

Orkney Housing Association Limited

Minutes of a Meeting of the Management Committee of Orkney Housing Association Limited held on Wednesday 31 July 2019 at 10.30am in the Association's office.

Present: John Rodwell (Chair), Philip Cook, Elaine Grieve, Fiona Lettice, John Stockan, Jason Taylor and Bill Wallace.

In attendance: Craig Spence (Chief Executive - CE)
Sandy Dennison (Finance Manager - FM)
Anne Fletcher (Director of Finance & Asset Management - DFAM)
Richard Flett (Development & Properties Manager – DPM)
Mhairi Hughes (Head of Corporate Governance - HCG)
Paul Scott (Head of Housing & Customer Services - HHCS)
Fraser Devine (Orkney Care & Repair Manager – OCRM), Item G9
Connie Shearer (Minute Taker)

The Chair welcomed all to the meeting and reminded everyone that lunch would be provided at the Scout Hall where there was an opportunity to view the Co-Wheels electrical vehicles.

PART 1 – STANDING ITEMS

1.1 Apologies for absence

Apologies had been received from Wendy Baikie, Dave Dawson, Linda Forbes and Roella Wilson.

1.2 Declarations of (a) interest and (b) hospitality given/received in last 12 months for any items on the agenda.

There were no declarations of interest.

1.3 Minutes of the Management Committee meetings held on 29 May 2019

The Minutes were agreed to be an accurate record of the meeting and were proposed by Bill Wallace and seconded by Philip Cook.

1.4 Matters Arising & Deferred Items (Paper No MC/19/25)

1.1, Electrical Vehicles: The CE updated members on the location of the charging point in Dounby. This will now be at the Smiddybrae Care Home, as agreed with Orkney Health & Care. The charging points are still to be put in place but this should be completed by the end of September.

1.5 Future Meeting Dates:

Wednesday 14 August, 10.30am – Performance & Resources Sub-committee
Wednesday 28 August, 12.00-4.30pm – Summer Engagement Tour
Friday 30 August, 10am-4pm – Tenant Day (drop in event at St Magnus Centre)
Tuesday 03 September, 09.30am – Health & Safety Working Party
Wednesday 18 September, 5pm for 5.30pm – AGM, Orkney College
Wednesday 02 October, 10.30am – Management Committee

PART 2 – STRATEGY

S1 Report & Financial Statements for the year ended 31 March 2019 (Paper No MC/19/26)

- S1.1 The Chair suggested that a refresher session on the difference between Management and Annual Accounts would be beneficial, particularly as new members would be joining committee, and this was agreed.
- S1.2 The FM said we had a healthy set of accounts and a good surplus which would put the Association in a good starting position for RPI +0% rent increases. The only noteworthy item was pension adjustments which had reduced a surplus of £728k to £343k. These would be explained to members at the AGM.
- S1.3 The Chair was pleased that the Association had received a very favourable letter from the auditor.
- S1.4 A member queried the increase in maintenance administration and the FM confirmed that this related to the reduced development programme and the Senior Building Officers spending more time on repairs.
- S1.5 Given the positive set of accounts and auditor letter, members decided the auditors were not required to attend the AGM in person.
- S1.6 Members then:
- a) approved the Report and Financial Statements for the year to 31 March 2019 as presented in Attachment 1 of the paper, authorised the Chair to sign the Report of Management Committee at page 5, and the Chair, another Committee Member and the Secretary to sign the Statement of Financial Position at page 11.
 - b) noted the contents of the Management Letter at Attachment 2 of the paper and authorised staff to respond to Wylie and Bisset LLP.
 - c) approved the Letter of Representation in Attachment 3 and authorised the Chair and Secretary to sign the letter on their behalf.
 - d) decided they did not require the external auditor to attend the AGM; and
 - e) authorised the Director of Finance and Asset Management to make the on-line submission of the financial statements to the Regulator on the Chair's behalf, after approval at the AGM.

