

**Minutes of a Meeting of the Management Committee of Orkney Housing Association Limited, held in the office and via Zoom on Wednesday, 27 November 2024 at 10.30am**

**Present:** In person: Brian Kynoch (Chair), Suzanne Lawrence, MaryAnn Lewis, Fiona Lettice, Bruce Pilkington, John White and Roella Wilson  
Remotely: John Rodwell and Mervyn Sandison

**In attendance:** Craig Spence (Chief Executive – CE)  
Mhairi Hughes (Interim Director of Corporate Services – IDCS)  
Tracey Longworth (Director of Housing & Operations – DHO)  
Dean Campbell (Building Services Manager – BSM)  
Sandy Dennison (Relief Accountant – RA) left after S1  
Connie Shearer (Minute Taker)

## **PART 1 – STANDING ITEMS**

### **1.1 Apologies for Absence**

Apologies were received from Kate Hayes.

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

There were none.

### **1.3 Minutes of the Management Committee meeting held 02 October 2024**

The Minutes were agreed to be an accurate record of the meeting and were proposed by Roella Wilson and seconded by Suzanne Lawrence. The Minutes were later signed by the Chair.

### **1.4 Matters Arising & Deferred Items (Paper No MC/24/48)**

- 1.4.1 Meeting, 02.10.24 - Cost of Living (Minutes I1.3): the DHO had circulated an email providing further information to members about tenants impacted by changes to the Winter Fuel Payment. Feedback from the Pension Credit campaign (in conjunction with Orkney CAB and Age Concern Orkney) will be presented at the January MC meeting.

### **1.5 Future Meeting Dates:**

Wednesday 04 December, 11.00am-4.00pm – Strategy/ Planning Workshop at the Orkney Hotel

Wednesday 29 January 2025, 10.30am – Management Committee, followed by late Christmas lunch

## **PART 2 – STRATEGY**

### **S1 Rent Review (Paper No MC/24/49)**

- S1.1 The DHO presented the paper, detailing the background information regarding the rent review situation to date. To check for viability in rent setting, several

scenarios were modelled based on a number of assumptions. Two options were presented to members to consider putting forward for consultation.

- S1.2 The RA outlined the process of modelling scenarios in Brixx.
- S1.3 Members discussed the various scenarios and the impact they would have on services such as planned maintenance, repairs and development, whilst also ensuring viability and acknowledging the cost of living pressures on tenants.
- S1.4 Following detailed discussion, members agreed they would like to defer decision until next week when a brief meeting would be held prior to the strategy day, and requested two new scenarios of 4% and 4.2%. A paper was not required as a graph presentation on slides would suffice.

The RA left at this point.

## **S2 OHALE (Paper No MC/24/50)**

- S2.1 The DHO presented the paper which detailed the background of the Association's subsidiary. It proposed services that OHALE may be able to provide. Peer analysis of RIHAF members had been undertaken which showed that 8 of the 14 comparators had an operational subsidiary; these were outlined in the paper.
- S2.2 A Private Rented Sector (PRS) Review showed there was a considerable gap in Orkney's housing market which placed a strain on the social rented sector. The review noted that the provision of affordable housing outside the traditional social housing provided by OIC & OHAL is a key missing tenure type; something which a subsidiary could provide.
- S2.3 Members discussed the proposed services and the benefits these would bring to Orkney, as well as possible perceived conflict of interests by Association tenants and applicants. The 'make-up' of the OHALE Board was also something to be looked at.
- S2.4 Following discussion, Members:
- Noted the update provided in the paper.
  - Instructed the Director of Housing & Operations to do the necessary work in order to explore registering OHALE as a registered Private Letting Agent and to convene a meeting of OHALE in order that the company can consider its next options.
  - Requested the Director of Housing & Operations to explore the detailed mechanics of leasing a small number properties from OHAL following the Orkney 2025 island games to launch the product.
  - Asked the OHALE Board to consider its governance, name and branding in alignment with the Association's branding review.
  - Requested a report back from OHALE in January 2025.

## **PART 3 – GOVERNANCE & ASSURANCE**

### **G1 SHR Self-Assessment Update (Paper No MC/24/51)**

G1.1 The IDCS informed members that the 6<sup>th</sup> Annual Assurance Statement had been submitted to the Scottish Housing Regulator and a copy uploaded to our website.

G1.2 Members noted the contents of the report and:

- a) Agreed that no material changes are required to the AAS since its submission;
- b) Noted no notifiable events have been made since the last meeting;
- c) Noted the update to the list of Governance Related Policies; and
- d) Noted the additions to the Evidence Bank in relation to the Regulatory Requirements and Regulatory Standards per Sections 5 and 6.

### **G2 Annual Committee Meeting Schedule (Paper No MC/24/52)**

G2.1 The IDCS's paper presented the standard meeting schedule for the coming year together with a proposed date for a Summer Engagement Event in August 2025. Members noted that the Housing Market Partnership (HMP) is due to meet in December 2024. Previous HMP meetings have been positive, and it was felt OHAL's presence was important. A member queried the time of the 2025 AGM and the IDCS said this would be confirmed as part of OHAL's 40<sup>th</sup> year events.

