

Report to: Management Committee 11th October 2018

Prepared by: Marion Menabney, Chief Executive

Subject: Ongoing Strategic and Operational Issues

Introduction

The purpose of this report is to provide Committee with summary position statements relating to current strategic and operational issues.

1. SHR Review of Regulatory Regime

The Regulator will be publishing its consultation on the proposed new Regulatory Framework during week commencing 9th October. Although there will not be sufficient time to produce a report for the Management Committee in advance of the meeting, an electronic copy will be distributed to members to enable some initial discussion to be held.

The consultation period will run for nine weeks which will enable both the full Management Committee and both sub-committees to consider SHR's proposals and shape appropriate responses.

There have been indications that the new regime will take account of feedback received during recent months, but will definitely include:

- A requirement for all RSLs to produce an Annual Assurance Statement in relation to the Regulatory Standards. SHR has taken on board comments from GWSF and RSLs regarding the format and content of the Statement. It is proposed that an Advisory Toolkit will be developed throughout the coming months to be issued alongside the final version of the new framework.
- The current Regulatory Standards will be re-shaped, with a possibility of additions. The Regulator's future engagement levels with RSLs will be based on each organisation's compliance achievements in respect of the Governance and Financial Standards. These engagement levels will be made public.
- There will be more scrutiny of RSLs' activities and performance in relation to Equalities and Human Rights. New performance indicators will be introduced to form part of the ARC return to ensure landlords have appropriate policies and processes in place.

2. Financial Forecasting and Investment Planning

The 2018 thirty year financial forecast is almost complete, with no significant changes required to the current operational budgets.

However, the medium and long term investment programmes are under review and as the review progresses there may be an impact on medium and long term financial forecasts. In turn, anticipated borrowing dates and requirements may change. There are no concerns at present about the organisation's current or future viability, and no reason to suggest that the review will compromise this position.

The scope of the review will cover

- All component life spans and depreciation periods
- Identification of due and overdue internal replacement kitchens, boilers and bathrooms
- External and common components due and overdue for replacement
- Short, medium and long term cyclical programmes and costings
- Short, medium and long term investment programmes and costings

Regular progress reports will be presented to full Committee and/or sub-committees as appropriate.

3. Staffing and Recruitment

3.1 Property Services Assistant

39 applications were received, 5 were selected for interview.

3 were shortlisted, and the successful candidate was offered and accepted the position. Currently working a four week period of notice, his starting date will be early in November.

3.2 Housing Manager

The scope and role of the housing management vacancy is still to be properly discussed by the Senior Management Team.

The Chief Executive is currently co-ordinating the section's policy, strategic and legal activities. Regular meetings with section members ensure that any issues of concern are identified and problems addressed.

All three Housing Assistants are keeping day to day operational business running smoothly with a minimum of senior intervention required.

4. Other Issues

4.1 46 Overnewton Court

The Property Services Officer is investigating the potential to have a facility for SKY services installed within the property. The Services Sub Committee will be kept informed of progress.

4.2 Adaptations Policy

The Compliance Manager has completed a draft Adaptations Policy to take account of funding criteria and internal procedures. This will be presented to Committee for discussion and approval next month.

4.3 Treasury Management Policy

The Finance Manager will be undertaking a comprehensive review of the Treasury Management Policy to confirm:

- Compliance with all current regulatory requirements
 - Internal signatories are current and appropriate
 - The Association's internal controls are robust and relevant
 - Approved lenders are appropriate and relevant
 - Investment procedures are clear and relevant
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