

BUIDHEANN TIGHEADAS LOCH AILLSE AGUS AN EILEIN  
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LOCHALSH AND SKYE HOUSING ASSOCIATION

MINUTES of the 29th ANNUAL GENERAL MEETING held on  
Monday 25th June 2012 at 7.00pm at Morrison House, Portree, Isle of Skye

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**PRESENT:** Mr I MacLean (Chairperson), Mr R Johnston (Vice-Chairperson), Mr D MacKenzie (Treasurer), Mr I McIvor, Mrs M A Malicki, Mrs J Turkington, Mr T Dew, Mr D MacDonell, Mr A MacLeod (Citizens Advice Bureau), Ms A Murphy (Citizens Advice Bureau), Miss J MacPherson, Ms Sian Seddan, Mr G Gormal, Mr J Lamont, Ms L Williams (The Highland Council), Mr D Brown, Mr W Gordon, Mr T Bowditch, Mr A Williams, Mrs M Palmer, Miss F Duguid, Mrs L MacIntosh, Ms J Masson, Mr J Jones, Mr J Laing, Mr A MacCalman, Mr G Wight, Mrs C Lesley (Portree Community Council), Miss I Moore, Mr R MacKinnon.

**IN ATTENDANCE:** Mr L MacDonald (Chief Executive)

**APOLOGIES:** Mr I MacKenzie, Mr J Campbell, Mrs M Gillies, Mrs K Grant, Mrs A MacSween, Minginish Community Council, Mrs V Phipps, Ms A Gilheaney, Mrs M Douglas, Mrs P Simmister, Mrs I MacLeod, Mrs M Gillies, Ms L Francis, Mr T Harvey, Mrs P Walsh, Mr H MacDonald.

**2. MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING (27 June 2011)**

The Minutes had been circulated previously and were moved for adoption by Mr Archie MacCalman seconded by Miss J MacPherson and approved unanimously.

**3. CHAIRPERSON'S REPORT**

The Chairperson gave the following report:

I thank you, the Members of the Association for coming to our AGM.

The Management Committee welcomed two new members during the year – Mr Archie MacCalman was co-opted to the Committee on 13 June 2011 and became a full member at the last AGM. Ms Sian Seddon was co-opted on 12 March this year.

Mr Terry Harvey, who was Vice-Chairperson, resigned from the committee due to ill-health in March 2012 and Mr Dick Johnston was unanimously elected Vice-Chairperson to replace Terry. Terry was a very active member and we will miss his contributions to our meetings. Mrs Sam Crowe also resigned during the year due to her other commitments and we also thank her.

I'll take the opportunity now to let Members know that after almost 29 years of service as a Management Committee member, Miss Isabel Moore retired at our last Management Committee meeting.

Isabel has attended all of the Association's AGM's since the first one in 1983. She has been a regular attendee at the monthly meetings, missing very few in these 29 years.

Isabel was the Vice-Chairperson, then Chairperson, of the Association for 6 years, only standing down from the Chair due to changes in national policy which dictated a set period of time that one person could remain as Chairperson.

Her leadership as Chairperson, her knowledge, her enthusiasm, her quiet manner, her encouragement towards new members, both committee and staff, will be enormously missed.

We wish Isabel "good health", just as she leaves the Association in "good health", all due to her diligence and commitment to the Association and its objectives. "A big, big, thank you from us all, Isabel".

2011/12 has been a sort of "up & down" kind of year. Our development programme has been drastically reduced compared to previous years but we were able to increase our property management activities for external clients as the Chief Executive will explain in his report.

Projects in Kyle of Lochalsh, Raasay, Kyleakin and Portree were all completed during the year and 21 houses and flats were added to our housing stock.

Due to Government cuts in overall spending on housing, it looks pretty bleak on the development side of things in the next 3 years but we are doing everything we can to try and make sure that Skye and Lochalsh gets a fair share of the investment funding that is available.

The Director of Development Services has successfully secured contracts with The Highland Council and other agencies to provide a range of development and technical services which has meant that the Development and Property Services team has been kept in full employment.

During the year there have been quite a few consultation documents from the Scottish Government regarding the new Scottish Social Housing Charter and the new Scottish Housing Regulator.

These consultations take up quite a considerable amount of time, not only for Management Committee members time but also senior staff members time, as policies and procedures have to be updated in line with the end results of these consultations.

I thank the Sub-Committee members and the Chief Executive for the time spent reading, digesting and reporting back on these consultations.

Despite the somewhat gloomy reading above, I am pleased to be able to say that we have again ended the year with the Association showing a healthy financial balance and all planned maintenance will go ahead in the coming year.