G2.2 Members agreed:

- a) the proposed schedule of meeting dates for 2025/26; and
- b) noted the contents of the paper.

### **G3 P&R Chairs Report (Paper No MC/24/53)**

G3.1 Members noted the update and record of decisions from the Performance & Resources Sub-committee meeting.

### **G4 Staffing Update (Paper No MC/24/54)**

G4.1 Members noted the progress with staff training and development. The Chair said it was encouraging to see the Association is helping develop people and passed on congratulations to all staff.

### **G5 Policy Reviews & Approvals (Paper No MC/24/55)**

G5.1 A number of policies remain outstanding, but all are in the Business Plan for completion when workloads permit. Minor amendments to several policies, the Policy & Planning Framework and New Design Brief were put forward for

approval, together with updates to the Equality, Diversity & HR Policy as detailed in the paper.

Membership Policy: a member suggested, at 3.1, that two bullet points be merged as they are very similar.

Equality, Diversity & Human Rights Policy: this policy is to be brought back for members' approval, together with the Dignity at Work Policy after feedback has been received from staff consultation. Members also queried who 'victimisation' covered, ie employees, MC members, tenants, etc and this will be looked at.

G5.2 With several typos to be corrected, Members approved the:

- a) Amended Membership Policy;
- b) Amended Management Committee Training & Development Policy & Procedure;
- c) Amended Policy & Planning Framework;
- d) Amended Freedom of Information & Environmental Information Policy;
- e) Amendments to the New Build Design brief as per Section 6 of the paper;
- f) Amended Compensation & Other Payments Policy;
- g) Amended Low Cost Home Ownership Policy; and
- h) Amended Responsive Repairs Policy;
- i) Agreed the Equality, Diversity & Human Rights Policy be updated and brought back for approval, together with the Dignity at Work Policy.

## **G6 Bank Mandate Royal Bank of Scotland (Paper No MC/24/56)**

G6.1 Members noted the updates required by the Royal Bank of Scotland and approved:

- Kirstin Mackay, Director of Finance
- Tracey Longworth, Director of Housing & Operations
- Dean Campbell, Building Services Manager; and
- Fraser Devine, Care & Repair Manager

to be added as authorised signatories to the current Royal Bank of Scotland mandate, and that former staff and Committee Members be removed.

## **G6 Bank Mandate Nationwide (Paper No MC/24/56A)**

G6.2 Members noted the updates required by Nationwide and approved:

- a) Kirstin Mackay to remain main contact;
- b) Kirstin Mackay and Craig Spence to have full sole authorities with no limit; and
- c) Mhairi Hughes have authority for interest period rollovers and to communicate with the Nationwide, certify Board Minutes and instruct the removal of bank mandate holders.

**G7 Resolutions & Applications for Membership** (Paper No MC/24/57)

G7.1 Members approved the resolution in respect of two shared ownership disposals.

**PART 4 – PERFORMANCE**

**P1 Business Plan Progress to 30 September 2024** (Paper No MC/24/58)

P1.1 The CE's paper presented the position at the mid-year point of the KPIs and ARC data and went over the highlights.

P1.2 Members noted that of the 14 Actions in the Operational Plan, 1 was complete, 3 partly completed and 10 were not yet due.

At the end of Q2, 13 of the 20 KPIs are being met, with a further 5 expected to be met over the course of the year. Indicator 2 – Non-emergency repair response – remains very challenging to meet.

P1.3 Members noted the contents of the report.

**P2 6-month Complaints & Compliments Report** (Paper No MC/24/59)

P2.1 The IDCS reported that the number of complaints received had increased from 22 last year to 49 this year. The largest increases were applications, repairs & maintenance, recharges and staff. Issues are being addressed, with refresher training delivered as required.

P2.2 During the same period, 141 (75 last year) unsolicited compliments were recorded. 107 of these were attributable to OHAL and Care & Repair staff, and 34 for third party contractors.

P2.3 Members noted the contents of the report.

**P3 Development Report** (Paper No MC/24/60)

P3.1 The BSM presented the paper which provided updates on the development programme. He noted that no new information had been obtained regarding the Corse West (Soulisquoy) development. Members were updated on the BSM's positive exploration of the future expansion of the Walliwall development. A further opportunity exists at another site in Kirkwall with investigations progressing. Members will be kept updated.

P3.2 On-site projects are progressing well, with Walliwall 8 partly completed and Walliwall 9 currently on programme. The BSM is exploring grant availability from the Scottish Government to purchase a former shared ownership property back into stock for 'key-worker' housing.

P3.3 Members noted the current position with the development programme.

#### **P4 Report from Health & Safety Working Party (Paper No MC/24/61)**

P4.1 The paper reported on the Health & Safety Working Party meeting held on 6 November. Members received updates on the current position which detailed revisions to the Landlord Safety Manual, together with Office and Workshop updates.

