hebridean housing partnership

Making our house your home

Agenda Item 4.1

HEBRIDEAN HOUSING PARTNERSHIP

Board

Minutes of Meeting held remotely via Microsoft Teams on Tuesday 23 June 2020 @ 2.30pm

	PROCEDURAL MATTERS
1	**Meeting Protocol** The Company Secretary noted this was the third remote Board Meeting and the meeting protocol would be similar to the previous remote Board meetings. Members were asked to mute their microphones during the meeting and to use the hand raise function or to make use of the existing chat function to indicate to the Chair that they wished to speak. Officers were asked to turn their cameras and microphones off so it was only Members on screen. The Company Secretary reminded all attendees that although the meeting was being held in public, it would be moving into private session and to consider the use of headphones. Attendees were also advised how to minimise interference and what to do in the event of poor connection. Members were informed that the meeting would be recorded for the purpose of drafting the minute but the recording would not be made publically available.
	ATTENDANCE & APOLOGIES
2	**Attendance & Apologies** Present Norman Macleod (Chair) Calum Mackay (Vice-Chair) Alasdair Mackenzie Alex Gardner Fiona Macleod Gordon Macleod Iain Macmillan Paul Finnegan Roddy Mackay Roddy Nicolson Norman A Macdonald* Staff & Consultants In Attendance Dena Macleod (Chief Executive) Anna Coyle (Company Secretary) John Maciver (Director of Operations) Donald Macleod (Director of Finance & Corporate Services) Isabel Macmillan (Debt Management Officer) Jonathan Fairgrieve (Corporate Services Officer) Katia Petteloot (Finance Manager) Katrina Rowlands (Development Manager) Mina Maclean (Housing Officer - Allocations) Tina Cook (Training & Development Officer - Minute Taker) *Norman A Macdonald joined the meeting at Item 7.1. Apologies David Blaney
	PRELIMINARY MATTERS
3	**Declaration of Interest** No declarations of interest were made.
4.1	**Minute of Board Meeting 20 May 2020** **The minute of the Board meeting of 20 May 2020 was submitted and approved as a true and accurate record of the proceedings of the meeting.**
4.2	**Action Sheet** The Company Secretary provided an update on item 2 of the Action Sheet. All options for the AGM were being considered, but given the COVID-19 situation, it was highly likely we would hold the AGM remotely and plans to conduct this were being progressed. Parliament were expected to pass legislation to allow a remote AGM to be held even though our rules do not currently permit this. **The Board:** **a) noted the Action Sheet; and** **b) agreed to hold the AGM remotely, subject to any significant changes which would allow the meeting to be held in person.**

5	**<u>Date of Next Meeting</u>** **The date of the next meeting will be 26 August 2020, followed by the AGM on 27 August 2020.**
6	**<u>Health & Safety</u>** Health & Safety was covered in the COVID-19 Report at Item 7.1.

