

BOARD AGENDA – 17 NOVEMBER 2020

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO	TIME
1	Attendance and Apologies	Noting	Chair	3	
2	Declaration of Interest	Noting	Chair	-	
3	Minutes			-	
3.1.1	Minute of Meeting 26 August 2020	Approval	Chair	7	2.30pm
3.1.2	Minute of Meeting 27 August 2020	Approval	Chair	12	-
3.2	Action Sheet	Noting	Company Secretary	16	2.40pm
4	Date of Next Meeting 27 January 2021	Approval	Chair	-	
5	Health & Safety	Noting	Director of Operations	-	

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO	TIME
6	Items For Decision				
6.1	Business Plan 2019/20 to 2023/24 Update	Approval	Chief Executive	18	
6.2	Digital Transformation Strategy	Approval	Director of F&CS	25	
6.3	Model Rules Implementation Report	Approval	Head of Executive Office	47	
6.4	Annual Assurance Statement	Approval	Head of Executive Office	96	2.40pm
6.5	Board Skills Assessment & Board Training Plan	Approval	Head of Executive Office	121	-
6.6	Gas Audit	Approval	Director of Operations	126	
6.7	Energy Efficiency & Preferred Supplier Arrangements	Approval	Director of Operations	132	3.20pm
6.8	Development Monitoring Report	Approval	Director of Operations	138	
6.9	Budget Strategy & Timetable 2021/22	Approval	Director of F&CS	150	
6.10	Community Grants	Approval	Director of Operations	161	

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO	TIME
7	Policies for Approval			-	
7.1	Recruitment Policy	Approval	Chief Executive	165	3.20pm
7.2	Training Policy	Approval	Head of Executive Office	180	
7.3	Stress Management Policy	Approval	Chief Executive	196	
7.4	New & Expectant Mothers Policy	Approval	Chief Executive	211	3.40pm
7.5	Policy Review (Safeguarding)	Approval	Head of Executive Office	220	
7.6	Policy Consultation Response	Approval	Head of Executive Office	227	

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO	TIME
8	Monitoring & Update Reports			-	
8.1	Management Report to 30 September 2020	Noting	Director of F&CS	241	3.40pm
8.2	Quarterly Treasury Report to 30 September 2020	Noting	Director of F&CS	265	
8.3	Investment Programme Monitoring Report	Noting	Director of Operations	272	4.00pm
8.4	Board Plan 2021	Noting	Head of Executive Office	277	

MEETING GOES INTO PRIVATE SESSION

Board Meetings 2020/21

Board Members	Notes	27-Aug-20							
Iain Macmillan	1								
Calum Mackay	1								
Alasdair Mackenzie	2								
Alexander Gardner	2								
Fiona Macleod	1								
Gordon Macleod									
Norman A Macdonald									
Paul Finnegan									
Roddy Mackay									
Roddy Nicolson	1								

1 - Appointed as a Community Member on 27 August 2020

2 - Appointed as a Tenant Member on 27 August 2020



Member present at meeting



Member not present at meeting



Cancellation of travel due to weather



Unable to attend remote meeting due to technical difficulties



Member not required to be present at meeting

Special Leave

Board Training 2020/21

Board Members	Notes							
Iain Macmillan	1							
Calum Mackay	1							
Alasdair Mackenzie	2							
Alexander Gardner	2							
Fiona Macleod	1							
Gordon Macleod								
Norman A Macdonald								
Paul Finnegan								
Roddy Mackay								
Roddy Nicolson	1							

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Board Meetings 2019/20

Board Members	Notes	29-Aug-19	19-Nov-19	12-Feb-20	18-Mar-20	29-Apr-20	20-May-20	23-Jun-20	03-Jul-20	26-Aug-20
Norman Macleod	2									
Calum Mackay										
Alasdair Mackenzie	1 & 5									
Alexander Gardner	1									
David Blaney	6									
Fiona Macleod										
Iain Macmillan										
Norman A Macdonald										
Paul Finnegan										
Roddy Mackay										
Roddy Nicolson										
Mairi Bremner	3									
Gordon Macleod	4									

- 1 - Appointed as a Tenant Member on 29 August 2019
 2 - Appointed as a Community Member on 29 August 2019
 3 - Mairi Bremner passed away on 22 September 2019
 4 - Appointed as a Co-opted Member on 18 March 2020
 5 - Present at start of meeting 20 May 2020 but lost connection before formal business commenced.
 6 - David Blaney resigned from the Board on 25 August 2020



Member present at meeting



Member not present at meeting



Cancellation of travel due to weather



Unable to attend remote meeting due to technical difficulties



Member not required to be present at meeting

Special Leave

Board Training 2019/20

Board Members	Notes	Freedom of Information Training	Appraising Your Director Training					
		20-Nov-19	28-May-20					
Norman Macleod	2							
Calum Mackay								
Alasdair Mackenzie	1							
Alexander Gardner	1							
David Blaney								
Fiona Macleod								
Iain Macmillan								
Norman A Macdonald								
Paul Finnegan								
Roddy Mackay								
Roddy Nicolson								
Mairi Bremner	3							
Gordon Macleod	4							

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Unable to attend remote training due to technical difficulties



Member not required to be present at meeting

Special Leave



HEBRIDEAN HOUSING PARTNERSHIP

Board

Minutes of Meeting held remotely via Microsoft Teams on Wednesday 26 August 2020 @ 2.30pm

ATTENDANCE & APOLOGIES			
1	<u>Attendance & Apologies</u> <table><tr><td> <u>Present</u> 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 *Alex Gardner joined the meeting at item 6.4 <u>Apologies</u> The Company Secretary advised members Mr David Blaney tendered his resignation from the Board with immediate effect due to health reasons. The Board wished Mr Blaney well and thanked him for his years of service on the Board. </td><td> <u>Staff & Consultants In Attendance</u> Dena Macleod (Chief Executive) Anna Coyle (Company Secretary) John Maciver (Director of Operations) Donald Macleod (Director of Finance & Corporate Services) Iona France (Governance Officer) Jonathan Fairgrieve (Corporate Services Officer – Minute Taker) Katia Petteloot (Finance Manager) Katrina Rowlands (Development Manager) Garry Campbell (Debt Management Officer) Tina Cook (Training & Development Officer) Angus MacNeil (Assets & Contracts Manager) </td></tr></table>	<u>Present</u> 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 *Alex Gardner joined the meeting at item 6.4 <u>Apologies</u> The Company Secretary advised members Mr David Blaney tendered his resignation from the Board with immediate effect due to health reasons. The Board wished Mr Blaney well and thanked him for his years of service on the Board.	<u>Staff & Consultants In Attendance</u> Dena Macleod (Chief Executive) Anna Coyle (Company Secretary) John Maciver (Director of Operations) Donald Macleod (Director of Finance & Corporate Services) Iona France (Governance Officer) Jonathan Fairgrieve (Corporate Services Officer – Minute Taker) Katia Petteloot (Finance Manager) Katrina Rowlands (Development Manager) Garry Campbell (Debt Management Officer) Tina Cook (Training & Development Officer) Angus MacNeil (Assets & Contracts Manager)
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PRELIMINARY PROCEDURAL MATTERS			
2	<u>Declaration of Interest</u> Mr Alasdair Mackenzie and Mr Calum Mackay declared an interest at item 6.5		
3	<u>Action Sheet</u> No further update to the report. The Action Sheet was noted.		
4	<u>Date of Next Meeting</u> The date of the next meeting will be 17 November 2020.		
5	<u>Health & Safety</u> Nothing to report.		

ITEMS FOR DECISION	
6.1	<u>Business Plan 2020 Update</u> The Chief Executive presented the revised 2020 update of the Five Year Business Plan (2019/20 to 2023/24) for review and approval. Members were advised any discussions surrounding the minute of the Finance Working Group would be taken in private. The Business Plan had been updated following the Board Meeting on 3 July 2020 where it was agreed increased funding would be required due to the impact of COVID-19 and to enable development post 2021 in accordance with the Comhairle's Strategic Housing Investment Plan (SHIP). Members were advised the Business Plan, if approved, would be presented to our funder (The Royal Bank of Scotland) to seek finance for the plan with expert advice from Treasury Advisers, Chatham Financial. Members agreed an affordability and housing needs analysis would be required to assure development post 2021 was financially viable in the long-term as any changes to voids and bad debts would have a significant effect on the Business Plan. The Board: a) reviewed and approved the revised 2020 update to our Five Year Business Plan (2019/20 to 2023/24), which includes increasing our borrowing to a maximum of £25 million; b) approved the use of Chatham Financial for the provision of external expert advice for the re-negotiation of our funding facility; c) noted the draft minute of the Finance Working Group of 19 August 2020; and d) agreed an Affordability and Housing Needs Analysis be carried out with an update to the 17 November 2020 Board meeting on the proposed timescales.
6.2	<u>Annual Assurance Statement</u> The Head of Executive Office presented the Annual Assurance Statement to the Board for consideration and approval prior to submission to the Scottish Housing Regulator, subject to any further guidance from the Regulator following their current consultation on the Regulatory Framework. The Statement had been prepared on the basis that we are compliant with the Regulatory Framework. Members were advised it is a Statement from the Board and therefore the Board must feel assured we are compliant with the Regulatory Framework prior to submission. The Board were provided with the Assurance Statement supporting evidence for review. The Board approved the: a) Annual Assurance Statement, subject to any significant update from the Scottish Housing Regulator; and b) Annual Assurance Statement – Evidence Checklist.
6.3	<u>Governance Report</u> The Governance Report was presented to the Board in respect of AGM charitable donations, to confirm compliance with our Rules and provide information in respect of Remote AGM arrangements for 2020. The Board: a) approved the 5 charities: • Western Isles Association for Mental Health; • Western Isles Hospital League of Friends; • Volunteer Centre Western Isles; • Western Isles Cancer Care Initiative; and • Hebridean Mountain Rescue Team. be proposed at the AGM on 27 August 2020 to each receive £1,000; b) noted the Partnership has complied with Rules 62 to 67 for the year ended 31 March 2020; and c) noted the remote AGM arrangements for 2020.
6.4	<u>Scottish Housing Regulator Returns</u> The Director of Finance & Corporate Services presented the Loan Portfolio return (2019/20), Five Year Plan Return (2020-2025) and Audited Financial Statements (2019/20) required by the Scottish Housing Regulator (SHR) for consideration and approval. Members were advised the Five Year Plans (2020-2025) formed part of the 30 year plans within the Business Plan at item 6.1. Calum Mackay questioned the process if SHR had any issues with the submitted statements. Members were assured any changes to the Statements would be brought to the attention of the Board. The Board approved for submission to the Scottish Housing Regulator the: a) Loan Portfolio Return for 2019/20; b) five year plan Return for 2020-2025; and c) Audited Financial Statements for 2019/20.
6.5	<u>Tenant Participation Strategy 2020-2024</u> The Director of Operations presented the Draft Tenant Participation Strategy 2020-24 for consultation with tenants and key partners for approval. The Board approved: a) the draft Tenant Participation Strategy 2020 – 2024 for consultation with tenants and key partners; b) if there were no material changes to the strategy arising from the consultation, that the strategy be approved, otherwise a revised strategy be presented to the next meeting of the Board; and c) the funding of 6 places at the TPAS (Scotland) Annual Conference in January 2021 for the Western Isles Housing Association Communities Forum.

POLICIES FOR APPROVAL	
7.1	<u>Review of Operations Policies</u> The Comments, Compliments and Complaints Handling, Unacceptable Actions by Complainants and Particular Housing Needs policies were presented to the Board for consideration and approval. The Comments, Compliments and Complaints Handling and Unacceptable Actions by Complainants policies were updated in line with the Scottish Public Service Ombudsman Guidance. The Particular Housing Needs Policy had minor wording amendments. The Board approved the: a) Comments, Compliments and Complaints Handling Policy; b) Unacceptable Actions by Complainants Policy; and c) Particular Housing Needs Policy.
7.2	<u>Retirement Policy</u> The Chief Executive presented a draft Retirement Policy for consideration and approval. Members were advised a new Retirement Policy had been prepared incorporating the Early Retirement Policy and guidance for staff on our position on retirement. The Board approved the Retirement Policy.
7.3	<u>Alcohol & Drugs Policy</u> The Alcohol & Drugs Policy was presented to the Board for approval for consultation with staff. The policy had been reviewed and amended to incorporate the latest EVH model policy. As there had been material changes to the policy staff would be consulted. The Board approved: a) the Alcohol & Drugs Policy for consultation with staff; and b) if there were no material changes to the Policy arising from the consultation, that the Policy be approved, otherwise a revised Policy be presented to the next meeting of the Board.
7.4	<u>Lone Working Policy</u> The Chief Executive presented the Lone Working Policy following the cyclical review. The Policy had been updated in line with guidance from EVH and to take account of staff working from home due to COVID-19. Members were advised if a Home Working Policy became necessary this would be brought before the Board however there are currently sufficient procedures in place to deal with this. Fiona Macleod suggested at future reviews the policy be renamed to Home and Lone Working Policy to reflect home working arrangements. The Board approved the Lone Working Policy

MONITORING & UPDATE REPORTS	
8.1	<u>Management Report to 30 June 2020</u> The Finance Manager presented the Management Report to 30 June 2020. Members were advised most areas were significantly below budget due to COVID-19, however, this is factored into the forecast outturns. The Director of Finance & Corporate Services explained to members the covenants are as at March 2019 due to the Business Plan being approved by the Board immediately prior to COVID-19 and our funder not being able to provide credit approval due to the timing. The Board noted the Management Report at 30 June 2020.
8.2	<u>Quarterly Treasury Report to 30 June 2020</u> The Director of Finance & Corporate Services presented the Treasury Management activities for the first quarter of 2020/21. Members were informed the drawdown profile had changed due to COVID-19 delaying our development and investment programmes. The Director of Finance & Corporate Services advised an updated forecast would be presented at the Board meeting in November 2020. The Board noted the: a) quarterly report on the Analysis of Investment and Borrowing; b) outstanding loans at 30 June 2020 of £4.91 million; and c) cash balance at 30 June 2020 of £6.004 million.
8.3	<u>Investment Programme 2020/21 Monitoring Report</u> The Assets & Contracts Manager presented an update on the procurement and progress of the 2020/21 Investment Programme. Following the introduction of Fire Safety legislation, smoke and heat detectors had been installed in 1084 properties with the remaining 1003 anticipated to be completed by the February 2021 deadline. The replacement of fire doors had been completed with the exception of 5 properties due to access issues. Work was ongoing to gain access to these properties. Members were assured there are a variety of measures in place to ensure safe working conditions in line with COVID-19 guidelines and the Clerk of Works are monitoring this. The Assets & Contracts Manager advised that a grant award of £313k has been received from the Scottish Government for the Aids & Adaptations Programme. There are currently 109 adaptations on the waiting list. Members were advised a low carbon heating fund had become available and applications for funding would be made. The Board noted the: a) progress on the Investment Programme; and b) grant funding award of £313k for Aids and Adaptations from Scottish Government.
8.4	<u>Development Programme Update</u> The Development Manager presented an update on progress with the Scottish Government funding for the period 2018-2021 and on the Five Year Development Plan 2020-2025. Contractors had returned to site in line with current guidance from Scottish Government. Progress was going well with revised programme and amended handover dates are being finalised following the lockdown period. The ACTISH application for the site in Barvas had been submitted and CNES have agreed to support the application. Resumption work on the site in South Dell has been completed and work on the land transaction and building contract is underway. Members were advised buyers were still being sought for New Supply Shared Equity properties with 10 properties still available for purchase. A letter had been received from Scottish Government detailing RPA for 2021 target spend would be £10.807million. Our Development Programme has an estimated spend of £13.2 million. The Development Manager assured members HARP applications would be submitted to confirm the grant monies for each development project. The Director of Operations advised members development is uncertain and our Development Programme may need to be amended due to the impact of COVID-19 however, the Board would be kept informed of any amendments and approval sought where necessary. Calum Mackay raised concerns about the long term sustainability of developments and stressed the importance of the affordability study as agreed at item 6.1. The Board noted the: a) development spend update as at 31 July 2020; b) development progress report; and c) overview of developments.

Following the conclusion of official business the Chief Executive thanked the Chair for his years of service on the Board and his commitment to housing services over the past 21 years, wishing him well in his retirement. Ms Macleod commended the passion Mr Macleod demonstrated during his time on the Board towards tenants, future tenants, staff and fellow Board Members and his commitment to ensuring people had a place to call home. The Vice Chair added his thanks and appreciation of the support shown to him by Mr Macleod, both professionally and personally, over the years they served together on the Board.

Chairperson Mr Iain Macmillan

SIGNED

DATE



HEBRIDEAN HOUSING PARTNERSHIP

Board

Minutes of Meeting held remotely via Microsoft Teams on Thursday, 27 August 2020 at 3.00pm

ITEM	DISCUSSION																											
PRELIMINARY PROCEDURAL MATTERS																												
1	<u>Attendance & Apologies</u> <table><tr><td><u>Present</u></td><td><u>Apologies</u></td><td><u>Staff & Consultants In Attendance</u></td></tr><tr><td>Iain Macmillan</td><td></td><td>Dena Macleod, Chief Executive</td></tr><tr><td>Calum Mackay</td><td></td><td>Anna Coyle, Head of Executive Office</td></tr><tr><td>Roddy Nicolson</td><td></td><td>John Maciver, Director of Operations</td></tr><tr><td>Alasdair Mackenzie</td><td></td><td>Donald Macleod, Director of Finance & Corporate Services</td></tr><tr><td>Paul Finnegan</td><td></td><td>Iona France, Governance Office</td></tr><tr><td>Norman Macdonald</td><td></td><td>Jonathan Fairgrieve, Corporate Services Officer</td></tr><tr><td>Fiona Macleod</td><td></td><td>Tina Cook, Training & Development Officer</td></tr><tr><td>Roddy Mackay</td><td></td><td></td></tr></table>	<u>Present</u>	<u>Apologies</u>	<u>Staff & Consultants In Attendance</u>	Iain Macmillan		Dena Macleod, Chief Executive	Calum Mackay		Anna Coyle, Head of Executive Office	Roddy Nicolson		John Maciver, Director of Operations	Alasdair Mackenzie		Donald Macleod, Director of Finance & Corporate Services	Paul Finnegan		Iona France, Governance Office	Norman Macdonald		Jonathan Fairgrieve, Corporate Services Officer	Fiona Macleod		Tina Cook, Training & Development Officer	Roddy Mackay		
<u>Present</u>	<u>Apologies</u>	<u>Staff & Consultants In Attendance</u>																										
Iain Macmillan		Dena Macleod, Chief Executive																										
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Norman Macdonald		Jonathan Fairgrieve, Corporate Services Officer																										
Fiona Macleod		Tina Cook, Training & Development Officer																										
Roddy Mackay																												
2	<u>Date of Next Meeting</u> The date of the next meeting will be 17 November 2020.																											

ITEMS FOR DECISION	
3.1	<u>Election of Chair</u> The Company Secretary called for nominations for the Chairperson's position following the AGM held earlier in the day. Iain Macmillan was nominated by Calum Mackay and this was seconded by Alasdair Mackenzie. There were no other nominations. Iain Macmillan was appointed to the position of Chairperson.
3.2	<u>Election of Vice Chair</u> The Chair called for nominations for the position for Vice Chair. Calum Mackay was nominated by Alasdair Mackenzie and this was seconded by Roddy Nicolson. There were no other nominations. Calum Mackay was appointed to the position of Vice Chairperson
3.3	<u>Election to Standing Committees</u> The Chair called for nominations to the Audit & Risk Committee. Six Board Members are required to sit on Committee. It was agreed that the following members be appointed to the Audit & Risk Committee: • Roddy Nicolson • Calum Mackay; • Paul Finnegan; • Fiona Macleod; • Gordon Macleod; and • Roddy Mackay. The Chair called for nominations to the Joint Consultative Committee. Two Board Members are required to sit on the Committee. Fiona Macleod and Calum Mackay were appointed to sit on the Joint Consultative Committee.
3.4	<u>Work Groups</u> It was agreed that the Work Groups would be as follows: <u>Asset Management Working Group</u> • Calum Mackay; • Alasdair Mackenzie; • Roddy Nicolson; • Iain Macmillan; and • Fiona Macleod. <u>Finance</u> • Iain Macmillan; • Calum Mackay; • Gordon Macleod; • Alasdair Mackenzie; and • Alex Gardner. <u>Housing Management</u> • Alasdair Mackenzie; • Calum Mackay; • Roddy Mackay; • Roddy Nicolson; and • Paul Finnegan. <u>Remuneration Work Group:</u> • Iain Macmillan; • Roddy Nicolson; • Calum Mackay; • Alex Gardner; and • Alasdair Mackenzie

	<u>Investment Delivery Board</u> Iain Macmillan and Fiona Macleod were appointed as HHP representatives on the Investment Delivery Board with Calum Mackay appointed as substitute Member. It was agreed any further additions to the Work Groups and an additional substitute Member for the Investment Delivery Board would be agreed at next Board Meeting.
3.5	It was agreed that the Spokespersons would be as follows: Development: Iain Macmillan Tenant Liaison & Housing Management: Alex Gardner Repairs & Investment: Calum Mackay Finance: Iain Macmillan/Calum Mackay

Board Action Sheet

ACTION POINT	MINUTE NUMBER	ACTION TO BE TAKEN	DEADLINE/TIMESCALE	ACTION BY	PROGRESS
1	26 Aug 2020 (1)	Write to Norman Macleod and David Blaney thanking them for services to the Board		Chief Executive	Letters posted on 1 September 2020.
2	26 Aug 2020 (6.1)	Housing Needs Analysis to be completed at nearest opportunity. Asset Management Working Group to discuss Rechargeable Repairs to be arranged.		Chief Executive Company Secretary	Update to be provided at meeting on 17 November 2020 Asset Management Working Group held on 6 October 2020. Minute in November Bulletin.
3	26 Aug 2020 (6.2)	Annual Assurance Statement to be uploaded to Regulator's website.	30 November 2020	Head of Executive Office	Annual Assurance Scrutiny session to be held on 17 November 2020 prior to Board meeting.
4	26 Aug 2020 (6.3)	Arrangements to be made for virtual presentation of cheques to nominated charities following AGM resolution.	30 November 2020	Governance Officer	Virtual presentation held on 23 October 2020.
5	26 Aug 2020 (6.5)	Tenant Participation Strategy 2020-24 to be issued to for consultation with tenants and key partners.	1 September 2020	Governance Officer	Consultation ended 23 October 2020 and Strategy approved.
6	26 Aug 2020 (7.3)	Alcohol & Drugs Policy to be issued for consultation with Staff.	1 September 2020	Governance Officer	Consultation ended 30 September 2020, Response to consultation on 17 November 2020 Agenda
7	27 Aug 2020 (3.1)	Company Secretary to update necessary bodies with new Chairperson information.		Company Secretary	Completed.
8	23 June 2020 (7.1)	Companies House to be updated following appointments and resignation of directors to HHP Community Housing Ltd	31 August 2020	Company Secretary	Completed.
9	20 May 2020 (8.2)	Report to Board following policy review process.	27 January 2021	Company Secretary	

ACTION POINT	MINUTE NUMBER	ACTION TO BE TAKEN	DEADLINE/ TIMESCALE	ACTION BY	PROGRESS
10	20 May 2020 (8.3)	Arrange for a Board Member to attend staff meeting.	Once Office activities return to normal	Company Secretary	
11	18 Mar 2020 (7.1)	Staff Expenses Policy to be updated with Working from Home expenses allowable as per HMRC guidance.		Director of Finance & Corporate Services	Government working from home allowances have been adopted with all staff advised how to make claims with HMRC.
12	28 Aug 2019 (8.1)	Report to Board on media engagement.	31 October 2020	Head of Executive Office	Media Engagement remains ongoing, particularly during COVID-19. Report and Strategy for future engagement and Communications Plan to be brought to Board.

BUSINESS PLAN 2019/20 TO 2023/24

Board 17 November 2020

Report by Chief Executive

Purpose of Report

- 1.1 To present a progress report on the Delivery Plan for the Business Plan 2019/20 to 2023/24.

Summary

- 2.1 The revised five year Business Plan 2019/20 to 2023/24 was approved by the Board in August 2020. We agreed to provide quarterly progress reports to Board to enable effective review and management of the Delivery Plan. The progress report to 30 September 2020 is at Appendix 1.
- 2.2 Good progress is being made on the majority of the measures of success and the action plan that are within our direct control but there are areas where we are not achieving our targets largely due to the impact of the measures the Government has put in place to manage COVID-19 outbreak.
- 2.3 The 2021 annual review of the Business Plan was brought forward to August 2020 to account for the impact of COVID-19 measures and the increased funding required to deliver the Comhairle's revised Strategic Housing Investment Plan. Another review will take place once we have a confirmed funding facility in place.

Competence

- 3.1 The legal, financial and other constraints to the recommendations of this report are at paragraph 5.1- 8.1.

Recommendations

- 4.1 **It is recommended that the Board:**
- a) review the Delivery Plan Progress report to 30 Sept 2020 at Appendix 1; and**
 - b) note the action being taken to address areas where targets are not being met.**

APPENDIX 1: Delivery Plan Progress report to 30 Sept 2020

Background Papers: None

Writer of Report: Dena Macleod

Tel: 0300 123 0773

Competence

Financial

- 5.1 The 5 year Business Plan is supported by 30 year financial projections, 5 year projections and the detailed annual budget for 2020/21.
- 5.2 The detailed annual budget for 2020/21 was approved in March 2020.

Legal

- 6.1 There are no specific legal issues relating to the Delivery Plan progress report.
- 6.2 Our current funding agreement requires annual review and business plan approval and will remain in place until the negotiations are concluded on the revised facility and a new funding agreement is put in place.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

- 8.1 Reviewing progress on the Delivery Plan on a quarterly basis will reduce the risk of the Strategic Goals not being delivered.

Report Detail

- 9.1 The Delivery Plan is made up of two parts, Measures of Success and an Action Plan.
- 9.2 Managers monitor progress of the Delivery Plan on our HR System "Breathe" and the main information in the progress reports have come directly from the HR System.
- 9.3 Our Strategic Goals are:

STRATEGIC GOALS

- 1. Placing tenants at the centre of everything we do
- 2. Investing in an environmentally sustainable way in tenants' homes
- 3. Being a good employer that attracts and retains high quality staff
- 4. Working with partners to contribute to the wellbeing of communities throughout the Outer Hebrides

Current economic climate

- 9.4 The measures put in place to manage COVID-19 are affecting every business and will do so for the foreseeable future. Whilst we are seeing some of the impact in our arrears, voids and increased costs we believe the full impact will only be seen in the next 12 months. Over the next month we will be reviewing the upper thresholds for our key targets to ensure they are set at the right level to allow us to take action at the earliest possible stage.

Measures of Success & Action Plan

- 9.5 Good progress is being made on the majority of the measures of success and the action plan, the exceptions, which we are working to address, are:
 - a) **Arrears** – trending upwards over the past three quarters but now steadied at 2.81% (largely due to impact of COVID-19 and more tenants moving onto Universal Credit). Our current performance is 2.81%
 - b) **Voids**- trending upwards to 1.08% due to delays in letting during lockdown have contributed to an increase in voids. We will break the performance down to show voids due to lockdown, lack of demand and condition of property
 - c) **Complaints**- 87.5% is an improvement from previous quarter but still not achieving target. Late responses were due to the complexity of cases and work pressures arising from time required to deal with Anti-social cases.
- 9.6 There are some measures where we are dependent on partnership working in order to achieve them e.g. 4.20 and 4.21 on population.
- 9.7 The Board have already been made aware of that the Investment Programme will not be delivered by the end of February 2021 largely due to the time lost during lockdown and the additional time required to complete jobs whilst complying with Government safety requirements.

APPENDIX 1-DELIVERY PLAN PROGRESS REPORT

Business Plan 2019/20 to 2023/24

Progress Report to: 30 Sept 20

Quarter 2

MEASURES OF SUCCESS		Due by 31 Mar 21	On Target	Below Target	Exceeding Target
SG 1	Placing Tenants at the centre of everything we do	7	3	4	
SG 2	Investing in an environmentally sustainable way in tenants' homes	5	4	1	
SG 3	Being a good employer that attracts and retains high quality staff	6	6		
SG 4	Working with partners to contribute to the wellbeing of communities throughout the Outer Hebrides	5	3	2	

ACTION PLAN		Due by 31 Mar 21	On Target	Below Target	Exceeding Target
SG 1	Placing Tenants at the centre of everything we do	11	11		
SG 2	Investing in an environmentally sustainable way in tenants' homes	2	1	1	
SG 3	Being a good employer that attracts and retains high quality staff	4	4		
SG 4	Working with partners to contribute to the wellbeing of communities throughout the Outer Hebrides	5	4	1	

Overall Progress



45

36
80%

9
20%

0
0%

On Target

More than 75% of actions on target and less than 20% below

Below Target

Less than 75% of actions on target or more than 20% below

Exceeding Target

100% of actions on target and none below target

Measures of Success	Target date	Baseline	Progress to Sept 2020		Trend	Lead Officer
2020-1 Placing tenants at the centre of everything we do						
2020 - 1.1 - % of satisfaction with our overall services > 90%	31/03/2021	88%	✓	88%		Service Development Manager
2020 - 1.2 - Maintain all our homes to meet or exceed SHQS (excl abeyances & exemptions)	31/03/2021	100%	✓	100%		Investment Manager
2020 - 1.3 - Respond to complaints within SPSO targets	31/03/2021	94.23%	✗	87.5%		Director of Operations
2020 - 1.4 - Level of current arrears at 2% of Gross Debit	31/03/2021	1.70%	✗	2.81%		Director of Operations
2020 - 1.5 - Voids at < 1% of Gross Rent Debit	31/03/2021	0.66%	✗	1.08%		Director of Operations
2020 - 1.6 - Provide options for a rent guarantee period	31/03/2021	Current Rent Structure	✓	25% complete		Director of Finance
2020 - 1.7 - 88% of tenants satisfied with opportunities to participate in decision making	31/03/2021	84%	✗	84%		Service Development Manager
2020-2 Investing in Properties						
2020 - 2.8 - Deliver 214 new builds	31/03/2021		✓	84 (39%)		Development Manager
2021 - 2.9 - Deliver 50 extra care units in Stornoway by Sept 2022	31/03/2021	None	✓	Contracts awarded. Enabling works on site.		Director of Operations
2020 - 2.10 - Reduce % of tenants in fuel poverty to under 25% by 2023 (subject to fuel prices)	31/03/2023	41%	✓	No change. Formula needed to work out %		Investment Manager
2019 - 2.11 - 100% properties achieving EESSH by 2020	31/03/2020	87%	✗	84%		Investment Manager
2020 - 2.12 - 100% of stock assessed in terms of long term viability	31/03/2021	0%	✗	25%		Asset & Contract Manager
2020-3 Being a good employer						
2019 - 3.13 - Flexible working policy in place by 2020	31/03/2020	N/A	✓	Completed in June 2020		Chief Executive
2020 - 3.14 - Staff survey in 2020 showing positive feedback. Action Plan by 31 March 21	31/03/2021	2015 Survey	✓	Survey completed and reported in March 20		Chief Executive
2020 - 3.15 - 10% of staff pursuing and obtaining qualifications	31/03/2021	4%	✓	9%		Training & Development Officer
2019 - 3.16 - 100% of vacancies filled on first attempt	31/03/2021	100% in 2018/19	✓	100%		Chief Executive
2020 - 3.17 - Sustain a minimum level of 65% of HHP staff with a service length greater than 3 years	31/03/2021	68%	✓	78%		Chief Executive
2020 - 3.18 - % of staff turnover at less than 10%	31/03/2021	4% for 2018/19	✓	4%		Chief Executive
2019-4 Working with partners						
2019 - 4.19 - New arrangement in place for the delivery of accommodation for the Foyer by 1 April 2019	01/04/2019	N/A	✓	In place 25 April 2019		Director of Operations
2020 - 4.20 - Population forecasts decline + demographics	31/03/2021	Population at 2011-27,684	✗	2016-26,950 2018-26,830		Chief Executive
2020 - 4.21 - Increased demand for housing in rural areas	31/03/2021	243 at 31 March 2019	✓	Total 504 Rural 255		Director of Operations
2020 - 4.22 - Community benefit measures delivered across our communities and on all contracts	31/03/2021	100% of contractors	✓	100%		Director of Operations
2020 - 4.23 - 95% of tenants satisfied with management of the area they live in	31/03/2021	92%	✗	92%		Service Development Manager
2020 - 4.24 - Complete Housing Demands Study	31/03/2021	N/A				Director of Operations
2020-Competencies Achieved	31/08/2021	N/A new measure	✓	95% achieved with areas for improvement identified		Chief Executive

Action Plan	Target date	Baseline		Progress to September 2020	Lead Officer
2020-1 Placing tenants at the centre of everything we do					
2020 - 1.1 - Carry out affordability checks	31/03/2021	2018	✓	Review due as part of Rent Setting	Director of Operations
2020 - 1.2 - Value for money Strategy	31/03/2021	2012	✓	25% Currently being drafted for review at November Exec	Director of Finance
	31/03/2021			Rent models have been reviewed and likely we will need to move to a model where rents are aligned at COT. Issues with New Build Benchmark Rents to be corrected.	
2020 - 1.3 - New Rent Structure		Current Rent Structure	✓	25%	Director of Operations
2020 - 1.4 - Profile our Customers Needs	31/03/2021	20% complete	✓		Service Development Manager
2020 - 1.5 - Support Western Isles Housing Association Communities Forum	31/03/2021	Grant + Staff time	✓	Assistance with Tenant Day on 9 August 2019	Service Development Manager
2020 - 1.6 - Develop tenant scrutiny	31/03/2021	2 groups in place	✓	2 groups in place	Area Managers
2020 - 1.7 - Provide dedicated tenant participation support	31/03/2021	Half time post in place	✓	New contract till May 2021	Director of Operations
2020 - 1.8 - Ensure tenants maximise their opportunities to access digital services	31/03/2021	Information from survey	✓		Area Managers
2020 - 1.9 - Develop a digital transformation strategy	31/03/2021	IT Strategy	✓	First Draft Reviewed at Sept 2020 Exec team - Going to Board in Nov 2020.	Business Support Officer
2019 - 1.10 - Develop an Anti-Poverty Strategy	31/03/2020	None in place	✓	CPP Strategy launched 9 October 19	Director of Operations
2020 - 1.11 - Benchmark our services with other Housing Associations	31/03/2021	High Level desk top	✓	SHN review shows improvement in performance	Head of Executive Office
2020 - 1.25 - Key Risk Indicators and Key Control Indicators developed during 2019	31/12/2020	None in place	✓	Initial KCIs measured with Quarterly performance report	Head of Executive Office
2020-2 Investing in Properties					
2020 - 2.12 - Develop an Environmental Strategy	31/03/2021	None in place	✓	Part of OHCPP Climate change working group	Investment Manager
2019 - 2.13 - Update Asset Management Strategy	31/03/2020	Current Strategy	✓	Completed	Assets & Contract Manager
2020 - 2.14 - Annual Investment Programmes completed by February each year	29/02/2021	90% delivered by March	✗	14% budget spent	Investment Manager
2020-3 Being a good employer					
2020 - 3.15 - Offer shadowing and coaching opportunities to all staff	31/03/2021	Informal arrangements	✓	Informal arrangements to be reviewed following appraisals	Training & Development Officer
2020 - 3.16 - Team building events	31/03/2021	2 held	✓	Event held in June 19-survey showing increased satisfaction	Chief Executive
2020 - 3.17 - Round table discussions with managers	31/03/2021	None in place	✓	Meetings held every month since January	Chief Executive
2019 - 3.18 - Develop use of on line system in particular appraisals	31/03/2020	New system in Jan 2019	✓	1-2-1 being recorded on system	Head of Executive Office
2020 - 3.19 - Deliver Annual Training Plan for 2020/21	31/03/2021		✓	In progress and on target	Training & Development Officer
2020-4 Working with partners					
2020 - 4.20 - Working with community groups to improve common areas	31/03/2021	None in place	✓	Community Garden in Casmir Place	Area Managers
				Looking for ways to make savings or start collaborations with other organisations (Knowledge Transfer Partnership with UHI), Heritage funding for Scotland Street.	
2020 - 4.21 - Identify opportunities to generate income	31/03/2021		✗		Finance Manager
2020 - 4.22 - Support OHCPP to deliver its aims	31/03/2021	Attendance at OHCPP	✓	Meetings attended Agreement signed	Chief Executive
2020 - 4.23 - Work closely with voluntary sector	31/03/2021	None in place	✓	2 grants awarded to community groups	Chief Executive
2020 - 4.24 - Work with CNES to deliver LHS	31/03/2021	IDB	✓	New build on Target; Homeless targets presenting challenges	Chief Executive

DIGITAL TRANSFORMATION STRATEGY

2020/21-2023/24

Board 17 November 2020

Report by Director of Finance & Corporate Services

Purpose of Report

- 1.1 To present the Digital Transformation Strategy at Appendix 1 to the Board for consideration and approval.

Summary

- 2.1 This is the first Digital Transformation Strategy, which is key in ensuring we deliver our first strategic goal – placing tenants at the centre of everything we do.
- 2.2 The Digital Transformation Strategy sets out the organisations plans for the next three years in line with our current Business Plan.
- 2.3 Digital transformation is the process through which digital technologies are applied to transform service/business delivery. The delivery of this strategy will have a positive impact for tenants with increased engagement and satisfaction being two key outcomes.

Competence

- 3.1 The legal, financial or other constraints to the recommendations in this report are contained in paragraph 5.1 – 8.2.

Recommendations

- 4.1 **It is recommended that the Board approve:**
- a) **the Digital Transformation Strategy for consultation with tenants at Appendix 1; and**
 - b) **if there are no material changes to the Strategy arising from consultation, that the Strategy is approved, otherwise a revised Strategy be presented to the next meeting of the Board.**

APPENDIX 1: Digital Transformation Strategy 2021/22-2023/24

APPENDIX 2: Consultation Response Form

Background Papers: ICT Strategy

Writer of Report: Christopher Morrison

Tel: 0300 123 0773

Competence

Financial

- 5.1 The Strategy will be delivered through the cash planning limits set within the existing 30 year business plans.
- 5.2 The 30 year business plan includes £100K for capital expenditure on IT systems over the next 2 years.
- 5.3 There will be a requirement for additional resource to deliver the Digital Transformation Strategy and this will be met from the existing consultancy budgets.
- 5.4 The strategy as well as delivering cost savings as processes are digitally transformed, will free up staff resource to focus on value added service delivery to our tenants. This in turn will contribute to our goal of keeping rents affordable.

Legal

- 6.1 There are no legal implications arising directly from consideration of this report.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the Strategy which would result in a breach of the standards.

Risk

- 8.1 There is a risk that if we do not embrace Digital Technologies and embed them within our organisation we become ineffective in our work and how we deliver services and this is reflected at item 10 on our Risk Register.
- 8.2 Not all tenants will have the ability to access Digital Services. The Strategy will ensure those who are Digitally Excluded are appropriately supported through training / access to IT equipment or alternative support arrangements being developed.

Report Details

- 9.1 The Strategy will ensure we digitally transform our service delivery, creating efficiencies that will free up resources and reduce costs, contributing to our goal of keeping rents affordable.
- 9.2 This will be achieved by focusing on the goals set out below:
- Transforming our tenant interactions
 - Delivering improved digital services and technology with improved mobile working
 - Working more collaboratively, with improved intelligence and data sharing
 - The things we depend on to achieve our digital goal including Tenant and Workforce skills, Resources and External parties
 - How we can support and collaborate with other local agencies
- 9.3 The key deliverables are set out in the Strategy and include the following:
- Tenant web-portal – From tenancy application through to tenancy termination. Each tenant will have an account to access the portal and manage their tenancy on-line.
 - Fully Integrated Housing System – Integration with accounting / document management / telephone systems
 - Robust remote working with data collated and reviewed on site or in tenant homes to provide real time updates and information.
 - Real time dashboard reporting – tailored to roles and highlighting key information to identify areas of improvement/action early.
 - Voice over Internet Telephone System (VOIP) – telephone resilience by providing a cloud based telephone system which can be accessed over the internet.
 - Secure document management – to ensure documents are held in a secure digital location to streamline searches, ensure data integrity and security whilst providing added resilience when working remotely.
 - A greener organisation, which embraces new technologies that have a positive impact on our climate.
- 9.4 The Strategy is expected to result in an increased level of tenant engagement and satisfaction in line with our first strategic goal which is to place tenants at the centre of everything we do.
- 9.5 The Outer Hebrides are in a unique position with aging population demographics being amongst the worst in Scotland. The Strategy will identify how we can support and collaborate with Health & Social Care, Third sector and other partner agencies to sustain tenants in their homes.



hebridean housing
partnership



Digital Transformation Strategy 2020/21-2023/24

Effective Date: ▶

Review Date: ▶

Approved by HHP Board:

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INTRODUCTION

- 1.1 Digital transformation is the process through which digital technologies are applied to transform service/business delivery.
- 1.2 Our Digital Transformation Strategy (DTS) covers the same time period as our Business Plan 2020/21-2023/24.
- 1.3 The DTS will tell you what we plan to do in the next 3 years to provide a value added digital service to our users and provide modern portable services to our workforce.
- 1.4 The Strategy is about:
 - transforming our tenant interactions;
 - delivering improved digital services and technology with improved mobile working;
 - working more collaboratively, with improved intelligence and data sharing;
 - ensuring we have the resources in place to achieve our digital goals; and
 - how we can support and collaborate with other local agencies.
- 1.5 The strategy will ensure we deliver the following key outputs:
 - Tenant self service web-portal – From tenancy application through to tenancy termination. Each tenant will have an account to access the portal and manage their tenancy on-line;
 - Fully Integrated Housing System – Integration with accounting / document management / telephone systems;
 - Robust remote working with data collated and reviewed on site or in tenant homes to provide real time updates and information;
 - Real time dashboard reporting – tailored to roles and highlighting key information to identify areas of improvement/action early;
 - Voice over Internet Telephone System (VOIP) – telephone resilience by providing a cloud based telephone system which can be accessed over the internet;
 - Secure fully digital document management – to ensure documents are held in a secure digital location to streamline searches, ensure data integrity and security whilst providing added resilience when working remotely; and
 - A greener organisation which embraces new technologies that have a positive impact on our climate.
- 1.6 The strategy recognises key issues we face in the Outer Hebrides (e.g. Digital Exclusion, Aging Population, Climate Change) and will develop systems and solutions to help deal with these issues.

TRANSFORMING OUR TENANT INTERACTIONS

- 2.1 The DTS will offer an end to end digital experience for tenants.
- 2.2 We will provide more ways for tenants to interact with us at any time of day or night including, but not limited to:
 - intelligent phone system;
 - online application forms; and
 - Tenant portal - offering all the services we have through non digital means in one easy to manage account for the tenant with the ability to update, request and change data.
- 2.3 To deliver this we will need to engage with tenants about digital skills and how we can improve their experience.
- 2.4 Design service delivery based on the requirements, skills and future needs of tenants using surveys, feedback and case studies.
- 2.5 The outcomes:
 - increased tenant satisfaction & engagement scores;
 - improved data – through increased tenant interaction and the ability for real time reporting;
 - increased connectivity with tenants who have reported repairs, issues, or wish to make changes; and
 - communication strategies can be tailored based on bespoke criteria.
- 2.6 How will we measure this:
 - increased number of online applications;
 - increase in staff time freed up with a reduction in data input and validation;
 - number of tenants registered to use online services; and
 - improved and enhanced tenant feedback in surveys, communication and tenant participatory services
- 2.7 How will we report on this:
 - Dashboard available to allow easy, real-time access to relevant performance measures. E.g., tenant satisfaction scores / tenant engagement metrics; and
 - Dedicated document management system to move all records into a digital format

DELIVERING IMPROVED DIGITAL SERVICES AND TECHNOLOGY

3.1 The areas we will need to focus on to deliver the DTS:

Customer Service

Online forms, Customer portal, Dynamic Interactive website with enhanced service delivery

Tenant Connectivity

We will look to maximise tenant connectivity through partnership opportunities

TEC (Technology in Care)

Support less able tenants in their own home through advances in technology.

Housing System

Replace, Upgrade or a bespoke solution for housing system which facilitates remote/flexible working and end to end process

Digital First

Where Digital underpins all processes from data gathering, transactions internally, externally and workflow

Document Management

This should be robust with an easy to manage structure that allows for increased business continuity migrating to a reduction in paper

Business Continuity

Review options for back up power or generator to compliment remote/flexible working - either on site or off site

Data Standards

A review of data collection, retention, workflows internally to ensure metadata is captured in line with any new systems

Internet of Things

Embedding technology in our homes making them safer and healthier for our tenants

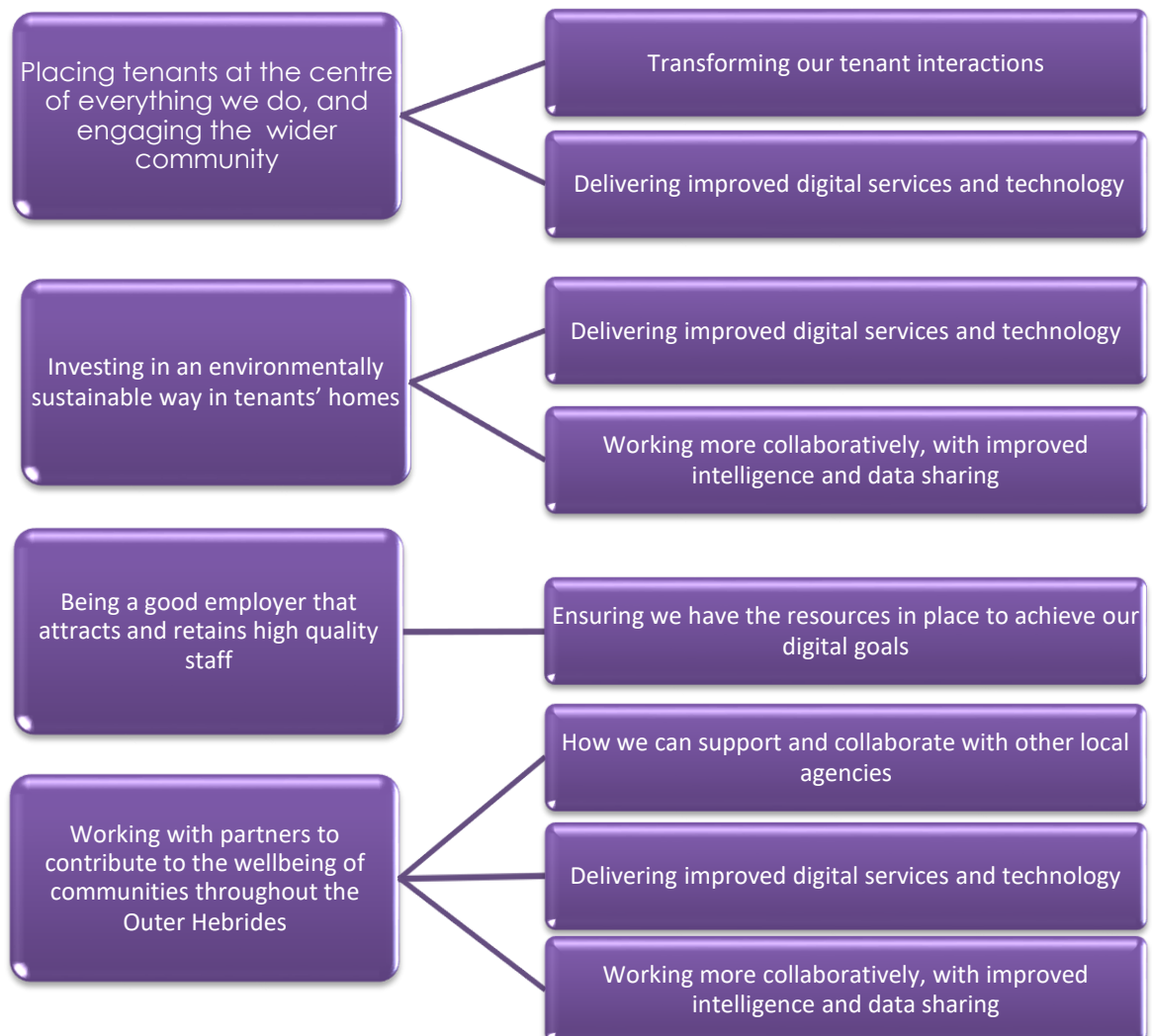
Emerging Technologies

Embrace emerging technologies which prove beneficial to Tenants, Staff and Board Members

VoIP

The phone system we use internally and for customer contact - includes hardware, software, cloud based solution. Essential to business continuity

3.2 The diagram below shows how the Business Plan objectives and the DTS relate:



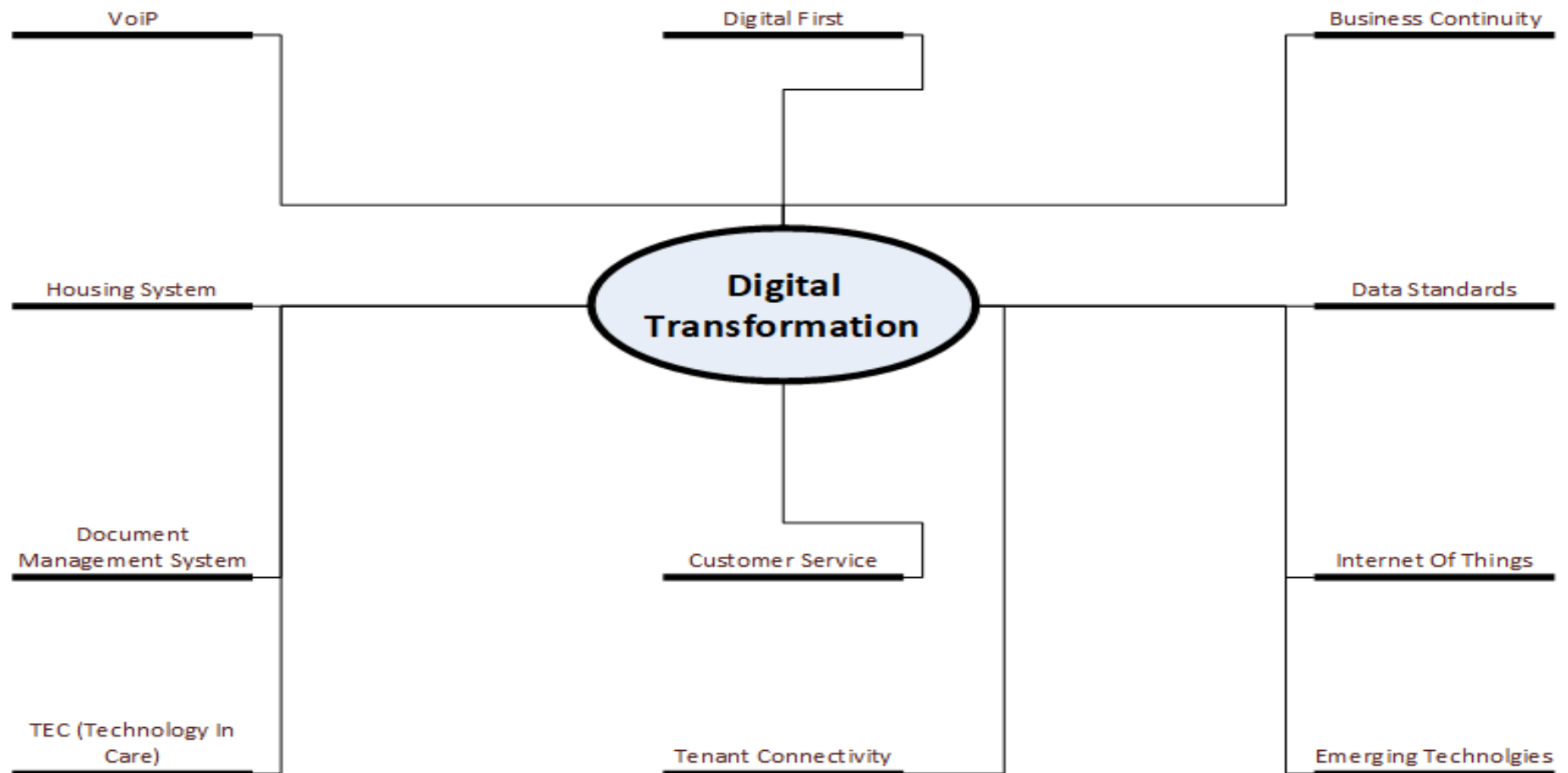
3.3 Business plan aligned with Digital Transformation Strategy and Roadmap

		Business Plan			
ROADMAP		Placing tenants at the centre of everything we do	Investing in an environmentally sustainable way in tenants' homes	Being a good employer that attracts and retains high quality staff	Working with partners to contribute to the wellbeing of communities throughout the Outer Hebrides
Digital Transformation Strategy	Transforming our tenant interactions	➤ Customer Service ➤ Tenant Connectivity ➤ Technology in Care ➤ Digital First ➤ Internet Of Things ➤ Emerging Technologies ➤ VoIP	➤ Technology in Care ➤ Digital First ➤ Internet Of Things ➤ Emerging Technologies	➤ Digital First ➤ Emerging Technologies	➤ Tenant Connectivity ➤ Technology in Care ➤ Internet Of Things ➤ Emerging Technologies
	Delivering improved digital services and technology	➤ Customer Service ➤ Tenant Connectivity ➤ Technology in Care ➤ Digital First	➤ Technology in Care ➤ Digital First ➤ Internet Of Things ➤ Emerging Technologies	➤ Digital First ➤ Business Continuity ➤ Emerging Technologies	➤ Tenant Connectivity ➤ Technology in Care ➤ Internet Of Things ➤ Emerging Technologies
	Working more collaboratively, with improved intelligence and data sharing	➤ Technology in Care ➤ Housing System ➤ Document Management ➤ Internet Of Things ➤ Emerging Technologies	➤ Technology in Care ➤ Internet Of Things ➤ Emerging Technologies	➤ Housing System ➤ Document Management ➤ Data Standards ➤ Emerging Technologies	➤ Technology in Care ➤ Internet Of Things ➤ Emerging Technologies
	Ensuring we have the resources in place to achieve our digital goals	➤ Housing System ➤ Technology in Care ➤ Internet Of Things ➤ Emerging Technologies	➤ Technology in Care ➤ Internet Of Things ➤ Emerging Technologies	➤ Housing System ➤ Data Standards ➤ Emerging Technologies	➤ Technology in Care ➤ Internet Of Things ➤ Emerging Technologies
	How we can support and collaborate with other local agencies	➤ Technology in Care ➤ Internet Of Things ➤ Emerging Technologies	➤ Technology in Care ➤ Internet Of Things ➤ Emerging Technologies	➤ Emerging Technologies	➤ Technology in Care ➤ Internet Of Things ➤ Emerging Technologies

GOVERNANCE

- 4.1 There will be a number of projects within the strategy that will each have a project team attached consisting of a Sponsor/Stakeholder, project leader and team members will consist of subject matter experts (Internal or External).
- 4.2 A new post will be created to oversee and manage the delivery of the entire Digital Transformation Strategy. This post will be responsible for delivering the Strategy on time and report progress to the Executive Team and Board on regular basis.
- 4.3 Each project can be tailored for collaborative working through knowledge sharing or shared funding opportunities using existing and future contacts.
- 4.4 We will also work with other Housing Associations to make the most of lessons already learnt and experience in implementing some of the projects.
- 4.5 Projects will follow generally accepted methodologies, of which Agile is one. **(Appendix B)**. Where there is an identified benefit in using other methodologies these will be implemented. Agile is the methodology recommended by Scottish Government. For more on Agile working practices please visit [Agile Delivery](#)
- 4.6 Each project will provide:
 - Scoping;
 - Reviewing best in class with other Housing Associations or Public Agencies;
 - Deliverables;
 - Outcomes;
 - Reporting on improvements (Process changes, Cost Savings, Resources shared etc.);
 - Post Project Review – Shared learnings or re-usable modules for further projects; and
 - Information sharing and promotion with other Housing Associations and/or Public Agencies.

