

Minutes of a Meeting of the Management Committee of Orkney Housing Association Limited, held in the office and via Teams on Wednesday 28 January 2026 at 10.30am

Present: In person: Brian Kynoch (Chair), Suzanne Lawrence, Fiona Lettice, Bruce Pilkington, Mervyn Sandison and John White.
Remotely: John Foster, and John Rodwell

In attendance: Craig Spence (Chief Executive – CE)
Mhairi Hughes (Head of Corporate Governance – HCG)
Tracey Longworth (Director of Housing & Operations – DHO)
Kirstin Mackay (Director of Finance – DF)
Emma McConnachie (Housing Services Manager – HSM)
Alan Sim (Customer Service & Performance Improvement Manager – CSPM)
Luke Fraser (Development Manager)
Connie Shearer (Minute Taker)

PART 1 – STANDING ITEMS

1.1 Apologies for Absence

Apologies were noted from MaryAnn Lewis 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 none.

1.3 Minutes of Management Committee meetings held on 26 November 2025

The Minutes were agreed to be an accurate record of the meeting and were proposed by Fiona Lettice and seconded by John White. The Minutes were later signed by the Chair.

1.4 Matters Arising & Deferred Items (Paper No MC/25/67)

1.4.1 Rent Review: Members noted that, as previously consulted on and agreed, the rent increase remains at 4% and is effective from 01 April 2026.

1.4.2 Meeting Timetable: Members approved corrected dates for ARM and P&R sub-committees in February 2027.

1.5 Future Meeting Dates:

Wednesday 04 February, 10.30am - Audit & Risk Management Sub Committee & BP Risk Assessment

Wednesday 11 February, 10.30am - Performance & Resources Sub Committee

PART 2 – STRATEGY

S1 Business Plan Update (Paper No MC/25/68)

- S1.1 Members were updated on progress with previously approved plans for the production of the Association's updated annual appendices for the 3-year Business Plan covering 2025-28.
- S1.2 A productive and engaging Strategy Day had been held in December with the focus on reaffirming key strategic building blocks for 2025-28 and developing priorities for the 2026-27 delivery year.
- S1.3 Members noted:
- a) the current position.
 - b) that the next important stages are the ARM Sub-committee on 4 February to consider risks and the P&R Sub-committee to consider budget on 11 February.

PART 3 – GOVERNANCE & ASSURANCE

G1 SHR Self-Assessment Update (Paper No MC/25/69)

- G1.1 Members noted the contents of the report and:
- a) Agreed that no material changes are required to the AAS since its submission;
 - b) Noted the notifiable event as detailed in the paper;
 - 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.

G2 Policy & Reviews (Paper No MC/25/70)

- G2.1 Members noted the outstanding policies which are due to be reviewed and presented at the March meeting.
- G2.2 Members approved the revised:
- a) Whistleblowing Policy, as presented to the November meeting with the additional amendments as detailed in the paper; and
 - b) Communications Policy as presented.

G3 Rented Allocations Policy Consultation (Paper No MC/25/71)

G3.1 The report detailed responses to the recent Rented Allocations Policy consultation. A revised Policy will be presented to Members for approval at the March meeting.

G3.2 The CSPM gave an overview of the responses and informed members that the overall response to the review proposals had been positive and did not raise any unexpected issues. It was noted that the comments received showed a strong preference for prioritising local people.

G3.3 The local authority had responded with requests for additional clarification/information but, to date, we await a response to our request for a meeting to discuss this further.

G3.4 Members acknowledged the huge amount of work which has gone into the consultation and congratulated staff; they have done well to get such a high level of responses.

G3.5 Following detailed discussion, Members:

- Noted the content of the paper;
- Noted the intention to meet or communicate in writing with the local authority; and
- Agreed to the drafting of the proposed amendments of the Rented Allocations Policy following this consultation.

