hebridean housing partnership
Making our house your home

ITEM NO 3.1

HEBRIDEAN HOUSING PARTNERSHIP

Board

<u>Minutes of Meeting held remotely via Microsoft Teams on Wednesday, 19 May 2021 @ 2.30pm</u>

	PRELIMINARY ITEM	
	ATTENDANCE & APOLOGIES	
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	Present	Staff & Consultants In Attendance
	Iain Macmillan (Chair)	Dena Macleod (Chief Executive)
	Calum Mackay (Vice-Chair)	Donald Macleod (Director of Finance & Corporate Services)
	Alex Gardner	John Maciver (Director of Operations)
	Roddy Nicolson	Iona France (Governance Officer – Minute Taker)
	John Norman Macleod	Katrina Rowlands (Service Development Manager)
	Apologies	Angus MacNeil (Assets & Contracts Manager)
	Fiona Macleod	Katia Petteloot (Finance Manager)
	Peter Graham	Sawan Morrison (Development Manager)
	Norman Macdonald	Monika Fortagh (Debt Management Officer)
	Gordon Macleod	Donalda Mackinnon (Area Manager, Lewis)
	Roddy Mackay	Peter O'Donnell (Investment Manager)
		Gary Macleod (Digital Transformation Manager)
		Jonathan Fairgrieve (Corporate Services Officer)
	The Chair welcomed John Norman Macleod to his first meeting of the Board.	
	PRELIMINARY PROCEDURAL MATTERS	
2	**Declaration of Interest** There were no Declarations of Interest.	
3	**Action Sheet** The Director of Operations clarified the land acquisition in Barvas was not yet finalised, therefore contracts had not been agreed and the burden of risk was with the contractor. **The Action Sheet was noted.**	
4	**Date of Next Meeting** The date of the next meeting will be 23 June 2021	
5	**Health & Safety** Nothing to report.	

<table>
<tr><th colspan="2">ITEMS FOR DECISION</th></tr>
<tr><td>6.1</td><td>

<u>Annual Return on the Charter 2020/21</u>

The Annual Return on the Charter 2020/21 (ARC) was presented to the Board for consideration and approval, subject to the reconciliation of any queries raised.

The report highlighted the variances with some of the key indicators from the 2019/20 return and it was apparent lockdown had an impact of some areas of performance. All Registered Social Landlords (RSLs) had been reporting monthly statistics throughout the period of lockdown to the Regulator, who acknowledged the datasets for 2020/21 may look very different from previous years.

The Chief Executive advised the methodology for collecting data for the SHQS/EEESH indicator had changed for 2020/21 which explained the variances under these indicators.

There were several indicators which were static as they related to the Tenant Satisfaction Survey which was carried out in 2018. A new Tenant Satisfaction Survey is due to be carried out in 2021.

Following the publication of ARC results by the Regulator in the autumn our Tenant Report will be published and will include benchmarking with other RSLs.

The Board reviewed and approved the Annual Return on the Charter 2020/21.

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<u>Allocation of Housing to Priority Homeless</u>

At the Board meeting on 17 March 2021, the Board considered a request from the Comhairle to increase the proportion of two-apt properties being allocated to homeless applicants in Stornoway to 100% with the exception of Amenity Housing, medical priority, new build and Foyer, for an initial period of 6 months.

At that time it was agreed that further discussion with representatives of the Comhairle and the Integrated Joint Board was required, before determining this issue. A meeting subsequently took place on 22 April 2021.

The Director of Operations advised there were 3 key issues identified from these discussions:

- The strategic position as established in the LHS and SHIP:
- The approach to the provision of support for applicants with challenging behaviors and other needs to enable them to successfully sustain a tenancy; and
- The approach to homeless prevention and compliance with Scottish Government guidance.

The current situation where demand from homeless applicants exceeds supply could be addressed in 4 ways:

- increase the overall supply of two-apt housing in Stornoway;
- increase the number of two-apt properties being made available to homeless applicants;
- house applicants in areas where there is available housing; and
- reduce the number of households presenting as homeless through more effective prevention and partnership working across agencies.

It was agreed that only Option 2 would deliver an immediate solution as the Comhairle did not wish to pursue the third option.

It was further agreed that working together with the Comhairle and other agencies to find a permanent solution to address this was essential and whilst at operational level partnership working was excellent there needed to be an improvement at a strategic level to establish priorities to support the prevention of homelessness.

It was proposed that the number of properties made available be increased for a 12 month period and the impact be reviewed at that time. It is anticipated that a prevention strategy and support assessment framework will have been established by the Comhairle by May 2022 and a strategic review of housing development completed. This will in turn inform our longer term decision making with regard to homelessness allocations in Stornoway.