ROADMAP



WORKING MORE COLLABORATIVELY WITH IMPROVED INTELLIGENCE AND DATA SHARING

- 5.1 Shared reporting and data analysis tools across all teams within the organisation to give a clear overall picture of Key Performance Indicators (KPI's).
- 5.2 Creating and maintaining a "Golden Record" of tenants and assets which consists of one reliable and secure source of information for all interactions and communications per tenant and per asset
- 5.3 Managing internal communications and reports for employees and board members with secure and role based access.
- 5.4 Tenant Records:
 - One record to store all tenant information and communication to remove any duplication using unique identifiers;
 - Tenants linked to Assets but independent of Asset records; and
 - Removal of all paper based tenant information.
- 5.5 Asset Records:
 - One record to store all Asset information to remove any duplication using unique identifiers;
 - Assets linked to Tenants but independent of tenant records; and
 - Removal of all paper based Asset information except for those required by law or statutory regulations.
- 5.6 Internal and Board Communication and statutory papers managed and maintained securely and with ease of accessibility as default based on role management and GDPR.
- 5.7 Our housing system will serve as a document management system which holds all tenant and asset related data. This will ensure data is held in a consistent standard in a secure online format which can be easily searched and archived in line with our data retention policy.
- 5.8 Review cost savings of implementation of any solutions and impact on tenants. An example of cost savings can be found in **Appendix A**.
- 5.9 The outcomes:
 - Comprehensive records on all assets and tenants managed electronically with data standardisation;
 - Collating information based on FOI or GDPR requests made more efficient;
 - Collation and reporting of carbon footprint reduction data
 - Role based access to documentation and information;
 - Intelligent reporting showing all key metrics where there is the ability to interrogate the information based on bespoke requirements; and
 - Secure information sharing that is GDPR compliant.

5.10 How will we measure this:

- Increased tenant satisfaction and feedback;
- Improved timescales to process FOI and GDPR requests;
- Processes re-defined based on using electronic data management; and
- Improved scores on key metrics shared across the organisation in more accessible formats that are regularly updated automatically based on intelligent data gathering.

THE THINGS WE DEPEND ON TO ACHIEVE OUR DIGITAL GOAL

6.1 Working with Tenants to increase digital skills, awareness and confidence in using devices and access to online services.

6.2 Ensuring we have the right software, hardware and resources to achieve the outcomes of the strategy.

6.3 Employees and Board members are all aware of the roles and duties required of them and the system access they have.

6.4 Third parties and contractors are all aware of their responsibilities and access to the organisations data and systems.

6.5 All users of the systems and data are trained and confident in any new processes, systems and changes to any roles.

6.6 The outcomes:

- Increased engagement with tenants through digital mediums allowing 24/7 access to documentation and information;
- Reduction in manual data input and reporting;
- Systems are fully integrated to ensure consistency and ease of access across the organisation and external partners; and
- Tenants, Staff and Board Members grow their digital skills with increase in ICT qualifications.

6.7 How will we measure this:

- Increased tenant uptake on digital services for those with additional support requirements;
- Improved processing and accuracy of information increasing the time available to manage and plan;
- Number of ARC indicators available directly from systems; and
- Reporting of key performance measures available in real time.

HOW WE CAN SUPPORT AND COLLABORATE WITH OTHER LOCAL AGENCIES

- 7.1 Identify services provided by other local agencies that have cross-over or potential duplication with services offered by the organisation.
- 7.2 Create or participate in working groups where digital participation or development is a key area in the local community.
- 7.3 Share research and development resources with other agencies to offer combined solutions that are re-usable across multiple services.
- 7.4 Review and share lessons learned across agencies to improve collaborative projects and outcomes.
- 7.5 The outcomes:
 - Increase tenants awareness of the support they can access and its availability through digital means
 - Solution based working groups providing an increase in digital services across a range of services
 - Shared collaborative experiences and outcomes to reduce costs and increase engagement
 - Shared resources and developments to ensure best practice and lessons learnt are re-used for greater economic benefits and a more human centred approach
 - Encourage innovation and design across multiple sectors to the benefit of users
- 7.6 How will we measure this:
 - Gather feedback and assess uptake from service users
 - Develop Shared goals with reporting across agencies
 - Action trackers from working groups the organisation are involved in
 - Being a leader in the area for digital innovation, engagement and support as shown by feedback and recognition from partner agencies and local authority. At present, there is no measure of this in the area, one step to beginning the process is a digital working group for the Outer Hebrides.

APPENDIX A

An example of the transactional cost for each type of interaction is shown below;

Type	Cost
Post	£12.10
Person	£10.53
Phone	£3.39
Online	£0.08

Source - <https://www.gov.uk/government/publications/digital-efficiency-report/digital-efficiency-report#fnref:11> – Customer contact profiling report – ESD toolkit Aston Campbell Associates 2008

The figures above have been used by the UK Government to highlight potential benefits in their Digital Efficiency Report

There is a significant benefit in moving from post to an online service

APPENDIX B

WHERE AGILE COMES FROM

Agile started out as an alternative approach to software development, but is now applied more widely to running other types of projects and products. The principles behind agile are set out in the [Agile Manifesto](#) (2001).

THE DIFFERENCES BETWEEN TRADITIONAL AND AGILE METHODS

Agile can be very different for people used to traditional waterfall methods for software development.

With waterfall methods the process is sequential. You start by gathering requirements, making plans and going through procurement processes. You then design the product and build it. In the final stage you test and release it to the public. It's only at this end stage that you get feedback and find out if it works for your users. You only have one chance to get each part of the project right, because you don't return to earlier stages.

Agile takes a different approach. You do all these things - gathering requirements, planning, designing, building and testing - at the same time. You start small in the discovery and alpha phases.

You research, prototype, test and learn about your users' needs before you start building the real service in the beta phase.

You only go live when you have enough feedback to show your service works for your users and meets their needs. You continuously learn and improve to build a service that meets user needs.

WHY AGILE IS BETTER FOR SERVICES

While a sequential waterfall approach is necessary to build things like bridges and buildings, it's less effective for building and running services when technology changes quickly.

Government services also need to be able to respond quickly to policy changes and the needs of the public.

Using waterfall methods means you may spend 18 months building a service that no longer meets government policy, can't work with the latest technology and doesn't meet users' needs.

Agile methods allow you to quickly make any changes while you're building the service, and also when it's live on the website

(source) <https://www.gov.uk/service-manual/agile-delivery/agile-government-services-introduction>

TIMELINE

Project Name/DTS Objective	Key Deliverables	Status	Projected Completion Date
VoIP	A cloud telephony solution with Softphone and traditional handsets providing Increased business continuity and remote working		Q3 2020/21
Online Forms	Digital forms available on the website including (Tenant Application forms, Repairs Request, Complaints/Compliments, Change of Name, Pet Permission, Alterations, Sub Letting)		Q3 2020/21
Housing System	Online customer portal, Digital housing files, Dedicated Document Management, Online payments, Dashboard KPI Reporting		Q3 2021/22
Website	Dynamic content, access to online portal, access to forms, direct real time communication		Q4 2021/22
Customer Service	Modern communication tools that offer 24/7 support / Self Service Options		Q2 2021/22
Document Management System	Central secure digital storage location for all documentation – GDPR & FOI compliant		Q4 2021/23
Human Resources	Review of existing systems to incorporate changes to working practices as a result of Digital Transformation.		Q4 2021/22
Technology in Care	Increased Tenant satisfaction, sustaining tenants in their home, support for additional needs and adaptations / sensors / communications systems / Integrations with Health & Social care		Q4 2023/24
Internet Of Things	Modern housing options, reduced maintenance costs, additional support for tenants. Housing diagnostic systems.		TBC
Emerging Technologies	Future proofing housing stock, reduction in emissions.		TBC

Behind Schedule

Risk to Schedule

On Schedule

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this policy:

Word	Interpretation or Definition
<i>HHP or Partnership</i>	Hebridean Housing Partnership
<i>Board</i>	Means the Board of the Hebridean Housing Partnership
<i>Board Members</i>	All Members of the Board including co-opted Members
<i>DTS</i>	Digital Transformation Strategy
<i>VoIP (Voice over Internet Protocol)</i>	A protocol for transmitting the human voice in digital form over the Internet or other networks as an audio stream.
<i>IOT (Internet of Things)</i>	The network of physical objects—"things"—that are embedded with sensors, software, and other technologies for the purpose of connecting and exchanging data with other devices and systems over the Internet.
<i>Technology in Care</i>	Technology enabled care services refers to the use of telehealth, telecare, telemedicine, telecoaching and self-care in providing care for patients with long term conditions that is convenient, accessible and cost-effective.
<i>Document Management System</i>	Designed to assist the organization in managing the creation, storage, and flow of documents by providing a centralised repository
<i>Emerging Technologies</i>	Technologies whose development, practical applications, or both are still largely unrealized, such that they are figuratively emerging into prominence from a background of nonexistence or obscurity.
<i>Data Standards</i>	The rules by which data are described and recorded. In order to share, exchange, and understand data, we must standardize the format as well as the meaning.
<i>Digital Services</i>	The electronic delivery of information including data and content across multiple platforms and devices
All references to the masculine gender in this policy shall read as equally applicable to the feminine gender	



HHP is a registered society under the Co-operative and Community Benefit Societies Act 2014, Registered Number: 2644R(S). Registered Office: Creed Court, Gleann Seileach Business Park, Willowglen Road, STORNOWAY, Isle of Lewis HS1 2QP. It is a charity registered in Scotland, Charity Number: SC035767, registered as Registered Social Landlord with the Scottish Housing Regulator, Registration Number: 359 and registered as a Property Factor, Registration Number PF000183

Email: info@hebrideanhousing.co.uk

Web: www.hebrideanhousing.co.uk

Phone: 0300 123 0773



CONSULTATION RESPONSE FORM

Digital Transformation Strategy 2020-24 Consultation

November 2020

No.	QUESTION	RESPONSE
1	Do you currently have access to the Internet?	YES/NO (please comment if No)
2	How would you rate your digital skills? (Please choose an option that you feel is closest to your skills level)	1. I am confident in my ability to use and make transactions online 2. I am somewhat confident in my ability to use and make transactions online but I would like to learn more 3. I am not confident in my ability to use and make transactions online and I would like to learn more 4. I have never used online services Choice =
3	Are the outputs of the Digital Transformation Strategy a fair reflection of tenant priorities for a digital self-serve service?	YES/NO (please comment if No)
4	Please give us your thoughts on the strategy and roadmap. Include any changes you would like to see.	

5	What would you identify as the top three outcomes from the strategy? (Where 1 is the highest priority and 3 is the lowest)	1:
		2:
		3:

Please return your response by 18 December 2020 to Iona France –

governance@hebrideanhousing.co.uk

or

via post to :

Hebridean Housing Partnership

Creed Court

Gleann Seileach Business Park

Willowglen Road

Stornoway

Isle of Lewis

HS1 2QP

Paper copies of this form are available on request. Please call customer service on 0300 123 0773.

MODEL RULES IMPLEMENTATION REPORT

Board 17 November 2020

Report by Head of Executive Office

Purpose of Report

- 1.1 The purpose of this Report is to present the Board with a revised set of Rules (the “2020 Rules”) for approval to present to the Membership at a Special General Meeting for their consideration and approval to implement.

Summary

- 2.1 The SFHA Charitable Model Rules 2020 are a revision of the 2015 Model Rules, which were adopted by HHP in 2017. The adopted 2017 Rules were inclusive of a series of HHP specific amendments, on which we took advice from Harper Macleod. These amendments were approved by the Regulator, OSCR and the FCA at the time, and have been maintained in the 2020 update.
- 2.2 The updated Model Rules 2020 have been produced in conjunction with SFHA membership, and are approved by the Scottish Housing Regulator, the Office of the Scottish Charity Regulator and the Financial Conduct Authority.
- 2.3 The 2020 Rules contain:
- 1) the updates to the Model Rules 2020;
 - 2) the previous HHP amendments; and
 - 3) the implementation of a previous decision from the Special General Meeting (SGM), held in November 2017 regarding the constitution of the Board.
- 2.4 The key updates to the 2020 Rules are noted in section 9 of this report. A copy of the 2020 Rules is provided at Appendix 1. A full summary of all changes from the 2017 Rules to the 2020 Rules is provided at Appendix 2.
- 2.5 If approved, it is proposed that a SGM to is convened for the Membership to discuss and vote on the adoption of the 2020 Rules. This is proposed to be held remotely (in the same manner as the 2020 AGM), on Wednesday 9 December 2020 at 2.00pm.

Competence

- 3.1 The financial, legal and other constraints to the recommendations in this report being implemented are at paragraph 5.1 – 8.2

Recommendations

4.1 It is recommended that the Board:

- a) approve the draft of the 2020 Rules contained at Appendix 1 to go before the Membership, subject to any final amendments provided these are not material in nature;
- b) note the summary of key changes at section 9 and changes detailed in full at Appendix 2; and
- c) request a Special General Meeting be called to allow the Membership to discuss and vote on the updated 2020 Rules; and
- d) note the Chief Executive has written to Malcolm Burr at the Comhairle to advise of this update and provide a copy of this report and the draft 2020 Rules.

APPENDIX 1: 2020 Rules

APPENDIX 2: Model Rules Implementation Amendment Summary

Background Papers: HHP Rules & Standing Orders

Supporting Guidance to the SFHA Model Rules (prepared by TC Young Solicitors)

Writer of Report: Anna Coyle

0300 123 0773

Competence

Financial

- 5.1 Our Solicitors, Harper Macleod have been engaged to advise on the implementation of the 2020 Rules. The estimated cost for this is £1,500 - £2,000 and will be met from existing legal budgets.

Legal

- 6.1 The updates to the SFHA Charitable Model Rules 2020 cover key legislative changes such as the Housing (Amendment)(Scotland) Act 2018.
- 6.2 Although our current Rules state that any rule change requires the approval of the Scottish Housing Regulator (and OSCR, if any changes are being made to the charitable objects clause), the legislation has already been updated and the Model Rules (and the 2020 Rules) have been amended to reflect this updated position, therefore the risk of any challenge from the SHR on the basis that we are in breach of our current Rules is acceptably low to nil.
- 6.3 With the extension of the relevant provisions of the Corporate Insolvency and Governance Bill to 31 December 2020. General meetings are able to continue to be convened virtually until this time. There is no guarantee of a second extension to this legislation.

Regulatory Guidance

- 7.1 The update to the SFHA Charitable Model Rules 2020 reflects the amended Regulatory Standards of Governance and Financial Management and the Constitutional Requirements for Registered Social Landlords set out by the Scottish Housing Regulator in its Regulatory Framework (revised in 2019).

Risk

- 8.1 Governance of the Partnership is critical to its long term viability. Reviewing and updating the Rules will reduce the risk of non-compliance with the Regulatory requirements and will ensure that our Rules and the governance framework and environment they support are fit for purpose.
- 8.2 Recruitment and retention of Board Members is item 7 on the Risk Register. This risk can be partially mitigated with the 2020 Rules providing a broader scope for Board Appointed Members.

Report Details

- 9.1 The most significant changes to the Model Rules 2020 when compared with the Model Rules 2015 are:
- a) the creation of a discretionary power for the Board to impose a leave of absence when there is a severe breach of the Code of Conduct being investigated;
 - b) the creation of a discretionary power for a Board in rare circumstances to block a nomination if it was not in the interest of HHP or if there would be a conflict of interests in that person becoming a Board member;
 - c) Scottish Housing Regulator to approve any changing of the rules, name change or principle office change (in accordance with the rest of the rules) has been removed, and instead the Association must now notify the SHR within 28 days of the change taken place.
- 9.2 In addition to these Model Rules updates, we are also seeking HHP specific amendments as below:
- a) Existing amendments per the 2017 Rules, e.g. references to HHP throughout, inclusion of 4 Tenant Member sub-categories, total borrowing of £200 million;
 - b) implementation of the decision taking in November 2017 to remove the category of Council Elected Members and all associated drafting, applicable after the 2022 Local Council Elections; and
 - c) the revision, post 2022 Council Elections for up to **4** Board Appointed Members appointed by the Board, such a person must be a Member who the Board considers will enhance the skills, knowledge, diversity and/or objectivity of the Board and its decision-making.

These are the Rules
of
Hebridean Housing Partnership Limited
Based upon
SFHA Charitable Model Rules (Scotland) 2020

Registered under the
Co-operative and Community Benefit Societies Act 2014
and the Housing (Scotland) Act 2010

**Published by
the Scottish Federation of Housing Associations
in co-operation with The Scottish Housing Regulator**

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Further guidance

Further Advice

A separate document is also available from the SFHA Rules Service, which gives guidance on the use of these rules and the options. Advice is also available from staff at The Scottish Housing Regulator.

Advice on the procedural aspects of making a Rule registration application or Rule Amendment application is also available from the SFHA Rules Service.

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INTRODUCTION

Name

- 1 The name of the Society shall be Hebridean Housing Partnership Limited (hereinafter referred to as the "Partnership").

Objects

- 2 The objects of the Partnership are:
 - 2.1 to provide for the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage through the provision, construction, improvement and management of land and accommodation and the provision of care; and
 - 2.2 any other purpose or object permitted under Section 24 of the Housing (Scotland) Act 2010 which is charitable both for the purposes of Section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and also in relation to the application of the Taxes Acts.
- 3 The permitted activities and powers of the Partnership will include anything which is necessary or expedient to help the Partnership achieve these objects. The Partnership will operate principally in the administrative area of Comhairle Nan Eilean Siar.
- 4.1 The Partnership shall not trade for profit and any profits shall only be applied for the purpose of furthering the Partnership's objects and/or in accordance with these Rules.
- 4.2 Nothing shall be paid or transferred by way of profit to Members.
- 5 The registered office of the Partnership is at: Creed Court, Gleann Seileach Business Park, Willowglen Road, Stornoway, Isle of Lewis, HS1 2QP.

MEMBERSHIP

- 6 The Members of the Partnership shall be those persons or organisations who hold a share in the Partnership and whose names are entered in the Register of Members.

Applying for Membership

- 7.1 The Board shall set, review and publish its membership policy for admitting new Members.
- 7.2 There shall be two categories of membership, being:
 - Tenant Members, which category shall be sub-divided into the following four sub-categories:
 - 7.2.1.1 Lewis Tenant Members;
 - 7.2.1.2 Harris Tenant Members;
 - 7.2.1.3 Uist Tenant Members; and
 - 7.2.1.4 Barra Tenant Members; and
 - 7.2.2 Community Members.
- 7.3 No-one can be a Member in more than one category at any one time.
- 7.4 If you are applying for membership you must send a completed and signed application form and the sum of one pound (which will be returned to you if the application is not approved) to the Partnership's registered office. Whilst it is the Partnership's intention to encourage membership, the Board has absolute discretion in deciding on applications for membership and the following shall constitute grounds for refusal of an application for membership:
 - 7.4.1 Where membership would be contrary to the Partnership's Rules or policies;
 - 7.4.2 Where a conflict of interest may exist which, even allowing for the disclosure of such an interest, may adversely affect the work of the Partnership;
 - 7.4.3 Where the Board considers that accepting the application would not be in the best interests of the Partnership.
- 7.5 Your application shall be considered by the Board as soon as reasonably practicable after its receipt by the Partnership. An application for membership will not be considered by the Board within the period of 14 days before the date of a general meeting. The Board has the power in its absolute discretion to accept or reject the application.
- 7.6 If the Board approves your application, you will immediately become a Member and your name and other necessary particulars will be included in the Register of Members within seven working days. You will then be issued one share in the Partnership.
- 8 You can apply for membership of the Partnership from the age of 16.
- 9 No Member can hold more than one share in the Partnership.

- 10 If you change your address, you must let the Partnership know by writing to the Secretary at the registered office within three months. This requirement does not apply if you are a tenant of the Partnership and have moved home by transferring your tenancy to another property owned and managed by the Partnership. Where any such transfer of tenancy results in a Tenant Member residing in a property which qualifies for a different Tenant Membership Category then the Member shall be deemed to have his/her category of membership altered accordingly.

ENDING YOUR MEMBERSHIP

- 11.1 Your membership of the Partnership will end and the Board will cancel your share and record the ending of your membership in the Register of Members if:
- 11.1.1 You resign your membership giving seven days notice in writing to the Secretary at the Partnership's registered office; or
 - 11.1.2 The Board reasonably believes that you have failed to tell the Partnership of a change of address as required by Rule 10; or
 - 11.1.3 If you are a Tenant Member and cease to be a tenant but meet the qualifying criteria to be a Community Member, you will automatically become a Community Member from the date on which your tenancy ends, and the Secretary will amend the Register of Members to reflect the change in your category of membership; or
 - 11.1.4 If you are a Community Member (including someone who has changed from being a Tenant Member in terms of Rule 11.1.3) and cease to have or maintain sufficient local connection with the Western Isles, we will end your membership and cancel your share; or
 - 11.1.5 For five annual general meetings in a row you have not attended, submitted apologies, exercised a postal vote or appointed a representative to attend and vote on your behalf by proxy; or
 - 11.1.6 The Partnership receives a complaint about your behaviour and two-thirds of the Members voting at a special general meeting agree to end your membership. The following conditions apply to this procedure:
 - 11.1.6.1 the complaint must be in writing and must relate to behaviour which could harm the interests of the Partnership;
 - 11.1.6.2 the Secretary must notify the Member of the complaint in writing not less than one calendar month before the meeting takes place;
 - 11.1.6.3 the notice for the special general meeting will give details of the business for which the meeting is being called;
 - 11.1.6.4 you will be called to answer the complaint at the meeting. The Members present will consider the evidence supporting the complaint and any evidence you decide to introduce;
 - 11.1.6.5 the Members can vote in person or through a representative by proxy;

11.1.6.6 if you receive proper notice but do not go to the meeting without providing a good reason, the meeting will go ahead without you and the Members will be entitled to vote to end your membership.

11.2 If your membership is ended in accordance with Rule 11.1.6, you will immediately cease to be a Member from the date that the resolution to end your membership was passed and any further application for membership by you will need to be approved by two-thirds of the Members voting at a general meeting.

REPRESENTING AN ORGANISATION

12.1 An organisation which is a Member is free to nominate any person it considers suitable as its representative to the Partnership. That person will represent all of the organisation's rights and powers at general meetings.

12.2 To confirm the identity of a representative, the organisation must send the Partnership a copy of the authorisation or appointment of an individual as a representative. This should be signed by a Director, Secretary or Authorised Signatory of the organisation which signature must be witnessed, or in the case of a local authority, by the Chief Executive, or properly authorised Officer of the local authority.

12.3 An organisation can change the identity of the person entitled to represent that organisation at any time by confirming the identity of the new representative in terms of Rule 12.2 and withdrawing the authority of the original representative.

12.4 If you are a representative in terms of Rule 12.2, of an organisation which is a Member, you cannot be a Member as an individual yourself. If you are already a Member as an individual when you start to represent an organisation which is a Member, the Partnership will suspend your membership as an individual, until such time as you are no longer a representative of an organisation which is a Member.

SHARE CAPITAL

Shares

13 The share capital of the Partnership will be raised by issuing one pound shares to Members. Shares cannot be held jointly. Joint tenants of the Partnership may each become individual Members.

14 There is no interest, dividend or bonus payable on shares.

Transferring Shares

15 You shall not be entitled to any property of the Partnership in your capacity as a Member and your share is not withdrawable or transferable save in the circumstances set out in Rules 16 and 17.

16 You cannot sell your share but you can transfer it if the Board agrees.

- 17.1 If you die or end your membership or have your membership ended, or you are a representative of an organisation which no longer exists, the Board will cancel your share (except in those circumstances outlined in Rules 17.2 and 17.3) and the value of the share will then belong to the Partnership.
- 17.2 You can nominate the person to whom the Partnership must transfer your share in the Partnership when you die, as long as the person that you nominate is eligible for membership under these Rules and in terms of the Partnership's membership policies. On being notified of your death, the Board shall transfer or pay the full value of your share to the person you have identified. Your nomination must be in the terms required by the Co-operative and Community Benefit Societies Act 2014.
- 17.3 If you die or become bankrupt and your personal representative or trustee in bankruptcy seeks to claim your share, the Board (to the extent that your personal representative or trustee in bankruptcy has right) will transfer or pay the value of your share in terms of your representative's or trustee's instructions.

BORROWING POWERS

- 18.1 The Partnership can borrow money as long as the total borrowing at any time is not more than £200 million.
- 18.2 In respect of any proposed borrowing for the purposes of Rule 18.1, the amount remaining undischarged of any index-linked loan previously borrowed by the Partnership or any deep discounted security shall be deemed to be the amount needed to repay such borrowing in full if the pre-existing borrowing became repayable in full at the time of the proposed borrowing.
- 18.3 For the purposes of Rule 18.1 in respect of any proposed borrowing intended to be index-linked or on any deep discounted security the amount of borrowings shall be deemed to be the proceeds of such proposed borrowings that would be receivable by the Partnership at the time of the proposed borrowing.
- 18.4 The Partnership will not pay more than the market rate of interest as determined by the Board having regard to the terms of the loan on any money borrowed.
- 18.5 The Partnership will not accept money on deposit.
- 18.6 The Partnership can lend money to an organisation which is a subsidiary of the Partnership within the meaning of the Companies Act 2006 or the Co-operative and Community Benefit Societies Act 2014 at a market rate of interest as determined by the Board having regard to the terms of the loan. Where the Partnership is using a loan facility to on lend it must comply with the Regulatory Framework and Regulatory Guidance issued by The Scottish Housing Regulator from time to time.
- 18.7 The Partnership may borrow money from such lawful sources as is permitted by its Treasury Management Policy subject always to the requirement that the Partnership will comply with the Regulatory Framework and Regulatory Guidance issued by The Scottish Housing Regulator from time to time.

- 18.8 The Partnership shall have the power to enter into and perform a Rate Cap Transaction, or series of Rate Cap Transactions, or to enter into a Collar Transaction or series of Collar Transactions or to enter into an Interest Rate Swap Transaction or series of Interest Rate Swap Transactions (each a “Transaction”) where in relation to any such Transaction the following conditions are satisfied namely that:
- 18.8.1 the relevant instruments relate solely to amounts denominated in Sterling or, if the Euro has been adopted as currency in the United Kingdom, its equivalent amount in Euros;
 - 18.8.2 the relevant Transaction provides (in the case of an Interest Rate Swap Transaction) for the Partnership to undertake to pay a specified fixed rate on an applicable notional sum denominated in Sterling or, if the Euro has been adopted as currency in the United Kingdom, its equivalent amount in Euros, but not otherwise;
 - 18.8.3 the relevant Transaction in the case of a Collar Transaction provides for the simultaneous buying of an instrument relating to a rate cap and the selling of an instrument providing for a floor at a lower strike price to such Cap;
 - 18.8.4 any counterparty to the Transaction is one of the principal clearing banks in the United Kingdom;
 - 18.8.5 the Board or a duly authorised sub-committee established under the Rules considers the entry by the Partnership into such Transaction to be in the best interests of the Partnership,
 - 18.8.6 the Board or a duly authorised sub-committee established under the Rules considers the entry by the Partnership into such Transaction to be in the best interests of the Partnership,
- PROVIDED that at the time of entry into any Transaction the sum of the Calculation Amount of any Transaction previously entered into and remaining in effect, and the Calculation Amount of the proposed Transaction shall not exceed (a) the aggregate amount of the Partnership’s Variable Rate Borrowings either at the Effective Date or (b) having regard at the Effective Date to the Partnership’s obligations to repay Variable Rate Borrowings, the amount of Variable Rate Borrowings which will be outstanding at any time on or prior to the proposed Termination Date.
- 18.9 Before exercising its power under Rule 18.8 the Partnership shall obtain and consider proper advice on the question whether the Transaction is satisfactory having regard to:
- 18.9.1 the possible fluctuations in the rate of interest payable by the Partnership on its Variable Rate Borrowings during the terms of the relevant Transaction;
 - 18.9.2 the Partnership’s ability to meet its payment obligations under such Borrowings during the term of the relevant Transaction if such Transaction was or were not entered into;
 - 18.9.3 the payment obligation under the relevant Transaction(s);
 - 18.9.4 the terms and conditions of the relevant Transaction(s); and
 - 18.9.5 the Partnership’s actual and projected annual income and expenditure position.

- 18.10 For the purposes of Rule 18.9 proper advice shall mean the advice of a person who is reasonably believed by the Board to be qualified by his/her ability in the practical experience of financial matters and the appropriate Transaction; such advice may be given by a person notwithstanding that he/she gives it in the course of his/her employment as an Officer.
- 18.11 A person entering into a relevant Transaction with the Partnership who has received a written certificate signed by the Secretary confirming the Partnership's compliance with Rules 18.8 and 18.9 shall not be concerned to enquire further whether or not the Partnership has complied with the provisions of Rules 18.8 and 18.9 and such Transaction shall be valid at the date it is entered into and throughout its term in favour of such person (or any assignee or successor in title) whether or not the provisions of Rules 18.8 and 18.9 have been complied with.
- 18.12 For the purposes of this Rule 18:
- “Calculation Amount”, “Effective Date” “Floating Rate Payer”, “Term” and “Termination Date” have the respective meanings given in the 2000 International Swaps and Derivatives Association (ISDA) Definitions as amended from time to time;
- “Variable Rate Borrowings” mean any borrowing by the Partnership pursuant to Rule 18.1 in respect of which the rate of interest has not been fixed for a term in excess of twelve months and the term “fixed” shall exclude any borrowing where the rate of interest is indexed in accordance with a retail price index or other published index;
- “Rate Cap Transaction”, “Collar Transaction” and “Interest Rate Swap Transaction” mean respectively any transaction so designated within the meaning of the category “Swap Transaction” as defined in the 2000 ISDA Definitions as amended from time to time.
- 18.13 Subject to the foregoing provisions the Board can determine and change the conditions under which the Partnership borrows or lends money.
19. The Partnership shall not lend money to Members.

GENERAL MEETINGS

Annual General Meeting

20. Notwithstanding any other provisions of the Rules (which shall be subject to the terms of this Rule 20) a Member cannot insist on attending a general meeting of the Members, or voting at the meeting, by any particular means. Further, the following provisions shall apply to the conduct of general meetings when so determined by the Board:-
- 20.1 A general meeting need not be held in any particular place and the meeting may be held without any number of those participating in the meeting being together at the same place;
- 20.2 A general meeting may be held by any means which permits the Members attending to hear and comment on the proceedings during the meeting. Members attending the meeting by such means shall be present at the meeting for the purposes of Rule 24.1; and

20.3 A Member is able to exercise the right to vote at a meeting (including if a poll is required) by such means as is determined by the Chairperson and which permits the Member's vote to be taken into account in determining whether or not a resolution is passed.

21 The Partnership will hold a general meeting known as the annual general meeting within six months of the end of each financial year of the Partnership. The functions of the annual general meeting are to:

21.1 present the Chairperson's report on the Partnership's activities for the previous year;

21.2 present the accounts, balance sheet and auditor's report;

21.3 elect Board Members;

21.4 appoint the auditor for the following year; and

21.5 consider any other general business included in the notice calling the meeting.

Special General Meeting

22.1 All general meetings other than annual general meetings are known as special general meetings. The Secretary will call a special general meeting if:

22.1.1 the Board requests one; or

22.1.2 at least four Members request one in writing. If there are more than 40 Members, at least one-tenth of all the Members must ask for the meeting.

22.2 Whoever asks for the meeting must give the Secretary details of the business to be discussed at the meeting.

22.3 If a special general meeting is requested, the Secretary must within 10 days of having received the request give all Members notice calling the meeting. The meeting must take place within 28 days of the Secretary receiving the Members' request. The Secretary should decide on a time, date and place for the meeting in consultation with the Board or the Chairperson, but if such consultation is not practicable the Secretary can on his/her own decide the time, date and place for the meeting.

22.4 If the Secretary fails to call the meeting within 10 days, the Board or the Members who requested the meeting can arrange the meeting themselves.

22.5 A special general meeting must not discuss any business other than the business mentioned in the notice calling the meeting.

Notice for Meetings

- 23.1 The Secretary will call all general meetings by written notice posted or sent by fax or email to every Member at the address, fax number or email address given in the Register of Members at least 14 days before the date of the meeting. This notice will give details of:
- 23.1.1 the time, date and place of the meeting;
 - 23.1.2 whether the meeting is an annual or special general meeting;
 - 23.1.3 the business for which the meeting is being called.
- 23.2 The Board may ask the Secretary to include with the letter or send separately to Members any relevant papers or accounts. If a Member does not receive notice of a meeting or papers relating to the meeting, this will not stop the meeting going ahead as planned. Each communication sent to a Member by post, addressed to his/her registered address, shall be deemed to have arrived 48 hours after being posted. Each communication sent to a Member by fax or email shall be deemed to have arrived on the day it is sent.
- 23.3 The proceedings of a meeting shall not be invalidated by the inadvertent failure of the Partnership to send a notice calling the meeting to any Member.

Procedure at General Meetings

- 24.1 For a meeting to take place there must be at least seven Members either present at the meeting or represented by a representative approved in terms of Rule 27.1. If there are more than 70 Members, at least one-tenth must either be present or represented by a representative in terms of Rule 27.1.
- 24.2 If not enough Members are present in person or by representative within half an hour of the time the meeting was scheduled to start, the meeting shall be rescheduled to the same day the following week at the same time and at such place as may be fixed by the Chairperson of the meeting and announced at the meeting. There is no need to give notice to Members of the rescheduled meeting. If at that meeting there are not enough Members present in person or by representative at the scheduled starting time the meeting can still go ahead.
- 25 If a majority of Members present agree, the Chairperson of a meeting can adjourn the meeting. No business can be discussed at the adjourned meeting other than the business not reached or left unfinished at the original meeting. There is no need to give notice to Members of the adjourned meeting.
- 26.1 The Chairperson of the Board or in his/her absence the Vice-Chairperson will be Chairperson at all meetings of the Partnership. If there is no Chairperson or Vice-Chairperson present or neither is willing to act, the Members present must elect a Member of the Board to be Chairperson of the meeting. If no Board Members are present, the Members present must elect a Member to be Chairperson of the meeting.
- 26.2 If the Chairperson arrives later, after the meeting has commenced, he/she will take over as Chairperson of the meeting as soon as the current agenda item is concluded.

Proxies/Representatives/Postal Votes

- 27.1 To appoint a representative to vote on your behalf by proxy, you must let the Partnership have a properly completed document in the form shown in Appendix 1. Your representative does not need to be a Member. The document must reach the Partnership at least five days before the meeting at which you want to be represented. The Chairperson shall not be entitled to act as a representative for any other Member.
- 27.2 If there is any doubt about whether your representative has authority to vote, the Chairperson will decide and his/her decision will be final.
- 27.3 The maximum number of proxy votes that may be cast by any one person is 10.
- 27.4 To reverse your appointment of a representative, you must let the Partnership have a properly completed document in the form shown in Appendix 2. The document must be presented to the Partnership before the meeting at which you no longer want to be represented convenes. Alternatively, if you declare yourself present before the meeting convenes, the appointment of a representative to vote on your behalf will automatically fall.
- 27.5 The Chairperson will report to the meeting the details of any documents seeking to appoint a representative received but which are not valid. If you represent an organisation, your authorisation or appointment as a representative requires to be in accordance with the terms of Rule 12.2.
- 27.6 If there is to be an election of Tenant or Community Board Members at an annual general meeting, you can vote by post. Not less than 14 days before a meeting is held at which one or more Board Members will be elected, you will receive a ballot paper for the election. You can vote in the election by returning the ballot paper to the Secretary at least 5 days before the day of the meeting, or by bringing your ballot paper along to the meeting.

Voting

- 28 If a decision of a meeting is put to the vote, the outcome will be determined by the majority of those Members voting. Voting will be by a show of hands except where a poll is requested or required. Votes cannot be taken on resolutions which conflict with any provisions of these Rules or the law.
- 29.1 Where a vote is by a show of hands every Member present in person has one vote. Where a vote is by a poll every Member present in person or who has appointed a representative has one vote. Where an appointed proxy is present, and he/she advises the Chairperson, the Chairperson shall direct that the vote is by a poll.
- 29.2 In relation to the election of Board Members, the vote is by a poll using the ballot paper issued to the Members prior to the meeting; votes received by post in advance of the meeting will be counted in the total number of votes at the meeting.
- 30 If there is an equal number of votes for and against a resolution, or in relation to the election of Board Members, the Chairperson will have a second and deciding vote. The Chairperson's announcement of the decision of a vote will be final and conclusive. The decision is then recorded in the minutes of the meeting. There is no need to record the number of votes for or against the decision.

- 31.1 A poll can be required before or immediately after a vote by a show of hands, if at least one-tenth of the Members present at the meeting (in person or by proxy through a representative appointed in accordance with Rule 27.1) request this.
- 31.2 A poll must take place as soon as the Chairperson has agreed to it, in line with the Chairperson's instructions. The result of the poll will stand as the decision of the meeting.

Proceedings at General Meetings

- 32 All speakers must direct their words to the Chairperson. All Members must remain quiet and orderly while this is happening.
- 33 You will not be allowed to speak more than once on any individual matter unless it is to explain something or ask for an explanation until every other Member has had the chance to speak. You will then have the opportunity to speak a second time on a matter but only if the Chairperson agrees. Where the Chairperson raised the matter for discussion initially, he/she shall be permitted to make a final reply on the matter.
- 34 The Chairperson will decide how long each speaker is allowed to speak, allowing equal time to each speaker.
- 35 If any point arises which is not covered in these Rules, the Chairperson will give his/her ruling. If the Chairperson's ruling is challenged by more than one person, the Chairperson will step down and those present will decide the point raised on a majority vote. If the vote is tied, the Chairperson's original ruling is carried.
- 36 Meetings must not last longer than two hours unless at least two-thirds of the Members present agree after the end of that time to continue the meeting.

THE BOARD OF MANAGEMENT

Composition of the Board

37.1 The Partnership shall have a Board of Management which shall have a minimum of seven and a maximum (including co-optees) of 15 persons. The Partnership shall keep up to date a register of the names of the Board Members which shall be made available to any person at no cost. The names of Board Members will also be published by the Partnership on its website, and in its annual reports and other similar documentation.

37.2 Until the 2022 Elections but not afterwards, the composition of the Board shall include:

37.2.1 up to four Tenant Board Members (made up in accordance with the provisions of Rule 37.4);

37.2.2 up to three Council Board Members;

37.2.3 up to five Community Board Members; and

37.2.4 up to one Appointed Board Member.

37.3 From and after the 2022 Elections, the composition of the Board shall include:

37.3.1 up to four Tenant Board Members (made up in accordance with the provisions of Rule 37.4);

37.3.2 up to five Community Board Members; and

37.3.3 up to four Appointed Board Members.

37.4 Subject to the aftermentioned proviso, of the Tenant Board Members at any one time:

37.4.1 no more than two shall be Lewis Tenant Members;

37.4.2 no more than one shall be a Harris Tenant Member; and

37.4.3 no more than one shall be either a Uist Tenant Member or a Barra Tenant Member,

provided that, if there are fewer Tenant Members standing for election to any of the Tenant Board Membership Categories set out in Rules 37.4.1 to 37.4.3 above than the number of available places, then it shall be competent for a Tenant Member from another Tenant Membership Category who satisfies the criteria for election as a Tenant Board Member to be elected to fill the relevant place or places.

- 37.5 Rules 37.2 and 37.3 shall be subject to the overriding proviso that the members of any one Board Member Group shall at any time always be less than one half of those places on the Board which are filled at that time. Should any one Board Member Group (excluding co-optees) comprise one half or more of the filled Board places at any time, the Board will be under an obligation to take such steps as the Board considers appropriate to restore the balance of the Board's composition so that the members of any one Board Member Group do not comprise one half or more than one half of the places on the Board which are filled. In fulfilling this obligation, the Board will initially seek to recruit new Board Members, and only if balance cannot be restored in this way will any Board Member be required to resign from the Board. Should any such resignation be required, the procedure for dealing with the same will be determined by the Board, but in so doing the Board will seek to avoid any disproportionate impact on any one Board Member Group, so far as is practicable.
- 37.6 A person must be aged 18 or over and a Member to become a Board Member (including any person appointed to fill a casual vacancy) other than a person appointed as a co-optee or appointed by The Scottish Housing Regulator who must be aged 18 or over but need not be a Member.
- 37.7 An employee of the Group (including the Partnership), or a Close Relative of any such employee, may not be a Board Member.
- 37.8 No Board Member may take office until they have agreed to and signed the Partnership's code of conduct for Board Members.
- 37.9 The Board shall assess annually the skills, knowledge, diversity and objectivity that it needs for its decision making and what is contributed by the Board Members by way of annual performance reviews. The Board must be assured that any Board Member who has continuous service on the Board of nine years or more and who is seeking re-election or re-appointment is able to demonstrate his/her continued effectiveness as a Board Member before he/she may stand for re-election or re-appointment.
- 37.10 Each of the Board Members shall, in exercising his/her role as a Board Member, act in the best interests of the Partnership, its tenants and service users and will not place any personal or other interests ahead of his/her primary duty to the Partnership; and, in particular, must:
- 37.10.1 seek, in good faith, to ensure that the Partnership acts in a manner which is in accordance with its objects.
 - 37.10.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person.
 - 37.10.3 in circumstances giving rise to the possibility of a conflict of interest between the Partnership and any other party:
 - 37.10.3.1 put the interests of the Partnership before that of the other party, in taking decisions as a Board Member;
 - 37.10.3.2 where any other duty prevents him/her from doing so, disclose the conflicting interest to the Partnership and refrain from participating in any discussions or decisions involving the other Board Members with regard to the matter in question;

- 37.10.4 ensure that the Partnership complies with any direction, requirement, notice or duty imposed on it by the Charities and Trustee Investment (Scotland) Act 2005.

- 37.11 The Board can require that a Board Member who is being investigated for a potential breach of the Partnership's Code of Conduct for Board Members take leave of absence and not attend any meeting in his or her capacity as a Board Member until the Board has completed its consideration of the potential breach. When on such leave of absence, the Board Member will not be entitled to receive minutes and/or documents in his or her capacity as a Board Member relating to the business of the Partnership.

Interests

- 38.1 The Board shall set and periodically review its policy on payments and benefits. If a person is a Member, employee of the Partnership or serves on the Board or any sub-committee he/she must not receive any payment or benefit unless it is permitted by the policy. In making any payment or conferring any benefit the Partnership shall act at all times with transparency, honesty and propriety.
- 38.2 If a person serves on the Board or any sub-committee he/she must declare any personal or other external interests on an annual basis in accordance with the Partnership's Code of Conduct for Board Members. If while serving on the Board that person has any conflict of interest in any contract or other matter about to be discussed at a meeting, he/she must tell the Board. He/she will be required to leave the meeting while the matter is discussed and will not be allowed to vote on the matter or to stay in the meeting while any vote on the matter is being held. If that person is inadvertently allowed to stay in the meeting and vote on the matter, his/her vote will not be counted.
- 38.3 If a person serves on the Board or any sub-committee he/she must not receive any payment or benefit unless it is permitted by the Charities and Trustee Investment (Scotland) Act 2005 and as set out in the Partnership's policy referred to in Rule 38.1. He/she shall also comply with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 in respect of any conflict of interest that might arise.

ELECTING AND APPOINTING BOARD MEMBERS

- 39.1 At the end of every annual general meeting, two Tenant Board Members and two Community Board Members must retire. Anybody appointed as a co-optee under Rule 42.1 or to fill a casual vacancy under Rule 41 and who retires for that reason, shall not count towards the foregoing requirements. The retiring Board Members should be selected in accordance with Rule 39.2
- 39.2 The retiring Board Members should be those in their respective Board Member Groups who have served the longest on the Board since the date of their last election. If two or more Board Members within the same Board Member Group have served equally long and cannot agree who should retire, they must draw lots.
- 39.3 Board Members must also retire if they have been co-opted onto the Board under Rule 42.1 or have filled casual vacancies under Rule 41.

- 39.4 If an elected Board Member retires from the Board in terms of Rule 39 on the date of the next annual general meeting, that Board Member can stand for re-election without being nominated.
- 40.1 If, at the annual general meeting, the number of Tenant Members standing for election to a Tenant Board Membership Category is equal to the number of vacancies in that Tenant Board Membership Category in terms of Rule 37.4 the Chairperson will at the general meeting declare them to be elected without a vote.
- 40.2 If there are more Tenant Members standing for election to a Tenant Board Membership Category than there are vacant places in that Tenant Board Membership Category, then those present at the general meeting or those exercising a postal vote in accordance with Rule 27.6, who are entitled to vote for the respective candidates, in terms of this Rule 40, will elect the Tenant Board Members for that Tenant Board Membership Category onto the Board in accordance with Rule 29.2. You must not give more than one vote to any one candidate.
- 40.3 Tenant Members are only entitled to vote for a candidate representing the same Tenant Membership Category to which they belong unless the vote is required as a result of deficiency of nominations in terms of Rule 37.4. For the purpose of electing a Tenant Board Member for the Board Membership Category of the Uists and Barra, both the Barra Tenant Members and the Uist Tenant Members shall participate in that vote.
- 40.4 If, at the annual general meeting, the number of Community Members standing for election is equal to the number of Community Board Members to be elected in terms of Rule 37.2 or Rule 37.3 (as the case may be) the Chairperson will at the general meeting declare them to be elected without a vote. If there are more Community Members standing for election than there are vacant Community Board Member places then those present at the general meeting or those exercising a postal vote in accordance with Rule 27.6, will elect the Community Board Members onto the Board in accordance with Rule 29.2. You must not give more than one vote to any one candidate.
- 40.5 Community Members are not entitled to vote in the election of Tenant Board Members.
- 40.6 Tenant Members will be entitled to vote in the election of Community Board Members along with Community Members.
- 40.7 The Partnership will post or send by fax or email intimation of the intended date of the annual general meeting and information on the nomination procedure to each Member at the address, fax number or email address given in the Register of Members of the Partnership not less than 49 days before the date of the meeting. Tenant Members may only nominate other Tenant Members from the same Tenant Membership Category to which they belong. Nominations for election to the Board can be made only by Members, must be in writing and in the form specified by the Partnership and must give the full name, address and occupation of the Member being nominated. A Member cannot nominate himself/herself for election to the Board. Nominations must be signed by and include a signed statement from the Member being nominated to show that they are eligible to join the Board in accordance with Rules 37.7 and 43, and that they are willing to be elected. Nomination forms can be obtained from the Partnership and must be completed fully and returned by hand or by post to the Partnership's registered office at least 35 days before the general meeting.

