

SANCTUARY SCOTLAND HOUSING ASSOCIATION LIMITED
(“SANCTUARY SCOTLAND HOUSING ASSOCIATION”)

Minutes of a meeting of the Board of Management of Sanctuary Scotland Housing Association held at Fleming House, 2 Tryst Road, Cumbernauld on 11 June 2019.

Attendance record since AGM September 2018

Present

Kenneth Gibb, Chairperson	6/6
j', Vice Chairperson	6/6
John Arthur	3/3
Arthur Bruce	4/6
Michael McGrane	6/6
Sanctuary Housing Association (represented by Patricia Cahill, Director - Sanctuary Scotland)	6/6
Alan West	6/6

Apologies

Alex Clark	5/6
Peter Cowe	5/6
Suzanne Phee	3/6

In attendance

Nick Garner, Sanctuary Group, Financial Controller
 Campbell Kinloch, Head of Housing
 Barry Lees, Asset Manager
 Jamie Whitmore, Sanctuary Group, Director - Financial Planning and Analysis (46/06/19)
 Stephen Grant, member of the Central Area Committee

37/06/19

APOLOGIES

Apologies for absence had been received from Alex Clark, Peter Cowe and Suzanne Phee.

The Chairperson reported that the meeting had been duly convened and that a quorum was present for the purposes of the business to be considered and, if thought fit, resolutions to be passed at the meeting.

The Chairperson welcomed Stephen Grant, member of the Central Area Committee (CAC), as an observer to the meeting.

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38/06/19 DECLARATIONS OF INTEREST

No declarations of interest were recorded.

**39/06/19 APPROVAL OF MINUTES OF THE BOARD OF MANAGEMENT MEETING
HELD ON 9 APRIL 2019**

Decision: The Board of Management approved the minutes of the meeting held on 9 April 2019.

**40/06/19 MATTERS ARISING FROM MINUTES OF THE BOARD OF MANAGEMENT
MEETING HELD ON 9 APRIL 2019**

The Board of Management considered and noted the schedule of action points.

41/06/19 SCHEDULE OF ACTIONS AND DECISIONS OF SPECIAL COMMITTEES

The Board of Management considered a report submitting the schedule of actions and decisions of the meeting of the CAC and the North East Area Committee (NEAC) held since the last meeting.

Decision: The Board of Management approved the Lettings Policy and the Lettings Strategies.

42/06/19 ACTION SINCE LAST MEETING

Decision: The Board of Management endorsed an action taken since the last meeting to approve the submission of The Annual Return on the Charter and The Annual Return on the Energy Efficiency Standard for Social Housing (EESH) to the Scottish Housing Regulator (SHR).

43/06/19 DIRECTOR'S REPORT

The Board of Management received an update on operational and governance matters, in particular, the forthcoming Investors in People for Housing in Scotland assessment due on to take place in August 2019 and, planning for the introduction of the Freedom on Information due to take effect in November 2019.

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Decision: The Board of Management approved sponsorship in the sum of £250 to the Ardler Bowling Club for the Open Triples competition.

44/06/19 INTERNAL CONTROLS

The Board of Management considered a report commenting on the internal controls environment in place for Sanctuary Scotland Housing Association during the financial year to 31 March 2019, in preparation for the representations required within the Annual Report and Financial Statements to be reported at the next meeting.

The Board of Management considered the key elements of internal financial control, and were satisfied by the manner in which these had been addressed by Sanctuary Scotland Housing Association throughout the 2018/2019 financial year.

45/06/19 STANDING ORDERS AND FINANCIAL REGULATIONS

The Board of Management considered a report seeking approval for changes to the Standing Orders and Financial Regulations for Sanctuary Scotland Housing Association.

Decision: After consideration, the Board of Management approved the changes to the Standing Orders and Financial Regulations for Sanctuary Scotland Housing Association.

46/06/19 SCOTTISH HOUSING REGULATOR - FINANCIAL PROJECTIONS

The Board of Management considered a report seeking approval for the latest financial projections which were required to be submitted to the SHR.

The Board of Management were presented with the five-year financial projections of Sanctuary Scotland Housing Association. It was noted that, under the terms of its Regulatory Plan, Sanctuary Scotland Housing Association was also required to submit its 30-year financial projections, along with details of sensitivity analysis to the SHR.

The assumptions on which the financial projections had been based and the various sensitivities which had been applied were considered. It was noted that the Bank of England scenario for stress testing of the impact of a hard Brexit had also been included.

