hebridean housing partnership

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BOARD AGENDA – 23 MAY 2023

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO	TIME
1	**Attendance & Apologies**	Noting	Chair	2	5:30pm - 5.50pm
2	**Declaration of Interest**	Noting	Chair	-	
3	**Minutes**			-	
3.1.1	Minute of Meeting 29 March 2023	Approval	Chair	4	
3.2	Action Sheet	Noting	Company Secretary	10	
4	**Date of Next Meeting** 28 June 2023	Approval	Chair	-	
5	**Health & Safety**	Noting	Director of Operations	-	

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO	TIME
6	**Items For Decision**				5:50pm - 6:15pm
6.1	Annual Return on the Charter	Approval	Governance Officer	11	
6.2	SHR Return	Approval	Director of F&CS	66	

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO	TIME
7	**Monitoring Report**				6:15pm - 6:25pm
7.1	SHR Engagement Plan	Noting	Chief Executive	76	

MEETING GOES INTO PRIVATE SESSION

Board Meetings 2022/23

Board Members	Notes	01-Sep-22	22-Nov-22	08-Feb-23	29-Mar-23				
Iain Macmillan	3								
Calum Mackay	1								
Alexander Gardner	2 & 6								
Alison MacCorquodale									
Donald MacSween									
Finlay Stewart									
Gordon Macleod	4								
Helen Mackenzie									
Iain M Macleod									
Norman A Macdonald	1								
Roddy Nicolson	1								
Fiona Knape	5								

1 - Appointed as a Community Member on 1 September 2022
2 - Appointed as a Tenant Member on 1 September 2022
3 - Resigned as Board Member on 22 December 2022
4 - Appointed as a Community Member on 22 November 2022
5 - Appointed as a Tenant Member on 22 November 2022
6 - Removed as Board Member on 29 March 2023

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 2022/23

Board Members	Notes	Decision Time Training	Committee / Board as a Landlord	Business Planning Day	Governance Training	Decision Time Training	
		27-Sep-22	01-Dec-22	31-Jan-23	31-Jan-23	22-Feb-23	
Iain Macmillan	3						
Calum Mackay	1						
Alexander Gardner	2 & 6						
Gordon Macleod	4						
Norman A Macdonald							
Roddy Nicolson							
Helen Mackenzie							
Iain M Macleod							
Donald Macsween							
Alison MacCorquodale							
Finlay Stewart							
Fiona Knape	5						

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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 March 2023 at 5.30pm

	PRELIMINARY ITEM	
	ATTENDANCE & APOLOGIES	
1	**Attendance & Apologies** Attendees Gordon Macleod (Chair) Calum Mackay (Vice-Chair) Alison MacCorquodale Donald Macsween Fiona Knape Helen Mackenzie Iain M Macleod Norman A Macdonald Apologies Alex Gardner Finlay Stewart Roddy Nicolson	Staff & Consultants In Attendance Dena Macleod (Chief Executive) Donald Macleod (Director of Finance & Corporate Services) John Maciver (Director of Operations) Jonathan Fairgrieve (Corporate Services Officer – Minute Taker) Iona France (Governance Officer) Angus Smith (Corporate Resources Manager) Donalda Mackinnon (Area Manager) James Morrison (Finance Manager) Katrina Rowlands (Service Development Manager) Michael Libby (Corporate Services Officer) Monika Fortagh (Debt Management Officer) Norma Robb (People Development Officer) Peter O'Donnell (Investment Manager) Sawan Morrison (Development Manager)
	PRELIMINARY PROCEDURAL MATTERS	
2	**Declaration of Interest** **Gordon Macleod declared an interest in item 6.5.** **Calum Mackay declared an interest in item 6.8.**	
3.1	**Minute of Board Meeting 8 February 2023** **The minute of the Board meeting of 8 February 2023 was submitted and approved as a true and accurate record.**	
3.2	**Action Sheet** The Chief Executive advised updates on actions in the private section of the Action Sheet would be taken in private. **The Action Sheet was noted.**	
4	**Date of Next Meeting** The Chair requested Members view be sought as to whether holding Board Meetings on a Tuesday would be better suited to members. **The date of the next meeting will be Tuesday 23 May 2023.**	
5	**Health & Safety** **Nothing to report.**	

ITEMS FOR DECISION	
6.1	**<u>Business Plan 2023 Update</u>** The Chief Executive presented the 2023 update of our five year Business Plan (2019/20 to 2023/24) for review and approval. Following consultation on key points within the plan, no responses had been received. The following changes had been made to the Plan: • The inclusion of the infra-red heating replacement programme; • References added relating to the Cost of Living Crisis; • An action plan on Damp & Mould; • The inclusion of the New Committee Structure; and • Significant changes to the Risk Appetite Statement following the Business Planning Day held on 31 January 2023. The Chief Executive advised a full review of the Business Plan would be taking place during 2023/24 and a variety of consultation options would be considered. Norman Macdonald commented on the impact development has in the communities we serve and how this must not be underestimated. Helen Mackenzie asked for some information surrounding the number of children in our new developments to quantify the number of families our developments bring to our communities. The Director of Operations advised this would be brought to a future meeting of the Board. **The Board approved the Business Plan (2019/20 – 2023/24) Year 5.**
6.2	**<u>Budgets 2023/24</u>** Detailed budgets for 2023/24 were presented for consideration and approval. The Budgets had been prepared, following the Board decision on 8 February 2023 to increase rents by RPI Minus 8.2% (6%) and taking into account the cash planning limits for 2023/24. Budgets were presented to the Development & Finance Committee on 28 February 2023 where stress testing and covenant compliance checks were performed. The Budgets had been updated since the Committee met on 28 February 2023 to incorporate the HWEC service charges and income of £130K per annum. **The Board:** **a) approved the 2023/24 budgets; and** **b) noted the cash planning limits and 30 year cash flow statement.**
6.3	**<u>Annual Financing Strategy 2023/24</u>** The Director of Finance & Corporate Services presented the Annual Financing Strategy 2023/24 for consideration and approval. Facility B was now fully drawn in line with the 2 year availability period and agreed fixed rate loan profile. Non-utilisation/commitment fees that applied on Facility B no longer apply. **The Board approved the Annual Financing Strategy 2023/24.**
6.4	**<u>Fraud Checklist</u>** The Annual Fraud Checklist was presented for consideration and approval. The Director of Finance & Corporate Services advised we were unable to confirm item 6 on the checklist and employees and managers would be reminded of their obligation to take 2 weeks consecutive holidays annually, those who cannot comply with this requirement require their managers approval who will notify the Director of Finance & Corporate Services so that appropriate measures can be put in place. It was noted that strike actions undertaken by schools in 2022 had impacted some employees taking two weeks consecutive leave. **The Board reviewed and approved the Fraud Checklist.**

6.5	**<u>Development Report</u>** **Gordon Macleod declared an interest in this item and did not participate in the discussion.** The Development Manager provided an update on the Development Programme since the previous Board meeting on 8 February 2023.

Project	Update
Blackwater	6 weeks behind programme due to weather restricting progress.
Lochmaddy	Land Transaction concluded and contractor working on site
Barra	Meter installation completed with an updated programme and handover expected in April 2023.
Crowlista	4 new build properties handed over and care unit handover expected in April 2023.
Scott Road	Final report from the water pressure study received with positive feedback from Scottish Water. A site layout is being investigated and legal agreements progressed.
Low Flyer (Phase 2)	Tender returned and submissions were being assessed.
Leverburgh	Planning application lodged and tender documentation was being prepared. Representations had been made from the community regarding the site layout and a holding objection had been received from SEPA regarding peat management.
Grimsay	Feasibility Study had given a positive response and decrofting was being investigated.
Bernera	In discussions with Scottish Government regarding the cost of developing.
Gravir	Feasibility being finalised, Topography work had completed with the final report anticipated.
Sinclair Avenue NSSE	The final phase consisted of 2 x 2 bedroom homes. One house had sold and the sale of the other was due to complete on 31 March 2023.

Approval was sought for the purchase of land at Leverburgh subject to planning. Donald Macsween raised a concern as to why it was proposed to build six units when the site had capacity for twelve. The Director of Operations stated both the Comhairle's Strategic Housing Investment Plan (SHIP) and our Development Plan had provision for six units in South Harris and if this was to increase then it would be likely to require projects in other areas to be postponed. Helen Mackenzie commented that decisions need to be evidence based and lobbying from communities should not be the basis for decisions making which can detract from the financial risks. The Chief Executive explained that affordability needed to be factored into our decision making in development and the approved Business Plan had provision for 62 new homes in 2023/24, if 6 extra homes were to be built in one area then they would need to be taken away from another area. Alison MacCorquodale stated that the Risk Appetite around development had decreased as per the approved Business Plan and it would be beneficial to find a further method for which people could register interest for properties in rural areas to work alongside our waiting lists.