- 40.8 Until the 2022 Elections the Council will be entitled to appoint or to revoke the appointment of any Council Board Member to the Board by delivering to the Secretary written notice of its wish to appoint or revoke the appointment of someone as a Council Board Member, giving the full name and address and occupation of the person being nominated or revoked. In the case of an appointment, the notice must also be signed by and include a signed statement from the person being appointed to show that they are willing to become a Board Member. The Board will not be entitled to reject such appointment. The person will become a Council Board Member as from the date of the Council appointment. If a Council Board Member is required to leave the Board in terms of Rule 44.5, the Secretary will invite the Council to appoint someone else to take his/her place.
- 40.9 Notwithstanding any other provision of these rules, all Council Board Members will automatically leave the Board and be deemed to have resigned their places on the Board with effect from the date of the 2022 Elections.
- 40.10 The Board will be entitled at any time to appoint (a) in the period until the 2022 Elections, one Appointed Board Member to the Board and (b) from and after the 2022 Elections, up to four Appointed Board Members to the Board. A person so appointed by the Board must be a Member who the Board considers will enhance the skills, knowledge, diversity and/or objectivity of the Board and its decision-making. The manner of identifying, selecting and appointing an Appointed Board Member shall be determined by the Board from time to time. When appointing an Appointed Board Member the Board must determine the proposed duration of the appointment, which must be no longer than three years (but without prejudice to a retiring Appointed Board Member being eligible to be re-appointed by the Board).
- 40.11 A nomination for election to the Board can be rejected by a decision by not fewer than three quarters of the Board Members on one or more of the following grounds:-
- 40.11.1 where election to the Board would be contrary to the Partnership's Rules or policies; or
 - 40.11.2 where a conflict of interest may exist which, even allowing for the disclosure of such an interest may adversely affect the work of the Partnership; or
 - 40.11.3 where there is clear evidence of relevant circumstances from which it is concluded that election to the Board would not be in the best interests of the Partnership.
- 40.12 The rejection of a nomination for election to the Board shall be notified to the Member concerned in writing at any time prior to the date of the relevant annual general meeting.
- 41 If an elected Board Member leaves the Board between the annual general meetings, this creates a casual vacancy and the Board can appoint a Member to take their place on the Board until the next annual general meeting.

Co-optees

- 42.1 The Board can co-opt to the Board or sub-committee anyone the it considers is suitable to become a Board Member or member of a sub-committee. Co-optees do not need to be Members, but they can only serve as co-optees on the Board or sub-committee until the next annual general meeting or until removed by the Board. A person co-opted to the Board can also serve on any sub- committees.
- 42.2 A person appointed as a co-optee shall undertake the role of Board Member or member of a sub-committee and accordingly will be subject to the duties and responsibilities of a Board Member. Co-optees can take part in discussions at the Board or any sub-committees and vote at Board and sub-committee meetings on all matters except those which directly affect the Rules, the membership of the Partnership or the election of the Partnership's Office Bearers. Co-optees may not stand for election, nor be elected as one of the Office Bearers of the Board.
- 42.3 Board Members co-opted in this way must not make up more than one-third of the total number of the Board or sub-committee members at any one time. The presence of co-optees at Board Meetings will not be counted when establishing whether the minimum number of Board Members are present to allow the meeting to take place as required by Rule 48 and the presence of co-optees will not count towards the quorum for sub-committee meetings.

Eligibility for the Board

- 43.1 A person will not be eligible to be a Board Member and cannot be appointed or elected as such if:
- 43.1.1 he/she is an undischarged bankrupt, has granted a trust deed which has not been discharged or is in a current Debt Payment Plan under the Debt Arrangement Scheme; or
 - 43.1.2 he/she has been convicted of an offence involving dishonesty which is not spent by virtue of the Rehabilitation of Offenders Act 1974 or an offence under the Charities and Trustee Investment (Scotland) Act 2005; or
 - 43.1.3 he/she is a party to any legal proceedings in any Court of Law by or against the Partnership; or
 - 43.1.4 he/she is or will be unable to attend Board Meetings for a period of 12 months;
 - 43.1.5 he/she has been removed from the Board of another registered social landlord within the previous five years; or
 - 43.1.6 he/she has resigned from the Board in the previous five years in circumstances where the resignation was submitted after the date of his/her receipt of notice of a special Board meeting convened to consider a resolution for his/her removal from the Board in terms of Rule 44.6; or
 - 43.1.7 he/she has been removed from the Board in terms of Rules 44.4 or 44.6 within the previous five years; or

- 43.1.8 he/she has been removed, disqualified or suspended from a position of management or control of a charity under the provisions of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 or the Charities and Trustee Investment (Scotland) Act 2005; or
 - 43.1.9 he/she has been removed from the office of charity trustee or trustee for a charity by an order made by the Charity Commissioners for England and Wales or by Her Majesty's High Court of Justice in England on the grounds of any misconduct in the administration of the charity for which he/she were responsible or to which he/she were privy, or which his/her conduct contributed to or facilitated; or
 - 43.1.10 a disqualification order or disqualification undertaking has been made against that person under the Company Directors' Disqualification Act 1986 or the Company Directors Disqualification (Northern Ireland) Order 2002 (which relate to the power of a Court to prevent someone from being a director, liquidator or administrator of a company or a receiver or manager of company property or being involved in the promotion, formation or management of a company); or
 - 43.1.11 his/her nomination for election to the Board has been rejected in accordance with Rule 40.3 during the period between the return of the completed nomination form and the commencement of the relevant Annual General Meeting.
- 43.2 A person cannot be re-elected or re-appointed as a Board Member if the Board is not satisfied in terms of Rule 37.9 of the individual's continued effectiveness as a Board Member. In these circumstances the Board must not allow the individual to stand for re-election or re-appointment.
- 44 A Board Member will cease to be a Board Member if:
- 44.1 he/she resigns his/her position as a Board Member in writing;
 - 44.2 he/she ceases to be a Member unless he/she is a co-optee in terms of Rule 42.1 or an appointee of The Scottish Housing Regulator;
 - 44.3 he/she misses four Board Meetings in a row without special leave of absence previously being granted by the Board either at his/her request or by exercise of the Board's discretion;
 - 44.4 the majority of Members within the same Membership Category as the relevant Board Member voting at a general meeting decide this. The Members at the meeting within the relevant Membership Category may then elect someone else from that Membership Category to take his/her place. If a replacement is not elected at the meeting, the Board may appoint a Board Member in terms of Rule 41;
 - 44.5 In the case of any Council Board Member, the 2022 Elections have taken place;
 - 44.6 the majority of those remaining Board Members present and voting at a special meeting of the Board convened for the purpose decide to remove him/her as a Board Member. The resolution to remove him/her as a Board Member must relate to one of the following issues:

- 44.6.1 failure to perform to the published standards laid down by the Scottish Federation of Housing Associations and/or The Scottish Housing Regulator adopted and operated by the Partnership;
- 44.6.2 failure to sign or failure to comply with the Partnership's code of conduct for Board Members; or
- 44.6.3 a breach of the Partnership's Rules, standing orders or other policy requirements;
- 44.7 he/she becomes ineligible as a Board Member in terms of Rule 43;
- 44.8 he/she is a co-optee or was appointed to fill a casual vacancy and whose period of office is ended in accordance with Rules 39.1 or 42.1;
- 44.9 he/she is a Board Member retiring in accordance with Rule 39.1; or
- 44.10 he/she is an Appointed Board Member and the period of their appointment as determined by the Board in accordance with Rule 40.10 comes to an end.

POWERS OF THE BOARD OF MANAGEMENT

- 45 The Board is responsible for directing the affairs of the Partnership and its business and may do anything lawful which is necessary or expedient to achieve the objects of the Partnership. The Board is not permitted to exercise any powers which are reserved to the Partnership in general meetings either by these Rules or by statute. The Board is responsible for the leadership, strategic direction and control of the Partnership with the aim of achieving good outcomes for its tenants and other service users in accordance with the Regulatory Standards and Guidance issued by The Scottish Housing Regulator from time to time. The Board is responsible for ensuring that the Partnership can demonstrate its governance and financial arrangements are such as to allow The Scottish Housing Regulator to regulate effectively and exercise its full regulatory powers.
- 46 The Board acts in the name of the Partnership in everything it does. A third party acting in good faith and without prior notice does not need to check if the powers of the Board have been restricted, unless they are already aware that such a restriction may exist.
- 47 Amongst its most important powers, the Board can:
 - 47.1 buy, sell, build upon, lease or exchange any land and accept responsibility for any related contracts and expenses;
 - 47.2 agree the terms of engagement and remuneration of anyone employed in connection with the business of the Partnership and act as employer for anyone employed by the Partnership;
 - 47.3 grant heritable securities over land owned by the Partnership and floating charges over all or any part of property and assets both present and in future owned by the Partnership. This includes accepting responsibility for any related expenses;

- 47.4 decide, monitor and vary the terms and conditions under which property owned by the Partnership is to be let, managed, used or disposed of;
- 47.5 appoint and remove solicitors, surveyors, consultants, managing agents and employees, as required by the Partnership's business;
- 47.6 refund any necessary expenses as are wholly necessary incurred by Board Members and sub-committee members in connection with their duties;
- 47.7 compromise, settle, conduct, enforce or resist either in a Court of Law or by arbitration any suit, debt, liability or claim by or against the Partnership;
- 47.8 accept donations in support of the activities of the Partnership.

BOARD PROCEDURE

- 48 It is up to the Board to decide when and where to hold its ordinary meetings, but it must meet at least six times a year. There must be at least four Board Members present for the meeting to take place. For the meeting to take place the Board Members present must represent at least two Board Member Groups ~~with a majority of the Board Members present being elected Board Members (as opposed to Appointed Board Members).~~
- 49 The Board will continue to act while it has vacancies for Members. However, if at any time the number of Board Members falls below seven, the Board can continue to act only for another two months. If at the end of that period the Board has not found new Members to bring the number of Board Members up to seven, the only power it will have is to act to bring the number of Board Members up to seven.
- 50 Board Members must be sent written notice of Board meetings posted, or delivered, by hand or sent by fax or email to the last such address for such communications given to the Secretary at least seven days before the date of the meeting. The accidental failure to give notice to a Board Member or the failure of the Board Member to receive such notice shall not invalidate the proceeding of the relevant meeting.
- 51 Board Meetings can take place in any manner which permits those attending to hear and comment on the proceedings.
- 52 All speakers must direct their words to the Chairperson. All Board Members must remain quiet and maintain order while this is happening. The Chairperson will decide who can speak and for how long.
- 53 If any point arises which is not covered in these Rules, the Chairperson will give his/her ruling which will be final.
- 54 All acts done in good faith as a result of a Board Meeting or sub-committee meeting will be valid even if it is discovered afterwards that a Board Member was not entitled to be on the Board.
- 55 A written resolution signed by not fewer than three-quarters of the Board Members or three quarters of the members of a sub-committee will be as valid as if it had been passed at a Board Meeting or sub-committee meeting duly called and constituted.

Special Board Meetings

- 56.1 The Chairperson or two Board Members can request a special meeting of the Board by writing to the Secretary with details of the business to be discussed. The Secretary will send a copy of the request to all Board Members within three working days of receiving it. The meeting will take place at a place mutually convenient for the majority of Board Members, normally the usual place where Board Meetings are held, between 10 and 14 days after the Secretary receives the request.
- 56.2 No other business may be discussed at the meeting other than the business for which the meeting has been called.

- 56.3 If the Secretary does not call the special meeting as set out above, the Chairperson or the Board Members who request the meeting can call the meeting. In this case, they must write to all Board Members at least seven days before the date of the meeting.
- 57 If a Board Member does not receive notice of the meeting, this will not prevent the meeting going ahead.

Sub-committees

- 58.1 The Board can delegate its powers to sub-committees or to staff or to Office Bearers. The Board will establish the terms of reference for such delegation, which will be set down in writing and communicated to the recipient of the delegated powers. Such delegation will be set out down in writing in standing orders, schemes of delegated authority or other appropriate documentation. In the case of a sub-committee such delegation shall include the purposes of the sub-committee, its composition and quorum for meetings. A minimum number of members for a sub-committee shall be three. There must be at least three of the members of a sub-committee present for the meeting to take place. The Board shall be responsible for the on-going monitoring and evaluation of the use of delegated powers.
- 58.2 The meetings and procedures of sub-committees or otherwise must comply with the relevant terms of reference.
- 58.3 Any decision made by sub-committee must be reported to the next Board Meeting.
- 58.4 The Board can establish and delegate powers to sub-committees, designated as Area Committees, to take decisions relating to the management and maintenance of properties within a particular geographical area. The Board will determine the membership and delegated responsibility of an Area Committee in its terms of reference. An Area Committee shall exercise such delegated powers notwithstanding the provisions of Rules 42.1 and 42.3 which provisions shall not apply to Area Committees.

THE SECRETARY AND OFFICE BEARERS

- 59.1 The Partnership must have a Secretary, a Chairperson and any other Office Bearers the Board considers necessary. The Office Bearers, except for the Secretary, must be elected Board Members or Appointed Board Members or Board Members appointed to fill casual vacancies in accordance with Rule 41 but cannot be co-optees. An employee may hold the office of Secretary although not be a Board Member. The Board will appoint these Office Bearers. If the Secretary cannot carry out his/her duties, the Board, or in an emergency the Chairperson, can ask another Office Bearer or employee to carry out the Secretary's duties until the Secretary returns.
- 59.2 The Secretary and the other Office Bearers will be controlled, supervised and instructed by the Board.
- 59.3 The Secretary's duties include the following (these duties can be delegated to an appropriate employee with the Secretary assuming responsibility for ensuring that they are carried out in an effective manner):
- 59.3.1 calling and going to all meetings of the Partnership and all the Board Meetings;

- 59.3.2 keeping the minutes for all meetings of the Partnership and Board;
 - 59.3.3 sending out letters, notices calling meetings and relevant documents to Members before a meeting;
 - 59.3.4 preparing and sending all the necessary reports to the Financial Conduct Authority and The Scottish Housing Regulator;
 - 59.3.5 ensuring compliance with these Rules;
 - 59.3.6 keeping the Register of Members and other registers required under these Rules; and
 - 59.3.7 supervision of the Partnership's seal.
- 59.4 The Secretary must produce or give up all the Partnership's books, registers, documents and property whenever requested by a resolution of the Board, or of a general meeting.
- 59.5 At its first meeting after registration of the Partnership, the Board will elect the Chairperson of the Partnership, the Secretary and any other Office Bearers the Board considers necessary. Thereafter a Chairperson and other Office Bearers will be appointed on an annual basis at the next scheduled Board Meeting held after each annual general meeting. The Chairperson will be appointed from either the Tenant Board Members or the Community Board Members, unless no Tenant Board Member or Community Board Member is willing to assume the role of Chairperson in which case it will be permissible for an Appointed Board Member or (until the 2022 Elections) a Council Board Member to be appointed as Chairperson.

Role of the Chair

- 59.6 The Chairperson is responsible for the leadership of the Board and ensuring its effectiveness in all aspects of the Board's role and to ensure that the Board properly discharges its responsibilities as required by law, the Rules and the standing orders of the Partnership. The Chairperson will be delegated such powers as is required to allow the Chairperson to properly discharge the responsibilities of the office. Among the responsibilities of the Chairperson are that:
- 59.6.1 the Board works effectively with the senior staff;
 - 59.6.2 an overview of business of the Partnership is maintained;
 - 59.6.3 the Agenda for each meeting is set;
 - 59.6.4 meetings are conducted effectively;
 - 59.6.5 minutes are approved and decisions and actions arising from meetings are implemented;
 - 59.6.6 the standing orders, code of conduct for Board Members and other relevant policies and procedures affecting the governance of the Partnership are complied with;

- 59.6.7 where necessary, decisions are made under delegated authority for the effective operation of the Partnership between meetings;
 - 59.6.8 the Board monitors the use of delegated powers;
 - 59.6.9 the Board receives professional advice when it is needed;
 - 59.6.10 the Partnership is represented at external events appropriately;
 - 59.6.11 appraisal of the performance of Board Members is undertaken, and that the senior staff officer's appraisal is carried out in accordance with the agreed policies and procedures of the Partnership; and
 - 59.6.12 the training requirements of Board Members, and the recruitment and induction of new Board Members is undertaken.
- 59.7 The Chairperson must be elected from the Board Members (excluding co-optees) and must be prepared to act as Chairperson until the end of the next annual general meeting (unless he/she resigns the post). The Chairperson can only be required to resign if a majority of the remaining Board Members present at a special meeting agree to this.
- 59.8 If the Chairperson is not present at a Board meeting or is not willing to act, the Board Members present will elect another Board Member to be Chairperson for the Board Meeting. If the Chairperson arrives at the meeting late, he/she will take over as Chairperson of the Board meeting as soon as the current agenda item is concluded.
- 59.9 If the votes of the Board Members are divided equally for and against an issue, the Chairperson will have a second and deciding vote.
- 59.10 The Chairperson can resign his/her office in writing to the Secretary and must resign if he/she leaves the Board or is prevented from standing for, or being elected or appointed to the Board under Rule 43. The Board will then elect another Board Member as Chairperson.
- 59.11 The Chairperson can be re-elected but must not hold office continuously for more than five years.

FINANCIAL GUARANTEES FOR OFFICERS

- 60.1 The Board shall take out fidelity guarantee insurance to cover all Office Bearers and employees who receive or are responsible for the Partnership's money, or, these office bearers and employees must be covered by a bond as set out in Schedule 1 of the Co-operative and Community Benefit Societies Act 2014, or a guarantee under which they promise to account for and repay money due to the Partnership accurately.
- 60.2 The Board shall have the power to purchase and maintain indemnity insurance for, or for the benefit of, persons who are, or were at any time, Board Members, officers or employees of the Partnership. A Board Member may form part of a quorum and vote at a meeting where such insurance is under consideration notwithstanding the terms of Rules 38.1 and 38.2.

- 61 Office Bearers and employees will not be responsible for the Partnership's loss while they are carrying out their duties unless there has been gross negligence or dishonesty. If an Office Bearer or employee is dishonest, the Partnership will try to recover any loss that it has suffered and may alert the police or other relevant authority.

THE BOARD'S MINUTES, SEAL, REGISTERS AND BOOKS

Minutes

- 62 Minutes of every general meeting, Board Meeting and sub-committee meeting must be kept. Those minutes must be presented at the next appropriate meeting and if accepted as a true record, signed by the Chairperson of the meeting at which they are presented. All minutes signed by the Chairperson of the meeting shall be conclusive evidence that the minutes are a true record of the proceedings at the relevant meeting.

Execution of Documents and Seal

- 63 The Partnership shall execute deeds and documents in accordance with the provisions of the Requirements of Writing (Scotland) Act 1995 and record the execution in the register. The use of a common seal is not required. The Partnership may have a seal which the Secretary must keep in a secure place unless the Board decides that someone else should look after it. The seal must only be used if the Board decides this. When the seal is used, the deed or document must be signed by the Secretary or a Member of the Board or another person duly authorised to subscribe the deed or document on the Partnership's behalf and recorded in the register.

Registers

- 64 The Partnership must keep at its registered office a Register containing:
- 64.1 the names and addresses of the Members and where provided for the purposes of electronic communication, fax numbers and email addresses;
 - 64.2 a statement of the share held by each Member and the amount each Member paid for it;
 - 64.3 the date each person was entered in the Register as a Member and the date at which any person ceased to be a Member of the Partnership;
 - 64.4 a statement of other property in the Partnership, whether in loans or loan stock held by each Member; and
 - 64.5 the names and addresses of the Office Bearers of the Partnership, their positions and the dates they took and left office.
- 65.1 The Partnership must also keep at its registered office:

- 65.1.1 a second copy of the Register showing the same details as above but not the statements of shares and property. This second register must be used to confirm the information recorded in the original Register;
 - 65.1.2 a register of loans and to whom they are made; and
 - 65.1.3 a register showing details of all loans and charges on the Partnership's land.
- 65.2 The inclusion or omission of the name of any person from the original Register of Members shall, in the absence of evidence to the contrary, be conclusive that the person is or is not a Member of the Partnership.

Registered Name

- 66 The registered name of the Partnership must be clearly shown on the outside of every office or place where the Partnership's business is carried out. The name must also be engraved clearly on the Partnership's seal and printed on all its business letters, notices, adverts, official publications, website and legal and financial documents.

Documentation

- 67 The Partnership's books of account, registers, securities and other documents must be kept at the registered office or any other place the Board decides is secure.
- 68 At the last Board Meeting before the annual general meeting, the Secretary must confirm in writing to the Board that Rules 62 to 67 have been followed or, if they have not been followed, the reasons for this. The Secretary's confirmation or report must be recorded in the minutes of the Board Meeting.

ACCOUNTS

- 69 The Partnership must keep proper books of accounts to cover its income, expenditure transactions and its assets, liabilities and reserves in line with Part 7 of the Co-operative and Community Benefit Societies Act 2014. It must also set up and maintain a suitable system for controlling its books of accounts, its cash and its receipts and invoices.
- 70 The Board must send the Partnership's accounts and balance sheet to the Partnership's auditor. The auditor must then report to the Partnership on the accounts it has examined. In doing this, the auditor must follow the conditions set out in Part 7 of the Co-operative and Community Benefit Societies Act 2014 and Part 6 of the Housing (Scotland) Act 2010.
- 71 The Partnership must provide The Scottish Housing Regulator and the Financial Conduct Authority with a copy of its accounts and the auditor's report within six months of the end of the period to which they relate.

THE AUDITOR

- 72.1 Each year the Partnership must appoint, at a general meeting of the Partnership, a qualified auditor to audit the Partnership's accounts and balance sheet. In this Rule "qualified auditor" means someone who is a qualified auditor under Section 91 of the Co-operative and Community Benefit Societies Act 2014.
- 72.2 None of the following can act as auditor to the Partnership:
- 72.2.1 a Board Member or employee of the Partnership;
 - 72.2.2 a person who is a partner of, or an employee or employer of a Board Member or employee of the Partnership;
 - 72.2.3 an organisation which is a Member of the Partnership.
- 73 The Partnership must appoint an auditor within three months of being registered by the Financial Conduct Authority. The Board will appoint the auditor unless there is a meeting of the Partnership within that time. The Board may appoint an auditor to fill in a casual vacancy occurring between general meetings of the Partnership. The Board shall take such steps as it considers necessary to ensure the continuing independence of the Partnership's auditor including the periodic review of the need for audit rotation. The Partnership must send a copy of its accounts and the auditor's report to The Scottish Housing Regulator within six months of the end of the period to which they relate.
- 74.1 An auditor appointed to act for the Partnership one year will be re-appointed for the following year unless:
- 74.1.1 a decision has been made at a general meeting to appoint someone else or specifically not to appoint them again; or
 - 74.1.2 they have given the Partnership notice in writing that they do not want to be re-appointed; or
 - 74.1.3 they are not a qualified auditor or are excluded under Rule 72.2; or
 - 74.1.4 they are no longer capable of acting as auditor to the Partnership; or
 - 74.1.5 notice to appoint another auditor has been given.
- 74.2 To prevent an auditor being re-appointed or to appoint another person as auditor, not less than 28 days notice must be given to the Partnership that the matter requires to be discussed at the next meeting of the Partnership.
- 74.3 The Partnership shall give notice to the auditor who is to be asked to step down that the matter will be discussed at the next meeting of the Partnership. If possible the Partnership will also give proper notice of this matter to the Members but if this is not possible, the Partnership can give notice by advertising in the local newspaper at least 14 days before the meeting.

- 74.4 The retiring auditor may make representations to the Partnership or give notice that he/she intends to make representations at the meeting and the Partnership must tell the Members of any representations made by the auditor under Section 95 of the Co-operative and Community Benefit Societies Act 2014 .

ANNUAL RETURNS AND BALANCE SHEET

- 75.1 Every year, within the time allowed by the law, the Secretary shall send to the Financial Conduct Authority the annual return in the form required by the Financial Conduct Authority.
- 75.2 The Secretary must also send:
- 75.2.1 a copy of the auditor's report on the Partnership's accounts for the period covered by the return; and
 - 75.2.2 a copy of each balance sheet made during that period and of the auditor's report on that balance sheet.
- 76 The Partnership must provide a free copy of the latest annual return and auditor's reports to Members or people with a financial interest in the Partnership.
- 77 The Partnership must always keep a copy of the latest balance sheet and auditor's report publicly displayed at its registered office.
- 78 The Partnership must comply with the requests of The Scottish Housing Regulator for annual returns.

SURPLUSES AND DONATIONS

- 79.1 The Partnership must not distribute its surpluses to Members.
- 79.2 The Board shall set and review periodically its policy for the donation of funds to charities. Such donations must further the objects of the Partnership and the Board shall report to the Members on such donations.

INVESTMENTS

- 80 The Partnership's funds may be invested by the Board in such manner as is permitted by its Investment Policy subject always to the requirement that the Partnership will comply with the Regulatory Framework and Regulatory Guidance issued by The Scottish Housing Regulator from time to time.

INSPECTING THE REGISTER

- 81 Any Member or person having a financial interest in the Partnership can inspect their own account. They may also inspect the second copy of the Register of Members which shall be made available to them for inspection within 7 days of the request of a Member or eligible person. The books must be available for inspection at the place they are kept at all reasonable hours. The Board may set conditions for inspecting the books.

DISPUTES

- 82 Every dispute between the Partnership or the Board and:

82.1 a Member; or

82.2 a person aggrieved who has ceased to be a Member within the previous six months; or

82.3 a person claiming under the Rules of the Partnership,

shall be dealt with in accordance with these Rules and any procedures determined by the Board from time to time but without prejudice to all rights which any person may have to raise an action on the matter in any court with competent jurisdiction, including without prejudice the Sheriff Court in the Sheriffdom in which the Partnership's registered office is located.

STATUTORY APPLICATIONS TO THE FINANCIAL CONDUCT AUTHORITY

- 83 Any 10 Members of the Partnership who have been Members for at least the 12 previous months can apply to the Financial Conduct Authority to appoint an accountant or actuary to inspect and report on the Partnership's books on payment to the Financial Conduct Authority of the costs required.
- 84.1 One-tenth of Members can apply to the Financial Conduct Authority to:
- 84.1.1 appoint an inspector to examine and report on the affairs of the Partnership; or
- 84.1.2 call a special general meeting of the Partnership.
- 84.2 If there are more than 1000 Members in the Partnership, only 100 Members need to apply to the Financial Conduct Authority in terms of Rule 84.1.

COPIES OF RULES

- 85 The Secretary shall, on demand, provide a copy of the Rules of the Partnership free of charge to any Member who has not previously been given a copy and, upon payment of such fee as the Partnership may require, not exceeding the amount specified by law, to any other person.

CLOSING DOWN THE PARTNERSHIP

- 86.1 The Partnership may be closed down in either of the following ways:
- 86.1.1 by an order or resolution to wind up the Partnership as set out in the Insolvency Act 1986; or
 - 86.1.2 in accordance with Section 119 of the Co-operative and Community Benefit Societies Act 2014 , by an instrument of dissolution to which not less than three-fourths of the Members have given their consent testified by their signatures to the instrument.
- 86.2 The prior approval of the Office of the Scottish Charity Regulator is required before the Partnership can be dissolved. The Partnership must submit its application for approval to the Office of the Scottish Charity Regulator not less than 42 days before the date on which the Partnership intends to dissolve.
- 87 If any property remains after the Partnership has paid its debts, this property will be transferred to such other charitable registered social landlord as determined by The Scottish Housing Regulator.

CHANGING THE RULES

- 88.1 Any of these Rules can be changed or deleted and new Rules can be introduced if three-quarters of the votes at a special general meeting are in favour of the change(s).
- 88.2 Where an amendment of these Rules affects the purposes of the Partnership the prior approval of the Office of the Scottish Charity Regulator is required. The Partnership must submit its application for approval to the Office of the Scottish Charity Regulator not less than 42 days before the date on which the Partnership intends to amend its purposes. Any other amendment of these Rules requires to be notified to them within three months of the change having been made.
- 88.3 The Partnership must apply to the Financial Conduct Authority to register every rule change as set out in treasury regulations. Each Member must receive a copy of the change. No change is valid until it has been registered by the Financial Conduct Authority. The Partnership must notify The Scottish Housing Regulator within 28 days of the change or amendment being made.
- 88.4 The Partnership can change its name if:
- 88.4.1 three-quarters of the votes at a special general meeting are in favour of the change; and

- 88.4.2 the Financial Conduct Authority approves the change in writing.
- 88.4.3 the Office of the Scottish Charity Regulator has given its prior approval. The Partnership must submit its application for approval to the Office of the Scottish Charity Regulator not less than 42 days before the date on which the Partnership intends to change its name.
- 88.5 If the Partnership changes its name in terms of Rule 88.4 it must notify The Scottish Housing Regulator in writing within 28 days of the change being made.
- 88.6 The Partnership can change its registered or principal office but must:
 - 88.6.1 notify The Scottish Housing Regulator of the change in registered office within 28 days of the change having been made; and the Financial Conduct Authority as soon as possible after the change in registered office has been made;
 - 88.6.2 notify the Office of the Scottish Charity Regulator within 3 months of the change having been made.

INTERPRETING THESE RULES

- 89 In these Rules, the following words and phrases have the meanings given below:
 - 89.1 “A person claiming through a Member” includes an heir executor assignee or nominee. This heading would be used in connection with disputes about the transfer of a Member’s share after his death. It would also cover executors of a former Member.
 - 89.2 “Appointed Board Member” means a Member who is appointed to the Board pursuant to Rule 40.10;
 - 89.3 “Barra Tenant Member” means a Tenant Member residing in the geographical area of Barra.
 - 89.4 “Board” means the Board of Management (or such other term that is used by the Partnership to denote the governing body of the Partnership) appointed in line with Rule 38.
 - 89.5 “Board Meeting” means a meeting of the Board.
 - 89.6 “Board Member” means a member of the Board.
 - 89.7 “Board Member Group” means either (a) the total number of Tenant Board members on the Board at any time, called the Tenant Board Member Group, or (b) the total number of Community Board Members on the Board at any time, called the Community Board Member Group or (c) (until the 2022 Elections) the total number of Council Board Members on the Board at any time called the Council Group or (d) the total number of Appointed Board Members on the Board at any time, called the Appointed Board Member Group;
 - 89.8 “Chairperson” means the Chairperson (or such other term that is used by the Partnership to denote the holder of this office) of the Partnership referred to in Rule 59.1.

- 89.9 “Close Relative” means someone who is the spouse or civil partner of a person, or (being either of the same or different sex) who cohabits with that person, or is that person’s parent, grandparent, child, stepchild, grandchild, brother or sister.
- 89.10 “Community Board Member” means a Board Member elected from the category of Community Members.
- 89.11 “Community Member” means a Member of the Partnership who is a resident member of the community of the Western Isles and who is not a tenant of the Partnership and shall include any member of an organisation (other than the Council) in terms of Rule 12.
- 89.12 “Council” means Comhairle Nan Eilean Siar or any statutory successor to that body which is responsible as local authority for the Western Isles administrative area (or, if there is more than one such successor body, the body responsible for the housing function) and “Councillor” is an elected
- 89.13 member of the Council.
“Council Board Member” means an elected member of the Council who is appointed as a Council Board Member in terms of Rule 40.8.
- 89.14 “Financial Conduct Authority” means the registering authority for societies registered under the Co-operative and Community Benefit Societies Act 2014 and the Credit Unions Act 1979 set up in terms of the Financial Services Act 2012 or its successor body.
- 89.15 “Group” means the Partnership and any organisation which is its parent, its subsidiary or is a subsidiary of its parent.
- 89.16 “Harris Tenant Member” means a Tenant Member residing in the geographical area of Harris.
- 89.17 “Lewis Tenant Member” means a Tenant Member residing in the geographical area of Lewis.
- 89.18 “Meeting” means a general meeting of the Partnership, whether special, general or annual referred to in Rules 20-23.
- 89.19 “Member” means a member of the Partnership whose name is entered in the Register of Members.
- 89.20 “Membership Category” means any of the categories of membership of the Partnership as set out in Rule 7.2.
- 89.21 “Office Bearer” means the Chairperson, Secretary, and such other Officer Bearer appointed under Rule 59.1.
- 89.22 “Office of the Scottish Charity Regulator” means the body set up under the Charities and Trustee Investment (Scotland) Act 2005 to regulate charities in Scotland.

- 89.23 “organisation” means a legal body which exists separately and distinctly from its members and includes companies, building societies, community benefit societies, local authorities and so on and also for the purposes of these Rules includes unincorporated organisation such as social clubs, branches of political parties or trade unions and other voluntary bodies.
- 89.24 “Partnership” means the registered social landlord referred to in Rule 1 whose Rules these are.
- 89.25 “property” includes everything which can be passed on by inheritance (including loans, certificates, books and papers).
- 89.26 “Register of Members” means the register of members referred to in Rule 64.
- 89.27 “Rules” means the registered Rules of the Partnership.
“Secretary” means the Office Bearer appointed by the Board to be the Secretary of the Partnership or anyone authorised by the Board to stand in for the Secretary.
- 89.28 “Taxes Acts” means Part 11 of the Corporation Tax Act 2010 as read with Schedule 6 of the Finance Act 2010 and any statute or statutory provision which amends, extends, consolidates or replaces the same.
- 89.29 “Tenant Board Member” means a Board Member elected from any one category of Tenant Members and included within the Tenant Board Member Group.
- 89.30 “Tenant Board Membership Categories” means the three categories of Tenant Board Membership representing the geographical areas of (a) Lewis, (b) Harris, and (c) the Uists and Barra respectively and Tenant Board Membership Category shall be any one of these.
- 89.31 “Tenant Member” means any person who is from time to time a tenant under a lease entered into with the Partnership and is a Member.
- 89.32 “Tenant Membership Categories” means the four categories of tenant membership representing the geographical areas of (a) Lewis, (b) Harris, (c) the Uists and (d) Barra respectively and as referred to in Rule 7.2 and Tenant Membership Category shall be any one of these.
- 89.33 “The Scottish Housing Regulator” means The Scottish Housing Regulator as established pursuant to Section 1 of the Housing (Scotland) Act 2010.
- 89.34 “The Western Isles” means that local government administrative area for which the Council have responsibility.
- 89.35 “Uist Tenant Member” means a Tenant Member residing in the geographical areas of the Uists.
- 89.36 “Vice-Chairperson” means the vice-chairperson appointed in terms of the Partnership's standing orders.

- 89.37 "2022 Elections" means the local authority elections for the Western Isles held or to be held in 2022;
- 89.38 Words in the singular also include the plural. Words in the plural also include the singular.
- 89.39 A reference to law or statute is a reference to that law or statute as re-enacted, amended or replaced.

APPENDIX 1

PROXY FORM

You must use the wording shown below to appoint a representative to vote at a meeting for you. Please see Rule 27.1 for more details.

I (insert name) am a member of (insert name) _____ Limited.

My address is: (please insert).

I hereby appoint (insert name) who lives at (insert address) to be my representative and vote for me at the Partnership's meeting on (insert date) and any other dates that meeting continue on.

Your name _____

Your signature _____

Date _____

APPENDIX 2

CANCELLATION OF PROXY

You must use the wording shown below to reverse your application to send a representative to vote at a meeting for you. Please see Rule 27.4 for more details.

I (insert name) am a member of (insert name) _____ Limited.

My address is: (please insert).

I hereby revoke the appointment of (insert name) as my representative to vote for me at the Partnership's meeting on (insert date) made by me on the (insert date).

I no longer authorise the person referred to above to represent me at the meeting referred to above.

Your name _____

Your signature _____

SIGNATURE OF BOARD MEMBERS

Date _____

1. _____

2. _____

3. _____

4. _____ Members

5. _____

6. _____

7. _____

Secretary

CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT 2014

Registration Number _____ R

_____ Limited has today been registered
under

the Co-operative and Community Benefit Societies Act 2014.

Date _____

Model Rules Implementation Amendment Summary

1) Summary of Updates to SFHA Charitable Model Rules 2020 (compared with the 2015 Model Rules) – Text in bold added or removed		
Rule Number	Area	Comment
Throughout	Grammar and Punctuation amendments	Minor tidying up throughout the document
7.2.1 / 7.7.2	Membership applications	'Or' has been added twice to the drafting clarifying that each of the three limbs can apply independently when the Board are assessing suitability for membership
11.1 / 11.3	Ending your membership	'Or' has been added twice to the drafting clarifying that each of the four limbs can apply independently when Membership is being ended
20	Holding General Meetings remotely	New drafting inserted that specifies that general meeting need not be held in any particular place and the meeting may be held without any number of those participating in the meeting being together at the same place, effectively permitting remote general meetings. Members cannot insist on a meeting or voting being held by a particular means.
27.1	Proxies/Representatives/Postal Votes	Addition of drafting stating the Chairperson shall not be entitled to act as a representative for any other Member.
37.8	Investigation of potential breach	New Clause added - <i>The [Committee] can require that a [Committee Member] who is being investigated for a potential breach of the [Association's] Code of Conduct take leave of absence and not attend any meeting in his or her capacity as [Committee Member] until the [Committee] has completed its consideration of the potential breach. When on such leave of absence, the [Committee Member] will not be entitled to receive minutes and/or documents in his or her capacity as a [Committee Member] relating to the business of the [Association].</i>
39.1	Retirement of Board Members	Removal of the requirement for 'at least' a third of Board Members to stand down at each AGM. This is now a third (or nearest whole number thereto). Note – this was amended to 2 members in the 2017 HHP rule update
39.2	Retirement of Board Members	Addition of drafting in bold: <i>In the absence of Committee Members standing down voluntarily, the retiring Committee Members should be those who have served the longest on the Committee since the date of their last election.</i>
39.4	Retirement of Board Members	Removal of drafting in bold: <i>If a Committee Member retires from the Committee in terms of Rule 39 before or on the date of the next annual general meeting, that Committee Member can stand for re-election without being nominated.</i>

1) Summary of Updates to SFHA Charitable Model Rules 2020 (compared with the 2015 Model Rules) – Text in bold added or removed		
Rule Number	Area	Comment
40.2	Nominations of Members	Nominations for election to the Committee can now be made only by Members, must be in writing and in the form specified by the Association and must give the full name, address and occupation of the Member being nominated.
40.11	Discretionary power to block membership	The creation of a discretionary power for a Board in rare circumstances to block a nomination if it was not in the interest of HHP or if there would be a conflict of interests in that person becoming a Board member
43.1.1	Eligibility for the Board	Clarification of ineligible Board Members, updated to: <i>if he/she has been is an undischarged bankrupt, has granted a trust deed which has not been discharged; or is in a current Debt Payment Plan under the Debt Arrangement Scheme;</i>
43.1.11	Eligibility for the Board	Additional drafting: or if his/her nomination for election to the Committee has been rejected in accordance with Rule 40.3 (clear evidence of relevant circumstances that it would not be in the interests of HHP) during the period between the return of the completed nomination form and the commencement of the relevant Annual General Meeting.
44.7	Board Members ceasing to be Board Members	Clarification that if he/she is a co-optee or was appointed to fill a casual vacancy and whose period of office is ended in accordance with Rules 39.1 or 42.1 that they will cease to be Board Member
45	Powers of the Board	Additional drafting: The [Committee] is responsible for ensuring that the Association can demonstrate its governance and financial arrangements are such as to allow The Scottish Housing Regulator to regulate effectively and exercise its full regulatory powers.
~~48~~	~~Quorum at meetings~~	~~For the meeting to take place the Board Members present must represent at least two Board Member Groups with a majority of the Board Members present being elected Board Members (as opposed to Appointed Board Members).~~
59.1	Office Bearers	The Office Bearers can now include Board Members elected to fill casual vacancies in accordance with rule 41, but as before – cannot be co-optees.
59.5	Office Bearers	Clause regarding electing of Office Bearers has been moved from Role of the Chair section, to Secretary and Office Bearers section.
81	Inspecting the Register	The second section regarding the maintenance of a register of names of Members who have given consent for the Members register to be inspected has been removed.
86.1	Closing down the Association	Option to close down in accordance with Section 105 of the Housing (Scotland) Act 2010 has been removed
88.1	Changing of the Rules, name or principle office	The requirement for the Scottish Housing Regulator to approve any changing of the rules, name change or principle office change (in accordance with the rest of the rules) has been removed, and instead the Association must now notify the SHR within 28 days of the change taken place.

1) Summary of Updates to SFHA Charitable Model Rules 2020 (compared with the 2015 Model Rules) – Text in bold added or ~~removed~~		
Rule Number	Area	Comment
88.6.1	Changing of principle office	In addition to informing the SHR within 28 days of any change to Principle office, the Association must also inform the FCA ASAP, and OSCR within 3 months of this change being made.
89.2	Sterling joining Euro	The drafting regarding the Sterling joining the Euro has been removed.

2) Summary of HHP required amendments (carried forward from 2017 and the previous constitution decision).

Rule Number	Area	Comment
Throughout	Amend references to 'Association' to 'Partnership'	Per 2017 Rules update
Throughout	Amend references to 'Governing Body' to 'Board'	Per 2017 Rules update
7, 37, 40, 44, 89	Membership and Composition of Membership	Categories of membership and associated drafting (e.g. interpretations) to be updated from the 2017 HHP Rules to remove automatic Council membership in accordance with the Board decision dated November 2017. This particular Rule change will be effective from the 2022 Council Elections.
10 / 11.1.3	Tenant Members ceasing to become Tenant Members	Addition per 2017 rules update, that Tenant Members will automatically become a Community Member (in accordance with the rest of the rules) if they cease to be Tenant Members
11.1.4	Community Members ceasing to be a Community Member	Addition per 2017 rules update, If you are a Community Member and cease to have or maintain sufficient local connection with the Western Isles, we will end your membership and cancel your share.
18.1	Borrowing Powers	Amount carried forward from 2017 rules update - The Partnership can borrow money as long as the total borrowing at any time is not more than £200 million.
18.8 – 18.13	Rate Cap Borrowing	Rate Cap Borrowing drafting that was included in the 2017 Rules update (but not in the 2015 or 2020 model rules) included in the HHP 2020 Rules update.
26.1	Vice-Chair	Addition per 2017 rules update that requires the Chairperson, and in his/her absence, the Vice Chairperson, to be present at all Board meetings.
39.1	Retirement of Board Members	Amendment per 2017 update that required at the end of every annual general meeting, at least two Tenant Board Members or the nearest whole number thereto, and two Community Board Members to retire.
40.1 – 40.3 and 40.5 – 40.6	Board Member Election and voting process	Addition per 2017 update re: Tenant Members standing for Election, and voting process to be included in the 2020 update (although not in either set of the Model rules)
40.10	Appointed Board Member	Addition per 2017 rules update that details the right of the Board to appoint up to a Board Appointed Member. Following the 2022 Council Elections, this will increase up to 4 Board Appointed Members.
41	Casual Vacancy	Addition per 2017 rules update that confirms if an elected Board Member leaves the Board between the annual general meetings, this creates a casual vacancy and the Board can appoint a Member to take their place on the Board until the next annual general meeting.
43.1.11	Eligibility	Addition per 2017 rules update meaning a Board member will not be eligible if: <i>at an annual general meeting, he/she has served as a Board Member for a continuous period of nine years or more and the Board has not resolved to permit him/her to stand again or otherwise be nominated for re-election.</i>

2) Summary of HHP required amendments (carried forward from 2017 and the previous constitution decision).

Rule Number	Area	Comment
44.4	Membership ceasing	Confirmation per 2017 rules update that this clause applies to Board Members in the same membership category.
44.5	Membership ceasing	Confirmation per 2017 rules update that a Tenant Board Member or Community Board Member or Appointed Board Member's membership will cease if s/he becomes an elected member of the Council.
44.10	Membership ceasing	Confirmation per 2017 rules that if he/she is an Appointed Board Member and the period of their appointment as determined by the Board in accordance with Rule 40.9, Board Membership comes to an end.
48	Board Procedure	Addition per 2017 rules update that for Board Meetings to take place, Members present must represent at least two Board Member Groups.
59.3.8 / 59.3.9	Additional Secretary Duties	Addition per 2017 rules update that the Secretary is responsible for keeping all the books of accounts and receiving all contributions and payments owed to the Partnership; and paying over the contributions and payments received by the Partnership as instructed by the Board.
59.5		Addition per 2017 rules, but excluding final section re: Council Board Member in line with 7/39/81 that the Chairperson will be appointed from either the Tenant Board Members or the Community Board Members, unless no Tenant Board Member or Community Board Member is willing to assume the role of Chairperson in which case it will be permissible for a Council Board Member to be appointed as Chairperson.

ANNUAL ASSURANCE STATEMENT

Board 17 November 2020

Report by Head of Executive Office

Purpose of Report

- 1.1 The purpose of this report is to represent our Annual Assurance Statement to the Board for consideration and approval following further guidance from the Regulator issued after consultation on the Regulatory Framework.

Summary

- 2.1 We are obliged to comply with the regulatory requirements of the Scottish Housing Regulator (SHR). The Board must be satisfied that the Partnership is compliant with all requirements detailed in section 9.1 of this report, and prepare an Annual Assurance Statement (AAS) confirming this, which is submitted to SHR.
- 2.2 The completed AAS and evidence checklist for 2020 was considered by the Board on 26 August 2020.
- 2.3 Following this review, the SHR issued their consultation feedback, which amongst others:
- revised the AAS submission deadline from the 31 October 2020 to the 30 November 2020; and
 - confirmed that it was essential for landlords (and Governing Bodies) to understand the extent to which their ability to deliver services and to comply with regulatory requirements has been affected by COVID-19. In particular, landlords will wish to understand the full range of new risks and issues for tenants and other services users.
- 2.4 As a result of this detailed feedback from the SHR, and the requirement for the AAS to consider the impact of COVID-19 in detail, we have enhanced the evidence checklist, and this is provided at Appendix 2.
- 2.5 The Board are due to take part in a separate session on 17 November 2020 to scrutinise this evidence checklist in detail and confirm that they are content with the requirements of the AAS and evidence provided.

Competence

- 3.1 The financial, legal and other constraints to the recommendations in this report are detailed in paragraph 5.1 – 8.1 of this report.

Recommendations

- 4.1 **It is recommended that the Board consider and approve the:**
- a) **Annual Assurance Statement at Appendix 1; and**
 - b) **Annual Assurance Statement – Evidence Checklist at Appendix 2.**

Competence

Financial

- 5.1 There are no financial constraints to the recommendation in this report being implemented.

Legal

- 6.1 There is a legal and regulatory requirement to ensure that the Annual Assurance Statement for 2019/20 is prepared and submitted by 30 November 2020.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

- 8.1 The risk of not submitting the Annual Assurance Statement will lead to the Partnership being in breach of regulatory requirements and have a negative effect on its risk rating and regulatory engagement.

APPENDIX1: Annual Assurance Statement

APPENDIX 2: Annual Assurance Statement – Evidence Checklist

Background Papers: Scottish Housing Regulator's "Regulatory Framework" (February 2019)
SFHA Social Landlord Self-Assurance Toolkit (July 2019)

Writer of Report: Anna Coyle

Tel: 0300 123 0773

Report Details

Background

- 9.1 In February 2019, the Scottish Housing Regulator (SHR) published an updated Regulatory Framework. One of the requirements of the Regulatory Framework is that we must produce an Annual Assurance Statement stating we either comply with:
- all relevant regulatory requirements set out in Chapter 3 of the Regulatory framework;
 - all relevant standards and outcomes in the Scottish Social Housing Charter (ARC);
 - all relevant legislative duties; and
 - the Standards of Governance and Financial Management;
- or, highlight any areas of non-compliance and how we will address these.
- 9.2 SFHA published a Social Landlord Self-Assurance Toolkit in July 2019 giving guidance to landlords on how to produce their Annual Assurance Statement.
- 9.3 Using the SHR's existing Statutory Guidance and the SFHA Self-Assurance Toolkit, a checklist has been produced to ensure all regulatory requirements are being complied with and outlining the evidence to confirm this. The checklist is at Appendix 2.
- 9.4 The SHR consulted on proposed changes to the Regulatory Framework, including the submission of the Annual Assurance Statements. We have followed the advisory guidance published to assist RSLs to adapt their approach to the submission of the Annual Assurance Statement, specifically in respect of issues related to COVID-19.
- 9.5 2019 was the first year that we had to submit an Annual Assurance Statement. As part of this process, a meeting was convened to take the Board through each piece of evidence and allow any questions to be asked of Officers prior to the statement being completed and approved.
- 9.6 The Board are due to meet on 17 November 2020 to review the evidence bank for 2020 in a similar manner to 2019.



Our Annual Assurance Statement

We, Hebridean Housing Partnership, comply with the regulatory requirements set out at Chapter 3 of the Scottish Housing Regulator's Regulatory Framework. This includes that we comply with:

- ✓ all the standards and outcomes in the Scottish Social Housing Charter for tenants, people who are homeless and others who use our services;
- ✓ our legal obligations relating to housing and homelessness, equality and human rights, and tenant and resident safety; and
- ✓ the Standards of Governance and Financial Management for RSLs.

We confirm that we have seen and considered sufficient evidence to give us this assurance.

We will continue to monitor the effect COVID-19 will have on our level of assurance. If our level of assurance changes, we shall notify the Scottish Housing Regulator immediately.

We approved our Annual Assurance Statement at the meeting of our Board on 17 November 2020.

I sign this statement on behalf of the Board.

