hebridean housing partnership

Making our house your home

ITEM NO 3.1.1

HEBRIDEAN HOUSING PARTNERSHIP

Board

Minutes of Meeting held remotely via Microsoft Teams on Wednesday, 25 August 2021 at 2.30pm

PRELIMINARY ITEM	
ATTENDANCE & APOLOGIES	
1	**Attendance & Apologies** Present: Calum Mackay (Vice-Chair); Alex Gardner; Helen Mackenzie; Roddy Nicolson; Norman Macdonald; Roddy Mackay; Gordon Macleod Apologies: Iain Macmillan; Fiona Macleod; John Norman Macleod; Peter Graham Staff & Consultants In Attendance: Dena Macleod (Chief Executive); Donald Macleod (Director of Finance & Corporate Services); John Maciver (Director of Operations); Katia Petteloot (Company Secretary); Iona France (Governance Officer – Minute Taker); James Morrison (Finance Manager); Angus MacNeil (Assets & Contracts Manager); Katrina Rowlands (Service Development Manager); Sawan Morrison (Development Manager); Monika Fortagh (Debt Management Officer); Peter O'Donnell (Investment Manager); Jonathan Fairgrieve (Corporate Services Officer) As this was our first Board Meeting since the passing of our long standing Board Member and former Chair, Norman Macleod, the Vice-Chair took the opportunity to pay tribute to Norman. Mr Mackay acknowledged his support over many years and said he will be sadly missed. Calum Mackay welcomed Helen Mackenzie to her first meeting of the Board.
PRELIMINARY PROCEDURAL MATTERS	
2	**Declaration of Interest** Calum Mackay declared an interest in Item 9.4.
3.1	**Minute of Board Meeting 23 June 2021** The Company Secretary advised an amendment was required to the Standing Orders, to clarify the Board Member categories in order to ensure our governance arrangements for Board meetings are robust. **The minute of the Board meeting of 23 June 2021 was submitted and approved as a true and accurate record of the proceedings of the meeting, subject to the amendment to the Standing Orders.**
3.2	**Action Sheet** **The Action Sheet was noted.**
4	**Date of Next Meeting** The date of the next meeting will be 17 November 2021.
5	**Health & Safety** Nothing to report.

ITEMS FOR DECISION	
6.1	**<u>Annual Assurance Statement</u>** The Executive Office Manager presented the Annual Assurance Statement (AAS) for consideration and approval prior to submission to the Scottish Housing Regulator. The AAS had been prepared in compliance with the Regulatory Framework. Members were advised of an addition to the AAS confirming we had appropriate plans to implement an effective approach to the collection of equalities information and have started to consider how we can adopt a human rights approach to our work. In addition, the Evidence Checklist was updated to take into account evidence gathered throughout the year. Helen Mackenzie queried aspects of the Evidence Checklist to gain further assurance that all aspects of the Regulatory Framework were being met. Members were advised the Evidence Checklist was a working document which was updated regularly. Members were advised a meeting with our Regulation Manager and officers was scheduled for 29 September 2021. **The Board approved the:** **a) Annual Assurance Statement; and** **b) Annual Assurance Statement – Evidence Checklist**
6.2	**<u>Governance Report</u>** The Governance Report was presented to confirm compliance with our Rules, provide information in respect of Remote AGM arrangements for 2021 and to seek approval of the AGM charitable donations. **The Board:** **a) approved the 5 charities:** • **Neuro Hebrides;** • **The Leanne Fund;** • **The Salvation Army;** • **RNLI; and** • **Befriending Lewis.** **be proposed at the AGM on 26 August 2021 to each receive £1,000;** **b) noted the Partnership has complied with Rules 62 to 67 for the year ended 31 March 2021; and** **c) noted the remote AGM arrangements for 2021.**
6.3	**<u>Annual Financing Strategy</u>** The Director of Finance & Corporate Services presented the Annual Financing Strategy for 2021/22. The Treasury Management Policy required a Financing Strategy be prepared and approved by the Board on an annual basis. Members were advised this Strategy was prepared with input from our Treasury Advisors, Chatham Financial. Our total Borrowing Facility has increased from £15M to £25M and it is forecast we will draw down £8.1M of this to meet our working capital requirements shown in the Cashflow Statement. Members were advised the Financial Covenants status had changed and as a result we were now subject to new commercial style covenants and training would be provided on the operation and management of the Financial Covenants under the restated Facilities Agreement with Royal Bank of Scotland. **The Board approved the Annual Financing Strategy for 2021/22.**
6.4	**<u>Treasury Management Policy</u>** The Treasury Management Policy was presented for approval. The Policy was updated to take into consideration changes in Treasury Management best practice and to comply with the relevant legislation. Minor changes had been made to wording and references to LIBOR were updated to SONIA in accordance with the new Borrowing Facility. The following substantive changes were made to the policy: • reference to Appendix C was updated to include hedging percentage of 50%. This was to account for the potential for low hedged proportions at the beginning of the new facility while remaining within market norms; • reference to the credit rating was replaced with a clear outline of what the minimum ratings should be; and • changes to the level of funds permitted in accounts to take cognisance of current levels of operating expenditure. **The Board approved the Treasury Management Policy.**

