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BOARD AGENDA – 28 NOVEMBER 2023

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO	TIME
1	**Attendance & Apologies**	Noting	Chair	3	5:30pm - 5.45pm
2	**Declaration of Interest**	Noting	Chair	-	
3	**Minutes**			-	
3.1.1	Minute of Meeting 23 August 2023	Approval	Chair	4	
3.1.2	Minute of Meeting 24 August 2023	Approval	Chair	9	
3.2	Action Sheet	Noting	Company Secretary	12	
4	**Date of Next Meeting** 13 February 2024	Approval	Chair	-	
5	**Health & Safety**	Noting	Director of Operations	-	

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO	TIME
6	**Items For Decision**				5:45pm - 6:30pm
6.1	Business Plan Feedback	Approval	Chief Executive	13	
6.2	Budget Strategy	Approval	Director F&CS	17	
6.3	Moved to Private				
6.4	Development Programme	Approval	Development Manager	28	
6.5	Investment Monitoring Report	Approval	Assets & Contracts Manager	48	

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ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO	TIME
7	**Policies & Strategies**				6:30pm - 6:50pm
7.1	New & Expectant Mothers Policy	Approval	Corporate Resources Manager	54	
7.2	Parental Leave Policy	Approval	Chief Executive	60	
7.3	Recruitment Policy	Approval	Chief Executive	67	
7.4	Training & Development Policy	Approval	People Development Officer	84	
7.5	Digital Transformation Strategy	Approval	Digital Transformation Manager	97	
7.6	Disciplinary Procedures	Approval	Chief Executive	102	
7.7	Policy Consultation Response	Approval	Chief Executive	154	
7.8	Safeguarding Policy Review	Noting	Governance Officer	158	

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO	TIME
8	**Noting Reports**				6:50pm - 7:00pm
8.1	Quarterly Treasury Report to 30 Sept 2023	Noting	Director of F&CS	164	
8.2	Business Plan Monitoring Report	Noting	Chief Executive	172	
8.3	Management Report to 30 Sept 2023	Noting	Finance Manager	177	
8.4	Stock Condition Survey	Noting	Assets & Contracts Manager	200	
8.5	Board Plan & Board Calendar 2024	Noting	Governance Officer	203	

MEETING GOES INTO PRIVATE SESSION

Board Meetings 2023/24

Board Members	Notes	24-Aug-23							
Gordon Macleod									
Calum Mackay									
Alison MacCorquodale									
Helen Mackenzie									
Roddy Nicolson	1								
Norman Macdonald									
Thomas Howe	2								
Iain Macleod									
Donald Macsween									
Finlay Stewart									

1 - Appointed as a Community Member on 24 August 2023

2 - Appointed as a Tenant Member on 24 August 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

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ITEM NO 3.1.1

HEBRIDEAN HOUSING PARTNERSHIP

Board

Minutes of Meeting held in HHP Board Room, Stornoway & via MS Teams on Wednesday, 23 August 2023 at 5.30pm

PRELIMINARY ITEM	
ATTENDANCE & APOLOGIES	
1	**Attendance & Apologies** Attendees in Person: Gordon Macleod (Chair); Calum Mackay (Vice-Chair); Norman A Macdonald; Roddy Nicolson Attendees via MS Teams: Alison MacCorquodale; Iain M Macleod; Helen Mackenzie Apologies Received: Fiona Knape Apologies Not Received: Donald Macsween; Finlay Stewart 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); Sawan Morrison (Development Manager); Michael Libby (Corporate Services Officer); Garry Campbell (Debt Management Officer); Kelda McMichael (Scottish Housing Regulator); Murray Smith (Scottish Housing Regulator) Present for Agenda Items 1-8.4 only: Angus E MacNeil (Assets & Contracts Manager); Donalda Mackinnon (Area Manager); James Morrison (Finance Manager); Katrina Rowlands (Service Development Manager)) The Chair notified Members that Tenant Member, Fiona Knape had resigned from the Board. Fiona was thanked for her services on the Board and for being a strong voice for tenants. The Chair welcomed Kelda McMichael and Murray Smith from the Scottish Housing Regulator to the meeting.
PRELIMINARY PROCEDURAL MATTERS	
2	**Declaration of Interest** **Gordon Macleod declared an interest at item 9.2.** **Iain Macleod declared an interest at item 9.5.**
3.1	**Minute of Board Meeting 28 June 2023** Calum Mackay expressed his thanks to the Area Manager for sharing the Welfare Presentation with him. **The minute of the Board meeting of 28 June 2023 was submitted and approved as a true and accurate record.**
3.2	**Action Sheet** The Director of Operations advised the tender return for the Leverburgh site was now due on 25 August 2023. Helen Mackenzie asked if feedback had been received from the community on the decision to review the Low Flyer development on a six-monthly basis. The Director of Operations confirmed no feedback had been received. **The Action Sheet was noted.**
4	**Date of Next Meeting** The Chair advised Board meetings were to be held on a Tuesday going forward. **The date of the next meeting will be Tuesday 28 November 2023.**
5	**Health & Safety** **Nothing to report.**

ITEMS FOR DECISION	
6.1	<u>**Annual Assurance Statement**</u> The Chief Executive presented the Annual Assurance Statement for consideration and approval prior to submission to the Scottish Housing Regulator. The Statement had been prepared to confirm we complied with all our regulatory requirements. The Governance Officer advised that since the report was written there were only 3 properties where Electrical Installation Condition Reports (EICR) have not been carried out due to access issues. The Evidence Bank was updated with new and updated evidence and was available to Board Members in Decision Time. Gordon Macleod asked if there were areas where we could improve our engagement with other agencies. The Director of Operations advised that in general we engaged effectively with other agencies despite challenging cases being presented. **The Board:** **a) noted the Annual Statement – Evidence Checklist; and** **b) approved the 2023 Annual Assurance Statement.**
6.2	<u>**Annual Governance Report**</u> The Chief Executive presented our revised Standing Orders and Financial Regulations following the annual review. Only minor changes had been made to both the Standing Orders and the Financial Regulations following the review. The report also sought approval in respect of AGM charitable donations, confirmed compliance with our Rules, provided information in respect of AGM arrangements for 2023 and assurances our Corporate Registers were functioning in accordance with regulatory and legislative requirements. **The Board:** **a) approved the revised Standing Orders;** **b) approved the revised Financial Regulations;** **c) approved the 5 charities listed below to be proposed to receive £1,000 each at the AGM on 24 August 2023:** • **Macmillan Nurses** • **Young Musician Hebrides** • **Stornoway PHAB Club** • **Autism Eilean Siar** • **Caraidean Uibhist** **d) noted the Partnership has complied with Rules 62 to 67 for the year ended 31 March 2023;** **e) noted the AGM arrangements for 2023; and** **f) noted the review of the Corporate Registers.**
6.3	<u>**Management Report to 30 June 2023**</u> The Finance Manager presented the Management Report for the month ended 30 June 2023. The report showed our financial covenants would be met for the year ended 31 March 2023 with £639K available to drawdown. Due to the Development Programme being below budget by £2.5M caused by slippage at Leverburgh, Gravir and Great Bernera and the Low Flyer site unlikely to begin this year, the anticipated drawdown of £5.5M was not required this year. As a result, the current year's cost of borrowing will reduce by £389K. **The Board:** **a) noted the Management Report to 30 June 2023 and revised forecast out turn at 31 March 2024; and** **b) approved to vire £116,405 of loan interest cost savings to investment, to cover increased tender costs on Kitchens and £272,955 of interest savings are to be vired to reserves and will be required in the future when funds are drawn down.**
6.4	<u>**Community Grants**</u> An application to our Community Grants Fund had been received from Pals of Bayhead Playpark, Isle of North Uist. Approval to lease the playpark to the group was sought. Gordon Macleod stated it was encouraging to see groups looking to get involved in their community. **The Board approved the:** **a) funding application of £3,303.20 from Pals of Bayhead Playpark from the Community Grant Fund; and** **b) lease of the Playpark to the Group.**

