hebridean housing partnership

Making our house your home

ITEM NO 3.1

HEBRIDEAN HOUSING PARTNERSHIP

Board

Minutes of Meeting held remotely via Microsoft Teams on Wednesday, 9 February 2022 at 5.30pm

PRELIMINARY ITEM	
ATTENDANCE & APOLOGIES	
1	**Attendance & Apologies** Present: Iain Macmillan (Chair), Calum Mackay (Vice-Chair), Roddy Nicolson, Helen Mackenzie, Alex Gardner, Gordon Macleod Apologies: Fiona Macleod, Norman A Macdonald, John N Macleod, Roddy Mackay Staff & Consultation In Attendance: Dena Macleod (Chief Executive), Donald Macleod (Director of Finance & Corporate Services), John Maciver (Director of Operations), Katia Petteloot (Company Secretary), Jonathan Fairgrieve (Corporate Services Officer – Minute Taker), James Morrison (Finance Manager), Sawan Morrison (Development Manager), Peter O'Donnell (Investment Manager), Angus Smith (Corporate Resources Manager), Monika Fortagh (Debt Management Officer), Iona France (Governance Officer), Emma Macleod (People Development Officer), Fiona Robertson (Independent Consultant)
PRELIMINARY PROCEDURAL MATTERS	
2	**Declaration of Interest** Helen Mackenzie declared an interest at Item 9.2.
3.1	**Minute of Board Meeting 17 November 2021** **The minute of the Board meeting of 17 November 2021 was submitted and approved as a true and accurate record of the proceedings of the meeting subject to an amendment to the date at item 3.1.2.**
3.2	**Action Sheet** The Director of Finance & Corporate Services advised item 2 on the Action Sheet would be completed the week commencing 14 February 2022. **The Action Sheet was noted.**
4	**Date of Next Meeting** The date of the next meeting will be 23 March 2022.
5	**Health & Safety** Nothing to report.
MEETING WENT INTO PRIVATE SESSION	

PUBLIC ITEMS FOR DECISION	
7.1	**<u>Business Plan 2019/20 to 2023/34 (Year 4)</u>** An updated Business Plan for the five year period 2019/20 to 2023/24 was presented for review and approval for consultation with the public and key partners. The Chief Executive advised the Plan had been updated following events over the past six months, and took into account the findings from the Board workshops. Helen Mackenzie queried why round table discussions between managers had not continued during the COVID-19 lockdown. The Chief Executive explained that managers were undertaking a leadership programme and once this had completed round table discussions would resume. **The Board approved the Business Plan 2019/20 to 2023/24 (Year 4) including the 30 year cash flow projection for consultation with the public and our key partners.**
7.2	**<u>Budgets 2022/23</u>** The Director of Finance & Corporate Services presented the proposed 2022/23 Budgets including charges for rents, garages and services. A consultation on the proposed rent increase was carried out from 10 December 2021 – 15 January 2022. Two options were given to tenants: • RPI minus 3.0% increase (3.0%); and • RPI minus 2.5% increase (3.5%). The survey was published on our website and across our social media platforms with 44 completed responses received. Of those responses 77% opted in favour of an increase of RPI minus 3.0%. However, since the consultation, the inflationary position had deteriorated with RPI rising to 7.5% in December 2021. The Director of Finance & Corporate Services advised members it would therefore be prudent to increase our rents by 3.5% to align with our original Business Plan assumption and take account of the current high levels of inflation. Members were advised our average rents were significantly less than the highest within our peer group and were asked to note the proposed rent increase was sub-inflationary which would put less financial pressure on tenants than an increase in line with inflation. Helen Mackenzie questioned whether garage rents and garage site rents should be increased in line with other services and charges. The Director of Finance & Corporate Services advised this would be looked at by the Finance Working Group when reviewing the 2023/24 rent increase. **The Board:** **a) approved the increase of house rents for 2022/23 at RPI minus 2.5% (3.5%) with an average increase of £2.88 per week to £85.28 per week;** **b) approved garage rents and garage site rents for 2022/23 be increased by 3.5%;** **c) approved all other services and charges for 2022/23 be increased by 6% in line with RPI at October 2021; and** **d) noted that detailed budgets will be submitted to the Board for approval on 23 March 2022.**
7.3	**<u>Management Report to 31 December 2021</u>** The Management Report to 31 December 2021 was presented for review and approval. The report confirmed our financial covenants would be met for the year ended 31 March 2022 with a headroom of £973K. Approval of virements were sought for: a) slippage in the Development Programme to reduce development costs by £587K and grant by £523K; and b) a forecast overspend on reactive repairs of £200K to be funded from savings in the Investment Programme. Calum Mackay questioned the increase in repairs spend. The Director of Operations advised the cost of materials were increasing as well as the number of homes for rent, all of which contributed to a higher spend. It was agreed a detailed report showing the cause of the increased expenditure on repairs be brought to the next Board Meeting. **The Board:** **a) noted the Management Report to 31 December 2021;** **b) approved a virement to reduce cost by £197,721 and grant by £134,457 for the Blackwater development;** **c) approved a virement to reduce cost by £388,821 and grant by £388,821 for the Barra development;** **d) approved a virement of £200,000 in the Investment Programme to Reactive Maintenance; and** **e) agreed a detailed report showing the cause of the increased expenditure on repairs be brought to the next Board meeting.**