The Board:

- **a) approved the purchase of land at Leverburgh subject to planning; and**
- **b) noted the Development Plan update.**

6.6	**<u>Investment Monitoring Report</u>** The Investment Manager presented an update on the 2022/23 Investment Programme and the procurement timetable for the 2023/24 Investment Programme. Members were advised the procurement for the 2023/24 programme had been prioritised in the event of no grant funding being available to support infra-red heating replacements. **The Board:** **a) noted the progress on the 2022/23 Investment Programme;** **b) noted the procurement plan for the 2023/24 Investment Programme;** **c) approved that kitchen, bathroom, roughcasting programme and the heating installations at Arras Cottages and Lewis Street be postponed if our grant funding application to support the Infra-red replacement programme is unsuccessful.**

6.7	**<u>Training Plan</u>** The People Development Officer presented the 2023/24 Staff and Board Training Plans for consideration and approval. The staff training requirements had been identified from a number of different sources including contractual requirements, staff appraisals and discussions with Management Team. The Board Training Plan had been prepared following the Board Development Session held in December 2022. Helen Mackenzie asked if Cyber Security Training could be added to the Staff Training Plan. The People Development Officer advised this was covered under BCarm Risk Modules which all staff complete annually. It was agreed a copy of the Board Training Plan be issued to members. **The Board approved the:** **a) Staff Training Plan 2023/24; and** **b) Board Training Plan 2023/24.**
6.8	**<u>Tenant Participation</u>** **Calum Mackay declared an interest in this item and left the meeting prior to discussion.** The report sought approval not to extend our contract with TPAS (Scotland) beyond May 2023 and to support tenant attendance at the TPAS (Scotland) Annual Conference. An update on the action plan, agreed by the Board, on the 2021 Tenant Satisfaction Survey was provided within the report. Fiona Knape and Helen Mackenzie asked that tenants who attend the conference provide feedback to the Board and efforts be made to ensure tenants across all areas of the Outer Hebrides be given the opportunity to attend. It was agreed this be a condition of the funding of places at the conference. Fiona Knape questioned the efforts being taken to address a decrease in performance in tenant satisfaction with *HHP's contribution to the management of the neighbourhood they live in*. The Service Development Manager advised a large number of estates have been visited by the Housing Officers and Tenant Participation Officer, with tenants informed in advance that the Housing Officer would be in the area. **The Board:** **a) agreed not to extend the TPAS contract;** **b) agreed to fund up to 6 places for the Western Isles Housing Association Communities Forum at the TPAS (Scotland) Annual Conference in June 2023, subject to efforts being made to ensure attendance is representative of all areas of the Outer Hebrides and feedback be provided on the outcomes of the conference; and** **c) noted the Tenant Satisfaction Survey Action Plan.**
	POLICIES & STRATEGIES
7.1	**<u>Rent & Service Charges Policy</u>** **Calum Mackay rejoined the meeting prior to the discussion of this item.** The report provided a review of the Rent & Service Charges Policy. Minor changes had been made to the Policy in relation to Rent Structure and New Build Properties. Helen Mackenzie requested service charges, garage site rent and rents for 1 apt properties be reviewed. The Director of Finance & Corporate Services advised this would be incorporated as part of the Rent Structure review. **The Board approved the Rent & Service Charges Policy.**
7.2	**<u>Expenses Policies</u>** Updated Staff and Members' Expenses Policies were presented to the Board for approval. Both policies had been updated to take into consideration the increased cost of hotel accommodation post COVID-19 and to remove mainland milage rates, with all milage now payable under one rate. The Staff Expenses Policy had been updated to reflect changes in the approved HMRC private use of van allowance. **The Board approved the:** **a) Staff Expenses Policy for consultation with staff and the Union; and** **b) Members Expenses Policy.**

7.3	<u>**Damp, Mould & Condensation Policy**</u> The Investment Manager presented the Damp, Mould & Condensation Policy and provided information on the actions being taken to address these issues within the housing stock. The Policy followed an English Ombudsman recommendation to have a specific policy on Damp and Mould and was in line with expectations from the Scottish Housing Regulator. It also recognised issues raised in the coroner report following the inquest into the death in December 2020 of 2 year old, Awaab Ishak in Barnsley which linked the death to the prevalence of mould in the home. The Policy seeks to ensure that wherever possible, tenants are not adversely affected by the causes of damp and mould and have warm, safe and healthy homes to live in. **The Board:** **a) approved the Damp, Mould and Condensation Policy;** **b) noted the information on the Damp, Mould and Condensation; and** **c) noted the Action Plan.**
7.4	<u>**Workforce Strategy Annual Update**</u> The Chief Executive presented the Workforce Strategy for consultation with staff and the Union. An action plan and apprenticeship scheme had been developed and statistics within the Strategy had been updated. Discussions centred around apprenticeships and the potential to encourage older people into apprenticeships. Alison MacCorquodale queried why the first year apprenticeship wage was below the National Living Wage. Helen Mackenzie stated the need to make posts available outside of the Stornoway area. **Gordon Macleod left the meeting and Calum Mackay took over the role of Chairperson.** The Chief Executive proposed the salary for first year apprenticeships be discussed at the next meeting of the Personnel Working Group. Members were also advised all staff that are able to work from home are given the option to do so. **The Board:** **a) considered and approved the revised Workforce Strategy for consultation with staff and the Union; and** **b) agreed the Workforce Strategy and Apprenticeship scheme be discussed at the next meeting of the Personnel Working Group, following the consultation period.**
7.5	<u>**Procurement Policy & Procurement Strategy**</u> The Corporate Resources Manager advised the annual review of the Procurement Policy & Strategy had taken place with no amendments required. Helen Mackenzie requested the evidence on Community Benefits under the Repairs & Maintenance Contract be shared with Board Members. **The Board noted:** **a) there are no changes to the Procurement Policy or Strategy and the current Policy or Strategy and the current Policy & Strategy will remain valid for a further 12 months;** **b) the Procurement Plan for 2023/24;** **c) the procurement performance for 2022; and** **d) the Contracts & Community Benefit Registers.**
	MONITORING REPORTS
8.1	<u>**Management Report to 31 January 2023**</u> The Finance Manager presented the Management Report to 31 January 2023 for approval. The report highlighted that Financial Covenants were forecast to be met for the year ended 31 March 2023, with an interest cover of 253%. **The Board noted the Management Report at 31 January 2023 and revised forecast out turn at 31 March 2023.**

8.2	**Planned & Cyclical Maintenance 2023/24** The Director of Operations presented an update on the 2023/24 Planned and Cyclical Maintenance Programme. The report set out how maintenance works were prioritised as follows: 1. Statutory and Regulatory Requirements; including annual gas servicing, detection systems and fire door inspections; 2. Health & Safety Issues; 3. Building Fabric Repairs; 4. Environmental Works; and 5. External Fabric Painting. **The Board noted the report.**
MEETING WENT INTO PRIVATE SESSION	

Chairperson Mr Gordon Macleod

SIGNED ………………………………………………………

DATE ………………………………………………………

ITEM NO 3.2

BOARD ACTION SHEET

ACTION POINT	MINUTE NUMBER	ACTION TO BE TAKEN	DEADLINE/ TIMESCALE	ACTION BY	PROGRESS
1	29 Mar 23 (6.1)	Information on number of families in new developments be brought back to Board	28 June 2023	Director of Operations	
2	29 Mar 23 (6.7)	Board Training Plan to be issued to members.	28 April 2023	Governance Officer	Available on Decision Time.
3	29 Mar 23 (6.8)	Funding for six places at the TPAS (Scotland) Annual Conference 2023 be allocated to the Western Isles Housing Association Communities Forum. Report from those attending the conference to be shared with the Board.	June 2023	Service Development Manager	Places at conference booked. One place remains available but no tenants from Uist or Barra have accepted.
4	29 Mar 23 (7.2 & 7.4)	Staff and Union to be consulted on Staff Expenses Policy and Workforce Strategy	5 April 2023	Governance Officer	Consultation period ended on 14 April 2023. Report to Personnel Working Group on 15 June 2023.
5	29 Mar 23 (7.4)	Workforce Strategy and Apprenticeship scheme be discussed at Personnel Working Group, following consultation.	June 2023	Chief Executive	Arranged for 15 June 2023
6	8 Feb 23 (6.3)	Letter to be issued to all tenants with Infra-red heating informing of Board decision	10 February 2023	Director of Operations	Completed - Issued 9 February 2023 Communication plan on Decision Time.
7	8 Feb 23 (6.6)	Two Board Members and Governance Officer to attend meeting with other Board members from RSL's in Highlands & Islands	4 May 2023	Governance Officer	Completed.
8	9 Feb 2022 (7.2)	Review garage rents.	2023/24	Director of Finance & Corporate Services	To be reviewed with Development & Finance Committee in June 2023.

