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BOARD AGENDA –31 AUGUST 2022

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO	TIME
1	**Attendance & Apologies**	Noting	Chair	3	5:30pm - 5.45pm
2	**Declaration of Interest**	Noting	Chair	-	
3	**Minutes**				
3.1	Minute of Meeting 29 June 2022	Approval	Chair	5	
3.2	Action Sheet	Noting	Company Secretary	9	
4	**Date of Next Meeting** 1 September 2022 & 22 November 2022	Approval	Chair	-	
5	**Health & Safety**	Noting	Director of Operations	-	

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO	TIME
6	**Items For Decision**				5:45pm - 6:25pm
6.1	Annual Assurance Statement (Appendix 2 – Private & Confidential)	Approval	Chief Executive	11	
6.2	Rules	Approval	Chief Executive	14	
6.3	Governance Report	Approval	Chief Executive	55	
6.4	Rent Structure	Approval	Director of F&CS	62	
6.5	Development Report	Approval	Development Manager	64	

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO	TIME
7	**Policies & Strategies**				6:25pm - 6:45pm
7.1	Risk Management Strategy	Approval	Chief Executive	73	
7.2	Communication & Communication Tools Policy	Approval	Chief Executive	85	
7.3	Disclosure of Interest Policy	Approval	Chief Executive	94	

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ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO	TIME
8	**Noting Reports**				6:45pm - 7:00pm
8.1	Management Report to 30 June 2022	Noting	Development Manager	112	
8.2	Quarterly Treasury Report	Noting	Director of F&CS	133	
8.3	Investment Programme Monitoring Report	Noting	Director of Operations	141	

MEETING GOES INTO PRIVATE SESSION

Board Meetings 2021/22

Board Members	Notes	26-Aug-21	17-Nov-21	09-Feb-22	23-Mar-22	25-May-22	29-Jun-22		
Iain Macmillan	1								
Calum Mackay	1								
Alexander Gardner	2								
Fiona Macleod	4								
Gordon Macleod									
Norman A Macdonald	3								
Roddy Mackay	5								
Roddy Nicolson									
John N Macleod	5								
Helen Mackenzie									
Donald Macsween	6								
Iain M Macleod	6								
Finlay Stewart	6								
Alison MacCorquodale	7								

1 - Appointed as a Community Member on 26 August 2021
2 - Appointed as a Tenant Member on 26 August 2021
3 - Appointed as Co-optee on 23 March 2022
4 - Fiona Macleod resigned from Board on 14 April 2022
5 - Not re-appointeed to Board following local elections on 5 May 2022
6- Appointed as Council Member following the local elections on 5 May 2022
7- Appointed as Board Member on 26 May 2022

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

Leave Special Leave Granted

Board Training and Conferences 2021/22

Board Members	Notes	Treasury Management Training 30-Nov-21	Decision Time Training 28-Jan-22			
Iain Macmillan	1					
Calum Mackay	1					
Alexander Gardner	2					
Fiona Macleod	5					
Gordon Macleod						
Norman A Macdonald	3					
Roddy Mackay	4					
Roddy Nicolson						
John N Macleod	4					
Helen Mackenzie						

1 - Appointed as a Community Member on 26 August 2021

2 - Appointed as a Tenant Member on 26 August 2021

3 - Appointed as Co-optee on 23 March 2022

4 - Not re-appointeed to Board following local elections on 5 May 2022

Member present at training

Member not present at training

Cancellation of travel due to weather

Unable to attend remote training due to techncial difficulties

Member not required to be present at training

Leave — Special Leave Granted

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ITEM NO 3.1

HEBRIDEAN HOUSING PARTNERSHIP

Board

Minutes of Meeting held remotely via Microsoft Teams on Wednesday, 29 June 2022 at 5.30pm

PRELIMINARY ITEM	
ATTENDANCE & APOLOGIES	
1	**Attendance & Apologies** Present: Calum Mackay (Vice-Chair); Alexander Gardner; Alison MacCorquodale; Donald Macsween; Finlay Stewart; Helen Mackenzie; Gordon Macleod; Iain M Macleod; Roddy Nicolson Apologies: Iain Macmillan; Norman A Macdonald Staff & Consultants In Attendance: Dena Macleod (Chief Executive); Donald Macleod (Director of Finance & Corporate Services); Katia Petteloot (Company Secretary); Jonathan Fairgrieve (Corporate Services Officer – Minute Taker); Angus MacNeil (Assets & Contracts Manager); Donalda MacKinnon (Area Manager – Lewis); Mina Maclean (Housing Officer – Allocations); James Morrison (Finance Manager); Peter O'Donnell (Investment Manager); Angus Smith (Corporate Resources Manager); Monika Fortagh (Debt Management Officer); Sawan Morrison (Development Manager); Katie Walker (Area Manager – Uist); Iona France (Governance Officer); Norma Robb (People Development Officer) Calum Mackay was nominated as Chair of the meeting in Iain Macmillan's absence. The Chair welcomed Alison MacCorquodale to the Board and acknowledged her experience would enhance the knowledge and skills of the Board. The Chair wished Alex John Macleod, Handyperson for Lewis & Harris, a very long and happy retirement after 23 years' service. Following the resignation of Fiona Macleod, there was a vacancy on the Investment Delivery Board. It was agreed that Helen Mackenzie be appointed to the Investment Delivery Board.
PRELIMINARY PROCEDURAL MATTERS	
2	**Declaration of Interest** **Finlay Stewart declared an interest at item 8.5.**
3.1	**Minute of Board Meeting 25 May 2022** Helen Mackenzie asked for a minor wording amendment to item 7.2 under the Flexible Working Policy. **The minute of the Board meeting of 25 May 2022 was submitted and approved as a true and accurate record of the proceedings of the meeting subject to the wording amendment at item 7.2.**
3.2	**Action Sheet** **The Action Sheet was noted.**
4	**Date of Next Meeting** The date of the next meetings will be 31 August 2022 & 1 September 2022.
5	**Health & Safety** **It was agreed this item be taken in Private & Confidential.**

ITEMS FOR DECISION	
6.1	**Annual Report & Accounts to 31 March 2022** The Director of Finance & Corporate Services presented the Annual Report and Accounts for the year ended 31 March 2022, which were prepared in line with the relevant accounting standards, for approval. The Report had been presented to the Audit & Risk Committee on 28 June 2022 and had been recommended to the Board for approval. A year on year comparison was provided for key financial indicators, including a significant increase in rental income, driven by the annual rent increase and the new build homes completed in the year. The Director of Finance & Corporate Services advised that the increase in the FRS102 pension adjustment was more than offset by an improvement in the pension liability. The Director of Finance & Corporate Services went through the key financial variances in the accounts from previous years as outlined in the report. **The Board:** **a) approved the Annual Report and Accounts for the year ended 31 March 2022; and** **b) noted the Subsidiary Accounts for the year ended 31 March 2022.**
6.2	**SHR Financial Return** The Director of Finance & Corporate Services presented the Loan Portfolio return (2021/22), five-year plans (2022/23 – 2026/27) and Audited Financial Statements (2021/22) required by the Scottish Housing Regulator for consideration and approval. Members were advised the Audited Financial Statements would be submitted once the Scottish Housing Regulator has opened the submission portal. **The Board approved, for submission to the Scottish Housing Regulator, the:** **a) Loan Portfolio Return for 2021/22;** **b) Five year plan Return for 2022/23-2026/27; and** **c) Audited Financial Statement as at agenda item 6.1.**
6.3	**Budgetary Performance for the Year Ended 31 March 2022** The performance against budgets for the year ended 31 March 2022 was presented to the Board for approval. The report included an overview of Board Members expenses and consultancy spend for the year. The Finance Working Group met on 20 June 2022 to review the detailed performance. The report also sought approval for a recommendation to the AGM that £5,000 of the surplus be donated to local charities. The Chairperson requested a training session be provided for new Board Members on financial covenants. Helen Mackenzie questioned if the Tenant Participatory Advisory Service should be rated as good value for money, given the challenges in encouraging tenants onto the Board. The Lewis Area Manager advised that during the COVID-19 lockdown it was difficult to engage with tenants, but tenant led estate inspections were now underway and it was hoped that pre-pandemic engagement levels would return. Helen Mackenzie suggested priority be given to charities that provide assistance with affordability for monies from the recommendation made to the AGM. The Chief Executive advised there was a rolling list of charities in place, but this would be looked at. **The Board:** **a) noted the performance against budget for the year ended 31 March 2022 which had been reviewed in detail by the Finance Working Group;** **b) noted the Financial Covenant for 2021/22; and** **c) approved a recommendation to the AGM that £5,000 of the surplus be donated to local charities during 2022/23.**
6.4	**Management Report to 31 May 2022** The Finance Manager presented the Management Report to 31 May 2022 for review and approval. The report forecasts we will meet our Financial Covenants for the year ended 31 March 2023 with headroom of £503K. There was slippage of £3.5M on development costs mainly due to delays in getting on site at Lochmaddy and Blackwater, with projects at Leverburgh and South Uist unlikely to begin this year. Approval was sought for six virements due to the delays in development and the award of additional Occupational Therapy grants. **The Board approved:** **a) the Management Report at 31 May 2022 and revised forecast out turn at 31 March 2023;** **b) a virement of £580,521 cost and £27,721 grant for the Lochmaddy development, to be vired to reserves;** **c) a virement of £183,717 cost and £8,793 grant for the Low Flyer development, to be vired to reserves;** **d) a virement of £1,084,200 cost and £1,084,190 grant for the Blackwater development, to be vired to reserves;** **e) a virement of £1,082,900 cost and £720,000 grant for the Leverburgh development, to be vired to reserves;** **f) a virement of £1,082,900 cost and £720,000 grant for the South Uist development, to be vired to reserves; and** **g) a virement of £210,000 for Occupational Therapy cost, which will be funded by additional Aids & Adaptations Grant funding.**

6.5	<u>**Housing Allocations Annual Report 2021/22**</u> The report provided statistical information on housing allocations during 2021/22 and outlined a number of key issues surrounding supply and demand. The Housing Officer (Allocations) highlighted some of the key points of the report: • low demand in rural areas was a cause for concern; • demand had reduced by almost 25% over the last 11 years; and • 54% of applicants were single person households. Helen Mackenzie raised concerns over the impact of low demand properties in rural areas and whether differential rents in rural areas would increase demand levels. The Chief Executive advised there was an action within the Business Plan to review the rent structure and that we work with the Outer Hebrides Community Planning Partnership to address the wider island population decline. The Chief Executive advised the Western Isles Health Board had requested an addition be made to the interpretations section of the policy to clarify what GP meant which was 'A GP or any other suitably qualified medical professional'. **The Board:** **a) noted the Allocations Report 2021/22;** **b) agreed the quota of vacancies in Stornoway remain at 50% for homeless applicants and that the number of 2 apt properties being made available for homeless applicants in Stornoway be retained at 25 per annum;** **c) agreed the quotas for allocating properties in Stornoway remain at 15% for transfer applicants and 35% for other waiting list applicants; and** **d) agreed to an addition to the Allocations Policy to clarify what was meant by a GP.**
6.6	<u>**Consultations**</u> The report sought the views of the Board in responding to the National Gaelic Language Plan Consultation. **The Board agreed that we respond to the National Gaelic Language Plan Consultation indicating we will develop measures to support the National Gaelic Language Plan within our available resources and/or relevant grant funding.**
6.7	<u>**Data Hosting Extension of Contract**</u> The Director of Finance & Corporate Services outlined a proposal to extend the ICT Data-Hosting contract. In May 2018 a tender process was carried out covering data hosting and associated support for a four year period from October 2018. The company Castle ICT (now known at Kick ICT) was selected. An option was included in the contract to allow the contracts to be extended by two years, followed by a further two years, up to a maximum contract period of 8 years in total. **The Board approved the extension of the current ICT data-hosting contract for a period of two years.**
6.8	<u>**Rule Change**</u> The Company Secretary presented a report on a proposed change to the Rules for review and approval. Since June 2018 there has been vacancies on the Board for tenant members. The proposed change to the Rules was to fill any vacancies that arise in the Tenant Board Member Category with a maximum of two Board Appointed Members and one Community Member until such a time as more tenants become interested in joining the Board. Members were advised we continue to work with the Tenant Participation Officer to improve tenant engagement levels. It was proposed an amendment be made to the Rules to change the retiral from a number to a percentage of the Board. **The Board approved the proposed change to the Rules and the provisional timetable.**

POLICIES & STRATEGIES	
7.1	**<u>Debt Management Policy</u>** The Director of Finance & Corporate Services presented the Debt Management Policy for review and approval following the combining of the Rent Arrears Policy and the Recovery of Sundry Debts Policy. The Policy incorporated the outstanding recommendations from the Internal Audit on Accounts Receivable. Helen Mackenzie questioned how data sharing with outside agencies worked with data protection requirements. The Director of Finance & Corporate Services advised data sharing agreements were in place with the relevant outside agencies. **The Board approved the Debt Management Policy.**
7.2	**<u>Risk Management Strategy</u>** The Chief Executive presented an update on the Risk Management Strategy. The Strategy was discussed at the Managers Meeting on 21 June 2022 and a revised Risk Management Strategy would be presented to the Board on 31 August 2022. **The Board noted the update on the Risk Management Strategy review.**
7.3	**<u>Environmental. Social & Governance Strategy</u>** The Investment Manager presented the Environmental, Social and Governance (ESG) Strategy 2022-2025 for review and approval. The Strategy outlined our approach to the Climate Emergency and detailed our commitment to ensuring we have plans in place to reduce the impact we have as a social landlord through our operations and processes. Helen Mackenzie asked this be factored into the next Business Planning Day. **The Board:** **a) approved the Environment, Social and Governance Strategy for consultation with tenants and partners; and** **b) if there are no material changes to the Strategy arising from the consultation, that the Strategy is approved, otherwise a revised Strategy be presented to the next meeting of the Board.**
7.4	**<u>Adverse Weather Policy</u>** The Adverse Weather Policy was presented for review and approval. There were no material changes to the Policy, but the wording of the Met Office warnings was updated to match current weather guides. **The Board approved the Adverse Weather Conditions Policy.**
7.5	**<u>Policy Consultation Response</u>** The revised Flexible Working Policy was presented following consultation with Staff and the Union. **The Board approved the revised Flexible Working Policy.**
MEETING GOES INTO PRIVATE SESSION	

MONITORING REPORTS	
9.1	**<u>Development Report</u>** **This item was taken after item 6.8.** The Development Manager provided an update on a name consultation carried out with the public for the former Lochmaddy Hospital site. Alison MacCorquodale expressed a preference for the site to be named after the late Dr Alexander Macleod who was well known doctor within the local area. Iain M Macleod agreed this would be an appropriate homage to Dr Macleod. **The Board:** **a) agreed the former Lochmaddy Hospital site be named Ionad Dotair MacLeoid; and** **b) noted the updated the Development Plan.**

Chairperson Mr Iain Macmillan

SIGNED ………………………………………………………

DATE ………………………………………………………

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ITEM NO 3.2

BOARD ACTION SHEET

ACTION POINT	MINUTE NUMBER	ACTION TO BE TAKEN	DEADLINE/ TIMESCALE	ACTION BY	PROGRESS
1	29 Jun 22 (1)	Comhairle to be informed of appointment to Investment Delivery Board	1 July 2022	Company Secretary	Completed 1 July 2022
2	29 Jun 22 (3.1)	Minute of Meeting 25 May 2022 to be amended at item 7.2	1 July 2022	Corporate Services Officer	Completed.
3	29 Jun 22 (6.2)	SHR Financial Returns to be submitted	30 June 2022	Director of Finance & Corporate Services	Done
4	29 Jun 22 (6.3)	Recommendation be made to AGM to donated £5,000 to local charities	1 September 2022	Company Secretary	In place
5	29 Jun 22 (6.3)	Training session on Financial Covenants to be arranged for new Board Members	September 2022	Executive Office	
6	29 Jun 22 (6.5)	Report on review of the Rent Structure to be reported to August Board	31 August 202	Director of Finance & Corporate Services	On August Board Agenda
7	29 Jun 22 (6.6)	Respond to the National Gaelic Language Plan Consultation	26 July 2022	Chief Executive	Completed
8	29 Jun 22 (7.3)	Environmental, Social and Governance Strategy to be issued for consultation	1 July 2022	Governance Officer	Completed.
9	25 May 22 (6.3)	Community Grant to be awarded to Newmarket Gateway Trust	September 2022	Director of Operations	Payment issued and PR being arranged.

ACTION POINT	MINUTE NUMBER	ACTION TO BE TAKEN	DEADLINE/ TIMESCALE	ACTION BY	PROGRESS
10	25 May 22 (6.4)	Agreement between HHP and Manor and Castle Community Association to be drafted for use of land to erect Polycrub and other planting	Sept 2022	Director of Operations	Group notified and template agreement drafted and being finalised.
11	25 May 22 (9.6)	Repairs spend to be discussed at Asset Management Working Group	October 2022	Director of Operations	Mid-year update and breakdown of repairs to be provided
12	23 Mar 2022 (6.6)	Board Development Session to be arranged following May Board Meeting.	30 September 2022	Executive Office	
13	9 Feb 2022 (7.2)	Review garage rents.	2023/24	Director of Finance & Corporate Resources	To be reviewed with wider Rent Structure Review in second half of 2022/23.
14	19 May 2021 (7.3)	Communications to be accessible and easy to understand for all our customers	August 2022	Executive Office	Review of letters and newsletter is underway. To be captured with the review of the Communications Policy. Communications Policy on Agenda,
15	20 May 2020 (8.3)	Arrange for a Board Member to attend staff meeting.	Once Office activities return to normal	Company Secretary	

ANNUAL ASSURANCE STATEMENT

Board 31 August 2022

Report by Chief Executive

Purpose of Report

1.1 The purpose of this report is to present the Annual Assurance Statement to the Board for consideration and approval prior to submission to the Scottish Housing Regulator.

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 for 2022 is at Appendix 1 with an evidence checklist at Appendix 2; this confirms that we do comply with all our regulatory requirements.

2.3 The Annual Assurance Statement must be signed off by the Board prior to submission no later than 31 October each year.

2.4 On 29 July 2022 SHR requested that landlords' evidence in their AAS they are in the process of implementing an effective approach to the collection of equalities information and are considering how to adopt a human rights approach to their work.