6.5	**<u>SHR Loan Portfolio</u>** The Director of Finance & Corporate Services advised members the SHR validation process of the Loan Portfolio Statements submitted in June 2021, would not be completed until 31 August 2021. An In-Year Statement, taking account of the new Borrowing Facility will be lodged on the SHR portal once available and an update will be reported to the Board on 17 November 2021. **The Board noted the update to the SHR Loan Portfolio Return.**
6.6	**<u>Management Report to 30 June 2021</u>** The Finance Manager presented the Management Report to 30 June 2021. The Management Report is forecasting we will meet our Financial Covenants for the year ended 31 March 2022. Approval was sought for a virement from reserves of £229K due to a higher value of works being carried out by the contractor at the Goathill HWEC project and slippage of £779K due to the delay at the Blackwater site. **The Board:** **a) noted the Management Report at 30 June 2021;** **b) approved that £229,029 be vired from reserves to the Goathill HWEC project; and** **c) approved a virement to reduce both cost and grant for the Blackwater development by £778,524.**
6.7	**<u>Development Programme</u>** The Development Manager presented a progress update on our Development Programme. Since the Board meeting on 23 June 2021, the handover of 6 homes at Lady Matheson Court (Scotland Street) and 6 homes at Sealladh Beinn Dail (South Dell) had taken place, the land transaction at Barvas was concluded and Barra was nearing completion. The missives of the land transaction at Blackwater were nearing conclusion however, the resumption was still to be completed by Stornoway Trust prior to land acquisition. A five week delay was reported by the Contractor at the Howmore development and further delays were reported by the contractor at the Tarbert development. Following the Board Meeting on 23 June 2021 the Asset Management Working Group reviewed the options for fire suppression systems. The Group recommended that a mains fed sprinkler system be installed and future developments be reviewed on a development by development basis until a standardised approach can be determined. Helen Mackenzie queried whether sustainability was taken into account when determining which fire suppression system would be used. The Investment Manager advised technology was evolving quickly and, currently, only a mains fed system had building warrant approval. If reviewed on a development by development basis new technologies could be considered as they emerged. **The Board approved:** **a) a mains fed sprinkler to be installed in Crowlista; and** **b) that the Fire Suppression systems be reviewed by the Asset Management Working Group on a development by development basis until a preferred option can be established.**

SURVEY UPDATES	
7.1	**<u>Tenant Satisfaction Survey</u>** The initial findings of our 2021 Tenant Satisfaction Survey were presented to the Board for noting. Due to COVID-19 restrictions the survey was carried out via telephone, rather than face to face. The Service Development Manager advised 572 surveys were carried out, a reduction on previous years. Members were advised that there was a decrease in the results for the Scottish Social Housing Charter indicators. The decrease could be due to the methodology of the survey, along with less visibility of officers in our communities due to COVID-19, however, further investigation would be carried out to confirm this. A full report would be brought to the Board in November 2021 which would include a geographical breakdown by island on areas of significant performance shifts. **The Board noted the initial results of the 2021 Tenant Satisfaction Survey.**