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ITEM NO 6.1

ANNUAL RETURN ON THE CHARTER 2022/23

Board 23 May 2023

Report by Chief Executive

Purpose of Report

1.1 The purpose of this report is to bring our Annual Return on the Charter (ARC) 2022/23 before the Board for consideration and approval.

Summary

2.1 The completed ARC is at Appendix 1.

2.2 Of the 35 applicable indicators, 8 are contextual. Of the remaining 27 performance indicators, 9 are showing an improvement since the previous year and 13 are neutral. A summary of some of the key variances is shown in the table at 9.3.

2.3 7 less homes were let this year when compared to last year.

2.4 Six of the indicators are based on the results of the Tenant Satisfaction Survey carried out in July 2021 and therefore have not changed. The next Tenant Satisfaction Survey will be carried out in the summer of 2024.

2.5 Scottish Government are carrying out a review of the Energy Efficiency Standard for Social Housing post 2020 (EESSH2). The Regulator has advised landlords that it has paused the collection of data on EESSH2 until after the conclusion of the review when it will consult on ARC indicators that are appropriate to the outcome of the review.

Competence

3.1 The financial, legal and other implications are detailed in paragraph 5.1 – 8.1 of this report.

Recommendations

4.1 **It is recommended that the Board review and approve the Draft Annual Return on the Charter 2022/23 at Appendix 1, subject to the reconciliation of any queries raised.**

APPENDIX 1:	Draft Annual Return on the Charter 2022/23	
Background Papers:	Scottish Social Housing Charter	
Writer of Report:	Iona France	Tel: 0300 123 0773

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 ARC is prepared and submitted by 31 May 2023.

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 points CH1 in relation to our Annual Assurance Statement.

Risk

8.1 Completion and submission of the ARC within timescales mitigates the risk of breaching our regulatory requirements and the potential knock-on effect of increasing our risk rating and regulatory engagement.

Report Details

9.1 On 1 April 2023, RSLs commenced reporting against the ninth full year of the Annual Return on the Charter (ARC). This return covers the period 1 April 2022 – 31 March 2023.

9.2 Some of the key indicators are below. Previous years' data is shown for comparison.

DETAIL	Variance	ARC 2022/23	ARC 2021/22	ARC 2020/21
Emergency repairs completed	13.84%	1,119	983	1,206
Average length of time to complete emergency repairs	-6.90%	2.48 hours	2.32 hours	2.61 hours
Non-emergency repairs completed	-1.62%	4,615	4,690	4,141
Average length of time to complete non-emergency repairs	-4.65%	3.69 days	3.87 days	4.90 days
Reactive repairs completed right first time	0.13%	89.84%	89.72%	90.56%
Total arrears	-2.37%	£332,677	£340,748	£307,832
Former tenant arrears	3.02%	£113,701	£110,365	£120,221
Average time to re-let properties in the last year	-31.48%	30.97 days	45.19 days	50.19 days
Calendar days properties were empty	-26.74%	6,225	8,497	8,131
Rent loss through voids	-43.26%	£61,139	£107,753	£96,726
General needs lets	0.41%	242	241	184
Supported Housing lets	-72.73%	3	11	2
Anti-social behaviour cases	-18.75%	13	16	12
Abandoned properties	16.67%	7	6	4
Total self-contained stock	1.88%	2,330	2,287	2,223
Stock meeting SHQS	11.51%	83.48%	74.86%	80.07%
Rent increase	71.43%	6.0%	3.5%	1.3%
Staff turnover	-15.38%	11%	13%	5.08%

9.3 Most areas of performance have returned to pre-pandemic levels:

- Average time to re-let properties in the last year has decreased by 31.48%
- Number of calendar days properties were empty decreased by 26.75%
- Void loss has decreased by 43.26%
- Arrears have decreased by 2.37%

9.4 The repairs response time performance for emergency repairs has decreased very slightly but remains under 3 hours for completion. Non-emergency repairs response time and the repairs right time performance have both improved.

9.5 The total stock meeting SHQS has increased by 11.5%. This indicator is still impacted by access issues for Electrical Installation Condition Reports (EICRs).

EESSH2

10.1 The collection of data on EESSH2 has been paused until after the conclusion of the Scottish Government's review when it will consult on ARC indicators that are appropriate to the outcome of the review.

10.2 In the meantime the Regulator will focus on the quality of landlords' housing condition information and the effectiveness of asset management strategies.

10.3 Landlords should, however, continue to collect data for their own use.

Tenant Report

11.1 Following the publication of ARC results by the Regulator in the autumn, our Tenant Report will be prepared and made available to all Tenants.

Annual Return on the Charter (ARC) 2022-2023

Landlord name: Hebridean Housing Partnership Ltd

RSL Reg. No.: 359

Report generated date: 12/05/2023 10:18:37

Approval

A1.1	Date approved	
A1.2	Approver	
A1.3	Approver job title	
A1.4	Comments (Approval)	

Social landlord contextual information

Staff

Staff information, staff turnover and sickness rates (Indicator C1)

C1.1	the name of Chief Executive	Ms. Dena Macleod
C1.2.1	C1.2 Staff employed by the RSL: the number of senior staff	3.00
C1.2.2	the number of office based staff	41.25
C1.2.3	the number of care / support staff	2.50
C1.2.4	the number of concierge staff	0.00
C1.2.5	the number of direct labour staff	0.00
C1.2.6	the total number of staff	46.75
C1.3.1	Staff turnover and sickness absence: the percentage of senior staff turnover in the year to the end of the reporting year	0.00%
C1.3.2	the percentage of total staff turnover in the year to the end of the reporting year	11.00%
C1.3.3	the percentage of days lost through staff sickness absence in the reporting year	3.00%

Social landlord contextual information

Lets

Number of lets during the reporting year, split between ‘general needs’ and ‘supported housing’ (Indicator C3)

C3.1	The number of ‘general needs’ lets during the reporting year	242
C3.2	The number of ‘supported housing’ lets during the reporting year	3

Indicator C3	245

The number of lets during the reporting year by source of let (Indicator C2)

C2.1	The number of lets to existing tenants	35
C2.2	The number of lets to housing list applicants	136
C2.3	The number of mutual exchanges	15
C2.4	The number of lets from other sources	1
C2.5.1	C2.5 The number of applicants who have been assessed as statutorily homeless by the local authority as: section 5 referrals	0
C2.5.2	nominations from the local authority	73
C2.5.3	other	0
C2.6	the number of other nominations from local authorities	0
C2.7	Total number of lets excluding exchanges	245

Annual Return on the Charter (ARC) 2022-2023

Comments for any notable improvements or deterioration in performance regarding the figures supplied in the "Social landlord contextual information" section.

Overall satisfaction

All outcomes

Percentage of tenants satisfied with the overall service provided by their landlord (Indicator 1)

1.1.1	1.1 In relation to the overall tenant satisfaction survey carried out, please state: the number of tenants who were surveyed	592
1.1.2	the fieldwork dates of the survey	07/2021
1.1.3	The method(s) of administering the survey: Post	☐
1.1.4	Telephone	☒
1.1.5	Face-to-face	☐
1.1.6	Online	☒
1.2.1	1.2 In relation to the tenant satisfaction question on overall services, please state the number of tenants who responded: very satisfied	374
1.2.2	fairly satisfied	135
1.2.3	neither satisfied nor dissatisfied	33
1.2.4	fairly dissatisfied	33
1.2.5	very dissatisfied	17
1.2.6	no opinion	0
1.2.7	Total	592

Indicator 1	85.98%

Annual Return on the Charter (ARC) 2022-2023

Comments for any notable improvements or deterioration in performance regarding the figures supplied in the "Overall satisfaction" section.