Chair's signature:

Date:



HHP is a registered society under the Co-operative and Community Benefit Societies Act 2014, Registered Number: 2644R(S), Registered Office: Creed Court, Gleann Seileach Business Park, Willowglen Road, STORNOWAY, Isle of Lewis HS1 2QP. It is a charity registered in Scotland, Charity Number: SC035767, registered as Registered Social Landlord with the Scottish Housing Regulator, Registration Number: 359 and registered as a Property Factor, Registration Number PF000183

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ANNUAL ASSURANCE STATEMENT - CHECKLIST		
Assurance & Notification (AN)		
Reference	Item	Evidence
AN1	Prepare an Annual Assurance Statement in accordance with SHR published guidance, submit it to SHR between April and the end of October each year, and make it available to tenants and other service users. (The deadline had been postponed this year due to COVID-19)	Annual Assurance Statement 2020 was considered on 26 August 2020 and due for follow up review on 17 November 2020.
AN2	Notify us (SHR) during the year of any material changes to the assurance in its Annual Assurance Statement.	Regulatory Standards compliance forms are completed for all Board Reports. Notifiable Events. No Material changes up to November 2020.
AN3	Each landlord must have assurance and evidence that it is meeting all of its legal obligations associated with housing and homelessness services, equality and human rights, and tenant and resident safety.	Allocations Policy is reviewed regularly and approved by the Board before implementation. Allocation Policy consulted with tenants and Housing Management Working Group taking views of current and future tenants into account. Estate Management Policy covers Anti-Social Behaviour. Recovery of Sundry Debts Policy. Debt Management Report is a standing item on the Board agenda. Tenancy Agreement is in line with the Housing Scotland Act 2001 and 2014 and outlines organisational policy on abandonment. Homelessness Performance is reported to Board in Annual Allocations Report with allocation quotas being reviewed annually. Applicants, Board Members and staff complete equal opportunities forms annually. Equality & Diversity Impact Assessments completed for all new policies. Equal Opportunities Policy. Landlord Health and Safety Policies have been approved by the Board and are reviewed regularly. Landlord Health and Safety Audit carried out in 2018, Gas Audits carried out annually. Internal Audits are carried out regularly and reported to the Audit & Risk Committee. An Internal Audit Progress Report is a standing item on the Audit & Risk Agenda showing progress on action points from internal audits. Health and Safety Management Systems Audit held in September 2020. Implementation of Domestic Abuse Policy. Welfare Calls made to tenants during the COVID-19 pandemic and reported to Board in regular COVID Report. Since the first Annual Assurance Statement, we have completed Applied Suicide Intervention Skills Training; Suicide Awareness Training; Introduction to Trauma Training; Mental Health Resilience Training; MARAC Training; NAPPI Training; Refresher First Aid Training; Health & Safety for Senior Managers Training; Condensation, Damp & Mould Training; and Introduction to Domestic Abuse & Domestic Abuse Policy Training. During the COVID-19 lockdown, we attended a number of webinars aimed at identifying the impact of COVID-19 on various tenant groups. Topics included: Homelessness & Drugs webinar; Tackling Anti-social Behaviour; Allocations & Succession During COVID-19; Unicersal Credit COVID-19 Update; Supporting Tenants and Communities; Consumer Vulnerability; Equality, Inclusion & Diversity; and Vulnerable Citizens and The EU Settlement Scheme.

APPENDIX 2

AN4	Notify SHR of any tenant and resident safety matters which have been reported to, or are being investigated by the Health and Safety Executive, or reports from regulatory or statutory authorities, or insurance providers, relating to safety concerns.	Notifiable Events Register is a standing item on Board Agenda and removed if there is nothing to report. Landlords Health & Safety Audit and Office Health & Safety Audit. Stock Condition Survey carried out in January 2018.
AN5	Each landlord must make its Engagement Plan easily available and accessible to its tenants and service users, including online.	2019/20 Engagement Plan on our website and available upon request during the COVID-19 office closure. Engagement Plans for 2020/21 are the subject of a current consultation and SHR are proposing not updating these until March 2021.

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
Scottish Social Housing Charter Performance (CH)		
Reference	Item	Evidence
CH1	Submit an Annual Return on the Charter (ARC) to SHR each year in accordance with our published guidance.	ARC submission on 25 May 2020. ARC submitted in accordance with existing timescales notwithstanding an extension was provided for all RSLs ARC reported to Board for approval on annual basis prior to submission. Response to ARC queries by regulator recorded. External Validation in 2015/16 and 2016/17. Data Dictionaries produced to sense check data. Business Plan goals in line with KPI's and Engagement Plan. Business Plan reviewed regularly throughout COVID-19.
CH2	Each landlord must involve tenants, and where relevant, other service users, in the preparation and scrutiny of performance information. It must: • agree its approach with tenants • ensure that it is effective and meaningful – that the chosen approach gives tenants a real and demonstrable say in the assessment of performance • publicise the approach to tenants • ensure that it can be verified and be able to show the agreed approach to involving tenants has happened • involve other service users in an appropriate way, having asked and had regard to their needs and wishes.	Consultation with tenants and forum members prior to the Tenant Report being completed. TPAS Officer promotes the Tenant Report and a copy is distributed to all tenants and placed onto our website. Repairs Scrutiny Panels Tenant Participation Strategy consulted with Tenants 27 August 2020 - 23 October 2020. Benchmarking data used to aid scrutiny and gives tenants the ability to view performance comparatively.
CH3	Each landlord must report its performance in achieving or progressing towards the Charter outcomes and standards to its tenants and other service users (no later than October each year). It must agree the format of performance reporting with tenants, ensuring that it is accessible for tenants and other service users, with plain and jargon-free language.	Tenant Report on performance sent out by 31 December each year giving the opportunity for tenants to feedback on performance. Report is available on our website and sent to all tenants. The report is produced in plain and jargon-free language. Hard copies of the report are available upon request during the COVID-19 office closure.
CH4	When reporting its performance to tenants and other service users each landlord must: • provide them with an assessment of performance in delivering each of the Charter outcomes and standards which are relevant to the landlord • include relevant comparisons – these should include comparisons with previous years, with other landlords and with national performance • set out how and when the landlord intends to address areas for improvement • give tenants and other service users a way to feed back their views on the style and form of the reporting.	Tenant Report on performance sent out by 31 December each year giving the opportunity for tenants to feedback on performance. Report is also placed onto our website as well as at the Partnership's offices and sent out to all tenants. Benchmarking comparisons with other landlords and Scottish averages are included along with a comparison to our previous year's performance.
CH5	Each landlord must make the SHR report on its performance easily available to its tenants, including online.	Available on our website.

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
Tenant and Service User Redress (TS)		
Reference	Item	Evidence
TS1	Each landlord must make information on reporting significant performance failures, including SHR leaflet, available to its tenants.	Leaflet and form for reporting significant performance failures available on our website. Hard Copies available on request due to COVID-19 office closure.
TS2	Provide tenants and other service users with the information they need to exercise their right to complain and seek redress, and respond to tenants within the timescales outlined in its service standards, in accordance with guidance from the Scottish Public Services Ombudsman (SPSO).	Comments, Compliments and Complaints Policy available on our website and upon request during office closure due to COVID-19. Updated in August 2020. Performance on complaints reported in ARC and quarterly performance report. Each complaints response has details on how to escalate complaints to SPSO.
TS3	Each landlord must ensure it has effective arrangements to learn from complaints and from other tenant and service user feedback, in accordance with SPSO guidance.	Complaints Process in place as well as Comments, Compliments and Complaints Policy created and reviewed in line with SPSO guidance. Performance on complaints is reported in quarterly Performance Report Complaints Report to Board on a bi-annual basis. Staff Training Plan has scheduled Responding to Complaints Training for Management Team in 2021/22 and General Complaints Handling Training for all staff in 2022/23. Attendance at the SPSO Complaints Improvement Conference is also planned for 2021. Employee Appraisal Process in place whereby any tenant and service user feedback can be addressed and managed.

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
Whistleblowing (WB)		
Reference	Item	Evidence
WB1	Each landlord must have effective arrangements and a policy for whistleblowing by staff and governing body/committee members which it makes easily available and which it promotes.	Whistleblowing and Fraud Policy in place and reviewed in February 2020. These policies are on our intranet, internet and available through a shared server.

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
Equality and Human Rights (EH)		
Reference	Item	Evidence
EH1	Each landlord must have assurance and evidence that it considers equality and human rights issues properly when making all of its decisions, in the design and review of internal and external policies, and in its day-to-day service delivery.	Equal Opportunities Policy in place. Section in Asset Management Strategy on Adaptations. Recruitment Policy in place and reviewed on a regular basis to ensure equal opportunities are complied with. Reviewed policy presented to Board in November 2020. Equal Opportunities forms completed at every recruitment and membership application. Estate Management Policy includes Section on Anti-Social Behaviour. Equality and Diversity Impact Assessment Forms are completed for every policy when reviewed. Interpreting Service available, (Language line). Policies available in alternative formats/language, if required. Remote Meetings eliminates discrimination due to location. Speak Out Training held for all staff. Mental Health Resilience Training held for all staff in September 2020. Equalities and Diversity Training for all staff and Board Member scheduled on Training Plan for 2021. Recruitment Training scheduled for 2021.
EH2	To comply with these duties, landlords must collect data relating to each of the protected characteristics for their existing tenants, new tenants, people on waiting lists, governing body members and staff. Local authorities must also collect data on protected characteristics for people who apply to them as homeless. Landlords who provide gypsy/traveller sites must collect data on protected characteristics for these service users.	Pending further guidance being issued, compliance with this requirement will not be measured by the SHR until April 2021. In the meantime, it is recommended that landlords continue to collect the equalities data that was previously submitted in the Annual Return on the Charter (ARC) – i.e. Ethnic origins and disability details of service users, staff and governing body/committee members.

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
Statutory Guidance (SG)		
Reference	Item	Evidence
SG1	Comply with, and submit information to SHR in accordance with, our guidance on notifiable events (NE)	Notifiable Events Register kept up to date with reported events. Notifiable Events report is a standing item on the Board agenda and removed if there is nothing to report. Standing Orders Scheme of Delegation specifies responsibilities. Processes and procedures ensure all notifications have been made. SHR Guidance on Notifiable Events consulted regularly.
SG2	Comply with, and submit information to SHR in accordance with our guidance on group structures This only applies to RSLs which are members of a group structure	We have a dormant subsidiary, HHP Community Housing Ltd, with the annual accounts filed on the SHR portal. These are reviewed by an External Auditor annually.
SG3	Comply with, and submit information to SHR in accordance with, our guidance on consulting tenants where tenant consent is required. This applies only where a RSL is intending to either: dispose of tenanted properties by sale or transfer; or become a subsidiary of another organisation; or is intending to convert from being a company to become a registered society; or is likely to be restructured as a result of the actions of creditors; or intends to be dissolved or wound up voluntarily	N/A
SG4	Comply with, and submit information to SHR in accordance with, our guidance on financial viability of RSLs: information requirements.	Five Year Financial Plans submitted to SHR once reported to Board, audited accounts also submitted once signed by Chair, Vice Chair and Company Secretary and verified by external auditor. Updated Five Year Financial Plans were also prepared post lockdown. These plans were reviewed and approved in July before being uploaded to the SHR portal and provided to our funder. External Auditor's Management Letter is signed by chair and submitted to SHR. 30 Year Cash flow and Business Plan.
SG5	Comply with, and submit information to SHR in accordance with, our guidance on determination of accounting requirements	Financial Statements, produced in line with SHR requirements are reported to Board and signed by Chair, Vice Chair and Company Secretary and prior to submission to SHR. Monthly COVID-19 returns being submitted to SHR, including all required financial data. Management Letter is also submitted to SHR once reported to Board and signed off. We have processes in place to ensure we have updated guidance and that it is distributed to the relevant staff.
SG6	Comply with, and submit information to SHR in accordance with, our guidance on preparation of financial statements.	All required information uploaded onto SHR portal once Board approve. External Auditor reports. AGM Minute. We have processes in place to ensure we have updated guidance and that it is distributed to the relevant staff.

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
Organisation Details and Constitution (OC)		
Reference	Item	Evidence
OC1	Make publicly available, including online, up-to-date details of: - who is on its governing body - the date when they first became a member/office holder - how to become a member of the RSL and of the governing body, and - minutes of governing body meetings.	Governing Body details available on website and SHR portal and updated timeously. Approved minutes of governing body meetings published on website in public papers. How to become a member leaflet available on website. How to become a member of governing body available on website. Membership register available to view at Partnership's offices (this included dates of commencement). Newsletter following AGM included Board composition and appointments. AGM held virtually due to COVID-19. Meeting held on 27 August 2020 with test meeting beforehand. Instructions on how to use Microsoft Teams sent to all attendees. AGM made available to everyone through Microsoft Teams.
OC2	Keep up-to-date organisational details in the Register of Social Landlords, by maintaining the information provided through the Landlord Portal.	Updated by Governance Officer/Executive Office within 5 days of change
OC3	The constitution of the RSL must comply with all legislative requirements under the 2010 Act and the SHR Constitutional Standards	Rules - consultation with members prior to rule change Legal advice sought prior to any Rule change Governing body (SGM) Minutes of approval of amendments to Rules and Standing Orders Based on SFHA model rules

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
Governance and Financial Management (GF)		
Reference	Item	Evidence
GF1	Comply with the Standards of Governance and Financial Management and associated guidance	Annual Assurance Statement Checklist confirms compliance of this. Internal Audit on Regulatory Standards in 2017/18 with recommendations all actioned. Regulatory Standards Checklist for Board Papers completed. Virtual Attendance Tracker created to show when quorum for meeting is reached. Annual Financing Strategy reported to Board annually. Annual Board Skills Assessments carried out and fed into Board Training Plan. Governance Report goes to Board annually, last reported in August 2020, states rule compliance. Code of Governance signed by all Board Members Annual Assurance Statement Scrutiny Session arranged prior to Statement being reported to Board.

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
REGULATORY STANDARDS		
Number	Item	Evidence
RS1	The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.	
RS1.1	The governing body sets the RSL's strategic direction. It agrees and oversees the organisation's business plan to achieve its purpose and intended outcomes for its tenants and other service users.	Annual Business Planning Days held with Board and other stakeholders. Business Plan Monitoring Report goes to Board meetings quarterly. Risk Register is a standing item on Audit & Risk Agenda. Risk Appetite set by Board in Business Planning Process. Tenant Satisfaction Surveys. BRIXX financial planning model, 30 year Financial Plans and sensitivity analysis. Finance Working Group Minutes. Action taken in response to COVID-19 including: revision of the Business Plan, the Re-engagement plan and the move to remote meetings to maintain governance. Services at a Glance document updated regularly and shared to website and social media platforms in response to COVID-19. Virtual AGM delivered in response to COVID-19. Regular press releases and Chief Executive Vlogs in response to COVID-19
RS1.2	The RSL's governance policies and arrangements set out the respective roles, responsibilities and accountabilities of governing body members and senior officers, and the governing body exercises overall responsibility and control of the strategic leadership of the RSL.	Rules. Review of Standing Orders, Scheme of Delegation in Standing Orders and reviewed on an annual basis by the Board. Financial Regulations. Code of Conduct for Board Members and Staff signed. Internal Audits. Annual Board Skills Assessment. CEO Appraisal Feedback Form. Board Plan reviewed regularly and policy review schedule. Job Descriptions reviewed to ensure they remain in line with regulatory requirements. Staff Appraisals. Remote Board Meeting and AGM held. 1-2-1 IT support offered for remote meetings to all members when required .
RS1.3	The governing body ensures the RSL complies with its constitution and its legal obligations. Its constitution adheres to these Standards and the constitutional requirements set out below.	Rules updated in line with SFHA guidance. Job Description of Company Secretary role - currently carried out by Head of Executive Office. Annually report statutory and regulatory requirements. Training Records and plans for staff and Board Members. Board Report template ensures compliance with Regulatory Standards. Company Secretary provided Board with regular updates regarding remote governance arrangements in respect of COVID-19. Updates provided in response to COVID specific legislation.
RS1.4	All governing body members accept collective responsibility for their decisions.	Code of Conduct for Board Members sets out collective responsibility Board Minutes Remote meetings held for both Board and Working Groups in response to COVID-19. Board Skills Assessments to identify any areas of required training and/or development for the Board taken place remotely due to COVID-19. Board Training Plan

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
REGULATORY STANDARDS		
Number	Item	Evidence
RS1.5	All governing body members and senior officers understand their respective roles, and working relationships are constructive, professional and effective.	Appraisal for Senior Officer carried out by Board Members. Board Member role descriptions. Recruitment and selection. Board Members involved in the recruitment of senior officers . Board Training Plan. Regular Board and Working Group meetings taking place remotely due to COVID-19 Remit of Working Groups issued to members prior to meeting. Meetings opened earlier than start time to enable members to have informal/casual conversations to take place prior to meeting.
RS1.6	Each governing body member always acts in the best interests of the RSL and its tenants and service users, and does not place any personal or other interest ahead of their primary duty to the RSL.	Disclosure of Interest Policy and forms filled in by all Board Members. Code of Conduct for Board Members. Declaration of Interest Register/Minute. Standing Orders. Board Member nomination forms. Board Report on decisions involving staff and Board Members standing item on Board Agenda.
RS1.7	The RSL maintains its independence by conducting its affairs without control, undue reference to or influence by any other body (unless it is constituted as the subsidiary of another body).	Disclosure of Interest Policy and forms filled in by all Board Members. Rules. Code of Conduct. Recruitment Policy. Board Member Skills Assessment.

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
REGULATORY STANDARDS		
Number	Item	Evidence
RS2	The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.	
RS2.1	The RSL gives tenants, service users and other stakeholders information that meets their needs about the RSL, its services, its performance and its future plans.	HHP will communicate through web, social media and letters the following information: Tenant Report produced annually; Summary of Financial Statements; Business Plan on website; Communications Policy; Newsletter sent out to all tenants (3 per year); Tenant Participation Strategy; Openness & Confidentiality Policy; Publications Framework; and Tenant Information Leaflets. During, and in response to, the COVID-19 pandemic we increased web and social media updates for Tenants, insuring clear and up to date information was available on the web and through letters and video communications. Welfare Calls have taken place with tenants in response to COVID-19. Services at a Glance document has been updated and shared on our website and social media platforms regularly in response to COVID-19. Regular Staff updates and Homeworking Guidance has been circulated in response to COVID-19.
RS2.2	The governing body recognises it is accountable to its tenants, and has a wider public accountability to the taxpayer as a recipient of public funds, and actively manages its accountabilities.	HHP Board allows for 4 tenant Board Members. Code of Conduct. Disclosure of Interest Policy. Tenant Report. Procurement Strategy. Value for Money Strategy. Annual Accounts. Complaints in Quarterly Performance Report. Membership of Outer Hebrides Community Planning Partnership. Working Relationship with Comhairle nan Eilean Siar. Business Plan reviewed as a result of COVID-19.
RS2.3	The governing body is open and transparent about what it does, publishes information about its activities and, wherever possible, agrees to requests for information about the work of the governing body and the RSL.	Social Media presence. Openness & Confidentiality Policy. Public Minutes of Board Meetings available online . Training for FOI compliance completed by Board Members and staff. Data Protection Officer appointed ensuring compliance with GDPR and Subject Access Requests. Increased social media presence including the sharing of local guidance from NHS Western, Comhairle nan Eilean Siar, etc. Guide to Information available on website.

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
REGULATORY STANDARDS		
Number	Item	Evidence
RS2.4	The RSL seeks out the needs, priorities, views and aspirations of tenants, service users and stakeholders. The governing body takes account of this information in its strategies, plans and decisions.	TPAS Officer employed by HHP. Tenant Consultation held on any key tenant issues e.g. rent, repairs and allocations. Strategic Goal 1 in Business Plan. Tenant Participation Strategy. Tenant Scrutiny Panel. Tenant Satisfaction Surveys carried out regularly. Most recent survey took place in 2018m next one due in 2021. Welfare Calls made to Tenants in response to COVID-19. Staff Engagement Survey was carried out this year. Business Plan Consultation. Tenant Views sought through print and social media. Staff and Board Survey on effectiveness of response to COVID-19
RS2.5	The RSL is open, co-operative, and engages effectively with all its regulators and funders, notifying them of anything that may affect its ability to fulfil its obligations. It informs the Scottish Housing Regulator about any significant events such as a major issue, event or change as set out and required in notifiable events guidance.	Notifiable Events reported to Board and Regulator Internal Audit Reports Scheme of Delegation in Standing Orders Minute of Board Meeting Risk Register Business Plans to funder with annual review held Quarterly Treasury Report and Management Report reviews held with funder Attendance at SHR Systemic Importance meetings COVID Report to SHR monthly

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
REGULATORY STANDARDS		
Number	Item	Evidence
RS3	The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.	
RS3.1	The RSL has effective financial and treasury management controls and procedures, to achieve the right balance between costs and outcomes, and control costs effectively. The RSL ensures security of assets, the proper use of public and private funds, and access to sufficient liquidity at all times.	RSL has a robust forecasting process with 30 year financial plans being updated regularly and reviewed by Board and Finance Working Group. Treasury Management Policy, Annual Finance Strategy in place. Robust controls in place with appropriate segregation of duties with appropriate record retention to support all legal requirements. Value for Money benchmarking has been undertaken in 2018/19 with a view to developing a formal strategy in 2020/21. Asset cover ratio well within approved limits set by our funder. Business Plan updated in response to COVID-19.
RS3.2	The governing body fully understands the implications of the treasury management strategy it adopts, ensures this is in the best interests of the RSL and that it understands the associated risks.	Strategy is reviewed in line with policy review schedule with the Annual Financing Strategy being updated with support from independent adviser to ensure it continues to be relevant and up to date in terms of any changes in the market. Treasury Management Policy. Scheme of Delegation in Standing Orders. Treasury Management Training
RS3.3	The RSL has a robust business planning and control framework and effective systems to monitor and accurately report delivery of its plans. Risks to the delivery of financial plans are identified and managed effectively. The RSL considers sufficiently the financial implications of risks to the delivery of plans.	Minute of Business Planning Days Risk Register is a standing item on Audit & Risk Committee Benchmarking to set targets. Notifiable Events Register 30 year financial plans approved annually following review by Finance Working Group (FWG) who stress test plans. COVID-19 has resulted in a requirement to restate our financial plans and the FWG have stress tested the plans prior to them being presented to the Board in August 2020. Management Report, Quarterly Treasury Report and Debt Management Report are standing items on Board Agenda. Quarterly Progress Report to Board.
RS3.4	The governing body ensures financial forecasts are based on appropriate and reasonable assumptions and information, including information about what tenants can afford to pay and feedback from consultation with tenants on rent increases.	Board Report for Approval on 5 year financial projections BRIXX Financial Model reports. Various scenarios tested at Finance Working Group Finance Working Group Minute February & August 2020. Stock Condition Survey Rent Consultations Fuel poverty survey during stock condition surveys Tenant satisfaction survey including affordability questions Tracking of rent arrears and tenants ability to pay Use of SFHA affordability model
RS3.5	The RSL monitors, reports on and complies with any covenants it has agreed with funders. The governing body assesses the risks of these not being complied with and takes appropriate action to mitigate and manage them.	Management Report with covenant compliance check within this. External Auditors annual covenant compliance supplied to funders. Report to Board in August stating there was no breach to covenant.

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
REGULATORY STANDARDS		
Number	Item	Evidence
RS3.6	The governing body ensures that employee salaries, benefits and its pension offerings are at a level that is sufficient to ensure the appropriate quality of staff to run the organisation successfully, but which is affordable and not more than is necessary for this purpose.	Pay & Grading Review Benchmarking Data EVH Support Remuneration Working Group Joint Consultative Committee remit Guidance on Working from Home issued to all staff. Corporate Payroll Policy
RS3.7	The governing body ensures the RSL provides accurate and timely statutory and regulatory financial returns to the Scottish Housing Regulator. The governing body assures itself that it has evidence the data is accurate before signing it off.	Returns Register kept up-to-date Job Description & Scheme of Delegation in Standing Orders show responsible officers Board approve returns through Board Reports being submitted for approval

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
REGULATORY STANDARDS		
Number	Item	Evidence
RS4	The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.	
RS4.1	The governing body ensures it receives good quality information and advice from staff and, where necessary, expert independent advisers, that is timely and appropriate to its strategic role and decisions. The governing body is able to evidence any of its decisions.	Board Minute as stand-alone agenda item Board Papers Remit of Board and Committees and Work Groups in Standing Orders Training Records Scheme of Delegation in Standing Orders Internal & External Audit Reports Treasury Management Policy Annual Report on the appointment of consultants used and their Value for Money. Advice provided to Board at Directorate level with support from Managers and External Advisers/Consultants as required. Regular report to Board on COVID-19 implications and service delivery.
RS4.2	The governing body challenges and holds the senior officer to account for their performance in achieving the RSL's purpose and objectives.	Appraisal of Senior Officer and quarterly meeting with Chair Board Reports Business Plan KPI's Performance Reports Tenant Report with Benchmarking Scheme of Delegation in Standing Orders Internal Audit Succession Plan presented to Board following Workforce Plan Board Report
RS4.3	The governing body identifies risks that might prevent it from achieving the RSL's purpose and has effective strategies and systems for risk management and mitigation, internal control and audit.	Risk Register Risk Appetite in Business Plan Business Continuity Planning Board Report Template has specific reference to risk Audit & Risk Committee Business Continuity Planning Business Plan updated in response to COVID-19. Regular report to Board on COVID-19. Key Control Indicators measured in performance report.
RS4.4	Where the RSL is the parent within a group structure it fulfils its responsibilities as required in our group structures guidance to: a) control the activities of, and manage risks arising from, its subsidiaries; b) ensure appropriate use of funds within the group; c) manage and mitigate risk to the core business; and d) uphold strong standards of governance and protect the reputation of the group for investment and other purposes.	Minutes Membership Register Accounts reviewed for audit.
RS4.5	The RSL has an internal audit function. The governing body ensures the effective oversight of the internal audit programme by an audit committee or otherwise. It has arrangements in place to monitor and review the quality and effectiveness of internal audit activity, to ensure that it meets its assurance needs in relation to regulatory requirements and the Standards of Governance and Financial Management. Where the RSL does not have an audit committee, it has alternative arrangements in place to ensure that the functions normally provided by a committee are discharged.	Audit Contract outsourced and competitively tendered Internal Audit Progress Report standing item on Audit & Risk agenda Internal Audit Reports Remit of Audit & Risk in Standing Orders Audit & Risk Minutes Chair not a member of Audit & Risk Committee

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
REGULATORY STANDARDS		
Number	Item	Evidence
RS4.6	The governing body has formal and transparent arrangements for maintaining an appropriate relationship with the RSL's external auditor and its internal auditor.	Procurement Policy Tendering Records Audit Plans (Internal & External) Management Letter Remit of Board and Committees in Standing Orders Scheme of Delegation in Standing Orders External & Internal Auditors must not be the same company Internal Auditor invited to each sitting of the Audit & Risk Committee. Opportunity given for Auditor to meet with Audit & Risk Committee with no officers present.

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
REGULATORY STANDARDS		
Number	Item	Evidence
RS5	The RSL conducts its affairs with honesty and integrity.	
RS5.1	The RSL conducts its affairs with honesty and integrity and, through the actions of the governing body and staff, upholds the good reputation of the RSL and the sector.	Core Value is Integrity to which we hold each other accountable Code of Conduct Staff & Board Disclosure of Interest Policy Entitlements, Payments and Benefit Policy Openness & Confidentiality Policy Compliance with Freedom of Information Legislation
RS5.2	The RSL upholds and promotes the standards of behaviour and conduct it expects of governing body members and staff through an appropriate code of conduct. It manages governing body members' performance, ensures compliance and has a robust system to deal with any breach of the code.	Code of Conduct and process for dealing with breaches Governance Report Training Records for Board and Staff Board Skills Assessment and Training Plan developed from a Training Needs Analysis is implemented Scheme of Delegation in Standing Orders Rule change in line with SHR Model Rules.
RS5.3	The RSL pays due regard to the need to eliminate discrimination, advance equality and human rights, and foster good relations across the range of protected characteristics in all areas of its work, including its governance arrangements.	Equal Opportunities Policy Equal Opportunities forms for Board staff and applicants Equality & Diversity Impact Assessment forms for all policies when being reviewed Succession Plans Remote Board and Working Group Meetings eliminating discrimination due to location.
RS5.4	Governing body members and staff declare and manage openly and appropriately any conflicts of interest and ensure they do not benefit improperly from their position.	Entitlements, Payments & Benefits Policy Disclosure of Interest Policy and Disclosure of Interest Forms Training Records Conflicts of Interest Forms and segregation of duties in place for staff
RS5.5	The governing body is responsible for the management, support, remuneration and appraisal of the RSL's senior officer and obtains independent, professional advice on matters where it would be inappropriate for the senior officer to provide advice.	Appraisal for Senior Officer carried out by Board Members Annual Report following Senior Officer appraisal Advice available from external agency (EVH)
RS5.6	There are clear procedures for employees and governing body members to raise concerns or whistle blow if they believe there has been fraud, corruption or other wrongdoing within the RSL.	Fraud Policy Fraud Checklist Fraud Register Internal Audit Reports Whistleblowing Policy
RS5.7	Severance payments are only made in accordance with a clear policy which is approved by the governing body, is consistently applied and is in accordance with contractual obligations. Such payments are monitored by the governing body to ensure the payment represents value for money. The RSL has considered alternatives to severance, including redeployment.	Employment Contracts Entitlements, Payments & Benefits Policy Staff Handbook Retirement Policy No payment would be made without Board approval
RS5.8	Where a severance payment is accompanied by a settlement agreement the RSL does not use this to limit public accountability or whistleblowing. The RSL has taken professional legal advice before entering into a settlement agreement.	Board Reports EVH appointed for HR support Subscribed to employment law technical guidance from Croner

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
REGULATORY STANDARDS		
Number	Item	Evidence
RS6	The governing body and senior officers have the skills and knowledge they need to be effective.	
RS6.1	The RSL has a formal, rigorous and transparent process for the election, appointment and recruitment of governing body members. The RSL formally and actively plans to ensure orderly succession to governing body places to maintain an appropriate and effective composition of governing body members and to ensure sustainability of the governing body.	Board Appointed and Co-opted Board Members Adoption of updated Model Rules and rules regarding Membership planned for 2020 Membership Policy Nomination Pack for Board Member Candidates Remote AGM held in response to COVID-19
RS6.2	The governing body annually assesses the skills, knowledge, diversity and objectivity it needs to provide capable leadership, control and constructive challenge to achieve the RSL's purpose, deliver good tenant outcomes, and manage its affairs. It assesses the contribution of continuing governing body members, and what gaps there are that need to be filled.	Board Skills Assessment Report Board Appointed Member Board Skills Assessment Board Development Session Compliance with Rules regarding Board Member continued effectiveness and provision of effectiveness statements Attendance & Apologies at Board Meetings
RS6.3	The RSL ensures that all governing body members are subject to annual performance reviews to assess their contribution and effectiveness. The governing body takes account of these annual performance reviews and its skills needs in its succession planning and learning and development plans. The governing body ensures that any non-executive member seeking re-election after nine years' continuous service demonstrates continued effectiveness.	Board Skills Assessment Board Development Plan Succession Planning Report to Board Compliance with Rules regarding Board Member continued effectiveness and provision of effectiveness statements AGM Minute Board Member Effectiveness Statements after 9 years of service.
RS6.4	The RSL encourages as diverse a membership as is compatible with its constitution and actively engages its membership in the process for filling vacancies on the governing body.	Membership Policy AGM Notices Newsletters Head of Executive Office and Governance Officer attends events promoting membership and networking Consideration given to meeting timings and continuing to make remote meetings available to attract and retain a wider body of Members and Board Members.
RS6.5	The RSL ensures all new governing body members receive an effective induction programme to enable them to fully understand and exercise their governance responsibilities. Existing governing body members are given ongoing support and training to gain, or refresh, skills and expertise and sustain their continued effectiveness.	Induction Programme Training Plan Training Records Board Skills Assessment Approved Conferences Remote meetings enabling attendance to increase.
RS6.6	If the governing body decides to pay any of its non-executive members then it has a policy framework to demonstrate clearly how paying its members will enhance decision-making, strengthen accountability and ownership of decisions, improve overall the quality of good governance and financial management and deliver value for money.	Board Members are non-remunerated posts with the exception of out-of-pocket expenses which are paid in accordance with our Member Expenses Policy
RS6.7	The governing body is satisfied that the senior officer has the necessary skills and knowledge to do his/her job. The governing body sets the senior officer's objectives, oversees performance, ensures annual performance appraisal, and requires continuous professional development.	Chief Executive Job Description Chief Executive Appraisal Training Records

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
REGULATORY STANDARDS		
Number	Item	Evidence
RS7	The RSL ensures that any organisational changes or disposals it makes safeguard the interests of, and benefit, current and future tenants. Where an RSL is considering organisational or constitutional change, or acquisition or disposal of land or assets:	
RS7.1	The governing body discusses and scrutinises any proposal for organisational change and ensures that the proposal will benefit current and future tenants.	Business Plan annual update with new Business Plan subject to Tenant Consultation Business Planning Day Minute Working Group Minutes Board Report and external advisors appointed as required.
RS7.2	The RSL ensures that its governance structures are as simple as possible, clear and allow it to meet the Standards of Governance and Financial Management, Constitutional Requirements, and Group Structures guidance.	Business Plan with Strategic Goals and plans in achieving these. Policies are simple and available through our intranet and updated in line with our Policy Review Schedule Working Groups and Standing Committees have clearly defined roles and remits to allow for a simple governance structure Organisational Structure
RS7.3	The RSL ensures adequate consultation with, and support from, key stakeholders including tenants, members, funders (who may need to give specific approval) and local authorities as well as other regulators.	Board Minute Record of Tenant Consultation, Surveys, Questionnaires Training Feedback Forms Joint Consultative Committee Remit Loan Agreement and Financial Covenants Approval from OSCR and FCA on accounts
RS7.4	The governing body is satisfied that the new (or changed) organisation will be financially viable, efficient and will provide good outcomes for tenants.	30 year Financial Projections reviewed with Finance Working Group and stress tested appropriately Value for Money Benchmarking Business Plan Budgets Minutes of Board, A&R and Working Groups
RS7.5	The RSL establishes robust monitoring systems to ensure that delivery of the objective of the change and of commitments made to tenants are achieved (for example in relation to service standards, operating costs and investment levels).	Business Plan Delivery Plan Strategic Goals Newsletter and Tenant Communications Monthly Performance Report Board Plan reviewed annually
RS7.6	Charitable RSLs seek consent/notify OSCR of changes to their constitution and other changes as appropriate.	Records of OSCR and CNES engagement on rule change Application to OSCR OSCR consents Consultation with stakeholders and documented
RS7.7	The governing body ensures that disposals, acquisitions and investments fit with the RSL's objectives and business plan, and that its strategy is sustainable. It considers these taking account of appropriate professional advice and value for money - whether as part of a broader strategy or on a case by case basis.	Business Plan Board Reports and Minutes Asset Management Strategy being reviewed for stock provision Asset Cover Ratio much greater than required from funder All disposals, other than 'de Minimis', require Board approval
RS7.8	The RSL complies with regulatory guidance on tenant consultation, ballots and authorisation.	Consultations with Tenants Notices to Tenants Notifiable Events Register

ANNUAL ASSURANCE STATEMENT - CHECKLIST		
REGULATORY STANDARDS		
Number	Item	Evidence
RS7.9	The RSL notifies the Regulator of disposals in accordance with regulatory guidance.	Board Reports Minutes of Board Meetings Notifiable Events Register Notifications to SHR Approval to dispose of security from funder
RS7.10	The RSL only agrees fixed or floating charges where the assets are used to support core activities. This should exclude providing security in relation to staff pensions.	Board Report Business Plan Loan Agreements & Register Fixed Asset Register

BOARD SKILLS ASSESSMENT & BOARD TRAINING PLAN

Board 17 November 2020

Report by Head of Executive Office

Purpose of Report

- 1.1 This Report is to advise the outcome of the Board Skills Exercise that was carried out in September 2020, detail a Training Plan arising from Board Members' responses, and recommends a further Development Session for the Board prior to the end of 2020.

Summary

- 2.1 In accordance with the Scottish Housing Regulator's *Regulatory Standards of Governance and Financial Management*, the Board need to "assess annually the skills, knowledge, diversity and objectivity that it needs for its decision-making, what is contributed by continuing governing body members, and what gaps there are that need to be filled."
- 2.2 A skills assessment exercise with 9 out of 10 Board Members took place in September and October 2020. Results were collated and reviewed, and a Draft Training Plan, prepared in line with identified needs, is outlined at Appendix 1.
- 2.3 The outcome from the Skills Assessment, in addition to a further development session led by the Chair, will be used to populate the 2020/21 Development Plan for the Board.

Competence

- 3.1 The legal, financial, or other constraints arising from the recommendations to this report being implemented are detailed at paragraph 5.1 – 8.2.

Recommendations

- 4.1 It is recommended that the Board:
- a) approve the Draft Board Training Plan at Appendix 1;
 - b) agree a date for a further development session led by the Chair before the end of 2020 from the list at paragraph 13.1; and
 - c) delegate responsibility for finalising the 2020/21 Board Development Plan to the Chair and Chief Executive.

APPENDIX 1: Draft Board Training Plan and Timetable 2020/21

Background Papers: Regulatory Standards of Governance and Financial Management

Writer of Report: Tina Cook

Tel: 0300 123 0773

Competence

Financial

- 5.1 There will be a financial cost to the implementation of the Board Training Plan which will be borne from existing budgets. The allocation for Board Training for 2020/21 is £6,000.

Legal

- 6.1 There is a regulatory requirement to carry out a skills assessment and provide ongoing training to Board Members in order to sustain their continued effectiveness.
- 6.2 Any training undertaken by Board Members will be in accordance with our Training Policy.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

- 8.1 Governance of the Partnership is critical to its long-term viability. Carrying out skills assessments helps to ensure that the Board has the skills, knowledge and diversity it needs to provide capable leadership, control and constructive challenge to achieve the RSL's purpose, and helps to mitigate the risk of not delivering good tenant outcomes or manage the Partnership's affairs.
- 8.2 Recruitment of Governing Body Members is detailed at number 7 on the Risk Register.

Report Details

2019/20 Training Plan

- 9.1 Eleven training sessions were identified in the 2019/20 Training Plan, five of which were completed. Due to the COVID-19 lockdown, the outstanding six items of training were postponed.
- 9.2 Where a training need has not been met in 2019/20, it has been picked up as part of the 2020/21 skills assessment.

2020/21 Skills Assessment

- 10.1 A skills assessment took place with Board Members in September and October 2020.
- 10.2 Board Members were asked to respond to two surveys:
- The first with 18 areas of housing knowledge and experience and 16 areas of housing skill and experience, in which they were asked to assess their skill and experience as good, some or require training, and then determine the importance of any required training on a scale of 1-3; and
 - The second had 21 questions on skills and experience relating to the Partnership and the environment in which it operates: 19 on a scale of 1-5, where 5 is the highest skill and 1 is the lowest, and 2 direct responses. They were encouraged to evidence any answer they gave, and also to qualify it if they wished. The questions related to Expertise, Partnership, Customer Focus and Integrity.
- 10.3 The first question set is designed to identify any areas of training need. Any areas in which three or more Board Members indicated they would benefit from training, or five or more indicated they have only some knowledge or experience, has been factored into the draft Training Plan at Appendix 1.
- 10.4 Board Members generally scored themselves as “good” or “very good” against the second question set, which is what might be expected considering the level of experience of working in professional environments and/or community organisations.
- 10.5 Individual training plans will also address other desired areas of training, where required.
- 10.6 The Training Plan will also take into account and refresher training which we are required to carry out to ensure ongoing good governance.
- 10.7 In accordance with the way Board Members responded, seven operational areas have been identified for refresher training:
- Housing Allocations;
 - Housing Options;
 - Homelessness;
 - Planned Maintenance;
 - Anti-social Behavior;
 - Rent Arrears; and
 - Welfare Reform.
- 10.8 In addition to the above, training requests have also been identified in the following five areas:
- Finance;
 - Tenant Scrutiny;
 - Housing Legislation;
 - The Scottish Social Housing Charter; and
 - Regulatory Framework.

Board Training Plan 2020/21

- 11.1 A draft Training Plan and timetable has been prepared, which draws in the above elements. There will be a mix of in-house and external training made available and all training will be tailored to the strategic requirements of the Board.
- 11.2 Board Members were advised that if they became aware of particular training requirements throughout the year, these should be raised with the Company Secretary and will be considered accordingly.
- 11.3 Should the Board approve this plan; the Executive Office will source training and arrange suitable dates.
- 11.4 Due to the ongoing situation surrounding COVID-19 restrictions and home working, it is expected that much, if not all, of the training for 2020/21 will be delivered remotely. The Executive Office will work to ensure that all Board Members are comfortable with the use of any technology which is required to facilitate this.
- 11.5 The format for Board Skills Assessments was due to be independently reviewed for the 2020/21 Board Training Plan. Due to the COVID-19 lockdown, this did not take place. It is intended to have this external review for the 2021/22 assessments.

Personal Training Plans

- 12.1 The Executive Office will contact each of the Board Members to discuss a training plan personalised to their needs, where collective training has not been arranged but they have identified a requirement. Personalised training may take a variety of formats, which may include online training, or face-to-face training with staff.

Board Development Session

- 13.1 The Board is asked to agree a date prior to the end of 2020 for a Board Development session led by the Chair who will be assisted by the Chief Executive. A list of dates is detailed below, and the Board will be asked at the meeting to indicate which date is most suitable:
 - Tuesday 1 December, 2-4pm;
 - Wednesday 2 December, 11am-1pm; or
 - Thursday 3 December, 10-12noon.
- 13.2 Following this Development Session, any further items arising can be worked into the Training Plan at Appendix 1 and the Development Plan for 2020/21 will be finalised and distributed.

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GAS AUDIT

Board 17 November 2020

Report by Director of Operations

Purpose of Report

- 1.1 To inform Board on the outcome of the Gas Audit carried out during August 2020.

Summary

- 2.1 The Board agreed in November 2019 to continue to carry out annual Gas Audits to provide assurance on the quality of work being carried out on our properties
- 2.2 The 2020 audit has concluded that contractor performance has significantly improved again. There were also no gas safety issues highlighted in this year's audit.
- 2.3 Software to improve highlighted documentation issues will be evaluated.
- 2.4 It is proposed that future Gas Audits revert to a 2-year cycle with the next audit being carried out in 2022. This can be reviewed if concerns are identified or if circumstances change.

Competence

- 3.1 The legal, financial or other constraints to the recommendations in this report are contained in paragraph 5.1 – 8.1.

Recommendations

- 4.1 **It is recommended that the Board:**
- a) **determine if the Gas Audits should be carried out on a 2-year cycle; and**
 - b) **note the report.**

APPENDIX 1: Gas Audit Executive Summary and Gas Service Summary

Background Papers: None

Writer of Report: Peter O'Donnell

Tel: 0300 123 0773

Competence

Financial

- 5.1 The cost of the Gas Audit was £4,794. Moving to a 2 year cycle would produce a saving of this amount every second year.

Legal

- 6.1 We have a duty under the Gas Safety (Installation and Use) Regulations 1998. In particular, there are requirements under Regulation 35 – Duties of Employers and Self-employed Persons & Regulation 36 - Duties of a Landlord.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would be in breach of the Standards.

Risk

- 8.1 The satisfactory management of gas installations is a significant area of risk for us and it is therefore critical that robust systems and processes are in place.

Report Details

Gas Audit 2019

- 9.1 The 2019 Gas Audit highlighted significant progress in addressing the concerns raised in previous audits although improvements were still needed. The Board agreed to continue annual gas audits to provide assurance on the quality of work being carried out on our properties.

Gas Audit 2020

- 10.1 The Gas Audit only involved FES FM Ltd (FES) as they are currently providing our gas servicing and our gas investment works. 21 site inspections were undertaken as part of the gas service audit. This included 6 inspections on installations carried out in 2019 by FES as part of our investment programme.
- 10.2 A copy of the Executive Summary is attached at Appendix 1. A full copy of the report is available to Board Members if required.
- 10.3 The audit has noted a significant improvement again and there were no installations found to be 'immediately dangerous' or 'at risk' by the auditor.

Quality of Work/ Documentation/ Customer Care

- 11.1 The audit assessed the quality of the gas work carried out by FES on our gas services. A summary of the findings is attached in Appendix 2.
- 11.2 The audit found that the quality of work assessed scored a performance level of 100%, which is an increase of 29% compared to 2019. This is well above the National Benchmark average of 92%.
- 11.3 Audits were carried out on FES documentation on the same works. This performance scored 71% and has decreased by 17% compared to 2019. This is just below the National Benchmark average of 77%.
- 11.4 Customer care was also audited in the 21 properties and FES again scored 100% across all six levels. This is the same level of performance as the previous audit.

Conclusions

- 12.1 Gas audits act as a method of scrutiny and Corgi Technical Services are rigorous in their approach. Following this audit they were satisfied that FES has shown significant progress in quality of work but documentation performance has slipped and has been classed as less than satisfactory.
- 12.2 The transition from old gas boilers to new modern 'combi' boilers has been a factor in the quality of work improvement and this is expected to be maintained as all old boilers are replace in 2021.
- 12.3 The less than satisfactory performance with documentation can be improved by use of independent verification tools such Corgi CDMS (Document Management System). A software demonstration is being reviewed along with proposals for implementation. The software would allow verification of LGS1 certificates on the day they are completed. As LGS1 certificates are validated the software provides a dashboard to show compliance which can be used for management reports. The software also allows for electrical certificate validation.
- 12.4 As FES has shown significant progress in addressing concerns raised in previous audits it is proposed that consideration be given to reverting to a 2-year audit cycle.

FES Response

- 13.1 FES is aware that the biggest concern is the 72% in documentation score. They looked at how this was determined and ascertained that the LGS1 certificates were

complete as per HSE/Gas Safe guidance i.e. contractors name, address, postcode etc. but supplementary information such as removing boarding for flues had not been included on the LGS1 form which are then classed as incorrect in terms of documentation.

13.2 These types of tasks have been completed but not recorded on the LGS1. Examples of documentation issues in this audit where as follows:

- 16 Ross Terrace: Meter not marked. Flue boxing removed during service not recorded on LGSR;
- 2 Queensland Road: ECV not labelled before the meter pipework and not recorded on LGSR;
- 25 Seaforth Rd: Old gas pipe requires terminated;
- Perceval Rd: Meter box has come away from external wall ; and
- 26 Seaforth: Boxing requires ventilation and should be recorded on LGSR

13.3 The audit results are shared with FES, who are working with their gas compliance manager to implement measures to address the issues highlighted.

13.4 The removal of boxing for flues is being carried out but not recorded. If this was recorded then the compliance score would have been 85%.

Corgi Technical Services Executive Summary

Below is a summary of our gas verification auditing for the report period, which includes the CORGI National Benchmark of other organisations to help assess your performance against the industry standard. There are two benchmarking KPI's:

1. The correct completion of work ensuring compliance with manufacturer's instructions and Gas Safety (installation and use) Regulations (GSR) 26(9). This is relevant to installations; maintenance (servicing); safety checks and repairs
2. The correct completion of the Landlords Gas Safety Records (LGSR) ensuring compliance with GSR 36(3c). Documentation should always positively record that appliances and installations have been maintained (serviced) GSR 36(2); Safety Checked GSR 36(3) and that GSR 26(9) checks have been undertaken when necessary

Inspected Properties

During this period 21 site inspections were undertaken. The assessment of the quality of work by the operatives scored a performance level of **100%** compared with the National Benchmark average of 92%.

Immediately Dangerous and At Risk (ID & AR)

During this period no installations were found to be 'immediately dangerous' or 'at risk' by the auditor. See summary for details.

All other ID's and AR's have been dealt with by the contractor in the correct manner and the industry unsafe situations procedure followed.

Documentation / Landlords Gas Safety Records (LGSR's)

Records and documentation scored **71%**, compared with the National Benchmark average of 77%. During this audit, 6 Landlords Gas Safety Records (LGSR) were considered to be less than satisfactory by the auditor; See summary for details.

Customer Care

As an additional service CORGI Technical Services undertaking customer Care surveys. The full results are detailed in section 4 of the report. (The audit found 100% satisfaction from tenants concerned)

The following Performance Benchmark Chart maps performance returns and highlights both gas work and documentation performances for HHP contractors for both the current and previous audit results.

Overall Performance	Work correct	Records correct	Audits completed
Contract Period			
2011	57.9%	0%	19
2014	77.8%	41.2%	18
2016	53%	47%	17
2017	78%	56%	18
2018	44%	31%	17
2019	71%	88%	17
2020	100%	71%	21
National Benchmark	92%	77%	

APPENDIX 1

The following Performance Benchmark Chart maps performance returns and highlights both gas work and documentation performances for FES FM Ltd for both the current and previous audit results.

FES FM Ltd Performance	Work correct	Records correct	Audits completed
2016	60%	53%	15
2017	86%	50%	14
2018	63%	50%	9
2019	71%	88%	17
2020	100%	71%	21

ENERGY EFFICIENCY AND PREFERRED SUPPLIER

Board 17 November 2020

Report by Director of Operations

Purpose of Report

- 1.1 To inform the Board on the energy efficiency requirements of the Energy Efficiency Standard for Social Housing post-2020 (ESSH2).
- 1.2 To appoint a preferred electrical supplier for all voids and new build developments.

Summary

- 2.1 Compliance with ESSH2 is required by 2032 and will be supported by a formal review in 2025, which will include Air Quality and Environmental Impact. No social housing should be re-let below EPC B and D from December 2025, subject to temporary specified exemptions.
- 2.2 Preparation for compliance will be examined and evaluated by the Asset Management Working Group, with regular reports brought back to Board. The Working Group can be expanded to include additional Board members if required.
- 2.3 Appointing Utilita as a preferred electrical supplier will bring benefits to tenants in terms of energy monitoring and ease of use for those preferring prepayment.

Competence

- 3.1 The financial, legal and other constraints to the recommendations in this report are contained in paragraph 5.1– 8.2.

Recommendations

- 4.1 **It is recommended that the Board:**
 - a) **note the requirements to achieve compliance with the Energy Efficiency Standard for Social Housing post 2020;**
 - b) **note that the Asset Management Working Group will examine and evaluate ESSH2 compliance; and**
 - c) **approve the appointment of Utilita as preferred electrical supplier for void and new build properties.**

APPENDIX1: ESSH2 Compliance

Background Papers: None

Writer of Report: Peter O'Donnell

Tel: 0300 123 0773

Competence

Financial

- 5.1 The costs to meet EESSH2 will be assessed as part of the 2021/22 Stock Condition Survey.
- 5.2 There are no financial implications for appointment of a preferred electrical supplier.

Legal

- 6.1 We have a duty to comply with the Energy Efficiency Standard for Social Housing post-2020 (EESSH2).
- 6.2 There are no legal requirements in the appointment of a preferred supplier.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report that would result in a breach of the standards.

Risk

- 8.1 The Scottish Social Housing Charter states that social landlords manage their businesses so that tenants' homes meet the Energy Efficiency Standard for Social Housing (EESSH) by 31 December 2020. From 2021, the standard will be EESSH2.
- 8.2 The associated risks are captured and managed within the risk register.

