



West Highland Housing Association Ltd

Annual General Meeting
 The Boardroom, WHHA, Crannog Lane, Oban
 Thursday 20th August 2015
 at 6.00pm

ATTENDEE'S	<u>Members</u> Rachel Black Colin Gruber John Watson Murray Sim Natalia Lewis Cameron Dougal Blair Allan James Tolmie Douglas Mackie Tony Cave Gwyneth Neal Ania Zwozdiak Elaine Munro Donald Harrison Kenneth MacColl Alistair MacDougall	<u>Non Members</u>	<u>Staff/Presenters</u> Graeme Bruce Ruby Campbell Oriana Lopez Susan MacAskill Scott McCover Lesley McInnes Iona Smith Diane MacDonald Jessica Reynolds Charles Young Andrew Simpson Danielle Moore David Smith
MINUTE TAKER	Oriana Lopez		
APOLOGIES	Mr George Cormack Mrs I Cormack Mr Stephen Dalziel Mr Arie De Groot Mr Lorne MacLeod Mr Roger Parry Mr Ian Whyte Mr Allan Black Mrs Elaine Robertson Mr Alistair MacDougall Mrs Christine Pearson		

Chairman's Opening Remarks

AGENDA ITEM	3.00	Chairman's Opening Remarks
PRESENTER	Mr Murray Sim	
DISCUSSION	<p>Mr Murray Sim welcomed all members to the 2015 Annual General Meeting, stating that the meeting could go ahead as a quorum had been reached, Murray advised that members of staff were available after the main business of the meeting to discuss any issues which those attending might have.</p> <p>Lesley McInnes, CEO read out the apologies intimated for the meeting.</p> <p>This is the extract from the Chairman's opening remarks.</p> <p>'This is the last time I will be writing this as this year I stand down from Chair of the Association. This year will be my last year with the Association as my intention is to leave the Association after many years' service. With the adoption of the new rules in 2014 the Association has to consider the future needs of the organisation and after someone has spent more than 9 years on the Board then they need to consider whether they still wish to continue and indeed have something to offer. Also, their fellow Board Members have to consider whether they believe they have something to bring to the Board. I have been asked to stay but I feel that by next year it will be time for me to stand down.</p> <p>I have been privileged to serve with West Highland and I have very much enjoyed my time as Chair. Last year was eventful as we finally agreed to go into partnership with the Link Group. As Chair I met Link Board Members and staff on a number of occasions and can honestly say that I have been very impressed with their professionalism and the work they are doing throughout Scotland. Everyone on the Board recognised that Link Group were an excellent organisation but everyone was concerned about the rural nature of our business and whether Link Group would be sympathetic to this. We were convinced that they would make a difference in terms of long term finance, good relationship with key stakeholders like the Scottish Government and the Banks and also their strength in development. All these made us confident that the partnership with the Link Group would be a good partnership. We realised as a Board that whilst we may be confident – tenants and stakeholders may have different views and there was an extensive consultation with tenants and stakeholders but there were few concerns expressed particularly as the office in Oban would continue and West Highland Housing Association would retain its name.</p> <p>One of the biggest incentives for tenants has been our ability to limit our rent increases. On the basis of projected savings with Link Group our rent increase in 2014 was 0% and our rent increase</p>	

for this year was inflation at 2.3%. This was important for the Board because we know from previous feedback one of the concerns of tenants was our rental costs. We know that in general our properties are newer and we have more houses than other Associations but we were keen to reward our tenants and the partnership with Link Group has resulted in lower than average rental increases at a time that benefits tenants.

The partnership is very much in its early days but I can assure everyone that it is proving a very positive and rewarding experience. We are already seeing Link Group investing substantially in our land bank centred around Dunbeg and Ganavan. I am very conscious that our survey work with tenants suggested that people felt we were spending too much time on development. With Link Group taking on the largest development areas then this gives us more time to spend on other areas. In terms of the development being done by ourselves this will reduce over time but we see West Highland doing some of the smaller more rural developments.

Last year we saw the first phase of the Dunbeg development completing – 50 houses on a rent for sale basis. Link did the development for this but West Highland Housing Association are the local management agents for Link Group. Dunbeg is an important development for Oban and the surrounding area and in the future could supply upwards of 200 affordable housing for local people. Argyll and Bute Council have provided additional funding to ensure the development could go ahead and have been supportive of the development work.