2.5 Our Equality & Diversity Policy and Action Plan are underpinned by the commitment to "Promote a culture that respects and values difference across our customer and employee bases"- it is very much about valuing and treating with respect and dignity everyone we encounter as we deliver our services throughout the islands and beyond.

2.6 Following advice, issued to all their landlords, from Scottish Housing Network (SHN) we have added a clause in our statement on our position with Electrical Installation Condition Reports (EICR).

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:**

a) approve the Annual Assurance Statement at Appendix 1; and

b) note the 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 is prepared and submitted by 31 October each year.

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.

Report Details

9.1 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 Evidence Checklist is at Appendix 2 with this year's amendments highlighted.

APPENDIX 1:	Annual Assurance Statement	
APPENDIX 2:	Annual Assurance Statement – Evidence Checklist (Private & Confidential)	
Background Papers:	Scottish Housing Regulator's "Regulatory Framework" (February 2019)	
	SFHA Social Landlord Self-Assurance Toolkit (updated June 2022)	
Writer of Report:	Iona France	Tel: 0300 123 0773

hebridean housing partnership

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;
- ✓ relevant legislative duties; 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.

Whilst our tenants' safety is paramount, we have 220 properties where Electrical Installation Condition Reports (EICR) have not been carried out due to access issues and a further 101 where work is being carried out to fulfil recommendations. By 31 March 2023 we are assured all properties will have a valid EICR.

We can further confirm that HHP are in the process of implementing an effective approach to the collection of equalities information and are considering how we can adopt a human rights approach in our work.

We approved our Annual Assurance Statement at the meeting of our Board on 31 August 2022.

I sign this statement on behalf of the Board.

Chair's signature:

Date:

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ITEM NO 6.2

RULE CHANGE

Board 31 August 2022

Report by Company Secretary

Purpose of Report

1.1 The purpose of this Report is to present the Board with a revision of the Rules for approval to present to the Membership at a Special General Meeting for their consideration and approval.

Summary

2.1 The proposed changes to the Rules are:

a) if no nominations are received for the Tenant Board Member vacancies, we fill them with a mix of:

- Board Appointed Members (max. 2)
- Community Board Members (max. 1)

b) at every Annual General Meeting one Tenant Board Member and one Community Board Member must retire.

2.2 In order to facilitate option a) it is further proposed to bring forward the timescale for the receipt of nominations from Tenant Members.

2.2 The detailed updates to the Rules are noted in Appendix 1 of this report. A copy of the draft revised Rules is at Appendix 2.

2.3 If approved, it is proposed that an SGM be convened for the Membership to discuss and vote on the adoption of the revised Rules on Thursday 15 September 2022 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) note the summary of key changes at Appendix 1;
b) approve the draft of the revised Rules at Appendix 2 to go before the Membership, subject to any final amendments provided these are not material in nature; and
c) request a Special General Meeting be called to allow the Membership to discuss and vote on the revised Rules.

APPENDIX 1:	Summary of Changes	
APPENDIX 2:	Revised Rules	
Background Papers:	HHP Rules & Standing Orders	
Writer of Report:	Iona France	Tel: 0300 123 0773

Competence

Financial

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

Legal

6.1 Standing Orders 13.1 to 13.6 outline the role and remit of the Board which includes "ensuring there is a balance of skills, experience and diversity of equality on the Board". Part 2 states changes in Rules are a matter reserved to the Board. Reviewing the Rules is a referred function of the Audit & Risk Committee.

6.2 Approval for Rule changes is required from the FCA and OSCR.

6.3 We are required to notify the Regulator within 28 days of the amendment of the Rules.

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.

7.2 This report provides ongoing assurance of evidence RS1.2, RS1.3 and RS1.3 in relation to our Annual Assurance Statement.

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 identified on our Risk Register. This risk can be partially mitigated with the revised Rules providing a broader scope for appointing Board Members.

Rule No	Current Rule	Amended Rule
37.2	The composition of the Board shall include: 37.2.1 up to four Tenant Board Members; 37.2.2 up to three Council Board Members; 37.2.3 up to four Community Board Members; and 37.2.4 up to two Appointed Board Members.	*Subject to the provisions of Rule 40.3, the composition of the Board shall include:* *37.2.1 up to four Tenant Board Members;* *37.2.2 up to three Council Board Members;* *37.2.3 up to four Community Board Members; and* *37.2.4 up to two Appointed 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.	*At the end of every annual general meeting, one Tenant Board Member and one Community Board Member 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.	*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.*
40.1	If, at the annual general meeting, the number of Tenant Members standing for election to become Tenant Board Members is equal to the number of Tenant Board Members to be elected in terms of Rule 37.2, the Chairperson will at the general meeting declare them to be elected without a vote.	*If, at the annual general meeting, the number of Tenant Members standing for election to become Tenant Board Members is equal to or less than the number of Tenant Board Members to be elected in terms of Rule 37.2, the Chairperson will at the general meeting declare them to be elected without a vote.*

Rule No	Current Rule	Amended Rule
40.3	New Rule	*If there are fewer nominations received from Tenant Members than the number of vacant Tenant Board Member places to be filled, then the vacant Tenant Board Member places which cannot be filled by Tenant Members may instead be filled by (First) one Community Member (who shall then be a Community Board Member) and (Second) (if there are further vacancies) up to two Appointed Board Members (who shall then be Appointed Board Members).*
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 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.	*If, at the annual general meeting, the number of Community Members standing for election is equal to or less than the number of Community Board Members to be elected in terms of Rule 37.2 and (if applicable) Rule 40.3 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.*
40.6 (now 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 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.	*The Partnership will post 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 56 days before the date of the meeting. 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, electronically or by post to the Partnership's registered office at least 42 days before the*

		general meeting in the case of nominations of Tenant Members and 35 days before the general meeting in the case of nominations of Community Members.
40.8 (now 40. 9)	The Board will be entitled at any time to appoint up to two 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).	*The Board will be entitled at any time to appoint up to two Appointed Board Members to the Board, except if Rule 40.3 applies, in which case the Board will be entitled to appoint up to two further Appointed Board Members. 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).*

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.

CONTENTS PAGE

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

7.2.1 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.

10.1 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.

10.2 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

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 Community Member (including someone who has changed from being a Tenant Member in terms of Rule 10.2) and cease to have or maintain sufficient local connection with the Western Isles, we will end your membership and cancel your share; or

11.1.4 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

11.1.5 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:

11.1.5.1 the complaint must be in writing and must relate to behaviour which could harm the interests of the Partnership;

11.1.5.2 the Secretary must notify the Member of the complaint in writing not less than one calendar month before the meeting takes place;

11.1.5.3 the notice for the special general meeting will give details of the business for which the meeting is being called;

11.1.5.4 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;

11.1.5.5 the Members can vote in person or through a representative by proxy;

11.1.5.6 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 11.1.5, 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

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.

Annual General Meeting

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 Subject to the provisions of Rule 40.3, the composition of the Board shall include:

37.2.1 up to four Tenant Board Members;

37.2.2 up to three Council Board Members;

37.2.3 up to four Community Board Members; and

37.2.4 up to two Appointed Board Members.

37.3 Rule 37.2 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.

37.4 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.

37.5 An employee of the Group (including the Partnership), or a Close Relative of any such employee, may not be a Board Member.

37.6 No Board Member may take office until they have agreed to and signed the Partnership's code of conduct for Board Members.

37.7 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.

37.8 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:

37.8.1 seek, in good faith, to ensure that the Partnership acts in a manner which is in accordance with its objects.

37.8.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person.

37.8.3 in circumstances giving rise to the possibility of a conflict of interest between the Partnership and any other party:

37.8.3.1 put the interests of the Partnership before that of the other party, in taking decisions as a Board Member;

37.8.3.2 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;

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

37.9 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, oneTenant Board Member and one Community Board Member 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.

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 become Tenant Board Members is equal to or less than the number of Tenant Board Members to be elected in terms of Rule 37.2, 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 become Tenant Board Members than there are vacant Tenant Board Member places, 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 onto the Board in accordance with Rule 29.2. You must not give more than one vote to any one candidate.

40.3 If there are fewer nominations received from Tenant Members than the number of vacant Tenant Board Member places to be filled, then the vacant Tenant Board Member places which cannot be filled by Tenant Members may instead be filled by (First) one Community Member (who shall then be a Community Board Member) and (Second) (if there are further vacancies) up to two Appointed Board Members (who shall then be Appointed Board Members).

40.4 If, at the annual general meeting, the number of Community Members standing for election is equal to or less than the number of Community Board Members to be elected in terms of Rule 37.2 and (if applicable) Rule 40.3 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 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 56 days before the date of the meeting. 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, electronically or by post to the Partnership's registered office at least 42 days before the general meeting in the case of nominations of Tenant Members and 35 days before the general meeting in the case of nominations of Community Members.

40.8 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 The Board will be entitled at any time to appoint up to two Appointed Board Members to the Board, except if Rule 40.3 applies, in which case the Board will be entitled to appoint up to two further Apointed Board Members. 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).

40.10 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:-

40.10.1 where election to the Board would be contrary to the Partnership's Rules or policies; or

40.10.2 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

40.10.3 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.

40.11 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 Board 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 44.5; or

43.1.7 he/she has been removed from the Board in terms of Rules 44.4 or 44.5 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 40.10 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 37.7 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 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:

44.5.1 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;

44.5.2 failure to sign or failure to comply with the Partnership's code of conduct for Board Members; or

44.5.3 a breach of the Partnership's Rules, standing orders or other policy requirements;

44.6 he/she becomes ineligible as a Board Member in terms of Rule 43;

44.7 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;

44.8 he/she is a Board Member retiring in accordance with Rule 39.1; or

44.9 he/she is an Appointed Board Member and the period of their appointment as determined by the Board in accordance with Rule 40.8 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.

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 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 40.9.

89.3 "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 37.1.

89.4 "Board Meeting" means a meeting of the Board.

89.5 "Board Member" means a member of the Board.

89.6 "Board Member Group" means any of (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) 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.

89.7 "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.

89.8 "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.

89.9 "Community Board Member" means a Board Member elected from the category of Community Members.

89.10 "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.

89.11 "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 member of the Council.

89.12 "Council Board Member" means an elected member of the Council who is appointed as a Council Board Member in terms of Rule40.8.

89.13 "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.

89.14 "Group" means the Partnership and any organisation which is its parent, its subsidiary or is a subsidiary of its parent.

89.15 "Meeting" means a general meeting of the Partnership, whether special, general or annual referred to in Rules 20-23.

89.16 "Member" means a member of the Partnership whose name is entered in the Register of Members.

89.17 "Membership Category" means any of the categories of membership of the Partnership as set out in Rule 7.2.

89.18 "Office Bearer" means the Chairperson, Secretary, and such other Officer Bearer appointed under Rule 59.1.

89.19 "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.

89.20 "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.

89.21 "Partnership" means the registered social landlord referred to in Rule 1 whose Rules these are.

89.22 "property" includes everything which can be passed on by inheritance (including loans, certificates, books and papers).

89.23 "Register of Members" means the register of members referred to in Rule 64.

89.24 "Rules" means the registered Rules of the Partnership.

89.25 "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.

89.26 "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.

89.27 “Tenant Board Member” means a Board Member elected from the category of Tenant Members, but subject to Rule 40.3.

89.28 “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.

89.29 “The Scottish Housing Regulator” means The Scottish Housing Regulator as established pursuant to Section 1 of the Housing (Scotland) Act 2010.

89.30 “The Western Isles” means that local government administrative area for which the Council have responsibility.

89.31 “Vice-Chairperson” means the vice-chairperson appointed in terms of the Partnership's standing orders.

89.32 Words in the singular also include the plural. Words in the plural also include the singular.

89.33 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 ______________________

GOVERNANCE REPORT

Board 31 August 2022

Report by Chief Executive

Purpose of Report

1.1 The purpose of this report is to present information and seek approval from the Board in respect of AGM charitable donations, to confirm compliance with our Rules and provide information in respect of AGM arrangements for 2022. The report also provides assurance our Corporate Registers are functioning in accordance with our constitutional documents, regulatory and legal requirements, and are fully up to date.

Summary

2.1 At the Board Meeting on 29 June 2022 it was agreed a Resolution be laid before Members at the AGM that £5,000 of the surplus at 31 March 2022 would be donated between 5 local charities during 2022/23. The charities are drawn from a rolling list, initially agreed in June 2016 and updated periodically, as approved charities are added. This list is at section 9.1 of this report.

2.2 The 2022 AGM will be held at Stornoway Town Hall, with online live streaming for those who cannot attend in person.

2.3 Our rules require the Company Secretary to confirm in writing at the last Board Meeting before the Annual General Meeting that Rules 62 to 67 have been complied with. Details of each Rule are at Appendix 1.

2.4 In order to ensure good governance, probity and transparency, we must keep a number of registers recording business transactions and working practices across a number of areas.

2.5 Registers are updated regularly and reviewed annually to ensure compliance.

2.6 This report gives assurance that the following registers are being managed appropriately:

- Membership Register;
- Entitlements, Payments & Benefits Register;
- Disclosure of Interest Registers;
- Seal Register; and
- Register of Office Bearers.

Competence

3.1 The financial, legal, and other constraints to the recommendations in this report being implemented are at 5.1 – 8.1.

Recommendations

4.1 **It is recommended that the Board:**

a) approve the 5 charities listed below to be proposed at the AGM on 1 September 2022:

- **Marie Curie Nursing Assistants**
- **Gàradh a' Bhagh a' Tuath (Northbay Community Garden)**
- **Bethesda Hospice**
- **Action for Children**
- **Western Isles Community Care Forum**

b) note the Partnership has complied with Rules 62 to 67 for the year ended 31 March 2022 as detailed at Appendix 1;

c) note the AGM arrangements for 2022: and

d) note the review of the Corporate Registers.

APPENDIX 1:	Rule Compliance	
Background Papers:	HHP Rules & Standing Orders	
	Regulatory Standards of Governance and Financial Management	
Writer of Report:	Iona France	Tel: 0300 123 0773

Competence

Financial

5.1 There will be a financial cost to the Partnership should the recommendation to approve the charitable donations be approved. This has been provided for in our 2021/22 surplus.

5.2 Donations will only be made to registered charities and only in financial years where we make a surplus.

Legal

6.1 This report confirms to the Board that we comply with the requirements as set out at Rule 62 - 67.

6.2 In respect of charitable donations made all details of donations and recipients will be properly recorded in the appropriate register.

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 risks of not complying with our Rules could lead to the Partnership being in breach of statute and regulation.

8.2 Failure to update and review Registers regularly could lead to a perceived lack of transparency and probity from tenants and other stakeholders.

Report Details

Charitable Donations

9.1 It was agreed at the Board Meeting on 29 June 2022 that £5,000 of the surplus at 31 March 2022 would be recommended to the AGM to be distributed between 5 local charities. The charities proposed for 2022 are:

CHARITY	CHARITY NUMBER
Marie Curie Nursing Assistants	SC038731
Gàradh a' Bhagh a' Tuath (Northbay Community Garden)	SC041742
Bethesda Hospice	SC015783
Action for Children	SC038092
Western Isles Community Care Forum	SC023918

9.2 A rotational system is in place to ensure monies are distributed fairly and no single charity benefits too frequently.

Compliance

10.1 Assurance is hereby given to the Board that the requirements of Rules 62 – 67 have been complied with.

Membership Register

11.1 The Membership Register is fully up to date in accordance with Rules 64 and 65. Members' names and addresses are detailed in addition to the names and addresses of the Office Bearers of the Partnership, their positions, and the dates they took and left office.

Entitlements, Payments & Benefits Registers

12.1 The Scottish Housing Regulator's Guidance Note 5: Regulatory Standards of Governance and Financial Management does not prohibit payments and benefits to staff and connected persons but requires that RSLs manage them within a clear policy framework to ensure transparency, honesty and propriety.

12.2 Payments and Benefits to employees and connected persons are controlled by the Entitlements, Payments & Benefits Policy and recorded in three registers, as follows:, the

- Entitlements, Payments & Benefits Register (general) records instances of applications for housing or NSSE properties being made;
- Entitlements, Payments & Benefits Register (special exceptions) records instances of benefits being granted, such as houses being allocated and 'de minimis' payments being made; and
- Entitlements, Payments & Benefits Register (transactions) records any transactions between connected persons and, for example, contractors that may be on HHP's Framework. Permissions are sought from the Chief Executive in instances like these and full disclosures made and retained on staff personal files.

12.3 The Entitlements, Payments & Benefits Registers are fully up to date.

12.4 Gifts to the Partnership are raffled and the proceeds are donated to local charities throughout the year.

Disclosure of Interest Registers

13.1 We maintain a Register of Interests relating to Staff and Board Members.

13.2 Board Members are required to register their interests prior to their first Board Meeting. Thereafter, at the end of each financial year they will be required to fill in a fresh Disclosure of Interest form.

13.3 Members of Staff are required to complete a Disclosure of Interest form when they are initially employed by us, and details will be recorded in the Staff Disclosure of Interest Register. Thereafter, Staff will be required to complete a Disclosure of Interest Update Form annually.

13.4 Board Members and Staff present at a meeting where a matter in which they have a personal (or a personal business or financial) interest is discussed, must inform the meeting Chair at the start of the meeting or during the meeting if an applicable matter arises.

13.5 All disclosures are recorded in the Disclosure of Interest Register. The Disclosure of Interest Registers are fully up to date.

Seal Register

14.1 When the seal is used, the deed or document must be signed by the Secretary or a Board Member or another person duly authorised to subscribe the deed or document on the Partnership's behalf and recorded in the Seal Register.

14.2 The Seal Register is fully up to date.

RULE COMPLIANCE

Rule 62 Minutes
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.

Rule 63 Seal
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.

Rule 64 Registers	
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 e-mail 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.

Rule 65.1 Registered Office	
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 main Register.
65.1.2	a register of loans and to whom they are made.
65.1.3	a register showing details of all loans and charges on the Partnership's land.

Rule 66 Registered Name
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.

Rule 67 Documentation
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.

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RENT STRUCTURE TIMELINE

Board 31 August 2022

Report by Director of Finance & Corporate Services

Purpose of Report

1.1 To present a proposal for the review of our Rent Structure for approval.

Summary

2.1 Our Business Plan has a strategic goal that we will ensure that we are "Placing tenants at the centre of everything we do" and that we will complete and implement a revised rent structure.