The Board agreed the:

a) allocation of up to 25 two-apt vacancies per annum to Statutory Homeless Applicants in the Stornoway area for an initial 12 month period;

b) impact of the increased allocation to be reviewed after 12 months; and

c) the increased allocation being on the basis that the Comhairle commits to establishing a cohesive preventive and housing support strategy in line with their housing development strategy, within the 12 month period.

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POLICIES FOR APPROVAL	
7.1	**<u>Workforce Strategy</u>** The annual update to the Workforce Strategy was presented for consideration and approval for consultation with staff and the Union. The Chief Executive advised the update outlined our approach to ensuring we have a highly skilled and effective workforce for the next five years and highlighted the following: • we have an older workforce with an average age of 48. All our teams have an average age over 40+; • our working population within the islands was reducing drastically and forecasts show this is only going to worsen; • the introduction of trainee posts and the expansion of modern apprentices as a means of developing skills; • implementation of our Flexible Working Policy; • an emphasis on training and development of staff; and • a commitment to look at introducing healthy working options. **The Board approved:** **a) the Workforce Strategy for consultation with Staff and the Union; and** **b) if there were no material changes to the Strategy arising from consultation, the Strategy be approved, otherwise a revised Strategy would be presented at the next meeting of the Board.**
7.2	**<u>Privacy Policy</u>** The updated Privacy Policy was presented for approval. There were only minor updates to the Policy, primarily in relation to the implementation of UK GDPR, following the end of the transition period of the UK leaving the EU. **The Board approved the revised Privacy Policy.**
7.3	**<u>Equalities Action Plan</u>** The Equality & Diversity Policy was approved by Board on 17 March 2021 and a draft Action Plan to accompany the Policy was issued to staff for discussion within their teams. Following these discussion it was proposed, for an effective Action Plan, it would be preferable to have 3 key actions we would focus on and deliver over the year. **<u>Communication</u>** Review our communications: • website • letters • newsletters to make sure they are accessible and easy to understand for our customers. **<u>Informing and Engaging</u>** Invite a key disability speaker to at least one event per year. Review the location of where public events are held and ensure that they are fully accessible to disabled people. **<u>Data</u>** Improve the data collection on equalities on our customer base starting with complaints and report on a quarterly basis to the Board and Managers Meetings. Ensure that customer satisfaction surveys are carried out that allow for a review of findings by disabilities. Identify gaps in data available and put measures in place to gather data for the future. The Chair agreed with the proposal to have a more focussed Action Plan and stressed it was important to bear in mind digital inclusion when considering the Action Plan to ensure people are not left behind and the importance of face to face communications. The Chief Executive advised the Policy and Action Plan were underpinned by the commitment to "Promote a culture that respects and values difference across our customer and employee bases"- and was about valuing and treating with respect and dignity everyone we come in contact with as we deliver our services throughout the islands and beyond. Regular updates on the implementation of the Policy would be presented to the Board. **The Board approved the Equalities Action Plan.**

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<tr><th colspan="2">MONITORING & UPDATE REPORTS</th></tr>
<tr><td>8.1</td><td><u>Business Plan Progress Report</u>

The report presented a progress update on the Delivery Plan for the Business Plan 2019/20 to 2023/24. This was the first quarter where progress was less than on the Delivery Plan, mainly due to lockdown. The two areas where we did not meet our targets were Arrears and Voids.

The Service Development Manager advised approximately 14% of the void loss was directly attributable to lockdown and a further 6% related to ongoing COVID-19 issues. Low demand properties accounted for approximately 25%. These figures were estimates and work was ongoing to confirm the finer details.

The Chair asked if it there was any expectation of change for the low demand properties. The Director of Operations confirmed we were generally managing to let properties although the timescales could vary considerably depending on the location. There was one area in particular where increasing difficulties were being experienced and an initial report on the options available would be presented to the Asset Management Working Group on 27 May 2021.

The Board:

a) reviewed the Delivery Plan Progress report to 31 March 2021; and

b) noted the action being taken to address areas where targets are not being met.</td></tr>
<tr><td>8.2</td><td><u>Development Programme</u>

This report provided an update to the Board on how we have performed to 31 March 2021 against our 5 year Development Plan and the Comhairle's Strategic Housing Investment Plan (SHIP).

The Chief Executive explained that the timings of the two plans do not always coincide which can make reporting slightly challenging. We are well ahead of schedule with our own Development Plan with 26 homes built and a further 170 on site which equates to 51% of the plan. We also have funding in place for the next 4 years to carry out the planned developments. Despite the challenges faced, in respect of the SHIP, in 2020/21 we drew down over £11M grant which was significantly more than originally estimated and the highest level of grant drawn down in one financial years.

The Development Manager advised on progress of the individual sites. There were delayed handovers for two sites which had been due for handover in 2020/21, Shawbost (April 2021) and Scotland Street (due in June 2021).

The first tranche at Goathill, South Dell and Tarbert are the next sites due to be handed over.

