

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

MINUTES of the 32<sup>nd</sup> ANNUAL GENERAL MEETING held on  
Monday, 29 June 2015 at 7.00pm at Morrison House, Portree, Isle of Skye

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**PRESENT:** Mr J Laing (Chairperson), Mrs A Sinclair (Vice-Chairperson),  
Mr I McIvor, Mr D MacKenzie, Mr R Beaton, Mrs I MacLeod,  
Mrs J Turkington, Mrs M Douglas, Mrs C Leslie (Portree Community  
Council), Mr G Gormal, Mr T Dew, Ms L Williams,  
Mr G Convery, Mrs M Taylor, Mrs M Palmer, Mrs A MacSween,  
Mr D Martin, Mr R MacKinnon.

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

**APOLOGIES:** Mr J Campbell, Crossroads Care, Mrs P Simmister,  
Mrs J Millington, Ms I Chisholm, Mrs K Grant, Mr T Harvey,  
Mrs Margaret Gillies, Skye & Lochalsh Mental Health Association,  
Mrs Moira Gillies, Miss F Duguid, Miss F McAdam, Mrs A Scholes,  
Mrs P Walsh, Minginish Community Council, Mrs L MacIntosh,  
Sconser Community Council, Mr P James, Mrs P James,  
Mr D MacDonell.

2. **MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING (24 June 2013)**

The Minutes had been circulated previously and were moved for adoption by Mrs A Sinclair seconded by Mrs J Turkington and approved unanimously.

3. **CHAIRPERSON'S REPORT**

The Chairperson gave the following report:

Welcome to the 32<sup>nd</sup> Annual General Meeting of the Association.

I'm delighted to report that the Association has made excellent progress in 2014/15 and we met almost all of the targets that we set out to achieve.

On the housing development side of the business, we completed eleven new housing units and started work on an additional seventeen units in Portree during the year. We have also been project managing new developments for The Highland Council at Balmacara and in Broadford and constructing a new Hostel in Portree on behalf of Police Scotland.

Partnership working is at the heart of all of our activities and we have been working closely with health and social care staff from NHS Highland on the design and provision of new properties for a range of people with special needs. These properties will all be completed and occupied during 2015 and extra support has been arranged for the individual tenants to assist them in sustaining their tenancies. This has been an excellent example of how different agencies

can work together effectively, making the best use of their individual resources and producing first class results to meet the needs of individuals.

Another excellent example of partnership working has resulted in the five main housing associations in the Highlands, which includes ourselves, being awarded £858,000 from the Big Lottery Fund to provide financial and energy advice to tenants over the next five years. The project aims to help tenants to make a smooth transition to the Universal Credit benefit system which is now being rolled out across the UK. It will also help tackle the effects of spiralling fuel costs by offering tenants a one-to-one advice service which in Skye and Lochalsh will be provided by our local Citizens Advice Bureaux.

The Care & Repair Service which we deliver on behalf of The Highland Council has again had a busy year carrying out repairs and improvements for elderly and disabled clients. We were one of the first organisations in Scotland to submit an application to Care and Repair Scotland for the Scottish Quality Mark and we were awarded this accreditation in August 2014. This award provides our funders and our clients with assurance that our service meets national standards and best practice. We congratulate those involved in achieving this important accreditation.

Similarly, our Energy Advice Service has been extremely active and the Chief Executive will report in more detail on the work that is being carried out to try and help those affected by fuel poverty. In November 2014, the Service was accredited as a Green Deal Advice Organisation by the Department of Energy and Climate Change which is a tremendous achievement for a small organisation.

I must also congratulate all of our staff involved in visiting more than 600 of our properties and completing our Stock Condition Survey on schedule. This work has been time consuming and has needed significant staff resources for the surveys themselves and to log the information on to our computer systems. However, it has provided us with a wealth of information that has enabled us to plan ahead with confidence and ensure that our planned programmes of improvement works are targeted effectively at those properties most in need of investment.

This is just a brief overview of some of our activities during the last year but I hope it gives you a flavour of the range of services we are now providing and the Chief Executive will provide further information in his report.

During the year, our Management Committee members have attended our monthly meetings regularly and have been fully supportive of all of the activities of the Association. Mr Gordon Wight and Mr Ian MacLean retired from the Committee during the year after many years of dedicated service and they deserve our sincere thanks for all of the work over many years. We welcomed Mr Roddy Beaton as a new Committee Members during the year and we value the financial expertise he brings to the Association.

Thanks are due to the Chief Executive and all of the staff for their hard work and to all of the Management Committee members who are so supportive to me in my role of Chairperson.

Thank you all very much.