2.2 Our stock has grown to almost 2,300 homes and consists of 1,455 houses that transferred from CNES, 265 ex 5-RSL, 64 former Scottish Homes and 491 built and owned by HHP. We are now looking to develop a structure which provides a clear and standardised rent structure across our entire stock.

2.3 The Board previously approved a draft structure which was not implemented due to concerns on our ability to implement during the transition to Universal Credit.

2.4 In order to ensure we review & refine our current rent structure the timetable at Appendix 1 has been prepared which allows appropriate time for tenant consultation.

Competence

3.1 The are no financial, legal or other constraints to the recommendations in this report.

Recommendations

4.1 **It is recommended that the Board approve the Rent Structure Timetable at Appendix 1.**

APPENDIX 1:	Rent Structure Timetable	
Background Papers:	None	
Writer of Report:	Donald Macleod	Tel: 0300 123 0773

Appendix 1: Rent Structure Timetable

	Task	Date
1	Review of current rents & service charges	31 August 2022 - 30 September 2022
2	New build rent benchmarks to be reviewed	1 September 2022 -15 September 2022
3	Review and Refine Rent Structure	16 September 2022 -15 October 2022
4	Finance Working Group to meet and agree on proposed structure and implementation.	Week Beginning 24 October 2022
5	Finance Working Group to meet to review 2023/24 rent options following October 2022 RPI announcement.	18 November 2022
6	Board Approval of New Rent Structures, Implementation plan & 2023/24 Rent Options	22 November 2022
7	Tenant Consultation	30 November 2022 to 13 January 2023
8	Consultation responses to be reviewed by FWG	Week Beginning 16 January 2023
9	Board Approval of Rent Structure, implementation plan & 2023/24 rents.	January 2023

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ITEM NO 6.5

DEVELOPMENT MONITORING REPORT

Board 31 August 2022

Report by Chief Executive

Purpose of Report

1.1 To provide an update to the Board on our 5 Year Development Plan (2021-26).

Summary

2.1 A summary of house completions this financial year can be found at Appendix 1 along with photographs. 18 homes have been completed with a further 157 under construction, which is 28% of our 5 Year Development Plan.

2.2 Appendix 2 provides details of progress on the Development Plan for 2021 – 2026 with 71% of planned houses completed or on site.

2.3 The Blackwater development has commenced on site but this was delayed by 3.5 months following contract signing in March 2022 as the contractor sought to discharge planning conditions.

2.4 Crowlista land transaction has now concluded and the contractor is progressing well with work.

2.5 The land transaction at Lochmaddy has yet to conclude although the contractor has completed some work at risk, this is now on hold until the land transaction concludes.

Competence

3.1 The financial, legal and other constraints arising from the recommendations in this report are detailed at paragraph 5.1 - 8.4.

Recommendations

4.1 **It is recommended that Board note the Development Plan update.**

APPENDIX 1:	Completions 2022/23	
APPENDIX 2:	New Build Updates	
APPENDIX 3:	Future Plans	
Background Papers:	None	
Writer of Report:	Sawan Morrison	Tel: 0300 123 0773

Competence

Financial

5.1 The budget for development in 2022/23 is £13M expenditure, £8.1M Scottish Government (SG) Grant and £0.346M of shared equity sales resulting in a private finance requirement of £4.6M.

5.2 Details of the projected out-turn for the year are set out in the Management Report on this agenda.

Legal

6.1 There are no legal considerations in 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.

7.2 This report provides ongoing assurance of evidence RS2.2, RS4.3 and RS7.7 in relation to our Annual Assurance Statement.

Risk

8.1 Development is inherently risky. Feasibility work to ascertain the suitability and capacity of potential sites for development helps to reduce risk. As part of the feasibility process, we will carry out a local housing needs demand survey if our waiting list indicates that there is limited demand for housing in the area being considered.

8.2 Risk related to particular developments is assessed as part of the feasibility study, including the demand within the area. The Housing Needs and Demands Analysis (HNDA) and our Housing Waiting List indicates weak demand in all areas and particularly in the most rural locations. The HNDA report suggests that our current plan will in broad terms meet the current identified need for social rented housing.

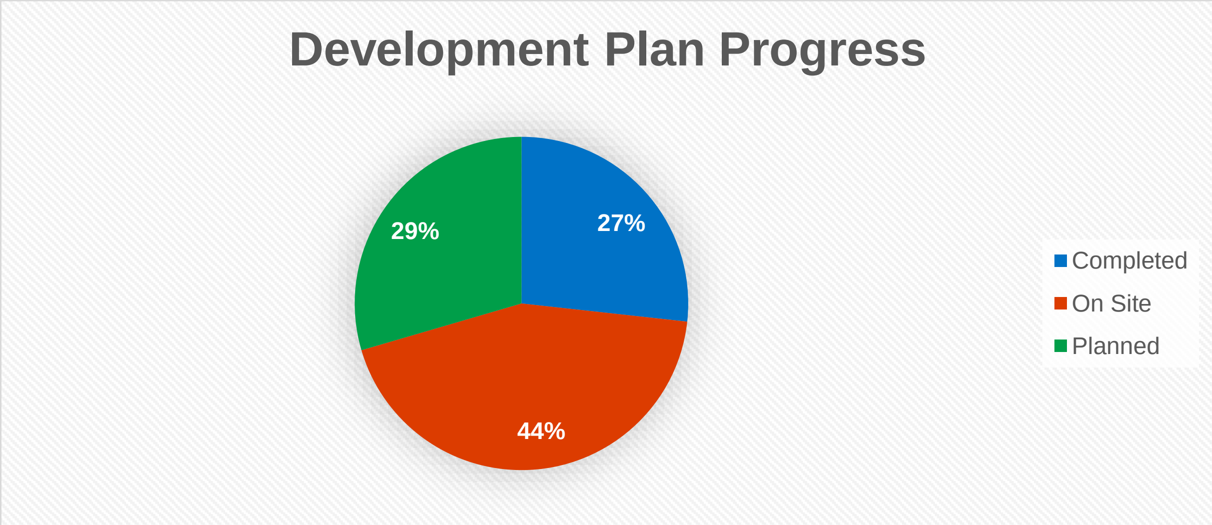
8.3 There is a risk of houses not being sold through the New Supply Shared Equity scheme as demand can be inconsistent.

8.4 The Risk Register details relevant risks including risk of contractor failure, BREXIT, labour and material shortages, all of which can impact on delivery of the Development Plan.

Report Details

Development Plan 2021-2026

9.1 Good progress is being made on the delivery of the Development Plan with 27% of the planned homes completed and a further 44% currently on site. Full details of each of the developments can be found in Appendix 2, Table 1.1.



Development 2022/23

10.1 The main issues to note for developments on site or identified for 2022/23 are:

- The Contractor at Blackwater has had the first stage of building warrant through and a site start was achieved on 14 July 2022. This was delayed due to planning conditions requiring to be discharged before work could commence.
- The Lochmaddy land transaction is yet to conclude although agreement on the Deed of Conditions and Deed of Servitude are substantially complete. Due to the complexity of the site and 3 partners being involved (HHP, Tighean Innse Gall and Macinnes Brothers), the legal process has taken significantly longer than expected.
- The contractor is now on site at Crowlista with progress being made on the new build and the refurbishment of the care unit.

Future Plans

11.1 Appendix 3 summarises work being done on projects for future years and includes the current levels of demand in the area. The following updates to be noted:

- Leverburgh - We have engaged consultants to conduct further engineering studies and discuss the sewer infrastructure in the area with Scottish Water before progressing. There are system operation and capacity issues in the township which need to be resolved. Representations have been made by local residents to us, the Comhairle and local politicians both directly and through the press regarding the need for housing.
- Scott Road – The proposed site at Scott Road is in crofting tenure but access is required across 3rd party land which is in private ownership. Negotiation is underway with the landowner on their position with regards to granting a servitude to enable access to be achieved. However, there have been lengthy delays in receiving responses. There are also water and sewer infrastructure issues which are being discussed with Scottish Water. They have recently advised that there is capacity in both systems although a water pressure survey will be required.
- Two sites at North Uist and a site at Bernera has been progressed to full feasibility study.

New Supply Shared Equity (NSSE)

12.1 Three properties have settled at Sgeir Ghlais, Breasclete. The initial applicant for the one remaining home at this site had not been successful but another applicant is in the process of securing a mortgage. If applications do not conclude we will seek to convert the property to rent or mid-market rent.

12.2 All 2 bed homes available for sale at Sinclair Avenue have now been sold.

12.3 There were 6 x 3 bed homes available for sale in the second phase at Sinclair Avenue of which 5 have sold. There is currently 1 property without a buyer identified. We have had a few viewings and a couple of applicants who were not eligible for the scheme.

COMPLETIONS 2022/23

Johnstone Court, Balivanich – Official Opening 11 August 2022

New Build Updates **APPENDIX 2**

Table 1.1 Development Performance – 5 Year Development Plan 2021-2026 (Approved March 2022)

	RENT	NSSE	HWEC	TOTAL	% of Plan	Comments
Completed 21/22	64	14	0	**78**	22%	-
Completed 22/23	18	0	0	**18**	5%	-
On Site	105	2	50	**157**	44%	Crowlista & Blackwater now on site
Planned for 2022-26	106	0	0	**106**	29%	-
	293	**16**	**50**	**359**		

New Build Updates **APPENDIX 2**

Table 2.1 Current Development Projects 2022/23

Scheme	Area	Units	Stage	Expected Handover	Comments by exception
Barvas	Rural Lewis	8	Completed	Apr-22	-
Low Flyer, Balivanich	Uist	10	Completed	May-22	-
Goathill HWEC	Stornoway	50	On Site	Sep-22	-
Goathill	Stornoway	58	On Site	Sep-22	36 Rented Units completed to date.
Goathill NSSE	Stornoway	16	On Site	Sep-22	14 Shared equity units completed to date, 13 houses sold, 1 house to have buyer identified.
Barra – Cleit Road	Barra	6	On Site	Oct-22	-
Crowlista, Uig	Rural Lewis	5	On Site	Jan-23	Contractor on site and in contract.
Blackwater	Stornoway	72	On Site	TBC	Contractor now on site to complete groundworks for section 1 and in contract.
Lochmaddy	Uist	8	Planning/Land Transaction	May-22	Awaiting land transaction. Contractor completing preparatory work at risk.
South Harris - Leverburgh	Harris	6	Land Negotiation	TBC	Site has met with issues regarding the suitability of the site for development due to sewer issues and planning concerns. SW contacted for feedback on concerns.
South Uist	Uist	6	Land Identification	TBC	2 Sites at North Uist and 1 site at Berneray requested for full feasibility before taking to next stage.
Low Flyer, Balivanich Ph 2	Uist	4	Tender	TBC	Possible additional 4 units at Low Flyer site to be progressed to tender.

Future Plans

APPENDIX 3

YEAR	Scheme	Area	Units	Demand (Transfer/Waiting)	Comments by exception
2023/24	Scott Rd/Coastguard	Harris	12	8/20	Land transaction negotiation ongoing. Service connection requirements being investigated with SW.
	Rural Lewis- South Lochs	Rural Lewis	4	2/7	Potential sites at Lemreway and Gravir awaiting initial planning feedback. Demand figures represent South Lochs area.
2024/25	Scott Rd/Coastguard (Ph 2)	Harris	12	8/20	Land transaction negotiation ongoing. Service connection requirements being investigated with SW.
	Benbecula - Dunganichy	Uist	4	12/14	Feasibility study concluded site was not suitable for development. Additional 4 units Low Flyer being explored as a substitution and aimed to be brought forward to 2022/23 financial year. Further sites being reviewed.
	South Uist	Uist	6	3/12	Site to be identified. 7 sites had an initial review with 1 progressing to a desktop feasibility study but was discounted due to land condition. 1 new site being looked at for an initial review.
	Stornoway Regeneration	Stornoway	14	92/215	Site to be identified.
	North Uist	Uist	4	4/22	2 potential sites progressed to full feasibility.
	Point	Stornoway Market Area	4	3/13	Site to be identified
	Rural Lewis- Bernera	Rural Lewis	4	0/3	A site at Bernera is being progressed to full feasibility.
	Cleat Road- Phase 2	Barra	6	6/27	Existing land available for a potential second stage of the current development.

Future Plans

APPENDIX 3

YEAR	Scheme	Area	Units	Demand (Transfer/Waiting)	Comments by exception
2025/26	North Uist	Uist	6	4/22	2 potential sites being progressed to full feasibility.
	Barra HWEC	Barra HWEC	10	TBC	Board decision taken to support the project subject to confirmation of funding from the various departments of Scottish Government.

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ITEM NO 7.1

RISK MANAGEMENT STRATEGY

Board 31 August 2022

Report by Chief Executive

Purpose of Report

1.1 To present the revised Risk Management Strategy at Appendix 1 for review and approval.

Summary

2.1 The Risk Management Strategy at Appendix 1 has been reviewed and updated for the following:

- Introduction - paragraph 1.1 strengthened to provide a clear link between our Strategy and responsibilities to our tenants
- Aims amended to allow for a balance of innovation and risk
- Annual review of the effectiveness of the Strategy and three yearly review of the Strategy
- New paragraph 4.3 detailing the options for managing risk
- Two new categories of risk: Technology and Project.
- Expansion of the table at paragraph 7.5 giving examples of what the levels of impact might be
- The move to an online Risk Register and how it will be managed and reported

Competence

3.1 The financial, legal 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 approve the Risk Management Strategy at Appendix 1.**

APPENDIX 1:	Risk Management Strategy	
Background Papers:	None	
Writer of Report:	Dena Macleod	Tel: 0300 123 0773

Competence

Financial

5.1 There is a cost associated with developing and using the online Risk Register. The annual subscription cost is £4,860 with a one-off implementation fee of £3,000. This will be funded from existing budgets.

Legal

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

6.2 The Board has referred the following function to the Audit & Risk Committee:

- Monitoring and reviewing policies and procedures relating to the Board's system of internal control, risk evaluation and corporate governance.
- Making arrangements to identify, review, evaluate and manage risks
- Considering quarterly presentation on the evaluation of key business risks

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 Risk Management Strategy is critical to our long-term viability. Reviewing and updating the Strategy regularly ensures a solid foundation for good governance and mitigates the risk of poor governance.

hebridean housing partnership

Risk Management Strategy

Effective Date: August 2022
Review Date: June 2025
Approved by HHP Board:

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RISK MANAGEMENT STRATEGY

INTRODUCTION

1.1 Risk management is something we do every day in our personal and business lives. As a Registered Social Landlord and Charity, we demonstrate care for our tenants, staff and assets by managing risk effectively. We learn from the times we get it wrong and adapt our appetite for risk accordingly, but not to the extent that it stifles growth and development. We learn to balance the management of risk by taking action to terminate, treat, transfer or tolerate risk whilst embracing opportunities.

1.2 We will ensure that risk management plays an integral part in the governance and management of the organisation at strategic and operational level. We will endeavour to ensure that all employees understand the nature of the risks and accept responsibility for risks associated with their area of control and authority. The necessary support, assistance and committment of the Board will be provided.

AIMS

2.1 The aims of this Strategy are to:

- Identify risk in a changing environment
- Manage any risks with the potential to impact our ability to meet our vision
- Define the level of risk capacity and appetite and score accordingly
- Balance risk and innovation
- Assess the likelihood of such risk arising and the impact on the organisation should they arise, and once assessed prioritising the risk
- Ensure we have an appropriate system of controls which limit and manage the level of risk such that residual risk can be borne without serious permanent damage to the Partnership
- Ensure that risk management flows through our business at all levels

ESSENTIAL ELEMENTS

RISK: uncertain future events or actions that might prevent an organisation from maintaining good performance, meeting targets, goals and plans which result in loss being incurred	**RISK MANAGEMENT:** culture, process and structures that are implemented by an organisation to manage potential risks and their adverse effects

3.1 The effectiveness of our Risk Management Strategy will be reviewed annually by the Board. Risks can be identified at any time by anyone and we will ensure the apporach in place allows for those risks to be captured and assessed within our Risk Register. The Risk Register will log all indentified risks, assess the likelihood and impact along with the proposed action that needs to be put in place to minimise the impact.

3.2 Risks that are deemed appropriate will be insured in proportion to the level of risk. This will be done in accordance with our policy on insurance.

3.3 Our Risk Management Strategy recognises risks can also present opportunities to develop and innovate in order to achieve strategic aims and objectives. We will seek to identify the positive side of risk and potential benefits of managing each risk effectively.

KEY ASPECTS

4.1 The key aspects of risk management can be identified as follows:

- Identification of risks;
- Assessment of risks;
- Agreeing level of risk capacity;
- Decision on level of risk appetite;
- Allocation of ownership of risk;
- Development of action plan;
- Clear monitoring and review arrangements; and
- A system that gives early notification of late actions which could increase risk

4.2 Risk management is established and integrated within existing management processes, including planning, performance management and project management.

4.3 The purpose of managing risks is to manage uncertainty and reduce the impact of failures or problems on the business. We will follow five key aspects of managing risk detailed below.

- Tolerate - the exposure may be tolerable without any further action being taken
- Treat - action is taken to constrain the risk to a tolerable level
- Transfer - transferring the risk to a third party e.g. insurance
- Terminate - terminate the activity
- Take the opportunity - possible when a threat is also an opportunity

4.4 Risks associated with key projects which may have an individual risk map will be captured in the Risk Register

4.5 Risk management is used as a tool to ensure that we can respond to changing demands, improve performance and make the most effective use of resources.

PLANNING

5.1 Risk management is an integral part of our planning and decision-making process. Strategic and operational risks are identified as a key part of business planning. As an integral part of the Business Planning process the Board defines the level of risk capacity/appetite and score accordingly.

5.2 The identification of risks will be considered at the planning stage so that decisions on future priorities and projects are made with knowledge of potential risk.

5.3 We will look at how today's risks might change in the future e.g. changing risk with our increased movement into a digital world.

5.4 Approved projects include risk management in the implementation plan and post implementation evaluation.

RISK CATEGORIES

Strategic

6.1 Risks which affect the planning by the organisation, partnership arrangements and those created by the establishment of the organisation.

Operational

6.2 Risks which relate to the delivery of investment on the ground. Risks in this area could include issues such as tenant health and safety, site contamination, procurement matters, staffing, pandemic and compliance.

