

MINUTES

Meeting of:	Scottish Futures Trust Investments Limited – Board
Date & Time:	Monday 10 October 2016, 4.30pm
Place:	11-15 Thistle Street, Edinburgh
Present:	Sir Angus Grossart (Chairman) Fiona Mackenzie Carolyn Dwyer Graeme Bissett Barry White Peter Reekie
Apologies:	Jim Fletcher
In attendance:	Liz Petrie (minutes) Alastair McMillen (part meeting)

1 APOLOGIES & DECLARATION OF DIRECTORS' INTERESTS

Apologies were noted from JF.

2 MINUTE OF PREVIOUS MEETINGS AND MATTERS ARISING

The Board approved the minute of the meeting of 22 August 2016 as a correct record.

3 INVESTMENT PERFORMANCE AND PIPELINE

The Board reviewed the hub investments planned for the forthcoming 6 months to 31 March 2017, showing the maximum potential subordinated debt investments by the Company. It was noted that it is assumed that the Company will continue to invest a minimum of 10% of the subdebt.

The Board approved in principle the proposed subdebt investments for the period to 31 March 2017 as laid out in Annex A and noted that appropriate meetings of the Investment Committee would be scheduled in accordance with the scheme of delegation approved at the Board meeting of 20 August 2013.

The Board noted the current hub subordinated debt investments and their performance. The Board discussed the key risks to the programme cashflows and noted the Company's financial position at 30 September 2016 and the full year forecast to March 2017.

4 EDINBURGH HOMES

A McMillen (AM) joined the meeting.

The Board noted the report on Edinburgh Homes mid market and market rent vehicles.

AM outlined the proposals to set up two Limited Liability Partnerships with the City of Edinburgh Council, one for provision of mid market rent homes in Edinburgh, the other for market rent homes in Edinburgh. It was noted that both vehicles would be financed through loans from the City of Edinburgh Council and no grant funding would be required.

The Board acknowledged the success of NHT in Edinburgh and noted the ongoing demand for mid market rent properties in the city. It was noted that the proposed mid market rent structure would provide mid market homes in perpetuity.

The Board discussed risks and their mitigation.

The Board requested a paper be circulated on Local Housing Allowance (LHA).

BW to circulated paper on LHA.

The Board agreed the recommendations:

- to the setting up of two LLPs by SFT Investments with The City of Edinburgh Council, one for the in-perpetuity delivery of mid market rental accommodation, the other for the in-perpetuity delivery of market rent accommodation (SFTI's cash contribution will be the same as the Council's - £1 each per LLP), and;
- to remit it to Christa Reekie to appoint an appropriate individual to represent SFTI in each of the limited liability partnerships with The City of Edinburgh Council.

AM left the meeting.

5 AOB

There was no further business.