S2 Interest Free Loans (Paper No MC/19/27)

- S2.1 The Chair said this is a recent issue which is covered by delegated authorities but it was deemed appropriate to bring a paper to Management Committee so members were fully aware of the loans.
- S2.2 The DFAM said the Association was the first housing association to be awarded the Fire & Carbon Monoxide Loan and the Scottish Government asked for a press release.
- S2.3 In response to a query, the DPM confirmed that OHAL have smoke detectors in all of their properties and are upgrading systems.

Members then noted the current position with the interest free loans for pre-budgeted and/or planned revenue expenditure.

S3 Disposal of land to Rousay, Egilsay & Wyre Development Trust (Paper No MC/19/28)

S3.1 The DPM pointed out that this paper should have been For Decision not Information.

S3.2 He summarised the paper and explained there would be no cost to the Association with the disposal of the piece of land to the Rousay, Egilsay & Wyre Development Trust (REWDT) and fits in with our Corporate Outcome, “A Great Contribution to Community and Society”.

Following a short discussion, members agreed the proposal in principle.

S3.3 Members then approved the disposal of our area of land at Brinian, Rousay to the REWDT for the development of affordable housing at no cost to the Association, and subject to agreement from the Royal Bank of Scotland.

S4 Engagement Events (Paper No MC/19/29)

S4.1 The HCG said this paper was to confirm the Agenda for the Summer Engagement Event and to ask for confirmation of attendance.

S4.2 Members then:

- a) confirmed their attendance for the Summer Engagement event; and
- b) agreed to extend the invite to include potential new members.

S5 Staffing Update - CONFIDENTIAL (Paper No MC/19/30)

S5.1 Members were updated on staffing matters and approved the recommendations within the paper.

PART 3 – GOVERNANCE & ASSURANCE

G1 AGM Arrangements and Pre-AGM Certification (Paper No MC/19/31)

G1.1 It was noted that there were 2 typos in the paper:

- 1) 1.5: the final sentence should read ‘.. nomination forms ...’ not ‘notification’.
- 2) 2.5: in the third line down it should have read that Rory McCall attended the 2018 AGM, not Scott Gillon.

G1.2 Regarding elections, Dave Dawson, John Rodwell and Bill Wallace agreed to stand for re-election. It was noted that Jason Taylor and Roella Wilson also wished to stand for election. The HCG said that she was aware of one further General Member who had also expressed an interest in joining Committee. Should all those interested be successful, this will mean 13 members on Management Committee.

G1.3 To encourage attendance, members agreed with the proposed change of time to 5.30pm at Orkney College, with refreshments being served from 5pm.

Apologies in advance for the AGM came from 2 members.

G1.4 In response to a member's question, the HCG explained that if members, for 5 AGMs in a row, had not attended, submitted apologies, exercised a postal vote or appointed a representative to attend and vote on their behalf by proxy, they would have their membership status revised. As per the Association's Rules their membership will automatically end. Members noted that the AGM invitation letter sent out to all General Members highlights this.

G1.5 Members then:

- a) agreed that Dave Dawson, John Rodwell and Bill Wallace will stand for re-election as set out in Section 1.4 of the paper;
- b) noted the AGM arrangements as set out in Sections 2 and 3 of the paper. All present indicated they expected to be able to attend apart from Elaine Grieve who tendered her apologies in advance;
- c) agreed the formal notice at Attachment 1.
- d) instructed staff to ensure that appointment of Auditors is carried out in accordance with sections 72-74 of our Rules;
- e) noted the information provided at Section 4 in respect of Secretarial matters; and
- f) received the registers set out in 5.1 of the paper which were later signed by the Chair.

G2 SHR Regulatory Framework Compliance (Paper No MC/19/32)

G2.1 The Chair acknowledged the amount of work which had been done and the Association was well on the way to full compliance.

G2.2 The HCG would be attending the SFHA Governance Conference in September where she will be delivering a presentation on Committee Recruitment. The toolkit for RSLs to gather evidence required to sign of the Annual Assurance Statement will be launched at this Conference.

She said Equality & Diversity was also being covered at the SFHA Conference which should clarify what is required, and why, regarding protected characteristics.