Financial

6.3 Risks which include the potential impacts and requirements of obtaining private sector funding, loss of income or increase in expenditure.

Technology

6.4 Risks around the use and development of technology to deliver our service.

Project

6.5 Risks relating to specific projects which could be one-offs or recurring such as new build.

PRIORITISING RISK

7.1 Generally, the identification of risks will result in a long list of potential events. These risks are not equally likely to occur and the impact of each risk will not be the same. Some risks will have a major affect on our financial stability or our service provision while others will not. Some risks could be immientent others may arise in the longer term.

7.2 We will analyse and prioritise our risks by assessing a combination of the likelihood of the event happening and the level of impact which the event could have. Risks which are in the high impact and high likelihood category will be given the higher priority.

7.3 The Risk Register reflects the level of priority.

7.4 Controls which reduce the risk will be documented giving our residual risk. Our Risk Appetite will inform the level our target risk should be set at and then actions will be agreed to bring us to our target risk.

7.5 We will use the scoring mechanism in the tables below:

Likelihood

1	Rare
2	Unlikely
3	Possible
4	Likely
5	Almost Certain

Impact

		Notes
1	Insignificant	The cost of mitigating the risk is more than the expected impact
2	Minor	There could be some impact either financially or to service provision
3	Moderate	Services will be impacted e.g. programmed works and new projects will have to be delayed to the following financial year
4	Major	Overall business impacted in a major way e.g. programmed works, new projects will be rescheduled for future years or Scottish Housing Regulator become involved
5	Critical	Overall business impacted in a critical way e.g. programmed works, new projects, filling of vacant posts will be halted, insufficient Board Members to continue governing

	LIKELIHOOD						
IMPACT			Rare	Unlikely	Possible	Likely	Almost Certain
			1	**2**	**3**	**4**	**5**
	Insignificant	**1**	1	2	3	4	5
	Minor	**2**	2	4	6	8	10
	Moderate	**3**	3	6	9	12	15
	Major	**4**	4	8	12	16	20
	Critical	**5**	5	10	15	20	25

OVERALL RATING
LOW
MEDIUM
HIGH

"RISK IS A NECESSARY PART OF DOING BUSINESS, AND IN A WORLD WHERE ENORMOUS AMOUNTS OF DATA ARE BEING PROCESSED AT INCREASINGLY RAPID RATES, IDENTIFYING AND MITIGATING RISKS IS A CHALLENGE FOR ANY COMPANY" ISO 31000

GOVERNANCE ARRANGEMENTS & ACCOUNTABILITY

8.1 The various roles and responsibilities are detailed in the table below.

	Role	**Responsibilities**
Board	To ensure the adequacy of our risk management framework	• In particular to be aware of and understand key business risks in a changing environment • Review the effectiveness of the risk management strategy annually • Set the Risk Appetite annually
Audit & Risk Committee	To take an overview of risk systems on behalf of the Board	• Review the Risk Register at each meeting • Annualy review the arrangements to identify, review, evaluate and manage risk • Consider the reports by officers on their evaluation of key business risks
Executive Team	Maintain our risk management capabiities and develop strategies to effectively manage new and existing risks Reporting to the Audit & Risk Committee and Board	• Setting the risk management framework; • Assessing risks based on recommendations from the Risk Co-ordinator and Team Leaders • Ensuring the process is operated effectively and efficiently • To share and promote experience of risk management and strategies across the Partnership
Executive Office Team	Development of the Corporate Risk Assessment Framework	• Regularly monitor, review and evaluate the effectiveness of the Corporate Risk Assessment framework
Managers	To ensure the effective identification and management of risks for their respective teams	• Ensure the Strategy is implemented consistently within teams • Contribute to the development of the Risk Management Strategy • Identify and communicate any relevant specific risk management issues to Executive Team through the Risk Co-ordinator
Risk Co-ordinator	Provision of admin support for risk managment function	• Day to day management of the process and for reporting any identified risks to Executive Team • Ensure that staff are aware of their roles and responsibilities, that the

	Role	Responsibilities
	and the Audit & Risk Committee	Risk Registers are maintained, reviewed and updated and that the appropriate reporting is carried out
All staff	To contribute to the management of risk for your department or team	• Identify potential and actual hazards/risks within the workplace • Assist with the removal or reduction of hazards and risks • Comply with current risk management and Health & Safety Policies
Internal Audit	To provide the Partnership's Audit & Risk Committee, the Chief Executive and Executive Team, with an assessment of the adequacy and effectiveness of management's internal control systems	• Review and appraise the financial and other controls operated by the Partnership; • Review the established policies and procedures adopted by the Partnership; • Assessment of whether internal controls are reliable; • Provide regular reports to the Audit & Risk Committee in line with the approved Audit Plan.

RISK CO-ORDINATOR

9.1 The Officer responsibile for providing support to the Audit and Risk Committee will be the designated Risk Co-ordinator. The Corporate Resources Officer will deputise in the absence of the Risk Co-ordinator.

REPORTS

10.1 The Risk Register will be maintained on approved software which will be reviewed and updated on an ongoing basis by Managers, having consulted with their teams to ensure all known risks are captured and assessed.

10.2 Board Members and Managers will have access to the approved software which provides summary and detailed reports.

10.2 The Risk Co-ordinator will ensure the Risk Register is updated to reflect progress on agreed actions and highlight any new areas of risk. The Risk Co-ordinator will also prepare summary reports for Executive Team on the medium and high level risks prior to each meeting of the Audit & Risk Committee.

10.3 The Risk Co-ordinator will ensure that the Risk Register is on each agenda for the Audit & Risk Committee.

10.4 The Chief Executive will provide the Board with an annual update of effectiveness of our Risk Strategy. The Risk Strategy will be reviewed every three years.

10.5 Reports presented to the Board and Standing Committees will ensure risk is considered and addressed.

RISK CAPACITY

11.1 We will determine at our annual Board Business Planning Day our Risk Capacity and Risk Appetite taking account of:

- An agreed level of financial loss that is acceptable on all identified and new potential risks
- An assessment level of the number of potential risks that may materialise at any one time.
- The limit of free reserves that are available to absorb potential losses of any new projects

RISK MANAGEMENT CYCLE TIMETABLE

12.1 We will operate an annual risk management cycle based on the business year. This cycle will have the following key milestones:

Date	Activity	Responsibility
April	Annual review of effectiveness of the Risk Strategy	Chief Executive / Managers
June	Report on Annual Review of Risk Strategy to Audit & Risk Committee	Chief Executive
	Each meeting of Audit & Risk Committee and Managers meeting will review the Risk Register	Risk Co-ordinator & Executive Team
December	Agree Risk Capacity and Risk Appettie for next business year	Executive Team & Board Business Planning Day
December	Map risks to Strategic Objectives	Executive Team & Board Business Planning Day
February	Report on Risk Capacity and Risk Appetite from Business Planning Day to Board	Chief Executive / Risk Co-ordinator

MONITORING AND REVIEW OF POLICY

13.1 Responsibility for monitoring the application of this Policy will rest with the Chief Executive.

13.2 The Policy will be reviewed every three years with amendments being made as appropriate and communicated to all staff and relevant stakeholders.

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this Policy:

Word	Interpretation
HHP or Partnership	Hebridean Housing Partnership
Board	The Board of the Hebridean Housing Partnership
Board Members	All Members of the Board including co-opted Members
Risk Co-ordinator	Officer who provides admin support to the Audit & Risk Committee
Executive Team	Chief Executive, Director of Operations, and Director of Finance & Corporate Services
Risk Capacity	The ability of an organisation to bear risk, quantified against objectives
Risk Appetite	The amount and type of risk that is acceptable to be taken by an organisation over a defined period to achieve its goals
All references to the masculine gender in this policy shall read as equally applicable to the feminine gender	

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ITEM NO 7.2

COMMUNICATIONS POLICY

Board 31 August 2022

Report by Chief Executive

Purpose of Report

1.1 The purpose of this report is to present the updated Communications Policy to the Board for consideration and approval.

Summary

2.1 The Communications Policy is due for review in accordance with our Policy Review Schedule.

2.2 Following a review of Communications Tools Policy and Communications Policy it was agreed to amalgamate the provisions of both policies and prepare one Communications Policy. We took the opportunity to update a number of aspects of the Policy.

Competence

3.1 The financial, legal 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 approve the Communications Policy at Appendix 1.**

APPENDIX 1:	Communications Policy	
Background Papers:	None	
Writer of Report:	Norma Robb	Tel: 0300 123 0773

Competence

Financial

5.1 There is no financial constraint to the recommendation in this report being implemented.

Legal

6.1 There is no legal constraint to the recommendation in 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 Non-compliance with the General Data Protection Regulations 2018 carries heavy fines and the updating of the Communication Policy will mitigate an element of the risk of non-compliance.

8.2 A corporate approach to communication with our customers, stakeholders and the general public will minimise the risk of non-compliance with Data Protection principles.

8.3 The result of this is likely to be a higher level of engagement with the Regulator and financial penalties from regulatory bodies.

8.4 The impact of negative press and social media is identified on our Risk Register with an overall rating of 4.

APPENDIX 1

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Communications Policy

Effective Date: August 2022
Review Date: August 2025
Approved by HHP Board:

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COMMUNICATIONS POLICY

INTRODUCTION

1.1 Good communications are essential to our success in the development and delivery of our important services. We aim to be open and transparent in all our dealings and good communication is crucial to this. The main purpose of this policy is to establish general principles which our communications will adhere to and help us communicate effectively. Ensuring an appropriate approach is taken when communicating with colleagues, via a variety of communications including online.

1.2 It provides a summary of the information we make available to customers, stakeholders and how we interact with them.

AIMS

2.1 Our aims are to:

- ensure all internal and external communication are effective
- ensure people understand what we do and raise our profile
- ensure information is accessible, helpful, easy to find and straightforward
- increase service satisfaction levels of our customers
- ensure our vision, goals and values are shared by all our Board Members and staff
- ensure consistent communication standards are in place throughout the organsiation
- enhance our reputation as a provider of great affordable housing
- ensure all communications comply with the requirements of the General Data Protection Regulations (GDPR)

PRINCIPLES OF GOOD COMMUNICATION

3.1 The principles of good communications are to:

- build and maintain trust through openness and transparency
- be polite and helpful
- listen to and acquire feedback from customers and everyone in the organisation
- build and maintain trust through openness and transparency
- take account of the needs of the recipient
- promote the reputation of the organisation
- give complex information in a clear and easy to understand way that is jargon free
- use of emojis should be avoided in any e-mail correspondence

WRITTEN COMMUNICATION – EMAIL AND TEAMS

4.1 All communication should be written clearly in plain English in a professional and courteous manner. Whilst the written style may sometimes differ, the general content should be consistent with other forms of written communication.

4.2 Before writing a message or email on a sensitive topic, consider talking confidentially in person or by phone instead. If there is a possibility that the email will be misconstrued, misunderstood or intercepted, it is probably best avoided.

4.6 Copies of information relating to tenants received via e-mail should be filed in the house or most appropriate file. If staff are uncertain whether an item ought to be filed, guidance should be sought from the Data Protection Officer or their Line Manager if appropriate.

4.7 Check an individual's status prior to calling them on Teams. If they are 'in a meeting', 'busy' or 'away', consider sending a Teams message in the chat function to agree a convenient time to make contact and mutually agree a video call via Teams.

4.8 We encourage open and honest communication and adhere to guidance issued on the use of e-mail or Teams chats.

COMMUNICATION CHANNELS

5.1 Some channels of communication that staff may use or encounter in the course of their work, or by consequence of their work, are detailed below:

- Verbal, by telephone, meetings, surgeries, customer outreach events such as tenants lunches, conferences;
- Written correspondence, newsletters, advice notes;
- Website;
- Media – press statements, interviews on radio and television; and
- Social media

<u>Social Media Platforms</u>

5.2 As a Housing Association, we should be present on social media on a corporate level. We recognise the importance of these platforms as a business tool to assist us to participate in online conversation with our tenants and other customers.

We use LinkedIn, Twitter and Instagram.

5.3 Inappropriate comments written on our social media accounts will be deleted.

<u>Communicating with Customers</u>

5.4 We work closely with our local Tenant Participation Officer to enhance and improve communication and gather feedback from our customers.

5.5 When we inform our tenants of notices and events we will do so through our social media channels, send out a press release and update our website.

5.6 If there is something specific to update in a particular area to address, we will send out letters to every tenant.

5.7 When we need an urgent message distributed, we will update our social media and website, send out a press release and announce it on local radio stations.

5.8 We will keep our customers updated with news stories through our newsletter which is circulated three times a year.

5.9 Where appropriate, to gain customer feedback we will issue surveys and consultations.

Personal Social Media Accounts

5.5 We respect the right to a private life and that includes employees joining any social media platforms. Employees must not. however, disclose confidential information relating to HHP, or make any remarks that could potentially bring the Partnership into disrepute. Any such actions could result in disciplinary action, including dismissal.

5.6 Employees should be aware of the language and content of their posts, where employees have an association with their employer, for example, listing HHP as their employer. We do not prohibit employees from listing HHP as their employer however it is advised against.

5.7 The use of photographs taken on Partnership premises or at Partnership events, which depict Officers, Board Members, tenants or other connected persons, is expressly forbidden without the permission of the individuals concerned. Any such actions will result in disciplinary action, which could include dismissal.

Meetings and Video-Conferencing

5.8 Turn the camera function on when interacting with colleagues on a video call. This helps promote social interaction and build/maintain working relationships.

5.9 HHP's background should always be used during video calls/meetings and present yourself as if you were attending a meeting in person.

5.10 Use the 'mute' button in meetings when you are not speaking, particularly in larger meetings or if you have background noise.

PRESS AND MEDIA

6.1 Enquires from the media should be sent to Info@hebrideanhousing.co.uk inbox marked ***'Press Enquiry'*** which will be referred to the Chief Executive in the first instance.

6.2 If the media wish to attend any of our events they should contact us on 0300 123 0773 and ask for the People Development Officer.

RELATED POLICIES

8.1 The Communications Policy is supported by our related policies and procedures and should be read in conjunction with, but not limited to, the following:

- Privacy Policy;
- Openness and Confidentiality Policy;
- ICT Security Policy; and
- Codes of Conduct.

MONITORING AND POLICY REVIEW

9.1 An Annual Plan will be prepared every March outlining the communications throughout the year. This will be updated every year when reviewing the effectiveness of the plan.

9.2 It is the responsibility of the Chief Executive to conduct a review of the Communications Policy.

9.3 The policy will be reviewed every three years.

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this policy:

Word	Interpretation
HHP or Partnership	Hebridean Housing Partnership
Board	Means the Board of the Hebridean Housing Partnership
Board Members	All Members of the Board including co-opted Members
Working Days	This excludes Public Holidays and the Christmas break period when the HHP offices are closed (usually 24 December – 2 January inclusive but dates can change)
GDPR	General Data Protection Regulations
DPO	Data Protection Officer.
Written communication	Letters, emails and web responses
All references to the masculine gender in this policy shall read as equally applicable to the feminine gender	

APPENDIX 1 - PROCEDURES

Telephone

When transferring external calls internally, staff should ensure that the following details have been taken from the caller:

- The caller's name; and
- Some details on what the call is about.

The call should then be put through to the correct member of staff. Calls should only be forwarded once to avoid frustration to the customer.

Staff should familiarise themselves with the different areas that Housing Officers and Clerk of Works cover to aid the prompt transfer of calls. Lists are available from the Area Housing Manager.

Mobile phone calls will not be taken in any situation where the privacy of the conversation is not guaranteed.

Emails

If sending a document internally, consider sending it as a link rather than an attachment as sending a link reduces electronically stored copies.

The 'cc' option should be used for its intended purpose – for information only, not for action. Care should be taken to not cc senior colleagues into an email in an attempt undermine colleagues.

The 'bcc' (blind carbon copy) option should generally not be used in emails in the interest of disclosure and full transparency of communication to all parties.

If a member of staff or the Board wishes to send out a blanket e-mail to all members of staff within the Partnership, which is not in relation to the remit of their role, permission must first be sought from the Chief Executive, to ensure that intent and content is appropriate.

Social Media Platforms

Only the Executive Office Team have been assigned the role of administrators and are permitted to represent us on social media platforms.

The Executive Office Team will ensure any posts comply with the data protection principles.

All staff and Board members who use any of our communication tools or communicate internally or externally on behalf of the Partnership, consent to all of the provisions in this policy, and agree to comply with all of its terms and conditions, and with all applicable laws and regulations.

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ITEM NO 7.3

DISCLOSURE OF INTEREST POLICY

Board 31 August 2022

Report by Chief Executive

Purpose of Report

1.1 The purpose of this report is to present the updated Disclosure of Interest Policy to the Board for consideration and approval.

Summary

2.1 The Disclosure of Interest Policy is due for review in accordance with our Policy Review Schedule.

2.2 Following the review of the policy the following minor amendments have been made to the Policy.

Paragraph	Change
2.2	Updated to reflect our responsibility to record declarations accurately
4.2	Wording amended to confirm requirement for Disclosure of Interest Form to be completed by Board Members prior to their first meeting
7.1	Section added to reference related policies and procedures.
8.3	Paragraph added to include implications for staff in the event of a breach of Policy

2.3 There are no changes required to process and procedures as a result of the amendments to the policy and the Policy is functioning as intended.

Competence

3.1 The financial, legal 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 the Disclosure of Interest Policy at Appendix 1.**

APPENDIX1:	Disclosure of Interest Policy	
Background Papers:	Entitlements, Payments & Benefits Policy	
	Codes of Conducts for Board Members and Staff	
Writer of Report:	Iona France	Tel: 0300 123 0773

Competence

Financial

5.1 There is no financial constraint to the recommendation in this report being implemented.

Legal

6.1 There is no legal constraint to the recommendation in 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 The major risk the Partnership faces in not having a Disclosure of Interest Policy in place is that it will be in breach of:

- the Scottish Housing Regulator's '*Regulatory Standards of Governance and Financial Management*' and other guidance; and
- the Partnership's own Rules, Standing Orders and various policies on governance and financial management.

8.2 The result of this is likely to be a higher level of engagement with the Regulator and financial penalties from regulatory bodies.

8.3 Legislative and regulatory changes is identified on our Risk Register with an overall rating of 10. Fraud is also identified on our Risk Register with an overall rating of 9.