6.5	<u>**Appointment of Internal Auditors**</u> The Director of Finance & Corporate Services presented the outcome of the procurement exercise for internal audit services. With the current internal auditor's (Wylie + Bisset) appointment coming to an end, tenders were issued on the Public Contracts Scotland portal. The Chair acknowledged the work undertaken by Audit & Rick Committee members, Helen Mackenzie and Roddy Nicolson who were involved in the tender scoring. **The Board:** **a) noted the outcome of the tender process;** **b) approved the appointment of Wylie + Bisset as internal auditors for a period of 4 years commencing 1 October 2023.**
POLICIES & STRATEGIES	
7.1	<u>**Alcohol & Substance Misuse Policy**</u> The Alcohol & Substance Misuse Policy, formerly Alcohol & Drugs Policy, was presented for review and approval. The policy had been reviewed in line with EVH and Croner model policies including clarification of consequences of an employee suspected to be involved in illegal activity concerning substances, alcohol being served at work events and police involvement. **The Board:** **a) approved the Alcohol & Substance Misuse Policy for consultation with Staff and the Union; and** **b) 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.** **Alison MacCorquodale left the meeting.**
7.2	<u>**Lone Working Policy**</u> The Lone Working Policy was presented for approval. Following the review of the policy no significant changes were made. **The Board approved the Lone Working Policy.**
7.3	<u>**Particular Housing Needs Policy**</u> The Particular Housing Needs Policy was presented for approval. Following the review, sections of the Policy had been reorganised to make it clearer. **The Board reviewed and approved the Particular Housing Needs Policy.**
7.4	<u>**Engagement Policy**</u> The Service Development Manager presented the Engagement Policy, formerly Unacceptable Actions for Complaints Policy, for review and approval. The Scottish Public Services Ombudsman (SPSO) suggest organisations develop an Engagement Policy to replace the Unacceptable Actions for Complainants Policy. Members were advised we had adapted the SPSO's Engagement Policy to meet our needs, due to no model policy for RSLs being available. **The Board approved the replacement of the Unacceptable Actions for Complainants Policy with the Engagement Policy.**
7.5	<u>**Openness & Confidentiality Policy**</u> The Governance Officer presented the Openness & Confidentiality for review and approval. The Policy was reviewed in line with our Policy Review Schedule and updated to reflect current working practices, especially around information security and home working. The report also detailed the number of requests for information under Freedom of Information received this calendar year compared to the same period last year, which had increased significantly from 7 to 27. **The Board:** **a) reviewed and approved the Openness & Confidentiality Policy for consultation with Staff; and** **b) 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.**
7.6	<u>**Tenant Participation Strategy Update**</u> The Service Development Manager presented an update on the Tenant Participation Strategy and Action Plan. Since the previous update the Tenant Participation Advisory Service (TPAS) contract for tenant participation had ended and we appointed a Tenant Engagement Officer. Tenant Events for 2023 were being planned with the launch of CX Housing Management Customer Portal due to be promoted at the events. The dates of the events would be shared with the Board once arranged. Helen Mackenzie suggested a fresh approach be taken to tenant participation to try and improve tenant involvement at all levels. **The Board noted the Tenant Participation Strategy Action Plan update.**

	MONITORING REPORTS
8.1	**Quarterly Treasury Report to 30 June 2023** The Director of Finance & Corporate Services presented the Treasury Management activities for the first quarter of 2023/24 and confirmed our cash balances were £9.574M, an increase of £1.581M compared to the previous quarter, driven by government grants relating to 22/23 being received in April 2023. All covenants were forecast to be complied with for 2023/24. **The Board noted the:** **a) quarterly report on the Analysis of Investment and Borrowing;** **b) outstanding loans at 30 June 2023 of £17M;** **c) cash balance at 30 June 2023 of £9.574M.**
8.2	**Business Plan Monitoring Report** The Chief Executive presented progress to 30 June 2023 on the Delivery Plan for the Business Plan 2019/20 – 2023/24. The report showed that overall, we are on target. Gordon Macleod commented it was excellent to see staff regarded us as a good employer. **The Board noted the Business Plan Monitoring Report to 30 June 2023.**
8.3	**Development Monitoring Report** **This item was taken following item 6.5.** The Development Manager presented an update on progress on our 5 Year Development Plan (2022-27) since the Board meeting on 28 June 2023.

Project	Update
Blackwater	Due to issues with weather, SSE and Scottish Water and extension of time application was lodged from the Contractor. Quantity Surveyor is assessing the request.
Lochmaddy	Due to slippage, handover is expected in 2024/25.
Scott Road	Tighean Innse Gall have been instructed to prepare a planning application which will require significant engineering design work. Options for the design of the sewer system are currently being re-assessed.
Scarista	Detailed Feasibility has been instructed.

Members were advised that the tender return for the Leverburgh site had been extended to 25 August 2023 at contractors request

An additional recommendation was presented following receipt of formal confirmation from the Comhairle that the Strategic Housing Investment Plan (SHIP) for 2023/24 was being revised to move 4 homes from Balivanich to Leverburgh bringing the total of homes for social rent to 10. Delegation was sought for the Development and Finance Committee to agree with the Comhairle and Scottish Government on how to deliver the remaining two homes prior to conclusion of contracts.

Iain Macleod questioned what would happen to the homes that were initially planned to be built in Balivanich. The Chief Executive advised the SHIP was to be considered by the Comhairle in September 2023 and more information would be available once this had happened.

The Board:

a) noted the Development Plan update.

b) subject to tender prices being acceptable by Scottish Government and within our approved budgets approved the construction of 12 new homes in Leverburgh, 10 of which will be for social housing; and

c) delegated authority to the Development and Finance Committee to agree with the Comhairle and Scottish Government how to deliver the remaining 2 homes prior to the conclusion of contracts.

8.4	**Investment Programme Monitoring Report** The Assets & Contracts Manager provided an update on the 2023/24 Investment Programme. A grant award of £800K has been made from the Social Housing Net Zero Fund enabling postponed investment work to be carried out. Tenders had been returned on windows, kitchens and bathroom works that were significantly above budget. It was proposed the window replacement at 2 schemes, Clachan Biorach and Baile na Cille, be postponed to enable other works to progress. The condition of the windows in these schemes is relatively good for their age and they have not been problematic in terms of repair and maintenance. On the basis of condition of components, the preferred option is to go ahead with the kitchen & bathroom replacements and delay Clachan Biorach and Bailen na Cille window replacement until the Stock Condition Survey is completed. This option should result in less pressure on the reactive and void repair

	budget. Virements were to fund increased tender costs of Heating, Kitchens and Windows. Gordon Macleod stated it was encouraging to see the success of the application for the replacement of Infra-red heating systems. **Helen Mackenzie did not partake in the decision of this item.** **The Board:** **a) noted the progress on the Investment Programme.** **a) approved the postponement of the window replacement at Clachan Biorach and Baile na Cillie and be rescheduled following completion of the stock completion survey; and** **b) approved the following virements:** • **To vire £52,250 to Heating from Interest Receivable to cover increased tender costs;** • **To vire £7,781 of savings on Bathrooms and Showers to Kitchens to cover increased tender costs; and** • **To vire £334,400 from Clachan Biorach & Baile Na Cille Windows to fund increased tender costs on Heating (£116,777), Kitchens (£12,505) and Windows (£205,117).**
MEETING GOES INTO PRIVATE SESSION	

Chairperson Mr Gordon Macleod

SIGNED ……………………………………………………

DATE ……………………………………………………

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ITEM NO 3.1.2

HEBRIDEAN HOUSING PARTNERSHIP

Board

Minutes of Meeting held via MS Teams on Thursday, 24 August 2023 at 3:00pm

ITEM	DISCUSSION
	PRELIMINARY PROCEDURAL MATTERS
1	**Attendance & Apologies** Present: Gordon Macleod; Calum Mackay; Helen Mackenzie; Iain M Macleod; Roddy Nicolson; Norman Macdonald Staff & Consultants In Attendance: Dena Macleod (Chief Executive); John Maciver (Director of Operations); Donald Macleod (Director of Finance and Corporate Services); Iona France (Governance Officer); Michael Libby (Corporate Services Officer – Minute Taker); Jonathan Fairgrieve (Corporate Services Officer) Apologies: Alison MacCorquodale Apologies Not Received: Donald Macsween; Finlay Stewart
2	**Date of Next Meeting** The date of the next meeting will be 28 November 2023.

	ITEMS FOR DECISION
3.1	**Election of Chair** The Company Secretary called for nominations for the Chairperson's position following the AGM held earlier in the day. Gordon Macleod was nominated by Calum Mackay and this was seconded by Iain M Macleod. **There were no other nominations. Gordon Macleod was appointed to the position of Chairperson.**
3.2	**Election of Vice Chair** The Chair called for nominations for the position for Vice Chair. Calum Mackay was nominated by Roddy Nicolson and this was seconded by Helen Mackenzie. **There were no other nominations. Calum Mackay was appointed to the position of Vice Chairperson**
3.3	**Election to Standing Committees** The Chair called for nominations for the Joint Consultative Committee, Audit & Risk Committee and Development & Finance Committee. **It was agreed that Gordon Macleod and Calum Mackay be appointed to the Joint Consultative Committee.** The Audit and Risk Committee should comprise of 6 board members; however, it was agreed that the Committee could continue with five members and one vacancy until such time that the position is filled. **It was agreed the Audit & Risk Committee members be:** • **Roddy Nicolson;** • **Helen Mackenzie;** • **Calum Mackay;** • **Norman Macdonald; and** • **Iain M Macleod;**

	The Development and Finance Committee should comprise of 6 board members. **It was agreed the Development & Finance Committee members be:** • **Calum Mackay** • **Helen Mackenzie;** • **Gordon Macleod;** • **Alison MacCorquodale;** • **Iain M Macleod;** • **Finlay Stewart; and** • **Thomas Howe**
3.4	<u>Work Groups</u> **It was agreed that the Work Groups would be as follows:** <u>Operations Working Group</u> • Calum Mackay; • Roddy Nicolson; • Norman Macdonald; • Donald Macsween; • Finlay Stewart; and • Thomas Howe <u>Personnel Working Group</u> • Gordon Macleod; • Roddy Nicolson; • Helen Mackenzie; and • Alison MacCorquodale.
3.5	<u>Spokespersons</u> **It was agreed that the Spokespersons would be as follows:** Development: Gordon Macleod Tenant Liaison & Housing Management: Helen Mackenzie Repairs & Investment: Calum Mackay Finance: Calum Mackay Gaidhlig: Norman Macdonald
3.6	**<u>Election of HHP Community Housing Ltd Board (Subsidiary)</u>** The Vice-Chair called for nominations for the Board of HHP Community Housing Ltd. **It was agreed the Board of HHP Community Housing Ltd be:** • **Gordon Macleod;** • **Calum Mackay;** • **Roddy Nicolson;** • **Norman Macdonald;** • **Helen Mackenzie; and** • **Thomas Howe**
3.7	**<u>Decisions Involving Staff or Board Members</u>** The report sought approval for a house to be allocated to connected persons of the Partnership. **The Board approved the tenancy of a 3 apt flat at 59 Seaforth Road, Stornoway, Isle of Lewis be allocated to a connected person of the Partnership.**

ITEMS FOR NOTING	
4.1	**<u>Schedule of Meetings 2024</u>** The Company Secretary presented the draft Schedule of Meetings 2024 for noting. The final schedule will be prepared in accordance with CNES Schedule of Meetings. The final schedule will be presented to the Board meeting on 28 November 2024. The provisional Board Meetings for 2024 are: 13 February 2024 26 March 2024 21 May 2024 25 June 2024 27 August 2024 19 November 2024 **The draft Schedule of Meetings 2024 was noted.**

Chairperson Mr Gordon Macleod

SIGNED ……………………………………………………….

