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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 ……………………………………………………