	ITEMS FOR DECISION
7.1	**COVID-19 Update Report** The Chief Executive presented the key elements of the COVID-19 update report and highlighted the good news that many of our services have moved from closed to disrupted or normal. A detailed Re-engagement Plan was distributed shortly after the last meeting and is now being implemented. We have produced a services update which follows the Scottish Government Route map and this will be updated as we get more information from the Government. Performance is being monitored by SFHA, the Government & the Regulator and a summary of the information being supplied was provided to the Board. The Chief Executive advised there is a new dashboard on the Regulator's website which allows for comparisons across the sector. The results of a recent Staff Survey were encouraging showing that 97% of Staff were satisfied with how HHP responded to tenants during the COVID-19 crisis. The Director of Operations outlined new guidance from the Scottish Government, as a result of COVID-19, which strongly recommended all Registered Social Landlords (RSLs) to set out a specific policy with regards to Domestic Abuse. The Policy is in line with Scottish Government guidance, and whilst it does not outline anything new in terms of the support we offer Domestic Abuse victims, it captures our actions and measures in one place and emphasises our continued victim based approach, alongside our work with partner agencies. The Director of Finance & Corporate Services advised members that following the submission of the 2020/21 updated Business Plan to our Funder in March, they recommended the 2019/20 Business Plan and cash flow deficit covenant remain in place until the outcome of the COVID-19 crisis are clearer. Delay to development is one of the biggest risks to our Business Plan and the Director of Finance & Corporate Services discussed the possible economic implications of COVID-19 on our Development Programme and the principles which we will follow to offset these. We will look to utilise any new or existing opportunities for Scottish Government funding and we also have the potential opportunity to recycle the Right to Buy receipts back into our Development Programme. Should these preferred options not be available, we would have to look towards our borrowing requirement in order to increase private finance, and review our non-essential expenditure, including elements of our Investment Programme, New Build Programme and supervision and management costs. Increasing rental income in the short to medium term was highlighted as being potentially unsustainable due to the implications of COVID-19 on our tenants' income. The Vice-Chair asked that we approach the Scottish Government with regards to funding as we look to ensure that the impact to tenants is minimised. The Chief Executive assured the Board that this will be done, however we must recognise that Government will be lobbied by other services, so whilst we will press them, we must look at all available options. Mr Norman Macdonald emphasised the importance of a joint approach with the Comhairle towards the remobilisation of the Goathill development and the Director of Operations assured members this was the case. The Vice-Chair noted that an additional Board Meeting may be required given the fluidity of the situation. The Chief Executive advised the Board would need to approve the Business Plan before being be re-submitted to our Funders, and we would convene an extra Board meeting if this was required. The Director of Finance & Corporate Services outlined the approval required from the Board to allow senior officers to enter into discussions with our Funder. The Board were assured they would continue to have full visibility and approval over the terms of any such Funding Agreement. **The Board:** **a) noted the actions taken in response to the COVID-19 outbreak;** **b) approved the draft Domestic Abuse Policy;** **c) approved the Re-engagement Plan for post lockdown; and** **d) approved senior officers to enter into discussions with our Funder to draw down borrowing of up to £2m subject to receiving approval from Scottish Government that we can use £2m of the retained Right to Buy receipts to deal with the increased costs of COVID-19 on our development programme.**
7.2	**Annual Report & Financial Statements for Year Ended 31 March 2020** The Director of Finance & Corporate Services outlined key points in the Annual Report and Accounts for year ended 31 March 2020. Rental income increased due to increased units and the annual rent increase, whilst management, maintenance and administration costs were driven up due to increased pension service costs for 2019/20, but were offset by improved liability and as such the net impact is positive. Depreciation increased as we continue to build new homes and invest in component replacements in existing housing stock, and repair costs also increased, largely due to enhanced maintenance regimes. Bad Debt increased, caused, in part, by payment timing at year end, and we have since seen an increase in Universal Credit payments following a spike in the number of claimants following the COVID-19 lockdown in March. The Director of Finance & Corporate Services asked for two nominations to be appointed as Directors of the Subsidiary, HHP Community Housing Limited. Alasdair Mackenzie nominated Roddy Nicolson, this was seconded by Calum Mackay and Roddy Nicolson accepted the nomination. Calum Mackay nominated Gordon Macleod, this was seconded by Alasdair Mackenzie and Gordon Macleod accepted the nomination. As Norman Macleod indicated his intention to resign from the Subsidiary, Calum Mackay also nominated Fiona Macleod to be appointed. This was seconded by Norman Macleod and Fiona Macleod accepted. **The Board:** **a) approved the Annual Report and Accounts for the year ended 31 March 2020;** **b) noted HHP Community Housing Limited Accounts for the year ended 31 March 2020; and** **c) noted Norman Macleod's resignation from, and confirmed the appointment of Roddy Nicolson, Gordon Macleod and Fiona Macleod as Directors of HHP Community Housing Limited.**

7.3	<u>**Budgetary Performance for Year Ended 31 March 2020**</u> The performance against budgets for the year ended 31 March 2020 was presented to the Board for approval. The Director of Finance & Corporate Services highlighted the positive contribution our Development Programme had on the local economy, despite some slippage and noted the overview of Board Members expenses which were significantly under budget, along with the consultancy spend for the year. The report sought approval for the carry forward of £110,655 of slippage into 2020/21 and a recommendation to the AGM that £5,000 of the surplus be donated to local charities. Members were asked to note financial covenants for the year 2019/20 were complied with, which has been confirmed by our Auditors and will be reported back to our Funders. The Vice-Chair noted how comprehensive the report was and thanked staff for the detail and hard work that went into the preparation of the report. **The Board:** **a) noted the performance against budget for the year ended 31 March 2020;** **b) approved the carry forward of £110,655 of slippage into 2020/21;** **c) approved a recommendation to the AGM that £5,000 of the surplus be donated to local charities during 2020/21; and** **d) noted the Financial Covenants for 2019/20.**
7.4	<u>**Review of Financial Authorities and Financial Regulations**</u> Updated Financial Authorities and Financial Regulations were presented to the Board for approval. The key points to note were the introduction of the ability to obtain payment authorisations electronically and a change to bank authorisations, which allows one signatory for a payment under £100K, where no single supplier receives a payment over £50K. **The Board approved the:** **a) Financial Authorities; and** **b) Financial Regulations.**
7.5	<u>**Review of Standing Orders**</u> The Company Secretary presented the annual review of the Standing Orders to the Board for approval. The updates were predominately minor in nature and were summarised in the report. The main changes were to align the Standing Orders with our Rules in respect of required quorum at AGMs, and to update legislative references to include the Housing (Amendment) (Scotland) Act 2018. **The Board:** **a) approved the revised Standing Orders; and** **b) noted the summary of key changes detailed in the Report.**
7.6	<u>**Housing Allocations Annual Report 2019/20**</u> The Housing Officer for Allocations summarised the key points from the annual Allocations Report 2019/20 which illustrated trends over the last ten years. The decline in waiting list figures was shown to have levelled off recent years, the breakdown of waiting list by household types remained consistent with recent years and whilst the level of relets in 2019/20 was lower than 2018/19, remaining consistent with overall trends. Demand for housing in rural areas was shown to be in sustained decline, which will continue to affect our void figures. We have an annual requirement to review the quota of homeless allocations in the Stornoway area and the recommendation was that this remains unchanged. **The Board:** **a) approved the quotas for allocating properties in Stornoway remain at 50% of homeless applicants, 15% for transfer applicants and 35% for other waiting list applicants; and** **b) noted the Allocations Report 2019/20.**
7.7	<u>**Risk Management Policy & Strategy**</u> The Risk Management Policy and Strategy are reviewed annually. The policy and strategy were updated to take account of how our current risks might change in the future in light of rapid changes being brought about through digital services, to include 'pandemic' in our operational risks, and to provide clarity on roles and responsibilities. **The Board approved the Risk Management Policy and Strategy.**
7.8	<u>**Flexible Working Policy**</u> The Chief Executive presented the updated Flexible Working Policy to the Board which had been amended to change the approval route for requests from Directors to Managers and to extend the right to request flexible working to all employees with a minimum of 26 weeks service in line with current legislation. **The Board approved:** **a) the Flexible Working Policy be issued for consultation with staff and the Union; and** **b) if there are no material changes to the policy arising from the consultation, the policy would be approved, otherwise a revised policy be presented to the next meeting of the Board.**