APPENDIX 1

hebridean housing partnership

Disclosure of Interest Policy

Effective Date: August 2022
Review Date: August 2025
Approved by HHP Board:

TABLE OF CONTENTS

DISCLOSURE OF INTEREST POLICY

INTRODUCTION

1.1 This policy clarifies the position in respect of personal interest and declaration of interest.

1.2 This policy is applicable to our Board Members and staff, and those persons who may be considered to have 'close connection' to either. Close connection is defined at Appendix 1.

AIMS

2.1 To ensure that any actual, perceived or potential conflicts of interest, whether financial or non-financial and whether arising from external activities, personal relationship or roles within HHP, are identified and properly managed in compliance with the relevant professional, legal, ethical and regulatory standards on conflicts of interest so that the activity can be carried out without risk to the integrity or reputation of HHP or its staff and Board Members.

2.2 To ensure that any interests declared are recorded and there is a transparent and accurate record of the external interests of staff and Board members.

2.3 To ensure high standards of conduct and probity, openness and transparency which are underpinned by the Scottish Housing Regulator's Guidance Note 5 Regulatory Standards of Governance and Financial Management which states in its Standard 5:

- *"5.1 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."* and
- *"5.4 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."*

GENERAL RULES

3.1 Board Members and Staff should:

a) recognise that the overriding duty in their remit as a Board Member, or a member of Staff, is to the Partnership;

b) do nothing as a Board Member or member of Staff that could not be justified to the Board, to the tenants and sharing owners, to the membership or to the public; and

c) remember that it is not enough to avoid actual impropriety and at all times avoid situations which could give rise to suspicion or the appearance of improper conduct.

3.2 A Board Member must declare to the Chairperson at meetings any financial or non-financial interests that may be considered to bring about a conflict with the Partnership's interests. Examples of interests that must be declared are highlighted below:

a) Tenancy of a property (by the disclosee or someone to whom the disclosee is closely connected) of which we are the landlord;

b) Occupancy or ownership of a property (by the disclosee or someone to whom the disclosee in closely connected) which is factored or receives property related services from us;

c) Receipt of care or support services from us;

d) Membership of a community or other voluntary organisation that is active in the area(s) we serve;

e) Voluntary work with another RSL or with an organisation that does, or is likely to do, business with us;

f) Membership of the governing body of another RSL;

g) Being an elected member of any local authority where we are active;

h) If the disclosee purchase goods or services from us;

i) If the disclosee purchases goods or services from one of our approved contractors or Framework Agreement partners (please refer to the Entitlements, Payments & Benefits Policy and Procedure for further information);

j) Significant shareholding in a company that we do business with;

k) Membership of a political, campaigning or other body whose interests and/or activities may affect our work or activities;

l) Ownership of land or property in our areas of operation excluding for the purpose of the disclosee's own residential use (i.e. there is no requirement for to declare any house in which the disclosee currently lives);

m) Unresolved dispute relating to the provision of services in connection with a tenancy or occupancy agreement or a contractual dispute over the provision of goods or services with us;

n) any direct involvement with a business which trades for profit;

o) involvement with any organisation from which we may secure a loan e.g. Banks and building societies (apart from where the involvement is as a customer e.g. a Board Member has a mortgage or account with the bank);

p) involvement with or between Board Members, staff and their close relatives;

q) sale of a property owned by us to a Board Member or staff member, or to a close relative of a Board or staff member; and

r) sale of a property owned by a Board Member or staff member, or by a close relative of a Board or staff member to us.

3.3 The above list is not exhaustive and all interests, whether potential or actual should be raised.

3.4 If a Board Member has any business interest relating to the work of the Partnership, its activities, values, aims or objectives, which directly or indirectly gives the Member personal advantage, the Board Member should resign his position. If a Board Member considers that another Board Member has such an interest, he has a duty to raise it with the Chairperson.

3.5 Board Members must disclose any pecuniary interest in any contract entered into by the Partnership. Any such interest, if not disclosed, will be considered a breach of the Code of Conduct for Board Members and may be grounds for dismissal. See para 1.5 of the Code.

REGISTER OF INTERESTS AND MAKING DICLOSURES

4.1 The Partnership will maintain Registers of Interests of Staff and Board Members, which disclose the following:

a) name;

b) date disclosure was made;

c) source;

d) item number on agenda (if at meeting); and

e) what the disclosure is and reason for disclosing.

An example of the Register of Interests may be found at Appendix 2.

4.2 Board Members will be asked to register their interests prior to their first Board Meeting. Thereafter, at the end of each financial year they will be required to fill in a fresh Disclosure of Interest form so the Board Disclosure of Interest Register may be updated. An example of our Disclosure of Interest form may be found at Appendix 3, and it requests the following information:

a) name;

b) address;

c) tenant;

d) year of birth;

e) designation (staff);

f) employment (Board Members);

f) positions of public responsibility;

g) membership of other Housing Associations or Co-operatives;

h) any financial interests relating to the work of the Partnership;

i) any direct involvement with a business which trades for profit;

j) involvement with any organisation from which the Partnership may secure a loan e.g. banks and building societies (apart from where the involvement is as a customer's e.g. a Board Member has a mortgage or account with the bank);

k) involvement with or employment by any organisation which may seek services from the Partnership;

l) any voluntary or charity work carried out for another organisation with a base in the Outer Hebrides;

m) relationships with or between Board Members, staff and their close relatives;

n) any other interests which could impact on their membership of our Board; and

o) Statement of understanding the EPB Policy.

4.3 Members of Staff will be required to complete a Disclosure of Interest form when they are initially employed by us, and details will be recorded in the Staff Disclosure of Interest Register. Thereafter, Staff will be required to complete a Disclosure of Interest Update form annually after the end of the financial year. If there are new disclosures to be made that have not previously been recorded in the Staff Disclosure of Interest Register, then the Line Manager should complete a Request for Approval Form, an example of which may be found at Appendix 4, and refer to the Entitlements, Payments and Benefits Procedure for further guidance.

4.4 Staff and Board Members should take reasonable steps to ensure that they or anyone who normally lives as part of their household, (whether they are related to them or not, including spouses / partners who work away from home and sons and daughters who are studying away from home), conform with the requirements of the Entitlements, Payments & Benefits Policy when they wish to use one of our contractors or suppliers (see Contractor List, Appendix B of the Entitlements, Payments and Benefits Policy), and complete the Use of Contractor / Supplier Declaration Form at Appendix 5 prior to any decision being taken.

4.5 Job applicants will be asked to declare any interests, for example, if they are connected to a current member of staff, a Board Member, or if they receive services from us. If any applicants make a disclosure, the appropriate part of the Entitlements, Payments and Benefits Procedure should be followed, and registers updated accordingly.

4.6 The Registers will be open to public inspection and information will also be available on our website.

BOARD MEETINGS

5.1 Board Members and Staff who are invited to be present at a meeting where a matter in which they have a personal (or a personal business or financial) interest is discussed, must inform the meeting Chair at the start of the meeting. If there is a clear and substantial conflict of interest, a Member or employee should withdraw from the meeting. If in any doubt, they should ask the meeting Chair or another senior person present for guidance. This applies to all meetings that they attend as a member of our Governing Body – both internal and external.

5.2 If during the course of Board Meetings, issues arise which may affect a Board Member's personal interest, the Member should disclose precisely any direct or indirect pecuniary interest or other interests which are not pecuniary, but which might influence judgement or give the impression that the Board Member was acting for personal motives. Any Board Member declaring such an interest should withdraw from that part of the meeting in which such matters are discussed. If such conflicts of interest are substantial or frequent, then the Member should consider resigning in conformity with para 9.3 in the Code of Conduct.

5.3 A Board Member, having a pecuniary interest in the tenancy of a house belonging to the Partnership may take part in discussion of housing matters and may vote on such matters. However, tenant Board Members should regard matters specifically concerning their individual circumstances as clear and substantial conflict which should be declared in the normal way.

5.4 Where an interest is declared in accordance with the above at any meetings of the Board, the declaration must be recorded in the Minutes of that meeting together with any action taken. A copy of the Minutes will be separately forwarded to the Secretary for recording and held specifically for this purpose.

5.5 In general, Board Members should:

a) ensure that his private or personal interests does not influence his decisions, and that he does not use his position to obtain personal gain or any sort, either for himself directly, or for his family, friends, associates or his employer; and

b) ensure that no special advantage is gained by virtue of Board Membership, by using the services of a consultant, contractor, professional advisor or other individual or firm that works for the Partnership.

5.6 The Company Secretary will advise the Governance Officer of any declarations made and the decision made regarding the staff members attendance at the meeting.

MEMBERSHIP OF CERTAIN ORGANISATIONS

6.1 Board Members and Staff should declare to the Chief Executive if they are a member of any organisation which is not open to the public and which has secrecy about its rules and membership or conduct. A definition of such an organisation is on both Staff and Board Disclosure of Interest Forms at Appendix 2.

RELATED POLICIES & PROCEDURES

7.1 The following policies and procedures are referenced as part of this Policy:

- Code of Conduct for Staff
- Code of Conduct for Board Members
- Entitlements Payments & Benefits Policy

MONITORING AND REVIEW OF POLICY

Breaches of Policy

8.1 Any failure to make a complete, accurate and prompt declaration of interest – whether deliberately or through taking insufficient care - will be regarded as a breach of this policy and the Codes of Conduct.

8.2 If a Board Member knowingly breaches the conditions of this policy this may be grounds for removal from Office in accordance with the Partnership's Rules (44.6.3), Code of Conduct for Board Members and associated protocol.

8.3 If a Staff member knowingly breaches the conditions of this policy they would be subject to disciplinary action.

Review

9.1 The Board will review this policy at least every three years.

9.2 On an annual basis, the Disclosure Registers will be reviewed and a report will be submitted to the Board on the contents.

Responsibilities

10.1 The Board will be responsible for:

a) the formulation and monitoring of the Policy;

b) policy amendments; and

c) monitoring of statutory requirements.

10.2 The Executive Office will be responsible for maintaining Disclosure of Interest Registers.

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this policy:

Word	Interpretation
HHP or Partnership	Hebridean Housing Partnership
Board	Means the Board of the Hebridean Housing Partnership
Board Members	All Members of the Board including co-opted Members
The Code	The Code of Conduct for Board Members or the Code of Conduct for Staff
Contractor	An individual, organisation, or business from whom HHP procures services, for example, as part of the Framework agreement.
Disclosee	Individual making a disclosure of interest
EPB Policy	The Entitlements, Payments & Benefits Policy
EPB Procedure	The Entitlements, Payments & Benefits Procedure
Framework	HHP's Repair and Maintenance Framework Contract
HHP or Partnership	Hebridean Housing Partnership
Registers	The various registers HHP is required to keep by law
Regulator	Scottish Housing Regulator
RSL	Registered Social Landlord
Sharing Owners	Tenants who are part of the Shared Ownership Scheme of the Partnership.
All references to the masculine gender in this policy shall read as equally applicable to the feminine gender	

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Someone 'closely connected' to you includes family members and persons who might reasonably be regarded as similar to family members even where there is no relationship by birth or in law.

The following table outlines those who you should consider when declaring interests:

Group 1 **Members of your household**	**Group 2** **People closely associated with you**	**Group 3** **Others you may need to consider**
Anyone who normally lives as part of your household, whether they are related to you or not, including spouses/partners who work away from home and sons and daughters who are studying away from home.	• Parents, parents-in-law and their partners; • Sons and daughters; stepsons and step-daughters and their partners; • Brothers and sisters and their partners; • A partner's parent, child, brother or sister; • Grandparents, grandchildren and their partners; • Someone who is dependent on you or whom you are dependent on; and • Close friends.	Other relatives (e.g. uncles, aunts, nieces, nephews & their partners).

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2022/23 BOARD & COMMITTEE MEETING DISCLOSURE OF INTEREST REGISTER

Meeting	Date	Board Member	Item No. on Agenda	Reason
Board	31 Aug 2022	XXXXX	10	Member of XXXX

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Disclosure of Interest Form

Name	
Address	
Postcode	

Is this a HHP property?	Yes		No	
Are you	The tenant?		Living with tenant?	

Phone Numbers	Home:
	Work:
	Mobile:
Year of Birth	
Job Title	

Please list any positions of public responsibility you have:

Please list any Memberships of other Housing Partnerships or Co-operatives and Secret Societies (see attached note on definition of a Secret Society):

Please declare any financial interest relating to the work of the Partnership:

Please list any direct involvement with a business that trades for profit:

Please list any involvement with any organisations from which the Partnership may secure a loan:

Please declare any involvement with any organisation which may seek services from the Partnership:

Please declare any relationships with or between Staff Members, Board Members and their close relatives or any tenants (you may continue on another sheet):

Please declare any voluntary or charity work carried out for another organisation with a based in the Outer Hebrides :

Please declare any other interests which could impact on your membership of the Board of Hebridean Housing Partnership:

Have you read, and do you understand, the policy on Entitlements, Payments & Benefits? YES ☐ NO ☐

Signature		**Date**	

DEFINITION OF A SECRET SOCIETY

A secret society is any lodge, chapter, society, trust or regular gathering or meeting which:

- Is not open to members of the public who are not members of that lodge, chapter, society or trust;

- Includes in the grant of membership an obligation or requirement on the part of the member to make a commitment (whether by oath or otherwise) of allegiance to the lodge, chapter, society, gathering or meeting; and

- Includes, whether initially or subsequently, a commitment (whether by oath or otherwise) of secrecy about rules, membership or conduct of the lodge, chapter, society, trust, gathering or meeting.

- A lodge, chapter, society, trust, gathering or meeting as defined above, should not be regarded as a secret society if it forms part of the activity of a generally recognised religion, nor should a chapter or branch of a trade union.

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DECLARATION OF INTEREST - REQUEST FOR APPROVAL FORM

SECTION 1 – REQUESTING AUTHORISATION

DATE OF REQUEST	
DEPARTMENT / AREA MAKING REQUEST	
NAME OF EMPLOYEE / BOARD MEMBER MAKING DECLARATION	
WHAT IS THE TYPE OF DECLARATION?	
WHEN DOES THIS NEED TO BE APPROVED BY?	

SECTION 2 – APPROVING THE DECLARED INTEREST

WHO SHOULD APPROVE THIS REQUEST?	
APPROVED / REJECTED	
DATE APPROVAL / REJECTION GRANTED	
REASON FOR REJECTION IF APPLICABLE	
HAS REQUESTEE BEEN NOTIFIED OF DECISION?	
GOVERNANCE SIGN OFF	

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USE OF A CONTRACTOR / SUPPLIER DECLARATION FORM

***Name*……………………………………………………**

***Department*……………………………………………………..**

***Date*……………………..**

Chair/CEO notified about the use of the contractor/ supplier ……………………

Advice given by the Chair/CEO ……………………………………………………..

*I confirm that **I require/or have already used*,** the services of the following contractor who is on the Partnership's Contractor List:*

Contractor Name	***Address***	***Type of Work or Service***	***Date work to be carried out***	***Estimated Value***

*Are quotes attached Yes/No **

*Are receipts attached: Yes/No**

If no quotes or receipts are attached, please explain why?:

*(*delete as appropriate)*
Declaration

I confirm that I have not received any advantage or preferential treatment (financial or otherwise) from the contractor or supplier arising out of their connection to the Partnership and I have complied with the Entitlements, payments and Benefits policy and code of Conduct.

***Signature*……………………………………………………**

***Date*………………………………………………..**

For Executive Office use only

Date added to Register of Payment and Benefits……………………

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ITEM NO 8.1

MANAGEMENT REPORT TO 30 JUNE 2022

Board 31 August 2022

Report by Director of Finance & Corporate Services

Purpose of Report

1.1 To present the Management Report for the month ended 30 June 2022 to the Board for noting.

Summary

2.1 The Management Report attached at Appendix 1 shows that financial covenants will be met for the year ended 31 March 2023 with a headroom forecast of £575K.

Competence

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

Recommendations

4.1 **It is recommended that the Board note the Management Report at 30 June 2022 and revised forecast out turn at 31 March 2023 as at Appendix 1.**

APPENDIX 1:	Management Report to 30 June 2022	
Background Papers:	None	
Writer of Report:	James Morrison	Tel: 0300 123 0773

Competence

Financial

5.1 The Board approved budgets for 2022/23 in March 2022, which projected a surplus for the year of £1.5M. The forecasted out-turn surplus is £1.9M.

Legal

6.1 The Management Report and the information within is presented in compliance with regulations to provide assurance to the Board that expenditure is within approved budgets and income collected is on target.

6.2 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.

7.2 This report provides ongoing assurance of evidence point 3, 4, 5 and 6 in relation to our Annual Assurance Statement.

Risk

8.1 The key risk is that we do not meet our Financial Covenants. We have two financial covenants, interest cover and gearing. These covenants are tracked monthly to ensure compliance.

8.2 The risk of covenant failure and mitigating controls is identified on our Risk Register.

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Management Report 2022/23

To 30 June 2022

TABLE OF CONTENTS

MANAGEMENT REPORT

INTRODUCTION

The Management Report to 30 June 2022 is 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 Report is made up of three sections:

Section 1: High Level Summary

Written by the Director of Finance & Corporate Services, which includes a score card of year to date performance.

Section 2: Management Accounts

Prepared by the Financial Accountant. 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 Financial Accountant including a review of Financial Covenants to provide the Board with assurance that the Covenant for 2022/23 will not be breached.