Risk	Managed by	Action required	Net Risk
Affordability for Tenants a) Local Economy b) Rent c) Fuel Poverty	Survey on affordability. Benchmark rent levels. Removing storage heating systems from properties. Participating in the HEEHAW Group. Monitor arrears levels and trends.	Track arrears levels. Survey tenants views on affordability at SCS in 2022 and Tenant survey 2021. Continue to improve heating and insulation. Collecting data to ascertain tenants circumstances they are facing, which will in turn inform action and responses that HHP need to take.	6
Cost of Legislative Changes and impact of service delivery	Asset Management Strategy. Stock Condition Database	Accommodated within the 5 year Investment Programme.	5

- 8.2 There is a risk that a preferred electrical supplier may go out of business. This is covered within our risk register under 'Failure of a major contractor'. As there is no cost to us, it is a low reputational risk but it is also important that our tenants are protected. OFGEM provide this protection by appointing another supplier to take over, should Utilita go out of business.

Report Details

EESSH2

- 9.1 EESSH2 is part of the Scottish Government's Strategy to ensure all homes are warmer, greener and more efficient, and is part of their commitment to ensuring that everyone in Scotland, no matter their financial situation, has access to good quality housing that they can afford to heat.
- 9.2 After a consultation process, the Scottish Government produced a revised guidance document in March 2020, where the EESSH review group agreed a new milestone, known as EESSH2:
- "All social housing meets, or can be treated as meeting, EPC Band B (Energy Efficiency rating), or is as energy efficient as practically possible, by the end of December 2032 and within the limits of cost, technology and necessary consent."*
- 9.3 Band B scores a rating between 81 and 91 on an EPC. The higher the rating the lower fuel bills are likely to be.
- 9.4 The 2032 milestone will be supported by a formal review in 2025. Air Quality will be included as part of the review and it has been agreed that no social housing should be re-let if it falls below EPC Band D from December 2025, subject to temporary specified exemptions. At present, these exemptions would include refusals and infrared heating installations.
- 9.5 Excluding exemptions, there is only one of our properties that would fail to meet the minimum standard. This property requires internal insulation to move out of this banding but funding is not currently available. The property is also a potential for disposal due to location.

EESSH2 Compliance

- 10.1 91 properties are within Band rating B. All were built post 2005.

	Tenement	House	Maisonette
Gas	37	18	2
Electric	0	34	0

- 10.2 From 2005 to March 31 2020, 480 houses have been built. 81% of these do not meet the EESSH2 standard. These houses and all houses built before 2005 will require additional investment to comply with EESSH2. These figures are contained in our annual EESSH return.
- 10.3 Building fabric improvements towards 2032 are likely to be incremental and offer small to negligible improvements in EPC performance whereas solar installations and wind turbines have the biggest gains as shown in table:

Improvement	Wall insulation	Floor insulation	Solar Hot Water	Solar Panels	Wind Turbines
Average EPC increase	+5	+5	+6	+14	+20

- 10.4 The average EPC score for our properties is 68, which is within Band rating D, therefore only the installation of a 2.5kwp (kilowatts peak) Solar PV array or wind turbine will enable compliance with EESSH2.
- 10.5 Where new build properties score 78+, the only current option to bring them into Band B is still Solar PV. This is due to these properties having the highest available levels of wall and floor insulation.
- 10.6 Once all properties have achieved EESSH through new heating and insulation works, a study is required to determine whether they are as energy efficient as practically possible within the limits of cost, technology and necessary consent. This would be the theoretical solution to compliance with EESSH2.
- 10.7 Further information on meeting EESSH2 through installation of solar PV and wind turbines along with air quality targets is discussed in Appendix 1.
- 10.8 The implications of meeting EESSH2 should be raised within an appropriate working group. The current Asset Management Working group would be the most suitable.

Preferred Electrical Supplier

- 14.1 Utilita approached us to facilitate a preferred electrical supplier status for all voids and new build properties. Our previous preferred supplier was Our Power, who were taken over by Utilita. To explore the market, we also approached EDF Energy, Bulb, Eon, Scottish Power and SSE in September 2020 but none responded positively to our request.
- 14.2 Utilita has agreed to install smart meters in our properties as part of the preferred supplier arrangement. The smart meters are SMETS1 (Smart Metering Equipment Technical Specifications), which do not allow for swapping between utilities. SMETS2 does allow for swapping but no utility is currently offering this service to the Outer Hebrides due to connectivity issues.
- 14.3 Utilita are in discussions with local contractors to install the meters to ensure a fast turnaround.
- 14.4 Smart meters send actual energy usage to Utilita, which means tenants do not have to send meter readings or rely on estimated bills. They allow tenants to top-up online or on the 'My Utilita' app. This will be very useful for those who prefer prepayment as there is no need to go to the shops to top up. Payments can be made from the comfort of their home. Tenants can also monitor their energy usage throughout the year. There are no exit fees attached to the Utilita smart energy tariff.
- 14.5 Smart meters would not be available for those with storage heating.
- 14.6 The void process is the same as the previous Our Power process, so our staff are already trained but refresher training will be delivered online. Smart meters will be installed with £15 emergency credit, which can be used during the void period. The meter is then re-set back to 50p when a new tenant moves in.
- 14.7 There is no contract so termination of the preferred supplier agreement would be a straightforward process.
- 14.8 Utilita has a Community Fund for social landlords, where they pay £15 for every void that you submit and switch to Utilita. We can draw down on the fund every three months or let it roll over and build up for bigger projects.
- 14.9 Utilita have an Extra Care team, which is a priority service for vulnerable tenants.

EESH2 Compliance

Solar PV

On 18 December 2018, the government closed the Feed-in tariff (FIT) scheme to new applicants from 1 April 2019.

On 1 January 2020, the Smart Export Guarantee (SEG) came into force. The SEG is an obligation set by the government for licensed electricity suppliers to offer a tariff and make payment to small-scale low carbon generators for electricity exported to the national grid. From the information available, it would be the owner of the system that receives the tariff. This would be HHP and not the tenant.

A 2.5 kwp Solar PV array of 10 solar panels on a south-facing roof would generate an average 2000kWh annually. Not all of this would be used in the home but all electricity generated is eligible for a SEG tariff. The best tariff at present is 5p, which would bring in £100 annually.

Non-south facing systems would generate up to 20% less energy. An assessment of our properties would be required to determine location and availability of roof space as not all properties are in the best location or can accommodate 10 solar panels. Tenements would need additional panels and possible owner/occupier consent.

The energy generated by a 2.5kwp system can be used in the house but this would be dependent on the system installed, the household energy requirements and the tenants' lifestyle. Assuming the household uses 50% of the energy produced the annual savings to the tenant could be £170 (1000kWh x 17p tariff)

The cost of a 2.5p solar PV system, in the Outer Hebrides, is estimated at £5k.

Solar panels have a current lifespan of 25 years. If installed correctly they should be relatively maintenance free as they have minimal moving parts. Insurance may or may not be affected dependent upon insurer.

Panels are exposed to dirt, debris and pollution and for maximum efficiency, most manufacturers recommend that they are cleaned every six months. Rainfall should keep panels clean in our climate however and they can be inspected as part of cyclical gutter cleaning.

A solar power inverter (which converts the DC output of a photovoltaic panel into the AC as required by local and commercial power grids) is required as part of the installation. They have a life expectancy of ten years and an estimated replacement cost of £1000.

Solar PV is the only current solution to achieving Band B by December 2032. Costs can be summarised as follows:

- Installation cost: £5k
- Annual programme: £1m
- Inverter replacement cost: £1k
- Maintenance budget: £75 per year per system
- Annual SEG return: £100
- Potential annual benefit to tenant: £170

Giving every tenant £200 per year would cost less than installing and maintaining solar panels over their 25-year lifetime.

Wind Turbine

There are three houses in Tom na Ba connected to turbines and these all sit within Band B.

If the Outer Hebrides can generate enough electricity from turbines to meet local demand, even though it cannot directly feed houses, then an argument may need to be made to apply an EPC increase to our properties. EPC ratings in the North of Scotland are adversely affected by other factors within EPC software calculations so this type of argument has some validity.

Allowances for wind generation within EPC software should be explored through our membership of the Highlands & Islands Housing Associations Affordable Warmth (HIHAAW) group.

Air Quality

Poor ventilation can lead to poor indoor air quality. Common manifestations of this include an accumulation of moisture, house dust mites and volatile organic compounds in the air inside homes.

Excess moisture generated by normal domestic activity such as washing, cooking and passive drying can also be retained in the building envelope, and the impact of moisture exhaled during sleep can be significant.

Our aim of increased energy efficiency and affordable warmth inevitably leads to an increase in the air tightness of the property through insulation and low U-value materials. High performance windows and doors ensure a weather tight seal, which increases air tightness. This has already led to issues with condensation and poor ventilation, even in newer properties.

All new build properties now have an air quality monitoring system installed so tenants are becoming more and more aware of the need for a better quality in their homes.

PIV is an effective method of alleviating and preventing condensation. It introduces fresh, filtered air into the property at a continuous rate, encouraging movement of air from inside to outside through trickle vents in windows.

PIV is low maintenance and does not require an annual service. The filters are the only serviceable part and can be vacuumed as part of any heating service then changed every 5 years. Installation cost is £1000.

DEVELOPMENT MONITORING REPORT

Board 17 November 2020

Report by Director of Operations

Purpose of Report

- 1.1 To advise the Board of progress with the Five Year Development Plan 2020-2025 and the Scottish Government funding period 2018-2021.

Summary

- 2.1 Appendix 1 provides an update on spend for the year to 30 September 2020.
- 2.2 Appendix 2 shows that for Year 1 of the Development Plan there are currently 10 developments on site. A further six sites are at various stages of acquisition, planning and contractor negotiations. The impact of COVID-19 on the overall Five-Year Development Programme has been updated based on the information available and is summarised in Table 1 and Appendix 2. However, contractors are continuing to update programmes and cashflows. The position is therefore subject to change. 53 units will now complete in 2021/22 due to the sites being closed during lockdown. Proposed completion dates for Tarbert and Goathill HWEC and phase 1 housing have moved to the next financial year to that planned.

Competence

- 3.1 The financial, legal and other constraints are detailed at paragraph 5.1 - 8.3.

Recommendations

- 4.1 **It is recommended that the Board:**
- a) **note the development spend update as at 30 September 2020 at Appendix 1;**
 - b) **note the development progress report at Appendix 2;**
 - c) **note the overview of developments at Appendix 3;**
 - d) **approve a name for the new development at South Dell from the options listed in table 3 or a suitable alternative; and**
 - e) **approve a name for the new development at Low Flyer, Balivanich from the options listed in table 4 or a suitable alternative.**

APPENDIX 1:	Overall Summary of Development
APPENDIX 2:	Summarised Development Progress Report
APPENDIX 3:	Development Project Timeline
Background Papers:	None
Writer of Report:	Katrina Rowlands

Tel: 0300 123 0773

Competence

Financial

- 5.1 The agreed budget for Scottish Government Grant in 2020/21 is £9.71M. It is anticipated that we will draw down £12.62M this fiscal year with £10.67M committed through developments already on site with an additional £1.49M of funding drawdown expected for sites starting this financial year. The remaining £0.46M relates to the acquisition of sites for land-banking.
- 5.2 The programme for 2020/21 has been severely affected by the lockdown. We continue to work closely with contractors and Scottish Government colleagues to assess the impact and to plan ahead.
- 5.3 There is likely to be an upward pressure on development costs post lockdown and these will have to be funded through additional Scottish Government grant, CNES Actish funding, delay of projects or investment works, or additional private finance.
- 5.4 If we were to meet the increased costs of construction through private finance, this would require an increase in rents. The new borrowing needed for additional private finance would increase the interest we pay on our borrowing facility. Given the pressure on rent affordability, this is unlikely to be sustainable and as such, additional private finance would need to be funded from uncommitted developments in the first instance.
- 5.5 The Board have approved to increase our borrowing facility by £10M and negotiations with our funder are progressing with funding options estimated to be available in the form of a discussion paper in November 2020. A verbal update will be provided on progress to the Board.

Legal

- 6.1 The Asset Management Working Group has delegated authority until 31 March 2021, to approve private finance up to 40% of the cost, subject to approval from the Director of Finance & Corporate Services and funding being available through savings.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

- 8.1 Development is inherently risky. Feasibility work to ascertain the suitability and capacity of potential sites for development helps to reduce risk. These are jointly funded in partnership with the Comhairle and are primarily undertaken by Tighean Innse Gall (TIG). Additional resource has been put in place through desktop feasibilities being carried out by the Comhairle's Asset Management Team.
- 8.2 Risk related to particular development is assessed as part of the feasibility study, including the demand within the area. At present our Housing List does not demonstrate a demand in rural areas. Developing in rural areas introduces the risk of low demand for future relets.
- 8.3 There is now a very high risk due to the impact of COVID-19 that the full grant for the 3 year period 2018-21 is not taken up. Contractor and tender prices also present a significant risk to programme delivery. There is a risk that there may be a requirement to reduce either the overall development programme or other services.

Report Details

Five Year Development Plan 2020-2025

Site Acquisitions, Tenders and Masterplans

- 9.1 At the moment, we are working on site acquisitions, feasibilities and tendering for the first few years of the current approved Five Year Development Plan. Our focus is on year 1 but we continue to work on future years. Work is ongoing with the Comhairle to identify suitable sites. The lead in communicating with landowners is with CNES. There is obviously some uncertainty regarding funding for future years of our development programme.
- 9.2 We are also progressing with a Housing Needs and Demand study to inform future development plans and are consulting with other partners and agencies regarding the scope of this.
- 9.3 Year one of the Five Year Development Plan is detailed in Tables 1.1-1.2 of Appendix 2. The tables show the developments on site, due on site, an update on progress and Scottish Government Grant.
- 9.4 A number of the developments expected on site this year are significantly delayed due to a number of factors particularly COVID-19. It may be possible to draw down a large proportion of the grant funding but it is unlikely that the units will be complete by March 2021.
- 9.5 Goathill continues to make up a significant proportion of the development plan in the second year with 79 of the 169 units.
- 9.6 The units due to complete in the second year of the development plan are detailed in Table 4.1 of Appendix 2.
- 9.7 The Invitation to Tender for Cleit Road, Barra was issued in October 2020. Returns due Friday 13 November 2020.
- 9.8 Planning permission for the site at Blackwater was approved. The land resumption and site acquisition are ongoing but progress is slow. The Stornoway Trust and their solicitors are being pressed to expedite this.

Developer Led Proposals and site starts

- 10.1 The resumption of the site at South Dell is complete. The sale of the land to HHP is ongoing. Alex Murray Construction have now started on site 'at risk'. The formal contract will be exchanged on completion of the land transfer to HHP.
- 10.2 Planning and Building Warrant are now in place at Garrabost Care Unit. Alex Murray construction started on site on September 2020. The properties are due for handover in January 2021.
- 10.3 Alex Murray started on site at the Former Police Station, Tarbert on 12 October 2020. The work is due for completion by summer 2021.

Scottish Government Grant Award 2018-2021

- 11.1 Table 1, overleaf, shows our expected position for 2020/21 of Scottish Government Grant spend. The 2020/21 figures are a combination of cashflows we have received up to this point with most having provided cashflows at this point. We are forecasting a drawdown of £25.58M in the year period.

Table 1. Scottish Government Grant 2018-2021

	2018/19 (£M)	2019/20 (£M)	2020/21 (£M)	TOTAL (£M)
RPA	£8.05	£9.15	£9.71	£26.91
Developments on Site			£10.67	£10.67
Expected on Site			£1.49	£1.49
Landbank	£0.61		£0.46	£1.07
Actual Grant	£4.70	£8.34	£2.66	£10.52
Total Estimated Grant	£4.70	£8.34	£12.62	£25.58
Grant to be utilized				£1.32

Table 2. Units 2018-2021

	Current / (2018-date)	Planned 2018-21 (5 year development plan)
Units approved	222	222
Units on Site	154	293
Units Complete (2018-21)	105	172

New Supply Shared Equity

- 13.1 Shared Equity sales have now resumed following lockdown. Two properties at Pairc Niseaboist have now sold with the other two currently with buyers agreed waiting for mortgage confirmations.
- 13.2 The Comhairle and West Harris trust have circulated a news article of Pairc Niseaboist (from our website) on their Facebook pages which has since generated more interest in these shared equity properties.
- 13.3 Two further shared equity properties at Mackenzie Avenue have settled and the remaining three are all at various stages of the application process due to settle in November and December 2020.
- 13.4 Breasclete completed in October 2020 with two buyers identified and one potential new applicant interested.

New Development Name Consultations

- 14.1 Two consultations were carried out in October for developments due on site.
- 14.2 South Dell is a rural development therefore HHP policy requires the approved name to be in Gaelic. The suggestions are outlined in table 3. below.

Table 3 – South Dell Name Consultation responses.

Option	Explanation of Name
Slighe Asmigaraidh	This relating to the stretch of moorland between South Dell & Galson
Sealladh Beinn Dail	The Ben on the Dell moor can clearly be seen from the site and is a well-known landmark in the area
Ionad nam Moireach	There are twelve names marked on the village War Memorial with the name Murray.

- 14.3 The Low Flyer, Balivanich had a number of responses. These have been reviewed and a shortlist for consideration is in table 4 below.

Table 4 – Low Flyer, Balivanich Name Consultation responses

Option	Explanation of Name
Reuval Way	The only significant hill on Benbecula. This complied with the approved policy – not named after a person and does relate to the history or environment surrounding the site.
Piper's View	This was suggested, as it was the view a local piper had the last time he piped just before he died. It does not relate to the history or environment of the specific site, although there is a rich piping history in Uist.
Johnstone Court	Suggested to be named after the late Donald John Johnstone, a well-respected taxi driver in the community also known as Tom Thumb.

OVERALL SUMMARY OF DEVELOPMENT													
AREA	COST				GRANTS & SALES PROCEEDS				PRIVATE FINANCE				Amend to Private Finance
	Revised Budget £	30th Sept 2020 £	Change to Budget £	Forecast Out-turn £	Revised Budget £	30th Sept 2020 £	Change to Budget £	Forecast Out-turn £	Revised Budget £	30th Sept 2020 £	Change to Budget £	Forecast Out-turn £	
New Build	14,569,516	3,019,492	(1,273,238)	13,296,278	(12,276,252)	(2,450,168)	671,120	(11,605,132)	2,293,264	569,325	(602,118)	1,691,146	(602,118)
Shared Equity	1,068,434	459,789	-	1,068,434	(1,861,482)	(695,617)	-	(1,861,482)	(793,048)	(235,828)	-	(793,048)	-
Land banking	455,979	60	-	455,979	(455,979)	-	-	(455,979)	-	60	-	-	-
TOTAL	16,093,929	3,484,271	(1,273,238)	14,820,691	(14,593,713)	(3,145,784)	671,120	(13,922,593)	1,500,216	338,486	(602,118)	898,098	(602,118)

PROGRESS	PROGRAMMES WITH TIME DELAYS
- Horgabost Phase 2 completed. 2 properties sold. 2 under application. - Cnoc A Runaire to be completed in October 2020. - Breasclete to complete in October 2020. - Winfield Close to be completed in November 2020 - Torlum to be completed in November 2020 - Garrynamonie to be completed in December 2020 - Scotland Street to be completed in December 2020 - Mackenzie Avenue last 2 units to be handed over November 2020 - Shawbost to be completed in February 2021 - Garrabost Care Unit to be completed January 2021	- All projects are delayed following site closures due to COVID-19. Revised programmes have been requested from all contractors. - Balivanich Low Flyer - cost savings complete and contractor appointed. Cash flow received - project to completed in October 2021 - Tarbert Police Station - following termination of previous contract, it has been retendered. Due to restart October 2020 - Barvas needs to go through decrofting - unlikely to start this year. - COVID-19 outbreak in Uist has affected projects progress. The full impact to be assessed.
PROGRAMMES WITH PROJECTED BUDGET OVERRUNS	PROPOSALS FOR BRINGING PROGRAMME WITHIN BUDGET
- Mackenzie Avenue: projected overspend of approximately £94K and additional legal costs anticipated with respect to titles corrections, an additional £100K has been made available for this project.	

Table 1.1 Five Year Development Plan Year 1 Developments Awaiting Site Start

Development Name	Number of Units	Progress	Contractor	Grant 2020/21
Low Flyer, Balivanich	4 x 1 bed 2 x 2 bed 4 x 3 bed	Cost savings exercise complete. Planning application submitted 23 July 2020. Planning permission now expected to be issued by 9 November, which will allow a site start.	Calmax	£650,000
Lochmaddy	2 x 1 bed 4 x 2 bed 2 x 3 bed	Developer Led Proposal. Discussions ongoing with contractor to finalise agreements.	Macinnes Bros	£450,000
Barvas	2 x 1 bed 4 x 2 bed 2 x 3 bed	Developer Led Proposal. Planning permission granted 15 July 2020. Significant pavement works requested by CNES Roads Department, have had a significant cost implication. ACTISH application submitted for £60K. Decrofting required – unlikely to start this year.	Calmax	-
Howmore	2 x 2 bed 2 x 3 bed	Land purchase conditional on achieving planning permission. Planning application submitted by contractor October 2020.	Macinnes Bros	£190,000
Barra Cleit Road	2 x 2 bed 4 x 3 bed	Land purchase ongoing. Approval from Church Board now in place. Invitation to Tender issued in October 2020. Return due 13 November 2020.	Out to tender	£200,000
		Total Grant for new site starts 20/21		£1,490,000

New Build Updates

APPENDIX 2

Table 1.2 Five Year Development Plan Year 1 Progress on Site - November 2020

Development Name	Progress	Units in Development		Demand Before Allocation	Demand After Allocation	Expected Handover	Grant 2020/21
		No of Beds	Units				
Mackenzie Avenue	48 properties have now been handed over. The remaining 2 rented are due in November 2020.	1	10	Not recorded at time	154 (1 bed) 64 (2 bed) 54 (3 bed) 15 (4 bed)	November 2020	-
		2	16				
		3	4				
		4	2				
Breasclete, Isle of Lewis	Properties complete and handed over in October 2020.	1	2	13 (1 bed)	11 (1 bed)	October 2020	-
		2	2	2 (2 bed)			
		3	2	1 (3 bed)			
Cnoc a Runnaire, Tolsta, Isle of Lewis	Properties complete and handed over in October 2020.	4	3	6 (1 bed) 4 (2 bed) 3 (3 bed list)	6 (1 bed) 4 (2 bed) 0 (3 bed)	October 2020	-
Sinclair Avenue, Stornoway	Housing contractor is now on site. Progress delayed with COVID-19 but progressing well.	1	30	299 (1- 4 beds)	Not yet allocated	March 2021	£3,843,576
		2	19				
		3+	9				
Garrynamonie	Handover of the Rural Uist sites delayed due to outstanding materials and the Uist COVID-19 outbreak.	3	4	3 (3 bed list)	None	December 2020	-
		6	1				
Torlum		2	2	5 (2 bed list)	3 (2 bed list)	November 2020	-
Winfield Close		3	1	13 (3 bed list)	12 (3 bed list)	November 2020	-
Scotland Street	Contractor reporting delays on material delivery. This could result in a January handover.	1	4	299 (1 – 4 bed)	Not yet allocated	December 2020	£3,978
		2	2				

New Build Updates

APPENDIX 2

Development Name	Progress	Units in Development		Demand Before Allocation	Demand After Allocation	Expected Handover	Grant 2020/21
Shawbost, Isle of Lewis	Contractor on site February 2020 and progressing well.	4	2	7 (1 bed) 3 (2 bed) 2 (3 bed)	Not yet allocated	February 2021	£320,857
Garrabost Care Unit	Contractor on site September 2020. Progressing well.	1	1	11 (1 bed)	Not yet allocated	January 2021	£61,500
		2	1	13 (2 bed)			
South Dell	Contractor on site October 2020. Land transaction still ongoing.	1	2	5 (1 bed)	Not yet allocated	June 2021	£650,257
		2	2	6 (2 bed)			
		3	2	1 (3 bed)			
Tarbert Police Station	Contractor had a 'soft start' on site 12 October 2020. Work now progressing.	2	8	18 (1 bed) 16 (2 bed) 5 (3 bed) 1 (4 bed)	Not yet allocated	July 2021	£750,327
Goathill HWEC	Works ongoing.		50	N/A	Not yet allocated	TBC	£5,041,429
Total Grant for Ongoing Sites in 2020/21							£10,671,924
Blackwater site purchase	Full planning approval received. Resumption and land transaction ongoing.						£455,979
Total Grant in 2020/21							£12,617,903

New Build Updates

APPENDIX 2

Table 3.1 Summary of Board Approved Five-Year Development Plan 2020 – 2025

Fiscal Year	Rent/Shared Equity	Units	Stornoway	Stornoway HWEC	Rural Lewis	Rural Lewis HWEC	Harris	Uist	Barra	Barra HWEC
2020/21	RENT	127	53	-	28	-	8	32	6	-
	Shared Equity	4	-	-	4	-	-	-	-	-
2021/22	RENT	107	27	50	14	-	10	6	-	-
	Shared Equity	16	16	-	-	-	-	-	-	-
2022/23	RENT	44	20	-	4	-	-	10	-	10
	Shared Equity	0	-	-	-	-	-	-	-	-
2023/24	RENT	50	-	-	16	-	22	6	6	-
	Shared Equity	0	-	-	-	-	-	-	-	-
2024/25	RENT	45	15	-	-	16	-	14	-	-
	Shared Equity	0	-	-	-	-	-	-	-	-
TOTAL		393	131	50	66	16	40	68	12	10

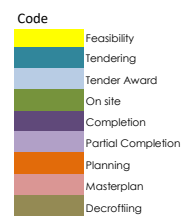
Table 3.2 Comhairle's approved SHIP 2020-2025

Year 1			Year 2			Year 3			Year 4			Year 5		
2020/21	Units	Cost	2021/22	Units	Cost	2022/23	Units	Cost	2023/24	Units	Cost	2024/25	Units	Cost
Goathill		£8,550,474	Scott Road, Tarbert	10	£1,050,000	Stornoway Periphery	20	£2,100,000	Barra	6	£780,000	Rural Lewis ECH	16	£1,920,000
Balivanich		£1,001,758	Benbecula	6	£630,000	Barra ECH	10	£1,400,000	Point	8	£840,000	Benbecula	4	£420,000
Tarbert Police Station		£589,000	Arnol	6	£630,000	North Uist	4	£420,000	South Harris	4	£420,000	South Uist	6	£630,000
Shawbost	4	£420,000	Uig	4	£420,000	South Uist	6	£630,000	Scott Rd, Tarbert	18	£1,890,000	North Uist	4	£420,000
Garrabost Care Unit	2	£168,000	North Lochs	4	£420,000	Bernera	4	£420,000	Rural Lewis	8	£840,000	Stornoway Periphery	15	£1,575,000
Howmore	4	£420,000	Stornoway Regeneration	14	£1,470,000.00				Balivanich Phase 2	6	£630,000			
Barra	6	£780,000												
Barvas	6	£630,000												
Lochmaddy	6	£630,000												
South Dell	6	£630,000												
	34	£13,819,232		44	£4,620,000		44	£4,970,000		50	£5,400,000		45	£4,965,000



Table 4.1 Year 2 of Development Plan

Development Area	Number of Units	Progress
Goathill	29	On site
Goathill HWEC	50	On site
Tarbert Police Station	8	On site, completion in Year 2
Low Flyer, Balivanich	10	Expected on site 20/21, completion in Year 2
South Dell	6	On site, completion in Year 2
Lochmaddy	8	Expected on site 20/21, completion in Year 2
Barra – Cleit Road	6	Expected on site 20/21, completion in Year 2
Barvas	8	Decrofting needed. Moved from 20/21 to Year 2
Howmore	4	Expected on site 20/21, completion in Year 2
Scott Road/ Coastguard Site	10	Feasibility complete and reviewed. Discussions ongoing with landowner.
Benbecula	6	Desktop feasibility complete
Arnol	6	Developer Led Proposal Submitted
Uig	4	Developer Led Proposal submitted
Keose Glebe	4	Desktop complete. Full feasibility ongoing.
Stornoway Regeneration	14	To be identified by Comhairle
Total Units	173	



BUDGET STRATEGY & TIMETABLE 2021/22

Board 17 November 2020

Report by Director of Finance & Corporate Services

Purpose of Report

- 1.1 To present to the Board a Budget Strategy for 2021/22 including rent consultation for consideration and approval.

Summary

- 2.1 We prepare long-term financial plans which are updated on an annual basis to take account of changes. The plans are for 30 years. Shorter-term plans are also prepared for submission to the Scottish Housing Regulator; they cover a 5 year period.
- 2.2 A Strategy has been prepared for 2021/22 and is at Appendix 1.
- 2.3 The timetable is to ensure the 2021/22 rents are set within statutory timescales is included in the Budget Strategy.
- 2.4 The timetable incorporates the change approved by Board to bring forward the RPI indices, used for rent setting, from November to October.

Competence

- 3.1 Financial and legal constraints arising from the recommendation to this report being implemented are detailed at paragraph 5.1 – 8.2.

Recommendations

- 4.1 **It is recommended that the Board approve the 2021/22 Budget Strategy, including the Budget Timetable.**

APPENDIX 1: 2021/22 Budget Strategy

Background Papers: None

Writer of Report: Donald Macleod

Tel: 0300 123 0773

Competence

Financial

- 5.1 This report considers the financial resources the Partnership requires for 2021/22.

Legal

- 6.1 The Partnership's Rule 69 states that *"The Partnership must keep proper books of account to cover its income, expenditure transactions and its assets, liabilities and reserves in line with section 75 and 76 of the Co-operative and Community Benefit Societies Act 2014. It must also set up and maintain a suitable system for controlling its books of accounts, its cash and its receipts and invoices."*
- 6.2 The Board has the ultimate responsibility for the Partnership's finances and in accordance with the Financial Regulations, the Board has the responsibility to approve annual budgets.
- 6.3 The Finance Working Group's remit includes reviewing the details of the annual budget on behalf of the Board.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

- 8.1 The current economic environment and the impact COVID-19 has had on every area of our lives is a major risk which needs to be considered when setting our budget and determining tenant rent levels.
- 8.2 A number of risks which may impact the setting of budgets have been identified in our risk register and these include, COVID-19, the affordability of our rents, implementation of Universal Credit, BREXIT and repairs overspend. These are continually monitored with potential mitigation actions being put in place where appropriate.



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► BUDGET STRATEGY 2021/22

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BACKGROUND

- 1.1 We prepare long term financial plans which are updated on an annual basis to take account of changes. The plans are for 30 years. Shorter term plans are also prepared for submission to the Scottish Housing Regulator; they cover a 5 year period.
- 1.2 An updated Business Plan was approved by the Board in February 2020 for the period 2020/21-2023/24.
- 1.3 The Board approved a 30 year Business Plan in March 2020 that was submitted to our Funder in March 2020 for approval. The amount of money which we can borrow in any given financial year is determined by the 30 year Business Plan.
- 1.4 The onset of the COVID-19 Pandemic and subsequent lockdown in late March 2020 had a significant impact on the 2020/21 budgets. The 30 year plan was recast in August 2020 and submitted to our funder. The updated plan showed an increase in the level of borrowing required of approximately £10 million.
- 1.5 The Board sets the rent on an annual basis, generally in February and at the same time the detailed annual budget for the coming financial year is approved. The rents for 2020/21 were set for one year on an RPI only basis.
- 1.6 The Board approved to amend the RPI month for rent setting purposes from November to October. This will allow tenants to have earlier visibility on rent options for the coming year.

- Placing tenants at the centre of everything we do
- Investing in an environmentally sustainable way in tenants' homes
- Being a good employer that attracts and retains high quality staff
- Working with partners to contribute to the wellbeing of communities throughout the Outer Hebrides

OPERATING ENVIRONMENT

- 2.1 The budget strategy will remain focused on rent affordability, investing in tenants homes to ensure government standards for energy efficiency are met, and providing long term security for tenants.
- 2.2 The economic and political landscape over the last 12 months has been very challenging. COVID-19 has had a significant impact on all aspects of our business and we are likely to continue to be affected by this into 2021/22 and beyond. Another significant challenge is the long term population forecast for the Outer Hebrides which is showing a projected decline of 14% over the next 20 years. The Board are working with key partners in the community to try and prevent the forecast turning into a reality with representation on various strategic committees for example the Community Planning Partnership.

- 2.3 The key considerations which the strategy will take into account:
- a) COVID-19;
 - b) Climate Change;
 - c) Impact of BREXIT;
 - d) Long term population forecasts for the Outer Hebrides;
 - e) Universal Credit;
 - f) Rent affordability & fuel poverty;
 - g) Impact of weather on repairs budgets;
 - h) Driving efficiency gains;
 - i) Government standards for providing energy efficient heating systems;
 - j) Changes in health & social care provision;
 - k) The delivery of the Scottish Government Affordable Housing Supply Programme; and
 - l) Changes in Housing Quality and Safety Standards, particularly in the wake of Grenfell.
- 2.4 The Bank of England has, in response to COVID-19 has reduced the base rate of interest to 0.1% in the last 12 months.

2021/22 BUDGETS

- 3.1 The 2021/22 budget is drawn from Year 2 of the 30 year forecasts included in the Business Plan approved in August 2020. The budget will take account of the proposed rent increase in April 2021 which is based on RPI only, with alternative options also being reviewed.
- 3.2 Budget Managers will be provided with Cash Planning Limits for the service areas they are responsible for and they are required to keep their planned budgets within the Cash Planning Limits.
- 3.3 Draft budgets will be prepared for discussion with tenants groups. Where possible the budgets will be broken down by geographical area to enable tenants to see where funds are raised and spent.

LONGER TERM PLANNING HORIZONS

- 4.1 Our resources are targeted to meet legal requirements and deliver business plan objectives.
- 4.2 The 30 year plan will be updated and presented to the Board in March 2021. Some of the key considerations to be captured in the 30 year plan are as follows:
- Continued investment in housing stock;
 - Delivery of a development program in line with the SHIP and the affordability and housing needs analysis;
 - The potential of long term voids increasing due to falling demand;
 - An increase in our borrowing to deliver the Comhairle's SHIP;
 - The additional costs associated with changes to building regulations (both capital and annual maintenance costs);
 - The impact COVID-19 has on rent affordability.
- 4.3 The Board will ensure we always live within our means and do not put the long term security of the organisation at risk by keeping growth under control whilst spending the funds as effectively as possible to support the most vulnerable remaining in their homes.
- 4.4 The 30 year financial plans will be updated annually to take account of major changes during the year. A copy of the business planning timetable is at Appendix 1.

DRIVING EFFICIENCY GAINS

- 5.1 We are finalising our Value for Money (VFM) Strategy and this will come to Board in January 2021 for approval.
- 5.2 Financial information including budgets will be at a sufficiently detailed level to enable efficiency gains to be clearly demonstrated and reported at a number of levels.
- 5.3 Post-implementation reviews of strategies which promised to deliver efficiencies will be carried out to ensure that the efficiencies are recognised and that lessons are learnt from mistakes which cost the organisation money.
- 5.4 The Digital Transformation Strategy which is going to Board for approval in November 2020 will also help deliver efficiency gains and an improvement in tenant satisfaction.

EFFECTIVE RISK MANAGEMENT

- 6.1 The Risk Appetite is set by the Board on an annual basis as part of the business planning process and this is reflected in both the long and short term budgets for the Partnership.
- 6.2 The risks identified in the risk register have been taken into account in the financial plans.

- 6.3 Low level risks are assessed to determine whether they require bespoke insurance cover or whether we can self-insure.

KEY ASSUMPTIONS

- 7.1 The key assumptions will be updated during November to enable preparation of the 2020/21 budgets.
- 7.2 The timetable for the preparation of the budgets is at Appendix 2.



APPENDIX 1 BUSINESS PLANNING CYCLE

Timescale	Task	Details	
November	30 year Cashflows	Updated for	
		a)	Year 1 figures taking into account the latest forecasts in November management report
		b)	Material changes to global assumptions • inflation • interest rates • grant levels • tax • arrears • income (benefits) • borrowing facility changes
		c)	Materials changes to • investment plan • repairs costs • development plan • rental income
November	Finance Workgroup		Review of rent options prior to going to consultation. Review of RBS discussion document with Chatham Financial.
Dec/Jan	Rent consultation		Consultation with tenants on proposed rent increase and rent guarantee (when applicable)
January	Budget Strategy		Updated to reflect 30 year cash flows and outcomes of business planning day – Stress testing with Finance Workgroup to be arranged
			Strategy will include proposals for rent guarantee and service levels
February	Finance Workgroup		Review of borrowing facility proposals with Michael Leslie (Chatham Financial) prior to forming recommendation to the Board in March.
March	Business Plan		Board approve revised business plan and 30 year cash flows for the following financial year
	Funding Facility		Board approve new funding facility

April			Submit annual business plan together with 30 year cash flows to RBS
May			RBS approval of business plan and covenants for the new financial year – This is unlikely to be required if, as a consequence of the additional borrowing obtained, we are moved onto corporate style covenants which do not require annual business plan approval.
June			Submission to SHR of 5 year return + 30 year cash flows based on what was submitted to RBS

APPENDIX 2 BUDGET TIMETABLE

Area	Task	Responsible	Timescale
Preparation	Review options for rent setting & approve methodology for rent consultation	Finance Working Group	23 November 2020
Collation	Preparation of the Consultation document & First pass review with Tenant Participation Officer	Finance & Business Services Manager	November 2020
Review	Executive Team	Executive Team	30 November 2020
	Finance Working Group (30 Year Business Plan)	Board	18 January 2021 (February 2021 – funding facility review)
Consultation	Consult with Tenants on 2021/22 Rent increase	Executive Team	01 December 2020 to 15 January 2021
Approval	Board approval of 2021/22 Rent Increase & updated 30 year business plan	Board	27 January 2021
Implementation	Detailed Investment Budgets 2021/22	Director of Operations	20 January 2021
	Detailed Development Budgets for 2021/22	Development Manager/Fixed Asset Accountant	20 January 2021
	Update Ledger with detailed budgets	Finance & Business Services Manager	12 February 2021
	Update Management Reports	Finance & Business Services Manager	12 March 2021
	Prepare Budget Book	Finance & Business Services Manager	12 March 2021
	New Rents to be implemented	Executive Team	01 April 2021

COMMUNITY GRANTS REQUEST

Board 17 November 2020

Report by Director of Operations

Purpose of Report

- 1.1 To consider a funding application from the Community Grant Fund from the Sandwich Hall & Recreational Association.

Summary

- 2.1 Our Community Grant Fund was approved by the Board in June 2017.
- 2.2 Funding is available to support small scale community projects that will improve the quality of life for residents and make a difference to the neighbourhoods which we serve.
- 2.3 The Fund is open to charities, tenants and residents' groups and voluntary organisations.
- 2.4 There must be a benefit to our tenants residing within the area for the project being proposed.
- 2.5 The Sandwich Hall & Recreational Association have requested £1,000 to create a safe walking route between Mackenzie Park and the community facilities at Sandwich Hall. This has direct benefit to our tenants in Mackenzie Park.
- 2.6 Permission is also required to construct the path through our site at Melbost Farm. This will be a temporary arrangement until construction starts and a formal access will be provided at that time as part of the development.

Competence

- 3.1 The financial, legal and other constraints to the recommendation in this report being implemented are contained in paragraph 5.1 – 8.1.

Recommendations

- 4.1 **It is recommended that the Board approve the funding application from the Sandwich Hall & Recreational Association at Appendix 1.**

APPENDIX 1: Application – Sandwich Hall & Recreational Association

Background Papers: None

Writer of Report: John Maciver

Tel: 0300 123 0773

Competence

Financial

- 5.1 Funding to the value of £1,000 if approved, would be met from existing budgets.
- 5.2 It is understood that the Association have the remainder of the required funding in place from the Crown Estate funds.

Legal

- 6.1 There are no specific legal implications to this report.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

- 8.1 There are no specific risks associated with this report.

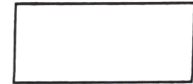
Report Details

Background

- 9.1 The Board agreed to establish a Community Grant Fund in June 2017.

Sandwick Hall & Recreational Association.

- 9.2 Funding is requested by the Association to assist with the costs of constructing a safe walking route between Mackenzie Park and the community facilities at Sandwick Hall. Their proposal is to construct a pathway through the land we own at Melbost Farm. This will be surfaced with type 1 material and fencing will be erected to separate this securely from the adjoining field.
- 9.3 Permission will also be required from us to allow this path to be constructed. This will be a temporary arrangement until the site is developed at some point in the future. We will incorporate a formal route into our development plans and will almost certainly be required to do so by Planning Services. The maintenance of the pathway and fencing will sit with the Association until it is replaced.



Community Grant Application Form

Name of Project	Path (off road) connecting Mackenzie Park & Sandwich hall/pitches/play park
Name of Group/Charity (if you are a charity please provide charity number)	Sandwich Hall & Recreational Association
Do you have public liability insurance?	No.

Contact Details

Name	Sandy Morrison
Address	32a East Street, Sandwich, HS2 0AL.
Telephone Number	07766302294
Email	Morrison.sandy@yahoo.co.uk
C/o	

About Your Project (continue overleaf if required)

Upon resumption of the Sandwich Youth Club out of the Sandwich hall it was noted that parents had concerns of their children walking along the main road between Parkend and the Sandwich hall. Especially referenced towards vehicular speed in the evenings on the main trunk road.

With HHP taking over the field between Mackenzie Park and the early learning centre / Sandwich hall. The opportunity is available to propose a temporary surfaced path, away from the busy main road traffic between these two areas. Thus providing a safe route for the children/adults to transit between these areas, also for dog walkers.

Project Costs

320 m x 1 m wide footpath (type 1), tarram underlaid £ 1,786.00
 200m fence, 400m plain wire & staples £ 360.00
 80 x posts, 5 x Strainers & stays £ 416.00
 Labour & plant £ 2,500.00
 VAT @ 20% 1,012.40

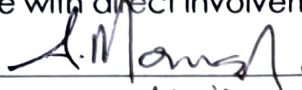
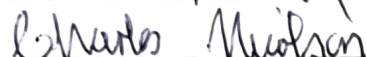
Total: £ 6,074.40

Conflict of Interest Declaration

Are you or is anyone involved in this application, or in your group, a member of HHP or have close relative who are members of HHP?	Yes / ☒ No
---	---

Signatures

(Two persons to sign, one should be the named contact in this form, the other should be someone with direct involvement with the project)

 - Sandy Morrison
 - Charlie Nicolson

About your Project cont.

The proposal for the path is for a 1m wide path x 320 m long through the edge of the larger football pitch and farmers field area, finished with type 1 and rolled. The fence through the farmers field will be a stock proof fence. 200m fence, 80 posts and 5 strainers.

The option of a tarred finished path was dismissed as we perceived the path being replaced / removed once the housing development reaches the pitch area. At which point a suitable direct access from any houses built in the field could be opened up onto park area.

We will ensure HHP support of £1,000 towards this path will be shared with the local community upon completion of project.

RECRUITMENT POLICY

Board 17 November 2020

Report by Chief Executive

Purpose of Report

- 1.1 To present a revised and updated Recruitment Policy for approval.

Summary

- 2.1 The Policy has been updated to take into account best practice recommended by Employers in Voluntary Housing (EVH) and is at Appendix 1.
- 2.2 Following a review by Executive Team the key changes proposed are:
- 6.1 Exit Interviews to be carried out by Managers rather than Executive Team;
 - 13.1 Inclusion of a separate statement on 'Positive Action';
 - 19.2 Timescale added for requesting feedback on an interview; and
 - 27.1 Monitoring review timeframe.
- 2.3 Under the Recognition Agreement we are required to consult with Unison on this Policy.

Competence

- 3.1 The legal, financial or other constraints to the recommendations in this report are contained in paragraph 5.1 – 8.1.

Recommendations

- 4.1 **It is recommended that the Board approve:**
- a) **the revised Recruitment Policy at Appendix 1 for consultation with Unison and staff; and**
 - b) **if there are no material changes to the Policy arising from the consultation, that the Policy is approved, otherwise a revised Policy be presented to the next meeting of the Board.**

APPENDIX 1: Recruitment Policy

APPENDIX 2: Consultation Response Form

Background Papers: None

Writer of Report: Dena Macleod

Tel: 0300 123 0773

Competence

Financial

- 5.1 Provision is made in the budget each year for recruitment and training.

Legal

- 6.1 There is a considerable amount of legislation which needs to be complied with. Examples include:
- The Equality Act 2010;
 - Agency Workers Regulations 2011;
 - Immigration, Asylum & Nationality Act 2006;
 - The Employment Act 2002;
 - Part-time Workers Regulations 2000;
 - Sex Discrimination Act 1975;
 - Race Relation Amendment Act 2000;
 - Employment Equality (Age) Regulation 2006; and
 - Disability Discrimination Act 2005.
- 6.2 We also need to be aware of implications of direct and indirect discrimination.
- 6.3 The approval of personnel policies for all staff is a matter which is reserved to the Board.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

- 8.1 It is essential that in recruiting staff we ensure all legislative requirements are met and that all recruitment decisions are based solely on the merits and abilities of the job candidates. The risk of legal challenge from unsuccessful candidates should be minimised by adhering to best practice in relation to employment rights and equal opportunities.



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► Recruitment Policy

Effective Date: ►

Review Date: ►

Approved by HHP Board:

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RECRUITMENT POLICY

INTRODUCTION

- 1.1 Hebridean Housing Partnership (HHP) seeks to hire only the best candidates for appointments. We conduct our business following the spirit and the intent of Equal Opportunities Legislation and strive to maintain a diverse staff. Excellence is encouraged at all levels and we are not influenced by age, disability, race (including colour, nationality, ethnic or national origins and citizenship), pregnancy and maternity, religion or belief, marriage or civil partnership, sex, gender re-assignment and sexual orientation nor any other factor irrelevant to carrying out the duties of the post.

AIMS

- 2.1 This statement is HHP's Policy with regard to recruitment and selection, to encourage good practice and equal opportunities to which all staff are required to adhere. In the recruitment process our aims are:
- To attract comprehensive applications from a sufficient number of candidates with appropriate skills, qualifications and experience for consideration for employment with HHP.
 - To use fair and effective methods for the appointment of candidates consistent with HHP's Policy on Equal Opportunities.
 - To ensure that recruitment procedures are clear and adhered to by all staff and Board Members involved in any recruitment and selection processes.
 - To develop an excellent workforce committed to the aims, values and service delivery requirements of HHP.

PURPOSE

- 3.1 To ensure that we attract the best people to work for HHP and that all candidates both internal and external are treated fairly.

GENERAL GUIDELINES

- 4.1 In recruiting for newly created or vacant posts we will ensure that we comply with legislative requirements and demonstrate best practice as an employer in relation to employment rights and equal opportunities.

EQUAL OPPORTUNITIES

- 5.1 Equal opportunities are aimed at removing barriers to access and opportunity, with positive results for individuals. Equal Opportunities refer to equality in recruitment, promotion, training, transfer and terms and conditions of employment. In seeking suitable candidates for new or vacant posts, we will not discriminate on the grounds of age, disability, gender reassignment, marriage or civil partnership, pregnancy & maternity, race (including colour, nationality, ethnic or national origins and citizenship), religion/belief, sex and sexual orientation nor any factor irrelevant to the ability to do the job.

- 5.2 We aim to ensure that all recruitment decisions are based solely on the merits and abilities of candidates and no other criteria will be used. In order to achieve this, equality and diversity practices are integrated into every stage of the recruitment and selection process.
- 5.3 A fair recruitment process removes barriers where possible to the employment of people from different backgrounds. This enables the organisation to recruit from the widest pool of talent, potentially raising the standard of intake and therefore increasing the opportunity of a more diverse workforce which reflects the community being served. A more diverse workforce should improve the organisation's service delivery as it will include staff with more knowledge and experience about meeting the needs and aspirations of service users and potential service users.
- 5.4 All vacancies will be aimed at as wide a group as possible and any advertisement for a vacancy within HHP will state that an Equality and Diversity Policy is in place. The information contained in the advert and all vacancy literature will be clear and accurate to attract the most appropriate candidates from all groups across society. For those that wish to apply, we will ensure that all applications have clear instructions for completion and application forms are free from personal questions that are not relevant to the vacancy and that may lead to discrimination.
- 5.5 We will ensure that everyone involved at any stage in the recruitment and selection process receives equality and diversity awareness training. It is essential that everyone involved in the recruitment process does not discriminate either knowingly or unknowingly by asking any questions which have a potential for discrimination.

EXIT INTERVIEWS

- 6.1 Managers will conduct exit interviews with any permanent member of staff who has tendered their resignation. This is to identify why an individual wishes to leave, to receive insight into the role that has been performed and to thank the individual for their contribution to the organisation.

JOB ANALYSIS & ADVERTISING

- 7.1 When recruiting for new or vacant posts the relevant Director will conduct a job analysis. This involves assessing whether or not the post has to be filled, how it could be filled and what would be the adverse effects of not filling it or if the work could be distributed amongst existing staff. A recommendation on whether or not to release the post will be made to the Chief Executive for determination.
- 7.2 If decided that the post should be filled, a suitable Job Description and Person Specification will be compiled by the Manager and an advertisement will be composed and placed into appropriate advertising media. There may be occasions where a recruitment specialist, such as EVH will be engaged to provide assistance.

- 7.3 In addition, we may target a specialist source appropriate to the requirements of the post. In deciding placement of advertisement, we will have regard to any groups which are currently underrepresented within the workforce and will seek to ensure that adverts are placed in locations that will encourage applications from these parts of the community.

PERMANENT RECRUITMENT

- 8.1 If it is deemed necessary to recruit another staff member or fill a vacant post permanently, a new or updated Job Description and Person Specification will be compiled; the position will be advertised simultaneously; internally, in the press, on our website and if appropriate on the SFHA or EVH website thereby demonstrating commitment to Equal Opportunities.
- 8.2 An exception to this will be in cases of restructuring or redundancy where it may be necessary to appoint candidates into posts without advertising the vacancy.

INTERNAL RECRUITMENT

- 9.1 All existing staff will be notified of permanent and long-term temporary vacancies, especially if on sick leave, maternity leave or holidays and will be eligible to apply for any post.
- 9.2 Where a short-term post (greater than 12 months) is made permanent the post will be advertised internally in the first instance.

TEMPORARY RECRUITMENT

- 10.1 Short term appointments of less than a year e.g. maternity leave cover, may be advertised internally and filled by internal transfers, where appropriate to do so or from the local Job Centre. Temporary posts in excess of a year should be advertised internally and externally simultaneously.
- 10.2 For very short term posts of a few weeks internal advertising will not normally take place but rather appointment from the temporary employees lists held by HHP.

