

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

**MINUTES of MEETING of MANAGEMENT COMMITTEE held on
Monday, 24 June 2019 at 7.00 pm in Kyleakin Connections, Kyleakin**

PRESENT: Mrs A Sinclair (Chairperson)
Mr I Young (Vice-Chairperson)
Mr R Liley
Mr S Proudfoot
Ms M Muir
Ms L Williams
Ms M MacRaild
Ms I Campbell
Mr J Finlayson

IN ATTENDANCE: Mr L MacDonald (Chief Executive)
Mr I McIvor (Interim Chief Executive)
Mrs M Douglas (Corporate Services Manager)

The Chairperson welcomed the return of the Chief Executive and advised members that Mr I McIvor would continue in his role as Interim Chief Executive until 17 July. The Chairperson also welcomed the two new Committee members, Ms I Campbell and Mr J Finlayson, to the meeting.

1. **APOLOGIES:**

Mr J Laing, Mr J Cayley.

2. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

3. **MINUTES OF PREVIOUS MEETING**

Management Committee Meeting (20.05.2019)

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

Audit, Finance and Performance Sub-Committee Meeting (17.06.19)

A member of the Audit, Finance and Performance Sub-Committee noted that a discussion that had taken place on the variances between forecasted and actual cash inflows and outflows had not been recorded in the Minutes. The Minutes will be corrected accordingly and brought back to the August Management Committee meeting for approval and signature.

ACTION:-

- (i) *The Audit, Finance and Performance Sub-Committee Minutes to be amended and brought back to the August Management Committee meeting for approval and signature.*

Strategic Business Review Sub-Committee Meeting (17.06.19)

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

4. PROGRESS REPORT FROM PREVIOUS MEETINGS

All actions are complete.

5. OTHER MATTERS ARISING

There were no matters arising.

6. RECOMMENDATIONS FROM AUDIT, FINANCE AND PERFORMANCE SUB-COMMITTEE

Members **approved** the Report and Financial Statements to 31 March 2019.

Members **approved** the response to the auditors in the terms contained in the report to the Sub-Committee and **approved** the submission of the Audit Findings Report to the Scottish Housing Regulator.

Members agreed to **sign** the Auditors Letter of Representation.

ACTION:-

- (i) *Response to be sent to the auditors.*
- (ii) *The Audit Findings Report to be submitted to the Scottish Housing Regulator.*
- (iii) *The Auditors Letter of Representation to be sent to the auditors.*

7. RECOMMENDATIONS FROM STRATEGIC BUSINESS REVIEW SUB-COMMITTEE

Members **approved** the recommendation to individually suggest the names of potential new members with Financial/Accounts experience who could be approached to consider joining the Committee.

ACTION:-

- (i) *The names of potential new Management Committee members to be provided to the Chief Executive.*

8. CHIEF EXECUTIVE'S REPORT

The Scottish Housing Regulator (SHR) – LSHA Engagement Plan 2019/20

There has been no comment from the Regulation Manager in respect of the Association's previously submitted projected monthly private finance cashflows for the 12 months to 31 March 2020.

The Chief Executive advised members that the Association is required to send an update on the development programme by 31 October 2019 to the Regulation Manager. The first annual Assurance Statement will also be submitted in October 2019 and the Association will be collaborating with other similar Registered Social Landlords in the Highlands and Islands, the Scottish Federation of Housing Associations, Scotland's Housing Network and following the SHR Statutory Guidance in the preparation of the Statement.

The Assurance Statement will be prepared in advance of the October 2019 deadline for Members' consideration and approval.

The Regulation Manager has been updated on the Chief Executive's return to work. **Noted.**

Revaluation of Housing Stock Secured to Royal Bank Of Scotland

The Chief Executive advised members that, in accordance with the terms of the Association's Loan Agreement with the Royal Bank of Scotland, we are required to instruct Valuation Surveys to re-value the housing stock which is secured to the bank on a 3-yearly basis.

There are 50 units secured to the Royal Bank of Scotland and they were surveyed by Jones, Laing, Lasalle, Valuation Surveyors in April/May 2019. The valuation report was received by the Association on 4 June 2019.

The basis of valuation is "Existing Use Value – Social Housing" and the valuation total is £1,520,000. The previous valuation of the properties in 2016 was £1,245,000, so there has been an increase in value of £275,000. The Chief Executive advised members that the revaluation reflects increased costs of properties and also reflects the Association's diligence in keeping housing stock in good repair.

The outcome of the re-valuation exercise is satisfactory and helps to ensure that the Association continues to comply with the Royal Bank of Scotland loan covenants. **Noted.**

Members **noted** the linkages and the remainder of the Chief Executive's report.

9. BREXIT ACTION PLAN

The Interim Chief Executive advised members that the Brexit Action Plan has been amended to reflect the changes discussed at the meeting on 18 March 2019. The Brexit Action Plan will remain as a standing Agenda Item until such time as the Brexit negotiations become clearer and organisations have greater certainty on the potential impacts on their business.

It had previously been proposed that this would be a standing item in the Private Session, but, in reply to a query from a member, the Interim Chief Executive explained that the introduction of Freedom of Information towards the end of the year would require moving the item to the main meeting.

The RAG status of Item 1.1, Reduced Private Sector Investment, is currently at Red. It is **proposed** that this should be reduced to Amber due to the Association's two main lenders expressing interest in quoting for future private finance requirements and the latest property revaluation which resulted in a valuation increase in property values.

Members **reviewed** the Categories and Scope/Outline of Issues and **confirmed** that they are content with the entries that exist; **agreed** to reducing the RAG status of item 1.1, Reduced Private Sector Investment, from Red to Amber; and **confirmed** that they are content with the remaining RAG status.

ACTION:-

- (i) *The status of Item 1.1, Reduced Private Sector Investment, to be reduced from Red to Amber.*

10. URGENT DECISIONS – HOUSING ALLOCATIONS

The Chief Executive advised members that two “Urgent Decisions” required to be taken in June 2019 in relation to granting a tenancy to a staff member and granting a tenancy to a relative of a staff member.

The Chairperson and Vice-Chairperson had both confirmed their approval of the recommendations which have now been implemented. **Noted.**

11. MISCELLANEOUS CORRESPONDENCE

Members **noted** the correspondence from the **Connecting Carers - Carer News – June 2019; Scottish Charity Regulator (OSCR) - OSCR Reporter – June 2019; Employers in Voluntary Housing (EVH) - Management Committee meeting – 1 July 2019; Highland Senior Citizens Network - Summer Newsletter 2019; and Befrienders Highland - Thank You letter.**

12. A.O.C.B

The Chief Executive advised members that, following a review of a query from the Scottish Housing Regulator (SHR), Housing Services and Finance Services staff have agreed to recommend to the Management Committee that several ARC figures should be re-stated. The Chief Executive advised members that the changes are extremely minimal but it is very important that the guidance from SHR is applied consistently. **Approved.**

ACTION:-

- (i) *Revised figures to be re-submitted to the Scottish Housing Regulator.*

The meeting closed at 7.45 pm and went into Private Session.

Chairperson