

HEBRIDEAN HOUSING PARTNERSHIP

Board

Minutes of Meeting held on Thursday 17 March 2011 @ 6.30pm

Agenda Item 1

Present:

David Blaney (Vice Chair)	Calum MacKay
Helen Smith	Angela Quail
Kevin Paterson	Neil Campbell
Donald Nicholson	Mairi Bremner

In Attendance:

Angus Lamont	Dena MacLeod
John MacIver	George Finnie
Angus M Smith	Angus E MacNeil
Catherine MacIver	Angela C Smith
Stewart Wilson (TIG)	

Apologies:

George Lonie (Chair)	Archie Campbell
Daniel Coyle	Gerry MacLeod
Jane MacKinnon	

The Board were informed that a letter had been received from Paul Alldred tendering his resignation for personal reasons, effective immediately. The Chief Executive stated that Board and Officers would be sorry to lose Mr Alldred. The Chair has responded to Mr Alldred's letter.

FES FM LTD Planned and Reactive Maintenance Contract Signing

The Vice Chair welcomed Mr Iain Maitland, Managing Director, and Mr Dougie Ferguson, Operations Manager, from FES FM Ltd and invited Mr Maitland to address the HHP Board and Officers.

On behalf of FES FM Ltd, Mr Maitland expressed how happy the company were to be entering into partnership with HHP and stressed that FES FM Ltd had a long-term plan for the islands. The company had engaged with Lewis Castle College in terms of courses that could be introduced in order to develop new and existing talent within the islands, and in terms of the open days that had been held for press and public, Mr Maitland stated that the company had been delighted with the response in the number, quality, and enthusiasm of those who attended. FES FM Ltd wished to support HHP with regard to sponsorships within the community and recognised the importance of working together, and working to budget, in order to promote best return and value for money. Mr Maitland concluded by stating that FES FM Ltd looked forward to a long and beneficial relationship with HHP.

The Vice Chair thanked Mr Maitland for his words and stated that on behalf of Board and Officers, the open days were very much appreciated within the community. Those who had attended had responded positively, establishing a good reputation for FES FM Ltd throughout the islands.

The Planned and Reactive Maintenance Contract was then signed by Mr Maitland for FES FM Ltd, and Mr David Blaney, Vice Chair of the HHP Board, and Mr Neil Campbell, Chair of the HHP Operations Committee, for HHP.

Agenda Item	Item / Discussion
PRELIMINARY PROCEDURAL MATTERS	
2	<p><u>Declaration of Interest</u></p> <p>David Blaney declared an interest in Item 17 as he is a Member of the Citizen's Advice Bureau. Calum MacKay declared an interest in Item 17 as he is a Member of the Citizen's Advice Bureau.</p>
3	<p><u>Minute of Board Meeting of 27 January 2011</u></p> <p>The minute of the Board Meeting of 27 January 2011 was submitted and approved as a true and accurate record of the proceedings of that meeting.</p>
4	<p><u>Action Sheet</u></p> <p>Director of Resources informed Members that with regard to Point 8 on the Action Sheet, Staff Expenses, the Internal Auditor has advised that the mileage allowance for car use ought to remain at £0.40 per mile owing to the higher administration costs that an increased allowance would incur.</p> <p>It was agreed to approve the Action Sheet subject to the following amendment:</p> <p>Point 2 - the progress ought to read that the Chair of the Operations Committee, the Chair of</p>