#### 4. **CHIEF EXECUTIVE'S REPORT**

The Chief Executive gave the following report:

I'm delighted to report that our overall performance in 2014/2015 against our targets was excellent and the results will be included in the Report Card we will produce in October 2015 on our performance against the requirements of the Scottish Social Housing Charter. This Report Card is also sent to all our tenants in order that they can see how we performed in relation to other Scottish public sector landlords.

Our Financial Statements, which I will report on in more detail later, also record the fact that we are meeting the requirements of our Five-Year Financial Plan and this provides the necessary assurance to our regulators and funders that we are a well-performing organisation. I'm pleased to report that the Scottish Housing Regulator continues to classify the Association as low-risk in its official classification table.

That doesn't mean that we don't have challenges to meet in the future and it's important that we aren't complacent about the quality of the services we provide as we go forward. Our Business Plan is reviewed annually and sets out the performance targets agreed by our Management Committee that we aim to achieve year-on-year. These are designed to try and ensure that the level and quality of service we provide to our tenants and other clients meet their expectations and the high standard we set ourselves.

I can illustrate how we do this with some of the outcomes from our performance report for last year:-

- Our staff responded to incoming phone calls in less than 4 seconds.
- We let or re-let a total of 62 properties last year, and the average time to re-let a property was 7 days. The Scottish average for re-letting was 35.7 days or seven times as long.

Performing well in re-letting properties is important because each day a property is empty leads to a loss of rental income. Our Housing and Property Services staff are to be congratulated on the efficient way in which they carry out their duties.

- Our Property Services staff also dealt with almost 1000 repair requests from tenants and our average response time for emergency repairs was 3.58 hours compared to the Scottish average of 6.9 hours. We completed non-emergency repairs in an average time of 3.76 days compared to the Scottish average of 8.2 days. Considering the size and rural nature of the area we are working in, these results are an exceptional achievement.
- Our Handyperson Service carried out more than 2300 tasks in the year and met all of their target times which is a fantastic achievement. I reported last year that we were discussing with The Highland Council and NHS Highland the possibility of additional finance to allow us to employ another Handyperson to allow us to become more involved in Telecare work. I'm delighted to report that, thanks to the sterling efforts of staff, we have been

successful in our efforts and an extra Handyperson will be in post shortly. We are grateful to both organisations for the strong support they give to our Handyperson Service which continues to go from strength to strength.

- The Association's largest single source of income comes from rent for our properties and it's very important therefore that we minimise losses from arrears. The Chairperson has mentioned that we have been successful with a Big Lottery Fund application which means that for the next 5 years, our tenants will be able to access additional advice, information and support to help them cope with financial pressures. Our own staff work extremely hard to assist tenants who fall into arrears and through their efforts our gross rent arrears are at 2.67% of our total rent which compares extremely well with similar housing associations across Scotland. Our success in minimising rent arrears is also due to the excellent working arrangements our staff have developed with The Highland Council, Skye and Lochalsh CAB and the Skye & Lochalsh Mental Health Association in relation to housing benefit payments due to tenants. During the year we had our first tenants move onto Universal Credit and we are now meeting regularly with staff from the Department of Works and Pensions through the local Job Centre Plus to help ensure that there are proper systems in place to administer the new arrangements.

Our Development Service staff, as the Chairperson has mentioned, have again been very active in delivering new housing projects and in identifying sites for future development. They are currently working on plans for new housing in Kyle, Broadford, Portree and, hopefully, in Staffin.

In November 2014 and in partnership with a Development Company called Rubicon Land Ltd, we were granted planning consent for a supermarket and filling station on land in our ownership at Home Farm, Portree. The need for more competition within the area has long been recognised but it remains to be seen whether we can attract a supermarket operator to take over the site given the challenging times that supermarket operators are currently facing.

Also in November 2014, we took part in a major housing event organised by the Scottish Government which considered a five-year Action Plan designed to achieve the Scottish Government's vision that all people in Scotland should live in high quality sustainable homes that they can afford and that meet their needs.

The Plan has just been published by the Scottish Government and we will be considering it carefully to make sure that our own future Business Plan reflects the expectations of the Scottish Government.

One action from the Plan that we have already made some progress on is work to try and reduce the level of fuel poverty in the area. Our Energy Advice Service staff have been involved in the property surveys to our own housing stock mentioned by the Chairperson in his report. The information from these surveys will help inform the Association's plan to provide our tenants with affordable warmth and to help us achieve the Energy Efficiency Standard for Social Housing no later than the Scottish Government's target of 2020. We aim to achieve the standard well within that target date and our Director of Investment has plans that are already well developed to enable that to happen.