No changes to data as no survey carried out. Next satisfaction survey due 2024

The customer / landlord relationship

Communication

Percentage of tenants who feel their landlord is good at keeping them informed about their services and decisions (Indicator 2)

2.1	How many tenants answered the question "How good or poor do you feel your landlord is at keeping you informed about their services and decisions?"	592
2.2.1	2.2 Of the tenants who answered, how many said that their landlord was: very good at keeping them informed	409
2.2.2	fairly good at keeping them informed	119
2.2.3	neither good nor poor at keeping them informed	19
2.2.4	fairly poor at keeping them informed	27
2.2.5	very poor at keeping them informed	18
2.2.6	Total	592

Indicator 2	89.19%

Participation

Percentage of tenants satisfied with the opportunities given to them to participate in their landlord's decision making processes (Indicator 5)

5.1	How many tenants answered the question "How satisfied or dissatisfied are you with opportunities given to you to participate in your landlord's decision making processes?"	592
5.2.1	5.2 Of the tenants who answered, how many said that they were: very satisfied	375
5.2.2	fairly satisfied	125
5.2.3	neither satisfied nor dissatisfied	56
5.2.4	fairly dissatisfied	29
5.2.5	very dissatisfied	7
5.2.6	Total	592

Indicator 5	84.46%

Comments for any notable improvements or deterioration in performance regarding the figures supplied in the "The customer / landlord relationship" section.

No changes to data as no survey carried out. Next satisfaction survey due 2024.

Housing quality and maintenance

Quality of housing

Scottish Housing Quality Standard (SHQS) – Stock condition survey information (Indicator C8)

C8.1	The date your organisation's stock was last surveyed or assessed for compliance with the SHQS	01/2018
C8.2	What percentage of stock did your organisation fully assess for compliance in the last five years?	20.00
C8.3	The date of your next scheduled stock condition survey or assessment	05/2023
C8.4	What percentage of your organisation's stock will be fully assessed in the next survey for SHQS compliance	20.00
C8.5	Comments on method of assessing SHQS compliance.	

Assets of age, construction, type and in differing areas were developed into cells for a 20% sample.
A contingency list within the cells was also prepared in readiness for cloning across the remainder of the stock.
The results of the sample and cloning will then be cross referenced to known improvements carried out in recent years in order to provide an accurate model of works required across SHQS criteria.

Scottish Housing Quality Standard (SHQS) – Stock summary (Indicator C9)

		End of the reporting year	End of the next reporting year
C9.1	Total self-contained stock	2,330	2,426
C9.2	Self-contained stock exempt from SHQS	316	215
C9.3	Self-contained stock in abeyance from SHQS	37	36
C9.4.1	Self-contained stock failing SHQS for one criterion	32	0
C9.4.2	Self-contained stock failing SHQS for two or more criteria	0	0
C9.4.3	Total self-contained stock failing SHQS	32	0
C9.5	Stock meeting the SHQS	1,945	2,175

C9.6	Total self-contained stock meeting the SHQS by local authority

	End of the reporting year	End of the next reporting year
Aberdeen City	0	0
Aberdeenshire	0	0
Angus	0	0
Argyll & Bute	0	0
City of Edinburgh	0	0
Clackmannanshire	0	0
Dumfries & Galloway	0	0
Dundee City	0	0
East Ayrshire	0	0
East Dunbartonshire	0	0
East Lothian	0	0
East Renfrewshire	0	0
Eilean Siar	1,945	2,175
Falkirk	0	0
Fife	0	0
Glasgow City	0	0
Highland	0	0
Inverclyde	0	0
Midlothian	0	0
Moray	0	0
North Ayrshire	0	0

North Lanarkshire	0	0
Orkney Islands	0	0
Perth & Kinross	0	0
Renfrewshire	0	0
Scottish Borders	0	0
Shetland Islands	0	0
South Ayrshire	0	0
South Lanarkshire	0	0
Stirling	0	0
West Dunbartonshire	0	0
West Lothian	0	0
Totals	1,945	2,175

Percentage of stock meeting the Scottish Housing Quality Standard (SHQS) (Indicator 6)

6.1.1	The total number of properties within scope of the SHQS: at the end of the reporting year	2,330
6.1.2	projected to the end of the next reporting year	2,426
6.2.1	The number of properties meeting the SHQS: at the end of the reporting year	1,945
6.2.2	projected to the end of the next reporting year	2,175

Indicator 6 - Percentage of stock meeting the SHQS at the end of the reporting year	83.48%
Indicator 6 - Percentage of stock meeting the SHQS projected to the end of the next reporting year	89.65%

Percentage of tenants satisfied with the quality of their home (Indicator 7)

7.1	How many tenants answered the question "Overall, how satisfied or dissatisfied are you with the quality of your home?"	583
7.2.1	7.2 Of the tenants who answered, how many said that they were: very satisfied	369
7.2.2	fairly satisfied	148
7.2.3	neither satisfied nor dissatisfied	31
7.2.4	fairly dissatisfied	18
7.2.5	very dissatisfied	17
7.3	Total	583

Indicator 7	88.68%

Repairs, maintenance & improvements

Average length of time taken to complete emergency repairs (Indicator 8)

8.1	The number of emergency repairs completed in the reporting year	1,119
8.2	The total number of hours taken to complete emergency repairs	2,772

Indicator 8	2.48

Average length of time taken to complete non-emergency repairs (Indicator 9)

9.1	The total number of non-emergency repairs completed in the reporting year	4,615
9.2	The total number of working days taken to complete non-emergency repairs	17,016

Indicator 9	3.69

Percentage of reactive repairs carried out in the last year completed right first time (Indicator 10)

10.1	The number of reactive repairs completed right first time during the reporting year	4,146
10.2	The total number of reactive repairs completed during the reporting year	4,615

Indicator 10	89.84%

How many times in the reporting year did not meet your statutory duty to complete a gas safety check (Indicator 11).

11.1	The number of times you did not meet your statutory duty to complete a gas safety check.	0
11.2	if you did not meet your statutory duty to complete a gas safety check add a note in the comments field	
		N/A

Indicator 11	0

Percentage of tenants who have had repairs or maintenance carried out in last 12 months satisfied with the repairs and maintenance service (Indicator 12)

12.1	Of the tenants who had repairs carried out in the last year, how many answered the question "Thinking about the LAST time you had repairs carried out, how satisfied or dissatisfied were you with the repairs service provided by your landlord?"	185
	12.2 Of the tenants who answered, how many said that they were:	
12.2.1	very satisfied	160
12.2.2	fairly satisfied	23
12.2.3	neither satisfied nor dissatisfied	1
12.2.4	fairly dissatisfied	1
12.2.5	very dissatisfied	0
12.2.6	Total	185

Indicator 12	98.92%

Comments for any notable improvements or deterioration in performance, or compliance with tenant and resident safety requirements regarding the figures supplied in the "Housing quality and maintenance" section, including non-compliance with electrical, gas and fire safety requirements and plans to address these issues.

Indicator C9
32 non-access for DEICR
8 properties delayed due to building warrant issue for heating works. Consumer units cannot be replaced till works start
7 properties delayed due to hoarding issues (all identified during Feb/Mar forced access appointments)
17 properties delayed due to non-access

Neighbourhood & community

Estate management, anti-social behaviour, neighbour nuisance and tenancy disputes

Percentage of all complaints responded to in full at Stage 1 and percentage of all complaints responded to in full at Stage 2. (Indicators 3 & 4)

	1st stage	2nd stage
Complaints received in the reporting year	52	61
Complaints carried forward from previous reporting year	0	1
All complaints received and carried forward	52	62
Number of complaints responded to in full by the landlord in the reporting year	52	61
Time taken in working days to provide a full response	181	846

Indicators 3 & 4 - The percentage of all complaints responded to in full at Stage 1	100.00%
Indicators 3 & 4 - The percentage of all complaints responded to in full at Stage 2	98.39%
Indicators 3 & 4 - The average time in working days for a full response at Stage 1	3.48
Indicators 3 & 4 - The average time in working days for a full response at Stage 2	13.87

Percentage of tenants satisfied with the landlord's contribution to the management of the neighbourhood they live in (Indicator 13)

13.1	How many tenants answered the question "'Overall, how satisfied or dissatisfied are you with your landlord's contribution to the management of the neighbourhood you live in?'"	541
13.2.1	13.2 Of the tenants who answered, how many said that they were: very satisfied	332
13.2.2	fairly satisfied	107
13.2.3	neither satisfied nor dissatisfied	31
13.2.4	fairly dissatisfied	55
13.2.5	very dissatisfied	16
13.2.6	Total	541

Indicator 13	81.15%

Percentage of tenancy offers refused during the year (Indicator 14)

14.1	The number of tenancy offers made during the reporting year	395
14.2	The number of tenancy offers that were refused	143

Indicator 14	36.20%

Percentage of anti-social behaviour cases reported in the last year which were resolved (Indicator 15)

15.1	The number of cases of anti-social behaviour reported in the last year	13
15.2	Of those at 15.1, the number of cases resolved in the last year	11

Indicator 15	84.62%

Abandoned homes (Indicator C4)

C4.1	The number of properties abandoned during the reporting year	7

Percentage of the court actions initiated which resulted in eviction and the reasons for eviction (Indicator 22)

22.1	The total number of court actions initiated during the reporting year	16
22.2.1	22.2 The number of properties recovered: because rent had not been paid	0
22.2.2	because of anti-social behaviour	0
22.2.3	for other reasons	0

Indicator 22 - Percentage of the court actions initiated which resulted in eviction because rent had not been paid	0.00%
Indicator 22 - Percentage of the court actions initiated which resulted in eviction because of anti-social behaviour	0.00%
Indicator 22 - Percentage of the court actions initiated which resulted in eviction for other reasons	0.00%
Indicator 22 - Percentage of the court actions initiated which resulted in eviction	0.00%

Comments for any notable improvements or deterioration in performance regarding the figures supplied in the "Neighbourhood & community" section.

