

**REGULATION BOARD  
MINUTES OF MEETING**

Room 7, Highlander House, Glasgow

10:00 Thursday 29 January 2009

**Present:**

|                   |                                     |
|-------------------|-------------------------------------|
| Karen Watt        | Chief Executive (Chair)             |
| Iain Muirhead     | Head of Policy & Corporate Services |
| Christine MacLeod | Head of Support & Intervention      |
| Alex Condie       | Non Executive Board Member          |
| Mairi Keddie      | Non Executive Board Member          |

**Observer:**

|             |  |
|-------------|--|
| Ian Brennan | Head of Business Analysis (starting 23 Feb 09) |
|-------------|--|

**In attendance:**

|               |                |
|---------------|----------------|
| Roisin Harris | Secretariat    |
| Lesley Musa   | (Items 9 & 10) |

**Agenda  
Item**

- 1(a) Apologies**  
Apologies were received from Lucia Webster - Non Executive Board Member and Michael Cameron - Head of Inspection.
- 1(b) Declaration of Interests**  
Iain Muirhead declared an interest in the statutory intervention in Cumbernauld Housing Partnership; his mother is an owner receiving factoring services.
- The Board agreed that for any conflicts of interest the declaring party should leave the room while this item is discussed.
- 1(c) Minutes**  
The minutes of the Regulation Board held on 13 November 08 were approved. The Board agreed to consider the minutes of the Audit Committee for approval on 19 March 09.
- 1(d) Matters Arising**  
Karen Watt presented a matters arising report from the last meeting; all actions were completed.

**Strategic Management**

- 2. Performance Report & Business Plan**  
Iain Muirhead presented a new performance management framework;

consisting of a performance report and a business plan progress report. Iain told the Board that the format of the reports would continue to be refined.

#### Business Plan Progress Report

The Board welcomed the format of the business plan progress report and requested it also includes:

- a key and more commentary for ongoing activities; and
- more detailed commentary to explain any re-scheduled targets.

#### Performance Report

The Board welcomed the use of a balanced scorecard report. It found the mixture of narrative and performance statistics useful. The Board noted the report will continue to be developed. The Board requested:

- the relationship between the scorecard and the Business Plan and Corporate plan is clearer;
- that the reports draws a distinction between trend and performance indicators; and
- SHR consider what type of information it needs collect to report on its impact.

The Board discussed SHR's strategic performance under the four perspectives: impact; regulation bodies and stakeholders; business processes and efficiency; and learning and investment for the future.

**Action: Iain Muirhead to continue to develop the performance reporting framework, taking the Board's discussion into account.**

**Christine MacLeod to consider requirement for further charitable status guidance and report to EMT.**

### **3. Budget Report**

Iain Muirhead presented a report showing spend against SHR's forecast budget for the first three quarters of 2008/09. The Board noted the report.

### **4. Risk Register**

Iain Muirhead presented the risk register, which had been amended to reflect the points agreed at the last Regulation Board meeting. The Board welcomed the changes in format.

The Board discussed alignment with the Business Plan; capture of short term risks; and responsibility for risks and agreed the Business plan alongside the register does this. The Board considered the risks and related ratings and agreed it was appropriate not to make any changes.

### **5. Financial Delegated Authorities**

The Board approved a revised Schedule of Delegated Authority, which sets out the distinction between the authority to approve expenditure and the authority to make a procurement decision and enter into a contract. It replaces the schedule approved by the Board on 12 June 2008.

## Regulation Management

### 6. Cumbernauld Housing Partnership

(Iain Muirhead left the room for this item)

The Board noted the decision, under delegated authority, to extend the statutory intervention at Cumbernauld Housing Partnership for a further six months until 30 June 09.

### 7. Intervention Strategy

Christine MacLeod introduced a review of the SHR intervention strategy, which aimed to:

- respond to the current financial climate;
- ensure SHR can respond effectively, swiftly and flexibly;
- take account of experience to date of applying intervention powers; and
- include the lessons learnt from the Housing Corporation's experience of dealing with the failure of Ujima HA.

The Board noted the changes to the Guide to Intervention and agreed SHR should carry out some testing with key stakeholders. The Board agreed to consider a final reviewed guide at its next meeting on 31 March 09.

**Action: Christine MacLeod to carry out testing with key stakeholder groups and report back to the Regulation Board.**

### 8. Notifiable Events

Christine MacLeod presented a review of SHR guidance on notifiable event. The paper proposed the following additional notifiable events:

- the resignation of governing body office-bearers or chairs of subcommittees;
- resignation or dismissal of the RSL chief officer or senior staff members; and
- any breach or potential breach of any banking covenants.

The Board approved the proposed additions and requested the following events should also be added to the reissued guide:

- resignation of any member of an audit committee; and
- any potential cash flow problems.

**Action: Christine MacLeod to amend and reissue the guidance.**

## Audit

### 9. Audit Update

Lesley Musa updated the Board on the programme of internal and external audit work planned for spring 2009. The Board noted the information.

**10. AOB**

Karen Watt updated the Board on:

- recent and ongoing recruitment;
- the recent financial survey of RSLs; and
- discussions with the Social Housing Bill Team.

**DONM**

- 10.00 Tuesday 31<sup>st</sup> March 09, Rm 7 Highlander House, Glasgow