Also, during the year, we have been actively lobbying politicians and energy suppliers regarding what we consider to be the unfair energy pricing structure that exists in the Highlands and Islands. We have received tremendous encouragement from across the political spectrum for our efforts but so far we are unable to report any tangible action by the energy companies to modify their pricing. In the meantime, we intend to concentrate our efforts on persuading our customers and others to consider switching their energy suppliers to make the most of the considerable savings that can be achieved.

Our Energy Advice Service is also working on behalf of a group of Highlands and Islands housing organisations to prepare a feasibility report into the setting up of a proposed "Energycare" service across the area.

The feasibility study is at a very early stage and hopefully by our next AGM I will be able to report in more detail on what is being proposed and how it could be funded.

The Association's subsidiary Company, North West Highland Community Enterprises Ltd, continues to lease the five mid-market rent properties at Dornie from the Association and it made a small profit during the year. The Accounts for the Company are available from the Association's office.

The Association also provided sponsorship for a wide range of groups and individuals and we will include details of all of this expenditure in our published Annual Report.

I would like to thank every member of staff for their hard work and dedication during the year. Whilst it would not normally be fair to single out a particular member of staff to mention, I must make an exception in respect of Isabel MacLeod who retired at the end of July 2014 as our Finance Services Officer after twenty-eight years of service to the Association. Throughout that time she was an exemplary employee and there is no doubt in my mind that she has been hugely responsible for the successful development of the Association during her time here. We wish her a long and enjoyable retirement.

Finally, I would again like to thank the Chairperson and all of the Management Committee members for their continued support and encouragement for all the work that we do.

That concludes my report for the year.

## **5. Annual Report and Financial Statements for the Year Ending 31 March 2015**

The Chief Executive drew members' attention to:-

### **Pages 1 – 5 : Report of the Management Committee**

- As the Association is a Charity, the individuals referred to collectively as our Management Committee members also act as the Trustees of the Charity and are responsible for ensuring that Annual Financial Statements are presented to the Annual General Meeting.
- **Page 1** lists the Association's key advisers.

- **Page 2** describes key aspects of the business during the year and lists our relationships with other charities and organisations. Importantly, it states at the bottom of the page that we propose to continue to expand in future years and to invest more resources in our existing housing stock for the benefit of our tenants.
- **Page 3** lists the members of the Management Committee and the Executive Officer who is myself. It then starts to set out in detail the Management Committee's responsibilities which continue on to page 4.
- **Page 4** also spells out "how" the Association conducts its business and highlights key policies, procedures and reports that are used to control and manage the organisation.
- **Page 5** concludes the Management Committee Report and you will note that Baker Tilly have agreed to offer themselves for re-appointment as auditors of the Association.

#### **Page 6** : Independent Auditors Report to the Members of the Association

- This page confirms that our Auditors, Baker Tilly, have carried out a full and extensive audit and they consider that the Financial Statements are a true and fair view of the Association's financial position. The auditors have not raised any issues following their visit (which lasted for one week) and, as always, it is pleasing to receive a "clear" audit report from our Auditors.

#### **Page 7** : Income and Expenditure Account

- Turnover has decreased from £3.04 million to £2.84 million in the year mainly due to no further shared equity properties under construction.
- Within that figures, Rental Income increased from £2.21M to £2.26M.
- The Operating Surplus increased from £553K to £634K.
- Interest receivable has increased from £1,384 to £7,026.
- Interest payable up from £267K to £290K which reflects an increase in borrowings to fund new projects.
- Net Surplus for year has increased from £311K to £334K.

#### **Page 8** : Balance Sheet

- Housing Properties Cost now up from £61.7M to £63M.
- Total Assets less Current Liabilities up from £15.27M to £15.3M.
- There are creditors falling due after more than one year of £11.7M which are our long term loans for housing and office buildings.
- Net Assets up from £3.22M to £3.56M represented by:-

- Share Capital £183
- Designated Reserves £45K
- Revenue Reserves £3.52M

- Our Designated Reserve is for the replacement of furniture in our properties and our Revenue Reserves are for future investment in the planned maintenance and repair programmes for our own rented housing stock.
- Members are advised that if they wish to receive the full 25 page copy of the Report and Financial Statements, these are available free of charge from the Association's offices.

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 approved unanimously.

**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 Mr John Laing, Mr Tim Bowditch and Mrs Pat Walsh. Both Mr Laing and Mr Bowditch had indicated that they were willing to continue as Management Committee members and were automatically re-elected. Mrs Pat Walsh, after 32 years involvement with the Association, had decided to retire.

Mr Roddy Beaton, who had filled a casual vacancy during the year, was also elected.

**8. AOCB**

- None.

The meeting closed at 7.30 p.m

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Chairperson .....