RECRUITMENT INFORMATION TO CANDIDATES

- 11.1 All candidates will receive a Job Pack, which includes background information on HHP, a Job Description, Person Specification and Guidance Notes on how to complete the Application Form. They will also receive an Application Form relevant to the post and an Equal Opportunities Monitoring Form.
- 11.2 Successful candidates to new and vacant posts will be selected on merit through shortlist, testing and interview in accordance with the Person Specification and our standard short listing and interview assessment forms.

SHORT LISTING

- 12.1 A panel normally comprising three individuals and an appropriate gender mix will carry out the recruitment processes for each vacant or new post. Only those who have received recruitment and selection training will be able to participate in short listing. When recruiting for a Chief Executive or Director the recruitment process will be conducted by the Board with external support/advice.

- 12.2 At least one panel member must possess skills or experience most closely related to the post for which candidates are to be short-listed and interviewed. Panel members who short list will also participate as interviewers to ensure consistency in recruitment.
- 12.3 The Panel members will agree how each criteria will be assessed e.g. Application Form, interview or presentation following which the essential criteria identified for testing by Application Form will be applied in the first instance to shortlist candidates. Candidates who do not match all the identified essential criteria will not be called to interview. Candidates who do not possess all the desirable criteria may still be called to interview. However, desirable criteria will be applied where there is a large response to the job advertised, to reduce fairly the number of candidates called for interview.
- 12.4 Each panel member must complete a short listing assessment form appropriately for each applicant. If a panel member recognises a candidate's details, who is known to the panel member, and they feel there is a potential conflict of interest they must declare this interest and exclude themselves from the panel if the person is to be shortlisted.
- 12.5 Candidates invited to interview and unsuccessful candidates will be informed simultaneously of the result of their applications.

POSITIVE ACTION

- 13.1 Any applications from disabled people will be judged against the essential criteria for the post and if they meet the requirements they will be granted an interview. In accordance with the 'Disability Confident' Scheme, all disabled applicants who meet the essential criteria will be interviewed.

MODERN APPRENTICESHIPS

- 14.1 Candidates for Modern Apprenticeships will also be required to submit application forms, which will be subject to fair short listing procedures. Successful short listed individuals will be invited to attend an interview and the most suitable individual/s will be selected.

REFERENCES

- 15.1 References will be sought after an offer of employment has been accepted. Reference requests will be made to the most current/recent employer/academic/voluntary or good character referee contact, who must not be related to the candidate. If a referee happens to be a panel member then the candidate may be asked to provide an alternative referee.

INTERVIEW

- 15.1 The interviewing panel, recommended to be three individuals, should reflect the same membership as the short listing panel and only individuals who have received interviewing skills training should be able to participate.
- 15.2 All short listed candidates should be offered an interview, at which the same questions, based on the Job Description and Person Specification, will be asked in the same order to all candidates. This may also include a suitable test and presentation topic where appropriate. Interviews will be typically 30 - 60 minutes in duration depending on the nature of the post.

- 15.3 Any requested, appropriate, information which has been provided to an interviewee will be made available to all other candidates invited to interview.

DISABLED APPLICANTS

- 16.1 Disabled applicants who identify themselves at the application stage will be provided with appropriate interview arrangements (such as an accessible interview room) to enable candidates to compete on an equal basis.
- 16.2 Applicants will not be asked about health or disability before a job offer is made. There are limited exceptions which will only be used with Human Resources approval. For example:
- Questions necessary to establish if an applicant can perform an intrinsic part of the job (subject to any reasonable adjustments);
 - Questions to establish if an applicant is fit to attend an assessment or any reasonable adjustments that may be needed at interview or assessment;
 - Positive action to recruit disabled persons; and
 - Equal opportunities monitoring (which will not form part of the decision-making process).

ASSESSMENT

- 17.1 Panel members must complete interview assessment documentation, appropriately, based on evidence for each candidate. HHP's Policy on Equal Opportunities will apply to all matters of recruitment and selection.
- 17.2 Where candidates are judged to be equal, they may be called back for a second interview. Panel members must state and document justifiable reasons for the rejection of each unsuccessful interviewee.

JOB OFFER

- 18.1 Once the appointment panel has made a decision, a conditional offer will be issued to the successful interviewee subject to: the receipt of satisfactory references, original qualification certificates, and proof of eligibility to work in the EU and a satisfactory Disclosure Scotland check where appropriate. Appointment will normally be made at the bottom of the salary scale; otherwise, an appointment will be made on a suitable salary paying due consideration to a candidate's skills and experience. The initial offer can be verbal and followed up in writing. A probationary period will be included. The terms of a written contract of employment will be confirmed and issued subsequently once the aforementioned conditions have been satisfied.
- 18.2 If the job offer is declined, if agreed by the interview panel, the second highest scoring suitable candidate may be offered the post subsequently. If there is not a suitable reserve candidate the recruitment process should be reviewed and a rerun of the whole recruitment process should be considered.
- 18.3 Once the job offer has been accepted then interview outcome notification should be issued to unsuccessful interviewees. Our intention, where possible, is to inform candidates of the outcome of the interview as quickly as practicable and within a few days of the interview having taken place.

FEEDBACK

- 19.1 All interviewees will be advised of the outcome of their interviews by telephone, text, e-mail or letter and constructive feedback on their performance can also be made available to them, if they desire via the telephone.
- 19.2 Feedback should be requested within 10 working days of notification of interview outcome.

INTERVIEW EXPENSES

- 20.1 Reasonable travel expenses will be reimbursed to candidates for non-local journeys. Any reasonable interview travel expenses paid to candidates for new or vacant posts will be in accordance with HHP's Expenses Policy and procedures.

EQUAL OPPORTUNITIES MONITORING

- 21.1 As part of any organisation's recruitment process, equal opportunities monitoring will be undertaken and reported.

RECORDS

- 22.1 A clear record of all decisions relating to a recruitment, application forms and recruitment documentation must be stored confidentially for a minimum of four months and up to a maximum of 1 year's duration. Thereafter personal information will be securely destroyed.
- 22.2 Any undertaken PVG Membership Records/Disclosure Scotland checks must be stored in accordance with the Storage and Safe Handling of Disclosure Checks Retention Policy.

PERSONNEL FILE

- 23.1 The successful candidate's recruitment documentation should be made into a personnel file and retained.

INDUCTION

- 24.1 Our staff will welcome a new post holder by providing initial induction training in the organisation, which will be organised in advance of occupancy of the new post holder by the appropriate Manager. This will help settle the new staff member, convey our aims, objectives, policies and procedures thereby encouraging the individual to settle, stay and make a valuable contribution to our work.

FAILURE TO RECRUIT

- 25.1 Should the full recruitment and selection process fail to recruit a suitable candidate, reasons for this should be identified and considered, appropriate alterations made and recruitment should be rerun where appropriate to do so.

COMPLAINTS

- 26.1 If a complaint is received about any stage of the recruitment and selection process it should be resolved promptly in the first instance and verbally where appropriate to do so. If the complainant wishes to further pursue the matter

they should be advised to put the complaint in writing and address it to the Chief Executive who will investigate the matter and further liaise with the complainant.

MONITORING & REVIEW

- 27.1 This Policy will be reviewed every 3 years and/or updated in line with changes in legislation. The following will be reported to the Board on an annual basis as part of the regular annual performance monitoring report:
- Number of appointments advertised and number of appointments made; and
 - Equal Opportunities monitoring by applicant, short-listed applicant and successful candidate (including sex, ethnic origin, disability, age).

POLICY CHANGE HISTORY

Version	Change Applied	Date	By
1.0		19 Jun 2002	
2.0	Updated	14 May 2003	Angus Lamont
3.0	Updated	05 Mar 2009	Angus Lamont
4.0	Updated	27 Nov 2013	Angus Lamont
5.0	Updated to change HHP to 'we' and 'our' and to reflect current good practice.	07 Feb 2017	Dena Macleod
6.0	Inclusion of separate section on 'Positive Action'	17 Nov 2020	Dena Macleod

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this policy:

Word	Interpretation
<i>HHP or Partnership</i>	Hebridean Housing Partnership
<i>Board</i>	Means the Board of the Hebridean Housing Partnership
<i>Board Members</i>	All Members of the Board including co-opted Members
All references to the masculine gender in this policy shall read as equally applicable to the feminine gender	



HHP is a registered society under the Co-operative and Community Benefit Societies Act 2014, Registered Number: 2644R(S). Registered Office: Creed Court, Gleann Seileach Business Park, Willowglen Road, STORNOWAY, Isle of Lewis HS1 2QP. It is a charity registered in Scotland, Charity Number: SC035767, registered as Registered Social Landlord with the Scottish Housing Regulator, Registration Number: 359 and registered as a Property Factor, Registration Number PF000183

Email: info@hebrideanhousing.co.uk

Web: www.hebrideanhousing.co.uk

Phone: 0300 123 0773

CONSULTATION RESPONSE FORM

Recruitment Policy Consultation

November 2020

No.	QUESTION	RESPONSE
1	We propose changing the responsibility for carrying out the exit interview from a Member of Executive Team to Managers. Are you happy this is being set at the right level?	
2	A new section entitled 'Positive Action' has been included. Is there anything further you would like to see under this section?	
3	Is there anything we have not covered in this Policy that you think we should cover?	

4

If you have any additional comments, please use this space to let us know.

Return by **4 December 2020**

to: Jackie Macleod

TRAINING POLICY

Board 17 November 2020

Report by Head of Executive Office

Purpose of Report

- 1.1 The purpose of this report is to present the revised Training Policy to the Board.

Summary

- 2.1 Our current Training Policy approved in 2017 has been updated to take account of the changes post Pay & Grading Review. Amendments to the wording of the policy have been made in order to reference other related policies. The updated Training Policy is at Appendix 1.
- 2.2 Procedures relating to certain elements of the Training Policy have been clarified and are at Appendix 1 of the policy.
- 2.2 A Training & Development Agreement Form has been created and is at Appendix 2 of the policy.

Competence

- 3.1 The financial, legal and other constraints to the recommendations of this report are detailed at paragraph 5.1 - 8.1.

Recommendations

- 4.1 **It is recommended that:**
- a) **the Board review and approve the Training Policy at Appendix 1 for consultation with staff and the Union; and**
 - b) **if there are no material changes to the Policy arising from the consultation, that the Policy is approved, otherwise a revised Policy be presented to the next meeting of the Board.**

APPENDIX 1: Training Policy

Background Papers: None

Writer of Report: Tina Cook

Tel: 0300 123 0773

Competence

Financial

- 5.1 The financial costs involved in implementing the Training Policy will be largely related to the delivery of the staff Training Plan, which was noted by the Board in February 2020 and the Board Training Plan which is on the agenda for approval at the meeting of 17 November 2020. The sum of all elements of the training budget for 2020/21 was £74,480. As a result of COVID-19, budget savings have been identified and the overall training budget reduced to £48,275 for 2020/21.

Legal

- 6.1 The approval and amendment of policies is a matter reserved to the Board.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report, which would result in a breach of the standards.

Risk

- 8.1 Loss of key staff is at Item 12 on the Risk Register. Effective employee training programs are linked to improved staff retention and engagement rates. Strategic Goal 3 in our Business Plan is that we are a "good employer that attracts and retains high quality staff." The Training Policy is central to successful delivery of this goal.

Report Details

- 9.1 The Training Policy has been updated to take into account the changes within the partnership post Pay & Grading Review.
- 9.2 The key changes have been:
- inclusion of the Training & Development Officer and Head of Executive Office roles;
 - inclusion of the online HR system;
 - update of the Employee Appraisal Process;
 - extension of the length of time an employee will be liable to repay the fees paid by the Partnership towards professional, vocational or further education qualifications from 12 to 36 months, with the exception of a Graduate Trainee position, which will be written off after 12 months; and
 - update of the learning opportunities for young people to include all trainee posts and to remove the upper age limit for Modern Apprentices.
- 9.3 Procedures relating to the delivery of the Training Policy have been detailed at Appendix 1 of the policy.
- 9.4 A Training & Development Agreement Form has been included at Appendix 2 of the policy and is to be completed by staff prior to commencement of any professional qualification, in order to capture the intended benefits to both the individual and HHP whilst also reminding employees of key points of the Training Policy.



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partnership



► Training & Development Policy

Effective Date: ►

Review Date: ►

Approved by HHP Board:

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TRAINING & DEVELOPMENT POLICY

INTRODUCTION

- 1.1 This policy applies to all employees of Hebridean Housing Partnership.
- 1.2 It also applies to our Board Members, who will contribute to the identification of their training needs and participate in training as set out in the Code of Governance for Board Members.

AIMS

- 2.1 Our third strategic goal is to be a good employer that attracts and retains high quality staff, we recognise the importance of training and development. Staff are our most valuable asset and they are key to us delivering a high quality service to our tenants.
- 2.2 The aim of this policy is to have a centrally managed and considered approach to training and development, which will maximise an employees' personal and career development opportunities. This will in turn help us to meet our objectives and maximise our performance.

POLICY PRINCIPLES

- 3.1 We are fully committed to the training and development of all our employees and Board Members. We will positively encourage equal access to training and development.
- 3.2 We are committed to the principles of lifelong learning and recognise that in times of change, the adaptability and flexibility of the workforce will help determine whether we thrive or fail. We will strive to:
 - offer consistently high quality and appropriate learning opportunities;
 - promote equality and widening of access to training and development opportunities;
 - increase the use of e-learning and opportunities to learn on-line;
 - continuously seek out new methods and forms of learning;
 - produce a well-planned out, organised and efficient training plan which will be within the parameters of training budgets;
 - seek opportunities to work with local training providers and the University of the Highlands and Islands to provide training, where appropriate; and
 - work in partnership with other local agencies to develop the young workforce throughout the Outer Hebrides.
- 3.3 Training and development will be used as a means of supporting change and improving quality. It is important that the training and development of staff is considered as a key tool for staff retention and also for the upskilling of individuals in preparation for moving into other roles, should such opportunities arise.
- 3.4 We will communicate to employees how their work as an individual contributes to the achievement of overall business objectives. The Training Policy will be aligned to our Business Plan.

TRAINING PLAN

- 4.1 A rolling five year Training Plan will define how the training needs of the organisation will be met, within budget parameters and in line with our Business Plan.
- 4.2 Our training needs are identified as a result of:
 - statutory requirements;
 - contractual requirements;
 - staff appraisals; or
 - discussions between the Training & Development Officer and individual Managers to establish where training and development could assist each section in achieving their objectives as set out in the Business Plan.
- 4.3 Responsibility for assessing an individual employee's training needs rests with their Line Manager and the Chairperson is responsible for the Chief Executive's assessment.
- 4.4 The Training Plan also takes into account training required as a result of contractual obligation. Such professional qualifications and the resulting Continuing Professional Development (CPD) requirements will be prioritised to ensure employees who have an increment bar placed on their salary scale can begin working towards their required qualification as soon as possible.
- 4.5 Progress towards meeting our training needs will be reviewed on an ongoing basis.
- 4.6 The Training Plan provides opportunities for employees to gain qualifications relevant to their role and allows for employee shadowing and coaching. It will see a number of employees, across different departments, pursuing and obtaining professional qualifications.
- 4.7 There is a mix of internal and external delivery scheduled. We want to continue to harness the skills, knowledge and experience of existing employees and ensure a sharing of this across the workforce. In some areas however, it will be essential that we use an external specialist to deliver training. This mix will ensure that we receive training of the highest quality, whilst remaining cost effective.
- 4.8 As more training providers look to facilitate online and digital learning, we will continue to use this training method which will maximise our training opportunities. As we develop our Digital Transformation Plan, there may be further opportunities to expand our application of this approach to training.
- 4.9 The Training & Development Officer will work to ensure feedback is collated and will monitor the impact and effectiveness of training delivered.
- 4.10 Budgetary responsibility for training overall rests with the Head of Executive Office.
- 4.11 Responsibility for delivery of the Training Plan rests with the Head of Executive Office.

INDUCTION TRAINING

- 5.1 All newly recruited employees will receive general induction training. This will include:
 - an introduction to social housing;

- an introduction to Hebridean Housing Partnership;
 - a shadowing opportunity with departments other than their own; and
 - refresher induction training provided by the Training & Development Officer three months after their employment start date.
- 5.2 All employees newly recruited or transferred between departments will receive:
- a detailed introduction to their own department as determined by their Line Manager
 - refresher induction training provided by the Training & Development Officer three months after their employment start date.
- 5.3 When a new employee is recruited, they will have the skill-set to carry out the duties of their post effectively. They will enter into the employee Performance Appraisal process and have their training needs assessed regularly.
- 5.4 All employees will receive annual mandatory online training in Health & Safety. It is the responsibility of the employee to ensure that this is kept up to date and the responsibility of Line Managers to oversee the training and ensure it is undertaken.

PERFORMANCE APPRAISAL

- 6.1 An effective Performance Appraisal process is critical to both employees and managers.
- 6.2 Our employee Performance Appraisal process will begin in April each year with the Chairperson (or in their absence, the Vice Chair) of the Board conducting an appraisal of the Chief Executive. This will then filter down the organisational structure and all employees will have had their annual appraisal by the end of June each year.
- 6.3 The outcome of an employee Performance Appraisal will be documented and once it is agreed by both employee and Line Manager, it will be recorded on the online HR system. This includes any objectives and/or deliverables which will be agreed upon.
- 6.4 At this point any training needs that have been identified must be reported to the Training & Development Officer as outlined in the procedure at Appendix 1.
- 6.5 Following on from the annual Performance Appraisal, there will be monthly one to ones; four of which are used to review progress on the objectives and deliverables, in line with the quarterly reporting to the Board on progress of the Business Plan.
- 6.6 If at any point an employee wishes to speak to their Line Manager about their performance or indeed any issue, they can do so out with the Performance Appraisal meetings.
- 6.7 If an employee is unhappy with any element of the Performance Appraisal process, they can raise this in accordance with the Grievance Procedure.

PERSONAL DEVELOPMENT

- 7.1 All employees should:
- take responsibility for their own personal development;
 - participate in the employee Performance Appraisal process;

- identify their strengths and weaknesses and how they can build on these;
- set themselves clear, achievable and realistic, yet challenging, objectives to work towards as part of their personal development;
- consider the needs of their team, as well as the wider organisation and our tenants when creating personal objectives; and
- ensure they develop the skills required to achieve their objectives and deliverables as set out in their Performance Appraisal.

7.2 As part of our commitment to equal opportunities, we will ensure that staff undertake awareness training in relation to disadvantaged groups and groups with protected characteristics.

MANAGEMENT RESPONSIBILITIES

8.1 Managers have a responsibility to ensure appropriate training and development opportunities are made available to all employees.

8.2 Managers should:

- make arrangements for the employee Performance Appraisal and subsequent six monthly, quarterly and monthly one to one reviews, in a timeous and organised manner ;
- involve employees in identifying their own development needs and assist them in identifying their own strengths and weaknesses;
- keep employees informed of business objectives for both their own team and the wider organisation and gain their commitment in working to meet these objectives;
- ensure that employee objectives and deliverables are clear, relevant and achievable;
- balance the needs of the Partnership with the aspirations of individual employees; and
- use available resources effectively when developing plans with employees.

8.3 All training and development needs should be jointly agreed by employees and Managers.

8.4 Any training and development needs that are identified must be communicated to the Training & Development Officer. It is the responsibility of the Manager to identify the specific training which is required, and the responsibility of the Training & Development Officer to source, cost and manage the logistics for all learning opportunities.

PROFESSIONAL MEMBERSHIP FEES

9.1 We will pay any annual fees for an employees' membership of professional institutions, subject to membership being pre-approved by a member of the Executive Team.

9.2 In order to be approved, membership must be directly relevant to the work of the Partnership and required to carry out the duties of the individual's role.

9.3 All annual and membership fees must be suitably budgeted for.

9.4 Ongoing annual fees must be requested in advance, to allow sufficient time for approval by the appropriate Director.

FURTHER EDUCATION AND VOCATIONAL TRAINING

- 10.1 Employees will be encouraged to consider a range of training and development opportunities, such as:
- internal training;
 - external training courses;
 - mentoring and coaching;
 - conferences and seminars;
 - vocational qualifications; or
 - further education qualifications.
- 10.2 Employees wishing to pursue a part time vocational qualification directly relevant to their career development with the Partnership will be given the opportunity to discuss with their Line Manager whether any assistance can be given.
- 10.3 Attendance on further education courses will be at the recommendation of their Line Manager and the Executive Team.
- 10.4 When an employee is pursuing an approved course of study, they will be eligible for the following financial assistance, per the current Staff Expenses Policy:
- full salary;
 - all prescribed course fees;
 - all travelling expenses, over what they would normally incur in travelling to their place of work, arising out of attendance at a course and/or associated practical placements; and
 - accommodation and subsistence costs.
- 10.5 In order to qualify for any of the above assistance, it will be necessary for an employee to complete a Training & Development Agreement Form (Appendix 2) and gain their Line Manager and Directors' authorisation for the course and dates of study.
- 10.6 Continuity of any financial assistance, will be subject to satisfactory performance on the part of the employee concerned.
- 10.7 Attendance at any course of study will be subject to the needs of the service. An employee may have to reschedule attendance if service delivery provision will be affected.
- 10.8 All fees paid by the Partnership towards professional, vocational or further education qualifications are investments in our employees. Should an employee resign from their position within 36 months (12 months for graduate trainees) following completion of the relevant course and/or examination, HHP reserve the right to recover this investment from the employee.
- 10.9 We have the right to require an employee to refund the full, or a proportional, amount of the cost of fees where the employee voluntarily leaves their employment or is dismissed from their employment within those 36 months.
- 10.10 Likewise, if an employee is dismissed from the course of study by the training provider due to poor performance or behaviour, they will be liable to refund the full cost of fees.

- 10.11 Should an employee wish to withdraw from a course of study, they may apply to the Chief Executive, providing written justification for their reasons. This will be treated in confidence and it will be at the Chief Executive's discretion if permission will be granted. If so, there will be no requirement to refund fees paid. This will only be in exceptional circumstances.
- 10.12 Where financial assistance has been given for the full purchase cost of reference books or materials, these will become property of the Partnership.
- 10.13 Employees undertaking examinations related to approved qualifications will be granted leave of absence with pay in accordance with the Special Leave policy.
- 10.14 Where an employee finds it necessary to re-sit an examination, Special Leave will not apply.

LEARNING OPPORTUNITIES FOR YOUNG PEOPLE

- 11.1 We are committed to providing learning opportunities for young people of the Outer Hebrides.
- 11.2 We understand that apprenticeships provide young people with the opportunity to study towards a nationally recognised qualification while gaining hands-on experience of the housing sector through on-the-job training.
- 11.3 We will employ a Modern Apprentice per the organisational structure. A Modern Apprentice will work towards gaining a Scottish Vocational Qualification (SVQ) Level 2 or 3.
- 11.4 A Modern Apprentice may take time off during working hours in order to work towards their qualification units and meet with their assessor or learning provider to discuss their qualification. The amount of time that will be permitted will be agreed when qualification units are being selected with their Line Manager and Executive Office, before their qualification commences.
- 11.5 We will also employ Graduate Trainees per the organisational structure.
- 11.6 We will work with our contractors to promote the provision of apprenticeship opportunities within their organisations.
- 11.7 We will establish a connection with local schools and provide training to students at secondary school level.

TRAINING & DEVELOPMENT MONITORING

- 12.1 In order to assess the impact of training and development opportunities and improve future effectiveness, we will:
- continually review employee training requirements through the Performance Appraisal process;
 - establish in advance the anticipated benefits of training;
 - undertake post training evaluation; and
 - assess the contribution of training and development to the achievement of the objectives set out in the Business Plan and our overall performance.
- 12.2 The Board will receive an annual report on expenditure of training budget, an evaluation of the outcomes of the Training Plan and how completed training has contributed towards achievement of Business Plan objectives.

COMPLAINTS

- 13.1 Employees who feel they are unjustifiably denied a career development opportunity may use the Grievance Procedure to pursue their complaint.

RELATED POLICIES & PROCEDURES

- 14.1 The following policies and procedures are referenced as part of this Policy:
- Special Leave Policy
 - Staff Expenses Policy
 - Grievance Procedure

REVIEW

- 15.1 The Board will review the Policy every three years.

HHP PROCEDURES RELATING TO THE TRAINING POLICY

TRAINING REQUESTS

- 1.1 Once a training need has been identified, this must be reported to the Training & Development Officer.
- 1.2 The request should be logged by the employee onto the online HR system and once approved by their Line Manager, forwarded to the Training & Development Officer.
- 1.3 In the event of a training need originating from an alternative source, the Training & Development Officer will contact the employee and/or Line Manager to make the necessary arrangements.
- 1.4 All training requests will be reviewed by the appropriate Director. If any requests are deemed to be inappropriate, incorrectly pitched or if budgetary constraints mean that it will be classed as low priority, the Manager will be notified and asked to communicate this to employees.
- 1.5 If the employee or Manager who made a training request is unhappy with this outcome, they can appeal to the Chief Executive, who will have the final decision.

TRAINING RECORDS

- 2.1 Training records will be maintained for all employees by the Training & Development Officer and passed to the Personal Assistant to be recorded on the online HR system. All employees will have access to their own training record.
- 2.2 The online HR system will record all training from 2019 onwards. For historical training records, an employee should request this from the Training & Development Officer in writing.
- 2.3 Any certificates which are received by an employee post training should be handed into the Training & Development Officer to be scanned. These will also be passed to the Personal Assistant who will record a soft copy onto an employees' online Training Record and kept in an employees' Personnel File.

POLICY CHANGE HISTORY

Version	Change Applied	Date	By
3.0	No changes made	06.01.14	Seonaid Paton
4.0	Deletion of Trade Union training as covered in the Special Leave Policy	13.06.17	Seonaid Paton
5.2	Edits made to reflect changes post Pay & Grading Review. Specifics of financial assistance available removed and reference made to Staff Expenses Policy. Introduction of Procedure and Training Agreement Form.	24.03.2020	Tina Cook

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this policy:

Word	Interpretation
<i>HHP or Partnership</i>	Hebridean Housing Partnership
<i>Board</i>	The Board of the Hebridean Housing Partnership
<i>Board Members</i>	All Members of the Board including co-opted Members
<i>Executive Team</i>	The Chief Executive, Director of Operations, Director of Finance & Corporate Services and Head of Executive Office
<i>Director</i>	Director of Operations, Director of Finance & Corporate Services or Head of Executive Office
<i>Management Team</i>	All Managers of HHP, including the Executive Team



TRAINING & DEVELOPMENT AGREEMENT FORM

Name	
Job Title	
Date	

Course	
Provider	
Start Date	
Duration	
Total Cost*	

** Please attach evidence and breakdown of costs*

Benefit to Employee

Benefit to Partnership

TRAINING & DEVELOPMENT AGREEMENT FORM

I confirm that I have read and understood the terms of the Training & Development Policy, in particular sections 10.6 to 10.14 below:

- 10.6 Continuity of any financial assistance, will be subject to satisfactory performance on the part of the employee concerned.
- 10.7 Attendance at any course of study will be subject to the needs of the service. An employee may have to reschedule attendance if service delivery provision will be affected.
- 10.8 All fees paid by the Partnership towards professional, vocational or further education qualifications are investments in our employees. Should an employee resign from their position within 36 months (12 months for graduate trainees) following completion of the relevant course and/or examination, HHP reserve the right to recover this investment from the employee.
- 10.9 We have the right to require an employee to refund the full, or a proportional, amount of the cost of fees where the employee voluntarily leaves their employment or is dismissed from their employment within those 36 months.
- 10.10 Likewise, if an employee is dismissed from the course of study by the training provider due to poor performance or behaviour, they will be liable to refund the full cost of fees.
- 10.11 Should an employee wish to withdraw from a course of study, they may apply to the Chief Executive, providing written justification for their reasons. This will be treated in confidence and it will be at the Chief Executive's discretion if permission will be granted. If so, there will be no requirement to refund fees paid. This will only be in exceptional circumstances.
- 10.12 Where financial assistance has been given for the full purchase cost of reference books or materials, these will become property of the Partnership.
- 10.13 Employees undertaking examinations related to approved qualifications will be granted leave of absence with pay as per the Special Leave policy.
- 10.14 Where an employee finds it necessary to re-sit an examination, Special Leave will not apply.

Signed (Employee) _____ Date_____

Signed (Line Manager) _____ Date_____

Signed (Director) _____ Date_____

STRESS MANAGEMENT POLICY

Board 17 November 2020

Report by Chief Executive

Purpose of Report

- 1.1 To present a revised and updated Stress Management Policy for approval.

Summary

- 2.1 The Policy has been updated to take into account best practice recommended by Employers in Voluntary Housing and is at Appendix 1.
- 2.2 The key changes in the policy are:
- 2 - Inclusion of Health & Safety Executive (HSE) Stress Management Standards;
 - 3 - Revision of Policy aims;
 - 4.5 / 4.6 - Expansion of confidentiality of information and Data Protection;
 - 5.1 - Expansion on proactive and reactive measures adopted to manage stress; and
 - 6.1 - Specific reference to occupational health & counselling service.
- 2.3 As the Policy has been expanded significantly we will be consulting with the staff and Unison on the key changes.

Competence

- 3.1 The legal, financial or other constraints to the recommendations in this report are contained in paragraph 5.1 – 8.3.

Recommendations

- 4.1 **It is recommended that the Board approve:**
- a) **the revised Stress Management Policy at Appendix 1 for consultation with Unison and staff; and**
 - b) **if there are no material changes to the Policy arising from the consultation, that the Policy is approved, otherwise a revised Policy be presented to the next meeting of the Board.**

APPENDIX 1: Stress Management Policy
APPENDIX 2: Consultation Response Form
Background Papers: None
Writer of Report: Dena Macleod

Tel: 0300 123 0773

Competence

Financial

- 5.1 Provision is made in the budget each year for training and counselling services.

Legal

- 6.1 The approval and amendment of policies is a matter reserved to the Board.
- 6.2 All employers have a legal responsibility to look after the welfare of their employees and to protect their employees from experiencing stress at work. This responsibility includes carrying out a risk assessment and following up on the actions from it.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

- 8.1 A breach of the policies within an organisation carries a number of risks that can impact in all areas of its internal and external operations. It is important that we have the correct Policies, Procedures and Staff Guidance in place to prevent problems and to provide the appropriate support and information.
- 8.2 High priority is given to health & safety and a Serious Breach of Health & Safety is at item 19 on our Risk Register.
- 8.3 HSE statistics show that over 11 million days are lost each year due to work-related stress. The implementation of a good Stress Management Policy should mitigate the risk of an employee suffering from work-related stress.



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► Stress Management Policy

Effective Date: ►

Review Date: ►

Approved by HHP Board:

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STRESS MANAGEMENT POLICY

INTRODUCTION

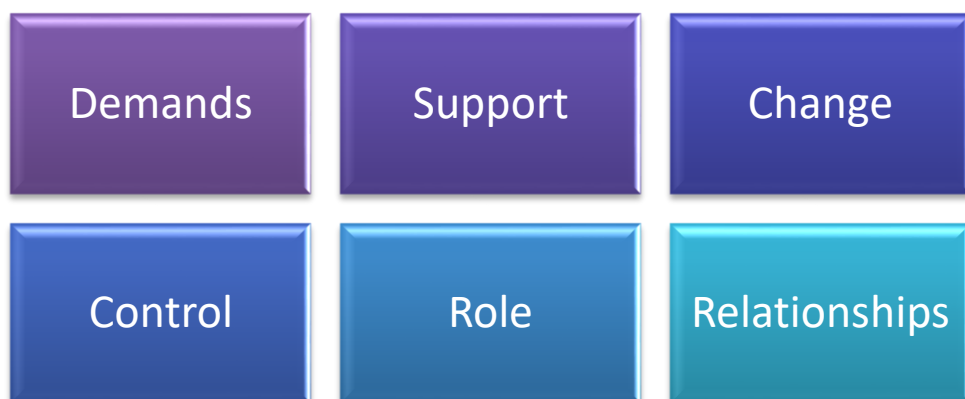
- 1.1 HHP is committed to protecting the health, safety and welfare of its employees. We recognise that work-related stress can damage the mental and physical health of our employees and we are committed to reducing and where possible eliminating stress for our employees.
- 1.2 Stress can result in poor mental health of employees even if the effects are not severe enough to result in a medical diagnosis. We recognise the need to promote a culture of good mental and physical health in our duty of care under the requirements of the Health and Safety at Work Act 1974.

The Health and Safety Executive defines stress as “the adverse reaction people have to excessive pressure or other types of demand placed on them”. This makes an important distinction between pressure, which can be a positive state if managed correctly, and stress which can be detrimental to health

- 1.3 This Policy will apply to everyone in the organisation including temporary employees, but we recognise the particular difficulties of identifying stress in small offices, or with employees who predominantly work out with our office environment.
- 1.4 Stress can affect anyone and is not a sign of weakness.

BACKGROUND

- 2.1 Stress in the workplace is not new, the Health and Safety Executive (HSE) introduced Stress Management Standards several years ago and implemented tools to accompany them which have been developed over the years.
- 2.2 The Management Standards cover six key areas:



- 2.3 Full descriptions of the Standards and typical behaviours which can be a sign of stress are available from the HSE website (www.hse.gov.uk).
- 2.4 It is important to distinguish the difference between stress and pressure. In most work situations some pressure is healthy, but stress is when a person experiences too much pressure and the effect of the pressure becomes negative.

POLICY AIMS

3.1 This Policy aims to:

- Promote a culture of mental and physical wellbeing;
- Increase awareness of stress;
- Provide Managers with a clear process to use should an employee report that they are experiencing symptoms of stress;
- Provide details of the proactive measures we will implement to help and reduce and, where possible eliminate stress and its causes; and
- Provide adequate resources to enable Managers to implement our agreed Stress Management Strategy.

IMPLEMENTING THE POLICY

4.1 The Chief Executive has overall responsibility for the implementation of this Policy.

4.2 Procedures relating to the implementation, monitoring and enforcement of this Policy will be developed and maintained by the Health & Safety Committee and updated as required.

4.3 We will:

- Train and support Managers in the risk assessment process
- Keep a central record of stress risk assessments and check whether these are suitable and sufficient
- Ensure that appropriate stress management training is provided to Managers by competent training providers
- Monitor and review the effectiveness of measures to reduce stress by collating sickness absence statistics and any other relevant data
- Advise Managers and individuals on training requirements
- Provide continuing support to Managers and employees and encourage referral to specialist counselors where appropriate
- Support employees who have been off work due to stress and advise them and their Line Managers on a planned return to work

4.4 The day-to-day responsibility for the implementation of this Policy lies with Line Managers but all employees are obliged to adhere to, and facilitate the implementation of the Policy in the workplace.

CONFIDENTIALITY

4.5 We will ensure that employees experiencing stress are dealt with in the strictest of confidence.

4.6 We will treat your personal data in line with our obligations under the current Data Protection Regulations and our own Data Protection Policy. Information regarding how your data will be used and the basis for processing your data is provided in HHP's employee privacy notice.

LINE MANAGER RESPONSIBILITY

4.7 Line Managers play a key role in managing stress in the workplace. It is vital to the success of a Stress Management Policy that Managers have a thorough understanding of what stress is and what the causes and early signs are.

The Line manager's responsibilities include:

- Attending stress awareness training;
- To be aware of the signs of stress and intervene where necessary;
- Promote our culture of a physically and mentally healthy organisation;
- To manage staff effectively to minimise them experiencing stress by ensuring:
 - good two-way communication between themselves and staff;
 - that employees are consulted and provided with constructive feedback in the course of their work particularly when changes are being proposed or implemented;
 - ensuring that bullying and harassment is not tolerated;
 - appropriate risk assessments are carried out;
 - recommendations of risk assessments are implemented as required;
 - working hours and overtime of employees is monitored to avoid overworking or overload;
 - employees take their full holiday entitlement;
 - employees have adequate opportunities for rest, meals and refreshments;
 - employees are fully trained to carry out their duties;
 - employees are provided with meaningful developmental opportunities;
 - that employees experiencing stress have access to appropriate sources of advice and support;
 - lone workers are provided with effective supervision and support;
 - additional support is offered to employees who are experiencing stress outside the workplace, should it be appropriate; and
 - encouraging a culture where stress is not regarded as a weakness.

EMPLOYEES RESPONSIBILITY

- 4.8 Individuals need to be aware of their own range of feelings and reactions to stressful situations and their personal methods of coping.
- 4.9 Excessive pressure and personal stress is not always evident in individuals, and Line Managers may not be aware of the stressors or triggers that affect their staff. Employees have a level of responsibility to take in maintaining their own health and well-being and have a duty to inform their Line Managers when work pressure is excessive to that reasonable steps can be taken to reduce this wherever possible.

Employees responsibilities include:

- raising any concerns they may have regarding stress at the earliest opportunity;
- to participate in our measures to assist in reducing or eliminating stress including attending counseling when recommended;
- being aware of the HSE Risk Management Standards and the signs of stress;
- raising any concerns, they may have for their colleagues in regard to stress with a Line Manager

HEALTH & SAFETY COMMITTEE

- 4.10 The Health & Safety Committee will perform a pivotal role in ensuring that this Policy is implemented, and will oversee monitoring of the efficacy of the Policy and other measures to reduce work-related stress and promote workplace H&S.

MANAGING STRESS

- 5.1 To support our commitment to reduce the risk of stress occurring, we will ensure the following initiatives are implemented and adopted.

PROACTIVE MEASURES	
Managers Training	All Line Managers will attend stress awareness training and subsequent refreshers at appropriate intervals
Stress Risk Assessments	We commit to conducting a stress risk assessment among staff on a periodic basis to help inform the team/department risk assessment. This will assist in identifying any 'at risk' areas within the organisation
Analysing Information	Commitment will be given that we will review appropriate data e.g. absence, employee concerns, employee questionnaires to identify areas where stress is or could be a risk
Promoting the Well Being of Employees	We are committed to facilitating a culture of promoting physical and mental health in the following ways: • Provide stress awareness sessions for staff. • Ensure that staff take any allocated breaks. • Manage staff holiday entitlement in order that leave is taken throughout the year at reasonable intervals. • Promote the benefits of physical activity for both physical and mental health. • Ensure that staff are not working excessive hours on a regular and prolonged basis. • Provide opportunities for employees to be active throughout their working day where possible and appropriate.

REACTIVE MEASURES

- 5.2 Stress is a very individualised condition and, as a result, it is unfortunate that even with the above measures being put in place some employees may nonetheless find themselves experiencing a stressful period in their lives. This may be caused by work or personal circumstances, or a combination of both.

- 5.3 We will use the process below if an employee raises concerns of stress.

- ⇒ Manager becomes aware that an employee is experiencing stress.
- ⇒ The Manager will arrange to meet with the staff member within 3 days to discuss the issues.
- ⇒ The Line Manager will give the employee a stress questionnaire to complete and agrees when the employee should return the questionnaire by. (Appendix 1).
- ⇒ The employee completes the questionnaire and returns this to the Line Manager.
- ⇒ A second meeting is arranged to discuss the questionnaire, identify ways of managing the issues, and any support or interim arrangements that may assist the employee.
- ⇒ If appropriate the employee may be referred to an occupational health

- specialist, for counselling or to any other appropriate service.
- ⇒ During this meeting an action plan will be developed to summarise discussions and lay out actions that will be taken by the organisation, Line Manager and employee.
 - ⇒ If the employee is absent as a result of stress the absence will continue to be managed in line with our absence management procedures, as well as providing the employee with the questionnaire to complete.

If the employee's Line Manager is a contributing factor to the employee's stress, another appropriate Manager e.g. a Manager one level above will conduct the meeting

- 5.4 If it is identified that the stress is being caused by another employee then appropriate investigations may be required in line with our Grievance Policy.
- 5.5 If through discussions with an employee a Line Manager becomes aware of a stress risk they will raise this in the appropriate way to ensure it is addressed at an organisational level. This will be done while maintaining the employee's confidentiality.

OCCUPATIONAL HEALTH & COUNSELLING SERVICE

- 6.1 If deemed appropriate an employee may be referred to an occupational health specialist to help identify any actions that could be taken to assist the employee.
- 6.2 The details of the service available to employees are displayed on the staff notice boards, intranet or can be sought from the employee's Line Manager.

COMMUNICATING THE POLICY

- 7.1 HHP will inform its employees about the Stress Management Policy. Managers who carry out implementing and operating the Policy will receive regular in-depth training. All employees will be trained in the operation of the Policy and its related procedures.
- 7.2 All new employees will be given access to a copy of Stress Management Policy and training on its procedures as part of their induction process.
- 7.3 A copy of the Policy will be posted on HHP's intranet.

MONITORING AND REVIEWING THE POLICY

- 8.1 We will review this Policy every 3 years. More frequent reviews will be considered if, for example, there is a need to respond to new legislation/policy guidance.

RELATED POLICIES & PROCEDURES

- 9.1 The following policies and procedures are referenced as part of this Policy:
 - Data Protection Policy; and
 - Grievance Policy.

POLICY CHANGE HISTORY

Version	Change Applied	Date	By
1	New policy based on the Croner Model Policy	June 2011	Angus Smith
2	Policy reviewed and no material changes.	August 2014	Angus Smith
3	Policy reviewed and standardised.	October 2017	Seonaid Matheson
4	Policy reviewed and updated to incorporate EVH model policy issued in May 2020	November 2020	Dena Macleod

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this policy:

Word	Interpretation or Definition
<i>HHP or Partnership</i>	Hebridean Housing Partnership
<i>Board</i>	Means the Board of the Hebridean Housing Partnership
<i>Board Members</i>	All Members of the Board including co-opted Members
<i>H&S</i>	<i>Health & Safety</i>
<i>Stress</i>	The adverse reaction people have to excessive pressure or other types of demand placed on them
<i>Proactive measures</i>	Aims to prevent the harm caused by stress by taking action before it occurs
<i>Reactive measures</i>	Actions which will respond to any stress related situation to minimise harm once it has occurred and assist in preventing it occurring again
All references to the masculine gender in this policy shall read as equally applicable to the feminine gender	



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Phone: 0300 123 0773

Individual Employee Stress Questionnaire

You have been given this questionnaire to complete as it has been highlighted to your line manager that you are or may be feeling stressed. The purpose of this questionnaire is for you to identify what factors may be contributing to you feeling stressed, and for you to think about, and detail what you feel would help you manage your current situation. Once you have completed the form, please return it to your line manager who will then arrange a meeting with you to discuss your stressors and what support may be available. If, due to the circumstances it would be better to discuss your current situation with an alternative manager this can be arranged.

Stressors

Please list the factors that you feel are contributing to you feeling stressed, once you have done this, please rank them from 1-10 with 10 having the biggest impact on you and 1 the least. The factors detailed may be within or out with the workplace.

Stressor	Stress Factor Rating (1-10)
Workplace factors – e.g. Workload/working relationships/work/life balance	
External factors – e.g. Home life/family/financial	

Moving Forward

Taking each stressor in turn please complete the below section prior to the meeting. Section 3 & 4 will be completed at the meeting with your line manager.

Stressor 1 – Outline the background
How do you see this situation being resolved?

Stressor 2 – Outline the background
How do you see this situation being resolved?

Stressor 3 – Outline the background

[illegible]

How do you see this situation being resolved?

[illegible]

This section below will be completed with your line manager at the meeting

Section 3 – Agreed Actions

[illegible]

Section 4 – Review Date

--

Employee signature

Date

Line managers signature

Date

CONSULTATION RESPONSE FORM

Stress Management Policy Consultation

November 2020

No.	QUESTION	RESPONSE
1	The Policy has been strengthened in line with EVH's Model Policy. Do you think it is strong enough on the proposed actions?	
2	Is there anything we have not covered in this Policy that you think we should cover?	
3	If you have any additional comments, please use this space to let us know.	

Return by **4 December 2020**

to: Jackie Macleod

NEW & EXPECTANT MOTHERS POLICY

Board 17 November 2020

Report by Chief Executive

Purpose of Report

- 1.1 To present to the Board the revised New & Expectant Mothers Policy.

Summary

- 2.1 The Partnership's New & Expectant Mothers Policy is scheduled for review. The Policy has been reviewed and is at Appendix 1.
- 2.2 There are no material changes to the Policy following this review.

Competence

- 3.1 The legal, financial or other constraints to any recommendations in this report are contained in paragraph 5.1 - 8.2.

Recommendations

- 4.1 **It is recommended that the Board review and approve the New & Expectant Mothers Policy at Appendix 1.**

APPENDIX 1: New & Expectant Mothers Policy

Background Papers: None

Writer of Report: Dena Macleod

Tel: 0300 123 0773

Competence

Financial

- 5.1 There are no financial implications arising directly from consideration of this report.

Legal

- 6.1 There are no legal implications arising directly out of consideration of this report.

Regulatory Guidance

- 7.1 The regulatory standards checklist has been completed and there is nothing in the report which would breach the standards.

Risk

- 8.1 A breach of the policies within an organisation carries a number of risks that can impact in all areas of its internal and external operations. It is important that we have the correct Policies, Procedures and Staff Guidance in place to prevent problems and to provide the appropriate support and information.
- 8.2 High priority is given to health & safety and a Serious Breach of Health & Safety is at item 19 on our Risk Register.



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► New & Expectant Mothers (Health & Safety at Work) Policy

Effective Date: ►

Review Date: ►

Approved by HHP Board:

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NEW & EXPECTANT MOTHERS

(HEALTH & SAFETY AT WORK) POLICY

INTRODUCTION

- 1.1 The purpose of this Policy is to ensure that HHP complies with the Management of Health & Safety at Work Regulations 1999, the Workplace (Health & Safety and Welfare) Regulations 1992 and the Equality Act 2010.
- 1.2 The policy aims to reduce any identified risks to new & expectant mothers and provide guidance on specific control measures required to protect them. This policy also acknowledges relevant legislative provisions and confirms the organisation's commitment to compliance.
- 1.3 Precautions taken to protect the Health and Safety (H&S) of HHP's employees as a whole will, in many cases, also protect new and expectant mothers. However, there are occasions when, due to their condition, different and/or additional measures will be necessary.
- 1.4 The policy applies to all female staff of child bearing age without reference to length of service or employment type.

AIMS & OBJECTIVES

- 2.1 The organisation will ensure that work activities exposing both females of childbearing age and new & expectant mothers to unacceptable risks are eliminated, so far as is reasonably practicable.
- 2.2 Measures to achieve this include preventing exposure to such risks by ensuring:
 - a) appropriate risk assessment of tasks is carried out;
 - b) relevant legal standards (dependent on the risk involved) are met;
 - c) procedures and good practice is followed;
 - d) working conditions and/or hours are adjusted if required; and
 - e) if necessary, that new & expectant mothers are removed from hazardous activities, working conditions or physical, biological or chemical agents. HHP will provide suitable alternative work or, if this is not possible, will place the employee on paid absence.

IMPLEMENTING THE POLICY

- 3.1 The Chief Executive has overall responsibility for the implementation of this policy.
- 3.2 Procedures relating to the implementation, monitoring and enforcement of this policy will be developed and maintained by the Health & Safety Committee and updated as required.
- 3.3 Day-to-day responsibility for the implementation of this Policy lies with Line Managers but all employees are obliged to adhere to, and facilitate the implementation of the Policy in the workplace.

- 3.4 Where hazardous activities cannot be eliminated, risk assessments carried out by an appropriate and competent person, together with the new or expectant mother will be undertaken to identify residual risks and to reduce them to the lowest level reasonably practicable. The assessments will take into account the actual risks associated with the work activities and whether these risks are increased, due to any particular problems experienced by the new or expectant mother during her pregnancy or postnatal period.

Specifically, the assessment will consider risks associated with exposure to:

- a) physical agents;
- b) biological agents; and
- c) chemical agents.

The risk assessment will also consider working and welfare conditions.

- 3.5 Risk assessments relating to new and expectant mothers will be reviewed, and if necessary, revised regularly.

COMMUNICATING THE POLICY

- 4.1 HHP will inform its employees about the New & Expectant Mothers Policy. All staff undertaking risk assessments will be trained in the operation of the Policy.
- 4.2 All new employees will be given access to the New & Expectant Mothers Policy (e.g. at induction).
- 4.3 Suitable information, instruction and training will be provided to new & expectant mothers to ensure their health and safety. Training needs will be identified and reviewed by a competent person and support given to allow new & expectant mothers to attend any required training sessions. The effectiveness of any training provided will be monitored and training regularly reviewed.
- 4.4 Training should also include ensuring that those people responsible for carrying out risk assessments are competent to do so.
- 4.5 A copy of the Policy will be posted on HHP's intranet.
- 4.6 Other policies and procedures relating to expectant staff members can be found in the Employment Handbook and on the staff pages section on the intranet.

MONITORING AND REVIEWING THE POLICY

- 5.1 HHP will review this Policy every 3 years. More frequent reviews will be considered if, for example, there is a need to respond to new legislation/policy guidance.

HHP PROCEDURES RELATING TO THE NEW AND EXPECTANT MOTHERS POLICY**1.1 Line Managers must ensure that:**

- a) new & expectant mothers are encouraged to disclose their pregnancy at the earliest possible opportunity to their Line Manager or Director;
- b) the highest level of confidentiality is maintained at all times;
- c) risk assessments are carried out for all work activities undertaken by new & expectant mothers and associated records and documentation maintained;
- d) necessary control measures identified by the risk assessment are implemented, followed, monitored, reviewed and, if necessary, revised;
- e) new & expectant mothers are informed of any risks to them and/or their child and the controls measures taken to protect them;
- f) any adverse incidents are immediately reported and investigated;
- g) appropriate training, etc is provided where suitable alternative work is offered and accepted;
- h) provision is made to support new & expectant mothers who need to take time off work for medical reasons associated with their condition.

2.1 New & Expectant Mothers must:

- a) inform their general practitioner or midwife of the nature of their work;
- b) notify HHP in writing, as soon as possible, if they are pregnant, have just given birth or are breastfeeding;
- c) follow any safety arrangements implemented for their protection, including attending training sessions, complying with control measures, etc;
- d) not act in a manner that adversely affects their own H&S, that of their child and/or anyone else;
- e) report any perceived or real shortcomings in protection to their Line Manager in first instance.

POLICY CHANGE HISTORY

Version	Change Applied	Date	By
1	New Policy based on the Croner Model Policy.	June 2011	Angus Smith
2	Policy reviewed, minor changes made and renamed to reflect minor legislative changes.	August 2014	Angus Smith
3	Policy reviewed and standardised.	October 2017	Seonaid Matheson
4	Policy reviewed	October 2020	Seonaid Matheson

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this policy:

Word	Interpretation
<i>HHP or Partnership</i>	Hebridean Housing Partnership
<i>Board</i>	Means the Board of the Hebridean Housing Partnership
<i>Board Members</i>	All Members of the Board including co-opted Members
<i>H&S</i>	<i>Health and Safety</i>
<i>New & Expectant Mother</i>	A worker who:
	a) is pregnant
	b) who has given birth within the previous 6 months (given birth is defined as having given birth to a living child, or a still-born child after 24 weeks of pregnancy)
	c) is breast feeding
All references to the masculine gender in this policy shall read as equally applicable to the feminine gender	



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POLICY REVIEW (SAFEGUARDING)

Board 17 November 2020

Report by Head of Executive Office

Purpose of Report

- 1.1 The purpose of this report is to update the Board regarding compliance of our Safeguarding Policies with OSCR guidance.

