

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

**MINUTES of MEETING of MANAGEMENT COMMITTEE held on  
Monday, 17 December 2018 at 7.00 pm in Morrison House, Portree**

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**PRESENT:** Mrs A Sinclair (Chairperson)  
Mr I Young (Vice-Chairperson)  
Mr J Cayley  
Mr J Laing  
Mr R Liley  
Mr S Proudfoot

**IN ATTENDANCE:** Mr L MacDonald (Chief Executive)  
Mr I McIvor (Director of Investment)  
Mrs M Douglas (Corporate Services Manager)  
Mr J Lamont (Development Officer/Health & Safety Administrator)

**Management Committee Training - Health & Safety Matters – John Lamont,  
Health & Safety Administrator**

Prior to the start of the meeting, John Lamont gave a presentation on Health & Safety matters and highlighted the responsibilities of the Management Committee members. A member asked if the Health & Safety Auditors make an appointment before carrying out an audit and John Lamont confirmed that this is the case. Safehands do “spot checks” on staff working on our properties and provide all the risk assessments for Technical Services staff. Periodic “Toolbox” talks and presentations are also delivered by Safehands.

John Lamont advised members that the HSE can go on site at any time and will investigate a notifiable event. The Director of Investment advised members that he, Anna Pophanken and John Lamont all have CDM Assessor certificates and sign off contractors’ safety plans.

A member asked who has responsibility for Health and Safety on site and John Lamont advised that the Association has to be made aware of any incidents but the contractor has ultimate responsibility. A pre-construction Health and Safety plan is drawn up and it is up to the contractor to carry out this plan.

Another member asked if members were personally responsible if something went wrong and also asked if the Association has insurance against such an event. The Chief Executive confirmed that the required insurance is in place. A member asked if any Management Committees have been sued in Scotland and the Chief Executive advised that, as far as he was aware, this had never happened. The Health & Safety Administrator left the meeting.

## **Janet Anderson**

The Chairperson expressed her appreciation for the contribution that Janet Anderson had made to the Management Committee prior to her illness and commended her bravery.

### **1. APOLOGIES:**

Mrs M Muir.

### **2. DECLARATIONS OF INTEREST**

Mr I Young declared an interest in item 13 regarding a sponsorship request. There were no other declarations of interest.

### **3. MINUTES OF PREVIOUS MEETING**

#### **Management Committee Meeting (19.11.2018)**

The Minutes were moved for adoption by Mr R Liley, seconded by Mr J Laing and **approved** unanimously.

### **4. PROGRESS REPORT FROM PREVIOUS MEETINGS**

The Chief Executive advised members that the proposed rent increase of 3.4% for 2019/2020 was now being consulted on.

The Chief Executive also advised that Donnie Mackay would give a presentation on Energy Advice matters at a future meeting and informed members that Moira Scobbie was hoping to make a phased return to work soon.

The Chief Executive advised members that Cuillin FM had sent a Thank You letter for their sponsorship award. All other actions were complete.

### **5. OTHER MATTERS ARISING**

There were no other matters arising.

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

#### **HMRC – Making Tax Digital**

The Chief Executive advised members that, from 1 April 2019, VAT-registered businesses will have to keep digital records and submit VAT returns to HMRC using compatible software. In order to comply with the new requirements, the Association is upgrading our Sage Accounting software. This will cost in the region of £6,000. Unfortunately, the version of Microsoft Office currently being used is not supported on the Sage upgrade and, as a result, all staff will be upgraded to Office 2016. As the Association is a Charity, we were able to secure 30 licences for Office 2016 at a very good discounted price of £1,116. Installation and training will be carried out prior to the upgrade of the Sage Accounting software which is scheduled for February 2019. **Noted.**

## **The Scottish Housing Regulator – Risk Assessment 2019**

The Chief Executive advised members that the Scottish Housing Regulator has published a document which is a summary of the risks they will focus on when carrying out their new risk assessment of Registered Social Landlords and local authorities. The assessment process will result in the publication of Engagement Plans for **all** landlords from 1 April 2019 and will focus on Service Quality, Stock Quality, Financial Health, Governance and Homelessness.

The homelessness risks relate primarily to how local authorities deliver homelessness services but will also include an assessment of how local authorities and Registered Social Landlords **work together** to tackle homelessness. The document also details the standards and outcomes that Associations are expected to achieve and how these will be measured.

