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Agenda Item 3.1

HEBRIDEAN HOUSING PARTNERSHIP

Board

<u>Minutes of Meeting held in HHP Board Room, Creed Court on Wednesday, 19 June 2019 @ 5.30pm</u>

	ATTENDANCE & APOLOGIES
1	**Attendance & Apologies** Present: Norman M Macleod, Mairi Bremner, Roddy Mackay, Dolene Smith, Roddy Nicolson, Calum Mackay, Alex Gardner, Iain Macmillan, Paul Finnegan, Fiona Macleod Apologies: Norman A Macdonald, David Blaney, Alasdair Mackenzie Staff & Consultants In Attendance: Dena Macleod (Chief Executive), John Maciver (Director of Operations), Donald Macleod (Director of Finance & Corporate Services), Angus MacNeil (Assets & Contracts Manager), Katrina Rowlands (Development Manager), Katia Petteloot (Finance Manager), Gary Macleod (Service Development Manager), Garry Campbell (Debt Management Officer), Mina Maclean (Housing Officer - Allocations), Jonathan Fairgrieve (Corporate Services Officer), Iona France (Governance Officer – Minute Taker) Calum Mackay was welcomed back to the Board following a period of special leave due to illness.
	PRELIMINARY PROCEDURAL MATTERS
2	**Declaration of Interest** Calum Mackay declared an interest in Item 6.7.
3.1	**Minute of Board Meeting 22 May 2019** **The minute of the Board meeting of 22 May 2019 was submitted and approved as a true and accurate record of the proceedings of the meeting.**
3.2	**Action Sheet** Item 1 Due to the requirement for Energy Performance Certificates (EPCs) the sale of the properties at Braehead had been delayed. A qualified acceptance of the offer received had been issued and Board Members will be informed when the sale is finalised. Item 2 The Director of Operations advised the area had been cordoned off until such time as the repair work was carried out. Item 5 Health & Safety Training for Board Members was planned for on Thursday 21 June 19. Board Members were reminded of their responsibilities under Health & Safety legislation. Item 17 The Chief Executive advised a response on the collective agreement was awaited from Unison. **The Action Sheet was noted.**
4	**Date of Next Meeting** The date of the next meeting will be 28 August 2019.
5	**Health & Safety** There was nothing further to report.

ITEMS FOR DECISION	
6.1	**<u>Annual Report & Financial Statements for Year Ended 31 March 2019</u>** The Annual Report and Accounts for the year ended 31 March 2019 were presented to the Board for approval. The Report had been to the Audit & Risk Committee earlier in the day and had been recommended to the Board for approval. The Director of Finance & Corporate Services highlighted that an error had been identified when preparing the accounts whereby £70k of income in 2018/19 should have been accounted for in 2017/18. This was a timing issue and represents less than 1% of income. A year on year comparison was provided for key financial indicators, including an increase in rental income, driven by rent increase, new build units and an improvement in void loss due to the Board decision to dispose of Cnoc Mor and properties at Braehead. The Director of Finance & Corporate Services advised that the decrease in bad debt provision was driven by a recalculation of the provision following a bad debt write off. The Director of Finance & Corporate Services stressed that £32.356m in reserve is not a cash balance that can be utilised but an accumulation of the surplus since 2006. **The Board:** **a) approved the Annual Report and Accounts for the year ended 31 March 2019;** **b) approved the summary of the Accounts for inclusion in the Tenants' Newsletter; and** **c) noted the Subsidiary Accounts for the year ended 31 March 2019.**
6.2	**<u>SHR Returns</u>** The Loan Portfolio return for 2018/19 and the Five-Year Plans (2019-24), required by the Scottish Housing Regulator (SHR) on an annual basis were presented to the Board for consideration and approval. The Loan Portfolio Return and the Five Year Plans will be submitted to the Regulator by 30 June 2019 and the Audited Financial Statements will be submitted when the SHR Portal opens on 1 August 2019. **The Board approved for submission to the Scottish Housing Regulator:** **a) the Loan Portfolio Return for 2018/19;** **b) the Five-year Plans Return for 2019-2024 ; and** **c) the Audited Financial Statements.**
6.3	**<u>Budgetary Performance for Year Ended 31 March 2019</u>** The performance against budgets for the year ended 31 March 2019 were presented to the Board for approval. The report included an overview of Board Members expenses and consultancy spend for the year. The report also sought approval for the carry forward of £497,983 of slippage into 2019/20 and a recommendation to the AGM that £5,000 of the surplus be donated to local charities. **The Board:** **a) reviewed the performance against budget for the year ended 31 March 2019;** **b) approved the carry forward of £497,983 of slippage into 2019/20;** **c) noted the Financial Covenant for 2018/19; and** **d) approved a recommendation to the AGM that £5,000 of the surplus be donated to local charities during 2019/20.**
6.4	**<u>Review of Financial Authorities & Financial Regulations</u>** The updated Financial Authorities and Financial Regulations were presented to the Board for approval. The Financial Authorities and Financial Regulations were updated following the recent Pay & Grading review and the in line with the revised Standing Orders. The Financial Regulations were updated with current procurement levels and the revised virement thresholds as set out in Part 2 of the Standing Orders. The Financial Authorities were updated and simplified to provide greater clarity on roles and responsibilities and to have consistent delegations levels across posts. New posts identified through the Pay & Grading review have been added, with appropriate delegations, to the Financial Authorities. **The Board approved the:** **a) Financial Regulations; and** **b) Financial Authorities.**