DATE ……………………………………………………….

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ITEM NO 3.2

BOARD ACTION SHEET

ACTION POINT	MINUTE NUMBER	ACTION TO BE TAKEN	DEADLINE/ TIMESCALE	ACTION BY	PROGRESS
1	23 Aug 23 (1)	Chair to write to the Fiona Knape to thank her for her services to the Board.	1 September 2023	Chairperson	Completed.
2	23 Aug 23 (6.2)	Resolution for each of the following charities to receive £1,000 be presented at the AGM: • Macmillan Nurses; • Young Musician Hebrides; • Stornoway PHAB Club; • Autism Eilean Siar; and • Caraidean Uibhist.	24 August 2023	Company Secretary	Charities contacted – arrangements being made for presentations.
3	23 Aug 23 (8.3)	Subject to tender prices being acceptable by Scottish Government and our approved budgets, 12 new homes in Leverburgh to be progressed, 10 of which are for social housing.	31 October 2023	Development Manager	Tender returns being evaluated and scrutinised and clarifications being sought from tenderers. Discussion ongoing with Scottish Government and CNES re tenure mix. Update will be provided at the Board meeting.
4	28 Jun 23 (6.7)	Development at Low Flyer to be reviewed on 6 monthly basis	31 December 2023	Director of Operations	Development postponed as per revised CNES SHIP. Properties transferred to enable increase in number of properties in Leverburgh.
		Scott Road Development to proceed to full planning permission	31 October 2023	Development Manager	Planning Application preparation continuing. Changes to road and sewer lines being discussed with landowner.
		Risk Thresholds for developments to be reviewed following Board Members feedback	31 August 2023	Development Manager	Updated risk thresholds to be presented to November Board for approval.
5	29 Mar 23 (6.8)	Report from those attending the conference to be shared with the Board.	31 August 2023	Service Development Manager	Feedback received and shared via Board information bulletin.
6	9 Feb 2022 (7.2)	Review garage rents.	2023/24	Director of Finance & Corporate Services	Rent Structure to be presented to Development & Finance Committee in October 2023.

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BUSINESS PLAN FEEDBACK

Board 28 November 2023

Report by Chief Executive

Purpose of Report

1.1 To review and approve proposed amendments to our Vision, Strapline and Strategic Goals following our Business Planning Session on 7 November 2023.

Summary

2.1 Following our discussions on 7 November 2023 the proposed amendments are Appendix 1.

2.2 A note of the meeting highlighting the main issues which will be captured in our new Business Plan will be available at the Board meeting.

Competence

3.1 There are no legal or financial constraints arising directly from the consideration of this report.

Recommendations

4.1 **It is recommended that the Board review the proposed amendments and agree our:**

a) Vision as "*to provide great homes and deliver excellent service throughout the Outer Hebrides*";

b) Strapline remain unchanged as "*Making our house your home*"; and

c) Strategic Goals as:

1 Placing tenants at the heart of everything we do

2 Investing in a sustainable way in tenants' homes

3 Being an excellent employer that attracts and retains high quality staff

4 Working with partners to help our communities thrive

APPENDIX 1:	Business Planning Day Outcomes	
Background Papers	None	
Writer of Report	Dena Macleod	Tel: 0300 123 0773

Business Planning Day – 7 November 2023

Vision

Current
To provide good quality and affordable homes and to secure consistently excellent housing services throughout the Outer Hebrides

Proposed
To provide great homes and deliver excellent service throughout the Outer Hebrides

Groups	Proposed changes
Uist	To provide good quality homes and excellent housing services.
1	Shorten
2	To provide high quality and affordable homes and to secure consistently excellent housing services throughout the Outer Hebrides
3	To provide energy efficient homes and to deliver excellent housing services throughout the Outer Hebrides
4	To provide high quality and affordable homes and to deliver consistently excellent housing services throughout the Outer Hebrides
5	To provide good quality and affordable homes

Strapline

Current
Making Our House Your Home

Proposed
No change

Group	Proposed changes
Uist	No changes
1	No changes
2	No changes
3	Our House, Your Home
4	No Changes
5	Providing the key to your home Giving you your home

Goal 1

Current
Placing tenants at the centre of everything we do

Proposed
Placing tenants at the heart of everything we do

Groups	Proposed changes
Uist	Placing tenants at the heart of everything we do
1	No changes
2	Placing tenants at the heart of what we do
3	No changes
4	Placing tenants at the heart of everything we do
5	No changes

Goal 2

Current
Investing in an environmentally sustainable way in tenants' homes

Proposed
Investing in a sustainable way in tenants' homes

Groups	Proposed changes
Uist	No changes
1	No changes
2	Investing in the future of our tenants' homes
3	Investing in a sustainable way in tenants' homes
4	No changes
5	No changes

Goal 3

Current
Being a good employer that attracts and retains high quality staff

Proposed
Being an excellent employer that attracts and retains high quality staff

Groups	Proposed changes
Uist	No changes
1	No changes
2	Being an excellent employer that attracts and retains high quality staff
3	No changes
4	No changes
5	No changes

Goal 4

Current
Working with partners to contribute to the wellbeing of the communities throughout the Outer Hebrides

Proposed
Working with partners to help our communities thrive

Groups	Proposed changes
Uist	Working with partners to help our communities thrive
1	No changes
2	Working with partners for the wellbeing of the communities throughout the Outer Hebrides
3	No changes
4	Collaborate with partners for the wellbeing of the communities throughout the Outer Hebrides
5	No changes

Group 4 suggested an additional goal to include other customers (including factor customers).

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ITEM NO 6.2

BUDGET STRATEGY 2024/25

Board 28 November 2023

Report by Director of Finance & Corporate Services

Purpose of Report

1.1 To present to the Board for consideration and approval a Budget Strategy and timetable for 2024/25.

Summary

2.1 Our long-term financial plans are updated on an annual basis to take account of any changes to the underlying budget assumptions and Business Plan. 30 year financial plans are prepared annually to incorporate changes to our business plan and underlying economic indicators.

2.2 The Budget Strategy has been prepared for 2024/25 and outlines the key considerations to be included in the budget setting process and associated timelines to ensure budgets are set in accordance with our standing orders. The budget strategy can be found at Appendix 1.

Competence

3.1 Financial and legal constraints arising from the recommendation to this report being implemented are detailed at 5.1 – 8.3.

Recommendations

4.1 **It is recommended that the Board approve the 2024/25 Budget Strategy including the Budget Timetable at Appendix 1.**

APPENDIX 1:	2024/25 Budget Strategy	
Background Papers:	None	
Writer of Report:	Donald Macleod	Tel: 0300 123 0773

Competence

Financial

5.1 This report considers the financial resources the Partnership requires for 2024/25.

Legal

6.1 The Partnership's Rule 69 states:

"*The Partnership must keep proper books of account to cover its income, expenditure transactions and its assets, liabilities and reserves in line with section 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 the ultimate responsibility for the Partnership's finances and in accordance with the Financial Regulations the Board has the responsibility to approve annual budgets.

6.3 The Development & Finance Committee's remit includes reviewing the details of the annual budget on behalf of the Board.

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 current economic environment including the rising cost of energy is a major risk which needs to be considered when setting our budget and determining tenant rent levels.

8.2 A number of risks which may impact setting budgets have been identified in our risk register and include:

- affordability of our rents with a residual risk rating of 20 (high); and
- supply chain pressures as a result of material price increases and labour shortages, with a residual risk rating of 6 (low).

These are continually monitored with potential mitigation actions being put in place where appropriate.

8.3 Inflation and Interest rates continue to present a risk to our budgets as the Base Rate had increased to 5.25% in September 2023 as the Bank of England (BOE) attempts to curb rising inflation. It is anticipated the increases that the Bank of England have made to date as they try to control inflation (which at 6.7%, is running significantly above their 2% target) are nearing their peak. At 5% the base rate of interest is almost in line with the assumptions in our current business plan (5.5%) and as such any ability to cover future increases in our plan are limited.

APPENDIX 1

BUDGET STRATEGY

2024/25

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TABLE OF CONTENTS

BACKGROUND

1.1 We prepare long term financial plans which are updated on an annual basis to take account of changes. The plans are for 30 years. Shorter term plans are also prepared for submission to the Scottish Housing Regulator; they cover a 5 year period.

1.2 A new Business Plan was approved by the Board in March 2021 for the period 2019/20-2023/24.

1.3 The Board sets the rent on an annual basis, generally in February and the detailed annual budgets for the coming financial year are then approved. The rents for 2023/24 were set for one year at 6% (RPI minus 8.2%).

1.4 The Board approved that the October RPI index be used as a reference for rent setting options. This allows tenants to have earlier visibility on rent options for the coming year.