The Chief Executive advised members that it is important that the Management Committee and staff are aware of the regulator's proposals and the ways in which we will need to demonstrate compliance with their requirements. The document will be used by the staff Management Team in the preparation of the 2019/2024 Business Plan which is due to be considered by the Management Committee in March 2019.

The Chairperson thanked everyone who had attended the Business Plan Review day hosted by Campbell Thompson Associates (CTA) in Tigh na Sgìre on Thursday 13 December 2018 and invited all members to attend a meeting on Monday 25 February 2019 following the Audit Finance and Performance Sub-Committee meeting to discuss the Business Plan Review.

A member queried the process for the preparation of the Business Plan and the Chief Executive advised that he leads the process with the Management Team and once the Business Plan is drafted it is referred to the Management Committee for their consideration and approval; CTA will prepare a report in respect of the Business Plan Review with suggestions that the Association can take on board or can disregard.

A member gave the opinion that the Business Plan should encompass everything within the Association and be counter dependent and not focus purely on financial matters. Another member agreed that the social aspect of the Association's work is very important.

A draft of the Business Plan will be made available to members prior to the Audit Finance and Performance Sub-Committee meeting on Monday 25 February 2019. **Noted.**

## **Scottish Government Property Factor Register**

The Chief Executive advised members that the Association's application for continuing registration as Property Factors has been approved by Scottish Ministers and will continue for a period of three years from 10 December 2018. **Noted.**

Members **noted** the linkages and the remainder of the report.

*ACTION:-*

- (i) *A draft of the Business Plan to be made available to members prior to the Audit Finance and Performance Sub-Committee meeting on Monday 25 February 2019.*

**7. BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN**

The Chief Executive advised members that the Business Continuity and Disaster Recovery Plan is due for its annual review. The plan was included in the schedule of work audited by the Association's internal auditors in October/November 2018 and they were generally satisfied with the contents of the plan. A number of recommendations discussed with the auditors have now been incorporated within the plan.

The Chief Executive advised members that an exercise to test the robustness of the plan is due to be held in Quarter 4 2018/19 and a report on the outcome of the exercise, together with recommendations for amendments/improvements, will be prepared for the Management Committee.

Members were also asked to note that new guidance on succession planning had been published by the SFHA in respect of Management Committee members and further guidance on succession planning for the senior staff team is expected in early 2019. This new guidance is likely to result in further amendments to the plan in 2019. Members **approved** the Business Continuity and Disaster Recovery Plan.

A member commented on the heat generated by the server which was mentioned in the IT Disaster Recovery Plan and it was suggested that a thermometer should be put in the server cupboard to monitor the position.

**Approved.**

*ACTION:-*

- (i) *A thermometer to be put in the server cupboard.*

**8. RENT AFFORDABILITY AND VALUE FOR MONEY REVIEW**

Members were supplied with a paper copy of a report and appendices relating to Rent Affordability and value for money which had also been emailed to members earlier. The Chief Executive advised members that consideration of the document would be deferred until the Management Committee meeting on Tuesday 19 February 2019 which would be taking decisions on the Rent Setting Policy. **Noted.**

**9. TREASURY MANAGEMENT POLICY**

The Chief Executive advised members that the Association's Treasury Management Policy and Procedures is due for its annual review.

In preparing the new document, the Chief Executive had drawn on the expertise of our Management Accountant and also on the content of treasury management presentations given at the most recent Scottish Federation of Housing Association's Finance Conference.

The main proposed changes to the document were as follows:

- Preamble - The Scottish Social Housing Charter Standards and the Scottish Housing Regulator Regulatory Framework Standards and Guidance have been brought up to date.
- Section 2 - Approved Activities – Paragraph 2.5 – a new paragraph referring to the use of external consultants.
- Section 4 - Cash Flow and Liquidity – this is a new section on cash flow.
- Section 6 - New Borrowing – Paragraph 6.5 – now includes a reference to financial covenants; Paragraph 6.6 – now suggests a minimum of 3 quotations required and also includes Allia as a lender.
- Section 9 - Management Reports – Paragraph 9.1 – now includes covenant compliance; Paragraph 9.2 – a new paragraph referring to the Financial Plan as a Treasury Management report.

A member stated that he felt that the Scottish Housing Regulator was placing more and more emphasis on Governing Bodies without supplying information on how the Governing Bodies should carry out their increased duties.

Recruitment of new members with particular skills is an issue and the Chief Executive advised that the review of the SFHA Guidance on the recruitment of Management Committee members would assist in identifying possible solutions including other methods such as remote links and having ‘ virtual’ Management Committee members. This would be the subject of further work on recruitment and succession planning in 2019. In the meantime, members **approved** the Treasury Management Policy and Procedures.

