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, 23 March 2022 at 5.30pm</u>

PRELIMINARY ITEM	
ATTENDANCE & APOLOGIES	
1	**<u>Attendance & Apologies</u>** <u>Present</u>: Iain Macmillan (Chair); Calum Mackay (Vice-Chair); Gordon Macleod; Helen Mackenzie; Norman A Macdonald; Roddy Mackay; Roddy Nicolson <u>Staff & Consultants In Attendance</u>: 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); Donalda Mackinnon (Lewis Area Manager); Sawan Morrison (Development Manager); Angus Smith (Corporate Resources Manager); Monika Fortagh (Debt Management Officer); Iona France (Governance Officer) <u>Apologies</u>: Fiona Macleod; Alex Gardner* *Alex Gardner tendered apologies due to technical difficulties. It was agreed that Calum Mackay become a full member of the Investment Delivery Board and Iain Macmillan become a substitute member.
PRELIMINARY PROCEDURAL MATTERS	
2	**<u>Declaration of Interest</u>** Norman A Macdonald declared an interest in item 10.6.
3.1	**<u>Minute of Board Meeting 9 February 2022</u>** **The minute of the Board meeting of 9 February 2022 was submitted and approved as a true and accurate record of the proceedings of the meeting.**
3.2	**<u>Action Sheet</u>** **Item 5** The Chief Executive advised a report on the level of Repairs would be taken to the next meeting of the Board. **Item 12** The Chair updated members on the responses received from the Chair of the Integrated Joint Board and Leader of the Comhairle. Norman Macdonald intimated that a solution was vital and partnership working would be required to achieve this. It was agreed the Chair would respond to the Leader of the Comhairle and the Chair of the Integrated Joint Board to seek a resolution. **The Action Sheet was noted.**
4	**<u>Date of Next Meeting</u>** The date of the next meeting will be 25 May 2022.
5	**<u>Health & Safety</u>** Nothing to report.

ITEMS FOR DECISION	
6.1	**Business Plan** An updated Business Plan for the five year period 2019/20 to 2023/24 was presented for review and approval following consultation with the public and key partners. Members were advised one consultation response had been received and minor changes had been made to the Business Plan following the consultation. Gordon Macleod requested that reference was made to Ukrainian refugees within the Business Plan. The Director of Operations advised discussions were taking place with the Comhairle's Resettlement Officer to explore how we can practically support Ukrainian refugees, as was the case with previous refugee crises. Further information would be brought back to the Board following the discussions. The Chief Executive advised additional information would be included within the Business Plan to account for the Ukrainian refugee crisis. **The Board approved the Business Plan (2019/20 to 2023/24) Year 4.**
6.2	**Budgets 2022/23** The Director of Finance & Corporate Services presented the proposed 2022/23 budgets for review and approval. The main changes since the Board were provided with initial budgets in February 2022 were that £147K of rewiring works were to be carried into the 2022/23 Investment Programme and slippage in development was now reflected. Members were advised the rent increase which was applied for 2022/23 was a 2.5% sub-inflationary increase based on October 2021 RPI. With RPI continuing to increase this now represented a 4.7% sub-inflationary increase compared to February 2022 RPI. **The Board:** **a) approved the 2022/23 budgets; and** **b) noted the cash planning limits for 2022/23 and 30 year cash flow statement for 2021-2051.**
6.3	**Management Report to 31 January 2022** The Management Report to 31 January 2022 was presented for review and approval. The report showed that financial covenants will be met for the year ended 31 March 2022 with headroom of £1.1M being forecast. Slippage in developments at Barra, Crowlista, Lochmaddy and Goathill HWEC has resulted in a forecast out-turn of £1.8M less than the revised budget. **The Board:** **a) noted the Management Report to 31 January 2022;** **b) approved that £1,408,633 be vired from cost to reserves due to slippage on the Goathill HWEC programme.**
6.4	**Annual Financing Strategy** The Director of Finance & Corporate Services presented the Annual Financing Strategy for 2022/23 for consideration and approval. It is forecast that £7M will be drawn down from the new borrowing facility to meet working capital requirements. Commentary within the Strategy had been updated to reflect inflation and interest rate forecasts. The hedging position remained unchanged. **The Board approved the Annual Financing Strategy.**
6.5	**Fraud Checklist** The Annual Fraud Checklist was presented for consideration and approval. The Director of Finance & Corporate Services advised we were unable to confirm Item 6 on the Checklist as due to remote working arrangements, employees had access to systems at all times. Employees and Managers would be reminded of their obligation to take 2 weeks consecutive holidays per year. **The Board reviewed and approved the Fraud Checklist.**

6.6	<u>**Board Training Plan**</u> The Executive Office Manager presented a draft Board Training Plan for approval, following the Board Skills Audit which was carried out in 2021 and advised a Board Development Session would be arranged following the Board Meeting on 25 May 2022. Approval was sought for the use of Decision Time for managing the Board process. Members commended the Decision Time software and agreed using this would be of benefit to the Board. **The Board:** **a) approved the Draft Training Plan;** **b) noted a Board Development Session will be arranged following our May Board meeting; and** **c) approved the use of Decision Time for managing our Board process.**
6.7	<u>**SHR Loan Portfolio**</u> An In-Year Loan Portfolio Return had been submitted to the Scottish Housing Regulator, following the re-financing of our borrowing facility with RBS and was presented for Homologation. The Director of Finance & Corporate Services advised the return had been filed in line with the Board approved re-financing agreement and the Annual Financing Strategy approved in August 2021. **The submission of the Scottish Housing Regulator Loan Portfolio Return was homologated.**