1.5 The current economic environment, although not as volatile as the previous year, is still in a difficult situation with inflation higher than the BoE target of 2%, low growth and supply shortages. The Bank of England and the government are trying to balance the need for fiscal and monetary support with the risk of overheating the economy.

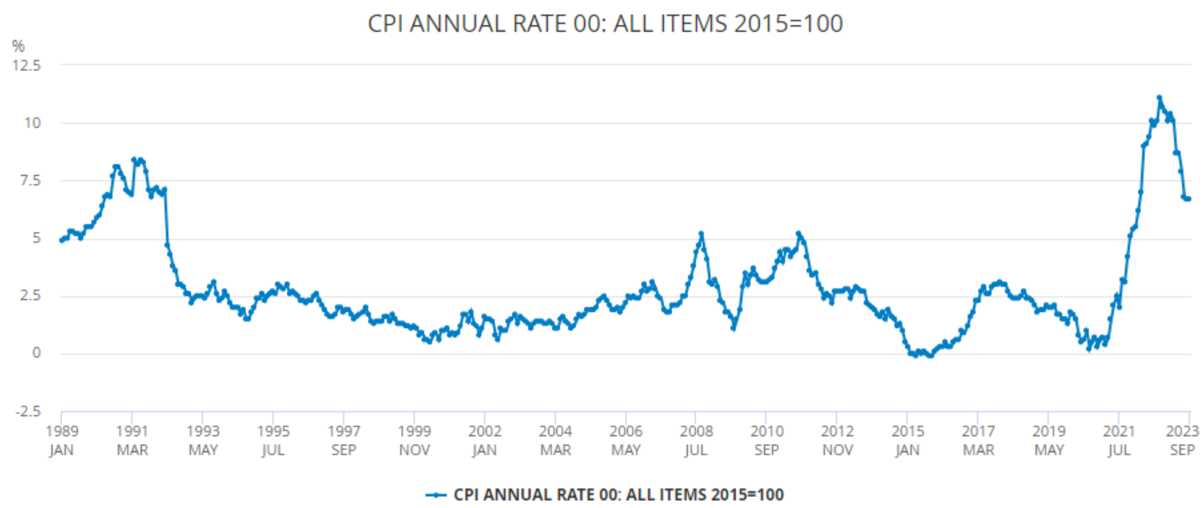
OPERATING ENVIRONMENT

2.1 A new business plan covering the period 2024/2025 – 2028/2029 is being prepared. The plan will outline in detail the challenges, opportunities and responsibilities facing the Partnership over that time. The 2024/25 budget will be set in accordance with our proposed strategic goals, if approved by Board in November 2023:

- Placing tenants at the heart of everything we do
- Investing in a sustainable way in tenants' homes
- Being an excellent employer that attracts and retains high quality staff
- Working with partners to help our communities thrive

2.2 The budget strategy will remain focused on rent affordability, investing in tenants homes to ensure government standards for energy efficiency are met, and providing long term security for tenants.

2.3 The economic and political landscape is complex and uncertain, as the country faces the challenges of the war in Ukraine, conflict in the Middle East, Climate Change and the ongoing impact Brexit/Covid-19 has on supply chains. All these factors have caused a slower than expected decrease in inflation.



**Source: - www.ons.gov.uk*

2.5 There continues to be a squeeze on personal disposable income with the rise in interest rates. Although the cost of energy has decreased within the last 12 months, it is still significantly higher than pre-2022 costs. Another significant challenge is the long term depopulation in the Outer Hebrides which is showing a projected decline of 14% over the next 20 years and a 5% reduction in the last 10 years per the latest census. The Board are working with key partners in the community to try and prevent the forecast turning into a reality with representation on various strategic committees for example the Community Planning Partnership.

2.6 The key considerations which the strategy takes into account:

a) Climate Change;

b) Rent affordability & fuel poverty

c) Impact of BREXIT/COVID;

d) Long term population forecasts for the Outer Hebrides;

e) Impact of weather and material costs on repairs budgets;

f) Driving efficiency gains;

g) Government standards for providing energy efficient heating systems;

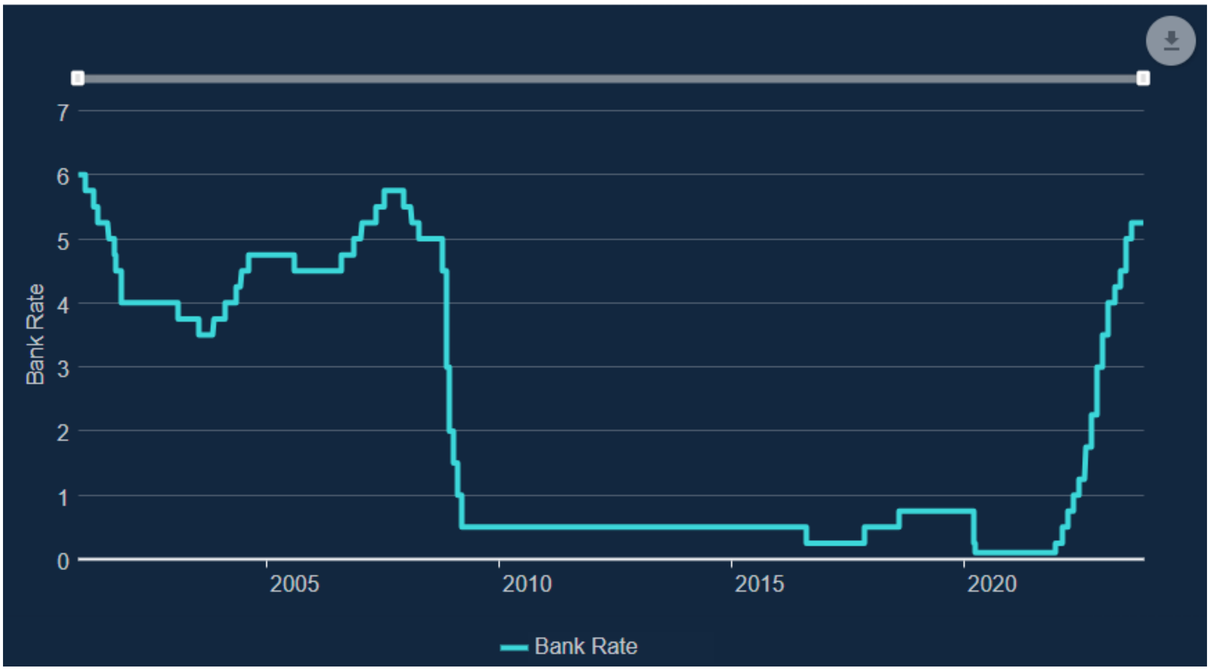
h) Changes in health & social care provision;

i) The delivery of the Scottish Government Affordable Housing Supply Programme; and

j) Changes in Housing Quality and Safety Standards.

2.7 The Bank of England base rate has increased dramatically to 5.25% with regular increases over the last 12 months as the bank try to combat rising inflation:

Official Bank Rate



**Source: www.bankofengland.co.uk*

2024/25 BUDGETS

3.1 The 2024/25 budget will be drawn from Year 1 of the new 30 year forecasts included in the Business Plan to be approved in March 2024. The budget will take account of the proposed rent following the outcome of the tenant rent consultation.

3.2 Budget Managers will be provided with Cash Planning Limits for the service areas they are responsible for and they are required to keep their planned budgets within the Cash Planning Limits.

3.3 Our current business plan assumes rents for 2024/25 will rise less than inflation as we anticipated inflation to remain high into 2024/25. The budget will take account of any mitigations which are required to ensure financial covenants are met for the full year.

LONGER TERM PLANNING HORIZONS

4.1 Our resources are targeted to meet legal requirements and deliver business plan objectives.

4.2 The draft 30 year plan will be updated and presented to the Board in February 2024. Some of the key considerations to be captured in the 30 year plan are as follows:

- Rent affordability
- Continued investment in housing stock;
- Delivery of a development program in line with the SHIP and the affordability and housing needs analysis;
- The potential of long term voids increasing due to falling demand;

4.3 The Board must ensure we always live within our means and do not put the long term security of the organisation at risk by keeping growth under control whilst spending the funds as effectively as possible to support the most vulnerable remaining in their homes.

4.4 The 30 year financial plans will be updated annually to take account of major changes during the year. A copy of the business planning timetable is at Appendix 1.

4.5 Financial information including budgets will be at a sufficiently detailed level to enable efficiency gains to be clearly demonstrated and reported at a number of levels.

EFFECTIVE RISK MANAGEMENT

5.1 The Risk Appetite is set by the Board on an annual basis as part of the business planning process and this is reflected in both the long and short term budgets for the Partnership.

5.2 The risks identified in the risk register will be taken into account in the financial plans.

5.3 Our borrowing facility requires us to comply with two basic covenants. An interest cover and gearing covenant. The budget will be prepared to ensure compliance with these covenants.