6.5	**<u>Review of Standing Orders</u>** **This item was taken prior to Item 6.4.** On 22 May 2019, the Board approved a revised draft of the Standing Orders for consultation with staff and Board Members. Following the consultation period a working group, comprising staff and Board Members, was convened to review the proposed changes. The Working Group agreed to updated virement thresholds at Part 2 of the Standing Orders and that delegations at Part 4 were consistent with Financial Authorities. The report also sought approval for the Chief Executive to continue to perform the role of Company Secretary until the Head of Executive office commenced employment on 19 August 2019. **The Board approved:** **a) the Standing Orders: and** **b) the Chief Executive will continue to perform the role of Company Secretary until the Head of Executive office commences employment on 19 August 2019.**
6.6	**<u>Housing Allocations Annual Report 2018/19</u>** The report provides statistical information on housing allocations during 2018/19 and outlined a number of key issues surrounding supply and demand. The Housing Officer (Allocations) highlighted some of the key points of the report: • the breakdown of the waiting list throughout the Outer Hebrides showing the highest demand continued to be in Stornoway, Tarbert, Balivanich and Castlebay; • the steady decline of numbers on the waiting list; • 53% of applicants were single person households; and • number of relets had been consistent over the last few years. Calum Mackay requested that the number of first time refusals of existing stock is included in the report for next year. Following a lengthy discussion Board Members raised concerns about continuing to build in rural areas when demand was reducing and other services, such as schools and public transport were being cut and how the report influenced CNES Local Housing Strategy. It was agreed that the appropriate platform to raise these issues would be at the Investment Delivery Board and the upcoming housing conference due to be held in Uist in July/August 2019. **The Board:** **a) noted the Allocations Report 2018/19; and** **b) approved the quotas for allocating properties in Stornoway remain at 50% for homeless applicants; 15% transfer applicants and 35% for other waiting list applicants.**
6.7	**<u>TPAS Conference</u>** The report sought approval to support tenant attendance at the Tenant Participation Advisory Service (TPAS) (Scotland) Annual Conference. The Director of Operations advised that a funding request had been received from the Western Isles Housing Association Communities Forum to support up to 6 places at the TPAS (Scotland) Annual Conference in December 2019. **The Board agreed to fund up to 6 places for the Western Isles Housing Association Communities Forum at the TPAS (Scotland) Annual Conference in December 2019.**
6.8	**<u>Community Grant Request</u>** The Board were asked to consider a Funding Application from the Community Grant Fund for the Evergreen Luncheon Club, Berneray. Our Community Grant Fund makes funding available to support small scale community projects which will improve the quality of life for residents and make a difference to neighbourhoods. There must be a benefit to our tenants residing within the area. **The Board approved the Funding Application for Evergreen Luncheon Club, Berneray for a sum of £500.**
6.9	**<u>Investment Programme 2019/20 Monitoring Report</u>** The report provided an update on the 2019/20 Investment Programme and sought approval to include any property with a Total Heating Total Control (THTC) heating system in the heating programme. The Assets & Contracts Manager advised that since the report was written there had been further tenders returned, contracts awarded and works started on several Lots. Lot 1B (Fire Doors) had been retendered due to high tender costs and tenders were currently being evaluated. The Board agreed on 27 June 2012 to replace THTC systems within schemes where solid fuel systems were being replaced if the existing THTC systems were more than 10 years old. 13 properties have not had their heating systems replaced as a result of this. THTC systems do not produce a good solution for tenants and current tariff