G4 Resolutions & Applications for Membership (Paper No MC/25/72)

G4.1 Members noted one cancelled membership.

G5 Loan Agreement and Update (Paper No MC/25/73)

G5.1 The DF tabled an updated version of the paper which asked members to consider a draft loan agreement and associated documents, and to provide approval in principle for the loan to progress.

G5.2 Members:

- Noted the progress of the refinancing programme and current project status;
- Considered the strategic implications of a 10 year versus 25 year loan term, including cost, refinancing risk and long term financial planning and made a decision to proceed with the 10 year term;
- Considered the terms of the TC Young report, reviewed and approved the finance documentation and granted delegated authority all in terms of the provisions of the Draft Minute presented to either the Director of Finance, or in their absence, the Chief Executive; and
- Agreed the following as specified by the lender:

BORROWING FROM BANK OF SCOTLAND PLC

1. The meeting had been duly convened and a quorum was present.
2. The following draft documents, in connection with borrowing from Bank of Scotland plc in its capacity as lender in the Loan Agreement (defined below at 2.1) (the **"Bank"**) were produced to the meeting, each substantially in final form:
 - 2.1. Draft loan agreement in respect of facilities of £10,000,000 (the **"Loan Agreement"**) to be made between (1) Orkney as Borrower, (2) the Bank as lender;
 - 2.2. Draft officer's certificate (the **"Officer's Certificate"**); and
 - 2.3. Draft standard security over various properties (the **"Standard Security"**) (the Loan Agreement, Officer's Certificate and Standard Security together being known as the **"Finance Documents"**).
3. The Committee of Management RESOLVED:
 - 3.1. that the Finance Documents be approved in substantially the form of the relevant drafts presented to the meeting with such amendments as Kirstin Mackay, or in her absence Craig David Spence, shall in their discretion approve; and
 - 3.2. Kirstin Mackay, or in her absence Craig David Spence, be authorised to negotiate, agree and finalise the terms of the Finance Documents and to execute the Finance Documents on behalf of Orkney, and to approve and execute any other documentation to be entered into by Orkney in connection with the Finance Documents and to execute and/or deliver any other documents, notices, letters, drawdown requests or other communications to be executed and/or despatched under, or in connection with the Finance Documents and to perform all matters, acts and things which such person in his/her absolute discretion deems to be necessary or desirable in connection with the Finance Documents, which documents shall be sealed as appropriate.

G6 Scottish Government Charitable Bond (Tabled Paper No MC/25/73A)

G6.1 The DF tabled a paper which updated members on the availability of fixed-rate Bond finance for development. Discussions have taken place with the facilitator, Allia, and Scottish Government, both of whom are keen to progress delivery of this funding as soon as possible. The strategic benefits of this option together with indicative costs were outlined.

G6.2 Following discussion, Members:

- reviewed and approved progression of the Scottish Government Charitable Bond option, subject to full documentation being brought back to Management Committee for approval or delegation; and
- noted that the Director of Finance, or Chief Executive in her absence, will progress matters with the Association's legal advisors and report back to the next meeting.

PART 4 – PERFORMANCE

Luke Fraser joined the meeting for this item.

P1 Development Report (Paper No MC/25/74)

- P3.1 The DM updated members on progress with the development programme. He was pleased to report that updated plans for WW10 for 41 new homes of varied tenure mix (social rent, mid-market rent and NSSE) had been agreed with the Scottish Government (SG) and should be signed off this week.
- P3.2 Design work for projects at Toab, St Mary's and Burray is out for procurement with design works on the three sites expected to start in March.
- P3.3 Discussions are taking place around potential development sites for including in the next SHIP.
- P3.4 The CE gave an update on the recent visit from representatives of People for Places and, separately, on discussions with OIC in relation to land.
- P3.5 Members noted the current position with the development programme.

Luke Fraser left the meeting.