KEY ASSUMPTIONS

6.1 The key assumptions will be updated during November to enable preparation of the 2024/25 budgets.

6.2 The timetable for the preparation of the budgets is at Appendix 2.

We are a Living Wage Employer

APPENDIX 1 – BUSINESS PLANNING CYCLE

Timescale	Responsible	Details
November	Director of Finance & Corporate Services	30 Year Cashflows Updated for a) Year 1 figures taking into account the latest forecasts in management report b) Material changes to global assumptions • Inflation, interest rates, grant levels, tax, arrears, income (benefits) c) Materials changes to • investment plan (using stock condition survey data) • repairs costs • development plan • rental income
22 November 2023	Executive Team	Review of 30 year financials and rent options
24 November 2023	Development & Finance Committee	Review of 2024/25 Business Plan / Rents prior to going to consultation.
27 November 2023	Finance Manager & Tenant Participation Officer	Preparation of the consultation document
29 November 2023	Executive Team	Approve Consultation Document

Timescale	Responsible	Details
December - January	Consultation	Consultation with tenants on 2024/25 Business Plan & Rent proposals – including tenant focus group
January	Director of Finance & Corporate Services	Business Plan updated to reflect 30-year cash flows and outcomes of business planning consultation – Stress testing with Development & Finance Committee (Meeting as a working group) to be arranged
13 February 2024	Board	2024/25 Rents set
26 March 2024	Business Plan	Board approve new 5-year business plan and 30-year year financials including cash flows for the following financial year
	Detailed Budgets	Board approve detailed budget and cash flows for the following financial year
27 March 2024	Director of Finance & Corporate Services	Submit 5-year business plan together with 30-year cash flows to RBS
May 2024	Director of Finance & Corporate Services	Submission to SHR of 5-year return + 30-year cash flows based on what was submitted to RBS

hebridean housing partnership

Making our house your home

ITEM NO 6.4

DEVELOPMENT MONITORING REPORT

Board 28 November 2023

Report by Chief Executive

Purpose of Report

1.1 To provide a progress update on our 5 Year Development Plan (2022-27) and to consider development risk thresholds.

Summary

2.1 Details of scheme completions this financial year are provided at Appendix 1 along with photographs of sites under construction.

2.2 Appendix 2 provides details of progress on the Development Plan for 2022 – 2027 with 64% of planned houses either completed (36%) or on site (28%). Appendix 3 summarises work being done on projects from 2024 onwards.

2.3 Construction at Blackwater and Lochmaddy is progressing well, but the availability of labour is a source of concern for Lochmaddy and the supply of electricity meter is a concern with Blackwater. There is the potential for these to delay handover.

2.4 Development Risk Thresholds have been reviewed and are detailed at Appendix 4. These set a framework for decision making on whether to progress sites at particular stages based on a number of criteria.

2.5 The new Strategic Housing Investment Plan (SHIP) spanning 2024 to 2029 has been drafted and a copy can found in Appendix 5. We have provided comments to CNES on this.

Competence

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

Recommendations

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

a) review and approve the Development Risk Thresholds at Appendix 4; and

b) note the Development Plan update.

APPENDIX 1:	Completions and On Site 2023/24	
APPENDIX 2:	New Build Plan Updates	
APPENDIX 3:	Future Plans 2024 onwards	
APPENDIX 4:	Development Risk Thresholds	
APPENDIX 5	Strategic Housing Investment Plan (SHIP)	
APPENDIX 6:	New Grant Requirements for SG New Build Grant	
Background Papers:	None	
Writer of Report:	Sawan Morrison	Tel: 0300 123 0773

Competence

Financial

5.1 The budget for development in 2023/24 is £8.2M expenditure, £6.4M Scottish Government (SG) Grant resulting in a private finance requirement of £1.8M.

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

Legal

6.1 There are no legal considerations in this report.

Regulatory Guidance

7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

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

Risk

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

8.2 Our Housing Needs and Demands Analysis (HNDA) and our Housing Waiting List indicates weak demand in all areas and particularly in the most rural locations. We continue to monitor demand on an ongoing basis and this appears stable with some limited increase over recent months. The HNDA report 2021 suggests that based on current population trends, our Development Plan will in broad terms meet the current identified need for social rented housing by 2026.

8.3 The Risk Register identifies a number of risks which can impact on the delivery of the Development Plan including:

- effect of an increased development programme with a residual risk of 6 (low);
- risk of contractor failure with a residual risk rating of 12 (medium);
- supply chain and labour market challenges with a residual risk rating of 6 (low);
- rent affordability with a residual risk rating of 20 (high); and
- reliability of transport links with a residual risk rating of 10 (medium); and
- risk of serious breach of Health & Safety with a residual risk rating of 4 (low).

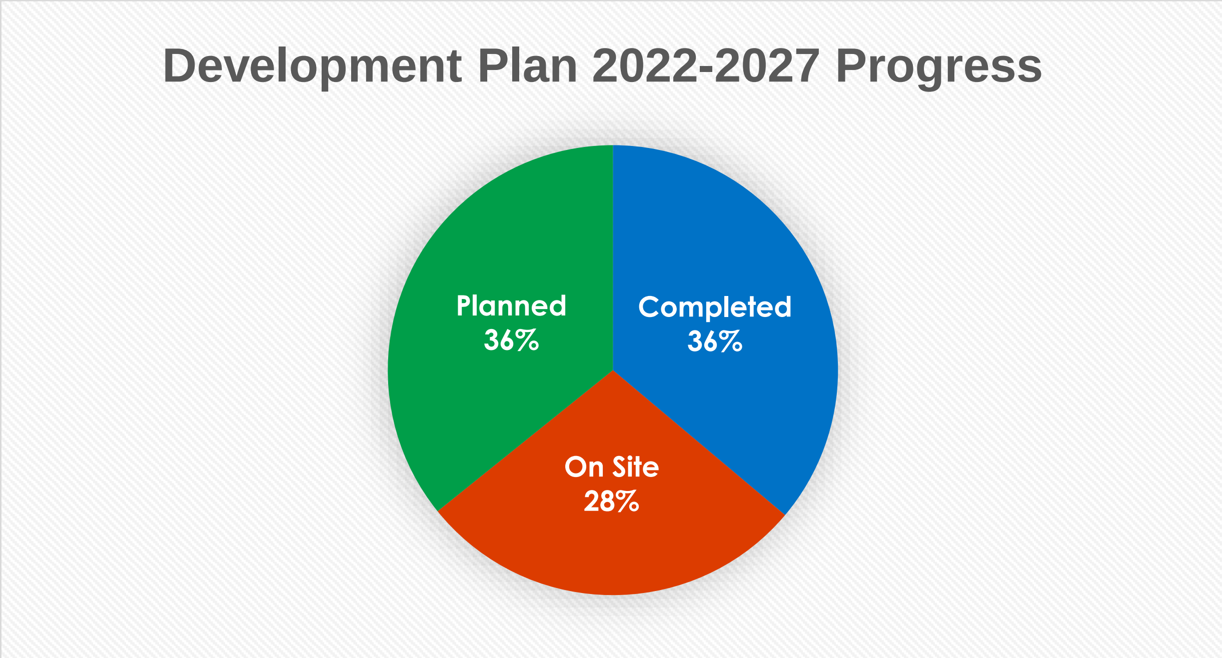
8.4 Other risks previously identified include:

- The commissioning of a planning application at Scott Road without the necessary agreements and servitudes being finalised with the land owners which is mitigated by us having broad agreements in place. Should formal agreements not be achieved then the costs incurred to progress a planning application would be abortive.
- Risk to our existing stock from new build developments with demand being skewed towards new builds leaving our older stock at risk of long term voids.

Report Details

Development Plan 2022-27

9.1 Good progress is being made on the delivery of the Development Plan approved in March 2023 with 36% of the planned homes completed and a further 28% currently on site. Full details of all the developments can be found in Appendix 2, Table 1.2.



Development 2023/24

10.1 The main issues to note for developments on site or identified for 2023/24 are:

- **Lochmaddy** on site with completion expected in April 2024.
- **Blackwater** on site with completion expected in March 2024 for phase 1 which will see 20 homes being handed over. Lack of electricity meter supply is a cause for concern and could affect programme.
- **Leverburgh** – Due to the high tender returns, we are in ongoing discussions with tenderers regarding potential savings and to try to understand the level of costs. We are also engaged with Scottish Government on the cost challenges and the level of funding available.

Future Plans

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

- **Scott Road** – We are continuing negotiations on land acquisition with both landowners involved and a planning application is in preparation. There is one objection from a crofting shareholder which is a concern as it could cause further delays. The detailed engineering work has identified a change to the preferred access route and the implications of this are being discussed with the landowner.

11.2 A full feasibility study has been instructed for a site in **Scarista**, Isle of Harris. We have held discussions with planning and they have highlighted that this is an area that has significant archaeological interest and has listed buildings nearby. It will therefore require an Archaeological study and engagement with Historic Environment Scotland. Consequently, there is a significant risk to development here and the site would require a specific design solution.

11.3 A site at **Seaview, Knock** has received positive planning feedback and which we are looking to instruct to full feasibility. There is a "Point" site in the SHIP and our development plan for 2025/26. This site is in crofting.

Development Risk Thresholds

12.1 Proposed Development Risk thresholds are at Appendix 4 for review. Changes have been made to take account of suggestions from Board Members and updated to reflect the risk appetite of the Board for development

12.2 The thresholds will be considered at each stage of the development process. Main changes have been to the waiting list thresholds and cost thresholds.

Strategic Housing Investment Plan (SHIP)

13.1 The Comhairle's Strategic Housing Investment Plan (SHIP) is being updated with the final submission to Scottish Government due on 27 October 2023. This SHIP will span financial years 2023/24 to 2027/28 and is the main strategic document governing CNES future development proposals, resource assumptions and delivery proposals. Our Business Plan and 5 Year Development Programme commitments support the delivery of the current SHIP up to 2025/26 as confirmed to the Comhairle in June 2021 when increased borrowing was put in place to deliver the plan. The latest draft of the SHIP can be found in Appendix 5. We have provided feedback on this and are awaiting an update. In particular we have highlighted the need for CNES to identify the proposed developer and to recognise our current development plan .