The Board have stressed that the main work of the Association in the coming years is in the following two areas:

- The provision of affordable housing for the people within its area of operation
- The management and maintenance of its existing housing

Last year we allocated 68 properties to people which represents just over 10% of our stock. People renting a property from us are normally with us for a long time and only approximately 15% of new tenants give up their property in the year. This demonstrates the important work that is being done by the organisation. No one can underestimate the importance of good quality housing and the importance for families. When you match this with our work on adapting properties so that people can remain in their own home then you can appreciate the full stretch of the work done by the Association. Last year we did over 30 adaptations to the property and we know the difference this can make to many people. For the future we can see that adaptations to properties will increase and we know that we will need to work with our Occupational Therapy

colleagues to ensure that work is done quickly.

In respect of the quality of our housing then over 99% of our stock meets the Scottish Housing Quality standard and the remaining small percentage will be dealt with in this financial year. Over 85% of tenants are satisfied with their home – we want to increase this percentage and as we continue on our programme of investment in our stock we are sure we will see this figure rise further.

Investment in our current stock is key to our future work. Our investment programme is substantial for a relatively small organisation and much of investment done in the last few years, particularly on the heating and insulation side, is future proofed due to the longer term investment agreed by the Board. This means that for much of our earlier investment we can say that it will meet the new regulations coming to the Housing Association sector on energy. This is important as there would be a cost to tenants had we not future proofed as we would have to go back and do further investment in the next 5 years.

In my previous years I have always mentioned the organisation's commitment to renewables. There is no doubt that this has been a difficult route for an organisation like ours to take but investing in the new renewable technologies will help in the medium to longer term. The biggest investment we can make is ensuring that properties are well insulated and whilst this is something that is done as a matter of course in our newer properties – insulation is more challenging for some of our older properties. If your property is better insulated then you should spend less on energy and we know for many of our tenants energy costs are high.

Our investment programme this year has seen investment in Benderloch, Oban and Mull. The feedback from this work has been good but there is always learning for the staff team and the contractor. All of us know that a new kitchen, bathroom or heating system is good news but inevitably work being done in your house always causes some inconvenience. Tenants are involved in the process and have choices in terms of kitchen layout and heating. We want every tenant to feel they have choices and within reason work will be done with discussion. We have changed timescales for tenants who have maybe had medical problems or holidays. The staff team have asked me to thank every tenant for their patience and also their feedback. The investment work is planned over 30 years and every property owned by us has its own investment profile.

Our performance in rent collection and in void management is excellent. We have improved our void management from 16 days to 8 days. We have also seen an improvement on our complaints handling although this is an area where there is still room for improvement.

In respect of repairs our tenants have told us that they still believe that this could be better and since June of 2014 we have been working with the Contractor to improve our performance. We have improved our response time for emergency repairs from 12 hours to under 9 hours but our non-emergencies have seen a slight decrease in performance from 8 to just over 9 days. Our right first time has changed very little with over 80% of our work meeting the “right first time” measure. Our reported performance shows that there remains room for improvement in this area particularly where some of the repairs requires additional parts or materials. Our work with Link Group will offer us the opportunity to consider an in house repairs service but we realise that there are costs associated for this type of service particularly due to the very rural location of some of our properties.

We published our first report card for tenants and this was sent to all of our tenants – this showed very clearly the areas that need improvement and the areas that we are doing well. Tenants were involved in the initial design of the report card but we hope to have far more feedback when we come to do this in 2015/16.

We conducted our first independent tenants survey for some time in early 2014 and from this survey it was clear that people wanted to see an improvement in repairs and more opportunities in respect of engagement. We have continued to develop our response to this and hopefully tenants are seeing a difference. We have now silver accreditation with the Tenants Participation Service. This external accreditation is important but now as important as our tenants views so we are continuing to survey people more regularly on various issues and hopefully this will give us information that can help us improve in the future.

I said at the beginning that this would be the last time I would be speaking at the AGM but this year we thought it would be better if we sent a text version to all our shareholders so if people could not attend then they could at least receive some additional summary information from the Association.

I would like to thank my fellow Board Members for their great support over the past few years. We now have some new faces on the Board and there is a commitment to ensure that people do not serve as long as myself in the future although there is recognition about experience and understanding particularly as the business is just under a £4m turnover and has a staff of 16 people. It is not insubstantial and the importance of strong governance and scrutiny by the Board should not be underestimated.

