

**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 Sanctuary House, 7 Freeland Drive, Glasgow on Tuesday 12 February 2019.**

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Attendance record since AGM September 2018

**Present**

Kenneth Gibb, Chairperson	4/4
Alex Clark, Vice Chairperson	4/4
j', Vice Chairperson	4/4
John Arthur	1/1
Arthur Bruce	3/4
Peter Cowe	4/4
Michael McGrane	4/4
Suzanne Phee	2/4
Sanctuary Housing Association (represented by Patricia Cahill, Director - Sanctuary Scotland)	4/4
Alan West	4/4

**In attendance**

Kirsty Anderson, Regulation Manager Scottish Housing Regulator  
Campbell Kinloch, Head of Housing, Sanctuary Scotland (08/02/19)  
Nick Garner, Sanctuary Group, Financial Controller (11/02/19 and 13/02/19)  
Joyce McQuat, PA to Director - Sanctuary Scotland

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**01/02/19 APOLOGIES**

No apologies for absence had been received.

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.

**02/02/19 DECLARATIONS OF INTEREST**

No declarations of interest were raised.

**SANCTUARY SCOTLAND HOUSING ASSOCIATION LIMITED  
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**03/02/19 APPROVAL OF MINUTES OF THE BOARD OF MANAGEMENT MEETING  
HELD ON 11 DECEMBER 2018**

Decision: The Board of Management approved the minutes of the meeting held on 11 December 2018.

**04/02/19 MATTERS ARISING FROM MINUTES OF THE BOARD OF MANAGEMENT  
MEETING HELD ON 11 DECEMBER 2018**

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

**05/02/19 SCHEDULE OF ACTIONS AND DECISIONS OF SPECIAL COMMITTEES**

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

**06/02/19 ACTIONS SINCE LAST MEETING**

Decision: The Board of Management endorsed a decision taken since the last meeting relating to the approval of a new revolving credit facility and changes to the approved meeting schedule for 2019.

**07/02/19 DIRECTOR'S REPORT**

The Board of Management received an update on operational and governance matters.

Decision: The Board of Management approved the appointment of two members to the North East Area Committee and Central Area Committee with immediate effect.

**SANCTUARY SCOTLAND HOUSING ASSOCIATION LIMITED  
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**08/02/19      OUTCOME OF CONSULTATION ON PROPOSED RENT INCREASES  
2019/2020**

The Board of Management considered a report on the outcome of the consultation exercise carried out with tenants regarding the proposed rent increase for 2019/2020.

Decision: The Board of Management requested that a report be presented to the Area Committees on the follow up to responses from tenants.

The Board of Management agreed that further analysis was required on the future of rent increases of Retail Price Index (RPI) plus 0.5 per cent, the sustainability of this going forward and how any changes would affect the 30-year Business Plan. It was agreed that this would be included on future agendas of the Board of Management sessions in 2019.

The Board of Management noted the outcome of the consultation exercise carried out with tenants and interested parties on the proposed rent increase for 2019/2020 and approved:

- (a) rent levels for stock in the Priesthill new build (Orlit replacement only) and West Central Pollok (Bellway) estates be increased by 3.2 per cent from the relevant increase date in July 2019;
- (b) rent levels for all other properties (residential properties) be increased by 3.7 per cent from the relevant increase dates in July 2019;
- (c) rent levels for garage lock ups are frozen for 2019/2020 in order to stimulate demand for garages;
- (d) that the rent harmonisation process continues for affected properties in Cumbernauld and Aberdeen, however, this can no longer be cost neutral as these projects draw to an end;
- (e) service charges, including supported housing developments, be set at levels which ensure that the projected service charge costs for these properties are recovered; and
- (f) the monetary multiplier for Housing Association Grant fund and other similar developments be increased by 3.7 per cent to £50.15 per annum.

**09/02/19      ANNUAL RENT INCREASE FOR MID MARKET RENT PROPERTIES**

The Board of Management considered a report seeking approval for rent increases to the mid market rent properties from 1 July 2019.

**SANCTUARY SCOTLAND HOUSING ASSOCIATION LIMITED  
("SANCTUARY SCOTLAND HOUSING ASSOCIATION")**

Decision: Subject to approval from Sanctuary Homes (Scotland) Limited, the Board of Management approved the rent levels and charges from 1 July 2019 as: one, two and three bedroom properties at Craiginches to remain at the same levels of £469, £598 and £721 respectively; two bedroom properties at Anderston be increased to £533.64; one, two and three bedroom properties at Ellerslie Road be increased to £418.69, £528.64 and £622.03 respectively; and two bedroom properties at Old Gartcosh Road be increased to £450.14.

**10/02/19 REVIEW OF FACTORING MANAGEMENT FEES**

The Board of Management considered a report seeking approval to the increase in the factoring management fee for the financial year 2019/2020.

Decision: The Board of Management approved increases in the management fee for factored properties for the 2019/2020 financial year as: 3.04 per cent to the Cumbernauld low rise; 3.7 per cent to Cumbernauld new build; 3.7 per cent to the Aberdeen; and 3.7 per cent to the Anderston.

**11/02/19 BUDGET 2019/2020**

The Board of Management considered a report submitting the budget for 2019/2020.

The Board of Management discussed that RPI had not been confirmed at the time of producing the 2019/2020 and as such, rental increases were assumed at 3.8 per cent and that rental income increases had since been confirmed as 3.7 per cent, and so the 2019/2020 budget would be amended accordingly.

The Board of Management discussed the key elements of the budget, which included the main factors and assumptions on which it was based. The Board of Management discussed operating costs, mid market rent, supported housing accommodation, factored properties and property services costs.

Decision: The Board of Management approved the budget for 2019/2020, subject to the increases in rental income being amended to 3.7 per cent and the Financial Controller providing further detail on the overheads budget and professional and legal fees.

**SANCTUARY SCOTLAND HOUSING ASSOCIATION LIMITED  
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**12/02/19 OPERATIONAL PERFORMANCE**

The Board of Management considered a report providing information on Sanctuary Scotland Housing Association's operational performance to the end of December 2018.

The Board of Management noted that a third party satisfaction survey had commenced on 7 January 2019, with the outcome due by the end of March 2019.

**13/02/19 FINANCIAL PERFORMANCE**

The Board of Management considered and discussed the financial performance of Sanctuary Scotland Housing Association for period nine, ended 30 December 2018.

**14/02/19 DEVELOPMENT UPDATE**

The Board of Management considered and discussed a report providing an update on the Sanctuary Group (the Group) Affordable Housing Programme in Scotland.

**15/02/19 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.

**16/02/19 BOARD MINUTES**

The Board of Management noted a report submitting an extract of the minutes of the Group Board meeting held in November 2018.

**17/02/19 RISKS REVIEW**

The Board of Management noted that a formal review of the risk map would be presented to the next meeting. It was suggested that the level of risk in relation to Universal Credit should be considered given the number of cases and the

**SANCTUARY SCOTLAND HOUSING ASSOCIATION LIMITED  
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impact on arrears levels. Board Members also suggested that the potential impact of the Freedom of Information (Scotland) Act 2002 being extended to Housing Associations should be considered.

**18/02/19 OTHER COMPETENT BUSINESS**

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