



hebridean housing  
partnership

# Annual Report

For the Year Ended 31 March 2008



*"We aim to provide good quality affordable homes and to secure consistently excellent housing services throughout the Western Isles. Our people will work closely with our tenants and others to provide quality services which strengthen the communities we serve now and in the future"*



**HHP Tenants Conference 2007**

**AGM 2007**



**Development Programme**





## Message from HHP Chairman

The year to 31 March 2008, our first complete financial year was challenging but very productive.

We had a number of very successful events throughout the year. Our Tenant Conference which was held on the same day as our first AGM since transfer was enjoyed by everyone who attended. Successful launch events were held in Castlebay, Barra and Tarbert, Harris. Area Committees were set up in the Uists and Lewis.

After a slow start immediately after transfer our investment has picked up and delivered new kitchen, bathroom, heating systems and window and door replacement.

In excess of £5.5 million was invested by HHP in new build during 2007/08 which will mean an unprecedented level of new home completions in 2008/09 - 76 new homes for affordable rent.

As a new organisation we are reviewing everything we do, seeking greater efficiencies. A key aim for 2008/09 is to try and find out more about our tenants' aspirations for housing services. An extensive tenant survey will be carried out during this Summer with the results published in the Autumn.

We are also working with the Tenant Participation Advisory Service (TPAS) to try new ways of involving our tenants in the key decisions being taken by HHP. We shall sponsor the Western Isles Resident Forum with support from TPAS to hold a tenant conference in March of next year which will look at how we can engage with our key customers.

We look forward with confidence to the coming year as we continue to fulfill the promises made by the Comhairle leading up to the Tenant Ballot.

A handwritten signature in dark ink, appearing to read 'G Lonie'. The signature is fluid and cursive, written on a white background.

**George Lonie**

# Review by the Board of Management

Hebridean Housing Partnership Ltd is a charitable Registered Social Landlord (RSL) set up in September 2006 as a result of a housing stock transfer from Comhairle Nan Eilean Siar.

The principal activities of HHP are the provision of affordable social rented housing and the promotion of community Ownership throughout the Western Isles. HHP's broad objectives are:

- Placing tenants at the centre of everything we do, and engaging with the wider community
- Investing in a sustainable way in tenants' homes
- Delivering continuous improvement over time
- Providing efficient, effective housing management services of the highest quality whilst keeping rents affordable
- Being a good employer that attracts and retains high quality staff
- Delivering value for money
- Managing the operational aspects of a first class homelessness service on behalf of Comhairle Nan Eilean Siar
- Contributing to economic development and social inclusion in the Western Isles.



Board Members, Jackie Watt (SFHA) and HHP Chief Executive Angus Lamont

## Transfer of Engagements

On 1 April 2007 HHP merged with 5 small locally based housing associations:

- Muirneag Housing Association No 2465R(S)
- Taighean Ceann A'Tuath Na'Hearadh Limited No 2419R(S)
- Berneray Housing Association Limited No 2434R(S)
- Buidheann Taigheahais Na Meadhanan Limited No 2406R(S)
- Barra and Vatersay Housing Association Limited No 2424R(S)

The result of the Transfer was to add just over 300 units to the stock of the Partnership.

## Regulation

HHP is regulated by the Scottish Housing Regulator. The first inspection is due in August 2008.

## Strategy and Objectives

HHP's strategy and objectives are detailed in its 30 Year Business Plan which was prepared at the point of Transfer. The Business Plan highlights 6 core business activities which will shape the future of HHP and the way housing services are delivered to our tenants:

- Investment Programme
- Environmental Improvements
- New Build Programme
- Repairs and Maintenance
- Housing Management
- Management of the Homeless Service

Each year the Business Plan is updated to take account of performance and major changes in the operating environment. During 2007/08 there has been significant change in the financial and political environment which has negatively impacted the 30 year business plan.