SECTION 1: HIGH LEVEL SUMMARY

	INDICATOR	STATUS	COMMENT
	FINANCIAL COVENANTS		Covenants will be met for the full year.
	FORECASTED SURPLUS		
INCOME	RENTAL INCOME		
	GRANT INCOME		
	DEVELOPMENT GRANTS		Reduction in Outturn on Lochmaddy, Leverburgh and South Uist projects has resulted in significant decreases against initial budget.
	DEVELOPMENT SALES		1 Breasclete and 2 Goathill properties remains unsold. However, A buyer has been identified for all three properties.
	OTHER INCOME		
EXPENDITURE	DEVELOPMENT COSTS		Reduction in Outturn on Blackwater, Lochmaddy, Leverburgh and South Uist projects has resulted in significant decreases against initial budget.
	INVESTMENT		Delays in anticipated start dates has resulted in little spend up to the end of May. Outturn has increased as a result of Scottish Government approving 22/23 OT grant total of £330K
	REPAIRS & MAINTENANCE		
	MANAGEMENT COSTS		
	INTEREST		

	**No Issues - On Track**
	**Requires Monitoring**
	**Issues**

SECTION 2: MANAGEMENT ACCOUNTS

STATEMENT OF COMPREHENSIVE INCOME

Line		CURRENT YEAR BUDGET		BUDGET	ACTUAL	BUDGET VARIANCE		BUDGET REMAINING		FORECAST OUT-TURN	
		Initial Budget £	Revised Budget £	to 30-Jun-22 £	to 30-Jun-22 £	Budget to date £	Budget to date %	Revised Budget £	Revised Budget %	Over/ (under) £	at 31-Mar-23 £
1	Dwelling rents (net)	10,193,160	10,230,160	2,591,810	2,593,280	1,470	0%	7,636,880	75%	-	10,230,160
2	Non Dwelling rents (net)	13,300	13,300	7,360	7,883	523	7%	5,417	41%	-	13,300
3	Profit/(Loss) on Disposal of Assets	(40,000)	(40,000)	(3,330)	(6,883)	(3,553)	107%	(33,117)	83%		(40,000)
4	Grant Funding	569,990	780,000	163,500	167,642	4,142	3%	612,358	79%	45,000	825,000
5	Other Income	53,630	53,630	12,590	14,757	2,167	17%	38,873	72%		53,630
6	**TOTAL INCOME**	10,790,080	11,037,090	2,771,930	2,776,679	4,749	0%	8,260,411	74.84%	45,000	11,082,090
7	Supervision & Management	2,827,410	2,807,390	629,382	672,923	(43,542)	-7%	2,134,467	76%	-	2,807,390
8	Response Repairs	1,786,070	1,786,070	433,310	393,046	40,264	9%	1,393,024	78%	5,000	1,791,070
9	Estate Works	126,890	126,890	21,350	17,600	3,750	18%	109,290	86%	-	126,890
10	Planned/Cyclical Maintenance	999,400	999,400	278,850	211,756	67,094	24%	787,644	79%	-	999,400
11	**Total Operating Expenditure**	5,739,770	5,719,750	1,362,892	1,295,325	67,566	5%	4,424,425	77.35%	5,000	5,724,750
12	Operating Surplus/(Deficit)	5,050,310	5,317,340	1,409,038	1,481,353	(72,314)	-5%	3,835,986	72.14%	40,000	5,357,340
13	Interest received	70	1,000	250	268	18	7%	732	73%		1,000
14	Interest paid	779,900	779,900	140,000	124,407	15,593	11%	655,493	84%	(15,000)	764,900
15	Surplus/(Deficit)	4,270,480	4,538,440	1,269,288	1,357,215	(87,925)	-7%	3,181,225	70.10%	55,000	4,593,440
16	Depreciation	4,149,800	4,149,800	1,027,020	964,850	62,170	6%	3,184,950	77%		4,149,800
17	Grant Amortisation	(1,423,300)	(1,448,300)	(405,695)	(385,232)	20,463	-5%	(1,063,068)	73%		(1,448,300)
18	Surplus/(Deficit)	1,543,980	1,836,940	647,963	777,597	(129,632)	-20%	1,059,343	57.67%	55,000	1,891,940

	CAPITAL INVESTMENT										
19	Housing Investment Programme	4,449,800	4,659,800	1,165,700	213,851	951,849	82%	4,445,949	95%	-	4,659,800
20	Non Housing Investment	157,850	158,770	74,270	55,863	18,407	25%	102,907	65%	-	158,770
21	Development Programme	4,634,720	3,602,352	1,433,770	1,608,961	(175,191)	-12%	1,993,391	55%	(43,239)	3,559,112
22		9,242,370	8,420,922	2,673,740	1,878,675	795,065	30%	6,542,247	77.69%	(43,239)	8,377,682

Commentary on Performance

Income

Dwelling rents are broadly in line with budget. Grant Funding performance £4K ahead of budget year to date due to additional RHI Income £45K offset by £41K underspend in OT grants. The forecasted OT spend is anticipated to be in line with budget over the full year.

Expenditure

Supervision & Management is currently over budget due to the slippage on investment resulting in lower than budgeted internal fees for Clerks of Works.

Response Repairs are currently underspent by £40K this is primarily driven by a reduction in the number of responsive repairs being undertaken in Q1.

Planned/Cyclical Maintenance is currently underspent by £67K which is mainly driven by other servicing.

Housing Investment is currently underspent by £951K. Our LCITP programme of works was delayed until we received the formal grant offer. This has now been received and work programmes are being finalised. We have re-tendered lots for Windows & Doors, Electrical and Kitchens.

Depreciation is currently underbudget by £62K. This is a result of low capitalisable investment works and slippage of final handover dates on our Johnstone Court and Gleann Mor properties.

The following pages will provide a detailed breakdown of our income and expenditure, highlighting any significant deviation to budget.

STATEMENT OF FINANCIAL POSITION

		Notes	30 June 2022 £	31 March 2022 £
	Fixed Assets			
1	Tangible assets-social housing	**1**	119,364,853	119,784,178
2	Development & Investment Programme	**2**	1,582,186	-
3	Tangible assets - property, plant and equipment		788,186	1,043,186
4	Landbank		908,191	908,190
5	Investments		2	2
			122,643,418	121,735,557
	Current Assets			
6	Stock		279,798	279,798
7	Trade and other debtors due within one year		447,994	1,683,277
8	Debtors due after more than one year		224,128	231,381
9	Short-term deposits		841,336	839,708
10	Cash at bank and in hand	**3**	5,408,799	2,471,287
11	Loan to subsiduary		18,079	18,079
			7,220,135	5,523,530
12	**Creditors: amounts falling due within one year**		(2,501,873)	(3,282,551)
	Net current assets		4,718,262	2,240,979
	Total assets less current liabilities		127,361,680	123,976,536
13	**Creditors:** amounts falling due after more than one year		(18,583,954)	(15,583,000)
14	Deferred capital grants		(66,388,509)	(66,781,918)
15	Pension Liability		(2,155,000)	(2,155,000)
16	**Net Assets**		**40,234,217**	**39,456,618**
	Capital and Reserves			
17	Share Capital		217	215
18	Revenue Reserve		40,234,000	39,456,403
			40,234,217	**39,456,618**

Commentary on Performance

Note 1 - Fixed Assets
Reduction of £419K can be attributed to depreciation on our housing assets with a low amount of investment spend capitalised year to date.

Note 2 – Development & Investment Programme
£1.582M is current new development works, particularly at Goathill, and Non-Housing works in relation to our planned new housing system.

Note 3 – Cash at bank and in hand

Increase of £2.937M from March due to the £3M Facility B drawdown in June as approved by the Board.

Covenants are forecast to be met for the full year with Interest cover forecast at 185% and gearing of 11%.

RENTAL INCOME

Line		CURRENT YEAR BUDGET		BUDGET	ACTUAL	BUDGET VARIANCE		BUDGET REMAINING		FORECAST OUT-TURN	
		Initial Budget £	Revised Budget £	to 30-Jun-22 £	to 30-Jun-22 £	Budget to date £	Budget to date %	Revised Budget £	Revised Budget %	Over/ (under) £	at 31-Mar-23 £
1	Dwelling Rent Gross	10,615,780	10,615,780	2,607,820	2,609,092	1,272	0%	8,006,688	75.42%		10,615,780
2	Non Dwelling Rent Gross	16,470	16,470	8,140	7,982	(158)	-2%	8,488	51.54%		16,470
3	Voids - Dwelling	(212,020)	(175,020)	(16,010)	(15,812)	198	-1%	(159,208)	90.97%		(175,020)
4	Voids - Other	(3,170)	(3,170)	(780)	(99)	681	-87%	(3,071)	96.88%		(3,170)
5	Bad Debts	(210,600)	(210,600)	-	-	-		(210,600)	100.00%		(210,600)
6	TOTAL	10,206,460	10,243,460	2,599,170	2,601,163	1,993	0%	7,642,297	74.61%	-	10,243,460

SUPERVISION & MANAGEMENT

Line	Heading	CURRENT YEAR BUDGET		BUDGET	ACTUAL	BUDGET VARIANCE		BUDGET REMAINING		forecast out-turn	
		Initial	Revised	to	to	Budget	Budget	Revised	Revised	Over/	at
		Budget	Budget	30-Jun-22	30-Jun-22	to date	to date	Budget	Budget	(under)	31-Mar-23
		£	£	£	£	£	%	£	%	£	£
1	Salaries & Wages	1,760,890	1,760,890	435,980	413,895	22,085	5%	1,346,995	76%		1,760,890
2	National Insurance	195,950	195,950	48,270	45,428	2,842	6%	150,522	77%		195,950
3	Pension Costs	381,280	381,280	78,300	74,723	3,577	5%	306,557	80%		381,280
4	Other Employee Costs	49,790	49,790	21,270	8,928	12,342	58%	40,862	82%		49,790
5	Travel & Subsistence	16,870	16,870	4,250	1,354	2,896	68%	15,516	92%		16,870
6	EMPLOYEE COSTS	2,404,780	2,404,780	588,070	544,327	43,742	7%	1,860,453	77%	-	2,404,780
7	Premises Costs	71,330	71,330	19,020	12,991	6,029	32%	58,339	82%		71,330
8	IT & Telecoms	240,760	239,840	56,610	48,626	7,984	14%	191,214	80%		239,840
9	Area Offices	28,250	28,250	7,050	6,855	195	3%	21,395	76%		28,250
10	Payroll & Cashdesk	7,010	7,010	1,740	1,633	107	6%	5,377	77%		7,010
11	Property Management Fees	5,000	5,000	1,260	1,003	257	20%	3,997	80%		5,000
12	SUPPLIES & SERVICES	352,350	351,430	85,680	71,107	14,572	17%	280,322	80%	-	351,430
13	Postage, Printing & Stationery	28,920	28,920	6,920	5,502	1,418	20%	23,418	81%		28,920
14	Admin Furniture & Equipment	950	950	-	78	(78)		872	92%		950
15	Training Courses	26,730	26,730	6,965	5,873	1,092	16%	20,857	78%		26,730
16	Community Support	28,750	28,750	4,060	1,023	3,037	75%	27,727	96%		28,750
17	Health & Safety	7,570	7,570	1,000	885	115	12%	6,685	88%		7,570
18	Recruitment Costs	2,000	2,000	-	210	(210)		1,790	90%		2,000
19	ADMINISTRATION COSTS	94,920	94,920	18,945	13,571	5,374	28%	81,349	86%	-	94,920
20	Professional Fees	192,190	192,190	17,183	16,155	1,028	6%	176,035	92%		192,190
21	Insurance	315,090	315,090	68,310	69,131	(821)	-1%	245,959	78%		315,090
22	Affiliation Fees	30,210	30,258	6,792	6,666	126	2%	23,592	78%		30,258
23	Charitable Donations	5,000	5,000	-	-	-		5,000	100%		5,000
24	Governance	12,400	12,400	800	126	674	84%	12,274	99%		12,400
25	Bank Charges	7,690	7,690	2,280	1,812	468	21%	5,878	76%		7,690
26	Public Relations / Marketing	9,750	9,702	702	26	676	96%	9,676	100%		9,702
27	CORPORATE EXPENSES	572,330	572,330	96,067	93,915	2,151	2%	478,414	84%	-	572,330
28	Fees Charged to Capital	(591,970)	(611,070)	(156,460)	(47,548)	(108,912)	70%	(563,522)	92%		(611,070)
29	VAT Received - Partial Exemption	(5,000)	(5,000)	(2,920)	(2,449)	(471)	16%	(2,551)	51%		(5,000)
30	RECHARGES	(596,970)	(616,070)	(159,380)	(49,998)	(109,383)	69%	(566,073)	92%	-	(616,070)
31	COST	2,827,410	2,807,390	629,382	672,923	(43,544)	-7%	2,134,465	23	-	2,807,390

Commentary on Performance

The total management cost is £44K higher than the year to date budget, mainly due to slippage on investment resulting in lower than budgeted internal fees for Clerk of Works.

Employee Costs

An underspend of £22K in employee costs can be attributed to vacant posts.

Premises Costs

An underspend of £6K is due to an underspend on total office electric costs (£1.6K) caused by a credit against estimated meter readings in bills from the past financial year. The remaining underspend is a result of lower than anticipated Office Repairs and delays to Programmed Maintenance works within HHP offices.

IT & Telecoms

An overall underspend of £8K is due to delays in acquisitions of software and upgrades in the datacentre environment. £2K is offset by the Digitalboost Grant received towards the purchase of software.

Fees Charged to Capital

As a result of delays in investment works commencing, Clerk of Work fees on the investment programme are lower than budget. The investment budget is being rephased in July and is anticipated to be in line with budget for the full year.

REPAIRS & MAINTENANCE

Line	Heading	CURRENT YEAR Initial Budget £	Revised Budget £	BUDGET to 30-Jun-22 £	ACTUAL to 30-Jun-22 £	BUDGET VARIANCE Budget to date £	Budget to date %	BUDGET REMAINING Revised Budget £	Revised Budget %	FORECAST OUT-TURN Over/ (under) £	at 31-Mar-23 £
1	Responsive Repairs	1,091,650	1,091,650	265,400	230,439	34,961	13%	861,211	79%		1,091,650
2	Void Repairs	400,000	400,000	97,240	100,468	(3,228)	-3%	299,532	75%		400,000
3	Handyperson	97,560	97,560	23,630	23,494	136	1%	74,066	76%		97,560
4	GENERAL REPAIRS	1,589,210	1,589,210	386,270	354,401	31,869	8%	1,234,809	78%	-	1,589,210
5	Decoration Allowance	52,000	52,000	11,520	16,590	(5,070)	-44%	35,410	68%	5,000	57,000
6	Council Tax empty properties	18,000	18,000	3,530	2,236	1,294	37%	15,764	88%		18,000
7	Compensation	9,500	9,500	2,440	-	2,440	100%	9,500	100%		9,500
8	SPECIFIC ITEMS	79,500	79,500	17,490	18,826	(1,336)	-8%	60,674	76%	5,000	84,500
9	Rechargeable Repairs	108,000	108,000	27,000	13,339	13,661	51%	94,661	88%		108,000
10	Rechargeable Repairs Recoverable	(58,500)	(58,500)	(14,640)	(16,390)	1,750	-12%	(42,110)	72%		(58,500)
11	Insurance Repairs	100,000	100,000	12,000	22,313	(10,313)	-86%	77,687	78%		100,000
12	Insurance Claims Recoverable	(62,000)	(62,000)	-	(9,277)	9,277		(52,723)	85%		(62,000)
13	RECOVERABLE EXPENDITURE	87,500	87,500	24,360	9,985	14,375	59%	77,515	89%	-	87,500
14	Commercial Properties	1,500	1,500	390	-	390	100%	1,500	100%		1,500
15	Communal Lighting	28,360	28,360	4,800	9,835	(5,035)	-105%	18,525	65%		28,360
16	NON DWELLING REPAIRS	29,860	29,860	5,190	9,835	(4,645)	-89%	20,025	67%	-	29,860
17	Gas Servicing	73,490	73,490	16,170	18,117	(1,947)	-12%	55,373	75%		73,490
18	Estate Management	57,000	57,000	9,000	12,065	(3,065)	-34%	44,935	79%		57,000
19	Estate Management (Welfare)	20,000	20,000	4,240	5,774	(1,534)	-36%	14,226	71%		20,000
20	Other Servicing (incl. heating)	767,430	767,430	196,670	140,746	55,924	28%	626,684	82%		767,430
21	Stair Lifts and Door Entry Systems	10,290	10,290	2,580	-	2,580	100%	10,290	100%		10,290
22	Gutter Cleaning	66,500	66,500	49,890	35,054	14,836	30%	31,446	47%		66,500
23	Sewage Pumps	1,200	1,200	300	-	300	100%	1,200	100%		1,200
24	Dun Berisay Heat	3,490	3,490	-	-	-		3,490	100%		3,490
25	CYCLICAL MAINTENANCE	999,400	999,400	278,850	211,756	67,094	24%	787,644	79%	-	999,400
26	TOTAL REPAIRS & MAINTENANCE	2,785,470	2,785,470	712,160	604,802	107,357	15%	2,180,667	78%	5,000	2,790,470

Commentary on Performance

General Repairs

A current underspend of £31.9K reflects a lower than average repair cost in Q1 than the budget assumption.

Decoration Allowance

A £5K overspend in in Q1 2022 reflects a high volume of allowance payments made to our tenants from investment works completing late Q4 2021.

Rechargeable Repairs

We have now invoiced in 22/23 for costs incurred in prior years as upon further investigations we have been able to trace tenants for which we previously had no forwarding address. This has resulted in an unexpected increase in Rechargeable Repairs Recoverable.

Communal Lighting

The year to date overspend of £5K driven by estimated meter readings and we anticipate a credit note in Q2 based on actual meter readings.

Cyclical Maintenance

Current underspend of £67K is due to an amendment to programming on ASHP servicing. Budget phasing will be amended to reflect these works.

The overspend on Estate Management is due to some necessary works to clear overgrown trees at some of our schemes. This spend will be monitored closely throughout the year.

A £2K overspend in Gas Servicing is a result of 25% of total works being completed in Q1, which puts progress slightly ahead of schedule.

ESTATE WORK

Line	Heading	CURRENT YEAR BUDGET Initial Budget £	CURRENT YEAR BUDGET Revised Budget £	BUDGET to 30-Jun-22 £	ACTUAL to 30-Jun-22 £	BUDGET VARIANCE Budget to date £	BUDGET VARIANCE Budget to date %	BUDGET REMAINING Revised Budget £	BUDGET REMAINING Revised Budget %	FORECAST OUT-TURN Over/ (under) £	FORECAST OUT-TURN at 31-Mar-23 £
1	Unadopted Infrastructure	56,880	56,880	4,290	-	4,290	100%	56,880	100%		56,880
2	Grounds Maintenance	70,010	70,010	17,060	17,600	(540)	-3%	52,410	75%		70,010
3	TOTAL ESTATE WORKS	126,890	126,890	21,350	17,600	3,750	18%	109,290	86%	-	126,890

Commentary on Performance

Unadopted Infrastructure

Tenders for works within Unadopted Infrastructure are expected to be issued in August.