N/A

Access to housing and support

Housing options and access to social housing

Percentage of lettable houses that became vacant in the last year (Indicator 17)

17.1	The total number of lettable self-contained stock	2,330
17.2	The number of empty dwellings that arose during the reporting year in self-contained lettable stock	201

Indicator 17	8.63%

Number of households currently waiting for adaptations to their home (Indicator 19)

19.1	The total number of approved applications on the list for adaptations as at the start of the reporting year, plus any new approved applications during the reporting year.	146
19.2	The number of approved applications completed between the start and end of the reporting year	135
19.3	The total number of households waiting for applications to be completed at the end of the reporting year.	11
19.4	if 19(iii) does not equal 19(i) minus 19(ii) add a note in the comments field.	
		N/A

Indicator 19	11

Total cost of adaptations completed in the year by source of funding (£) (Indicator 20)

20.1	The cost(£) that was landlord funded;	£30,062
20.2	The cost(£) that was grant funded	£330,000
20.3	The cost(£) that was funded by other sources.	£0

Indicator 20	£360,062

The average time to complete adaptations (Indicator 21)

21.1	The total number of working days taken to complete all adaptations.	4,591
21.2	The total number of adaptations completed during the reporting year.	252

Indicator 21	18.22

Homelessness – the percentage of referrals under Section 5, and other referrals for homeless households made by the local authority, that result in an offer, and the percentage of those offers that result in a let (Indicator 23)

23.1	The total number of individual homeless households referrals received under section 5.	0
23.2	The total number of individual homeless households referrals received under other referral routes.	106
23.3	The total number of individual homeless households referrals received under section 5 and other referral routes.	106
23.4	The total number of individual homeless households referrals received under section 5 that result in an offer of a permanent home.	0
23.5	The total number of individual homeless households referrals received under other referral routes that result in an offer of a permanent home.	99
23.6	The total number of individual homeless households referrals received under section 5 and other referral routes that result in an offer of a permanent home.	99
23.7	The total number of accepted offers.	73

Indicator 23 - The percentage of referrals under section 5, and other referrals for homeless households made by a local authority, that result in an offer	93.40%
Indicator 23 - The percentage of those offers that result in a let	73.74%

Average length of time to re-let properties in the last year (Indicator 30)

30.1	The total number of properties re-let in the reporting year	201
30.2	The total number of calendar days properties were empty	6,225

Indicator 30	30.97

Tenancy sustainment

Percentage of new tenancies sustained for more than a year, by source of let (Indicator 16)

16.1.1	The number of tenancies which began in the previous reporting year by: existing tenants	44
16.1.2	applicants who were assessed as statutory homeless by the local authority	96
16.1.3	applicants from your organisation's housing list	106
16.1.4	nominations from local authority	0
16.1.5	other	0
16.2.1	The number of tenants at 16.1 who remained in their tenancy for more than a year by: existing tenants	41
16.2.2	applicants who were assessed as statutory homeless by the local authority	88
16.2.3	applicants from your organisation's housing list	95
16.2.4	nominations from local authority	0
16.2.5	other	0

Indicator 16 - Percentage of new tenancies to existing tenants sustained for more than a year	93.18%
Indicator 16 - Percentage of new tenancies to applicants who were assessed as statutory homeless by the local authority sustained for more than a year	91.67%
Indicator 16 - Percentage of new tenancies to applicants from the landlord's housing list sustained for more than a year	89.62%
Indicator 16 - Percentage of new tenancies through nominations from local authority sustained for more than a year	N/A
Indicator 16 - Percentage of new tenancies to others sustained for more than a year	N/A

Comments for any notable improvements or deterioration in performance regarding the figures supplied in the "Access to housing and support" section.

Getting good value from rents and service charges

Rents and service charges

Rent collected as percentage of total rent due in the reporting year (Indicator 26)

26.1	The total amount of rent collected in the reporting year	£10,368,767
26.2	The total amount of rent due to be collected in the reporting year (annual rent debit)	£10,319,708

Indicator 26	100.48%

Gross rent arrears (all tenants) as at 31 March each year as a percentage of rent due for the reporting year (Indicator 27)

27.1	The total value (£) of gross rent arrears as at the end of the reporting year	£332,677
27.2	The total rent due for the reporting year	£10,378,127

Indicator 27	3.21%

Average annual management fee per factored property (Indicator 28)

28.1	The number of residential properties factored	133
28.2	The total value of management fees invoiced to factored owners in the reporting year	£1,107

Indicator 28	£8.32

Percentage of rent due lost through properties being empty during the last year (Indicator 18)

18.1	The total amount of rent due for the reporting year	£10,378,127
18.2	The total amount of rent lost through properties being empty during the reporting year	£61,139

Indicator 18	0.59%

Rent increase (Indicator C5)

C5.1	The percentage average weekly rent increase to be applied in the next reporting year	6.00%

The number of households for which landlords are paid housing costs directly and the total value of payments received in the reporting year (Indicator C6)

C6.1	The number of households the landlord received housing costs directly for during the reporting year	1,155
C6.2	The value of direct housing cost payments received during the reporting year	£4,149,118

Amount and percentage of former tenant rent arrears written off at the year end (Indicator C7)

C7.1	The total value of former tenant arrears at year end	£113,701
C7.2	The total value of former tenant arrears written off at year end	£27,267

Indicator C7	23.98%

Value for money

Percentage of tenants who feel that the rent for their property represents good value for money (Indicator 25)

25.1	How many tenants answered the question "Taking into account the accommodation and the services your landlord provides, do you think the rent for your property represents good or poor value for money?"	584
25.2.1	25.2 Of the tenants who answered, how many said that their rent represented: very good value for money	285
25.2.2	fairly good value for money	176
25.2.3	neither good nor poor value for money	41
25.2.4	fairly poor value for money	51
25.2.5	very poor value for money	31
25.3	Total	584

Indicator 25	78.94%

Percentage of factored owners satisfied with the factoring service they receive (Indicator 29)

29.1	How many factored owners answered the question "Taking everything into account, how satisfied or dissatisfied are you with the factoring services provided by your landlord?"	19
29.2.1	29.2 Of the factored owners who answered, how many said that they were: very satisfied	3
29.2.2	fairly satisfied	5
29.2.3	neither satisfied nor dissatisfied	3
29.2.4	fairly dissatisfied	4
29.2.5	very dissatisfied	4
29.3	Total	19

Indicator 29	42.11%

Comments for any notable improvements or deterioration in performance regarding the figures supplied in the "Getting good value from rents and service charges" section.

Other customers

Gypsies / Travellers

For those who provide Gypsies/Travellers sites - Average weekly rent per pitch (Indicator 31)

31.1	The total number of pitches	0
31.2	The total amount of rent set for all pitches during the reporting year	N/A

Indicator 31	N/A

For those who provide sites – percentage of Gypsy/Travellers satisfied with the landlord's management of the site (Indicator 32)

32.1	How many Gypsies/Travellers answered the question "How satisfied or dissatisfied are you with your landlord's management of your site?"	
32.2.1	32.2 Of the Gypsies/Travellers who answered, how many said that they were: very satisfied	
32.2.2	fairly satisfied	
32.2.3	neither satisfied nor dissatisfied	
32.2.4	fairly dissatisfied	
32.2.5	very dissatisfied	
32.2.6	Total	

Indicator 32	

Comments for any notable improvements or deterioration in performance regarding the figures supplied in the "Other customers" section.

Making our house your home

ITEM NO 6.2

SHR FIVE YEAR FINANCIAL PLAN RETURN

Board 23 May 2023

Report by Director of Finance & Corporate Services

Purpose of Report

1.1 To present the Five-Year Financial Plan (FYFP) (2023/2024-2027/2028) required by the Scottish Housing Regulator (SHR) for consideration and approval.

Summary

2.1 The SHR require RSLs to submit FYFPs annually. Our FYFP is based on the 30 year plans approved by Board in March 2023 and can be found at Appendix 1. This return requires to be submitted to SHR by 31 May 2023.

