hebridean housing partnership

Making our house your home

ITEM NO 3.1

HEBRIDEAN HOUSING PARTNERSHIP
Board
Minutes of Meeting held in HHP Board Room, Stornoway and remotely via Microsoft Teams on Wednesday, 28 June 2023 at 5.30pm

PRELIMINARY ITEM	
ATTENDANCE & APOLOGIES	
1	**Attendance & Apologies** Attendees in Person — Staff & Consultants In Attendance Gordon Macleod (Chair) — Dena Macleod (Chief Executive) Fiona Knape — Donald Macleod (Director of Finance & Corporate Services) Norman A Macdonald — John Maciver (Director of Operations) Roddy Nicolson — Jonathan Fairgrieve (Corporate Services Officer – Minute Taker) Attendees via MS Teams — Iona France (Governance Officer) Alison MacCorquodale — Sawan Morrison (Development Manager) Finlay Stewart — Donalda Mackinnon (Area Manager) Iain M Macleod — Michael Libby (Corporate Services Officer) Garry Campbell (Debt Management Officer) Apologies Received — Gary Macleod (Digital Transformation Manager) Calum Mackay (Vice-Chair) — Present for Agenda Items 1-8.3 only Helen Mackenzie — James Morrison (Finance Manager) Apologies Not Received — Mina Maclean (Housing Officer – Allocations) Donald Macsween — Peter O'Donnell (Investment Manager) Angus E MacNeil (Assets & Contracts Manager) On behalf of the Board, the Chair thanked Isabel Macmillan, Housing Assistant, for her service at HHP and wished her a long and happy retirement. The Chair welcomed Laura Mackenzie to the organisation as she took up the post of Tenant Engagement Officer.
PRELIMINARY PROCEDURAL MATTERS	
2	**Declaration of Interest** **No declarations of interest were made.**
3.1	**Minute of Board Meeting 23 May 2023** **The minute of the Board meeting of 23 May 2023 was submitted and approved as a true and accurate record.**
3.2	**Action Sheet** **The Action Sheet was noted.**
4	**Date of Next Meeting** It was agreed the next meeting of the Board would be in person. The Chair advised our Regulation Manager would be in attendance. **The date of the next meeting will be Wednesday 23 August 2023.**
5	**Health & Safety** **Nothing to report.**

	ITEMS FOR DECISION
6.1	**Accounting Policies** The Director of Finance & Corporate Services presented two minor changes to our accounting policies - one with regards to the calculation of impairment losses and the other with respect to the treatment of pension surpluses under FRS102. **The Board approved the changes in the accounting policies with respect to the calculation of impairment losses and the restriction of pension surpluses under FRS102.**
6.2	**Annual Report & Financial Statements to 31 March 2023** The Annual Report and Financial Statements for the year ended 31 March 2023 were presented for approval. The draft Financial Statements were presented to the Development & Finance Committee and Audit & Risk Committee on 22 and 28 June 2023, respectively, when detailed discussions were held and minor amendments to the wording in Annual Report and Financial Statements were made. The Statement of Comprehensive Income showed an operating surplus of £2.67M, an increase on the previous year, which was due to increased rental income, with additional homes for rent and the annual rent increase. The Director of Finance & Corporate Services advised a clean audit report had been received from our External Auditors, CIB Services. **The Board:** **a) approved the Annual Report and Financial Statements for the year ended 31 March 2023; and** **b) noted the HHP Community Housing Accounts for the year ended 31 March 2023.**
6.3	**Budgetary Performance for the Year Ended 31 March 2023** A report on the performance against budget for the year ended 31 March 2023 was presented to the Board including an overview of Board Members' expenses and consultancy spend for the year. The Development & Finance Committee met on 22 June 2023 to review the detailed performance. The report sought approval for a recommendation to the AGM that £5,000 of the surplus be donated to local charities. Fiona Knape questioned whether being overbudget on non-dwelling repairs would impact on tenant service charges. The Director of Finance & Corporate Services advised there was no impact expected as rechargeable costs were charged to tenants at the same rate we were charged. **The Board:** **a) noted the performance against budget for the year ended 31 March 2023;** **b) noted the Financial Covenant for 2022/23; and** **c) approved a recommendation to the AGM that £5,000 of the surplus be donated to local charities during 2023/24.**
6.4	**SHR Financial Return** The Loan Portfolio Return (2022/23) and Audit Financial Statements (2022/23) submission, required by the Scottish Housing Regulator (SHR), was presented for consideration and approval. Following the In-Year Loan Portfolio Return filed with the SHR in December 2022 the only changes to the return were an update on the final covenant position for the year and the number of housing units owned. **The Board approved for submission to the Scottish Housing Regulator the:** **a) Loan Portfolio Return for 2022/23; and** **b) Audited Financial Statements for the year ended 31 March 2023 as at Board agenda item 6.2.**
6.5	**Management Report to 31 May 2023** The Finance Manager presented the Management Report to 31 May 2023 for review. The report forecast we will meet our Financial Covenants for the year ended 31 March 2024 with £185K available for drawdown. Scottish Government had awarded a grant of £275K for Aids & Adaptations. A virement of £155K was required to reflect the increase in the grant award. As the tenders received for the Stock Condition Survey were over budget, a virement of £26,682 to the Property Consultants budget was required. £10,164 from Windows and £16,518 from Rewiring Investment Programmes was proposed to enable the Stock Condition Survey to proceed. **The Board:** **a) noted the Management Report at 31 May 2023 and revised forecast out turn at 31 March 2024;** **b) approved a virement of £155,000 for Occupational Therapy cost, which will be funded by additional Aids & Adaptations Grant Funding; and** **c) approved a virement of £26,682 to the Property Consultants budget, £10,164 from Windows and £16,518 from Rewiring Investment Programmes to enable the Stock Condition Survey to proceed as tenders received were over budget.**