	the Resources Committee, and the Vice Chair of the Board are to meet with CNES within 3-4 weeks.
5	<u>Date of Next Meeting</u> The date of the next meeting will be 30 June 2011.
6	<u>Health & Safety</u> There were no items to report.
STANDING COMMITTEES	
7	<u>Minute of Audit & Risk Committee - 27 January 2011</u> The minute of the Audit & Risk Committee of 27 January 2011 was submitted and approved as a true and accurate record of the proceedings of that meeting.
8	<u>Report of Audit & Risk Committee - 17 March 2011</u> There was no note to present to Committee as yet owing to the meeting taking place on the morning of 17 March 2011. The Director of Resources informed the Board that there were two Items from the Audit and Risk Committee Meeting that required Board approval and would be taken at the end of the Board Meeting.
9	<u>Report of Operations Committee - 16 March 2011</u> Discussion took place with regard to Item 6 on the Operations Committee note, Development Programme Progress Report - 2010/11. Members queried costs spent on satellite television in the Bunavoneadar Development. Stewart Wilson (TIG) informed Members that as there was no digital signal available in that area, there would have been no TV reception otherwise. When costing had been done, it was assumed that a TV reception would be available, but that was not the case. The Director of Resources indicated that the understanding was that there will be a detailed report on the Bunavoneadar overrun and it would come back to the next Operations Committee in June 2011. The report of the Operations Committee of 16 March 2011 was noted.
10	<u>Report of Resources Committee - 16 March 2011</u> The report of the Resources Committee of 16 March 2011 was noted subject to the following amendment: Item 2, Appointment of Office Bearers to read that Kevin Paterson had been seconded by Calum MacKay for the position of Chairperson but he declined the post.
FINANCE	
11	<u>Detailed Budgets 2011/12</u> This Item was discussed in detail by the Resources Committee on 16 March 2011. The Director of Resources went through the Report highlighting savings and growth, and differentiating between one-off and efficiency savings. The following points were made: <ul style="list-style-type: none"> ➤ Response Repairs are over the Cash planning Limits but as Investment is lower, a balance can be achieved; ➤ it is anticipated that the depreciation charge will go up considerably as a result of Component Accounting; ➤ the cost of purchasing Office Premises is also considerable and although there will be no rent, there will be interest to pay; ➤ the Insurance cost is an estimate and may come in higher; and ➤ the private finance requirement for development has gone up owing to the re-profiling of the Development Programme. Despite the above, the Budgets for 2011-12 were within Cash Planning Limits. The introduction of Component Accounting will change the face of the Income & Expenditure Account and the Balance Sheet, and it was advised that what Members were being asked to approve did not reflect Component Accounting process. The Board was informed that an issue had arisen in the Operations Committee Meeting regarding the Income Maximization Project in that the Wider Role Team had been offered funding of £22,000 as opposed to £26,000. As a result there was a shortfall of £4,000. The Director of Resources advised that the shortfall could be accommodated within the overall Budget. Following recommendations from the Resources Committee, the Board approved: <ol style="list-style-type: none"> a) the detailed Budgets at Appendix 1; b) the private finance requirement for development as at Appendix 2; and c) the Budget for Non-Housing Investment as at Appendix 3.

12	<p><u>Management Accounts to 31 January 2011</u></p> <p>This Item was discussed in detail by the Resources Committee on 16 March 2011.</p> <p>Trends have been similar to previous months. Repair & Maintenance Insurance Claims have been an issue owing to the number of claims and the level of excess on the policy.</p> <p>There was an operating surplus of £1.189m compared to a budgeted surplus for that period of £0.801m.</p> <p>Following recommendations from the Resources Committee, the Board approved the Management Accounts for the ten months to 31 January 2011.</p>
13	ITEM TAKEN IN PRIVATE
MANAGEMENT	
14	<p><u>36 Bayhead</u></p> <p>The Chief Executive gave a verbal update on 36 Bayhead and informed the Board that a Business Case has been submitted to the Scottish Government and the Partnership is awaiting a response. It shall be reported back to the Board at the June 2011 series of meetings.</p>
15	<p><u>Asset Management Strategy 2011-16</u></p> <p>The Asset Management Strategy is yet to be discussed in detail by Management Team and was presented in Draft to the Operations Committee for noting. The Regulator expects an Asset Management Strategy to be in place but more importantly it informs the development of the Business Plan. The intention of the Strategy is to be a working document which will help identify issues and ensure a more integrated approach in areas such as Reactive Repairs, Planned Maintenance, Energy Efficiency, Fuel Poverty, Rent Arrears/Estate Management and Allocations and Void Management. The approach to Asset Management is integrally linked to the Business Plan and these need to be complementary.</p> <p>Following recommendations from the Operations Committee, the Board noted the Asset Management Strategy 2011-16 as set out in Appendix 1.</p>
16	<p><u>Planned Maintenance - Progress Report 2010/11</u></p> <p>This Item was discussed in detail by the Operations Committee on 16 March 2011.</p> <p>The Programme for 2010/11 progressed well and is largely complete. Some elements of the painter work were delayed owing to bad weather. The schedule of works was condensed to achieve a substantial completion prior to the VAT increase in January 2011. It is expected that the programme will complete on time and under budget.</p> <p>Following recommendations from the Operations Committee it was agreed that this Report be noted.</p>
17	<p><u>Income Maximization Project Update</u></p> <p>This Item was discussed in detail by the Operations Committee on 16 March 2011.</p> <p>The Project has had a positive impact on the community with 59.55% of those tenants seen by Project Workers being identified as not claiming their full Benefit entitlement.</p> <p>The Project is due to end on 31 March 2011 but an application for continued funding from the Wider Role Fund for 2011-12 has been submitted.</p> <p>The Director of Operations informed the Board that the level of funding for 2011/12 has been awarded and it is less than the previous year.</p> <p>Following recommendations from the Operations Committee it was agreed that this Report be noted.</p>
18	<p><u>Improvement Plan</u></p> <p>The Chief Executive informed the Board that HHP were reaching the signing-off stage with the Regulator in June. Catriona Kelly had been contacted in terms of what is required and current indications are that the Regulator is happy with the progress the Partnership has made. The final report will be brought to the Board in June 2011.</p> <p>It was agreed that progress to date on the Improvement Plan be noted.</p>
19	<p><u>Business Planning Cycle - Internal management Plan 2011/12 - 2012/13</u></p> <p>The Chief Executive and the Director of Resources have had discussions regarding the best cycle with which to meet the requirements of the Regulator for Business Planning and Five Year Cash Flow. It is the intention to have discussions with the Internal Auditor and come back to the Board with a Business Planning Cycle that is fit for purpose.</p> <p>The Board approved:</p> <ol style="list-style-type: none"> a) the Internal Management Plan Action Plan at Appendix 2; and b) the revised Business Planning Timetable at Appendix 3 subject to discussion with Internal Auditors.

