

ALBYN HOUSING SOCIETY LIMITED

REPORT OF THE BOARD MEETING HELD ON TUESDAY 24 MAY 2016 AT 10:30 AM AT ALBYN'S OFFICES, INVERGORDON

Present

Mr D Russell (Chair)
Mr G Sinclair

Ms E Grant
Mr J Convery

Ms K Williams
Mr A McMaster

In Attendance

Mr C Macaulay: Chief Executive

Mr R Nairn: Chief Operating
Officer

Ms S Watson: Finance & Corporate
Services Manager (Items 4.1, 4.2, 4.4)

Miss C Lawrie: Corporate Officer
(Minutes)

1. APOLOGIES

- 1.1 Apologies had been received from Ms Smith and Mrs McLaughlan for this meeting.
- 1.2 The Chair noted that Mrs Pauline Dingwall had proffered her resignation on 3 May and this had taken immediate effect. The Chair recorded his thanks to Mrs Dingwall for all her work as a Board member.

2. DECLARATIONS OF CONFLICTS OF INTEREST

- 2.1 Mrs Grant, Messrs McMaster, Convery and Russell all noted a potential conflict of interest in relation to the Royal Bank of Scotland item due to their personal and/or business arrangements with the bank. Mr Nairn also noted a potential conflict of interest on the same basis. Mrs Grant, Mr McMaster and Mr Convery had previously met with the three representatives from the bank in a business context.

3. MINUTES OF PREVIOUS MEETINGS

3.1 Board Meeting: 23 March 2016

The minutes were agreed as a true record.

3.1.1 Action Items

A written update on the action items had been provided.

3.1.2 Matters Arising

There were no matters arising.

4. DECISION MAKING PAPERS

4.1 Private Placement: Presentation by Royal Bank of Scotland

Ms Watson, Finance & Corporate Services Manager, joined the meeting for this item.

- 4.1.1 Three representatives were in attendance from Royal Bank of Scotland (RBS). The bank representatives made a presentation to the Board regarding the private placement process. A number of questions were raised by Board members and these were addressed as part of the presentation.
- 4.1.2 The representatives were thanked for attending. At this point they left the meeting. Mr Nairn confirmed that the purpose for this item was to provide information to the Board on private placement.
- 4.1.3 It was agreed that further information would be obtained for the Board members before they considered this matter further.

4.2 Growth in the New Build Development Programme

Ms Watson, Finance & Corporate Services Manager, remained in the meeting for this item.

- 4.2.1 The paper reported that the Scottish Government had pledged to provide 50,000 affordable homes over the next five years. Within the Highland Council area this would mean 2,500 new homes over a five year period.
- 4.2.2 The paper asked the Board to consider an increase of the new build programme until 2021/22, as well as the amount of increase within each tenure type.
- 4.2.3 Financial information was tabled at the meeting and Ms Watson took the Board through this. If the building programme was doubled, then the loan amount would require to be doubled. Mr Macaulay commented that the Scottish Government had fixed the grant rate for a three year period.
- 4.2.4 Mr Nairn commented that there would be a number of risks associated with whichever decision is made. Factors such as Universal Credit would also need to be considered.
- 4.2.5 Mr Macaulay said that the purpose of the paper was to identify if the Board wished to change its current commitment, for example by accelerating the programme. It was not necessary for the Board to make a specific commitment.
- 4.2.6 The Board members discussed this matter at length.
- 4.2.7 It was agreed that the following message would be provided as required: "We are considering the situation. This is dependent on raising additional finance and the outcome of the valuations of Albyn's stock. We have an appetite to increase the current figure, but we cannot commit to a specific amount."
- 4.2.8 Ms Watson was thanked for attending. At this point she left the meeting.

4.3 Diversification Strategy: Update Report

- 4.3.1 A draft Diversification Strategy and Investment Opportunity Proposal were both considered by the Board at its November 2015 meeting. It had been agreed at that meeting that updates would be provided in due course. Mr Macaulay's paper provided to this meeting used the cluster housing strategy and service delivery platform to test how the strategy works.
- 4.3.2 Mr Macaulay offered to provide a further update to the June meeting, to include financial information and more detail.
- 4.3.3 The Chair asked how it would be determined that a project had failed. Failure, or potential failure, needed to be discussed. Mr Macaulay will consider this further and build in an appropriate mechanism.

4.4 Board Standing Orders: Review

- 4.4.1 Due to lack of time, this item was not discussed. It will be carried over to the next meeting.

4.5 Eviction Approvals

- 4.5.1 Board approval was sought to enforce court decrees for five evictions.
- 4.5.2 The Board considered and discussed each case in turn.
- 4.5.3 The Board approved the request to enforce the court decrees.

4.6 Approval and Authority Limits: 2016

- 4.6.1 Ms Watson's paper sought authorisation from the Board for the Approval and Authority limits for 2016/17.
- 4.6.2 The Board authorised the Approval and Authority limits for 2016/17.

4.7 Annual Return on the Charter

- 4.7.1 Mr Nairn's paper provided the Board with the Annual Return on the Charter (ARC) and a comparison report based on the Key Performance Indicators contained in the ARC. The comparison document showed the changes between the last two years and previous years where the information is available.
- 4.7.2 The paper sought Board approval for the submission of the Annual Return on the Charter for 2016 to the Scottish Housing Regulator.
- 4.7.3 The Chair commented that the Performance Committee had considered the Charter at its meeting on 17 May. The Committee had recommended the ARC to the Board for submission to the Regulator.
- 4.7.4 The Board approved the submission of the Annual Return on the Charter for 2016 to the Scottish Housing Regulator.

4.8 Governance Self-Assessment

- 4.8.1 Mr Macaulay's paper provided the Board with a self-assessment review document which had been discussed and approved by the Audit Committee at its 22 March 2016 meeting. The self-assessment had taken place annually since 2014 and used the Regulator's Regulatory Standards of Governance and Financial Management document for comparison purposes. This matter is referred to in the Regulator's Regulation Plan for Albyn for the 2016/17 year.
- 4.8.2 The Board was asked to consider and agree the self-assessment document. Mr Convery noted that this document had been in place for a number of years.
- 4.8.3 Mr Macaulay expected to bring a revised draft Entitlements, Payments and Benefits Policy to the June Board meeting.
- 4.8.4 The Board approved the self-assessment document.

5. **MINUTES OF COMMITTEE MEETINGS**

- 5.1 Due to lack of time, this item was not discussed. It will be carried over to the next meeting.

6. **HEALTH AND SAFETY**

- 6.1 **External Health and Safety Audit Report: 2016**
Due to lack of time, this item was not discussed. It will be carried over to the next meeting.

7. **LEAVE OF ABSENCE**

- 7.1 There were requests for a leave of absence for the 28 June Board meeting from Mr Sinclair and Ms Williams.

8. **ANY OTHER COMPETENT BUSINESS**

- 8.1 There was no other competent business.

9. **DATE OF NEXT MEETING**

- 9.1 The next meeting is due to take place 28 June 2016 at Invergordon.

10. **POLICY PROPOSALS AND REVIEW**

10.1 Transport Policy

- 10.1.1 Due to lack of time, this item was carried over to the next meeting.

11. **INFORMATION PAPERS**

- 11.1 Due to lack of time, this item was carried over to the next meeting.