13.2 The Comhairle are also working through their Housing Needs Demand Assessment which has been submitted to Scottish Government for review. This will inform the new Local Housing Strategy. In its draft form, the need for social rented units ranges from 4 to 12 units/year for the next 5 years (maximum 60 units) and 10 to13 units/year from 5-10 years (maximum 65 units). We currently have 182 units in our 5 year development plan with 80 units currently on site.

13.3 Since the inception of our current Business Plan in 2019, We have spent over £15 Million in private finance to deliver new build social housing to support the Comhairle's SHIP along with utilising SG grant funding of over £29 Million.

13.4 The following assumptions have been made in developing the SHIP

- SG assumed grant levels are above benchmarks (which is £95,000 for a 3 person equivalent home) and are as follows:

Est Grant per Unit	**£**
Lewis	*120,000*
Harris	*160,000*
Uist	*130,000*
Barra	*140,000*
HWEC	*160,000*

- The current SG Resource Planning Assumption (RPA) for grant levels has only been confirmed up to 2025/26. The last three years of the SHIP uses an estimated RPA level.
- HHP is the main delivery vehicle for the Comhairle's SHIP. Our current borrowing should deliver a further 152 unit but that is heavily dependent on all our business plan assumptions being on target). The current version of the SHIP identifies 238 units which is a total of 86 units more than current commitments in our Development Plan.
- Rural (55%) / Stornoway (45%) split is still being maintained.

New Scottish Government Grant Conditions

14.1 Our new build programme is funded by Scottish Government's Affordable Housing Supply Programme (AHSP) administered by the More Homes division.

14.2 There have been a number of new grant conditions introduced by Scottish Government in November 2022. These are summarised in Appendix 6 with items in yellow being the new conditions that are currently a work in progress but we have engaged with the necessary providers. Summary below:

- Participation in a continuous procurement improvement programme. We have engaged Scotland Excel and initial meetings to discuss the required information has been conducted. It will require us providing information about our procurement process but is not limited to new build.
- Participation in the value for money programme. SG have confirmed that SHN value for money tool is eligible. We have provided the first of this information for the quarter ending September and will look to provide a summary of report to Board once this is received.

SURF Awards nomination for Goathill

15.1 We put the Goathill project forward for the 2023 Scottish Regeneration Forum (SURF) Award for Best Practice in Delivering Wider Regeneration Benefits from Investments in Housing. We are pleased that it is 1 of 3 projects shortlisted in this category. The judges visited the site on 8 October 2023 and met ourselves and colleagues from CNES and Social Care. The visit went well and we look forward to the award ceremony being held on 7 December 2023 when the winner will be announced.

Sawan Morrison 31/10/23

APPENDIX 1

Scheme	Area	Type	Units
Rathad Na Ceardaich	Barra	Rent	6
Bremner Court	Stornoway	HWEC	50
11 Eireastadh, Crowlista	Rural Lewis	Rent	1
Total Handover to November 2023			**57**

Official Opening Rathad Na Ceardaich, Barra (Calmax)

Blackwater – Phase 1 (CalMax)

Lochmaddy (Macinnes Bros)

SURF Awards Nomination for Housing & Regeneration for Goathill – Judging Panel Visit

Table 1.1 Development Performance – 5 Year Development Plan 2022-2027 (Approved March 2023)

	RENT	NSSE	HWEC	TOTAL	% of Plan	Comments
Completed 2022/23	44	2	-	**46**	16%	-
Completed 2023/24	7	0	50	**57**	20%	6 Homes at Barra and Crowlista Care Unit conversion completed.
On Site	80	0	0	**80**	28%	-
Planned for 2022-26	102	0	0	**102**	36%	-
	233	**2**	**50**	**285**		

New Build Plan Updates

APPENDIX 2

Table 1.2 - 5 Year Development Plan Summary (Approved March 2023)

Type	Area	Location	Total Units	Stage	2022/23	2023/24	2024/25	2025/26	2026/27
RENT	Stornoway	Goathill RENT	22	Completed 22/23	22				
NSSE	Stornoway	Goathill NSSE	2	Completed 22/23	2				
RENT	Uist	Balivanich	10	Completed 22/23	10				
RENT	Rural Lewis	Barvas (Developer led)	8	Completed 22/23	8				
RENT	Rural Lewis	Uig - Crowlista	4	Completed 22/23	4				
RENT	Rural Lewis	Uig - Crowlista Care Unit	1	Completed 23/24		1			
HWEC	Stornoway	Goathill HWEC	50	Completed 23/24		50			
RENT	Barra	Barra/Vatersay	6	Completed 23/24		6			
RENT	Stornoway	Blackwater	72	On Site		22	25	25	
RENT	Uist	Lochmaddy Former Hospital	8	On Site		8			
RENT	Uist	South Harris - Leverburgh	6	Tendering - cost negotiations		6			
RENT	Uist	Benbecula - Low Flyer	4	To be allocated to Leverburgh		4			
RENT	Rural Lewis	Rural Lewis- South Lochs	4	Demand assessment being reviewed			4		
RENT	Rural Lewis	Rural Lewis- Bernera	4	Potential land acquisition			4		
RENT	Harris	Scott Road, Harris	24	Planning permission WIP			12	12	
RENT	Uist	South Uist	6	Potential site awaiting planning assessment			6		
RENT	Uist	North Uist	4	Progressing to land acquisition & planning			4		
RENT	Rural Lewis	Cleat Road- Phase 2	6	Land available			6		
RENT	Rural Lewis	Point (Knock)	4	Land to progressed to feasibility				4	
RENT	Uist	North Uist	6	Financial appraisal				6	
RENT	Stornoway	Stornoway Regeneration	14	Land to be determined					14
RENT	Rural Lewis	Barra HWEC	10	Initial Assessment					10
RENT	Uist	Balivanich	4	Land to be determined					4
RENT	Rural Lewis	Rural Lewis	6	Land to be determined					6
		Total Units	**285**		**46**	**97**	**61**	**47**	**34**

New Build Plan Updates

APPENDIX 2

Table 2.1 Current Development Projects 2023/24

Scheme	Area	Units	Stage	Expected Handover	Comments by exception
Goathill HWEC	Stornoway	50	Completed	May -23	This has now been handed over and we continue to work with CNES and IJB for occupation.
Crowlista, Uig	Rural Lewis	5	Completed	Apr-23	-
Barra – Cleit Road	Barra	6	Completed	Jun-23	-
Blackwater	Stornoway	72	On Site	Oct-25	Contractor currently 6 weeks behind programme. This will be a phased handover with the first phase due to be handed over in March 2024.
Lochmaddy	Uist	8	On Site	Apr-24	Breedon availability for the final taring has pushed this handover to April 2024.
South Harris - Leverburgh	Harris	6	Tender	TBC	Planning permission has been granted with conditions. Following tender returns, we are looking to work with tenderers and Scottish Government to identify cost savings to bring forward a feasible project.
Benbecula – Low Flyer	Uist	4	Tender	TBC	Board decision to delay and review in 6 months (due December 2023). However, since CNES have requested that the funding for this be directed to achieve 10 social rented housing at Leverburgh.
South Lochs	Rural Lewis	4	Feasibility	TBC	A demand study was conducted following the full feasibility study. There were 24 responses with 7 eligible but only 2 new applications. We are consistently having difficulty re-letting properties in this area.
Bernera	Rural Lewis	4	Feasibility	TBC	Final feasibility study received – Land owner approached re purchasing of land and feedback awaited.

Future Plans 2024 Onwards

APPENDIX 3

YEAR	Scheme	Area	Units	Demand (Transfer/Waiting)*	Comments by exception
2024/25	Scott Rd	Harris	12	6/29	Planning permission process initiated with a view to submission in November 2023. Progress with securing the land has been slow.
	Rural Lewis- South Lochs	Rural Lewis	4	1/4	A demand study was conducted following the full feasibility study. There were 24 responses with 7 eligible but only 2 new applications. We are consistently having difficulty re-letting properties in this area.
	Rural Lewis – Bernera	Rural Lewis	4	2/10	Following Board approval to take this to acquisition, land owner approached with purchasing of land. They are to take it before the congregation before approval.
	South Uist	Uist	6	4/15	A potential site is awaiting planning service assessment before progressing to full feasibility study. Site in crofting.
	North Uist	Uist	4	4/17	Site at Grimsay identified and final feasibility study received. Site in crofting but we have engaged with the estate to start the process of acquisition.
	Cleat Road- Phase 2	Barra	6	7/38	Existing land available for a potential second stage of the current development. We are engaging with TIG to take this to tender.
2025/26	Scott Rd	Harris	12	6/29	As per above.
	Point	Stornoway Market Area	4	2/12	Site to be identified. One potential site at Seaview has been positively reviewed by planning. We are looking to take this to full feasibility study.
	North Uist	Uist	6	4/17	Site at Grimsay as per above has capacity for 8 units.
2026/27	Stornoway Regeneration	Stornoway	14	97/251	Site to be determined by CNES. We currently have a site at Melbost West undergoing masterplanning.
	Barra HWEC	Barra HWEC	10	Current care residents	Board decision taken to support the project subject to confirmation of funding from the various departments of Scottish Government and costs being within our budgets.