7.4	**<u>Development Monitoring Report</u>** The Development Manager provided an update on the 5 Year Development Programme. Since the Board meeting on 17 November 2021, the handover of 4 homes at Ionad Mairi Bremner, 8 homes at Sinclair Avenue and 8 homes at James Place had taken place. Developments at both Low Flyer and Barvas were progressing on site with handover expected this financial year. The Barra development was due on site week beginning 14 February 2022. The land order resumption at Blackwater remained with the Land Court, awaiting conclusion. Work was progressing with the acquisition of land at Leverburgh for landbanking and with the Comhairle to identify areas of land for future development. Calum Mackay queried whether our waiting list figures justified the extent of our Development Plan and it was confirmed we use our waiting list figures when writing the Development Plan. **The Board:** **a) approved Leanna Ruadh as the name for the 4 unit site at Crowlista as a continuation of the existing site; and** **b) noted the update on the Development Programme.**
7.5	**<u>Staff Training Plan 2022/23</u>** The Executive Office Manager presented the Staff Training Plan for 2022/23 and updated the Board with progress on the 2021/22 Plan. The Plan was produced following the identification of training needs from a variety of sources including regulatory and legal requirements, staff appraisals and discussions with Managers **The Board:** **a) approved the Staff Training Plan 2022/23; and** **b) noted the Completed Training 2021/22.**
7.6	**<u>Self-Assessment</u>** The report detailed the options for Self-Assessment in line with our regulatory requirements. In 2017, the Board's preference was to pursue accreditation with the European Foundation for Quality Management (EFQM). Since then, the Scottish Housing Regulator (SHR) introduced the requirement to complete an Annual Assurance Statement confirming compliance with all regulatory standards of governance and financial management, strengthening our processes of Self-Assessment. We reviewed EFQM and Investors in People, as well as consulting with other Housing Associations. It was proposed we continue with internal self-assessment through our Annual Assurance Statement process and strengthen the process therein using sector specific toolkits. It was agreed regular reporting would be required to the Board on Self-Assessment progress using the SHN Toolkit. **The Board agreed to use the Scottish Housing Network Self-Assessment Toolkit in place of external accreditation until March 2024.**

POLICIES & STRATEGIES	
8.1	**<u>Void Management Policy</u>** The report sought approval from the Board to discontinue having a separate Void Management Policy by including its provisions with the Estate Management, Allocations and Repairs & Maintenance policies. **The Board approved the Void Management Policy cease with immediate effect and its policy provisions be incorporated into the Estate Management, Repairs & Maintenance and Allocations policies.**
8.2	**<u>Gas Safety Management Policy</u>** The Investment Manager presented the Gas Safety Management Policy to the Board for review and approval. Following a review of the policy, minimal changes were made to the policy. **The Board approved the Gas Safety Management Policy.**
8.3	**<u>Health & Safety Policy</u>** The Health & Safety Policy was presented for consideration and approval. Following a review of the policy, no significant changes were made to the policy. **The Board approved the Health & Safety Policy.**

MONITORING REPORTS	
9.1	**Quarterly Treasury Report** The Director of Finance & Corporate Services presented the Treasury Management activities for the third quarter of 2021/22 and confirmed our cash balances were £4.699M, driven by the drawdown of £5M. Our borrowing had increased to £10M at 31 December 2021. Forecasts indicate our Financial covenants for 2021/22 will be met. **The Board noted the:** **a) quarterly treasury report on the Analysis of Investment and Borrowing;** **b) outstanding loans at 31 December 2021 of £10M; and** **c) cash balance at 31 December 2021 of £4.699M.**
9.2	**Investment Programme Monitoring Report** **Following the discussion of the item Helen Mackenzie declared a potential interest in this item.** The Assets & Contracts Manager presented an update on the procurement and progress of the 2021/22 and 2022/23 Investment Programme. Members were advised the tenders for Lot 3A, 4 and 12 had been issued. Calum Mackay queried the slippage in the 2021/22 Programme. The Assets & Contracts Manager advised the slippage was primarily due to high tender prices and contractor capacity. Occupational Therapy (OT) referrals continued to be received with a number on a waiting. A virement of £30K from the Unallocated budget to the OT budget was being processed to enable works on referrals to continue. **The Board noted the:** **a) progress on the Investment Programme; and** **b) update on the provision of Aids & Adaptations including the virement of £30K from the Unallocated budget to the Occupation Therapy budget.**
9.3	**Board Skills Audit** Fiona Robertson, Independent Consultant, presented the findings of the independent Board Skills Audit carried out following the 2021 AGM. A Board Development Plan had been produced based on the Skills Matrix. Members were advised the overall conclusion of the audit was that the Board as a whole have a good understanding of the challenges faced and were able to reach a consensus following robust discussions. A Board Training Plan and Governance Action Plan, based on the findings of the report, will be presented to the Board in March 2022. **The Board noted the findings of the Board Skills Audit 2021, including the Board Development Plan.**
MEETING WENT INTO PRIVATE SESSION	

Chairperson Mr Iain Macmillan

SIGNED ……………………………………………………

DATE ……………………………………………………