6.6	**Operations Report to 31 March 2023** The Director of Operations gave a presentation of the key points from the Allocations, Complaints, Anti-Social Behaviour & Estate Management and Repairs performances for 2022/23. Allocations Our Waiting Lists have remained fairly stable over the last 3-4 years. There have been 44 new build lets and 202 relets in 2022/23. It was proposed the quotas for properties allocated to homeless applicants remain the same as 2022/23. Comments, Compliments & Complaints 65 compliments were received between 1 October 2022 and 31 March 2023, compared to 74 complaints in the same period. The Director of Operations advised all complaints are used to help improve our services. Anti-Social Behaviour & Estate Management There was a very low number of anti-social behaviour cases reported in 2022/23. There were currently 71 applications on the Garden Assistance Scheme with 33 on the waiting list. Fiona Knape suggested community organisations be contacted to ascertain if they carried out grass cutting schemes within their communities, to help alleviate the wating list. Repairs The repairs service provided by our contractor was assessed as "good" with completion, voids and right first time performing well. There were continued pressures on costs due to high inflation and labour and energy costs. **The Board:** **a) noted the Allocations Report 2022/23;** **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;** **d) noted the Complaints Performance;** **e) noted the Anti-Social Behaviour & Estate Management Performance; and** **f) noted the Repairs Service Review.**
6.7	**Development Report** The Development Manager provided an update on the Development Programme since the Board meeting on 29 March 2023.

Project	Update
Bremner Court	50 Flats completed. Work was ongoing with CNES and IJB to allocate the properties.
Barra	Properties were handed over and tenant sign up had taken place.
Crowlista	Official Opening took place on 9 June 2023.
Scott Road	Discussions were ongoing with landowners to have legal agreements in place. The project had support from CNES and Scottish Government. Planning permission to be lodged.
Low Flyer (Phase 2)	Tenders had been returned with high costings. An independent Quantity Surveyor assessment had taken place, and despite negotiations there was a shortfall of £20K per unit.
Leverburgh	Planning Permission had been granted with conditions.
Carloway Care Unit	CNES had offered the Carloway Care Unit as a potential acquisition and refurbishment, similar to what had been done with other care units.

Fiona Knape questioned if planning permission for Scott Road was granted and legal agreements were not in place could the site be lost to another party. The Director of Operations advised this would always be a risk but it was deemed as a low risk.

It was proposed the Board agreed to delay the 4 units at Low Flyer and review on a six monthly basis.

Norman Macdonald commended the work done to refurbish care units in rural communities and supported the review of the Carloway Care Unit being refurbished.

The need to have clear risk thresholds for developments was discussed at the Development & Finance Committee discussed on 22 June 2023. The Development Manager advised a document outlining the thresholds had been issued to members and feedback would be appreciated.