20	<p><u>Scottish Housing Regulator</u></p> <p>The Chief Executive informed the Board that additional advice had been issued by the Regulator in respect of what a Board is expected to do in the event of a serious complaint against their Senior Officer, to ensure that that there is a procedure in place to follow and that the matter will be dealt with properly.</p> <p>The Board agreed that in the event of a serious complaint being received regarding HHP's Chief Executive the Chair will advise the Regulator and will instruct the Director of Resources to implement the procedures which have been adopted by EVH Members having secured support and advice from EVH for the Board.</p>
21	<p><u>Internal Management Plan</u></p> <p>It was agreed that this Report be noted.</p>
22	<p><u>HHP Five-Year Anniversary</u></p> <p>The Board was advised that discussions had taken place at Management Level with regard to how HHP might mark the Five-Year Anniversary, and suggestions were welcomed from Board and Officers.</p> <p>The Board approved plans to date to mark the Five-Year Anniversary.</p>
23	<p><u>Corporate Sponsorship</u></p> <p>Members indicated that they wished to pursue the principle of Corporate Sponsorship at a local level and they were advised that if they were in agreement, the next step would be to develop a detailed policy to that effect. Members were asked for a steer as to which broad categories - detailed at paragraph 7.5 of the Report - ought to be considered.</p> <p>The Director of Resources advised that at the AGM in September 2011 a decision could be made with reference to how much of a budget would be available.</p> <p>The Board:</p> <p>a) agreed that they wished to pursue the principle of sponsoring local organisations and events; and</p> <p>b) agreed to consider the options at 7.5 that they wished to pursue for sponsorship.</p>
24	<p><u>Conference: Housing & People - The Future of Rural Communities</u></p> <p>Normal practice is to offer Board representation at any event to the Chair in the first instance and a nominee in the event that the Chair cannot attend. The dates have been changed from March 2011 to 9/10 June 2011.</p> <p>Mr Calum MacKay indicated his interest as a nominee.</p> <p>It was agreed to offer Board representation at this event in the first instance to the Chair, Mr George Lonie, and to Mr Calum MacKay as a nominee.</p>
25	<p><u>Housing Scotland Act</u></p> <p>This Item was discussed by the Audit & Risk Committee on 17 March 2011.</p> <p>Members were advised that the Act primarily legislates for the modernization of social housing regulation and the reform of the Right to Buy. The Social Housing Charter is subject to consultation at the moment and there is also going to be a consultation process on what is going to replace Schedule 7.</p> <p>It was agreed that this Report be noted.</p>
DEVELOPMENT	
26	<p><u>Development Programme 2011/12</u></p> <p>This Item was discussed in detail by the Operations Committee on 16 March 2011.</p> <p>Members were advised that with regard to the Block A Development Projects detailed below, all four Developments have been approved by the Scottish Government to the Cost Plan Stage, but the position on HAG funding has yet to be clarified. Planning consents have been granted for the four Developments.</p> <ul style="list-style-type: none"> ➤ Gibson Hostel site - 24 units; ➤ Melbost Farm Design & Build - 15 units; ➤ Cnoc a' Runaire, North Tolsta - 4 units; and ➤ Claddach Kirkibost Design & Build - 6 units. <p>The Chief Executive informed Members that Block B Projects were currently aspirational as the whole bidding process has made it more difficult to gain approval. Delivering a Development Programme will be extremely difficult at significantly reduced grant levels.</p> <p>In terms of names for Developments, Members were advised that the preferred name for the Tolsta Development is Cnoc a' Runaire. In Uist, Claddach Kirkibost may not be the preferred name. Members discussed the Melbost Farm Development and queried whether a connection to Melbost Farm ought to be retained. The Chief Executive requested delegated powers to consult accordingly in respect of Development names and come back with proposals to the Board.</p>