G2.3 Members then:

- a) noted progress with Policy reviews required to address compliance with both the Regulatory Requirements and Standards as detailed in Section 2 of the paper;
- b) noted progress with regards to Regulatory Requirements and agreed timescales as detailed in Attachment 3 and in Section 3 of the paper;
- c) noted progress with regards to Regulatory Standards in Attachment 4 and in Section 4 of the paper;
- d) noted the next steps as detailed in Section 5 of the paper;
- e) agreed the format of the Annual Assurance Statement as presented in Attachment 5; and
- f) noted that the SFHA Toolkit is due to be launched at the SFHA Governance Conference in early September.

G3 Freedom of Information (Paper No MC/19/33)

- G3.1 The Chair noted that the Association was well prepared for this and paid credit to all involved but particularly to the HCG for her foresight in ensuring the Model Publication Framework was adopted in 2017.
- G3.2 Members noted that minor changes were required to the Publication Framework due to the revised Regulatory Framework and forthcoming FoI legislation.

Members then:

- a) approved the amendments to the Publication Framework as in Attachment 1;
- b) noted progress to date with regards to the Publication Framework Action Plan as at Attachment 2;
- c) noted plans as detailed in Section 3 of the paper.

G4 Policy & Reviews (Paper No MC/19/34)

- G4.1 The Chair said the main reason for these policy reviews had been to ensure compliance with the new Regulatory Framework. Most required minor amendments but there is one new Policy.

G4.2 Committee Member Training & Development Policy
Amendments approved.

G4.3 Communications Policy & Customer Engagement Policy
Amendments to both policies approved.

G4.4 Donations, Sponsorship & Membership Policy
The CE confirmed this now incorporates the former Wider Role Policy. Responding to a query, the HCG said donations of land would previously have required SHR consent, in accordance with the former Regulatory Framework.

G4.5 Privacy Policy
Amendments approved.

G4.6 Scheme of Delegations
Policy reviewed and amendments approved.

G4.7 Settlement Agreement Policy
This new Policy, required to comply with SHR Regulatory Standards, was approved by members.

G4.8 Treasury Management Policy
Amendments as detailed in the paper were approved.

G4.9 Members then approved the:

- a) Amendments to Committee Member Training & Development Policy as in Attachment 1;
- b) Amendments to the Communications Policy as in Attachment 2;
- c) Amendments to the Customer Engagement Policy as in Attachment 3;
- d) Review of the Donations, Sponsorship & Membership Policy, which now

- incorporates the former Wider Role Policy as at Attachment 4;
- e) Amendments to the Privacy Policy as detailed in Attachment 5;
- f) Review of the Scheme of Delegations as per Attachment 6 and recommendations as detailed;
- g) Settlement Agreement Policy as at Attachment 7; and
- h) Amendments to the Treasury Management Policy as detailed in Section 8 of the paper.

G5 Resolutions & Applications for Membership (Paper No MC/19/35)

G5.1 Members approved one resolution and one application for general membership.

G6 Annual Internal Audit Report (Paper No MC/19/36)

G6.1 A member commended the progress made this year and stated that the Audit & Risk Management Sub-Committee does a good job at providing Management Committee with the assurance it needs.

G6.2 Members then noted:

- a) the assurances provided by the Internal Audit reviews;
- b) progress made in respect of recommendations received; and
- c) the content of the Annual Report in Attachment 1.

G7 Annual IT Compliance Report (Paper No MC/19/37)

G7.1 The HCG said that having obtained Cyber Essentials Accreditation gives the Association some comfort, but our IT consultants assist by putting detail in this report.

G7.2 A member queried when the annual backup service visit took place and the HCG explained it had been done in May this year with the report still awaited.

G7.3 A member queried whether this Annual Report was still necessary as the Association now has Cyber Essentials Accreditation which is reassessed annually. The HCG agreed to check with the Internal Auditor as they had recommended this back in 2009, and report back.

G7.4 Members then noted the compliance report at Sections 2 and 3 of the paper.