	prices are very high which in turn drives fuel poverty. It was proposed that these properties be included in the heating programme when the opportunity arises and subject to budget availability. **The Board:** **a) approved the replacement of THTC heating systems previously omitted from replacement programmes due to their being less than 10 years old; and** **b) noted progress on the 2019/20 Investment Programme.**
6.10	<u>**Development Monitoring Report**</u> The report provided the Board with an update on the progress of the Development Programme 2018-21. The Development Manager advised the four developments on site were all progressing, and programmes and start dates were awaited for the three rural Uist sites. Planning permission had been received for Edgemoor Square, Ness and An Glib, Point. A decision on the site at Cnoc a Runaire, Tolsta was due the following day. A revised design had been agreed with the developer for the Low Flyer site in Balivanich and the Quantity Surveyor was in negotiations with the developer on the costs. The closing date for the purchase of land at Howmore was Friday, 21 June 2019. A grant offer had been received for the development at Scotland Street, however, this was £30k lower than required. An increased grant offer had been requested but there had been no response to date. In the event of no higher grant being received, approval was sought to progress the development, subject to financial appraisal, with the additional £30k being shared equally between HHP, CNES and Scottish Government. The development was currently in the Strategic Housing Investment Plan (SHIP) for 2021/22 but it was proposed to bring this forward to the current year. **The Board:** **a) agreed to progress Scotland Street in 2019/20;** **b) noted the detailed update of developments;** **c) noted the summarised development progress report;** **d) noted the overview of the Development Programme 3; and** **e) noted the feasibilities update.**
	POLICIES FOR APPROVAL
7.1	<u>**Risk Management Policy & Strategy**</u> The updated Risk Management Policy & Strategy was presented for review and approval. The Chief Executive confirmed that only minor updates had been made to the policy to reflect the revised organisational structure. **The Board approved the Risk Management Policy & Strategy.**
7.2	<u>**Policy Consultation Response**</u> The Adverse Weather Policy, Corporate Payroll Policy and Personal Relationships at Work Policy were approved for consultation at the Board meeting on 22 May 2019. Following the consultation period the Adverse Weather Policy is recommended for approval and the Corporate Payroll Policy recommended for approval subject to agreeing the process for the annual pay award with Unison. During the consultation period an updated model Policy on Personal Relationships at Work was received from EVH. The Policy was revised to take account of the update and it was proposed that the consultation be re-run with the final policy going to the 28 August 2019 Board meeting for approval. **The Board approved the:** **a) Adverse Weather Policy;** **b) Corporate Payroll Policy subject to agreeing the process for the annual pay award with Unison; and** **c) Personal Relationships at Work Policy for consultation with Staff and Unison.**
7.3	<u>**End Violence at Work Charter**</u> The report sought approval to sign up to Unison's End Violence at Work Charter. The Executive Team and the Health & Safety Committee had considered the Charter and the recommendation was that we undertake an initial assessment of our position with a view to being fully compliant with the Charter by December 2019. **The Board approved the request from Unison that HHP sign up to the End Violence at Work Charter.**

MONITORING REPORTS	
8.1	**<u>Performance Monitoring Report</u>** The report provided a summary of performance on Budgets, Investment and Development up to 31 May 2019. The Chief Executive advised this report provided a high level overview of all the monitoring reports to enable Board Members to see at a glance how we are performing. The Chief Executive highlighted the total expenditure planned for 2019/20 of £27.6m. This was the highest level of spend planned in a year since the beginning of HHP. This expenditure, which is predominantly for development, will be funded through rental income, Scottish Government grants and borrowing and will have a positive impact on the local economy. **The Board noted the overall performance to 31 May 2019.**
8.2	**<u>Repairs Six Month Review</u>** The report provided an update on the latest service review of the current Repairs and Maintenance Contract. The Assets & Contracts Manager confirmed that there was nothing significant to report and that the contractor was maintaining standards, scoring well above the minimum scoring threshold. **The Board noted the 6 month Service Review.**
MEETING GOES INTO PRIVATE SESSION	

Chairperson Mr Norman M Macleod

SIGNED ………………………………………………………

DATE ………………………………………………………