPR addendum signed off. The Project Initiation Document conforms to the objectives set out in the Terms of Reference. There will be fortnightly updates on progress and the full report is due for delivery by the end of September. CEO will bring the report and the management response to the GBM in December. Chairman thanked CEO for his work on the procurement.</p> <p><b>DCEO</b></p>			
8.2.1	SVR has remained compliant throughout COVID-19 with the support of the imbedded maintenance officers.			
8.2.2	The architect is considering retiring.			
8.2.3	The Quantity Surveyor is back from furlough.			
8.2.4	The planned maintenance manager is back from furlough with a skeleton staff and fewer sub-contractors. The manager has recovered from COVID-19.			
8.2.5	DCEO Operating with reduced levels of support.			
8.2.6	Condition surveys of internal works have been delayed however surveys of external works have continued. Two of their staff were tested and isolated. Looking at end of Sep for Whitefoord House and Rosendael, later for Bellrock.			
8.2.7	Fire Alarm Upgrade. Following Scottish Government advice entry to properties are only possible with the tenant's or resident's consent, unless in an emergency. The deadline for the upgrade of the alarms has been delayed from Feb to May 21. The Gilmerton properties are due to be upgraded in September with the rest to follow.			
8.2.8	Rosendael Lodge Conversion. Receipt of planning permission was slow and now			

	<p>slow progress is being made with the Building Warrants. Once they are approved, the work can go out to tender and the results will be brought back to the next Governing Body Meeting in December which will mean a delay to 2021 before the work starts.</p> <p>Chairman suggested that the current state of the market meant that prices should be more competitive for builders looking for work, although scarcity of builders could also have an influence on demand.</p> <p><b>Head of External Relations</b></p>			
8.3.1	Grants have been successfully applied for COVID-19 related expenses; £8.5k from Morrisons Foundation and £47k from Comic Relief. In total £120k has been promised or received which is in line with the specific expenditure.			
8.3.2	Armed Forces Covenant Trust fund the JILWO (Join In Live Well Officer) and HER has requested additional funds to support the activities he is organising for residents.			
8.3.3	The Annual Report has been distributed; the majority by e-mail.			
8.3.4	Virtual Data Protection training for staff has been completed. The DPO is reviewing our audit and the response will be available for the next Audit & Risk Committee.			
<b>9</b>	<b>Residence Committee Reports:</b>			
9.1	No Residence meetings have been held during the COVID-19 restrictions.			
9.2	<p><b>Bellrock Close – SB</b></p> <p>No significant issues to report. The residents are healthy and getting out as much as they can. Kenny Noble has also been in to visit and there is also another person interested in volunteering in Bellrock. Chairman encouraged all to be on the lookout for others interested in volunteering, as this could potentially aid in the succession planning.</p>			
9.3	<p><b>Rosendael – CM</b></p> <p>CM asked at what point they can go back into the residence to visit. CEO is leaving the decision to the individual residence managers to decide. DCEO confirmed that the Scottish Government Guidance would mean it will be Phase 4 before non-essential visits are allowed. Chairman encouraged virtual contact.</p>			
9.4	<p><b>Whitefoord House – NG</b></p> <p>NG has been keeping in touch with the residence manager by e-mail. NG has a potential volunteer to help with the residence support.</p>			
<b>10</b>	<b>Treasurer’s Report</b>	<b>Treasurer</b>	<b>Annual Accts Mgt Accts</b>	<b>Approved</b>
10.1	<p><b>Quarterly accounts</b></p> <p>The management accounts for the 6-month period to end of Jun 20 were presented. The position is generally better than budgeted for. There have been savings across maintenance and staff costs. On the income side, the number of voids is a concern. SVR is in a reasonable position in relative terms with tenants’ arrears. There are delays in Universal Credit payments, which can take more than 6 weeks to flow through.</p>			

10.2	There is an overspend in Catering. The appointment of the catering manager is an additional cost and the cost of food and the related supply chain has increased. Some of the costs on maintenance related to catering can be capitalised at the year end.			
10.3	Investment values showed an initial Covid-19 related drop but have since shown some improvement. Chairman asked if the additional cost of disposables can be reclaimed. JC confirmed that this is being done where possible.			
<b>11</b>				
	<b>Draft Investment Policy Report</b>	<b>VC</b>	<b>Report</b>	<b>Approved</b>
11.1	The draft policy was shared with the Governing Body. Its purpose is to give the Investment Manager direction on SVR's investment requirements.			
11.2	For Fixed Interest Assets they will be asked to focus on assets outside of the UK. The Dollar is giving better rates than Sterling bearing in mind a potential recession.			
11.3	Chairman thanked VC for drafting this report and asked the GB if they were happy with the wording of the 'ethical considerations' section. VC believes that it is appropriate as ethical considerations can become subjective very quickly. Discussions on this could constrain decisions very quickly.			
11.4	CEO asked if sustainability and carbon footprint will be part of the ethical considerations. Are we still investing in companies that produce fossil fuels? Chairman confirmed that yes whilst that sectors remains a good investment. VC added that value is based on future income streams. Valuing an oil company today is different as its future income will reduce over time on the assumption that the carbon economy will be short-lived therefore investment exposure in this sector is reducing. Forward thinking carbon-based companies are re-inventing themselves as energy businesses and are investing research in greener energy sources for the future. Oil exploration and development is not part of the portfolio.			
<b>Decision: Unanimous approval of the Investment Policy Statement</b>				
<b>12</b>				
	<b>Media Marketing Campaign</b>	<b>HER</b>	<b>Summary Report</b>	
12.1	HER shared a screen shot of one of the outdoor hoardings on which the SVR advert was shown. Several locations were used including St Enoch Centre, Glasgow and Seafield Road, Edinburgh.			
12.2	A summary report was included in the pack. A detailed report prepared by The Lane Agency can be shared on request. The overall spend was split between animation products and stills. The media spend was split between £10k for TV advertising and £5k on social media.			
12.3	The campaign was directed at veterans and referral agencies as well as general brand awareness. Targeting on social media can be more focussed.			
12.4	The animated clips have a compelling content and the Scottish Veterans Commissioner tweeted that they were 'hard hitting'. The statistics show that there were 85k views and 7.5k engagements. The cost per click was 28p (40p is standard) Cost on Twitter 18p (25p is standard) LinkedIn has a cost per click of £6 which was expensive.			