Should Government funding allow additional new building to commence, then the Association is in the position of being able to get projects up and running very quickly as we have sites landbanked and projects that can be brought forward into the development programme.

I would like to remind members, and others, that the New Scottish Housing Regulator went live on 1 April 2012 and although Lochalsh & Skye Housing Association provides statistics about its performance on its own web site [www.LSHA.co.uk](http://www.LSHA.co.uk), you can get more information regarding how we compare to our Peer Group at [www.scottishhousingregulator.gov.uk/newregulator](http://www.scottishhousingregulator.gov.uk/newregulator)

Finally, a big “thank-you” to all of the Committee Members, staff, contractors and everyone associated with the Association for helping us to continue to achieve our objectives in these tough financial times.

#### **4. CHIEF EXECUTIVE’S REPORT**

The Chief Executive gave the following report:

Like many other housing associations in Scotland with an active development programme, the last year has been one of considerable change as we had to deal with the reality of drastic cuts in the level of government funding for new housing. We had planned carefully for this eventuality and were able to re-deploy most staff into other activities which I will mention later in my report. After a detailed consultation exercise with staff, the Management Committee agreed reluctantly that we had no alternative but to reduce our Development Services staffing level. However, as a consequence of receiving an application for voluntary redundancy from one member of staff, we were able to implement the changes with no compulsory redundancies.

As the Chair has reported, we did still have a considerable programme of works on-going during the year and we invested almost £4 million in new housing for rent and shared equity ownership as well as planned improvement works to our existing housing stock. In June 2011 we were delighted that our new houses at Burnside, Plockton won the Scottish Home Award for the ‘Rural Housing Development of the year’ and our project at Pier Road, Ardvasar was highly commended in the ‘Small affordable housing development’ category.

We were also successful in bidding for funding from the government to allow us to build 15 new houses at Dornie which includes 6 houses for The Highland Council. This project also contains our first properties for mid-market rent which will be leased to our non-charitable subsidiary company as well as 3 houses for shared equity sale. We expect this project to be completed and ready for occupation in March 2013. We congratulate our Director of Development Services and Development Officer for all their achievements in the last 12 months.

As part of our strategy of trying to ensure that we can retain staff in full employment going forward, we have successfully secured a series of property management and technical services contracts with a range of other agencies including The Highland Council, The National Trust for Scotland, West Highland Colleges, Highlands and Islands Enterprise and Link Housing Association. We are also actively considering other ways in which we can share services with

public and private sector agencies to provide more efficient services that provide improved value for money.

Our Property Services staff dealt with more than 850 repair orders during the year and completed 100% of emergency and urgent repairs within our target times. 98% of routine repairs were completed within our target time which is an improvement on the impressive 96% achieved the previous year. This team was also responsible for our planned maintenance programme of works which invested £248,000 in new windows, doors, kitchens and heating systems with much of this work being carried out by our own joiners. Our customer satisfaction survey results continue to record very high levels of customer satisfaction with these works. Congratulations are due to all our Property Services staff for the efficient way in which they deal with their ever growing workload.

There were particular challenges for our Housing Services team during the year as both our Housing Services Officer and Assistant were absent on Maternity Leave for part of the year. In order to ensure that we were able to continue to provide cover for the level of service that we require, it was agreed to second our E-Business Development Officer to this Service and to employ a temporary Housing Services Administration Assistant. There were a total of 21 new lets and 52 re-lets during the year but we still managed to reduce the time taken to re-let a property from 6 days last year to 5 days this year. Unfortunately, one notable first during the year that they also had to contend with was court proceedings which led to the successful eviction of a tenant from one of our properties for possession of drugs and anti-social behaviour. Given that the workload in Housing Services is ever increasing, the team deserve a huge vote of thanks for their excellent work in difficult circumstances.

As many of you may be aware and as highlighted last year, there are large scale changes taking place in respect of the Welfare Benefit system which will have a significant impact on our tenants. We are now gearing up for potentially the most important changes that will be introduced from 1st April 2013 when tenants who receive Housing Benefit will receive the payment directly from the government as part of a Universal Credit payment. At the present time, Housing Benefit is paid directly to the Association on behalf of the tenant. We have significant concerns as to the impact that this change will have on our revenue streams and the potential difficulties that tenants may face in retaining their tenancies. For this reason, we are strengthening our Finance Services team with the appointment of a new Head of Finance and we also propose to create a Tenancy Sustainment post which is designed to provide additional support to our tenants, particularly those who are vulnerable. Once again, our Finance Services staff have carried out their numerous duties efficiently and effectively.