Summary

- 2.1 OSCR expects Charity Trustees to review safeguarding policies on an annual basis, to ensure they are consistent with the Interim Guidance, issued in May 2018.
- 2.2 The guidance covers the welfare of children and vulnerable adults to protect them from harm including physical, emotional, sexual and financial harm and neglect.
- 2.3 We have various policies which have aspects of Safeguarding in them and their compliance with appropriate guidance is detailed at Appendix 1, with further details on our approach to Safeguarding in the body of the report.

Competence

- 3.1 The financial, legal and other constraints to the recommendations in this report being implemented are at paragraph 5.1 – 8.2.

Recommendations

- 4.1 **It is recommended that the Board note the review of policies at Appendix 1 in respect of Safeguarding.**

APPENDIX 1	Policy Review (Safeguarding)
Background Papers	OSCR Safeguarding Guidance: Keeping vulnerable beneficiaries safe, May 2018
Writer of Report	Iona France

Competence

Financial

- 5.1 There is no financial constraint arising from the recommendation to this report being implemented.

Legal

- 6.1 There is a legal requirement to comply with guidance issued from regulatory bodies.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

- 8.1 The major risk of not complying with Safeguarding guidance from OSCR is that vulnerable beneficiaries may not be safe and could come to harm. We could compromise our charitable status or incur reputational damage.
- 8.2 Legislative changes are itemised at number 16 on the Risk Register, and data security and integrity is at number 10.

Report Details

Safeguarding Policies

- 9.1 Charity Trustees are accountable for all that happens in their charity. In its Safeguarding Guidance OSCR states that:
- You must act in the interests of the charity:
 - You must operate in a manner consistent with the charity's purpose;
 - You must act with care and diligence; and
 - You must manage any conflict of interest between the charity and any person or organisation who appoints charity trustees.
- 9.2 OSCR's guidance also states that Charities have a wider responsibility to protect their staff, volunteers and beneficiaries in general but the safeguarding guidance issued in May 2018 focuses on the safeguarding of vulnerable beneficiaries.
- 9.3 Vulnerable beneficiaries should be protected in the following ways, by:
- having policies and procedures in place that will help make sure that children and vulnerable adults are protected from harm;
 - making sure those policies and procedures are implemented and understood by everyone in the charity;
 - having clear lines of responsibility and accountability within the charity to deal with any safeguarding issues;
 - making sure that staff and volunteers are trained to identify potential harm, know what action to take and are clear about how, when and who to report to.
- 9.4 We can demonstrate that it is operating appropriately and in a manner consistent with its purpose and with safeguarding guidance in a number of ways:
- An Annual Assurance Statement is issued to the Scottish Housing Regulator, confirming that the Board are satisfied that HHP comply with all legal and regulatory standards and requirements. The mapping and ongoing provision of evidence to the Board to allow the Assurance Statement to be made, is an important part of this self-regulation.

- Codes of Conduct, based on model documents approved by regulatory bodies, are signed by all Staff and Board Members before they can take an active part in HHP's business functions;
- Full Disclosures of Interest are made by all Staff and Board Members annually, and further Declarations of Interest are recorded before each Board or Committee Meeting commences;
- Rule compliance is reviewed and approved at the last meeting before the AGM;
- Training requirements are reviewed during staff appraisals and worked into a Training Plan which is approved by Board;
- There is a Policy Review Schedule in place to ensure all policies are subject to a review within a timeframe consistent with the risk they carry;
- A Risk Register is reviewed and presented at each meeting of the Audit & Risk Committee;
- Our Business Plan and Financial Regulations are reviewed annually; and
- Various statutory returns are made to Regulatory Bodies annually.

9.5 In terms of our policies, those identified as having elements which addressed Safeguarding, of beneficiaries and staff, are detailed below:

- Alcohol & Drugs;
- Codes of Conduct;
- Comments, Compliments & Complaints Handling;
- Entitlements, Payments & Benefits;
- Disclosure of Interest;
- Domestic Abuse;
- Equal Opportunities;
- Fire Safety;
- Fraud;
- Gas Safety Management;
- Health & Safety;
- Lone Working;
- Managing Violence and Aggression at Work;
- Maternity Leave;
- New & Expectant Mothers;
- Openness & Confidentiality;
- Particular Housing Needs;
- Repairs & Maintenance;
- Risk Management;
- Scottish Secure Tenancy;
- Smoking at Work;
- Special Leave;
- Stress Management;
- Tenant Participation;
- Unacceptable Actions by Complainants;
- Vulnerable Consumers;
- Whistleblowing; and
- Young Workers.

9.6 It was agreed that these policies would have an annual review in respect of Safeguarding, and a report would go to the Board each November to confirm the policies remain compliant with the latest guidance, or advise of any changes which may be required. Appendix 1 details each policy and how it has been reviewed.

9.7 OSCR recommends that Charity Trustees should receive training on Safeguarding, so this will be included in the Board Training Schedule for the coming year.

POLICY REVIEW (SAFEGUARDING)

POLICY	REVIEW CONDUCTED	DATE OF REVIEW	NEXT REVIEW DUE
Alcohol & Drugs	Policy updated in line with EVH's Model Policy.	August 2020	August 2023
Codes of Conduct	Model Policies adopted in 2018, which were approved by the Scottish Housing Regulator and drafted by SFHA. Consistent with all current guidance.	November 2018	November 2021
Comments, Compliments & Complaints	The policy was updated in line with Scottish Public Service Ombudsman (SPSO) guidance and contact details were updated for both the SPSO and factoring complaints.	August 2020	August 2023
Domestic Abuse	The Policy was implemented in 2020 and is appropriate with current guidance and legislation. An interim review will take place in January 2021.	Implemented June 2020	Interim Review - January 2021 Full Review - June 2023
Disclosure of Interest	The Policy remains consistent with Codes of Conduct, which are consistent with current guidance.	August 2019	August 2022
Entitlements, Payments & Benefits	The Policy is consistent with Codes of Conduct, which are consistent with current guidance.	May 2019	May 2022
Equal Opportunities	The Policy was due for review in June 2020 however, updated guidance on equalities data collection is awaited from Regulator. The policy is consistent with legislation. Equalities training with staff and Board Members due 2021.	June 2017	January 2021
Fire Safety	Annual review took place in May 2020 and the Policy is appropriate with current guidance.	May 2020	May 2021
Fraud	The Fraud Checklist is reviewed annually. The Policy was updated to include reference to the Whistleblowing Policy and is consistent with regulatory and legislative requirement.	February 2020	February 2021

POLICY	REVIEW CONDUCTED	DATE OF REVIEW	NEXT REVIEW DUE
Gas Management	At September 2020 420 properties had gas heating systems and all had a gas safety certificate at that date.	February 2019	February 2022
Health & Safety	Consistent with all current guidance and no amendments made at last review.	February 2020	February 2021
Lone Working	Updated with the latest guidance from EVH and the requirements of the COVID-19 pandemic. The lone worker definition was updated to included home workers. Policy is consistent with EVH guidance and based on a Croner Model Policy.	August 2020	August 2023
Managing Violence and Aggression at Work	This is based on a Croner model policy which was compliant with all relevant guidance at the point of adoption.	May 2019	May 2022
Maternity Leave	No major amendments required at review and Policy is consistent with Health & Safety at Work legislation. Based on Croner Model Policy.	June 2019	June 2021
New & Expectant Mothers	The Policy based on a Croner model policy which was compliant with all relevant guidance.	November 2020	November 2023
Openness & Confidentiality	Policy complies with GDPR and FOI legislation.	November 2019	November 2023
Particular Housing Needs	Reviewed in August 2020. No major amendments required at review and Policy is consistent with current guidance. .	August 2020	August 2023
Repair & Maintenance	In line with Special Needs Housing Policy, Right to Repair and OT referral processes and consistent with relevant guidance.	November 2020	November 2023
Risk Management	Policy reviewed on an annual cycle and consistent with the risk HHP faces. The Policy was updated to take into account the specific risk of the Covid-19 pandemic.	June 2020	June 2021

POLICY	REVIEW CONDUCTED	DATE OF REVIEW	NEXT REVIEW DUE
Scottish Secure Tenancy	Updated in line with Model Scottish Secure Tenancy Agreement following the introduction of the Housing (Scotland) Act 2014 in May 2019. All tenants advised of the changes to their rights under their tenancy agreement by mailing in October 2018.	May 2019	n/a
Smoking at Work	No major amendments required at last review and Policy is consistent with Health & Safety at Work legislation. Based on Croner Model Policy.	November 2017	January 2021
Special Leave	Policy updated to include reference to Pensions in accordance with Local Government Pensions Scheme (Scotland), and guidance from Highland Council.	June 2020	May 2023
Stress Management	The Policy is consistent with Health & Safety at Work legislation and incorporates EVH's Model Policy from May 2020.	November 2020	November 2023
Tenant Participation	Tenant Participation Strategy in place and updated annually.	August 2020	August 2021
Unacceptable Actions by Complainants	The policy has been updated in line with Scottish Public Service Ombudsman (SPSO) guidance. An additional section has also been incorporated at section six of the Policy to give guidance on complainants who unreasonably refuse to cooperate.	August 2020	August 2023
Vulnerable Consumers	All aspects of vulnerability covered by Policy and various staff took part in training courses in 2018 to cover: Child Protection, Landlords Facilities Health and Safety Awareness, Energy Awareness, Gas Safety Awareness, Full Service Universal Credit, Emergency First Aid, and Equalities.	March 2019	March 2022

POLICY	REVIEW CONDUCTED	DATE OF REVIEW	NEXT REVIEW DUE
Whistleblowing	No major amendments required, Consistent with Whistleblowing guidance following the Public Interest Disclosure Act 1998 (PIDA) and the Enterprise and Regulatory Act 2013.	February 2020	February 2024
Young Workers	No major amendments required at review and is consistent with Health & Safety at Work legislation. Based on Croner Model Policy.	November 2017	January 2021

POLICY CONSULTATION RESPONSE

Board 17 November 2020

Report by Head of Executive Office

Purpose of Report

- 1.1 To approve the Alcohol & Drugs Policy following consultation.

Summary

- 2.1 The Alcohol & Drugs Policy was approved for consultation with staff and the Union on 28 August 2020 and the consultation period was from 28 August 2020 to 30 September 2020.
- 2.4 Following the consultations, the Policy has been considered and updated and it is recommended the Board approve the updated Policy which can be found at Appendix 1.
- 2.5 Details of the amendment to the Policy are provided at Appendix 2

Competence

- 3.1 Financial, legal and other constraints from the recommendations to this report are at paragraph 5.1 – 8.2.

Recommendations

- 4.1 **It is recommended that the Board approve the Alcohol & Drugs Policy at Appendix 1.**

APPENDIX 1: Alcohol & Drugs Policy

APPENDIX 2: Consultation Response

Background Papers: None

Writer of Report: Iona France

0300 123 0773

Competence

Financial

- 5.1 There are no financial implications arising directly from the consideration of this report. The Policies are all in place currently, and where there is a requirement to fund cover for an Employee taking leave in accordance with these Policies, this will be dealt with under existing budgets.

Legal

- 6.1 The updated Policies ensure we are compliant with legislation and best practice.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

- 8.1 The risk of not updating Policies can lead to breaches in regulatory codes of governance, legislation and recommended practice, and can leave the Partnership open to legal action.
- 8.2 Our third strategic goal is: "*Being a good employer, that attracts and retains high quality staff*". Conducting regular reviews of policies is central to creating a good working environment and a healthy work / life balance which will help ensure good industrial relations between Employer and Staff.



hebridean housing
partnership



► Alcohol & Drugs Policy

Effective Date: ►

Review Date: ►

Approved by HHP Board:

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ALCOHOL & DRUGS POLICY

INTRODUCTION

- 1.1 Our employees are our most valuable resource and their Health and Safety (H&S) is of the utmost importance. Alcohol and drug misuse has the potential to damage the health and well-being of our employees and Board Members and threaten the success of our business.
- 1.2 The aim of this Policy is to protect the H&S of our employees and to help anyone who may be suffering from an alcohol or drug-related problem. The Policy sets out the principles we will follow but it is accepted that since no two cases are the same, this Policy should be regarded as laying down guidelines only and not as being of contractual effect.
- 1.3 We recognise our duty under the Health & Safety at Work Act 1974 to ensure as far as is reasonably practical the physical and psychological health, safety and wellbeing of all employees. If it is felt that an individual poses a risk to the health, safety or wellbeing of themselves or anyone else as a result of alcohol or substances, immediate action will be taken to remove the individual from the environment, most likely by sending the individual home, or seeking emergency medical assistance. If it is not safe for the individual to make their own way home alternative travel arrangements must be made.
- 1.4 All employees have a responsibility to ensure the health, safety and wellbeing of others is not put at risk. If an employee has reason to believe that a colleague is misusing alcohol or substances, they must inform their Line Manager immediately.

OBJECTIVES

- 2.1 The primary objectives of this Policy are:
 - a) the prevention of the adverse effects of alcohol and drugs in the workplace; and
 - b) the early diagnosis, treatment and rehabilitation of employees who have alcohol or drug-related problems.
- 2.2 Consumption of alcohol or drugs may affect an employee's ability to properly perform his job and may endanger the H&S of others. Employees are therefore required to advise their Line Manager if they are taking prescribed drugs that may impact their work.
- 2.3 We respect an individual's right to a private life, however HHP works within the community with a purpose of improving the lives of those who live there. As a result, we will not tolerate any instances of illegal activity concerning or associated with substances. Any employee found to be involved in or connected to illegal activity will be managed under our disciplinary procedures which will likely result in dismissal.

DEPENDENCY

- 3.1 In circumstances where an employee is suspected of having an alcohol or legal substance dependency, we will provide reasonable support. In the first instance, the Line Manager will have a meeting with the employee and make a referral to a counselling service. The Manager will then have follow-up meetings on an appropriate and regular timescale to determine the progress the individual is making.
- 3.2 Where there are performance issues relating to the dependence, appropriate performance plans will be put in place in accordance with our performance procedures. Where the improvement is not adequate or support via a counselling service is not adhered to, normal disciplinary procedures will be instigated which may result in dismissal.
- 3.4 Employees with alcohol or substance misuse problems who are referred for support, whether voluntarily or mandatory will be dealt with in the strictest confidence.
- 3.5 This information will be handled in line with our obligations under the current Data Protection Regulations and our own Openness and Confidentiality Policy. Information regarding how your data will be stored can be obtained by contacting the Governance Officer or the Head of Executive Office.

ALCOHOL AND THE WORKPLACE

- 4.1 The consumption of alcohol at work is not normally permitted. However, at special events (for example conferences), where the employee is not driving, the employee may exercise their discretion and consume alcohol as long as their behavior remains in line with that expected in the Code of Conduct.

DRIVING AT WORK

- 5.1 Drinking alcohol or taking substances can affect people in different ways. Should an employee drink alcohol or take a substance (legal or illegal) which impairs their ability to drive and then undertakes any occupational driving this will be deemed as breach of contract and will be dealt with under our Disciplinary Policy. This will also be reported to the Police.
- 5.2 Before any driving at work takes place, a risk assessment should be conducted. This should be completed by the driver and should include any alcohol or substance consumption. This is particularly relevant 'the morning after the night before'. If an employee is in any doubt as to whether they are safe to drive they should not do so.
- 5.3 If an employee suspects another staff member has consumed alcohol or substances or they have reason to believe the person may not be safe to drive, has driven or is intending to drive they have a responsibility to report this immediately to a Manager. The Manager will deal with the situation appropriately, which will include informing the Police. Should malicious allegations be made this will be treated very seriously and will be subject to formal disciplinary action.

MANAGING ALCOHOL MISUSE

- 6.1 We will manage alcohol misuse depending on its nature. Alcohol misuse will be dealt with under the following categories:
 - 1) Alcohol overindulgence
 - 2) Alcohol dependence
- 6.2 Where concern arises regarding alcohol overindulgence that results in socially unacceptable or dangerous behaviour but which is not related to a physical or psychological dependence, this will be treated as a conduct issue and will be dealt with under the organisation's disciplinary procedures.
- 6.3 Where concern arises regarding alcohol dependency and interferes with an employee's ability to carry out their duties, this will initially be considered as an ill-health issue and managed in accordance with the appropriate procedures.
- 6.4 We will ensure that there are confidential means for employees to seek assistance and advice for any alcohol or drug problem, whether by self-referral or at our request.
- 6.5 Where appropriate, we will provide support internally and/or through external agencies to employees who seek help for an alcohol or drug problem.
- 6.6 If any employee with an alcohol or drug problem fails to comply with the recommendations of the agreed programme of treatment, disciplinary action will be taken.
- 6.7 Employees enrolled on a rehabilitation programme will usually be subject to normal sickness/absence rules.
- 6.8 We reserve the right to conduct or require an alcohol and drug screen on any employee whilst at work or on HHP property. Such screening will only be carried out with the employee's consent. However, refusal to provide appropriate samples may lead us to draw our own inferences against the employee.
- 6.9 Employees should recognise that it is their responsibility and in their best interests to seek help at the earliest possible stage when treatment may be easier and before the problem affects work and becomes a disciplinary matter.

MANAGING SUBSTANCE MISUSE

Legal Substances

- 7.1 Where concern arises regarding over indulgence in legally obtained substances which results in socially unacceptable or dangerous behaviour. This also relates to prescription medication, whether required short or long term. Such situations will be treated as a conduct issue and will be dealt with under the organisation's disciplinary procedures.
- 7.2 Where an issue arises concerning legal substance dependency which has been obtained legally and interferes with an employee's work, this will initially be managed as an ill-health issue and managed in accordance with the appropriate procedures. However, where there is no improvement, support is not accepted, programme completed or no dependence is diagnosed we will instigate the disciplinary procedure.

Illegal Substance Misuse

- 7.3 We will not tolerate the consumption or possession of illegal substances in any circumstances. This will always be considered to be gross misconduct.

Illegally Obtained Legal Substances

- 7.4 We will not tolerate illegal activity concerning legal substances. Any employee who is suspected of being involved in any such activity will be dealt with in accordance with our disciplinary procedures as gross misconduct.

General Illegal Activity

- 7.5 The use, possession, distribution, purchase, sale or being under the influence of alcohol (except on authorised occasions) or any controlled drugs whilst at work or on HHP property is prohibited and may be viewed as gross misconduct.
- 7.6 Employees should be aware that the Misuse of Drugs Act 1971 makes it a criminal offence for HHP to knowingly allow the production or supply on its premises of any controlled drugs, and for any individual who allows such activities by his neglect or connivance. We will press for the prosecution of any employee found breaking these laws on its premises.
- 7.7 Breach of this Policy by an employee will be fully investigated and normally be dealt with under our disciplinary procedure. Depending on the nature of the conduct, the employee may be dismissed without notice.

IMPLEMENTING THE POLICY

- 8.1 The Chief Executive has overall responsibility for the implementation of this Policy.
- 8.2 Procedures relating to the implementation, monitoring and enforcement of this Policy will be developed and maintained by the Health & Safety Committee and updated as required.
- 8.3 Day-to-day responsibility for the implementation of this Policy lies with Line Managers but all employees are obliged to adhere to, and facilitate the implementation of the Policy in the workplace.
- 8.4 Employees with alcohol or drug problems who are referred for treatment, whether voluntarily or mandatory will be dealt with in the strictest confidence.

COMMUNICATING THE POLICY

- 9.1 We will inform our employees, and other agencies and companies who operate from our offices and stores about the Alcohol and Drugs Policy. Managers responsible for implementing and operating the Policy will receive regular training. All employees will be trained in the operation of the Policy and alcohol and drug awareness.
- 9.2 All new employees will be given a copy of the Alcohol and Drugs Policy (e.g. at induction).
- 9.3 A copy of the Policy will be posted on our intranet.

MONITORING & REVIEWING THE POLICY

- 10.1 This Policy will be reviewed every three years. More frequent reviews will be considered if, for example, there is a need to respond to new legislation/policy guidance.

HHP PROCEDURES RELATING TO THE ALCOHOL AND DRUGS POLICY

PREVENTION AND REHABILITATION

- 1.1 The primary objectives of this Policy are the prevention of the adverse effects of alcohol and drugs in the workplace and the early diagnosis, treatment and rehabilitation of employees who have alcohol or drug-related problems.
- 1.2 We will ensure there are confidential means for employees to seek assistance and advice for any alcohol problem, whether by self-referral or at the Partnership's request.
- 1.3 Employees should recognise it is their responsibility and in their best interests to seek help at the earliest possible stage as treatment may be easier and before the problem affects work sufficiently to become a disciplinary matter.
- 1.4 To avoid the need for disciplinary action being taken, employees with an alcohol or drug problem must comply with the recommendations of the agreed programme of treatment.
- 1.5 Employees enrolled on a rehabilitation programme will usually be subject to normal sickness/absence rules.

SCREENING WHEN ALCOHOL OR DRUGS ABUSE IS SUSPECTED

- 2.1 Where Line Managers observe unusual behaviour or unacceptable performance by an employee at work such that they have reasonable cause to believe that the employee is suffering the effects of alcohol or drugs, the Line Managers will initiate the following procedure:
 - a) they will ask the employee to explain his behaviour. They will then ask the employee to accept a referral to the Occupational Nurse for a medical review. In all cases a medical review will take place to ensure there is no underlying medical reason for the unusual behaviour or unacceptable performance and that the employee receives the appropriate and confidential care;
 - b) it is anticipated most cases will not proceed to an alcohol and drugs screen but will be handled using normal line management practices. However, in the absence of a satisfactory alternative explanation for the behaviour or performance, and where the employee is suspected of, or admits to, being in breach of this policy, an alcohol and drug screen will be performed;
 - c) the procedure for screening is held by the Occupational Nurse. The consent form will be prepared by the Occupational Nurse and signed by the employee and the Occupational Nurse taking the samples. Upon completion of the screen, the employee may be suspended on full pay for as short a time as possible until the results of the test are known; and
 - d) if an employee refuses to co-operate with the screening or to allow the Partnership access to the results, the consent form will be completed accordingly. The employee will be suspended immediately on full pay and our Disciplinary Policy will be instigated. The behaviour that gave rise to the suspicion may also be grounds for disciplinary action. Failure to

follow or co-operate with procedures laid down to safeguard the H&S of employees will be regarded as gross misconduct and may lead to disciplinary action up to and including dismissal.

DEALING WITH THE RESULTS

- 3.1 Employees will be told the results of the screen as soon as practicable.
- 3.2 If the result of the screen is negative the employee's behaviour will continue to be investigated and in appropriate cases our Disciplinary Procedure will be instigated.
- 3.3 If the result is positive, the Line Manager will continue the investigation and medical advice will be sought.
- 3.4 If no alcohol or drug dependency is found or admitted, our Disciplinary Procedure will be instigated and, depending on the seriousness of the conduct that gave rise to the investigation, we may dismiss the employee.
- 3.5 We may alternatively, at our absolute discretion, treat the employee's alcohol or drug dependency as an illness. Where appropriate the employee will be offered support and access to treatment for rehabilitation. A formal rehabilitation plan will be agreed. Any time off to attend rehabilitation will be treated as sickness absence but the employee will receive payment over and above statutory sick pay only at our discretion.
- 3.6 The Occupational Nurse will review the employee's fitness for work and liaise with external agencies (if applicable) to ensure that the employee is co-operating with the rehabilitation programme.
- 3.7 It is anticipated most employees will complete rehabilitation successfully. However, if the employee fails to complete the rehabilitation programme (or fails any screening tests), the matter will be dealt with in accordance with our Disciplinary Policy. Failure to complete rehabilitation successfully will be regarded as gross misconduct and may lead to disciplinary action up to and including dismissal.

POLICY CHANGE HISTORY

Version	Change Applied	Date	By
1	New Policy based on the Croner Model Policy	June 2011	Angus Smith
2	Policy reviewed and standardised	June 2014	Angus Smith
3	Policy reviewed and standardised	August 2017	Shona Paton
4	Policy reviewed and amended in line with EVH's Model Policy	August 2020	Dena Macleod

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this policy:

Word	Interpretation
<i>We/our/us</i>	Hebridean Housing Partnership/HHP
<i>Board</i>	Means the Board of the Hebridean Housing Partnership
<i>Board Members</i>	All Members of the Board including co-opted Members
<i>H&S</i>	Health and Safety
<i>Alcohol Misuse</i>	Refers to an alcohol related problem which is defined as any drinking, either intermittent or continual, which interferes with a person's health and social functioning and/or work capability or conduct.
<i>Drug</i>	Refers to any psychoactive drug whether illegal, over the counter from pharmacies and other retail outlets, or legal substances such as solvents. In the case of prescribed drugs, their possession and proper use is acknowledged as legitimate.
<i>Drug Misuse</i>	Refers to use of illegal drugs and the misuse whether deliberate or unintentional of prescribed medicines or solvents.
<i>Premises/Property</i>	HHP's Business Offices, Stores, Garages, Caravans, Houses, Flats, Vehicles or any other property used by HHP in the course of its business.
<i>Occupational Nurse</i>	Occupational nurses work to prevent, investigate, and treat workplace related illnesses and injuries. This service is sourced outwith HHP.
All references to the masculine gender in this Policy shall read as equally applicable to the feminine gender	



HHP is a registered society under the Co-operative and Community Benefit Societies Act 2014, Registered Number: 2644R(S), Registered Office: Creed Court, Gleann Seileach Business Park, Willowglen Road, STORNOWAY, Isle of Lewis HS1 2QP. It is a charity registered in Scotland, Charity Number: SC035767, registered as Registered Social Landlord with the Scottish Housing Regulator, Registration Number: 359 and registered as a Property Factor, Registration Number PF000183

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Web: www.hebrideanhousing.co.uk

RESPONSES TO ALCOHOL & DRUGS POLICY CONSULTATION

Number of responses	1
Number of responses received before revised deadline	1
Number of responses received after revised deadline	0
Staff / Union	1 staff / 0 Union

Staff Responses:

Clause	Area	Comment	Management Response
6.8 & 7.5		The policy extends to all HHP properties. This could therefore be extended to the home of an employee/ board member who lives in a HHP property, which seems restrictive.	The definition has been amended to include properties as well as premises. The definition states that the policy applies in the course of HHP's business.
Additional comments:			

MANAGEMENT REPORT TO 30 SEPTEMBER 2020

Board 17 November 2020

Report by Director of Finance & Corporate Services

Purpose of Report

- 1.1 To present the Management Report for the month ended 30 September 2020 to the Board for review.

Summary

- 2.1 Repairs, Investment and Development Programmes have been progressing well in the second quarter. The Investment Programme is expected to be delivered on time with the possible exception of windows and doors. Restrictions due to COVID-19 have resulted in slippage in development which will result in a reduction in forecasted rental income of £56K.
- 2.2 £72K of savings have been reflected in the forecast out-turn. These include savings in premises costs, general consultant fees and furniture and fittings. The latter two being due to postponing the office re-design and space planning exercise.
- 2.3 The Management Accounts show that the financial covenant will be met for the year ended 31 March 2021.

Competence

- 3.1 The legal, financial or other constraints to any recommendation in this report are contained in paragraph 5.1 - 8.1.

Recommendations

- 4.1 **It is recommended that the Board note the Management Report to 30 September 2020 as detailed at Appendix 1.**

APPENDIX 1: Management Report to 30 September 2020

Background Papers: None

Writer of Report: Katia Petteloot

Tel: 0300 123 0773

Competence

Financial

- 5.1 The Board approved budgets for 2020/21 in March 2020, which projected a surplus for the year of £2,098,569. The forecasted out-turn is £2,347,140.
- 5.2 Due to the uncertainty of timing on development our funders have advised we should operate to the existing covenant approval (Year 2 covenant from the 2019/20 Board approved plan). They are supportive of our development programme and have recommended we resubmit a revised plan as contractor re-engagement plans become available. We will therefore track forecast out-turn against the current approved covenants to ensure compliance with this.

Legal

- 6.1 The following Partnership rules are applicable:
 - a) *Rule 69 - The Partnership must keep proper books of accounts to cover its income, expenditure transactions and its assets, liabilities and reserves in line with Part 7 of the Co-operative and Community Benefit Societies Act 2014. It must also set up and maintain a suitable system for controlling its books of accounts, its cash and its receipts and invoices.*

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

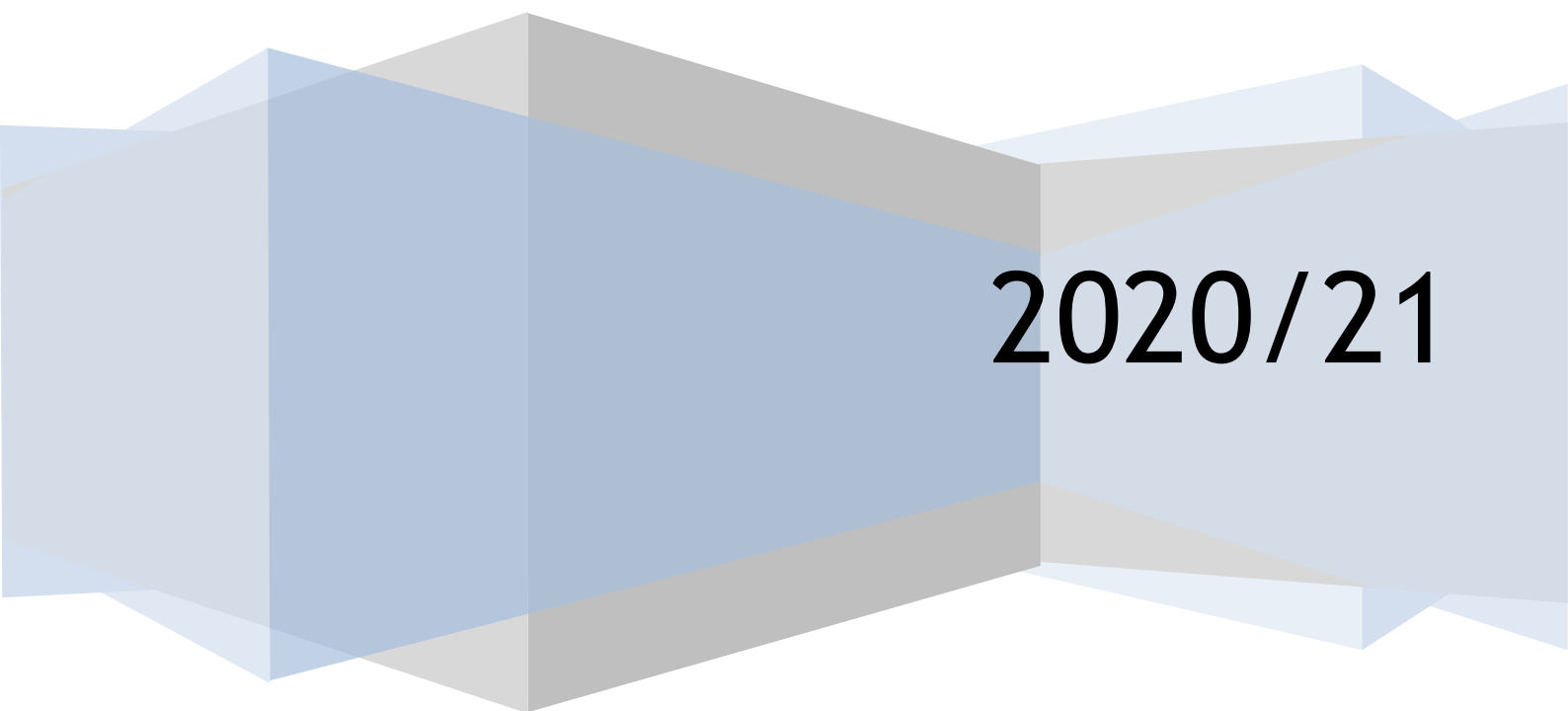
- 8.1 The key risk is that we do not meet our Financial Covenants on an ongoing basis. Our Funders have advised that due to the implication of COVID-19, the board approved budgets in March 2020 will need to be updated to reflect slippage on investment and development works. The covenant in place until the plan is approved is the Year 2 covenant from the Business Plan approved by the Board in March 2019. This covenant is forecast to be met in March 2021.

Hebridean Housing Partnership

Registered Scottish Charity SCO 35767

Management Reports

To 30 September 2020

An abstract graphic at the bottom of the page consisting of several overlapping, semi-transparent geometric shapes in shades of blue and grey, creating a layered, architectural effect.

2020/21

Introduction

The Management Reports for 30 September 2020 are attached and if Board Members or Managers have any areas of concern or would like additional information they should contact the Finance Manager or the Director of Finance & Corporate Services.

The Management Reports are made up of three sections:

Section 1: High Level Summary

- Written by the Director of Finance & Corporate Services. This section shows in graphical format how HHP is performing in relation to the annual budget for 2020/21.

Section 2: Management Accounts

- Prepared by the Finance Manager. Provides an Income & Expenditure Account, Balance Sheet and detailed operational budgets for the period. The Management Accounts include a more detailed commentary from Budget Managers on performance.

Section 3: Key Financial Performance Measures

- Prepared by the Finance Manager including a review of Financial Covenants to provide the Board with assurance that the Covenant for 2020/21 will not be breached.

Section 1-High Level Summary

Commentary on Performance by Director of Finance & Corporate Services

	£
Initial approved Surplus	2,098,570
Virements	189,071
Virement/Adjustment current period	(400)
Revised Surplus	2,287,240
Changes identified this financial year	
Changes to Income increases/(decreases)	(12,000)
Cost (increases)/decreases	103,650
Depreciation	-
Grant Amortisation	-
Forecast Surplus to 31 March 2021	2,378,890
Decrease in funds required to meet forecast out-turn	(91,650)

The virements figure of £189K includes the carryover of budgets from prior year totalling £217K. There is a net reduction in expenditure expected primarily driven by additional RHI grants of £463K and a reduction in interest payable of £125K.

The cost decrease identified this financial year of £103.6K is mainly due to savings in premises costs (£7K), training courses (£20K), general consulting fees (£55K), a lower than expected insurance cost (£19.9K) and a saving in governance expense (£12K). A reduction in insurance claim recoverable reduces these savings by £10K.

	INDICATOR	STATUS	COMMENT
I N C O M E	RENTAL INCOME		Slippage due to delays on development
	GRANT INCOME		
	DEVELOPMENT GRANTS		Grant Drawdown will be less than budget due to programme slippage
	DEVELOPMENT SALES		Demand Concerns on Breasclete (Sgeir Ghlas)
	OTHER INCOME		
E X P E N D I T U R E	DEVELOPMENT COSTS		Slippage due to delays on development
	INVESTMENT		Full year outturn expected to be in line with budget subject to refusals and social distancing restrictions.
	REPAIRS & MAINTENANCE		Higher than expected voids to be offset by Responsive Repairs underspend.
	MANAGEMENT COSTS		
	INTEREST		
F U N D I N G	COVENANT COMPLIANCE		

	No Issues - On Track
	Requires Monitoring
	Issues

New build sites had been closed since the middle of March are now back on site and non-emergency repairs are now being performed. The repairs backlog has been cleared and spend is beginning to return to pre-lockdown amounts. Void repairs are currently running over budget but this is expected to be offset with budget savings on responsive repairs. Our investment programme has resumed with contractor surveys materially complete. Forecast out-turns are being updated as survey works progress and contractor programmes are verified.

Due to the uncertainty of timing on development our funders have advised we should operate to the existing covenant approval (Year 2 covenant from the 2019/20 Board approved plan). They are supportive of our development program and have recommended we resubmit a revised plan as contractor re-engagement plans become available. The revised plan was submitted on 28 August 2020.

All development sites are now open following revised Scottish Government Guidance. They are unable to work at full capacity as a result of the H&S measures in place.

Section 2 Management Accounts

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Supervision & Management Costs	10
Repairs & Maintenance	12
Estate Works	13
Aids & Adaptations	14
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Non-Housing Investment	16
Development	17

Income & Expenditure Account

For the period ended 30 September 2020

Line		CURRENT YEAR BUDGET		BUDGET to 30-Sep-20	ACTUAL to 30-Sep-20	BUDGET VARIANCE		BUDGET REMAINING		FORECAST OUT-TURN	
		Initial Budget	Revised Budget			Budget to date	Budget to date	Revised Budget	Revised Budget	Over/ (under)	at 31-Mar-21
		£	£	£	£	£	%	£	%	£	£
1	Dwelling rents (net)	9,256,067	9,256,067	4,628,033	4,728,024	(99,990)	-2%	4,528,043	49%	(12,000)	9,244,067
2	Non Dwelling rents (net)	13,543	13,543	6,772	10,263	(3,492)	-52%	3,280	24%		13,543
4	Grant Funding	270,000	733,000	370,000	288,632	81,368	22%	444,368	61%		733,000
5	Other Income	51,390	51,390	25,695	28,681	(2,986)	-12%	22,709	44%		51,390
6	TOTAL INCOME	9,591,000	10,054,000	5,030,500	5,042,377	(11,877)	0%	5,011,623	49.85%	(12,000)	10,042,000
7	Supervision & Management	2,752,800	2,858,732	1,465,679	1,225,300	240,378	16%	1,633,431	57%	(113,650)	2,745,082
8	Response Repairs	1,453,358	1,458,611	713,352	689,345	24,007	3%	769,266	53%	10,000	1,468,611
9	Estate Works	84,500	84,500	36,203	32,224	3,979	11%	52,276	62%	-	84,500
10	Planned/Cyclical Maintenance	867,173	969,317	401,476	268,300	133,176	33%	701,017	72%	-	969,317
11	Total Operating Expenditure	5,157,831	5,371,160	2,616,709	2,215,169	401,540	15%	3,155,990	58.76%	(103,650)	5,267,510
12	Operating Surplus/(Deficit)	4,433,170	4,682,840	2,413,791	2,827,208	(413,417)	-17%	1,855,633	39.63%	91,650	4,774,490
13	Interest received	13,500	7,500	3,750	3,453	297	8%	4,047	54%		7,500
14	Interest paid	568,100	443,100	221,550	131,485	90,065	41%	311,615	70%		443,100
15	Surplus/(Deficit)	3,878,570	4,247,240	2,195,991	2,699,177	(503,186)	-23%	1,548,064	36.45%	91,650	4,338,890
16	Depreciation	3,160,000	3,360,000	1,680,000	1,689,199	(9,199)	-1%	1,670,801	50%		3,360,000
17	Grant Amortisation	(1,380,000)	(1,400,000)	(700,000)	(674,649)	(25,351)	4%	(725,351)	52%		(1,400,000)
18	Surplus/(Deficit)	2,098,570	2,287,240	1,215,991	1,684,627	(468,636)	-39%	602,614	26.35%	91,650	2,378,890
19	CAPITAL INVESTMENT										
20	Housing Investment Programme	3,916,169	4,395,806	547,790	632,552	(84,762)	-15%	3,763,254	86%	-	4,395,806
21	Non Housing Investment	102,700	140,154	74,527	20,018	54,509	73%	120,136	86%	(50,000)	90,154
22	Development Programme	11,125,998	1,500,216	(576,596)	338,904	(915,499)	159%	1,161,313	77%	(602,118)	898,098
		15,144,866	6,036,176	45,721	991,473	(945,752)	-2069%	5,044,703	83.57%	(652,118)	5,384,058

Commentary on Performance

Covid-19 continues to have a significant impact on plans for the year. The effect on new build costs and grant income is considerable due to sites slowly opening up after being closed for the majority of the first quarter. Most investment surveys have commenced and works are expected to be completed during 2020-21.

Income - Rents

Slippage in development and delays in completing new build units is continuing to have an impact on forecasted rental income. Reduced income of £12K has been reflected in the forecast out-turn.

Expenditure

Line 7 Supervision & Management

All employees are continuing to work from home keeping costs below year to date budget. Savings have been recognized as follows: £7K on premises costs, £20K on training, £55K on professional fees, £19K on insurance costs and £12K on governance. Savings of £5K on travel & subsistence will be vired to the Covid-19 fund.

Line 8 Response Repairs

Response Repairs have returned to normal levels. Voids are currently running at higher costs than had been anticipated. The bulk are due to significant clear outs mostly associated with tenancies where tenants have passed away. It is anticipated that the underspend in Responsive Repairs will offset the overspend in Void Repairs.

Line 10 Planned Maintenance

General Planned Maintenance works have commenced and will continue until 31 March 2020. Gas servicing is in progress with nearly half the work completed. Gutter cleaning is nearing completion.

Line 19 Investment Programme

All investment work is expected to be completed as programmed with the exception of Windows & Doors where there has been a delay in getting the works out to tender.

More detailed explanations of variances can be found on pages 8 to 15

Balance Sheet at 30 September 2020

		30 September 2020	31 March 2020
		£	£
	Notes		
Fixed Assets			
1 Tangible assets-social housing	1	91,984,820	93,548,643
2 Development & Investment Programme	2	1,084,284	-
3 Tangible assets - property, plant and equipment		915,955	964,116
4 Landbank		879,915	879,915
5 Investments		2	2
		<u>94,864,977</u>	<u>95,392,676</u>
Current Assets			
6 Stock		943,808	1,127,058
7 Trade and other debtors due within one year		1,082,386	1,202,048
8 Debtors due after more than one year		144,972	144,972
9 Short-term deposits		3,116,928	3,109,329
10 Cash at bank and in hand	3	3,635,649	1,647,257
11 Loan to subsidiary		17,560	17,560
		<u>8,941,303</u>	<u>7,248,223</u>
12 Creditors: amounts falling due within one year		<u>(2,143,976)</u>	<u>(1,988,577)</u>
Net current assets		<u>6,797,327</u>	<u>5,259,646</u>
Total assets less current liabilities		<u>101,662,304</u>	<u>100,652,321</u>
13 Creditors: amounts falling due after more than one year		(10,876,774)	(10,876,774)
14 Deferred capital grants		(52,268,878)	(52,943,527)
15 Pension Liability		<u>(1,353,000)</u>	<u>(1,353,000)</u>
16 Net Assets		<u>37,163,652</u>	<u>35,479,020</u>
Capital and Reserves			
17 Share Capital		210	208
18 Revenue Reserve		<u>37,163,442</u>	<u>35,478,812</u>
		<u>37,163,652</u>	<u>35,479,020</u>

Commentary on Performance

Fixed Assets	Fixed Assets are shown at gross cost and are reduced by the depreciation charge for the period. The net reduction in Fixed Assets is attributed to depreciation exceeding capitalization of new assets due to slippage in investment and development works.
Trade and other debtors	Debtors are high to reflect The grant accrued with respect to Goathill of £406K is included in the trade and other debtors due within one year figure.
Development & Investment	The value of work in progress, net of Grant, on current properties and new developments. This is a credit amount due to LIFT sales completed in Q1. More detailed information is available in the Performance Report.
Cash	Cash balances are considerably higher than expected due to lower spend on investment and development.

Rental Income

For the period ended 30 September 2020

Line		CURRENT YEAR BUDGET		BUDGET to 30-Sep-20 £	ACTUAL to 30-Sep-20 £	BUDGET VARIANCE		BUDGET REMAINING		FORECAST OUT-TURN	
		Initial Budget £	Revised Budget £			Budget to date £	Budget to date %	Revised Budget £	Revised Budget %	Over/ (under) £	at 31-Mar-21 £
1	Dwelling Rent Gross	9,639,395	9,639,395	4,819,697	4,787,296	32,401	1%	4,852,098	50.34%	(56,000)	9,583,395
2	Non Dwelling Rent Gross	15,915	15,915	7,958	10,263	(2,306)	-29%	5,652	35.51%		15,915
3	Voids - Dwelling	(191,028)	(191,028)	(95,514)	(50,697)	(44,817)	47%	(140,331)	73.46%	44,000	(147,028)
4	Voids - Other	12,958	12,958	6,479	-	6,479	100%	12,958	100.00%		12,958
5	Bad Debts	(192,300)	(192,300)	(96,150)	(8,576)	(87,574)	91%	(183,724)	95.54%		(192,300)
6	TOTAL	9,284,940	9,284,940	4,642,470	4,738,287	(95,817)	-2%	4,546,653	48.97%	(12,000)	9,272,939

Commentary on Performance

Line 3 Voids - Dwelling

Forecast out-turn on gross dwelling rents is £56K lower than budget due to slippage on development and the anticipated handover date of stock this year. This is partially offset by savings on voids of £44K. Both reduction in rents and savings on voids has been recognised in the forecast out-turn.

Supervision & Management Costs

For the period ended 30 September 2020

Line	Heading	CURRENT YEAR BUDGET		BUDGET to 30-Sep-20 £	ACTUAL to 30-Sep-20 £	BUDGET VARIANCE		BUDGET REMAINING		forecast out-turn	
		Initial Budget £	Revised Budget £			Budget to date £	Budget to date %	Revised Budget £	Revised Budget %	Over/ (under) £	at 31-Mar-21 £
1	Salaries & Wages	1,587,811	1,595,569	801,663	742,902	58,761	7%	852,667	53%		1,595,569
2	National Insurance	155,876	156,635	78,697	73,345	5,352	7%	83,290	53%		156,635
3	Pension Costs	303,841	305,324	153,403	134,848	18,556	12%	170,476	56%		305,324
4	Other Employee Costs	54,185	54,185	32,642	11,169	21,474	66%	43,016	79%		54,185
5	Travel & Subsistence	24,670	18,980	5,955	520	5,435	91%	18,460	97%	(5,435)	13,545
6	EMPLOYEE COSTS	2,126,382	2,130,692	1,072,361	962,783	109,578	10%	1,167,909	55%	(5,435)	2,125,257
7	Premises Costs	74,750	74,350	28,480	21,427	7,053	25%	52,923	71%	(7,000)	67,350
8	IT & Telecoms	181,200	181,400	90,778	90,753	25	0%	90,647	50%		181,400
9	Area Offices	26,040	26,856	13,462	13,428	34	0%	13,428	50%		26,856
10	Payroll & Cashdesk	6,460	6,860	3,630	3,600	30	1%	3,260	48%		6,860
11	Property Management Fees	4,010	5,013	3,007	3,007	-	0%	2,006	40%		5,013
12	Covid-19	-	13,945	13,945	11,402	2,543	18%	2,543	18%	5,435	19,380
13	SUPPLIES & SERVICES	292,460	308,424	153,302	143,617	9,686	6%	164,807	53%	(1,565)	306,859
14	Postage, Printing & Stationery	41,000	32,700	12,680	9,834	2,846	22%	22,866	70%		32,700
15	Admin Furniture & Equipment	1,000	1,000	1,000	-	1,000	100%	1,000	100%		1,000
16	Training Courses	64,480	61,538	9,465	9,154	311	3%	52,384	85%	(19,833)	41,705
17	Community Support	30,750	30,750	15,375	390	14,985	97%	30,360	99%		30,750
18	Health & Safety	8,470	8,970	7,235	1,285	5,950	82%	7,685	86%		8,970
19	Recruitment Costs	2,500	2,500	1,250	130	1,120	90%	2,370	95%		2,500
20	ADMINISTRATION COSTS	148,200	137,458	47,005	20,793	26,212	56%	116,665	85%	(19,833)	117,625
21	Professional Fees	352,894	456,194	86,838	31,188	55,650	64%	425,006	93%	(55,000)	401,194
22	Insurance	270,535	270,435	135,220	122,501	12,719	9%	147,934	55%	(19,900)	250,535
23	Affiliation Fees	49,350	49,350	24,675	15,172	9,503	39%	34,178	69%		49,350
24	Charitable Donations	5,000	5,000	-	-	-		5,000	100%		5,000
25	Governance	27,850	21,050	555	555	-	0%	20,495	97%	(11,917)	9,133
26	Bank Charges	8,000	8,000	4,000	2,670	1,330	33%	5,330	67%		8,000
27	Public Relations / Marketing	15,080	15,080	7,540	411	7,129	95%	14,669	97%		15,080
28	CORPORATE EXPENSES	728,709	825,109	258,828	172,497	86,332	33%	652,612	79%	(86,817)	738,292
29	Fees Charged to Capital	(530,451)	(530,451)	(59,568)	(69,002)	9,434	-16%	(461,449)	87%		(530,451)
30	VAT Received - Partial Exemption	(12,500)	(12,500)	(6,250)	(5,388)	(862)	14%	(7,112)	57%		(12,500)
31	RECHARGES	(542,951)	(542,951)	(65,818)	(74,390)	8,572	-13%	(468,562)	86%	-	(542,951)
32	MANAGEMENT COST	2,752,800	2,858,732	1,465,679	1,225,300	240,379	16%	1,633,431	20	(113,650)	2,745,082

Commentary on performance

Line 1 Salaries & Wages

The YTD variance to budget is driven by vacant posts and the fact that increments aren't paid until October. The budget has been evenly phased across the year and we expect the full year out-turn to be in line with budget.

Line 5 Travel & Subsistence

Due to the Coronavirus situation this area is underspend by £5K year to date. This has been recognised as a saving in the forecast out-turn and will go towards additional Covid-19 costs.

Line 13 Supplies & Services

Savings of £7K have been recognised in the forecast out-turn. This is mainly due to savings in electricity consumption (£2.7K), water charges (£3.4K) and office cleaning (£1K).

Line 19 Administration Costs

A saving of £20K has been recognised for training and forecast out-turn has been adjusted to reflect this. Training in the first half of the year has taken place on digital platforms. Therefore no travel and subsistence costs were incurred.

Line 21 Professional Fees

A saving of £55K in General Consultants fees has been recognised in the forecast out-turn. Some of the saving is due to the office re-design and space planning exercise being put on hold due to Covid-19.

Line 22 Insurance

The annual insurance premium is lower than expected due to an improvement in our claims history for the second half of 2020. A saving of £19.9K is expected as a result and this has been recognised in the forecast out-turn.

Line 25 Governance

Due to travel restrictions associated with Covid-19 there has been no travel and subsistence costs for board members in the first half of the year. This saving has been reflected in the forecast out-turn.