G8 Report from Audit & Risk Management Sub-Committee (Paper No MC/19/38)

G8.1 Members:

- a) recommended that members at the AGM reappoint Wylie & Bisset as auditors for 2019/20; and
- b) noted the update and record of decisions from the last Audit and Risk Management Sub-committee.

Fraser Devine, Orkney Care & Repair Manager (OCRM), joined the meeting.

G9 Orkney Care & Repair Annual Report (Paper No MC/19/39)

- G9.1 The Chair welcomed the OCRM to the meeting, who went on to highlight points from the Care & Repair Annual Report, explaining that he wanted to make the document appear inviting and easy to read. He said the key events had been the 30th year celebrations, the 9000th small repairs service client and the retirement of the previous Manager, Mike Cooper. A successful Case Study had been included, along with some of the many compliments received by satisfied clients.
- G9.2 Responding to queries, the OCRM said the average cost of repairs jobs varied as many clients were willing to pay for themselves and sometimes did not want to wait for a grant. £5-£10 jobs were common with clients only paying for materials needed.
- G9.3 He confirmed that the Annual Report would be distributed at various events, talks etc and will be going onto their new website which is to be incorporated with the OHAL website. Updated promotional items would also be located there.
- G9.4 Looking ahead, he will be focusing on internal processes and procedures, along with the website and possibly Facebook.
- G9.5 Members then approved the contents of the Annual Report.

The OCRM left the meeting.

PART 4 – PERFORMANCE

P1 Welfare Reform Update (Paper No MC/19/40)

- P1.1 The HHCS gave a brief summary of the paper and answered a few queries. The Chair noted that the housing team were actively managing historical cases and looked forward to seeing updates at future meetings.
- P1.2 Members then noted the content of the WR Mitigation Plan which is for information only and is as detailed at Attachment 1.

PART 5 – ITEMS FOR DISCUSSION

D1 Development Update Report (Paper No MC/19/41)

- D1.1 Regarding Upper Sunnybank, Stromness, the DPM said that, following a constructive meeting with the OIC planning officer and our planning consultant, it was agreed that a Development Brief would be prepared for the whole area which would then allow a Full Planning Application to be considered. The aim would be to get tender approval this financial year with a start on site in the springtime.
- D1.2 Scottish Water issues in Kirkwall are ongoing but OIC sites have been identified that could allow the removal of surface water from the existing combined system and thus free up capacity. A planning application for The Crafty site has been submitted but the DPM was unsure if permission would be granted on condition of the diversion works being completed. Water connections have been approved for Walliwall 5 and drainage approvals are expected shortly.

- D1.3 The DPM confirmed that the Scottish Government and ourselves are involved in monthly meetings with Scottish Water and OIC to help resolve these issues and he is hopeful that there will be some progress in the next 2 months.
- D1.4 Members then noted the current position with the development programme, projects on-site and shadow projects.

PART 6 – ITEMS FOR INFORMATION

I1 TP Strategy Action Plan (Paper No MC/19/42)

- I1.1 The HHCS said the Residents Panel were carrying out tenant-led inspection of estates and speaking with tenants to find out if there were any issues. The Estate Management Policy encourages engagement with tenants and being proactive and a report will be presented at the October MC meeting.
- I1.2 Responding to a query on feedback from the tenant-led inspection, the HHCS said early feedback focussed on car parking issues.
- I1.3 Members then noted the content of this report and the updates it provides on the current action plan.

I2 Arrears & Bad Debts Write Offs Q1 2019-20 (Paper No MC/19/43)

- I2.1 The Chair said this was the first of a new quarterly report which spoke for itself. He asked whether 'Sequestration by accountant in bankruptcy' was becoming more regular but the HHCS confirmed this was not the case.
- I2.2 Members then:
- a) noted the current position for write offs for quarter 1 of 2019/20. No write offs currently require specific Management Committee approval as detailed in Attachments 1 and 2.
 - b) noted the remainder of the paper which is for information only.

Any Other Urgent Business

There being no further business, the formal meeting closed at 12.40pm.

The CE then showed members the Flexitime presentation he gave at the staff planning meeting earlier today.

Signed:

Date:

Chair