AIDS & ADAPTATIONS

Line	Heading	CURRENT YEAR BUDGET Initial Budget £	CURRENT YEAR BUDGET Revised Budget £	BUDGET to 30-Jun-22 £	ACTUAL to 30-Jun-22 £	BUDGET VARIANCE Budget to date £	BUDGET VARIANCE Budget to date %	BUDGET REMAINING Revised Budget £	BUDGET REMAINING Revised Budget %	FORECAST OUT-TURN Over/ (under) £	FORECAST OUT-TURN at 31-Mar-23 £
1	OT Works	120,000	330,000	51,000	9,907	41,093	81%	320,093	97%		330,000
2	**Grants**										
3	Grants Received	(119,990)	(330,000)	(51,000)	(9,206)	(41,794)	82%	(320,794)	97%		(330,000)
4	TOTAL AIDS & ADAPTATIONS	10	-	-	701	(701)		-		-	-

Commentary on Performance

OT Works

HHP have been awarded a total Aids & Adaptations Grant of £330K by Scottish Government and the revised budget reflects this. Grant claimed for Q1 works totalled £9.2K with one invoice missing the claim submission deadline and will be reclaimed in Q2.

INVESTMENT EXPENDITURE

Line	Heading	CURRENT YEAR BUDGET Initial Budget £	Revised Budget £	BUDGET to 30-Jun-22 £	ACTUAL to 30-Jun-22 £	BUDGET VARIANCE Budget to date £	Budget to date %	BUDGET REMAINING Revised Budget £	Revised Budget %	FORECAST OUT-TURN Over/ (under) £	at 31-Mar-23 £
1	Roofs	82,760	82,760	55,180	-	55,180	100%	82,760	100%	53,065	135,825
2	Insulation	379,990	379,990	-	-	-		379,990	100%		379,990
3	Total Roofs	462,750	462,750	55,180	-	55,180	100%	462,750	100%	53,065	515,815
4	Kitchen	411,270	411,270	138,270	5,140	133,130	96%	406,130	99%	(19,226)	392,044
5	Bathrooms	205,730	205,730	77,190	54,939	22,251	29%	150,791	73%	(45,130)	160,600
6	OT Aids & Adaptations	120,000	330,000	51,000	9,907	41,093	81%	320,093	97%	-	330,000
7	Showers	325,810	325,810	107,540	26,181	81,359	76%	299,629	92%	(73,115)	252,695
8	Heating	936,640	936,640	604,820	117,684	487,136	81%	818,956	87%	78,079	1,014,719
9	Rewiring	526,670	526,670	131,700	-	131,700	100%	526,670	100%		526,670
10	Total Internals	2,526,120	2,736,120	1,110,520	213,851	896,669	81%	2,522,269	92%	(59,392)	2,676,728
11	Windows	966,340	966,340	-	-	-		966,340	100%		966,340
12	Roughcast house & wall	221,420	221,420	-	-	-		221,420	100%	6,327	227,747
13	Other	273,170	273,170	-	-	-		273,170	100%		273,170
14	Externals	1,460,930	1,460,930	-	-	-		1,460,930	100%	6,327	1,467,257
15	**Total Investment excl. Unallocated Exp/Savings**	4,449,800	4,659,800	1,165,700	213,851	951,849	82%	4,445,949	95%	-	4,659,800
16	Savings Realised	-	-	-	-	-		-		144,771	144,771
17	Savings Re-invested	-	-	-	-	-		-		(144,771)	(144,771)
18	Unallocated Expenditure/ Slippage	-	-	-	-	-		-		-	-
	Unallocated Reinvested										
19	**Total Investment**	4,449,800	4,659,800	1,165,700	213,851	951,849	82%	4,445,949	95%	-	4,659,800

Commentary on Performance

Investment underspend of £951K is as a result of slippage in works and retenders required. Budget rephasing has been performed to reflect the updated programmed schedule.

Roofs

Works at Bennadrove Road are due to commence in August.

Kitchen

Uist kitchens are due to be re-tendered in July. Survey costs for Lewis kitchens have been returned. Work on surveys started later than expected and kitchens are on order for many of the installs.

Bathrooms & Showers

Contractor is on site and works are underway, bathroom works were completed in July.

Heating

Contractors are on site and working to complete 52 installs with another contractor awarded a further 15. Discussions around 22/23 Low Carbon Infrastructure Transition Programme award are in progress, awaiting confirmation in writing, and could lead to 52 installs to the heating programme.

Rewiring

Electrical works have been re-tendered, which is due for return in July.

NON HOUSING INVESTMENT

Line	Heading	CURRENT YEAR BUDGET		BUDGET	ACTUAL	BUDGET VARIANCE		BUDGET REMAINING		FORECAST OUT-TURN	
		Initial Budget £	Revised Budget £	to 30-Jun-22 £	to 30-Jun-22 £	Budget to date £	Budget to date %	Revised Budget £	Revised Budget %	Over/ (under) £	at 31-Mar-23 £
1	Furniture & Fittings	-	-	-	-	-		-			-
2	Office equipment	-	920	920	-	920	100%	920	100%		920
3	IT equipment	157,850	157,850	73,350	55,863	17,487	24%	101,987	65%		157,850
4	**Total**	**157,850**	**158,770**	**74,270**	**55,863**	**18,407**	**25%**	**102,907**	**65%**	**-**	**158,770**

Commentary on Performance

IT Equipment

The IT Equipment budget is largely to complete the work required to move to a new housing system which is on track to go live in October 2022. The variance is for the cost of the repairs diagnostic tool for the new housing system which is due to be ordered in August.

DEVELOPMENT EXPENDITURE

Line		CURRENT YEAR BUDGET Initial Budget £	Revised Budget £	BUDGET Budget to 30-Jun-22 £	ACTUAL to 30-Jun-22 £	BUDGET VARIANCE Budget to date £	Budget to date %	BUDGET REMAINING Revised Budget £	Revised Budget %	FORECAST OUT-TURN Over/ (under) £	at 30-Jun-22 £
1	New Build	12,680,390	9,304,972	1,961,000	2,036,140	(75,140)	-4%	7,268,831	78%	-	9,304,972
2	LIFT	346,500	347,250	109,626	131,880	(22,254)	-20%	215,370	62%	-	347,250
3	Land	90,000	-	-	72,107	(72,107)		(72,107)			-
4	**Total Development Costs**	13,116,890	9,652,222	2,070,626	2,240,127	(169,500)	-8%	7,412,095	77%	-	9,652,222
5	**Scottish Government Grant**										
6	Grant - New Build	(8,150,670)	(5,701,610)	(524,290)	(515,697)	(8,593)	2%	(5,185,913)	91%	-	(5,701,610)
7	**Other Grants & Sales proceeds**										
8	Other Grants - LIFT Sales	(346,500)	(406,500)	(116,100)	(116,100)	-	0%	(290,400)	71%	-	(406,500)
9	**Total Grants**	(8,497,170)	(6,108,110)	(640,390)	(631,797)	(8,593)	1%	(5,476,313)	90%	-	(6,108,110)
10	**Private Finance required**										
11	New Build	4,529,720	3,603,362	1,436,711	1,520,443	(83,733)	-6%	2,082,918	58%	-	3,603,362
12	LIFT	-	(59,250)	(6,474)	15,780	(22,254)	344%	(75,030)	127%	-	(59,250)
13	Land	90,000	-	-	72,107	(72,107)		(72,107)		-	
14	Expensed Development Cost	-	-	-	409	(409)	0%	(409)	0%		-
15	Feasibility	15,000	15,000	3,534	222	3,312	94%	14,778	99%		15,000
16	**Private Finance required**	4,634,720	3,559,112	1,433,770	1,608,961	(175,190)	-12%	1,950,151	55%	-	3,559,112

Commentary on Performance

The projects at Crowlista and Cleat Road are due to complete this year and remain on schedule.

Blackwater works are due to start on site in early August.

At the Lochmaddy project we are awaiting the completion of the land transaction.

SECTION 3: KEY FINANCIAL PERFORMANCE MEASURES

FINANCIAL COVENANTS

HHP has a credit facility with RBS and as a result an interest cover covenant and a gearing covenant is required. The minimum cover required is 110% with a maximum gearing of 30%.

The covenant is forecast to be met for the full year.

Line	Detail	YTD	Forecast
1	Operating Surplus	£ 901,735	£ 2,655,840
2	Add back Depreciation	£ 964,850	£ 4,149,800
3	Add back Profit/(Loss) on sale of LIFT properties	£ -	£ -
4	Deduct Capitalised Investment (inc OT)	-£ 235,931	-£ 4,659,800
5	Add back Deferred Works Capitalised Investment	£ -	£ 717,958
6	Deduct Pension Contributions	£ -	£ -
7	Deduct Amortisation	-£ 385,232	-£ 1,448,300
8	Adjusted Operating Surplus	£ 1,245,422	£ 1,415,498
9	Interest Payable	£ 124,407	£ 764,900
10	Interest Receivable	£ 268	£ 1,000
11	Net Interest Payable	£ 124,138	£ 763,900
12	Covenant for 21/22	110%	110%
13	Adjusted Operating Surplus as percentage of Net interest Payable	1003%	185%
14	Headroom	£ 1,108,870	£ 575,208
15	Historic Cost of Properties	£ 129,794,575	£ 149,854,931
16	Financial Indebtedness	£ 13,000,000	£ 17,000,000
17	Gearing Covenant for 21/22	30%	30%
18	Gearing	10%	11%

Key Ratios

	Current	Forecast	2021/22
Current Ratio	2.80	4.71	1.59
(Current Assets/Current Liabilities)			
Net Debt Per Unit			
Borrowing/ stock units	£5,639.91	£7,118.93	£4,550.35
Voids%	0.61%	1.68%	1.31%
Voids as % of Rental Income Due			
Bad Debts %	0.00%	1.98%	0.80%
Bad Debts written off as % of Rental Income Due			
Staff Cost/Turnover %	19.60%	21.70%	24.74%
Gross Surplus	53.35%	48.34%	46.88%
Operating Surplus/Turnover			
Net Surplus	28.00%	17.07%	22.64%
Net Surplus/Turnover			

CASH FLOW FORECAST 2022/23

The below cash flow shows the actual income received and the payments made for the period to June 2022.

Monthly Cash Flow Forecast

Year Ended 31-Mar-23	30-Jun-22 Month 3	31-Jul-22 Month 4	31-Aug-22 Month 5	30-Sep-22 Month 6	31-Oct-22 Month 7	30-Nov-22 Month 8	31-Dec-22 Month 9	31-Jan-23 Month 10	28-Feb-23 Month 11	31-Mar-23 Month 12	Total
Cash on Hand at beginning of month	2,345,207	5,291,862	2,937,029	2,207,341	3,255,101	2,602,283	2,628,985	2,465,856	2,765,708	2,964,971	1,988,474
Cash Receipts											
Rent	877,310	940,710	830,645	943,645	842,385	842,385	955,385	842,385	842,385	842,385	10,710,936
Sale of Assets	232,200	-	189,000	-	-	-	-	174,000	-	-	595,200
Grant Income	197,108	689,180	626,690	723,620	404,623	566,673	481,363	677,233	688,184	419,575	6,532,479
Bank Interest	-	250	-	250	-	-	250	-	-	250	1,000
Other income	15,323	-	-	-	-	-	-	-	-	-	94,668
Loan/Other cash injection	3,000,000	-	-	4,000,000	-	-	-	-	-	-	7,000,000
Total	4,321,941	1,630,140	1,646,335	5,667,515	1,247,008	1,409,058	1,436,998	1,693,618	1,530,569	1,262,210	24,934,283
Total Cash Available	6,667,148	6,922,002	4,583,364	7,874,856	4,502,109	4,011,341	4,065,983	4,159,474	4,296,277	4,227,181	
Cash Paid Out											
Payroll	191,770	193,410	193,410	193,410	197,180	197,180	197,180	197,180	197,180	197,180	2,313,546
Management Costs	25,857	93,108	93,108	368,108	68,108	68,108	68,108	68,108	68,108	68,108	1,117,943
Repairs	398,479	215,975	215,975	215,975	215,975	215,975	215,975	315,975	266,975	266,975	3,231,625
Investment	199,380	428,310	377,490	677,340	439,840	451,380	354,930	340,650	295,110	636,040	4,329,780
Development	483,320	1,506,780	1,459,030	917,470	966,183	448,713	537,003	470,853	502,933	843,722	9,635,739
Total	1,298,806	2,437,583	2,339,013	2,372,303	1,887,286	1,381,356	1,373,196	1,392,766	1,330,306	2,012,025	20,628,633
Cash Paid Out (Non P & L)											
Loan Interest	56,656	-	-	209,482	-	-	225,682	-	-	225,682	779,475
Capital Purchase	18,600	46,140	26,010	18,360	11,540	-	-	-	-	-	157,850
Refunds	1,224	1,250	1,000	1,250	1,000	1,000	1,250	1,000	1,000	1,000	16,144
Transfer to Deposit Account	-	1,500,000	-	2,000,000	-	-	-	-	-	-	3,500,100
Total	76,480	1,547,390	37,010	2,247,452	12,540	1,000	226,932	1,000	1,000	226,682	4,453,568
Total Cash Paid out	1,375,286	3,984,973	2,376,023	4,619,755	1,899,826	1,382,356	1,600,128	1,393,766	1,331,306	2,238,707	
Cash Position at End of Month	5,291,862	2,937,029	2,207,341	3,255,101	2,602,283	2,628,985	2,465,856	2,765,708	2,964,971	1,988,474	-
Deposit Acct At end of Month	841,362	841,362	841,362	841,362	2,641,362	2,641,362	2,641,362	2,641,362	2,641,362	2,641,362	
Total Funds Available	6,133,224	3,778,391	3,048,703	4,096,463	5,243,645	5,270,347	5,107,218	5,407,070	5,606,333	4,629,836	

hebridean housing partnership

Making our house your home

ITEM NO 8.2

QUARTERLY TREASURY REPORT TO 30 JUNE 2022

Board 31 August 2022

Report by Director of Finance & Corporate Services

Purpose of Report

1.1 To inform the Board of the Treasury Management activities for the first quarter of 2022/23.

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 2022/23.

Competence

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

Recommendations

4.1 **It is recommended that the Board note the:**

a) quarterly report on the Analysis of Investment and Borrowing as shown at Appendix 1;

b) outstanding loans at 30 June 2022 of £13M; and

c) cash balance at 30 June 2022 of £6.034M.

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 first quarter of 2022/23.

Legal

6.1 Rule 19.1 to 20.1 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.

6.5 The Treasury Management Policy states that we "will ensure at least 50% of net debt is to be hedged (either through entering into fixed rates or using another acceptable instrument) at any one time and so a maximum of 50% of forecast net debt exposed to the risk of rising interest rates".

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 and war in Ukraine has resulted in turmoil in the financial markets. The increase in the bank interest rates mean that there will be an increased cost with respect to any variable loans held. There will also be an increase in interest received on deposit accounts.

8.3 Interest rate is managed through hedging the proportion of debt between Fixed and Variable. We are in a strong hedging position with only £1.5M of current debt drawn on a variable basis.

Report Details

9.1 The first quarter of the year saw £4.284M expenditure of which £1.983M related to new build.

9.2 The income for the first quarter was £4.411M and comprised Rental Income (64%), Sale of Shared Equity Units (5%), Government Grants including new build (29%) and Other Income (2%).

9.3 In this quarter our total borrowing increased by £3M from £10M to £13M in line with the Fixed Rate Loan drawdown agreement for Facility B. A further £4M will be drawn in September, ensuring we are compliant with the Facility B availability period (ending 30 March 2023).

9.4 Appendix 2 summarises the income and expenditure profiles for the first quarter.

9.5 The cash balances at 30 June 2022 increased quarter on quarter by £2.738M to £6.034M. This was mainly driven the £3M grant drawn on Facility B on 30 June 2022 and a reduction in the anticipated spend in first quarter on investment and development.

9.6 All covenants are forecast to be complied with for 2022/23.

30JUN22 ANALYSIS OF INVESTMENTS AND BORROWINGS

INVESTMENTS

	Mar-22	Jun-22	Average
DEPOSIT ACCOUNTS	**£000's**	£000's	£000's
Royal Bank	**750**	750	750
CWS	**0**	0	0
BOS	**4**	6	5
Santander	**85**	85	85
Total Deposit	**839**	841	840
CURRENT ACCOUNTS			
General Account	**893**	**3,544**	2,218
Standing Order	**503**	**301**	402
Direct Debit	**500**	**676**	588
Office/Cash	**537**	**645**	591
Property Factorin	**25**	**26**	25
Total current	**2,457**	5,192	3,825
Total	**3,296**	6,034	4,665

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 £5.192M. 5 deposit accounts held with the 4 banks shown above total £0.841M.

BORROWINGS

Core Funding Facility	£m
Estimated debt outstanding (per Business Plan)	13.00
Actual amount outstanding	13.00
Difference	-

Interest Rates

The Interest Rate that applies to the Partnership is SONIA plus an agreed margin. SONIA is the Sterling Overnight Index Average and replaces LIBOR (London Inter Bank Offer Rate). SONIA has risen from 0.69% to 1.19% as at 30 June 2022.

The Base Rate increased from 0.75% to 1.25% in June 2022 and has since risen to 1.75% as the Bank of England try to control inflation, which at 9.4%, is running significantly above their 2% target.