# Operational Review

## Investment Programme

After a slow start our Investment Programme for refurbishing tenants' houses began to operate effectively and by March 2008 we had completed:



- 88 Kitchens
- 45 Bathrooms & Heating Systems
- 37 Windows and Doors



## Investment for the Future

HHP plans to invest £14million over the next 5 years in bringing its houses up to the Scottish Housing Quality Standard. £5.3 million of private finance has been earmarked for new build projects over the same period, the number of units delivered will be dependant on the HAG funding available from the Scottish Government.

## Housing Services

During the year much effort was focused on trying to stabilise rent arrears but notable achievements were:

- Introduction of HHP's first Tenant's Handbook;
- Production of a Repairs Handbook for tenants;
- Successful transfer of over 300 houses from the 5 Local Community Based Housing Associations to HHP; and
- The development of our Customer Services Team and support systems.



**HHP Customer Services Team**

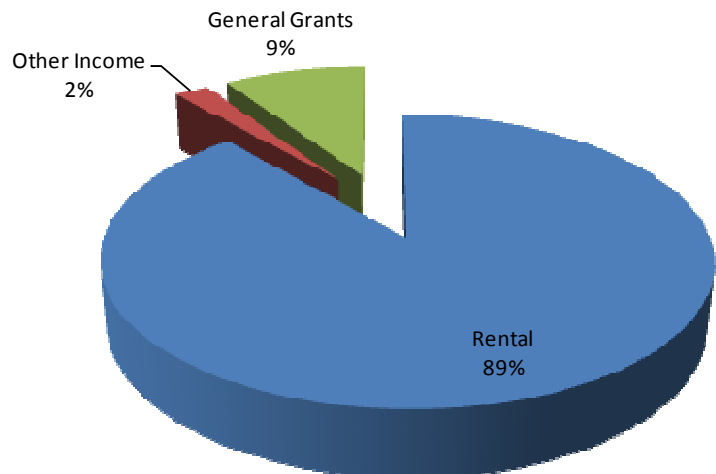
# Financial Review

## How Income of £6.073 million was generated

The majority of our Income comes from Rents but we also received Grants from the Government:

Aids & Adaptations £199K

Deficit Funding £325K



## Where £6.118 million was spent



We spent a total of £6.118m during the year of which £4.976m was spent on improving and maintaining the houses.

A total of £5.505million was spent building new houses and we received Housing Association Grants of £4.908m to help fund the cost of the new houses.



## HHP Chief Executive - Angus Lamont

HHP's Board and staff are committed to build on the progress that has been made since Stock Transfer in September 2006.

However there are external factors which I would like to highlight which will be of major significance to the viability of HHP in the coming year.

The change of administration at Hollyrood has brought in a review of the way housing associations will be funded for development work in future.

During the past year we have seen the publication of a Green Paper on housing - Firm Foundations - and a consultation paper on the funding of housing and housing associations in Scotland. The underlying theme of both papers is greater efficiency. The Scottish Government expects more affordable housing for less public money.

Like most other housing associations HHP has reservations about the potential long term effects of some of the proposals on the quality of new housing developments across Scotland in the future as the level of subsidy is lowered. This is what happened in England when similar cuts in Housing Association Grant (HAG) were made in recent years.

However HHP has specific concerns about the changes to the calculation of HAG. Our stock transfer business plan requires 275 new houses to be built over the first 10 years at the level of HAG prevalent at September 2006 to make good the funding deficit identified by the Scottish Executive, Comhairle Nan Eilean Siar and ourselves leading up to transfer.

HHP will work extremely hard over the coming year to improve our performance in delivering services whilst controlling and reducing costs and maximising income. However these improvements will be undermined unless steps are taken to offset the impact on Business Plan of the very marked increase in private finance which will be required as HAG levels fall. The cuts in HAG levels without some compensatory mechanism would mean that the business plan objectives can no longer be met. Clearly this is not acceptable.

We shall work with our key partner Comhairle Nan Eilean Siar and seek the support of our MSP to ensure the future viability of HHP. Working together I am confident that a resolution will be found and that HHP will have a very bright future.

I would like to express my thanks to the Board and all volunteers for all their hard work during the year. Additionally I would want to thank all our staff who strive to make HHP a successful housing provider. Whilst there is much to do to improve our housing services we have come a long way in the past year, our first full year as an organisation.

## Contact Details

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