

Minutes of Meeting of the Management Committee of Orkney Housing Association Limited held in the Association's offices and via Zoom on Wednesday 31 August 2022 at 10.30am

Present: In person: John Rodwell and Roella Wilson
Remotely: Fiona Lettice (Chair), Linda Forbes and Bill Wallace

In attendance: Craig Spence (Chief Executive – CE)
Anne Fletcher (Depute Chief Executive – DCE)
Richard Flett (Development & Property Manager – DPM)
Sandy Dennison (Finance Manager – FM)
Ruth Glover (Finance Manager)
Mhairi Hughes (Secretary / Head of Corporate Governance – HCG)
Connie Shearer (Minute Taker)
Rory McCall, Wylie & Bissett LLP

PART 1 – STANDING ITEMS

1.1 Apologies for Absence

Apologies were received from Philip Cook, Dave Dawson, John White and Paul Scott (Director of Operations – DO).

Members are aware that Dave Dawson has not been able to attend meetings due to personal commitments since March 2022, and that the Chair had granted him leave of absence until the AGM.

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, 27 July 2022

At Item S1.2, a member queried the reference to a guest speaker. The CE said there was unlikely to be a guest speaker so this reference could be removed. With this change, the Minutes were agreed to be an accurate record of the meeting and were proposed by Linda Forbes and seconded by Roella Wilson. The Minutes to be signed by the Chair at a later date.

1.4 Matters Arising & Deferred Items (Verbal update)

1.4.1 The CE explained that the DO was not at today's meeting due to attending an OIC Homelessness Consultation session for which OHAL had provided feedback on their proposed Homelessness Strategy.

1.5 Future Meeting Dates:

Wednesday 14 September, 5.30pm – Annual General Meeting
Wednesday 28 September, 10.30am – Management Committee
Monday 31 October, 10.30am – Management Committee

PART 2 – STRATEGY

S1 Report & Financial Statements for the year ended 31 March 2021 (Paper No MC/22/34)

- S1.1 The FM was pleased to present a healthy set of accounts and went over some of the figures within. He explained that the Audit & Risk Management Sub Committee (ARM) had thoroughly scrutinised the accounts and was pleased to report that, once again the External Auditor's Management Letter did not identify any areas of concern.
- S1.2 The Chair welcomed Rory McCall from Wylie & Bisset. Rory said that the audit had gone smoothly, produced a clean audit letter and the financial statements gave a true and fair view of the Association's affairs with nothing negative to report.
- S1.3 Members agreed they were very reassured by the reports and pleased to receive a clean bill of health.
- S1.4 Members then:
- 1) approved the Report and Financial Statements for the year to 31 March 2022 as presented, 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 12.
 - 2) noted the contents of the Management Letter and authorised staff to respond to Wylie and Bisset LLP.
 - 3) approved the Letter of Representation and authorised the Chair and Secretary to sign the letter on their behalf.
 - 4) authorised the Depute Chief Executive to make the on-line submission of the financial statements to the Scottish Housing Regulator (SHR) on the Chair's behalf, after approval at the AGM.

Rory McCall left the meeting.

S2 Rent Setting & Affordability 2023/24 (Paper No MC/22/35)

- S2.1 The CE presented the paper which contained detailed information for members to consider with regards to the challenges of setting rents for 2023/24. He highlighted the requirement to comply with SHR Regulatory Standard 3, whilst considering the cost-of-living pressures facing tenants and the wider community. Several proposals for scenarios which can be modelled to ensure members were well-informed for making rent-setting decisions were contained within the paper.
- S2.2 Members had a lengthy discussion, acknowledging the challenges ahead for both tenants and the Association. They agreed they would like to see all the suggested scenarios modelled (apart from the first one) to enable them to make the best decision they can.
- S2.3 It was noted that the dates in table 4.3 had been transposed.