Our Care and Repair Service assisted 60 elderly and disabled applicants with repairs and improvements to their homes and a total of £314,000 of grants were given out during the year. Our Care and Repair Officer is to be congratulated for his continued achievement of the targets set for him and for the excellent working relationship he maintains with The Council staff and also the local contractors who are involved in carrying out the works.

The Handyperson Service increased the number of completed tasks by 10% over the previous year to a record of 2038 tasks. This achievement is all the more remarkable for the fact that all of the tasks were completed within the target times set for the Service. We thank The Highland Council and NHS Highland for their

continued funding of this invaluable service and for the support provided by Community Service Workers.

We had previously secured two-year funding for our Energy Advice Service from LEADER and the Climate Challenge Fund which would allow the Service to operate until June 2012, however, the Management Committee have decided that such is the importance of the work being done by this Service in tackling fuel poverty in Skye and Lochalsh that the Association will support the continuation of the Service beyond this date. New funding applications have been made to funders and we are confident that the costs of the Service will be met by external funders.

It is not possible for me in this report to thank every staff member individually for their dedicated hard work on behalf of the Association and our clients but their efforts are greatly appreciated.

I would also like to thank everyone who has assisted the Association over the last twelve months, in particular, our colleagues at The Highland Council.

Finally, everyone should be aware of the dedication shown and the hard work carried out by our Management Committee members, ably led by Mr Ian MacLean our Chairperson who has provided me with invaluable support over the last year. I thank them all.

## **5. Annual Report and Financial Statements for the Year Ending 31 March 2011**

The Chief Executive drew members' attention to:-

- The Report of the Management Committee
- The Independent Auditor's Report to the Members of the Association

The Chief Executive asked Members to note the change in Accounting Policy detailed on Page 2 which complies with new guidance. We now depreciate specific elements of our houses (windows, kitchens, roofs, etc) over their economic life span. This has resulted in a prior year adjustment to the Income and Expenditure Account and the Balance Sheet,

The Chief Executive reported that, in short, the Association's auditors were satisfied that our financial statements gave a true and fair view and they had not qualified their opinion in any way.

The Chief Executive also highlighted the following:-

### Income and Expenditure

- Turnover has decreased from £9.45 million to £3.24 million mostly due to decreased shared equity sales in the year.
- Rental Income increased from £1.8M to £1.98M.
- Operating surplus increased from £499K to £513K.
- Interest receivable has reduced from £682 to £440.

- Interest payable up from £170K to £204K.
- Net Surplus for year down from £349K to £289K.

### Balance Sheet

- Housing Properties cost now up from £58.1M to £60.3M.
- Total Assets less current liabilities up to £13.9M from £13.5M.
- There are creditors falling due after more than one year of £11.3M which are our long term loans for housing and office buildings.
- Net Assets up from £2.25M to £2.54M represented by:-
  - Share Capital                      £184
  - Designated Reserves            £50K
  - Revenue Reserves                £2.4M
- Our designated reserves are for future investment in the planned maintenance programme for our own rented housing stock.

A Member enquired about the number of empty properties the Association has. The Chief Executive replied that the Association has no vacant rental properties and explained to Members the Association's position with regard to the significant pressure on the Highland Housing Register housing and transfer lists.

Members were advised that if they wished to receive the full 24 page copy of the Report and Financial Statements, these are available, free of charge, from the Association's offices and on our website.

Members **noted** the report.

## **6. Appointment of Auditors**

The Chief Executive reported that Baker Tilly UK Audit LLP had been appointed on a long term contract as the Association's auditors and have offered their services again this year as part of the agreement. This was proposed by Mrs Joan Turkington, seconded by Mr Donald MacKenzie and approved unanimously.

A Member enquired if it was wise for the Association to use the same auditors every year. The Chief Executive explained that due to the complexities of our audit requirements, the Association had found it necessary to tender the work to national auditing companies with our current auditors winning the contract.

## **7. Election of Management Committee**

In accordance with the Rules, three members of the Management Committee were due to retire in rotation and these were Mrs P Walsh, Mr R Johnston and Mr

D Brown. All these members had indicated that they were willing to continue as Management Committee members and were automatically re-elected.

Two nomination forms for election to the Management Committee had been received. Mr I MacLean had nominated Ms Sian Seddan and Mr John Laing who were both duly elected.

**8. AOCB**

- A member raised concerns over the bad hygiene practises of some dog owners and asked if the Association could do anything to help solve the problem. It was suggested that the Association highlight the problem to The Highland Council and include an article detailing the health and hygiene issues surrounding poor “bag it and bin it” practises in the next Newsletter.

The meeting closed at 7.35 p.m.

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Chairperson .....  .....