2.2 There are two further returns (Audited Financial Statements & Loan Portfolio Statement) which require to be submitted to SHR by 30 June 2023. These will be presented to Board on 28 June 2023, following the completion of the external audit.

Competence

3.1 Submission of the return at Appendix 1 will ensure the Partnership's regulatory requirements are met.

Recommendations

4.1 **It is recommended that the Board approve the FYFP at Appendix 1 for submission to the Scottish Housing Regulator.**

APPENDIX 1:	Five Year Plan 2023/2024 – 2027/2028	
Background Papers:	None	
Writer of Report:	Donald Macleod	Tel: 0300 123 0773

Competence

Financial

5.1 The five-year plan considers the resources the Partnership requires for 2023/2024-2027/2028 which is in line with the assumptions in the 30 Year Business Plan which was approved at the March 2023 Board meeting.

5.2 The five-year plan has been set in accordance with current accounting standards.

Legal

6.1 The Partnership's Rule 69 states that "The Partnership must keep proper books of account to cover its income, expenditure transactions and its assets, liabilities, and reserves in line with sections 75 and 76 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".

6.2 The Board has ultimate responsibility for the Partnership's finances and in accordance with the Financial Regulations the Board has the responsibility to approve the five-year plans.

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 setting of realistic budgets with robust assumptions reduces the risk of financial loss and failure as highlighted in the Risk Register.

APPENDIX 1

Five Year Financial Projections (FYFP) 2022-2023

Landlord Name:	Hebridean Housing Partnership Ltd
RSL Reg No.:	359
Report generated date:	15/05/2023 11:15:40

Approval

A1.1	Date approved	
A1.2	Approver	
A1.3	Approver job title	
A1.9	General Comment	

STATEMENT OF COMPREHENSIVE INCOME						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£'000	£'000	£'000	£'000	£'000	£'000
Gross rents	10,584.4	10,514.2	11,444.6	12,212.9	13,211.3	14,004.9
Service charges	57.9	156.9	173.4	184.6	191.1	195.9
Gross rents & service charges	10,642.3	10,671.1	11,618.0	12,397.5	13,402.4	14,200.8
Rent loss from voids	65.8	214.5	232.7	247.5	266.9	279.8
Net rent & service charges	10,576.5	10,456.6	11,385.3	12,150.0	13,135.5	13,921.0
Developments for sale income	1,076.5	0.0	0.0	0.0	0.0	0.0
Grants released from deferred income	1,612.1	1,309.9	1,399.7	1,438.1	1,622.3	1,761.1
Grants from Scottish Ministers	0.0	0.0	0.0	0.0	0.0	0.0
Other grants	925.0	1,525.3	420.0	420.0	370.0	120.0
Other income	22.6	0.0	0.0	0.0	0.0	0.0
TURNOVER	14,212.7	13,291.8	13,205.0	14,008.1	15,127.8	15,802.1
Less:						
Housing depreciation	4,005.8	4,605.6	4,910.2	5,113.6	5,395.4	5,599.6
Impairment written off / (back)	(4.1)	0.0	0.0	0.0	0.0	0.0
Management costs	2,338.5	2,642.0	2,822.2	3,005.6	3,151.3	3,267.3
Service costs	0.0	156.9	173.4	184.6	191.1	195.9
Planned maintenance - direct costs	1,045.1	1,057.3	1,159.3	1,764.3	1,845.3	1,905.0
Re-active & voids maintenance - direct costs	1,877.8	1,690.1	1,808.1	1,929.7	2,023.5	2,091.7
Maintenance overhead costs	0.0	0.0	0.0	0.0	0.0	0.0
Bad debts written off / (back)	41.0	211.1	229.0	244.0	261.7	275.9
Developments for sale costs	1,076.5	0.0	0.0	0.0	0.0	0.0
Other activity costs	0.0	0.0	0.0	0.0	0.0	0.0
Other costs	63.1	0.0	0.0	35.3	0.0	0.0
	6,442.0	5,757.4	6,192.0	7,163.5	7,472.9	7,735.8
Operating Costs	10,443.7	10,363.0	11,102.2	12,277.1	12,868.3	13,335.4
Gain/(Loss) on disposal of PPE	(157.2)	3.4	22.0	0.0	0.0	0.0
Exceptional Items - (Income) / Expense	0.0	0.0	0.0	0.0	0.0	0.0
OPERATING SURPLUS/(DEFICIT)	3,611.8	2,932.2	2,124.8	1,731.0	2,259.5	2,466.7
Interest receivable and other income	16.7	43.8	51.0	43.7	39.4	37.2
Interest payable and similar charges	640.9	1,189.4	1,629.8	1,718.8	1,868.5	1,868.5
Increase / (Decrease) in Negative Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Other Gains / (Losses)	0.0	0.0	0.0	0.0	0.0	0.0
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAX	2,987.6	1,786.6	546.0	55.9	430.4	635.4
Tax on surplus on ordinary activities	0.0	0.0	0.0	0.0	0.0	0.0
SURPLUS/(DEFICIT) FOR THE YEAR AFTER TAX	2,987.6	1,786.6	546.0	55.9	430.4	635.4
Actuarial (loss) / gain in respect of pension schemes	0.0	0.0	0.0	0.0	0.0	0.0
Change in Fair Value of hedged financial instruments.	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	2,987.6	1,786.6	546.0	55.9	430.4	635.4

Scottish Housing Regulator

STATEMENT OF FINANCIAL POSITION						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Non-Current Assets	£'000	£'000	£'000	£'000	£'000	£'000
Intangible Assets & Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Housing properties - Gross cost or valuation	161,880.3	175,380.7	191,053.6	197,920.1	209,093.4	211,961.9
Less:						
Housing Depreciation	33,412.5	38,018.1	42,928.3	48,041.9	53,437.3	59,036.9
Negative Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
NET HOUSING ASSETS	128,467.8	137,362.6	148,125.3	149,878.2	155,656.1	152,925.0
Non-Current Investments	0.0	0.0	0.0	0.0	0.0	0.0
Other Non Current Assets	2,070.3	653.4	630.3	611.7	593.1	574.5
TOTAL NON-CURRENT ASSETS	130,538.1	138,016.0	148,755.6	150,489.9	156,249.2	153,499.5
Current Assets						
Net rental receivables	19.3	437.6	505.8	538.6	541.6	540.2
Other receivables, stock & WIP	1,895.6	524.3	524.3	524.3	524.3	524.3
Investments (non-cash)	0.0	0.0	0.0	0.0	0.0	0.0
Cash at bank and in hand	8,021.6	11,522.0	8,636.8	8,869.7	6,726.2	8,352.3
TOTAL CURRENT ASSETS	9,936.5	12,483.9	9,666.9	9,932.6	7,792.1	9,416.8
Payables : Amounts falling due within One Year						
Loans due within one year	0.0	0.0	0.0	0.0	0.0	0.0
Overdrafts due within one year	0.0	0.0	0.0	0.0	0.0	0.0
Other short-term payables	2,652.8	0.0	0.0	22.2	22.9	23.5
TOTAL CURRENT LIABILITIES	2,652.8	0.0	0.0	22.2	22.9	23.5
NET CURRENT ASSETS/(LIABILITIES)	7,283.7	12,483.9	9,666.9	9,910.4	7,769.2	9,393.3
TOTAL ASSETS LESS CURRENT LIABILITIES	137,821.8	150,499.9	158,422.5	160,400.3	164,018.4	162,892.8
Payables : Amounts falling due After One Year						
Loans due after one year	22,583.0	28,083.0	30,083.0	30,583.0	30,583.0	30,583.0
Other long-term payables	0.0	0.0	0.0	0.0	0.0	0.0
Grants to be released	71,217.9	76,609.4	81,985.8	83,407.7	86,595.3	84,834.2
TOTAL LONG TERM LIABILITIES	93,800.9	104,692.4	112,068.8	113,990.7	117,178.3	115,417.2
Provisions for liabilities & charges	0.0	0.2	0.2	0.2	0.2	0.2
Pension asset / (liability)	2,155.0	2,155.0	2,155.0	2,155.0	2,155.0	2,155.0
NET ASSETS	41,865.9	43,652.3	44,198.5	44,254.4	44,684.9	45,320.4
Capital & Reserves						
Share capital	0.0	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0	0.0
Restricted reserves	0.0	0.0	0.0	0.0	0.0	0.0
Revenue reserves	41,865.9	43,652.3	44,198.5	44,254.4	44,684.9	45,320.4
TOTAL CAPITAL & RESERVES	41,865.9	43,652.3	44,198.5	44,254.4	44,684.9	45,320.4
Intra Group Receivables - as included above	0.0	0.0	0.0	0.0	0.0	0.0
Intra Group Payables - as included above	0.0	0.0	0.0	0.0	0.0	0.0