Future Plans 2024 Onwards

APPENDIX 3

YEAR	Scheme	Area	Units	Demand (Transfer/Waiting)*	Comments by exception
	Balivanich	Uist	4	12/33	This is an area identified in the SHIP. The existing site at Low Flyer to be progressed here.
	Rural Lewis	Rural Lewis	6	21/105	The demand figure is for all of Rural Lewis and does not include Stornoway.

*demand figures as at 24 February 2023 as annual reviews are to be conducted in August.

<table>
<tr><th>Criteria</th><th>Base</th><th>Exec Threshold</th><th>Requires Board approval</th></tr>
<tr><td>Feasibility recommendation</td><td>
<table><tr><th colspan="2">Key</th></tr><tr><td></td><td>Excellent</td></tr><tr><td></td><td>Good</td></tr><tr><td></td><td>Reasonable</td></tr><tr><td></td><td>Poor</td></tr><tr><td></td><td>Very Poor</td></tr></table>
<table><tr><th colspan="2">Item Rating</th></tr><tr><td>Planning Feedback</td><td></td></tr><tr><td>Utility Connections</td><td></td></tr><tr><td>Land Constraints</td><td></td></tr><tr><td>Ground Conditions</td><td></td></tr><tr><td>Cost Estimates</td><td></td></tr></table>
<table><tr><th>Overall Rating</th></tr><tr><td>Poor</td></tr></table>
</td><td>Reasonable and above (unless any items have poor/very poor)</td><td>Poor</td></tr>
<tr><td>Demand</td><td>Waiting list without transfer figures
Justifiable demand – should only be waiting list figures.
<table><tr><th>No. of Units proposed</th><th>Waiting list Figure at 100%</th></tr><tr><td>4</td><td>8</td></tr><tr><td>6</td><td>12</td></tr><tr><td>8</td><td>16</td></tr><tr><td>10</td><td>20</td></tr></table>
</td><td>Demand greater than 100% no. of units proposed. (e.g. 4 unit development needs 8 on waiting list)</td><td>Demand is approximately in line with proposed units.</td></tr>
<tr><td>Cost of the project and relevant funding available.</td><td>Indicative cost = Private Finance + SG Grant + ACTISH (CNES)
- Private Finance levels set as per Development Plan
- SG Grant levels are determined by SG benchmarks and per project basis
- ACTISH (CNES) funding is sometimes made available by CNES to allow difficult projects to progress (E.g. most recently Barra and Lochmaddy)

If there is a shortfall in funding and additional private finance is available then the following are the options
- savings in areas in other projects to be made available
- build less units in future projects to bring some funding</td><td>Private finance level at budgeted levels</td><td>There is a shortfall in funding and both SG and ACTISH grant has been maximised.</td></tr>
<tr><td>Repayment period</td><td>Development return on investment (BRIXX)
- Need unit costs
- Need mix of properties</td><td>Development return on investment less than or equal to 30 years.</td><td>Development return on investment more than 30 but less than 40 years.</td></tr>
<tr><td>Are other sites available</td><td>Log of other sites gone through feasibility studies.</td><td></td><td>Only land available in letting area</td></tr>
</table>

APPENDIX 5

Strategic Housing Investment Plan (SHIP October 2023 - draft)

1 Scottish Govt Resource Planning Assumptions

Year 1			Year 2			Year 3			Year 4			Year 5			Totals
2024/25	RPA	£8,372,000	2025/26	RPA	£8,511,000	2026/27	RPA	£5,000,000	2027/28	RPA	£5,000,000	2028/29	RPA	£5,000,000	£31,883,000
							Est			Est			Est		

2 SHIP Modelling

2024/25	Units	GRANT	2025/26	Units	GRANT	2026/27	Units	GRANT	2027/28	Units	GRANT	2028/29	Units	GRANT	
Blackwater	25	£2,605,732	Rural Lewis Point	4	£480,000	South Uist	6	£780,000	Stornoway Peripher	14	£1,680,000	Barra	6	£840,000	
Leverburgh	12	£1,900,000	RAF Site	14	£1,680,000	Cross Skigersta Rd	4	£480,000	Rural Lewis	12	£1,440,000	South Uist	6	£1,200,000	
Bernera Lewis	4	£480,000	Blackwater	25	*spend in 24/25*	RAF Site	14	£1,680,000	North Uist	6	£780,000	Stornoway Periphery	14	£1,680,000	
			Balivanich Low Fly	4	£600,000	Barra HWEC	10	£2,500,000	South Uist	6	£780,000	Rural Lewis	6	£720,000	
Scott Road Ph1	12	£2,400,000	Scott Rd Ph2	12	£2,400,000							Benbecula	4	£520,000	
Barra Cleit 2	6	£1,007,976	Gravir Lewis	4	£480,000										
NU Grimsay	8	£1,600,000													
	67	£9,993,708		63	£5,640,000		34	£5,440,000		38	£4,680,000		36	£4,960,000	£30,713,708

3 Rural/Urban Split

							No.	%
Rural	42	24	20	24	22		132	55
Stornoway	25	39	14	14	14		106	45
	67	63	34	38	36		238	100

Units included in HHP 30 year business plan

*At the time of writing this report and this is currently undergoing review and approval by CNES committee and Scottish Government. The items in green are the sites and units we have in our current Development Plan.

APPENDIX 6

Scottish Government New Build Grant Requirements (November 2022)

Grant Requirement	From whom	How	When	HHP Action Needed
Grant settlement form – acquisitions	All grant recipients	Through the HARP system	Within 14 days of grant payment	We update on HARP but new form to be completed.
Completed affordable housing investment benchmarks calculator for social rented projects and mid-market rented projects, and completed cost monitoring information for all projects containing automatic fire suppression systems and/ or zero direct emissions heating (regardless of tenure)	All grant recipients, where applicable	Through the HARP system	As part of the tender application process, where applicable	We currently complete on HARP
Housing tender return for all new build projects	All grant recipients, where applicable	Through the HARP system	As part of the tender application process, where applicable	New HTR Form with additional information required. New Form circulated to QS
Statement demonstrating commitment to Fair Work First	All grant recipients	Through the HARP system	As part of the tender application process	Included in Tender
Confirmation that a short statement is on the grant applicant's website highlighting its commitment to advancing Fair Work First	All grant recipients	Through the HARP system	As part of the tender application process	Yes - Short statement on website published.
Information on the measures that the grant applicant will take to embed fair working practices in its organisation	All grant recipients	Through the HARP system	As part of the tender application process	Yes - Included in Tender documents.

APPENDIX 6

Grant Requirement	From whom	How	When	HHP Action Needed
Confirmation of (a) the date that the project is expected to start on site and (b) the date when project is expected to complete	All grant recipients	In writing	When accepting the grant offer	Yes - Provided to SG via email and at SLP meeting
Confirmation of the provider that the grant recipient has chosen to work with on the procurement improvement programme	RSLs only	As part of the grant acceptance process	When accepting the grant offer	We have engaged Scotland Excel to start this process.
Confirmation of the actual date of works commencement on site	All grant recipients	In writing	Within seven days of works starting on site	Yes - provided to SG via email.
Notification of any unforeseeable and unavoidable cost over-runs, together with an initial estimate of cost	All grant recipients	In writing	Immediately they become apparent, with due diligence then being expected to have been undertaken before any formal request is submitted for additional grant funding	Yes - provided to SG via email in the first instance.
Statement of compliance with the conditions of the grant	All grant recipients	Through submitting the appropriate schedule within the grant offer letter	Within three months of the end of each financial year within which grant has been paid	Yes – submitted to SG More Homes team via email.
Notification of project completion	All grant recipients	In writing	As soon as all of the homes in a project have been certified as complete by the project architect/ supervising officer and approved by the local authority for occupation	Yes – provided in writing to SG More Homes team

APPENDIX 6

Grant Requirement	From whom	How	When	HHP Action Needed
Copy of the completion certificate	All grant recipients	Through the HARP system or via email	Immediately following the above notification of project completion	Yes – added to HARP system
Confirmation that a Fair Work First survey has been completed	All grant recipients	Through submitting the appropriate schedule within the grant offer letter	As soon as all of the homes in a project have been certified as complete by the project architect/ supervising officer and approved by the local authority for occupation.	Schedule required at completion.
Confirmation of the provider that the grant recipient has chosen to work with on the value for money in new build affordable housing programme	RSLs and local authorities delivering new build projects only	Through submitting the appropriate schedule within the grant offer letter	As soon as all of the homes in a project have been certified as complete by the project architect/ supervising officer and approved by the local authority for occupation	Schedule required at completion. Value for money tool provided by SHN (Scottish Housing Network). A quarterly form is completed by HHP and SHN produce a quarterly report.
Yes - Provided to SG and at SLP meeting completed	RSL subsidiaries and local authority arms-length external organisations	Through completing the online SmartSurvey	When mid-market rent tenants collect the keys or have access to a property, and for every new let or subsequent let of the property	N/A – No MMA
Confirmation that the grant recipient has participated in the procurement improvement programme	RSLs only	Through submitting the appropriate schedule within the grant offer letter	Within two years of the date of acceptance of the grant offer, and every two years after that	Schedule required at completion. Procurement improvement programme provided by Scotland Excel.