12.5	A poll of 250 as part of a brand awareness survey taken at the start and again at the end of the campaign went down slightly. Concurrently Veterans Scotland awareness went up showing the SVR needs more differentiation.
12.6	The campaign has resulted in 3 times more enquiries through the website, online engagements and referrals compared to the same time last year. There were 9 pending applications from veterans and 4 have since moved in. The financial value of a resident filling a void is significant compared to the cost of marketing.
12.7	Other indirect donations have been received and also soft engagement by offers of help. E.g. £400 individual donation, RAF Lossiemouth dog-handlers doing a sleep-out to raise funds.
12.8	This is the first brand awareness campaign for a considerable time. HER requested commissioning another animated case study for a service not yet covered such as Infantry, RAF or Merchant Navy.
12.9	For the TV coverage a medium campaign covering Edinburgh and Dundee was affordable. Glasgow is much more expensive and was not included however this could be included in the budget for next year. IL offered case studies for Merchant Marine, although they have to be residents in SVR. Also he has contacts in the West which may help secure a better deal or more coverage via local radio.
12.10	<p>VC asked what is the aim from the advertising.</p> <p>HER wanted a reduction in voids and more enquiries from those who need our services. Also the campaign is to promote the brand amongst other military charities. VC felt that 95% of the general population do not need to know about SVR. Chairman reminded that in the previous strategy session one of the aims was to increase brand awareness amongst all. Local Authorities do not all understand what we do. There may be donor fatigue and SVR should not be complacent. If a member of the public is on a funding committee making a decision it will be good for them to know about SVR.</p> <p>VC added that there is a finite resource available and its use should be very focussed rather than mass market. Develop the strength of SVR's product to grant-makers, military and civilian organisations that we work with.</p> <p>Chairman added the we took up the filming opportunity with Lane including the free marketing was offered (partly due to COVID-19) and if free advertising is offered it should be taken advantage of.</p> <p>HER added that as a norm we contact many referral agencies directly. Word of mouth is the single biggest method. Social media is also focused.</p>
12.11	The animated product will have a shelf life of approximately 2 years.
12.12	CEO and DCEO had planned to visit the Armed Forces Champions and the Local Authority contacts however this was cancelled for this year by the pandemic.
12.13	<p>Chairman offered to forward the links via his LinkedIn network, HER will follow up.</p> <p><b>Recommendation: £7.5k spend on 2 more videos featuring either an Infantry or other service case study.</b></p> <p><b>Decision: All agreed</b></p> <p><b>Action: Postpone decision on proposed additional £12k spend on TV advertising campaign in Glasgow. Bring back and consider as part of the budget discussions</b></p>

<b>13</b>	<b>KPIs/Risk Register</b>	<b>CEO</b>		
13.1	The KPIs and Dashboard will move to a Power BI format which will enable a bespoke dashboard to be created, once the Digital Transformation Programme is delivered. Chairman noted that the current format is not satisfactory and looks forward to the new format.			
13.2	CEO noted that the overall Risk Register scores were improving with all risks being appropriately mitigated. Previously covered in Srl 4. COVID-19 risk remains the current highest impact event.			
<b>14</b>	<b>Service Updates</b>			
14.1	<b>Royal Navy – gapped</b>			
14.2	<b>Army - RL</b> Bi-monthly welfare meetings being held involving all of the units in Scotland. Housing, moves, repairs and schools being the main topics. There is a new enhanced resettlement package. This includes online life skills training. Army in Scotland have provided planning support to the Scottish Government and Liaison Officers working with the NHS, provision of 18 mobile testing units. The voluntary outflow has decreased and manning at 90%. Training and recruitment centres have just opened up again.			
14.3	<b>Royal Air Force</b>			
14.4	<b>Merchant Navy – IL</b> There is a new COVID-19 fund from 4 agencies donated £500k each. Welfare to also include fishermen. 3 <sup>rd</sup> Sept was Merchant Navy Day. Merchant Navy Welfare have been delivering food parcels including to veterans in Bellrock.			
<b>15</b>	<b>AOB</b> CEO advised that he has been approached to join the RAMC Council of Colonel Commandants, subject to approval by the Sovereign. This would be with effect from 1 January 2021 and the appointment would be 5 years. The commitment would be 4 quarterly meetings with 2 or 3 unit visits per year. The commitment is likely to increase from 2023. This would have no detriment to SVR nor any financial burden. CEO wanted the support of the GBM before accepting the role. Chairman supports the CEO and asked if anyone had any concerns that they approach him directly by 5 pm on the 7 <sup>th</sup> Sept. <b>Secretary’s Note:</b> CEO has since been confirmed in his appointment as a RAMC Honorary Colonel.			
<b>16</b>	<b>DONM – Friday, 11 Dec 20, 12.00 – 15.00, Teams/Whitefoord House, Edinburgh.</b>			