Finally I would like to thank the staff group – I know the staff team work hard and care very much about the work they do, the people they serve and the wider communities where our houses are

	situated. Now more than ever people see the importance of housing for small settlements and villages – houses bring people that can sustain rural services from schools to transport. The additional work done by staff with community councils, local groups is key to this wider agenda.'
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AGENDA ITEM	4.00 & 5.00	Minutes of the AGM held on the 21st August 2014 and Matters Arising
PRESENTER		Mr Murray Sim
DISCUSSION		The Minutes of the AGM held on 21 st August 2014 had been circulated to members prior to the meeting. The Minutes were approved on a proposal by Gwyneth Neal and seconded by Douglas Mackie
CONCLUSIONS		There were no matters arising – No Comments

AGENDA ITEM	6.00	Approval of Audited Financial Statements for the year to 31st March 2015
PRESENTER		Mr David Smith, Chartered Accountant
DISCUSSION		<p>A copy of the abbreviated Financial Statements for the year to 31st March 2015 was circulated prior to the Meeting.</p> <p>David Smith advised that a full copy of the audited statements were available from the Association's office or from the web site.</p> <p>The Financial Statements had been audited by Alexander Sloan, Chartered Accountants. This will be their last year as accountants for West Highland Housing due to the merger with LINK Housing Association. The group will be using KPMG next year. West Highland Housing Association will be part of the LINK Group consolidated accounts.</p> <p>David took the Members through the Abbreviated Financial Statements noting that Turnover has increased from £3.7 million to just over £4 million. This figure is slightly distorted due to the income from the sale of LIFT properties at Taynuilt to value of £0.5 million.</p> <p>The Associations main source of income is from Rents which was £3.2 million. No rental increase in 2014/2015 (due to the merger with LINK) has meant that the rental figure has remained the same as last year.</p>

	<p>Direct property costs were £1,297,964 which is broadly similar to last year.</p> <p>Bad Debts are reported at £14,494 which is more of a true reflection than the previous year. In 13/14 this figure was a negative of £9592 resulting from an over provision in anticipation of the impact of Welfare Reform. Rent arrears are again showing better than expected.</p> <p>Overheads have increased from just under nine hundred thousand to just over nine hundred and seventy thousand pounds during the year mainly due to the costs relating to the merger with LINK Housing.</p> <p>David commented that the Association's balance sheet is strong with high reserves and surplus cash that match the reserves. He felt that West Highland Housing Association is in a strong financial position. The application of a new Statement of Recommended Practice (SORPs) in the next financial year dictates that we will have to include liability for Pension deficits. This will bring us in line with the new SORPs recommendations. Overall the Association has had a good financial year.</p>
CONCLUSIONS	<p>There were no Questions or Comments</p> <p>The Financial Statements for the year to 31st March 2015 were approved on a proposal by Tony Cave and seconded by Blair Allan</p>

Appointment of Auditors for 2015/2016

AGENDA ITEM	7.00	Appointment of Auditors for 2015/2016
PRESENTER		Mr Murray Sim
DISCUSSION		The Association is looking for approval to appoint KPMG as our Auditors for 2015/2016. KPMG are the Auditors for LINK Group therefore our accounts will be included as part of the LINK Group audit.
CONCLUSIONS		The appointment of KPMG as Auditors for West Highland Housing Association for 2015/2016 was approved on a proposal by James Tolmie and seconded by Donald Harrison.

Election of Management Board Members

AGENDA ITEM	8.00	Election of Management Board Members
PRESENTER		Mr Murray Sim
DISCUSSION		<p>Murray Sim advised that the current membership of the Board was 11 and under the Association's Rules one third of those members require to stand down, but could stand for re-election without nomination</p> <p>It was agreed that the Members standing down would be:</p> <p>Dougie Mackie Gwyneth Neal Donald Harrison Elaine Robertson</p> <p>All of those members indicated their willingness to stand for re-election.</p> <p>Murray Sim confirmed he would be standing down as Chairperson although he advised he would remain on the Board for a further year.</p>
CONCLUSIONS		All 4 members were duly elected to the board.

Any Other Business

AGENDA ITEM	9.00	Any Other Business
PRESENTER		Mr Murray Sim
DISCUSSION		Having received no notification of other business Mr Murray Sim closed the formal business of the Annual General Meeting.