

**REGULATION BOARD
MINUTES OF MEETING****Room 3, Highlander House, Glasgow****10:30 Thursday 16 July 2009****Present:**

Karen Watt	Chief Executive (Chair)
Iain Muirhead	Head of Policy & Corporate Services
Christine MacLeod	Head of Support & Intervention
Michael Cameron	Head of Inspection
Mairi Keddie	Non Executive Board Member
Alex Condie	Non Executive Board Member
Ray Macfarlane	Non Executive Board Member

In attendance:

Roisin Harris	Secretariat
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**Agenda
Item**

- 1(a) Apologies**
Apologies were received from Ian Brennan, Head of Business Analysis.
- 1(b) Declaration of Interest**
Iain Muirhead declared an interest in the statutory intervention in Cumbernauld Housing Partnership; his mother is an owner receiving factoring services.
- 1(c) Register of Gifts and Hospitality**
The register of gifts and hospitality was circulated for update.
- 1 (d) Matters Arising**
The Board noted that the Equalities Strategy would be published in August and all other matters arising from the previous meeting were completed
- Action** **Roisin Harris to update the Board's register of gifts and hospitality and publish on SHR website.**

Strategic Management

- 2. Risk Register**
Iain Muirhead presented the risk register for discussion and updating. The Board discussed the risks identified and agreed to add carrying out regulatory risk assessments as part of the activities to manage the risk of an RSL gets into financial difficulty.

The Board also agreed to add to the register a risk to SHR's public profile

and credibility from adverse media coverage.

Action **Iain Muirhead to amend risk register as agreed by the Board and ensure all mitigating activities link to the 2009/10 Business Plan.**

Post meeting: Iain Muirhead to add new risk to register to take account of the discussion under item 5 about data handling and information management.

3. Performance Report

Iain Muirhead presented a report on SHR's Business Plan for 2009/10 and a review of progress to the end of quarter one.

The Board noted the Business Plan and progress report. It also welcomed the decision to publish information about 2009/10 Business Plan commitments on SHR's website.

4. Budget Report

Iain Muirhead presented a budget report reviewing SHR spend against the forecasted budget to the end of Quarter One 2009/10.

Iain confirmed there had been 17% spend for the first quarter of 2009/10. However once recharged items (not billed quarterly) are added spend will be at 20%.

Iain told the Board that EMT would be revising budget lines to take account of last year's actual expenditure and business objectives.

The Board noted the contents of the report.

5. Data Handling/ Information Management

Iain Muirhead presented a paper to inform the Regulation Board of recent developments within government around information management and data security, and explained the actions SHR was taking in response.

Iain confirmed SHR has experienced no security breaches to date.

Action **Iain Muirhead to provide the Board with a copy of the information return to Scottish Government and SHR's action plan.**

Regulation Management

6. Statutory Intervention Decisions

Christine MacLeod presented a paper to tell the Board about statutory intervention decisions taken by EMT under delegated authority. Alex Condie was consulted on each case.

Cumbernauld Housing Partnership

EMT has extended the direction to appoint a Special Manager to act as interim Chief Executive and extend the term of the three statutory

appointments to the Board until the end of December 2009.

Moray Housing Partnership

EMT decided not to continue with the four statutory appointments to Board which reached the end of their term of appointment in June. EMT recommended to the Scottish Government Investment division that Moray Housing Partnership is no longer a suitable recipient of public funding.

The Board noted EMT's decisions.

Action **Christine to update the Board on progress with both cases and to check if the authority delegated to EMT adequately covers reporting the end of statutory intervention.**

7. Regulatory risk assessment update

Christine Macleod presented a paper prepared by the Senior Regulation Manager Linda Scott. The paper updated the Board on the 2009/10 Regulation Plans published on 1 July 2009 and on changes to the level of engagement with RSLs compared 2008/09.

Christine confirmed that 55 Regulation Plans had been issued: 4 high, 47 medium engagement and 4 to be confirmed pending the outcome of inspections. This is an increase since 2008/09 given the enhanced focus on financial scrutiny. However, 12 organisations no longer have high or medium engagement and are either classed as needing low routine engagement or have de-registered following a transfer.

The Board noted the report.

Action **Linda Scott to update the Board on progress against the new plans in November and provide information about the impact of the improvement letters issued in 2008/09.**

Communication

8. Social Landlords in Scotland: shaping up for improvement

Karen Watt presented the report to the Board and invited discussion on the implications for SHR. Karen confirmed the report will be published on 14 July 2009.

The Board welcomed the report and the important areas for improvement it highlights for the sector. The Board discussed:

- the importance of concentrating on core landlord activities;
- how to celebrate success within the sector;
- future affordability of rents;
- performance of older stock transfer organisations;
- benchmarking;
- board membership; and
- the importance of tenant satisfaction.

The Board agreed it would be useful to facilitate discussions within the sector on the issues raised in the report.

Action EMT to consider how best to engage on the issues with key stakeholders.

Audit

9. Audit Committee Report

Alex Condie presented the 'Annual Statement of Assurance' from the Audit Committee to the Board along with the agreed minutes from the last Committee meeting on 30 June 09.

Alex thanked the Auditors, and staff and the Non Executive Board members for their work with the Committee during 2008/09.

The Board noted the statement and minutes.

10. Annual Report & Accounts

Iain Muirhead presented SHR's first Annual Report and Accounts, approved by EMT and audited by Audit Scotland. The Audit Committee agreed the Annual Report and Accounts at its meeting on 30 June 2009. Iain circulated a paper detailing amendments since then.

The Board noted the paper and approved the Annual Report and Accounts and asked Karen Watt as accountable officer to sign them off.

The Board witnessed Karen Watt sign six copies of the Annual Report and Accounts, which will be sent to Audit Scotland along with a letter of representation.

Iain told the Board the Annual Report and Accounts would be laid before Parliament and published in September 2009.

AOB

The Board requested a forward schedule of meeting dates for 2010.

Action Roisin Harris to provide a schedule at the November Board meeting.

DONM

- 10.30 Wednesday 18 November 2009, Rm 7 Highlander House, Glasgow