Land transactions were ongoing at Barvas and a planning decision for Barra was due on 3 July 2021. The planning permission for Lochmaddy had come back with an additional requirement for an otter survey, which will lead to a slight delay.

The tender for Blackwater was issued on 17 May 2021 and work was continuing on the land transaction.

Generally, contractors had been raising issues with supply chains, material availability and labour availability which could impact on works, in particular at the bigger projects such as Goathill. An additional building standard for fire suppression systems had been introduced by Scottish Government which would lead to additional costs.

The Director of Finance & Corporate Services highlighted the grant funding for 2020/21 and advised that the Resource Planning Assumption (RPA) had been £9.7M and we drew down £11.2M with £200K rolling into 2021/22.

The Development Plan approved by the Board on 23 June 2020 had a grant assumption of £8.5M for 2021/22 and the finalised budgets approved by the Board and submitted to the funder were revised down to £8.3M due to the increased spend in 2020/21. Since the budgets were approved we have received formal confirmation the RPA for 2021/22 is £9.709M. This is a considerable increase from both our budget and the £8M assumption included in the SHIP. The Director of Finance & Corporate Services reminded Board Members the RPA is a planning assumption made available to the Comhairle from Scottish Government to satisfy the requirements of the SHIP. In order for the additional money to be drawn down in 2021/22, fully funded projects and additional private finance would be required. In addition, we are constrained by the loan covenants agreed with our funders.

Calum Mackay asked if there was a time limit for these additional monies to be committed and the Director of Finance & Corporate Services confirmed that works would require to be on site imminently in order to draw down the grant in 2021/22. The Director of Finance & Corporate Services confirmed our development plans were in line with the original RPA and the delivery of the SHIP.

Calum Mackay queried when the Comhairle were notified of the additional RPA, when were we notified and had a meeting been arranged with Comhairle to discuss. The Chief Executive confirmed the Comhairle were notified by Scottish Government on 7 April 2021. On 9 April 2021 we received formal notification from the Comhairle and requested a meeting with the Comhairle to discuss the implications of the increased funding, given the parameters we have to work within. A meeting was set up for May but the Comhairle have postponed a meeting until June 2021. The Chair stated a meeting in June did not reflect the urgency with which this should be dealt with. It was recognised the Comhairle may have alternative avenues for spending the grant funding which we were not, as yet, aware of.

It was agreed the Chief Executive would raise the matter again at the meeting with the Comhairle and the Scottish Government which was due to be held on 20 May 2021.

The Board noted the:

a) progress on the Development Plan for 2020/21 and our plans for 2021/22; and

b) increased Scottish Government RPA of £9.7M for 2021/22 and the proposed actions.</td></tr>
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8.3	<u>**Quarterly Treasury Report**</u> The Director of Finance & Corporate Services provided an update on the Treasury Management Activities for the quarter and confirmed our borrowing had not increased and remained at £4.91M. The Director of Finance & Corporate Services advised we were awaiting formal terms for the new facility with RBS and we were working towards a conclusion by the end of May 2021. Financial covenants were met for 2020/21. Calum Mackay highlighted the significant amount of money we invest in the local economy. **The Board noted the:** **a) quarterly report on the Analysis of Investment and Borrowing;** **b) outstanding loans at 31 March 2021 of £4.91M; and** **c) cash balance at 31 March 2021 of £4.927M.**
8.4	<u>**Asset Management Strategy Plan Update**</u> The Assets & Contracts Manager provided the annual update on the Asset Management Strategy Action Plan. The Asset Management Strategy is an integral part of our Business Plan and the Action Plan is informed by various workshops, working groups, the Digital Transformation Strategy, work around fuel poverty and heating, and regulatory requirements. Preliminary work had begun on assessing internal and consultant capacity to carry out the Stock Condition Survey and the Board would be informed when this was completed with an estimated timeline of when the work would be carried out. **The Board noted the progress on the Asset Management Strategy Action Plan.**
8.5	<u>**SHR Engagement Plan**</u> The report is to inform the Board of our Engagement Plan for 2021/22 which has been prepared by the Scottish Housing Regulator (SHR). The key issue highlighted was ensuring the impact of the pandemic on our development plans is reflected in our Business Plan and that we keep the Regulator informed of any material changes which might affect our financial position or our reputation as per the notifiable events guidance. The Board had previously requested updates on 6 of the ARC indicators and for completion an update on our performance was provided. **The Board noted the:** **a) SHR Engagement Plan for 2021/22; and** **b) Performance Indicators.**
8.6	<u>**Review of Corporate Registers**</u> This report assured Board Members that our Corporate Registers are functioning in accordance with the our constitutional documents, regulatory and legal requirements and that they are fully up to date. **The Board noted the review of Corporate Registers.**
MEETING GOES INTO PRIVATE SESSION	

Chairperson Mr Iain Macmillan

SIGNED ………………………………………………………

DATE ………………………………………………………