## 10. **SUCCESSION PLANNING**

The Chief Executive advised members that the Scottish Federation of Housing Associations had published new guidance on Governing Body Succession Planning and Recruitment.

The guidance is very comprehensive but recognises that succession planning is important, in governance terms, not only for the governing body but also for the senior staff team. The SFHA has commissioned a consultant to produce new guidance in respect of senior staff succession and it is anticipated that this document will be available in early 2019. It is recommended that when this new guidance is available, a comprehensive review of the Association’s succession arrangements should be carried out as soon as possible.

A member asked if we could look to recruit younger people, possibly even from schools or colleges. A member suggested the possibility of a mentoring role and another member said that practical experience was necessary for students at UHI undertaking management courses. It was also pointed out that there are no tenants currently acting as Committee members. All of these suggestions could be considered as part of the review mentioned above. **Noted.**

*ACTION:-*

- (i) *Future agenda item on Succession Planning to be arranged.*

## **11. HOMELESSNESS : RAPID REHOUSING TRANSITION PLAN**

The Chief Executive advised members that, whilst Inverness experiences by far the greatest pressure of homelessness applications, there were 105 homeless presentations in Skye and Lochalsh in 2017/2018, representing 10% of all applications.

The Scottish Government charged all local authorities to develop a Homelessness Rapid Rehousing Transition Plan to help transform the homelessness process and how homelessness applications are dealt with. The plan has now been approved by The Highland Council.

Registered Social Landlords operating in Highland have a key role to play in preventing and responding to homelessness and the Association currently makes a significant contribution to this work in Skye and Lochalsh in partnership with the Council.

Although the Association has not been involved directly in contributing to the preparation of the Council's new 5-year plan to date, it is anticipated that we will be invited to contribute our views on the rapid rehousing options that will be implemented from 2019. The Council's plan is due to be reviewed by the Scottish Government after 31 December 2018 and should be ready to be implemented from April 2019.

A member commented that the Association receives 6% of the development funding but is expected to provide 10% of homeless provision.

Members **noted** the first version of the Homelessness Rapid Rehousing Transition Plan; and members **noted** that further reports will be brought to the Management Committee on the future implications of the plan for the Association.

## **12. KYLE CORNER SITE PUBLIC ART**

The Director of Investment advised members that it had been proposed by a Committee Member that an installation of Public Art should be considered on the Kyle Corner Site. A local artist and a maritime theme to the artwork were suggested and members were shown a proposed design and site for the artwork.

A member asked if the proposed artwork might generate noise which would affect the tenants of the building. Another tenant expressed concern that strong wind may affect the stability of the artwork. A member also questioned the cost of the artwork, asking if this would be funded by rental income from tenants. The Director of Investment advised that these concerns would be addressed and the cost would be part of the development budget. A budget of £5,000 for the artwork complete with fixings was **approved**.

**ACTION:-**

- (i) *A budget of £5,000 for the artwork complete with fixings to be awarded to the proposed artist.*

**13. SPONSORSHIP REQUEST**

Members **approved** the application from Highland Senior Citizens Network for £500 towards providing a free or low-cost event for older people in Skye & Lochalsh, providing information about remaining safe, well, active and connected.

Members were advised that a late application from Skye & Lochalsh Community Care Forum (Young Carers) had been received. Mr I Young declared an interest and took no part in the discussion of the application. The application is for an annual Christmas activity including lunch, film or play activity, followed by an early evening Christmas party with a gift for each child. Members asked for more clarification about the proposed dates and the Chief Executive agreed to contact the Young Carers. Members **approved** the application once further clarification had been obtained. One member abstained from the decision.

**ACTION:-**

- (i) *Highland Senior Citizens Network to be awarded £500 towards a free or low-cost event for older people in Skye & Lochalsh providing information about remaining safe, well, active and connected.*
- (ii) *The Chief Executive to contact Skye & Lochalsh Community Care Forum (Young Carers) to ask for clarification on the dates of their proposed event.*

**14. MISCELLANEOUS CORRESPONDENCE**

Members **noted** the correspondence from the **Employers In Voluntary Housing** - Monthly Report for November 2018; and Monthly Report for December 2018; **Connecting Carers** - Carer News November 2018; **Highland Senior Citizens Network** – Winter Newsletter 2018; and The Early Years.

**15. A.O.C.B**

There was no other competent business.

The meeting closed at 8.50 pm and went into Private Session.

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Chairperson .....