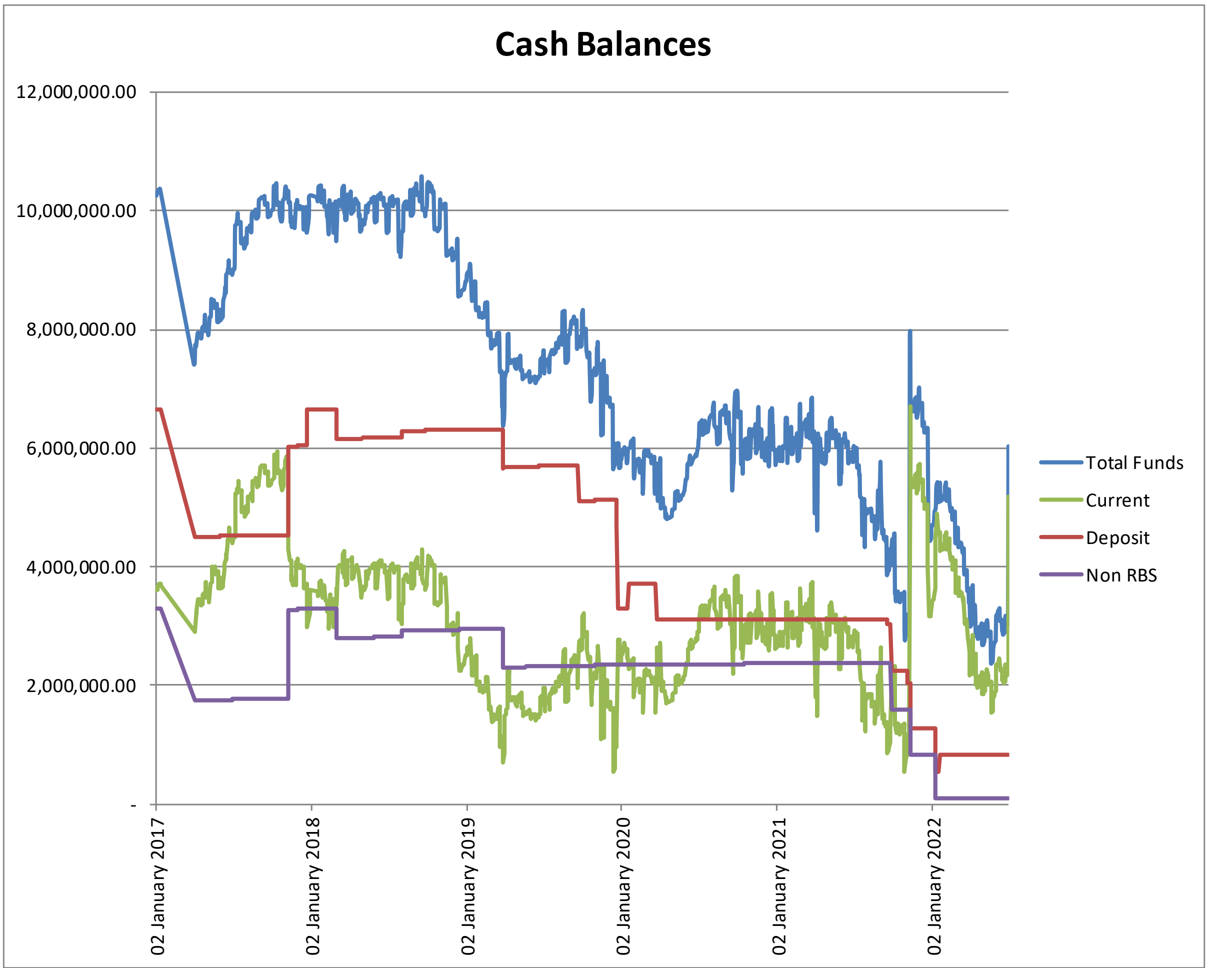
Borrowings	**Mar-22**	**Jun-22**	**Average**
	£000's	£000's	£000's
Facilities arranged	25,000	25,000	25,000
Loans outstanding	10,000	13,000	11,500
Variable/Fixed analysis-amounts			
Variable amount	1,500	1,500	1,500
Fixed amount	8,500	11,500	10,000
Other Hedging	-	-	-
	10,000	13,000	11,500
Variable/Fixed analysis-Percentages			
Variable	15.00%	11.54%	13.04%
Fixed	85.00%	88.46%	86.96%
Other Hedging Products			
	100%	100%	100%
Lenders amounts			
Core Facility (RBS)	10,000	13,000	11,500
Other Borrowings	-	-	-
	10,000	13,000	11,500

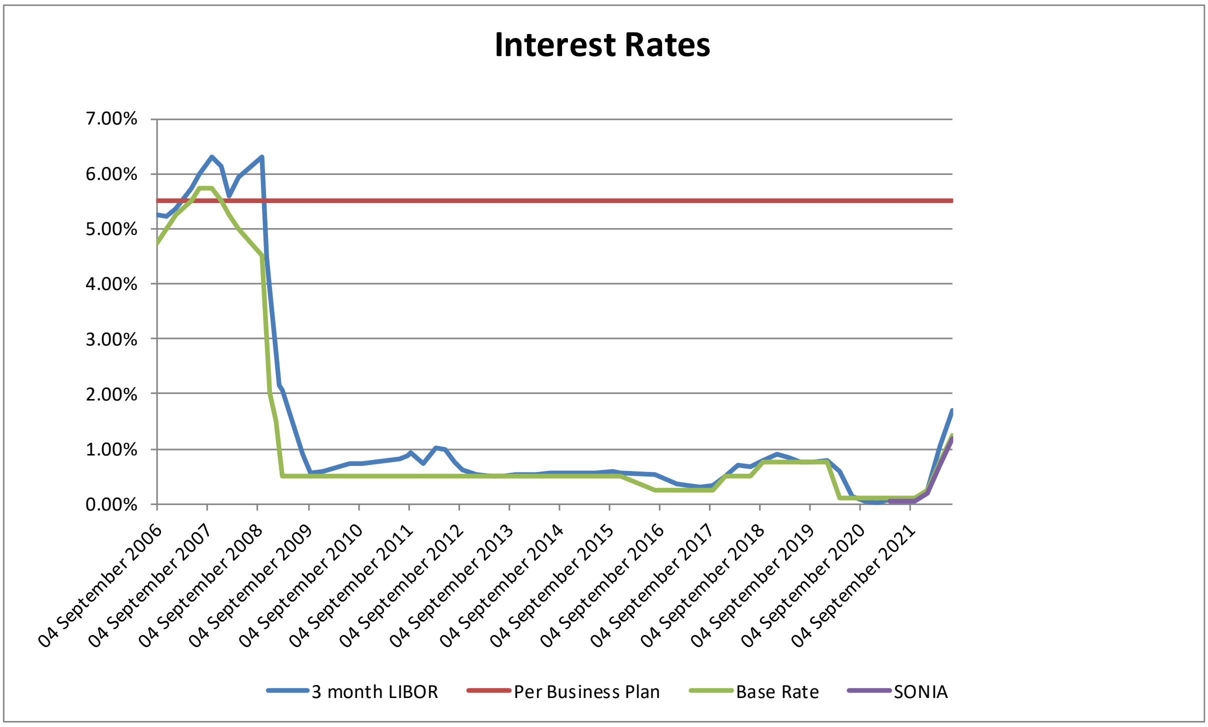
Average cost of borrowing

Amount £000's	**Interest**	**Type**	**Annual Cost**
11,500.00	3.90%	Fixed	448,208
1,500.00	4.52%	Variable	67,790
13,000.00			515,998
Average cost of funds			3.97%

Anticipated level of borrowing over next 5 years

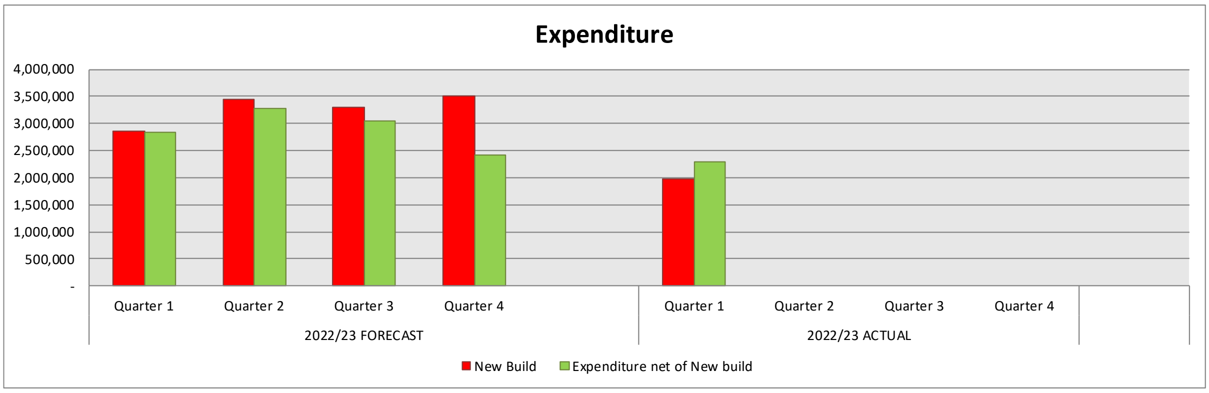
Year	2022/23 Est	AFS Forecast	Variance
	£m	£m	£m
2022/23	17.000	17.000	-
2023/24	22.500	22.500	-
2024/25	24.500	24.500	-
2025/26	25.000	25.000	-
2026/27	25.000	25.000	-




Interest Rates
7.00%
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
04 September 2006
04 September 2007
04 September 2008
04 September 2009
04 September 2010
04 September 2011
04 September 2012
04 September 2013
04 September 2014
04 September 2015
04 September 2016
04 September 2017
04 September 2018
04 September 2019
04 September 2020
04 September 2021
3 month LIBOR
Per Business Plan
Base Rate
SONIA

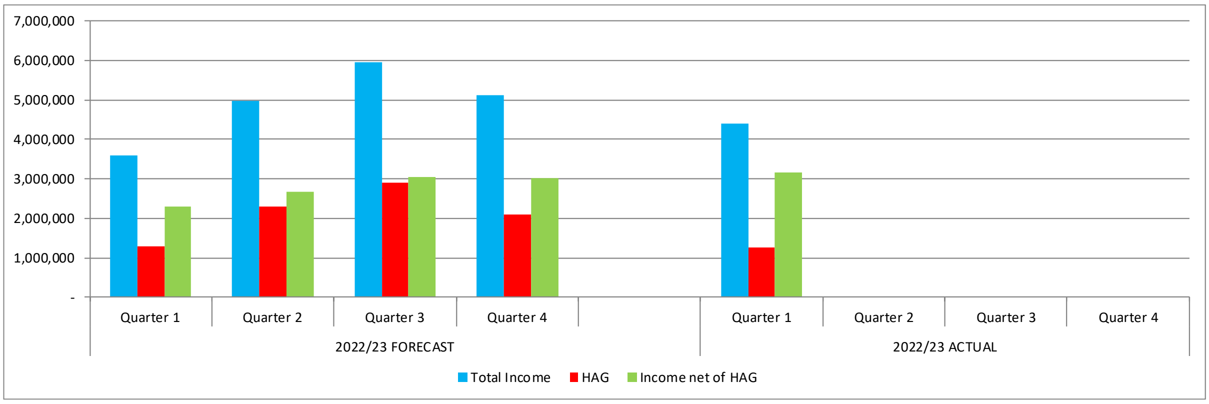
30 JUN22 ANALYSIS OF INCOME AND EXPENDITURE PROFILES

EXPENDITURE



Overall the expenditure for the first quarter (Q1) of 2022/23 is significantly lower compared to forecast. This is mainly driven by New Build, due to delays in getting onto site in a number of developments as originally planned. Slippage on our investment programme and the requirement to re-tender some works has resulted in Q1 expenditure net of New Build to be below forecast.

INCOME



Total Income for the first quarter of 2022/23 is broadly in line with the original budget with the exception of income net of HAG. This is driven by housing benefit payments for March 2022 received in April 2022 amounting to £230K and £232K of NSSE sales which were originally anticipated to conclude in July 2022.

hebridean housing partnership

Making our house your home

ITEM NO 8.3

INVESTMENT PROGRAMME MONITORING REPORT

Board 31 August 2022

Report by Director of Operations

Purpose of Report

1.1 To provide an update on the 2022/2023 Investment Programme.

Summary

2022/2023 Programme

2.1 The Board approved the 2022/23 Programme on 17 November 2021. Tendering commenced in January 2022, with 91% of the programme by value tendered and awarded to date. A number of the lots required to be re tendered as there were no returns. These works are being re tendered openly via Public Contracts Scotland.

2.2 The Programme continues to tackle fuel poverty and to ensure our homes maintain the Scottish Housing Quality Standard (SHQS). We are also working to meet the requirements of the Energy Efficiency Standard for Social Housing (EESSH2). The Scottish Government proposes to review the EESSH2 in 2023 to strengthen and realign the standard with the target for net zero heat in houses from 2040.

Aids & Adaptations

2.3 £0.132M has been committed from a budget of £0.330M.

Infra-Red Heating systems

2.4 Monitoring of infrared heating systems is continuing. Running costs have reduced significantly from May to July.

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 progress on the Investment Programme.**

Background Papers:	Risk Register	
	Management Reports to 31 July 2022	
Writer of Report:	Angus MacNeil	Tel: 0300 123 0773

Competence

Financial

2022/23 Investment Programme

5.1 The approved Investment Budget for 2022/23 is £4.182M as set out and approved by Board on 23 March 2022. The current budget position is detailed in the Management Accounts on this Board agenda.

5.2 The Scottish Government have awarded Aids and Adaptation funding agreement of £0.33M.

5.3 All COVID-19 deferred works are required to be completed by 31 March 2023. Failure to complete by this date will mean works will require to be funded from the investment cash planning limits in our 30 year business plans.

LCITP Funding Award

5.4 This year's LCITP funding bid for additional air source heating installs and external wall insulation (EWI) was successful. We have received confirmation of this with £0.330M being awarded for External Wall Insulation and £0.750M for renewable heating installations.

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 £0.10M 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.

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 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 Register concerning the health of the local economy particularly the capacity of contractors to deliver programmes. Capacity currently is limited both for contractors and elements of the supply chain.

8.3 The Scottish Government requires landlords to comply with EESSH. Failure to meet the standard could result in regulatory engagement.

8.4 Intensive monitoring of a number of infra-red heating installations is ongoing in conjunction with the suppliers. Initial findings were presented to the Asset Management Working Group and it has been agreed to continue with monitoring for a further period whilst carrying out agreed upgrade works to improve system operation and heat retention. A payment is being made to tenants to recognize their participation in the monitoring exercise. The monitoring will conclude on 30 September 2022 and the findings will be reported to the Asset Management Working Group with any conclusions or proposals reported to November Board meeting.

Report Details

2022/23 Investment Programme

9.1 The position of each contract Lot is set out in the table below. Progress on works is shown below with updated start and completion dates. Specific points to note are detailed at paragraph 9.2.

Work	Lot/ Contractor	Start Date	Completion Date
Lewis & Harris			
Windows & Doors Lot 1	Tenders issued via Open Procedure PCS – return date 12 Aug 2022		
Gas Heating Lot 2a	FES FM Ltd	25/07/2022	27/10/2022
Heating Lot 2b	Alex Murray (Construction) Ltd	23/05/2022	25/09/2022
Bathroom & Showers Lot 3a	Alex Murray (Construction) Ltd	09/05/2022	Complete
Showers Lot 3b	FES FM Ltd	08/08/2022	TBC
Kitchens Lot 4	Alex Murray (Construction) Ltd	25/07/2022	TBC
Roofing Lot 5	Alex Murray (Construction) Ltd	15/08/2022	26/09/2022
Roughcast Lot 5	Alex Murray (Construction) Ltd	06/06/2022	05/09/2022
Electrical Lot 6	FES FM Ltd	TBC	TBC
Environmentals Lot 7	Alex Murray (Construction) Ltd	TBC	TBC
Energy Efficiency (External Wall Insulation)	Discussions ongoing with Scotland Excel	TBC	TBC
OT (Occupational Therapy) Lot 8	Alex Murray Construction	01/04/22	31/03/2023
Uist & Barra			
Windows/ Doors Lot 9	Tenders issued via Open Procedure PCS – return date 12 Aug 2022	TBC	TBC
Heating Lot 10a	Alex Murray (Construction) Ltd	13/06/2022	TBC
Kitchens Lot 12	Tenders issued via Open Procedure PCS – return date 05 September 2022	TBC	TBC
Electrical Lot 14	FES FM Ltd	TBC	TBC
Energy Efficiency (External Wall Insulation)	Discussions ongoing Scotland Excel	TBC	TBC
OT (Occupational Therapy) Lot 16	FES FM Ltd	01/04/22	31/03/2023

Programme progress

9.2 Works are progressing on site for a number of contracts with programmes agreed and with COVID-19 protocols continuing on all works.

9.3 A number of others are being surveyed with programmes being agreed between the Contractors and Investment Manager.

9.4 Contractors continue to monitor supply chain issues. There have been some delays on roofing products which may have an impact Lot 5 Roofing. The supply of air source heat pumps is being monitored but is not impacting on completion of works at present.

Procurement

9.5 Due to lack of interest on some call off contracts and limited competition, works have been retendered. Window contracts and Kitchens in Uists have been issued via an Open procedure on Public Contracts Scotland. Electrical works were re tendered on the framework with only one response with rates not deemed competitive. The Electrical works are now being negotiated via our Repairs and Planned Maintenance contract.

9.6 Discussions have been held with Scotland Excel regarding the utilization of their Energy Efficiency framework to deliver the External Wall Insulation. A capability and capacity enquiry was distributed to contractors on the Energy Efficiency lot. Two contractors returned interest. One has been excluded due to the very high costs. The second price appears to be acceptable but further clarification on costs and timescale has been sought from the second contractor. A response is awaited from Scotland Excel.

Low Carbon Funding

9.7 We have received confirmation of a grant award from the Scottish Government Social Housing Net Zero Heat Fund of up to £0.750M for the installation of additional air source heat pumps.

9.8 This will enable all properties at Doig Crescent and Riverview to be added to the Heating Programme.

9.9 We have also received confirmation of a grant award from the Social Housing Net Zero Heat Fund of up to £330,750 for External Wall Insulation (EWI) works. These are planned for 23 Swedish timber and Scan system houses at Heatherhill; Pentland Drive; Edgemoor Square; Scott Road; Dunrosil Place; Kersavagh; St Barr's Crescent; An Goirtean; Am Meall and Cille Bharra.

Aids and Adaptations position

10.1 The current position on General Adaptations is at the table below. Referrals are being progressed as they are received, and regular discussions are ongoing with contractors and with Occupational Therapists to ensure works are actioned and completed timeously.

Occupational Therapy Referrals	**2022/23**
Number of Properties	49
Number of Referrals (some properties have more than one referral)	57
Number of tasks on Referrals (a referral can have multiple tasks)	108
Number of referrals completed	21
Number of Referral tasks completed	32
Total Spend/ Committed	**£132K**
Grant Allocation – General Adaptations	**£330K**

Infrared heating

11.1 The current position on General Adaptations is at Table 2. Referrals are being progressed as they are received and regular discussions are ongoing with contractors.