POLICIES FOR APPROVAL	
8.1	**<u>Retirement Policy</u>** The Retirement Policy had been reviewed and updated to include the definition of the Human Resources Department and Head of Executive Office post. Going forward, the Policy will be reviewed on a 3 yearly cycle unless changes were required by our pension provider. **The Board approved the updated Retirement Policy.**
8.2	**<u>Codes of Conduct</u>** The Executive Office Manager presented the Code of Conduct for Board Members and Code of Conduct for Staff for review and approval. The Codes had been reviewed in line with the SFHA Model Policy. The main changes in both codes were the perspective change from 'you' to 'I'; and the extraction of the Declaration of Interest sections to the Entitlements, Payments & Benefits Policy. The Code of Conduct for Board Members was updated regarding the protocol for breaches of the Code. The Code of Conduct for Staff was reviewed with minor updates and approval was sought for consultation with staff and the Union. **The Board approved:** **a) the revised Code of Conduct for Board Members;** **b) the revised Draft Code of Conduct for Staff for consultation with staff and the Union; and** **c) if there are no material changes to the Code of Conduct for Staff arising from the consultation, that the Code of Conduct be approved, otherwise a revised Code of Conduct be presented to the next meeting of the Board**
8.3	**<u>Entitlements, Payments & Benefits Policy</u>** The Entitlements, Payments & Benefits Policy has been reviewed and updated in line with the Highlands & Islands Variant of the SFHA Model Policy. The main change to the Policy was the inclusion of the Declarations of Interest sections from the Codes of Conduct. **The Board approved the Entitlements, Payments & Benefits Policy.**

MONITORING & UPDATE REPORTS	
9.1	**<u>Business Plan Monitoring Report</u>** The Chief Executive provided an update on the progress of the 2019/20 to 2023/24 Business Plan. Members were advised the notes from the Business Planning Workshops held between April and June 2021 would be captured in the updated Business Plan and a report would be brought to the Board in November 2021 on the key changes to the Plan. A Risk Appetite session would be planned between November 2021 and January 2022. Members were further advised a draft plan would be reported to the Board in February 2022 with a view to seek full approval from the Board in March 2022. Helen Mackenzie queried the process for the development of the Value for Money Strategy. The Director of Finance & Corporate Services advised work was underway and the next step was to refresh our benchmarking through the new Scottish Housing Network Assessment Tool. **The Board:** **a) reviewed the Delivery Plan Progress report to 30 June 2021:** **b) noted the action being taken to address areas where targets are not being met; and** **c) noted the Business Plan review timetable.**
9.2	**<u>Quarterly Treasury Report to 30 June 2021</u>** The report informed the Board of the Treasury Management activities for the first quarter of 2021/22. The Director of Finance & Corporate Services confirmed our borrowing had not increased and remained at £4.91M. **The Board noted the:** **a) quarterly report on the Analysis of Investment and Borrowing;** **b) outstanding loans at 30 June 2021 of £4.909 Million; and** **c) cash balance at 30 June 2021 of £5.773 Million.**
9.3	**<u>Investment Programme Monitoring Report</u>** The Assets & Contracts Manager provided an update on the 2021/22 Investment Programme and advised there were no concerns for the delivery of the works for the current financial year and contractors were being monitored to ensure this remained the case. Calum Mackay questioned the reasoning behind the amount of heating refusals. The Investment Manager advised it was primarily due to tenants not wanting anyone in their home because of COVID-19. It was agreed an update on heating refusals would be reported to the next meeting of the Board. **The Board noted the progress on the Investment Programme.**
9.4	**<u>Tenant Participation Strategy 2020-24 Update</u>** Calum Mackay left the meeting during discussion of this item. In his absence Roddy Nicolson chaired the item. The Service Development Manager provided an updated on the progress of the Tenant Participation Strategy 2020-24. Members were advised the Action Plan had been updated to account for the three key areas identified by our tenants, which were: • enabling and empowering Tenants; • showing Information and getting to know each other; and • being heard and making a difference. **The Board noted the Action Plan.**
MEETING GOES INTO PRIVATE SESSION	

Chairperson Mr Iain Macmillan

SIGNED ………………………………………………………

DATE ………………………………………………………