P2 Report from Health & Safety Working Party (Paper No MC/25/75)

- P2.1 This paper reported on the Health & Safety Working Party meeting held on 10 December 2025. Members received updates on the current position as presented in the paper.
- P2.2 A member noted that the recent 3 yearly H&S refresher training session, delivered by our H&S Consultant had been very useful.
- P2.3 Following discussion, Members:
- a) approved the updates to the LSM regarding 'Landlord's Facilities Health & Safety Awareness training'; and
 - b) noted the remainder of the Report.

PART 5 – ITEMS FOR DISCUSSION

D1 Community Bonds Update (Paper No MC/25/76)

- D1.1 The CE updated members on the successful launch of the Orkney Community Housing Bonds. Response from the community had been very positive, with the significant majority of the Bonds sold to a wide range of local individual, business and third sector investors - and very supportive feedback received. He informed members that the start and end of the bond application period saw the highest activity for applications.
- D1.2 All applications were processed and Bond Certificates were issued to applicants on 15 December.
- D1.3 The CE has been asked to give presentations to a few organisations who are interested in what we have done and will provide an update to the next Housing Market Partnership meeting on the positive success of the venture.
- D1.4 A draft Procedure for future bond issues has been prepared by the HCG.
- D1.5 Members:
- noted the update on Orkney Community Housing Bonds;
 - noted that the Chief Executive has lodged a Notifiable Event with the Scottish Housing Regulator, and has kept them updated, as requested; and
 - noted that the seal was used and applied to bond certificates as agreed by MC in November 2025.

D2 Committee Member Recruitment (Paper No MC/25/77)

- D2.1 The report set out the current position and suggestions for recruitment to both the Association and OHE boards.
- D2.2 Members noted that there are plans to also promote General Membership of the Association.
- D2.3 Members had a short discussion, agreeing that the previous recruitment process had worked well and a “Come and Meet Us” session should be arranged. It was also suggested that inviting potential members to observe meetings is beneficial.
- D2.4 Members:
- Noted the current position with regards to membership on both the Association and Orkney Housing Enterprises Boards;
 - Discussed options, including targeted recruitment;
 - Agreed to arrange a “Come and Meet Us” session for 11 March at 12-2pm;
 - Will make suggestions for individuals to directly target; and

- Delegated authority to the Head of Corporate Governance and Admin & Governance Assistant to make the necessary arrangements and promote the event.

PART 6 – ITEMS FOR INFORMATION

I1 Annual Lease Update (Paper No MC/25/78)

I1.1 Information on current leases was presented to members. Members noted that there are no issues with any of the leases. One lease is due for expiry in the next financial year, and discussion with the leaseholder is taking place regarding extending the lease. The DHO confirmed conversations are taking place with another leaseholder regarding their future plans.

I1.2 Members noted the content of this report.

I2 Annual Service Charge Review (Paper No MC/25/79)

I2.1 The paper outlined the services equalisation account position for 2025/26 and the proposed charges for 2026/27.

I2.2 Members noted:

- a) the projected Services Equalisation Account position at 31 March 2026; and
- b) the proposed approach to service charge setting for 2026/27.

I3 Cost of Living Update (Paper No MC/25/80)

I3.1 The report highlighted the continued impact the cost-of-living crisis is having on tenants. Association staff continue to engage, locally and nationally, with relevant support organisations which augments the support offered by Association staff and allows access into potential funding streams.

I3.2 Members noted the low level of rent arrears and complimented the Housing Services team for their hard work in this respect.

I3.3 A member asked about the amount of Winter Heating Payments being issued in Orkney. The DHO said she would look into this in more detail and report back.

I3.4 Members noted the content of this report.

PRESENTATION

Our Digital journey ahead – software decision, implementation and opportunities (by Director of Finance and Director of Housing & Operations)

Any Other Competent Business

A short discussion took place around Mid-Market Rent and whether there would be applicants on our list already who may apply for this type of housing.

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

Signed:

Date:

Chair