Repairs & Maintenance

For the period ended 30 September 2020

Line	Heading	CURRENT YEAR Initial Budget £	Revised Budget £	BUDGET to 30-Sep-20 £	ACTUAL to 30-Sep-20 £	BUDGET VARIANCE Budget to date £	Budget to date %	BUDGET REMAINING Revised Budget £	Revised Budget %	FORECAST OUT-TURN Over/ (under) £	at 31-Mar-21 £
1	Responsive Repairs	935,325	935,325	448,956	419,458	29,498	7%	515,867	55%	(41,437)	893,888
2	Void Repairs	264,000	264,000	132,000	173,437	(41,437)	-31%	90,563	34%	41,437	305,437
3	Handyperson	83,160	83,160	41,730	41,691	39	0%	41,469	50%		83,160
4	GENERAL REPAIRS	1,282,485	1,282,485	622,686	634,586	(11,900)	-2%	647,899	51%	-	1,282,485
5	Decoration Allowance	46,530	46,530	23,265	15,660	7,605	33%	30,870	66%		46,530
6	Council Tax empty properties	19,800	19,800	9,900	3,067	6,833	69%	16,733	85%		19,800
7	Compensation	11,695	11,695	5,847	129	5,718	98%	11,566	99%		11,695
8	SPECIFIC ITEMS	78,025	78,025	39,012	18,856	20,157	52%	59,169	76%	-	78,025
9	Rechargeable Repairs	108,000	108,000	54,000	52,405	1,595	3%	55,595	51%		108,000
10	Rechargeable Repairs Recoverable	(59,800)	(59,800)	(29,900)	(54,548)	24,648	-82%	(5,252)	9%		(59,800)
11	Insurance Repairs	105,000	105,000	52,500	36,100	16,400	31%	68,900	66%		105,000
12	Insurance Claims Recoverable	(72,500)	(72,500)	(36,250)	(4,242)	(32,008)	88%	(68,258)	94%	10,000	(62,500)
13	RECOVERABLE EXPENDITURE	80,700	80,700	40,350	29,715	10,635	26%	50,985	63%	10,000	90,700
14	Commercial Properties	1,200	1,200	600	-	600	100%	1,200	100%		1,200
15	Communal Lighting	10,948	16,201	10,703	6,188	4,515	42%	10,013	62%		16,201
16	NON DWELLING REPAIRS	12,148	17,401	11,303	6,188	5,115	45%	11,213	64%	-	17,401
17	Gas Servicing	73,958	74,372	34,435	35,471	(1,036)	-3%	38,902	52%		74,372
18	Estate Management	47,922	47,922	11,981	19,883	(7,903)	-66%	28,039	59%		47,922
19	Other Servicing (incl. heating)	697,528	799,149	317,701	181,123	136,579	43%	618,026	77%		799,149
20	Stair Lifts and Door Entry Systems	4,030	4,139	2,124	2,754	(630)	-30%	1,385	33%		4,139
21	Gutter Cleaning	34,885	34,885	34,885	28,314	6,572	19%	6,572	19%		34,885
22	Sewage Pumps	700	700	350	756	(406)	-116%	(56)	-8%		700
23	Dun Berisay Heat	8,150	8,150	-	-	-		8,150	100%		8,150
24	CYCLICAL MAINTENANCE	867,173	969,317	401,476	268,300	133,176	33%	701,017	72%	-	969,317
25	TOTAL REPAIRS & MAINTENANCE	2,320,531	2,427,928	1,114,828	957,645	157,183	14%	1,470,283	61%	10,000	2,437,928

Commentary on performance

Line 2 Void Repairs

Void repairs are currently running at higher costs than had been budgeted. The bulk are due to significant clear outs mostly associated with tenancies where tenants have passed away. It is anticipated that the underspend in Responsive Repairs will offset the overspend in Void Repairs.

Line 12 Insurance claims recoverable

The forecast out-turn has been reduced by £10K as the majority of claims to date have been under the £5K insurance excess threshold.

Line 17 Gas servicing

The apparent year to date overspend is due to phasing. A number of properties programmed for servicing in the second half of the year are scheduled to have the heating system replaced and will therefore not need servicing this financial year.

Line 18 Estate Management

The overspend to date is mainly driven by 2 large work orders for clearing out and cleaning of current tenants' homes. Budget will be re-phased in October accounts in order to take account of future estate management projects.

Line 19 Other Servicing

The impact of the Covid-19 lockdown has resulted in planned services having to be reprogrammed to ensure they can be completed before the end of the year. The investment manager and FES are reviewing the programming.

Small overspend in Stair Lifts and Sewage Pumps is due to phasing.

Estate Works

For the period ended 30 September 2020

Line	Heading	CURRENT YEAR BUDGET		BUDGET to 30-Sep-20 £	ACTUAL to 30-Sep-20 £	BUDGET VARIANCE		BUDGET REMAINING		FORECAST OUT-TURN	
		Initial Budget £	Revised Budget £			Budget to date £	Budget to date %	Revised Budget £	Revised Budget %	Over/ (under) £	at 31-Mar-21 £
1	Unadopted Infrastructure	32,527	32,527	16,263	7,490	8,773	54%	25,036	77%		32,527
2	Grounds Maintenance	51,974	51,974	19,940	24,734	(4,794)	-24%	27,240	52%		51,974
3	TOTAL ESTATE WORKS	84,500	84,500	36,203	32,224	3,979	11%	52,276	62%	-	84,500

Commentary on performance

The YTD overspend on grounds maintenance is due to an underaccrual at year end for 2019/20 grounds maintenance works. It is anticipated that the under accrual will be offset with current year budget savings and will have no impact on the full year out-turn.

Aids & Adaptations

For the period ended 30 September 2020

Line	Heading	CURRENT YEAR BUDGET		BUDGET to 30-Sep-20 £	ACTUAL to 30-Sep-20 £	BUDGET VARIANCE		BUDGET REMAINING		FORECAST OUT-TURN	
		Initial Budget £	Revised Budget £			Budget to date £	Budget to date %	Revised Budget £	Revised Budget %	Over/ (under) £	at 31-Mar-21 £
1	OT Works	120,000	120,000	90,909	55,600	35,309	39%	64,400	54%	193,000	313,000
2	Grants										
3	Grants Received	(120,000)	(120,000)	(60,000)	(62,441)	2,441	-4%	(57,559)	48%	(193,000)	(313,000)
4	TOTAL AIDS & ADAPTATIONS	-	-	30,909	(6,841)	37,750	122%	-	1%	-	-

Commentary on performance

The additional grant received is due to timing of cost coming through in the previous financial year after our grant allocation had been fully utilised. The claim for those costs was made in Q1.

Investment Expenditure

For the period ended 30 September 2020

Line	Heading	CURRENT YEAR BUDGET		BUDGET to	ACTUAL to	BUDGET VARIANCE		BUDGET REMAINING		FORECAST OUT-TURN	
		Initial Budget £	Revised Budget £	30-Sep-20 £	30-Sep-20 £	Budget to date £	Budget to date %	Revised Budget £	Revised Budget %	Over/ (under) £	at 31-Mar-21 £
1	Roofs	-	1,540	1,492	1,492	-	0%	48	3%	(48)	1,492
2	Insulation	135,135	322,502	-	-	-	-	322,502	100%	-	322,502
3	Total Roofs	135,135	324,042	1,492	1,492	-	0%	322,550	100%	(48)	323,994
4	Kitchen	123,751	127,766	1,886	1,886	-	0%	125,880	99%	1,331	129,097
5	Bathrooms	99,768	106,086	-	-	-	-	106,086	100%	6,651	112,737
6	OT Aids & Adaptations	120,000	120,000	55,600	55,600	-	0%	64,400	54%	193,000	313,000
7	Showers	72,213	76,516	-	-	-	-	76,516	100%	(3,954)	72,562
8	Heating	2,571,851	2,650,605	192,666	192,666	-	0%	2,457,939	93%	(315,635)	2,334,970
9	Rewiring	373,797	516,443	213,314	342,165	(128,851)	-60%	174,277	34%	55,000	571,443
10	Total Internals	3,361,379	3,597,415	463,466	592,317	(128,851)	-28%	3,005,098	84%	(63,607)	3,533,808
11	Windows	221,352	265,080	31,993	31,993	-	0%	233,087	88%	5,158	270,238
12	Roughcast house & wall	-	1,100	5,375	6,750	(1,375)	-26%	(5,650)	-514%	5,650	6,750
13	Other	198,304	208,305	45,599	-	45,599	100%	208,305	100%	(9,841)	198,464
14	Externals	419,655	474,484	82,967	38,743	44,224	53%	435,741	92%	967	205,214
	Total Investment excl. Unallocated										
15	Exp/Efficiency Saving	3,916,169	4,395,941	547,925	632,552	(84,627)	-15%	3,763,389	86%	(255,688)	4,063,015
16	Unallocated Expenditure	-	(135)	(135)	-	(135)	100%	(135)	100%	255,688	255,553
18	Efficiency Savings		-								-
17	Total Investment	3,916,169	4,395,806	547,790	632,552	(84,761)	-15%	3,763,254	86%	-	4,395,806

Commentary on Performance

The majority of works are now on site with surveys materially complete.

Line 4 –Kitchens

The kitchens programme is planned to start in January 2021.

Line 11 – Windows

The windows and doors programme is currently out for tender.

Line 8 - Heating

The heating programme in Uist has been put back due to the local Covid-19 outbreak.

Line 9 - Rewiring

The smoke detectors programme (rewiring) is running ahead of schedule and is therefore showing as a year to date overspend. This will be corrected in re-phasing of works in the second half of the financial year.

Line 13 - Other

Other (fencing) works are materially complete but still to be certified and therefore the costs has not yet come through. Sign off on the first schemes is due to come through in October 2020.

Delivery of the investment programme will be achieved before end of March 2021 subject to control measures, both locally and along the supply chain, and tenant consent.

Line 16 – Unallocated expenditure

Unallocated funds are expected to be used towards a number of programmes brought forward of which heating £25K, windows £20K and additional smoke detectors £17K are prioritised.

Non Housing Investment

For the period ended 30 September 2020

Line	Heading	CURRENT YEAR BUDGET		BUDGET to 30-Sep-20 £	ACTUAL to 30-Sep-20 £	BUDGET VARIANCE		BUDGET REMAINING		FORECAST OUT-TURN	
		Initial Budget £	Revised Budget £			Budget to date £	Budget to date %	Revised Budget £	Revised Budget %	Over/ (under) £	at 31-Mar-21 £
1	Heating Systems	-	16,454	16,454	16,454	-	0%	-	0%		16,454
2	Furniture & Fittings	51,350	51,350	51,350	-	51,350	100%	51,350	100%	(50,000)	1,350
3	IT equipment	51,350	71,350	6,445	3,108	3,337	52%	68,242	96%		71,350
4	Total Office	102,700	139,154	74,249	19,562	54,687	74%	119,592	86%	(50,000)	89,154
5	Motor Vehicles	-	1,000	278	456	(178)	-64%	544	54%		1,000
6	Total	102,700	140,154	74,527	20,018	54,509	73%	120,136	86%	(50,000)	90,154

Commentary on performance

Re-programming of the office re-design and space planning exercise to next year for the value of £50K has been recognised in the forecast out-turn for furniture & fittings. The delay is due to the Covid-19 restrictions.

Development Expenditure

For the period ended 30 September 2020

Line		CURRENT YEAR BUDGET		BUDGET Budget to 30-Sep-20 £	ACTUAL to 30-Sep-20 £	BUDGET VARIANCE		BUDGET REMAINING		FORECAST OUT-TURN	
		Initial Budget £	Revised Budget £			Budget to date £	Budget to date %	Revised Budget £	Revised Budget %	Over/ (under) £	at 30-Sep-20 £
1	New Build	25,720,502	14,530,394	1,928,399	3,024,362	(1,095,963)	-57%	11,506,032	79%	(1,273,238)	13,257,156
2	LIFT	782,654	1,068,434	390,877	459,789	(68,911)	-18%	608,645	57%	-	1,068,434
3	Land	395,979	470,979	(180)	(180)	-	0%	471,159	100%	-	470,979
4	Total Development Costs	26,899,135	16,069,807	2,319,096	3,483,971	(1,164,874)	-50%	12,585,836	78%	(1,273,238)	14,796,569
5	Housing Association Grant										
6	HAG - New Build	(14,406,720)	(12,276,252)	(1,470,371)	(2,450,168)	979,797	-67%	(9,826,084)	80%	671,120	(11,605,132)
7	HAG - Lift	(686,938)	(689,336)	(261,200)	(344,307)	83,107	-32%	(345,029)	50%	-	(689,336)
8	Other Grants & Sales proceeds										
9	Other Grants - LIFT Sales	(306,000)	(1,172,146)	(1,172,146)	(351,310)	(820,836)	70%	(820,836)	70%	-	(1,172,146)
10	Other Grants - Unallocated	(383,479)	(455,979)	-	-	-	-	(455,979)	100%	-	(455,979)
11	Total Grants	(15,783,137)	(14,593,713)	(2,903,717)	(3,145,784)	242,068	-8%	(11,447,929)	78%	671,120	(13,922,593)
12	Private Finance required										
13	New Build	11,313,782	2,254,142	458,028	574,194	(116,166)	-25%	1,679,947	75%	(602,118)	1,652,024
14	LIFT	(210,284)	(793,048)	(1,042,468)	(235,828)	(806,640)	77%	(557,220)	70%	-	(793,048)
15	Land	395,979	470,979	(180)	(180)	-	0%	471,159	100%	-	470,979
15	Expensed Development Cost	-	-	1,724	1,724	-	0%	(1,724)	-	-	-
16	Feasibility	10,000	24,123	6,300	300	6,000	95%	23,823	99%	-	24,123
17	Unallocated	(383,479)	(455,979)	-	-	-	-	(455,979)	100%	-	(455,979)
18	Private Finance required	11,125,998	1,500,216	(576,596)	340,211	(916,806)	159%	1,160,006	77%	(602,118)	898,098

Commentary on Performance

Overall Spend to Date:

All development sites were open during September and had significant expenditure. Contractors have provided revised cashflows and programmes to align with current working practices within Scottish Government Guidelines.

Due to a localised COVID outbreak and stricter rules, there have been further delays in getting on site in some projects and others requiring longer to complete due to the practicalities of working within COVID guidelines. A number of units due for handover have been delayed due to the localised COVID outbreak and are now expected to complete in November.

The remaining Mackenzie Shared Equity properties are expected to conclude in October/November. Applications have been received for two Breasclete properties which are expected to progress to sale. The 2 remaining Breasclete properties are being actively marketed by our development agent TIG. The last Horgabost property is expected to sell this year as we have a number of applications in progress.

Section 3: Key Financial Performance Measures

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Financial Covenants

For the period ended 30 September 2020

The revised facility agreement with our Funders has one Financial Covenant, Interest Cover. Where a deficit is projected in any financial year, the covenant is based on an absolute sum rather than a percentage, so the covenant for 2020/21 is a maximum cash flow deficit of £8,858,200. As outlined earlier, the bank are unable to bring the Business Plan approved by the Board in March 2020 to their Credit team for approval given the large uncertainty on the development program. The financial covenant for 2020/21 therefore becomes the year 2 covenant as per the Board approved plan from last year.

Given the large amount of slippage on our development programme, the covenant is forecast to be met.

As the situation surrounding the easing of lockdown becomes clearer we will update our Business Plan for Board review and approval prior to submission with our funders and the Scottish Housing Regulator.

Interest Cover	
Covenants for 2020/21 Deficit	(£8,858,200)
At 30 September 2020	(£967,668)
Tolerance available	£7,890,632
Reduction in expenditure required to achieve covenant	£0

Annual Cash flow Deficit

Line	Detail	Current Position	Forecast
	Income	£	£
1	Dwelling rents (net)	4,728,024	9,244,067
2	Non Dwelling rents (net)	10,263	13,543
3	Grant Funding	288,632	733,000
4	Other Income	28,681	51,390
5	Grant received for New Build	2,450,168	11,605,132
6	Sale of LIFT received	351,310	1,172,146
7	Grant on LIFT received	344,307	689,336
8	Insurance Receipts	4,242	62,500
9	Total Income	8,205,627	23,571,114
	Expenditure		
10	Supervision & Management	1,294,302	3,275,533
11	Response Repairs	689,345	1,468,611
12	Estate Works	32,224	84,500
13	Planned/Cyclical Maintenance	268,300	969,317
14	Investment Programme	563,550	3,865,355
15	Office Alterations and IT	20,018	90,154
16	LIFT Costs	459,789	1,068,434
17	Opening Balances		
18	Development Costs	3,024,362	13,281,278
19	Total Expenditure	6,351,889	24,103,182
20	Net Operating Cashflow	1,853,738	(532,068)
21	Interest Paid	131,485	443,100
22	Interest Collected	(3,453)	(7,500)
23	Total Interest	128,031	435,600
24	Annual Cashflow Surplus/(Deficit)	1,725,706	(967,668)
	Interest Ratio	7%	-82%
	Covenant Requirement		
	Maximum Annual Cashflow deficit	(8,858,300)	(8,858,300)
	Tolerance	10,584,006	7,890,632
		-322%	-240%

Financial Ratios

For the period ended 30 September 2020

Key Ratios			
	Current	Forecast	2019/20
Current Ratio	4.10	4.71	3.57
(Current Assets/Current Liabilities)			
Net Debt Per Unit			
Borrowing/ stock units	£2,230.35	£4,455.48	£2,240.53
Voids%	1.06%	1.40%	0.65%
Voids as % of Rental Income Due			
Bad Debts %	0.18%	2.00%	1.57%
Bad Debts written off as % of Rental Income Due			
Staff Cost/Turnover %	19.09%	21.22%	19.62%
Gross Surplus	56.07%	47.23%	53.77%
Operating Surplus/Turnover			
Net Surplus	33.41%	23.37%	30.75%
Net Surplus/Turnover			

Cash Flow Forecast 2020/21

The below cash flow shows the actual income received and the payments made for the period to September 2020.

Monthly Cash Flow Forecast

Year Ended 31-Mar-21	30-Sep-20 Month 6	31-Oct-20 Month 7	30-Nov-20 Month 8	31-Dec-20 Month 9	31-Jan-21 Month 10	28-Feb-21 Month 11	31-Mar-21 Month 12	Total
Cash on Hand at beginning of month	3,431,384	3,796,337	3,049,661	2,842,811	2,776,477	3,823,153	2,905,868	1,857,396
Cash Receipts								
Rent	739,820	821,241	734,920	608,920	883,200	662,637	690,367	9,286,539
Sale of Assets	-	-	209,006	250,702	250,702	-	-	1,058,106
Grant Income	1,470,624	1,360,587	1,967,699	1,685,269	1,879,846	1,742,221	1,825,407	13,649,367
Other income	4,332	-	-	-	-	-	-	114,121
Transfer from Deposit	-	-	-	450,000	1,661,293	-	-	2,111,293
Loan/Other cash injection	-	-	-	-	-	-	-	-
Total	2,214,776	2,181,828	2,911,625	2,994,891	4,675,041	2,404,858	2,515,774	26,219,426
Total Cash Available	5,646,160	5,978,164	5,961,286	5,837,702	7,451,519	6,228,011	5,421,641	
Cash Paid Out								
Payroll	163,083	169,500	175,917	169,500	169,500	169,500	169,500	2,022,056
Management Costs	34,544	300,596	82,500	82,500	45,500	100,355	95,687	985,880
Repairs	44,237	234,904	224,974	224,974	239,720	261,717	271,617	2,377,597
Investment	86,198	690,055	636,999	592,735	460,079	742,105	746,700	4,605,993
Development	1,521,566	1,389,172	1,996,285	1,989,714	2,184,292	2,046,667	2,120,948	15,400,325
Total	1,849,627	2,784,228	3,116,675	3,059,424	3,099,091	3,320,343	3,404,451	25,391,851
Cash Paid Out (Non P & L)								
Loan Interest	-	142,025	-	-	142,025	-	157,394	568,100
HAG Repayment	-	-	-	-	385,000	-	-	385,000
Refunds	197	2,250	1,800	1,800	2,250	1,800	2,400	24,785
Transfer to Deposit Account	-	-	-	-	-	-	-	-
Total	197	144,275	1,800	1,800	529,275	1,800	159,794	977,885
Total Cash Paid out	1,849,824	2,928,503	3,118,475	3,061,224	3,628,366	3,322,143	3,564,245	
Cash Position at End of Month	3,796,337	3,049,661	2,842,811	2,776,477	3,823,153	2,905,868	1,857,396	-
Deposit Acct At end of Month	3,112,871	3,112,871	3,112,871	2,662,871	1,001,578	1,001,578	1,001,578	
Total Funds Available	6,909,207	6,162,532	5,955,682	5,439,348	4,824,730	3,907,445	2,858,974	

QUARTERLY TREASURY REPORT TO 30 SEPTEMBER 2020

Board 17 November 2020

Report by Director of Finance & Corporate Services

Purpose of Report

- 1.1 To inform the Board of the Treasury Management activities for the second quarter of 2020/21.

Summary

- 2.1 The quarterly Analysis of Investment and Borrowing report required by the Treasury Management Policy is at Appendix 1.
- 2.2 Financial covenants are forecast to be met for 2020/21.
- 2.3 The Annual Financing Strategy (AFS) forecast that £14.805M would be drawn down from our approved borrowing facility in 2020/21. The Board approved a 30 year Business Plan on 18 March 2020 which showed the requirement to draw down the remaining borrowing facility in the first half of 2020/21. The onset of the COVID-19 pandemic resulted in our development programme being halted and a revision to the phasing of the drawdown of the remaining loan facility. No additional borrowing will be drawn down in 2020/21.

Competence

- 3.1 Financial and legal constraints arising from the recommendation to this report being implemented are detailed at paragraph 5.1 – 8.2.

Recommendations

- 4.1 **It is recommended that the Board note:**
- a) **the quarterly report on the Analysis of Investment and Borrowing as shown at Appendix 1;**
 - b) **the outstanding loans at 30 September 2020 of £4.910 Million; and**
 - c) **the cash balance at 30 September 2020 of £6.969 Million.**

APPENDIX 1	Analysis of Investment and Borrowings
APPENDIX 2	Quarterly Income and Expenditure Profile
Background Papers	None
Writer of Report	Donald Macleod

Tel: 0300 123 0773

Competence

Financial

- 5.1 This report deals entirely with the cash resources utilised over the second quarter of 2020/21.

Legal

- 6.1 Rule 18 details the Partnership's borrowing powers.
- 6.2 The effecting of borrowing and lending money is in accordance with the Partnership's borrowing and lending policies and CIPFA's "Treasury Management in Housing Partnerships: A Code of Practice" and has been delegated to the Director of Finance & Corporate Services.
- 6.3. The Treasury Management Policy requires that as a minimum a quarterly report is provided to the Board in the form "Analysis of Investment and Borrowing".
- 6.4 The Treasury Management Policy requires that if the cash balances exceed £4M the funds should be spread over no fewer than four interest bearing accounts. The cash balances are in a special interest account with Royal Bank of Scotland (RBOS). The remainder is held in the current accounts with the RBOS.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

- 8.1 There are a number of risks highlighted in the Risk Register in relation to Treasury Management. The risk scored as "high" is the impact of increases in the interest rate and inflation rate and this has been addressed in Appendix 1.
- 8.2 The COVID-19 pandemic has resulted in turmoil in the financial markets. The reduction in the bank interest rates are not posing a risk at present as we have hedged appropriately between our fixed and variable loan facility. It does however mean that there will be a reduction in interest received on deposit accounts.

Report Details

- 9.1 There were no borrowings during the second quarter.
- 9.2 The second quarter of the year saw £4.067M expenditure of which £2.647M related to new build.
- 9.3 The income for the second quarter was £5.130M and comprised Rental Income (49%), Sale of Shared Equity Units (5%) and Government Grants including new build (46%).
- 9.4 Appendix 2 summarises the income and expenditure profiles for the second quarter.
- 9.5 The cash balances at 30 September 2020 increased quarter on quarter by £0.965M to £6.969M. This was driven by the reduction in investment and development spend planned in the second quarter.
- 9.6 We currently hold Right to Buy receipts of £0.385M which is due to be repaid to the Scottish Government in December 2020. £500K was paid to the Scottish Government in December 2019.
- 9.7 All covenants will be complied with for 2020/21.
- 9.8 Our funder is working through our Business Plan and we have provided them with answers to queries they have raised. It is hoped they will issue a discussion paper in November 2020 which will provide us with an overview of how the additional borrowing may be structured.
- 9.9 The Board will be provided with a verbal update on progress at the 17 November 2020 Board meeting.

30SEP20

ANALYSIS OF INVESTMENTS AND BORROWINGS

INVESTMENTS

	Mar-20	Jun-20	Sep-20	Average
	£000's	£000's	£000's	£000's
DEPOSIT ACCOUNTS				
Royal Bank	749	749	749	749
CWS	0	0	0	0
BOS	782	782	782	782
Santander	1,578	1,581	1,581	1,580
Total Deposit	3,109	3,112	3,112	2,333
CURRENT ACCOUNTS				
General Account	1,195	859	1,795	1,283
Standing Order	345	495	750	530
Direct Debit	257	750	533	514
Office/Cash	208	750	750	569
Property Factoring	36	39	28	34
Total current	2,042	2,892	3,856	2,930
Total	5,151	6,004	6,968	6,041

Balances shown are taken from the Bank Statements and not the ledger.

The cash held at the Royal Bank is split between 5 operational accounts totalling £3.856M. 5 deposit accounts held with the 4 banks shown above total £3.112M.

BORROWINGS

Core Funding Facility	£m
Estimated debt outstanding (per Business Plan)	14.81
Actual amount outstanding	4.91
Difference	9.90

Compliance with Cash Flow Forecasts

The onset of the COVID-19 pandemic resulted in a halt to our development and investment programmes. The drawdown of the remaining loan facility is now not expected to take place until 2021/22.

INTEREST RATE

The Interest Rate that applies to the Partnership is London Bank Offer Rate (LIBOR) plus an agreed margin. LIBOR is the interest rate banks borrow funds from each other in the London Interbank Market.

The Base Rate has remained at 0.1% since the COVID-19 lockdown was initiated. 3 month LIBOR decreased to 0.06% as at 30 September 2020.

Borrowings	Mar-20	Jun-20	Sep-20	Average
	£000's	£000's	£000's	£000's
Facilities arranged	15,000	15,000	15,000	15,000
Loans outstanding	4,909	4,909	4,909	4,909
Variable/Fixed analysis-amounts				
Variable amount	1,409	1,409	1,409	1,409
Fixed amount	3,500	3,500	3,500	3,500
Other Hedging	-	-	-	-
	4,909	4,909	4,909	4,909
Variable/Fixed analysis-Percentages				
Variable	28.70%	28.70%	28.70%	28.70%
Fixed	71.30%	71.30%	71.30%	71.30%
Other Hedging Products				
	100%	100%	100%	100%
Lenders amounts				
Core Facility (RBS)	4,909	4,909	4,909	4,909
Other Borrowings	-	-	-	-
	4,909	4,909	4,909	4,909

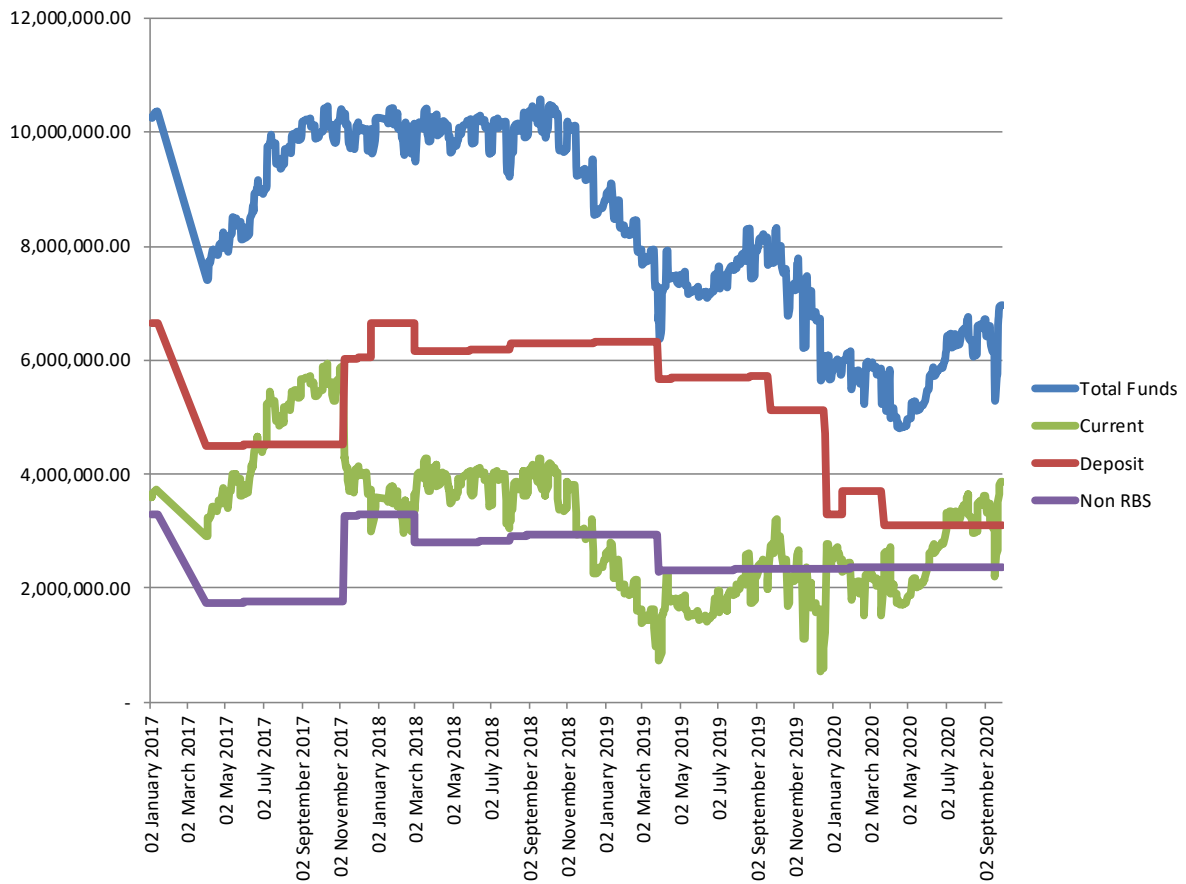
Average cost of borrowing

Amount £000's	Interest	Type	Annual Cost
3,500.00	5.55%	Fixed	194,300
1,408.67	3.65%	Variable	51,424
4,908.67			245,724
Average cost of funds			5.01%

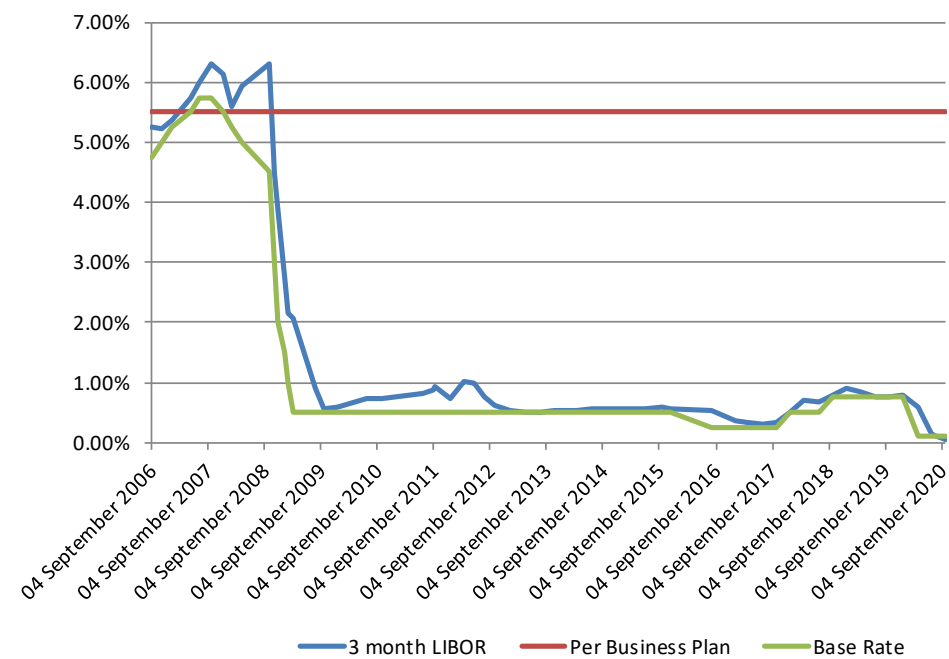
Anticipated level of borrowing over next 5 years

Year	2019/20 Est	AFS Forecast	Variance
	£m	£m	£m
2020/21	4.909	14.805	(9.896)
2021/22	19.305	14.805	4.500
2022/23	21.705	14.805	6.900
2023/24	24.205	14.805	9.400
2024/25	24.205	14.805	9.400

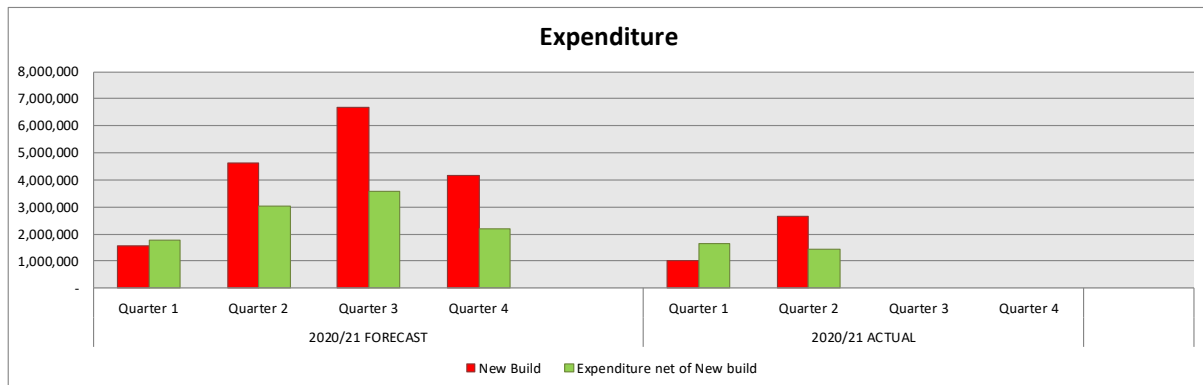
Cash Balances



Interest Rates

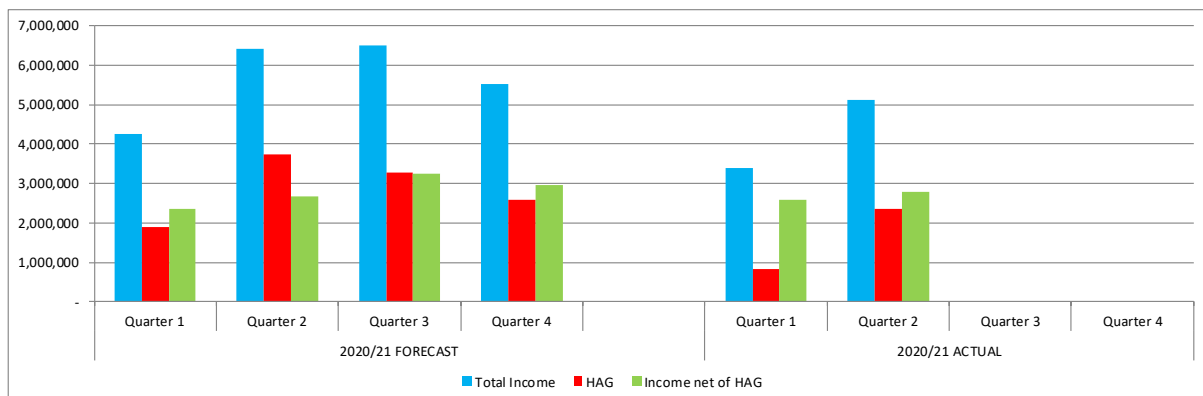


EXPENDITURE



Overall the expenditure for the second quarter (Q2) of 2020/21 is significantly down compared to forecast. Expenditure net of new build is below forecast due to the delay in the programming of investment works. The majority of investment surveys are now complete and works are expected to be completed this fiscal year (Subject to refusals and additional lockdown measures). New build works are ramping up but we have had delays in getting to site for some developments which has impact on spend in Q2.

INCOME



Total Income for the second quarter of 2020/21 is down compared to the initial budget. This is almost entirely driven by the pause in the development program due to the COVID-19 lockdown and the associated receipt of HAG.

INVESTMENT PROGRAMME MONITORING REPORT

Board 17 November 2020

Report by Director of Operations

Purpose of Report

- 1.1 To provide a progress update on the 2020/21 and 2021/22 Investment Programme.

Summary

2020/21 Investment Programme

- 2.1 95% of Mini call off tenders for the 2020/21 Programme have been issued and contracts have been awarded. Procurement of the remaining works for window replacements in Lewis are in progress.
- 2.2 All awarded contracts are progressing on site with the exception of external insulation works. A start date is being pursued with the contractor. Works are following the Scottish Government COVID-19 Guidance for safe systems of working. Works are currently expected to be substantially completed by the end of March 2021 but this continues to be reviewed.

2021/22 Investment Programme

- 2.3 The Programme was previously approved by Board on 19 November 2019 as part of the two-year programme from 2020-2022. Elements of the programme have been tendered as part of two-year packages and the remaining packages of work will be tendered over the next 3 months.

Aids & Adaptations

- 2.4 A grant award of £313K has been received from the Scottish Government. This consists of £288K for General Adaptations plus £25K for a Major Adaptation for a specific individual case. Currently, there are 85 referrals being progressed with an estimated value of £142K.

Competence

- 3.1 The legal, financial or other constraints to the recommendations in this report are contained in paragraph 5.1 – 8.4.

Recommendations

- 4.1 **It is recommended that the Board note the:**
- a) progress on the Investment Programme; and**
 - b) update on the provision of Aids and Adaptations.**

Competence

Financial

2020/21 Investment Programme

- 5.1 The investment budget for the 2020/21 Investment Programme was approved at £3.916M. The financial position to 30 September 2020 is presented in the Management Report on this agenda. The current anticipated out turn is £4.425M following approval of £509K carry forward on 23 June 2020.
- 5.2 A grant award from the Scottish Government for Aids and Adaptations has been confirmed at £313K in total.
- 5.3 While the programmed works are expected to complete by the end of the year it is unlikely that works can be brought forward to take up savings or slippage in the programme.

2021/22 Investment Programme

- 5.4 The agreed programme is within current approved Business Plan cash planning limits.
- 5.5 On 19 November 2019 the Board approved to tender up to 80% of the 2021/22 Investment Programme subject to work not being committed until budgets are agreed in February 2021 for the annual programme.
- 5.6 The investment profile will be reviewed as part of the budget setting exercise to ensure cash planning limits do not exceed current covenants.

Legal

- 6.1 The decision to approve or amend Strategy, Business Plan and budgets including virements to or from a budget head in excess of £100,000 is reserved to the Board.
- 6.2 Financial Regulations require that actual forecast and progress on the Investment programme be reported to each routine meeting of the Board.
- 6.3 Scottish Government has set a legal requirement for Social Housing landlords to bring their stock up to the EESSH by April 2020 and to upgrade smoke and heat detector provision by February 2021.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

- 8.1 There are risks highlighted in the Risk Register that are relevant to Investment including the failure of a major contractor.
- 8.2 There are further risks highlighted in the Risk Register concerning the health of the local economy particularly the capacity of contractors to deliver programmes.
- 8.3 The Scottish Government expects landlords to comply with EESSH. Failure to meet the standard would be a significant issue.
- 8.4 There is a risk of installing infrared heating prior to it being fully assessed through the EESSH and SAP frameworks. It may be that these systems will not ultimately be assessed positively. They are currently classed as abeyances under the guidance.

Report Details

2020/21 Investment Programme

- 9.1 Procurement has been completed for 95% of the Annual Programme. The remaining works for window replacement at Ross Terrace, Stornoway (17 units) and Plantation Road, Stornoway (7 units) are due for tender return on 12 November 2020.
- 9.2 Progress on investment works as at 30 Sept is shown below:

Work	Contractor	Start Date	Completion Date	% completion
Lewis & Harris				
Windows & Doors	TBC	TBC	TBC	0%
Gas Heating	FES FM Ltd	07/09/2020	16/02/2021	7%
Heating Lot 2b	Alex Murray Construction	17/08/2020	05/03/2021	28%
Heating Lot 2c	Alex Murray Construction	14/09/2020	04/12/2021	20%
Bathroom & Showers	O'Mac Construction	21/09/2020	14/12/2020	0%
Kitchens	O'Mac Construction	04/01/2021	22/02/2021	0%
Electrical	FES FM Ltd	08/06/2020	26/03/2021	56%
Environmental Works	Alex Murray Construction	24/08/2020	19/03/2021	6%
Energy Efficiency	SSE	21/09/2020	31/10/2020	0%
Uist & Barra				
Windows	Tender return 28 Oct 2020	TBC	TBC	0%
Heating Lot 10a	Alex Murray Construction	13/08/2020	19/02/2021	26%
Heating Lot 10b	Alex Murray Construction	26/10/2020	21/03/2021	0%
Electrical	FES FM Ltd	08/06/2020	26/03/2021	58%
Kitchens	Alex Murray Construction	TBC	TBC	0%

- 9.3 Occupational Therapy (OT) works are being carried out by Alex Murray Construction in all island areas. Quotations are requested from the contractor as referrals are received and works are programmed as soon as possible thereafter.
- 9.4 Kitchen works in Lewis and Harris will commence on completion of bathroom works as O'Mac Construction has been awarded both lots.
- 9.5 Kitchen works in Uist only involve 2 houses and no issues are expected regarding completion.
- 9.6 Installation of Smoke detectors is continuing with good progress towards the original February 2021 target. It is likely that the Scottish Government will extend this timescale.
- 9.7 SSE are still to confirm the programme for external insulation works and are being pressed on this. They have obtained a building warrant and are establishing accommodation arrangements.

- 9.8 Modelling scenarios were undertaken on the impact of lockdown on the programme. Delivery of the programme prior to 31 March 2021 is still achievable but is subject to ongoing review and is dependent on any further impact due to COVID-19. However, it is unlikely that works can be brought forward to take advantage of opportunities created by savings or slippage in the programme.
- 9.9 Supply chains are also being monitored for impact on the manufacture and supply times of materials, components and equipment. Many are manufactured in England and are being monitored for an impact of local/ national lockdown and or limitations on mass production due to restrictions on normal factory working methods.
- 9.10 We will not meet the original EESSH 1 deadline of 31 December 2020 but are on track for compliance by March 2021. This is due to the delayed start caused by COVID-19.
- 9.11 Scottish Government have recognised that landlords may not be able to meet the EESSH 1 deadline of 31 December 2020 due to the impact of COVID-19 and can therefore state COVID-19 as a reason for not meeting a deadline in their EESSH return for 2020/21.

2021/22 Investment Programme

- 10.1 The 2021/22 Investment Programme was prepared on the basis of maintaining Scottish Housing Quality Standard (SHQS) and EESSH.
- 10.2 Some work packages have already been tendered as part of two-year contracts. They were tendered as two-year contracts to drive discounts on framework tenders and increase competition and provide stable level of works enabling contractors to plan more effectively.
- 10.3 The remaining procurement will commence in January 2021. No more than 80% of the programme will be procured and the formal awards will be made once 2021/22 budgets have been approved.

Occupational Therapy Position

- 11.1 The current position on General Adaptations is at Table 1.

Table 1 – Occupational Therapy referrals

Occupational Therapy Referrals	2020/21
Number of Properties	69
Number of Referrals (some properties have more than one referral)	85
Number of tasks on Referrals (a referral can have multiple tasks)	167
Number of Referrals Completed	47
Total Spend/ Committed	£142K
Grant Allocation – General Adaptations	£288K

- 11.2 A further allocation of £25K was awarded for a specific Major Adaptation where complex internal and external alterations are required at the tenancy. Works are progressing well in consultation with the family and Health Care Officers.

APPENDIX 1: Financial Update 2020/21 Programme

Background Papers: Risk Register

Management Reports to 30 September 2020

Writer of Report: Angus MacNeil

Tel: 0300 123 0773

FINANCIAL UPDATE

30 September 2020

Line	Heading	CURRENT YEAR BUDGET		BUDGET to 30-Sep-20 £	ACTUAL to 30-Sep-20 £	BUDGET VARIANCE		BUDGET REMAINING		FORECAST OUT-TURN	
		Initial Budget £	Revised Budget £			Budget to date £	Budget to date %	Revised Budget £	Revised Budget %	Over/ (under) £	at 31-Mar-21 £
1	Roofs	-	1,540	1,492	1,492	-	0%	48	3%	(48)	1,492
2	Insulation	135,135	322,502	-	-	-		322,502	100%		322,502
3	Total Roofs	135,135	324,042	1,492	1,492	-	0%	322,550	100%	(48)	323,994
4	Kitchen	123,751	127,766	1,886	1,886	-	0%	125,880	99%	1,331	129,097
5	Bathrooms	99,768	106,086	-	-	-		106,086	100%	6,651	112,737
6	OT Aids & Adaptations	120,000	120,000	55,600	55,600	-	0%	64,400	54%	193,000	313,000
7	Showers	72,213	76,516	-	-	-		76,516	100%	(3,954)	72,562
8	Heating	2,571,851	2,650,605	192,666	192,666	-	0%	2,457,939	93%	(315,635)	2,334,970
9	Rewiring	373,797	516,443	213,314	342,165	(128,851)	-60%	174,277	34%	55,000	571,443
10	Total Internals	3,361,379	3,597,415	463,466	592,317	(128,851)	-28%	3,005,098	84%	(63,607)	3,533,808
11	Windows	221,352	265,080	31,993	31,993	-	0%	233,087	88%	5,158	270,238
12	Roughcast house & wall	-	1,100	5,375	6,750	(1,375)	-26%	(5,650)	-514%	5,650	6,750
13	Other	198,304	208,305	45,599	-	45,599	100%	208,305	100%	(9,841)	198,464
14	Externals	419,655	474,484	82,967	38,743	44,224	53%	435,741	92%	967	205,214
	Total Investment excl. Unallocated Exp/Efficiency Saving	3,916,169	4,395,941	547,925	632,552	(84,627)	-15%	3,763,389	86%	(255,688)	4,063,015
16	Unallocated Expenditure	-	(135)	(135)	-	(135)	100%	(135)	100%	255,688	255,553
18	Efficiency Savings		-								-
17	Total Investment	3,916,169	4,395,806	547,790	632,552	(84,761)	-15%	3,763,254	86%	-	4,395,806

BOARD PLAN 2020

Board 17 November 2020

Report by Head of Executive Office

Purpose of Report

- 1.1 This Report outlines a plan in respect of items to be considered by Board during the 2021 Board session.

Summary

- 2.1 The plan at Appendix 1 has been compiled in respect of standing and other items, which the Board can expect to consider during the 2021 Board session.
- 2.2 This plan is a guide and may be added to throughout the year if there is a requirement for other items to be considered.

Competence

- 3.1 There are no legal, financial, or other constraints arising from the recommendation to this report being implemented.

Recommendations

- 4.1 **It is recommended that the Board note the Board Plan 2021 at Appendix 1.**

APPENDIX 1: Board Plan 2021

Background Papers None

Writer of Report Iona France

Tel: 0300 123 0773

Competence

Financial

- 5.1 There is no financial constraint arising from the recommendation to this report being implemented.

Legal

- 6.1 There is no legal constraint arising from the recommendation to this report being implemented.

Regulatory Guidance

- 7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

- 8.1 Good governance of the Partnership is critical to its long term viability. Ensuring that the Board has all the information, reports and supporting papers it requires to take well informed decisions, and a plan of when it can expect to see different types of reports, helps to mitigate the risk of the Board being unprepared.

BOARD PLAN 2021

Approval	
Noting	
Annual	●
Standing	Colour fill as above
Policies are highlighted with *	

Item	Report	27 Jan 21	17 Mar 21	19 May 21	23 Jun 21	25 Aug 21	26Aug 21	17 Nov 21
1	Budgets 2020/21	●						
2	Debt Management Report							
3	Development Programme 2020 - 2025	●						
4	Investment Programme 2021/22	●						
5	Training Plan 2021/22	●						
6*	Procurement Policy & Procurement Strategy	●						
7*	Health & Safety Policy	●						
8*	Smoking at Work Policy							
9*	Young Workers Policy							
10*	Equalities & Diversity Policy							
11*	Community Grants Policy							
12*	Domestic Abuse Policy							
13	Annual Financial Strategy		●					
14	Business Plan							
15	Annual Pay Review Recommendation		●					
16	Fraud Checklist		●					
17	Asset Management Strategy Annual Update		●					
18	Workforce Strategy Annual Update		●					
19*	Expenses Policies (Staff & Board)		●					
20	Communications Engagement Plan		●					
21*	Corporate Payroll Policy							
22	Demands Need Study							
23	ARC 2020/21			●				
24	SHR Returns				●			
25	Annual Report & Financial Statements for 31 March 2021				●			
26	Budgetary Performance for year ended 31 March 2021				●			
27	Housing Allocations Report 2020/21				●			
28	TPAS Conference & TPAS Strategy Update				●			
29*	Risk Management Policy & Strategy				●			
30*	Environmental Strategy							
31*	Naming a Development							
32*	Data Protection							
33	Annual Assurance Statement					●		

Approval	
Noting	
Annual	●
Standing	Colour fill as above
Policies are highlighted with *	

Item	Report	27 Jan 21	17 Mar 21	19 May 21	23 Jun 21	25 Aug 21	26Aug 21	17 Nov 21
34	Business Planning Timetable					●		
35*	Retirement Policy					●		
36	Election of Office Bearers							
37	Election to Standing Committees and Working Groups							
38	Board Skills & Development							●
39	Budget Strategy 2022/23							●
40*	Maternity & Shared Parental Leave Policy							
41*	Code of Conduct (Staff)							
42*	Code of Conduct (Board Members)							
43	Model Rules Update							
44	Notifiable Events							
45	Management Reports	31 Dec 20	31 Jan 21		30 May 21	30 Jun 21		30 Sep 21
46	Quarterly Treasury Report	31 Dec 20		31 Mar 21		30 Jun 21		30 Sep 21
47	Business Plan Monitoring Report							
48	Development Supporting Papers							
49	Investment Programme 2020/21 Monitoring Report							
50	Goathill Farm Development							
51	Minute of Audit & Risk	16 Nov 20	27 Jan 21	17 Mar 21	19 May 21	22 Jun 21		25 Aug 21
52	Planned Maintenance 2021/22		●					
53	Funders Valuation 2020/21		●					
54	SHR Engagement Plan			●				
55	Review of Corporate Registers			●				
56	Tenant Satisfaction Survey							
57	Annual Review of Financial Regulations					●		
58	Annual Review of Standing Orders					●		
59	Governance Report					●		
60	Gas Audit							●
61	Annual Insurance							●
62	Safeguarding Policy Review							●
63	2022 Board Plan							●

	No of reports to be considered	21	19	11	16	16	2	19
		12	11	2	10	4	2	7
		9	8	9	6	12	0	12

Information Bulletin

Item	Report	Jan 21	Mar 21	May 21	Jun 21	Aug 21	Nov 21
1	Welfare Reform						
2	Staff Changes						
3	Working Group Minutes						
4	Fuel Poverty Update						
5	Repairs 6 Month Review						
6	Complaints 6 Month Review						
7	Anti-Social Behaviour & Estate Management						
8	Board Development						