P4.2 Following discussion, Members:

- a) Approved the updated section of the Landlord Safety Manual regarding tenant responsibilities in relation to the use of electric bikes and scooters, as detailed in Section 2.1; and
- b) noted the remainder of the Report which is for information.

### **PART 5 – ITEMS FOR DISCUSSION**

#### **D1 Financing Future developments (Paper No MC/24/62)**

D1.1 The CE presented the paper which outlined the positive progress being made in ensuring adequate finance from our lenders for future developments.

D1.2 The report also recognised the pressure on the local housing system at present and went on to acknowledge a significant gap in the Mid Market Rent (MMR) with no current provider in the area. MMR properties are let under a Private Rented Sector Tenancy, and this is something our subsidiary could provide but the main obstacle to delivering this is access to finance. However, introducing Community Bonds would provide a route to finance such a project. He went on to explain how these worked and, if approved, suggested launching this in March next year together with the new OHAL branding.

D1.3 Members discussed the proposal and agreed this was an exciting prospect. It was agreed that all details should be prepared and presented to the SHR and lenders in due course once fully developed.

D1.4 Management Committee:

- Noted the updates on progress with ensuring adequate finance.
- Noted the information on Community Bonds.
- Agreed Community Bonds were a positive option and Instructed the CE to:
  1. continue working with TC Young and Community Finance Scotland to conclude initial research and resolve any identified issues.
  2. Commission TC Young to prepare a draft prospectus for issue of Community Bonds, to fund our own development or to on-lend to our subsidiary to develop MMR/ Key worker housing.
  3. Ensure our rules and all policies are compliant with issuing bonds in our own name and for on-lending of these funds to our subsidiary.
  4. Advise our existing lenders of our plans.
  5. Submit details to SHR our plans and all steps we have taken.
  6. Prepared for a launch of the first Orkney Community Housing Bond in Spring 2025 as part of our 40<sup>th</sup> anniversary publicity.

## **D2 Delivering Future Housing in Partnership (Verbal report)**

D2.1 The CE provided background on Housing Market Partnership (HMP), advising that a meeting has been convened for 03 December. The Local Authority (LA) have a target of 1035 new homes to be built over the next 10 years. However, according to OIC-published data, 1052 have been completed in the last 10 years, delivered by OIC, OHAL and local construction companies. Past performance suggests this delivery can be met locally.

OIC are considering introducing a third party, external to Orkney, who could build and manage homes in Orkney. OHAL and the local construction companies are not convinced that this is required and are unsure that all potential unintended consequences have been fully considered.

D2.2 Following discussions with OIC, OHAL has said it will give consideration to options and opportunities around land.

D2.3 OHAL and local contractors are keen to be assured that Councillors are aware of the current position and have fully considered all the potential implications for local business and the local Orkney economy.

D2.4 OHAL is exploring options to activate its subsidiary with a view to meeting the urgent need for mid-market rent properties. As well as this, we have had talks with other organisations around how we could work in partnership to deliver more housing for them via the mid-market rent option.

OIC are planning to progress a project to bring into use empty homes throughout the county.

D2.5 It is the general consensus of OHAL and local contractors that we have delivered and managed new homes as a partnership locally for many decades and are able to do so going forward.

D2.6 It was agreed that the Chair, Vice Chair and CE would feedback to members at a brief meeting of the MC to be held prior to the strategy day scheduled for next week.

## **PART 6 – ITEMS FOR INFORMATION**

### **I1 Review of TS Fund (Paper No MC/24/63)**

I1.1 The DHO presented the paper which reviewed the Tenancy Sustainment Fund to date and looked at the position going forward. She said the Fund had been a valuable support to tenants at point of crisis, and demand for help is anticipated in increase. Members noted that the Scottish Government is withdrawing the Fuel Insecurity Fund which will leave a significant gap in funding. However, the Housing Association Charitable Trust (HACT) Energy Hardship Fund is likely to be available again this year and OHAL intends to access this.

I1.2 A proposal was put forward to set the budget for the TS Fund at £15,000 for the coming year, and retain the current process for application to apply to the Fund, which works well.

I1.3 Following discussion, members agreed to the proposals for the Tenancy Sustainment Fund.

**I2 RIHAF Feedback Report (Paper No MC/24/64)**

I2.1 Members noted the feedback from the RIHAF Conference

**I3 SFHA Governance Conference and Highland & Islands Chair Meeting – Feedback (Paper No MC/24/65)**

I3.1 Members noted the feedback from both the SFHA Governance Conference and the Highlands & Islands Chair Meeting.

**I4 Quarterly Write Offs**

I4.1 Although this is a quarterly item on the Agenda, there were no write-offs for the second quarter so no paper was presented.

**Any Other Competent Business**

**AOCB Offer of a Rented Property Under Schedule 7 (Paper No MC/24/66)**

A1.1 The DHO presented the paper which set out the proposed allocation of a property to an applicant with a close connection to a member of staff.

A1.2 Members noted the contents of the paper and approved the allocation of the rented property.

There being no further business, the meeting closed at 2.10pm.

Signed: .....

Date: .....

Chair