POLICIES & STRATEGIES	
7.1	**<u>Estate Management Policy</u>** The revised Estate Management Policy was presented for review and approval. The policy was updated following approval by the Board on 9 February 2022 to include the provisions of the Void Management Policy within the Estate Management Policy, Allocations Policy and Repairs and Maintenance Policy. **The Board approved the Estate Management Policy.**
7.2	**<u>Allocations Policy</u>** The Area Manager presented the Allocations Policy for approval for consultation with tenants. A section on Creating Tenancies from the Void Management Policy was include in the revised policy. Reference to Sheltered Housing was replaced with reference to Housing with Extra Care. Members were advised there was no provision for allocating houses to private sector employers within the revised policy as there was further work required to establish if this can be done. Once the work is completed a recommendation will be brought to the Board for consideration. **The Board approved:** **a) the Allocations Policy for consultation with tenants; and** **b) if there are no material changes to the Allocations Policy arising from the consultation, that the Policy is approved otherwise a revised version will be presented to the next meeting of the Board.**
7.3	**<u>Expenses Policies</u>** Following the annual review of the Members' & Staff Expenses Policies an update was made to the Staff Expenses Policy to reflect changes in approved HMRC private use of van allowance. **The Board:** **a) approved the Staff Expenses Policy; and** **b) noted there were no changes to the Members Expenses Policy and the current policy will remain valid for a further 12 months.**
7.4	**<u>Development Policies</u>** The Development Policy and Development Risk Policy were presented for review and approval. Following a review of the policies the Naming a Development Policy, approved in June 2021, had been incorporated in the main Development Policy. The Development Manager advised minor amendments had also been made to the policies. Helen Mackenzie suggested an additional risk be added to the Development Risk Policy, at paragraph 3.1, to account for changes in demand that may arise during the build process and the removal of reference to untried consultants, at paragraph 3.6. It was agreed these amendments be made to the policy. **The Board approved the:** **a) incorporation of the Naming a Development Policy into the main Development Policy;** **b) Development Policy; and** **c) Development Risk Policy subject to amendments to paragraphs 3.1 and 3.6.**
7.5	**<u>Value for Money Strategy</u>** The Director of Finance & Corporate Services presented an updated Value for Money Strategy for approval. Helen Mackenzie queried if Return on Investment (ROI) would be an appropriate measure when looking at our current stock. The Director of Finance & Corporate Services advised we used a number of different measures and ROI was used where appropriate. It was noted that, if required, certain capital projects may be undertaken at additional cost, however, Board approval would be sought prior to commencing capital projects which do not repay over 30 years. A Value for Money performance report will be presented to the Board annually to provide an overview of the metrics and how we compare with our peer group. **The Board approved the Value for Money Strategy.**

MONITORING REPORTS	
8.1	**Workforce Strategy** The Chief Executive presented an update to the Workforce Strategy for consideration and consultation with staff and the Union. The main change to the Strategy was the work being undertaken with regards to Modern Apprenticeships. Members were advised apprentices would be recruited annually on a one-year contract with the option to specialise into a specific area for a further two years. Helen Mackenzie questioned whether we should be more specific when recruiting apprentices in order to address the teams with the oldest age profile first. The Chief Executive advised further details would be brought back to the Board following consultation. Helen Mackenzie suggested more information under item three on the Action Plan be included to provide clarity. It was agreed this would form part of the final Strategy. Calum Mackay commended the Strategy and suggested it be used to influence wider discussions surrounding population decline with the islands. **The Board approved the revised Workforce Strategy for consultation with staff and the Union.**
8.2	**Procurement Policy & Procurement Strategy** The updated Procurement Policy & Strategy were presented for approval. Minor changes had been made to the policy to reflect the UK's membership of the World Trade Organisation (WTO) as an independent entity. Procurement thresholds were updated to follow WTO guidance and the Procurement Policy was updated to strengthen and widen the concept of 'Fair Work First'. Helen Mackenzie suggested a change be made to the Procurement Strategy Key Performance Indicator target on compliance with procurement legislation. It was agreed that the target be amended to "no successful legal challenges" regarding the procurement process as any challenges raised are outwith our control. **The Board:** **a) approved the revised Procurement Policy;** **b) noted the Procurement Plan for 2022/23;** **c) approved our updated Procurement Strategy 2022/23 and performance measurement framework subject to an amendment to the Key Performance Indicator on Compliance with Procurement legislation;** **d) noted the procurement performance for 2021; and** **e) noted the Contracts & Community Benefits Registers.**

MONITORING & UPDATE REPORTS	
9.1	**Development Monitoring Report** The Development Manager presented an update on the 5 Year Development Programme. This financial year 170 homes (76 completed and 94 on site) were at various stages of build accounting for 43% of the 5 year Development Plan 2020-2025. **The Board noted the update on the Development Programme.**
MEETING GOES INTO PRIVATE SESSION	

Chairperson Mr Iain Macmillan

SIGNED ……………………………………………………

DATE ……………………………………………………