7.9	**<u>Policy Consultation Response</u>** Members were updated on the outcome of the recent consultations with staff and the Union regarding the Attendance & Absence Policy, Parental Leave Policy, Adoption Leave Policy and Special Leave Policy. The amendments to the Attendance & Absence Policy take into account the practical application of the policy and alter some of the language used. The Special Leave Policy also had amendments including an update following a change to statutory Parental Bereavement leave, and clarification with regards to employee pension payments and entitlements. There was no change to the Parental Leave or Adoption Leave Policies. **The Board approved the:** **a) Attendance & Absence Policy;** **b) Parental Leave Policy;** **c) Adoption Leave Policy; and** **d) Special Leave Policy.**
7.10	**<u>Business Plan Appendix 4 Update</u>** The Company Secretary advised that Appendix 4 of the Business Plan relates to our Key Performance Indicators (KPIs) and shows target performance against achieved outcomes. Appendix 4 which was presented to the Board on 18 March 2020 omitted the Performance outcome figures for 2018/19 in error. Furthermore, two new KPIs have been added in line with updated KPIs measured in the Annual Return on the Charter (ARC). **The Board approved the Business Plan Appendix 4 Update**.

MONITORING & UPDATE REPORTS	
8.1	**<u>Board Development Plan Progress Report</u>** The Board were presented with an update on progress that has been made towards the tasks which were highlighted at the Board Development Day in December 2019 and the Board Training Plan. COVID-19 has delayed several actions, which will be carried forward. Five training sessions were completed, four have been postponed and there are two which remain currently unscheduled. The remainder of this item was taken in Private due to the confidential nature of the discussion. **The Board** **a) noted the 2020 Board Development Plan update; and** **b) noted the 2019/20 Training Plan update.**
8.2	**<u>Annual Funders Valuation Report</u>** The Board were presented with our Funders Valuation, which is an annual requirement, and Jones Lang LaSalle (JLL) assess our stock in order to provide a valuation to our Funders. Our Existing Use Value of stock was a £4.9M increase on last year. **The Board noted the:** **a) Existing Use Value of £42.423M at 31 March 2020; and** **b) Summary Valuation Report for 2020**
8.3	**<u>Quarterly Treasury Report to 31 March 2020</u>** The Director of Finance & Corporate Services outlined the Quarterly Treasury report to 31 March 2020. There is no change to our known position, our cash position is slightly above where we would have expected to be as a result of under spend at the end of March due to COVID-19, but it will begin to diminish again as we emerge from lockdown and we being to re-engage our Investment and Development programmes. **The Board noted the:** **a) quarterly report on the Analysis of Investment and Borrowing;** **b) outstanding loans at 31 March 2020 of £4.91 million; and** **c) cash balance at 31 March 2020 of £5.151 million.**
8.4	**<u>Management Report to 31 May 2020</u>** The Finance Manager presented the Management Report to 31 May 2020, drawing Board Members attention to a new dashboard, which has been designed to offer a high level overview of income and expenditure at key areas. The main points outlined were: the report was based on a three month slippage on development work and the anticipation that office closures will result in savings to Supervision & Management costs. Repairs were as to be expected with services running only an Emergency Repairs service operating during lockdown. With the easing of restrictions, we will see services resume and the backlog of services will be addressed. **The Board noted the Management Report at 31 May 2020.**
MEETING WENT INTO PRIVATE SESSION	

Chairperson Mr Norman M Macleod

SIGNED ………………………………………………………

DATE ………………………………………………………