	Approval was sought to issue the tender for a 12 house development at Leverburgh and that agreement be concluded with Scottish Government on the tenure mix for the additional 6 houses prior to conclusion of contracts. **The Board:** **a) agreed to delay 4 units at Low Flyer and review on a six monthly basis;** **b) approved the progression of Scott Road to full planning permission noting the risk involved;** **c) approved the full review of the refurbishment of the Carloway Care Unit;** **d) agreed to review the draft documents for the risk thresholds for new developments and provide feedback;** **e) agreed a tender be issued for a 12 house development at Leverburgh and that agreement be concluded with Scottish Government on the tenure mix for the additional 6 houses prior to conclusion of contracts; and** **f) noted the Development Plan update.**
6.8	**Board Member Appointment** The report requested approval to re-appoint Helen Mackenzie to the Board. Ms Mackenzie was appointed to the Board for a period of 2 years from 23 June 2021 and had indicated she would be interested in continuing her appointment to the Board. As Vice Chair of both the Audit & Risk and Development & Finance committees, she is an active member of the Board and brings valuable skills and experience to the Board. The appointment would be in accordance with Rules 37.2.4 and 40.9. **The Board approved Ms Helen Mackenzie's appointment to HHP's Board for a further period of three years as a Board Appointed Member with effect from 28 June 2023.**
	POLICIES & STRATEGIES
7.1	**Adoption Leave Policy** The Adoption Leave Policy had been reviewed in line with the Policy Review Schedule and no material or legislative changes had been made. **The Board approved the Adoption Leave Policy.**
7.2	**Special Leave Policy** The Chief Executive presented the Special Leave Policy which had been reviewed and updated regarding compassionate leave and lifeline agencies. Employees taking compassionate leave often require longer than 5 days and consequently are signed off sick so this should lead to a reduction in sick pay. As part of the review process, the Policy had been compared to other RSL's Special Leave policies. The Personnel Working Group met on 15 June 2023 to review the policy in detail. **The Board agreed to amend the Special Leave Policy to:** **a) increase the compassionate leave from 5 to 10 days in the event of the death of a wife, husband, partner, parent or child (includes a still born child);** **b) include Hebrides Mountain Rescue and Volunteer Reservist organisations on the list of lifeline agencies;** **c) give discretion to the Chief Executive to award Special Leave to a member of staff who is part of a life-line agency not mentioned in the policy but is vital to their community;** **The Board:** **d) approved the Special Leave Policy for consultation with Staff and the Union; and** **e) if there are no material changes to the Policy arising from the consultation, that the Policy is approved, otherwise a revised Policy be presented to the next meeting of the Board.**
7.3	**Asset Management Strategy** The Assets & Contracts Manager provided an update on progress against the Asset Management Strategy Action Plan, agreed by the Board in March 2020. Progress was broadly on target and the implementation of Civica CX Housing Management System would enable further improvement in future to management reporting and service delivery. **The Board noted progress on the Asset Management Strategy.**
7.4	**Risk Management Strategy** The Chief Executive presented the 2023 review of the effectiveness of our Risk Management Strategy. All controls were found to be effective with the exception of a failure to identify a material risk with regards to Infra-Red Heating. This had been addressed in the action plan. **The Board noted the 2023 review of the effectiveness of the Risk Management Strategy.**

MONITORING REPORTS	
8.1	<u>**Quarterly Treasury Report to 31 March 2023**</u> The Director of Finance & Corporate Services presented the Treasury Management activities for the fourth quarter of 2022/23 and confirmed our cash balances were £7.993M, a decrease of £0.735M compared to the previous quarter, driven by spend in investment and development. **The Board noted the:** **a) quarterly report on the Analysis of Investment and Borrowing;** **b) outstanding loans at 31 March 2023 of £17M;** **c) cash balance at 31 March 2023 of £7.993M.**
8.2	<u>**Business Plan Timetable**</u> A timetable for the preparation of the next five year Business Plan 2024/25 to 2028/29 was presented for information. The Chief Executive advised the main Business Planning Day would take place in November 2023. **The Board noted the Business Plan Timetable.**
8.3	<u>**Investment Programme Monitoring Report**</u> The Assets & Contracts Manager provided an update on the 2023/24 Investment Programme. Members were advised that procurement was progressing but the outcome of grant application was awaited before the contract be awarded. **The Board noted the:** **a) progress on the Investment Programme; and** **b) Scottish Government grant award of £0.275M for the provision of Aids and Adaptations.**
MEETING WENT INTO PRIVATE SESSION	

Chairperson Mr Gordon Macleod

SIGNED ………………………………………………………

DATE ………………………………………………………