STATEMENT OF CASHFLOWS						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Net Cash from Operating Activities	£'000	£'000	£'000	£'000	£'000	£'000
Operating Surplus/(Deficit)	3,611.8	2,932.2	2,124.8	1,731.0	2,259.5	2,466.7
Depreciation & Amortisation	4,005.8	4,688.4	4,933.3	5,132.2	5,414.0	5,618.2
Impairments / (Revaluation Enhancements)	0.0	0.0	0.0	0.0	0.0	0.0
Increase / (Decrease) in Payables	(629.7)	(2,652.8)	0.0	0.0	0.0	0.0
(Increase) / Decrease in Receivables	71.5	1,457.6	0.0	0.0	0.0	0.0
(Increase) / Decrease in Stock & WIP	255.1	0.0	0.0	0.0	0.0	0.0
Gain / (Loss) on sale of non-current assets	(157.2)	(3.4)	(22.0)	0.0	0.0	0.0
Other non-cash adjustments	(1,674.3)	(1,814.5)	(1,467.7)	(1,448.9)	(1,624.4)	(1,759.1)
NET CASH FROM OPERATING ACTIVITIES	5,483.0	4,607.5	5,568.4	5,414.3	6,049.1	6,325.8
Tax (Paid) / Refunded	0.0	0.0	0.0	0.0	0.0	0.0
Return on Investment and Servicing of Finance						
Interest Received	16.6	43.8	51.0	43.7	39.4	37.2
Interest (Paid)	(593.9)	(1,189.4)	(1,629.8)	(1,718.8)	(1,868.5)	(1,868.5)
RETURNS ON INVESTMENT AND SERVICING OF FINANCE	(577.3)	(1,145.6)	(1,578.8)	(1,675.1)	(1,829.1)	(1,831.3)
Capital Expenditure & Financial Investment						
Construction or acquisition of Housing properties	(8,015.4)	(8,383.2)	(12,464.5)	(4,079.9)	(8,296.2)	0.0
Improvement of Housing	(4,949.9)	(3,919.6)	(3,214.4)	(2,786.5)	(2,877.2)	(2,868.4)
Construction or acquisition of other Land & Buildings	0.0	0.0	0.0	0.0	0.0	0.0
Construction or acquisition of other Non-Current Assets	0.0	0.0	0.0	0.0	0.0	0.0
Sale of Social Housing Properties	626.9	140.0	28.0	0.0	0.0	0.0
Sale of Other Land & Buildings	0.0	0.0	0.0	0.0	0.0	0.0
Sale of Other Non-Current Assets	0.0	0.0	0.0	0.0	0.0	0.0
Grants (Repaid) / Received	5,143.3	6,701.3	6,776.1	2,860.1	4,809.9	0.0
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	(7,195.1)	(5,461.5)	(8,874.8)	(4,006.3)	(6,363.5)	(2,868.4)
NET CASH BEFORE FINANCING	(2,289.4)	(1,999.6)	(4,885.2)	(267.1)	(2,143.5)	1,626.1
Financing						
Equity drawdown	0.0	0.0	0.0	0.0	0.0	0.0
Debt drawndown	7,000.0	5,500.0	2,000.0	500.0	0.0	0.0
Debt repayment	0.0	0.0	0.0	0.0	0.0	0.0
Working Capital (Cash) - Drawn / (Repaid)	0.0	0.0	0.0	0.0	0.0	0.0
NET CASH FROM FINANCING	7,000.0	5,500.0	2,000.0	500.0	0.0	0.0
INCREASE / (DECREASE) IN NET CASH	4,710.6	3,500.4	(2,885.2)	232.9	(2,143.5)	1,626.1
Cash Balance						
Balance Brought Forward	3,311.0	8,021.6	11,522.0	8,636.8	8,869.7	6,726.2
Increase / (Decrease) in Net Cash	4,710.6	3,500.4	(2,885.2)	232.9	(2,143.5)	1,626.1
CLOSING BALANCE	8,021.6	11,522.0	8,636.8	8,869.7	6,726.2	8,352.3

Scottish Housing Regulator

ADDITIONAL INFORMATION

	Year 0 £'000	Year 1 £'000	Year 2 £'000	Year 3 £'000	Year 4 £'000	Year 5 £'000
Number of units added during year to:						
New Social Rent Properties added	44	57	26	16	92	48
New MMR Properties added	0	0	0	0	0	0
New Low Costs Home Ownership Properties added	0	0	0	0	0	0
New Properties - Other Tenures added	0	0	0	0	0	0
Total number of new affordable housing units added during year	44	57	26	16	92	48
Units developed for sale:						
Number of units developed for sale to RSLs	0	0	0	0	0	0
Number of units developed for sale to non-RSLs	0	0	0	0	0	0
Development Assumption Indicator	No					
Number of units lost during year from:						
Sales including right to buy	1	10	2	0	0	0
Demolition	0	0	0	0	0	0
Other	0	0	0	0	0	0
Units owned:						
Social Rent Properties	2,330	2,377	2,401	2,417	2,509	2,557
MMR Properties	0	0	0	0	0	0
Low Costs Home Ownership Properties	0	0	0	0	0	0
Properties - Other Tenures	0	0	0	0	0	0
Number of units owned at end of period	2,330	2,377	2,401	2,417	2,509	2,557
Number of units managed at end of period (exclude factored units)	2,330	2,377	2,401	2,417	2,509	2,557
Financed by:						
Scottish Housing Grants	5,340.1	9,668.9	3,571.9	2,308.0	12,028.3	7,409.8
Other public subsidy	16.3	65.0	111.4	0.0	0.0	0.0
Private finance	2,789.6	6,469.8	1,671.7	1,051.9	5,882.1	3,466.2
Sales	0.0	0.0	0.0	0.0	0.0	0.0
Cash reserves	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
Total cost of new units	8,146.0	16,203.7	5,355.0	3,359.9	17,910.4	10,876.0
Assumptions:						
General Inflation (%)	3.5	14.2	10.0	6.5	3.5	2.5
Rent increase - Margin above/below General Inflation (%)	1.0	(8.2)	(3.0)	0.0	1.0	1.0
Operating cost increase - Margin above/below General Inflation (%)	0.0	0.5	0.5	0.0	0.0	0.0
Direct maint. cost increase-Margin above/below General Inflation (%)	0.0	0.5	0.4	0.1	0.1	0.1
Actual / Assumed average salary increase (%)	3.5	5.3	4.0	3.5	3.0	2.5
Average cost of borrowing (%)	3.3	5.3	5.8	5.7	6.1	6.1
Employers Contributions for pensions (%)	18.0	18.0	18.0	18.0	18.0	18.0
Employers Contributions for pensions (£'000)	308.8	352.6	387.9	413.1	427.6	438.3
SHAPS Pensions deficit contributions (£'000)	0.0	0.0	0.0	0.0	0.0	0.0
Min. headroom cover on tightest interest cover covenant (£'000)	1,754.4	252.4	2,490.6	726.9	948.3	49.8
Minimum headroom cover on tightest gearing covenant (£'000)	24,424.5	29,614.2	32,316.1	33,876.0	37,228.0	38,088.6
Minimum headroom cover on tightest asset cover covenant (£'000)	0.0	0.0	0.0	0.0	0.0	0.0
Total staff costs (including NI & pension costs)	2,187.3	2,497.9	2,747.7	2,926.3	3,028.7	3,104.4
Full time equivalent staff	47.0	49.0	49.0	49.0	49.0	49.0

EESSH Revenue Expenditure included above	0.0	0.0	0.0	0.0	0.0	0.0
EESSH Capital Expenditure included above	1,543.4	1,935.5	2,359.8	1,447.2	1,282.6	1,125.6
Total capital & revenue expenditure on maint. pre-1919 properties	0.0	0.0	0.0	0.0	0.0	0.0
Total capital & revenue expenditure on maint. all other properties	1,543.4	1,935.5	2,359.8	1,447.2	1,282.6	1,125.6