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Decision: The Board of Management approved the five-year and 30-year financial projections for submission to the SHR by 30 June 2019.

47/06/19 SCOTTISH HOUSING REGULATOR - ANNUAL ASSURANCE STATEMENT

The Board of Management considered a report proposing the approach to assuring Board Members that Sanctuary Scotland Housing Association was compliant with Chapter Three of the SHR's Regulatory Framework, in accordance with the requirements of the Annual Assurance Statement, due for submission to the SHR by the end of October 2019.

Decision: The Board of Management approved the approach to providing assurance on compliance with Chapter Three, the approach to assessing if any ideas of further action should be considered as material and included in the Annual Assurance Statement, and considered the evidence highlighted against the Standards of Governance and Financial Management and confirmed that Sanctuary Scotland Housing Association could be considered to be compliant in this area.

48/06/19 LOAN PORTFOLIO RETURN 2018/2019

The Board of Management considered a report seeking approval of the Loan Portfolio Return for 2018/2019 for Sanctuary Scotland Housing Association.

It was noted that the total value of loans, equalling £36,148,800, had been reconciled with the Financial Statements as at 31 March 2019. Inter-group loan facilities in place with Sanctuary Treasury Limited, with outstanding balances totalling £200,631,200, were also outlined in the report.

Decision: The Board of Management approved the Loan Portfolio Return for 2018/2019 and authorised its submission to SHR by 30 June 2019.

49/06/19 MID MARKET RENT LEASE DISPOSALS AT CRAIGBANK

The Board of Management considered a report seeking approval to dispose of the leases for Sanctuary Scotland Housing Association's Mid Market Rent (MMR) properties from Sanctuary Scotland Housing Association to Sanctuary Homes (Scotland) Limited (Sanctuary Homes) and in turn via Private Rented Sector Tenancies to individuals.

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Decision: The Board of Management approved the disposal of the leases between Sanctuary Scotland Housing Association and Sanctuary Homes.

50/06/19 FINANCIAL PERFORMANCE

The Board of Management considered and discussed the financial performance of Sanctuary Scotland Housing Association for the year ended 31 March 2019.

51/06/19 OPERATIONAL PERFORMANCE

The Board of Management considered and noted a report summarising operational performance to the end of March 2019.

52/06/19 ASSET MANAGEMENT UPDATE

The Board of Management considered and discussed a report providing an update on the status of capital and cyclical investment projects for 2019/2020.

The Board of Management noted the report.

53/06/19 DEVELOPMENT UPDATE

The Board of Management considered a report providing an update on the Group's Affordable Housing Programme in Scotland.

After discussion, the Board of Management noted the report.

54/06/19 HEALTH, SAFETY AND COMPLIANCE

The Board of Management noted a report providing an update on the development, promotion and implementation of health and safety matters across Sanctuary Scotland Housing Association.

55/06/19 BAD DEBT WRITE OFFS

The Board of Management noted a report providing information of all bad debt write offs and write backs made during the financial year ending 31 March 2019, in compliance with section 10.2 of the Financial Regulations (Scotland).

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56/06/19 EVICTIONS ANALYSIS 2018/2019

The Board of Management considered a report providing an analysis of the eviction procedure and outcomes of completed evictions for the year 1 April 2018 to 31 March 2019.

After discussion, the Board noted the contents of the report.

57/06/19 INTER-COMPANY AGREEMENTS

The Board of Management considered a report seeking approval for minor changes to the Sanctuary Group (the Group) standard form Group Services Agreement with Sanctuary Scotland Housing Association.

The proposed minor amendments reflected the current services provided by Health and Safety (to include fire safety) and Technology (to broaden the services offered).

Decision: The Board of Management approved the minor amendments to the services schedule of the standard form Group Services Agreement, and noted the contents of the report.

58/06/19 ANNUAL REVIEW OF CORPORATE REGISTERS

The Board of Management considered and noted a report providing a summary of the Sanctuary Scotland Housing Association corporate registers maintained by the Governance and Company Secretarial team for the financial year 2018/2019 financial year.

59/06/19 BOARD MINUTES

The Board of Management noted a report submitting an extract of the minutes of the Group Board meeting held in March 2019.

60/06/19 RISKS REVIEW

The Board of Management agreed that no changes were required to the risk map as a result of discussions at the meeting.

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61/06/19 OTHER COMPETENT BUSINESS

There being no items of competent business, the Chairperson declared the meeting closed.