S2.4 Following this discussion, members:

- 1) Noted the requirement to comply with Regulatory Standard 3 – *“The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay”*;
- 2) Noted the current position and impacts to the Association and our tenants as we enter year 2 of an existing 3 year consultation;
- 3) Considered the options of scenarios to model as outlined at 6.2 and instructed staff to prepare all these (apart from the first one) and present back to Management Committee for consideration.

PART 3 – GOVERNANCE & ASSURANCE

G1 SHR Self-Assessment Update (Paper No MC/22/36)

G1.1 The HCG presented the paper highlighting the proposal to amend future Committee meeting dates.

G1.2 Following brief discussion, members noted the content of the report and:

- a) agreed that no material changes are required to the AAS since its submission;
- b) noted that no Notifiable Events have occurred or been reported to the SHR since the last meeting;
- c) noted the amendments to the list of Governance Related Policies;
- d) noted the Regulatory Requirements Evidence Bank additions and progress with regards to Regulatory Requirement 13 as detailed in Section 5 of the paper;
- e) noted the Regulatory Standards Evidence Bank additions per Section 6 of the paper;
- f) noted the documents which have recently been updated/issued by the SFHA and SHR as detailed at Section 8 of the paper; and
- g) agreed the proposed Meeting Dates for post AGM until the end of October 2022 ie Wednesday, 28 September at 10.30am and Monday, 31 October 2022 – replacing the scheduled meeting on 05 October 2022. John Rodwell tendered his apologies in advance for 28 September, and Roella Wilson gave apologies for 31 October.

G2 Annual Internal Audit Report (Paper No MC/22/37)

G2.1 The HCG presented the paper which detailed the Internal Auditor’s Annual Report for 2021/22. She said all recommendations had been completed apart from one relating to Income Management and advised that purchasing arrangements for the Care & Repair Small Repairs Team are under review and an update will be provided to the next meeting.

G2.2 Members 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 to the paper.

G3 Approval of AFS Return (Paper No MC/212/38)

G3.1 The FM presented the paper, explaining that the Return was an extract from the Annual Accounts, and he went over some of the detail.

G3.2 Members then approved the return and authorised the Depute Chief Executive to submit the AFS Return to the SHR.

G4 Amendment to Bank Mandate (Paper No MC/22/39)

G4.1 Members approved the addition of the incoming Finance Manager, Ruth Glover, and the removal of the outgoing Finance Manager, Sandy Dennison, from the Association's principal bank mandates with:

- Royal Bank of Scotland
- Bank of Scotland
- Nationwide
- Triodos Bank

G5 Landlord Safety Manual (Paper No MC/22/40)

G5.1 The DPM presented the paper, explaining two outstanding policies – Gas Safety Policy and Septic Tank Policy – had been prepared and required approval by members.

G5.2 A member enquired about the type of gas the policy referred to and the DPM said this was 'combustible' gas, ie, mainly gas burning appliances but will clarify this in the policy.

G5.3 Referring to item 3.5 in the Septic Tank Policy, a member asked if there were alternatives to the 'suitable contractor' (Scottish Water). The DPM said at the moment Scottish Water was the only contractor in Orkney, but he would amend the Policy to read '...presently Scottish Water ...'.

G5.4 With these slight re-wording and clarification, members approved the following policies for inclusion in the Landlord Safety Manual:

- Gas Safety Policy
- Septic Tank Policy

PART 4 – PERFORMANCE

P1 Development Report (Paper No MC/22/41)

P1.1 The DPM was pleased to report that a company had been secured to install meters in the Walliwall properties at commercial rates though this will be

switched before the properties are handed over. Responding to a query, he confirmed the costs for this would be the contractor's responsibility.

P1.2 Members noted the current position with the development programme.

PART 5 – ITEMS FOR DISCUSSION

There were none.

PART 6 – ITEMS FOR INFORMATION

There were none.

Any Other Business

There being no further business, the meeting closed at 12.15pm

Note: Due to technical problems, the Chair was occasionally disconnected from the meeting, so the Vice Chair took over when this happened. No decisions were taken during the brief periods when the Chair was not connected to the meeting.

Signed:

Date:

Chair