Estimated decarbonisation cost indicator	No
Estimated decarbonisation cost	-

Scottish Housing Regulator

TRENDS & COMPARATORS

RATIOS	Year -2	Year -1	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	National
Financial capacity	Actual	Actual	Outturn	Forecast	Forecast	Forecast	Forecast	Forecast	Median
Interest cover	1,296.214%	2,100.070%	926.014%	391.063%	344.791%	317.547%	325.850%	340.541%	532.318%
Gearing	15.238%	31.103%	34.781%	37.938%	48.522%	49.065%	53.389%	49.052%	47.961%
Efficiency									
Voids	1.007%	1.081%	0.618%	2.010%	2.003%	1.996%	1.991%	1.970%	0.854%
Arrears	0.381%	0.401%	0.182%	4.185%	4.443%	4.433%	4.123%	3.880%	1.900%
Bad debts	0.225%	0.805%	0.388%	2.019%	2.011%	2.008%	1.992%	1.982%	0.391%
Staff costs / turnover	16.589%	17.655%	15.390%	18.793%	20.808%	20.890%	20.021%	19.645%	21.039%
Turnover per unit	£5,991	£6,201	£6,100	£5,592	£5,500	£5,796	£6,029	£6,180	£5,458
Responsive repairs to planned maintenance	1.9	3.1	3.2	2.9	2.4	2.4	2.3	2.3	1.8
Liquidity									
Current ratio	2.2	1.1	3.7	-	-	447.4	340.3	400.7	2.1
Profitability									
Gross surplus / (deficit)	14.796%	15.406%	25.412%	22.060%	16.091%	12.357%	14.936%	15.610%	18.479%
Net surplus / (deficit)	11.859%	12.697%	21.021%	13.441%	4.135%	0.399%	2.845%	4.021%	12.665%
EBITDA / revenue	29.432%	10.108%	18.741%	27.221%	28.933%	28.970%	31.582%	32.894%	29.312%
Financing									
Debt Burden	0.8	1.1	1.6	2.1	2.3	2.2	2.0	1.9	1.9
Net debt per unit	£2,401	£5,198	£6,250	£6,967	£8,932	£8,984	£9,508	£8,694	£7,102
Debt per unit	£4,568	£6,600	£9,692	£11,814	£12,529	£12,653	£12,189	£11,961	£10,687
Diversification									
Income from non-rental activities	18.619%	19.315%	19.486%	21.330%	13.780%	13.264%	13.170%	11.904%	17.598%
INDICATORS									
Turnover	11,741.6	12,300.3	13,136.2	13,291.8	13,205.0	14,008.1	15,127.8	15,802.1	
Operating costs	6,146.8	6,198.4	6,442.0	5,757.4	6,192.0	7,163.5	7,472.9	7,735.8	
Net housing assets	104,289.5	119,784.2	128,467.8	137,362.6	148,125.3	149,878.2	155,656.1	152,925.0	
Cash & current investments	4,977.3	3,311.0	8,021.6	11,522.0	8,636.8	8,869.7	6,726.2	8,352.3	
Debt	4,909.0	10,000.0	22,583.0	28,083.0	30,083.0	30,583.0	30,583.0	30,583.0	
Net assets / capital & reserves	36,189.5	39,456.6	41,865.9	43,652.3	44,198.5	44,254.4	44,684.9	45,320.4	

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Comments

Page	Field	Comment
SOCI	Gross rents	Increase driven by new build completions
SOCF	Construction or acquisition of Housing properties	No Development planned for year 5
Additional Information	Development Assumption	Development in line with SHIP with some exceptions for sites identified on SHIP which are unidentified and outwith our current development plan.
Additional Information	Other public subsidy	Other public Subsidy is ACTISH funding from local authority and varies from year to year dependent on development project
Additional Information	Private finance	Private Finance funded through cash plus additional debt drawn
Additional Information	Rent increase - Margin above General Inflation (%)	Rent increase of 1% assumed versus RPI which is forecast to drop from year 3 (6.5%) to year 4 (3.5%)
Additional Information	Minimum headroom cover on tightest asset cover covenant (£'000)	Total value of Charged properties must not exceed the following: A/1.10 Where A is the aggregate value of charged properties on an EUV-SH basis or B/1.25 Where B is on an MV-T basis. Based on the last valuation of our stock this would allow for maximum additional borrowing of £24,956.6K although the borrowing costs associated with this level of debt would not be sustainable.
Additional Information	Full time Equivalent Staff Curr Year	Movement is consistent with prior year and is based on the assumption vacant posts are filled.

Making our house your home

ITEM NO 7.1

SHR ENGAGEMENT PLAN 2023/24

Board 23 May 2022

Report by Chief Executive

Purpose of Report

1.1 The purpose of this report is to inform the Board of our Engagement Plan for 2023/24 which has been prepared by the Scottish Housing Regulator (SHR).

Summary

2.1 The Engagement Plan is at Appendix 1 and shows that we continue to be classified as an RSL of systemic importance.

2.2 All Engagement Plans are available on the SHR website and are public documents.

2.3 The key issue highlighted is ensuring we keep the Regulator informed of any material changes to our Development Plans which might affect our financial position or our reputation as per the notifiable events guidance.

2.4 Previously the Regulator had required updates on 6 of the 35 ARC indicators which related to service quality and an update on our performance is at Appendix 2.

Competence

3.1 There are no financial or legal issues affecting the recommendation in this report.

Recommendations

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

a) SHR Engagement Plan for 2023/24 at Appendix 1; and

b) Performance Indicators at Appendix 2.

APPENDIX 1:	Engagement Plan 2023/24
APPENDIX 2:	Performance Indicators
Background Papers:	None
Writer of Report:	Iona France

Engagement plan

Scottish Housing Regulator

Hebridean Housing Partnership Ltd

Regulatory Status
Compliant The RSL meets regulatory requirements, including the Standards of Governance & Financial Management.

Why we are engaging with Hebridean Housing Partnership Ltd (HHP)

We are engaging with HHP because it is a **systemically important** landlord.

We refer to a small number of RSLs as systemically important because of their stock size, turnover or level of debt or because of their significance within their area of operation. We need to maintain a comprehensive understanding of how their business models operate, and how they manage the risks they face and the impact these may have. So we seek some additional assurance each year through our engagement plans. Given HHP' significance in its area of operation we consider it to be systemically important.

What HHP must do

HHP must provide copies of its Board and audit committee minutes as they become available.

What we will do

We will:

- review the minutes of the Board and audit committee meetings and liaise as necessary;
- observe HHP's Board;
- meet with HHP's senior staff to discuss progress with the business plan and any risks to the organisation; and
- update our published engagement plan in light of any material change to our planned engagement with HHP.

Regulatory returns

HHP must provide us with the following annual regulatory returns and alert us to notifiable events as appropriate:

- Annual Assurance Statement;
- audited financial statements and external auditor's management letter;
- loan portfolio return;
- five year financial projections; and
- Annual Return on the Charter.

It should also notify us of any material changes to its Annual Assurance Statement, and any tenant and resident safety matter which has been reported to or is being investigated by the Health and Safety Executive or reports from regulatory or statutory authorities or insurance providers, relating to safety concerns.

Our lead officer for HHP Housing Association Ltd is: **Name:** **Kelda McMichael,** Regulation Manager **Address:** Buchanan House, 58 Port Dundas Road, Glasgow G4 0HF **Telephone:** 0141 242 5575 **Email:** kelda.mcmichael@shr.gov.scot

Performance Indicators

ARC Indicators	2022/23	2021/22	2020/21	2019/20	2018/19	Comments
Indicator 2 - Tenants who feel the landlord is good at keeping them informed about services and decisions	89.19%	89.19%	92.11%	92.11%	92.11%	The current data for Indicator 2, 25 & 28 is taken from the tenant survey carried out in 2021. An action plan is in place to address issues highlighted by the survey returns. The next survey will be carried out in 2024.
Indicator 25 - Tenants who feel rent for their property represents good value for money	78.94%	78.94%	78.69%	78.69%	78.69%	
Indicator 28 - Factored Owners' satisfaction with the factoring service	42.11%	42.11%	33.33%	33.33%	33.33%	
Indicator 8 - Average hours to complete emergency repairs	2.48	2.32	2.61	2.86	3.43	Performance has been stable and consistently good over the last few years on this measure.
Indicator 15 - Anti-social behaviour cases reported in the last year which were resolved	85.00%	93.75%	100.00%	100.00%	82.50%	Levels of ASB have remained low with no serious cases during the 12 months. The majority of cases are closed quickly and within 3 months. 2 cases were not resolved during the year and have been carried forward into 23/24
Indicator 16 - Tenancies began in previous year remained more than a year-all	91.06%	93.10%	90.06%	87.22%	86.11%	22 tenancies were terminated within 12 months. 8 moved off island for work or family reasons, 3 moved in with partners, 2 transferred to another property and 2 deceased. The others terminated for a variety of reasons including 1abandonment and 2 who did not take up occupancy.

APPENDIX 2

Point of Service Surveys	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18
Letting Process	95%	97%	95%	95%	96%	96%
Overall Standard	95%	89%	89%	88%	90%	85%
Condition of Home	94%	86%	86%	82%	83%	82%
Decoration	95%	84%	58%	76%	72%	70%