APPENDIX 6

Grant Requirement	From whom	How	When	HHP Action Needed
				Annual report to be produced within 3 months of EOFY.
Confirmation that the grant recipient has participated in the value for money in new build affordable housing programme	RSLs and local authorities delivering new build projects only	Through submitting the appropriate schedule within the grant offer letter	Within 18 months of all of the units in the project having been certified as complete by the project architect/ supervising officer	Schedule Required at completion. Value for money tool provided by SHN. HHP to provide data at project completion on a quarterly basis. Annual report to be produced within 3 months of EOFY
Confirmation of any change of provider that the grant recipient has chosen to work with on the procurement improvement programme	RSLs only	In writing	Within 10 business days of the RSL formally deciding to change provider	N/A

ITEM NO 6.5

INVESTMENT PROGRAMME MONITORING REPORT

Board 28 November 2023

Report by Director of Operations

Purpose of Report

1.1 To provide an update on the 2023/24 Investment Programme.

Summary

2.1 Infra-red heating replacement works are progressing well and are on target. Initial tenant feedback results appear positive.

2.2 An additional funding application was submitted in September 2023 to the Social Housing Net Zero Heat Fund for replacement of a further 16 inefficient electric heating systems with air source heat pumps. This application has been successful and we are awaiting the formal Grant Offer letter.

2.3 We have been unable to progress heating replacements at Doig Crescent flats and Lewis Street flats (Crossreach) as air source cannot be installed at these locations. There are currently no renewable alternatives to the existing storage heating and further exploration is being undertaken on potential options.

2.4 Where we have capacity in the programme we propose using it to deal with previous refusals on solid fuel heating systems for new tenants or if the system has broken beyond repair.

Competence

3.1 The legal, financial, or other constraints to the recommendations in this report are contained in paragraph 5.1 – 8.4.

Recommendations

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

a) **approve that capacity going forward in the 2023/24 heating programme be used to replace solid fuel heating system for new tenants or where the system has broken beyond repair**.
b) **note the progress on the Investment Programme at Appendix 1.**

APPENDIX 1:	2023/24 Investment Programme	
APPENDIX 2:	Aids & Adaptations Position	
Background Papers:	Management Report to 30 June 2023	
Writer of Report:	Angus MacNeil	Tel: 0300 123 0773

Competence

Financial

5.1 The approved Investment Budget for 2023/24 is £3.919M as set out and approved by Board on 29 March 2023. The current budgetary position is detailed in the Management Accounts on this Board agenda.

5.2 The Scottish Government have awarded Aids and Adaptation funding of £0.275M of which £0.225M has been committed.

5.3 A further grant application for £0.150M was submitted in September 2023 to support the replacement of 16 inefficient electric heating systems with new air source heat pump. We have been advised by email that the application has been successful and we are awaiting the formal Grant Award letter to confirm the award detail and conditions.

Legal

6.1 The decision to approve or amend Strategy, Business Plan and budgets including virements to or from a Budget Head in excess of £0.10M is reserved to the Board.

6.2 Financial Regulations require that the actual forecast and progress on the Investment Programme be reported to each routine meeting of the Board.

Regulatory Guidance

7.1 The Regulatory Standards checklist has been completed and there is nothing in the report that would result in a breach of the standards.

Risk

8.1 There are risks highlighted in the Risk Register that are relevant to Investment. This includes affordability for tenants leading to increased levels of fuel poverty. This has a residual risk of 20 which is considered a high risk.

8.2 There are further risks highlighted in the Register concerning the failure of a major contractor, the health of the local economy including the capacity of contractors to deliver programmes.

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

Report Details

Heating programme

9.1 Within heating programmes there are always a number of refusals for a variety of reasons. This creates an opportunity to either bring houses forward, or to address previous refusals particularly where there has been a change of tenancy since the original refusal.

9.2 The current position is that Infra-red system replacements are being prioritized as agreed by Board. The programme is currently on target and replacements are being carried out as per the commitment given to tenants.

9.3 However, we have 3 former refusals where new tenants are now in place. They have been advised that we will replace the solid fuel systems in their homes as soon as we are able to incorporate them in the programme. These heating systems are beyond their replacement life, are environmentally damaging and provide a very poor and expensive heating solution to these new tenants.

9.4 There is capacity within Lot 2d to accommodate an additional 4 properties at present. It is proposed that, rather than bring forward Infrared replacements from the 2024/25 programme, we replace the solid fuel systems.

9.5 We also have one property where the existing solid fuel heating system is failing, and the tenant who previously refused heating is now open to installing air source. It is proposed that this property also be added to the programme.

9.6 We are awaiting the outcome of our bid for additional grant funding to install 16 air source heating systems. Should we be successful this will allow properties to be brought forward from 24/25 but will also create an opportunity to address any further refusals or break downs identified up to end of March 2024.

9.7 All scenarios outlined above would still be eligible for funding as part of the Social Housing Net Zero Heat Fund. Scottish Government are aware that we bring forward houses to cover any refusals. This is covered in our monthly report to them.

9.8 The recommendation is therefore that properties which have solid fuel systems and where there is a new tenant in place or a solid fuel system has failed be prioritized when capacity is identified in the heating programme.

2023/24 Investment Programme

The position of each contract Lot is set out in the table below.

Lot/ Works	Contractor/ Status	Site Start date	Estimated Completion Date
Lewis & Harris			
Lot 1A - Windows & Doors	Alex Murray (Construction) Ltd	November	March
Lot 1B - Windows & Doors	Alex Murray (Construction) Ltd	August	November
Lot 2A - Heating – gas heating	FES FM Ltd - surveys	Pending	Pending
Lot 2B - Heating – infra red	Alex Murray (Construction) Ltd	August	February
Lot 2C - Heating – Infra red	Alex Murray (Construction) Ltd	August	February
Lot 3A - Bathroom & Showers	FES FM Ltd	November	February
Lot 3B - Bathroom & Showers	FES FM Ltd – surveys	February	March
Lot 3C - Showers	Alex Murray (Construction) Ltd – surveys	* November	February
Lot 4A - Kitchens	Alex Murray (Construction) Ltd – surveys completed	* November	January
Lot 5 - Roughcast	Tenders returned – tender evaluation	Pending	Pending
Lot 6 - Electrical	Tenders returned – tender evaluation	Pending	Pending
Lot 8 - Occupational Therapy	Awarded – Alex Murray (Construction) Ltd	May	March
Uist & Barra			
Lot 9a - Windows & Doors	FES FM Ltd	September	October
Lot 9b - Windows & Doors			
Lot 9c – Windows & Doors	Alex Murray (Construction) Ltd – surveys completed	* January	March
Lot 10 - Heating	FES FM Ltd	October	November
Lot 11 - Bathroom & Showers	Alex Murray (Construction) Ltd – surveys	Pending	Pending
Lot 11A - Showers	FES FM Ltd - surveys	* November	January
Lot 12A - Kitchens	Alex Murray (Construction) Ltd – surveys completed	Pending	Pending
Lot 12B - Kitchens	Alex Murray (Construction) Ltd - surveys completed	Pending	Pending
Energy Efficiency (External Wall Insulation)	On site – BCA Group	October	November

Programme progress

1.1 Lewis and Harris Windows - Lot 1B is nearing completion with Lot 1A commencing thereafter.

1.2 Uists and Barra Windows – Lot 9A is complete . Lot 9B will commence early November. Surveys have been completed for Lot 9C and is expected to proceed to programming stage.

1.3 Infrared heating replacement – programmes are on target.

1.4 Bathrooms and Showers – Lot 3A will commence early November. Programme dates for Lot 3B are being discussed.

1.5 Kitchens – surveys have been completed, design reviewed, costs are being matched to budget.

1.6 External wall insulation: The works are due to complete in late November.

1.7 Supply chain – an Early Warning has been raised by the contractor in regard to the supply chain and the delivery of windows to Uist due to issues with the Leverburgh-Berneray ferry sailing and the redeployment of the ferry to Barra. There is also unavailability of the ferry on the Lochmaddy route due to the pier works. The Contractor is awaiting clarification from Calmac to assess the impact during the coming weeks.

Aids & Adaptations Position

1.1 The current position on General Adaptations is in Table 2. Referrals are being progressed as they are received, and regular discussions are ongoing with contractors and with Occupational Therapists to ensure works are actioned and completed timeously.

1.2 We have had an initial enquiry from the Scottish Government on capacity to spend additional grant if available. We have advised that we would expect to be able to do so.

Table 2 - Occupational Therapy referrals

Occupational Therapy Referrals	**2023/24**
Number of Properties	66
Number of Referrals (some properties have more than one referral)	77
Number of tasks on Referrals (a referral can have multiple tasks)	177
Number of referrals completed	52
Number of Referral tasks completed	106
Total Spend/ Committed	**£225.1K**
Grant Allocation – General Adaptations	**£275K**

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ITEM NO 7.1

NEW & EXPECTANT MOTHERS POLICY

Board 28 November 2023

Report by Chief Executive

Purpose of Report

1.1 To present to the Board the revised New & Expectant Mothers Policy.

Summary

2.1 Our New & Expectant Mothers Policy is scheduled for review. The Policy has been reviewed and is at Appendix 1 to this report.

2.2 There are no material changes to the Policy following this review.

Competence

3.1 There are no legal, financial or other constraints to any recommendations in this report being implemented.

Recommendations

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

a) the revised New & Expectant Mothers Policy at Appendix 1 for consultation with Unison and staff; and

b) 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.

APPENDIX 1:	New & Expectant Mothers Policy	
Background Papers:	None	
Writer of Report:	Dena Macleod	Tel: 0300 123 0773

Shona Matheson 18 October 2023

APPENDIX 1

NEW & EXPECTANT MOTHERS POLICY

APPROVED BY HHP BOARD:
November 2023
EFFECTIVE DATE:

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INTRODUCTION

1.1 The purpose of this Policy is to ensure that we comply with the Management of Health & Safety at Work Regulations 1999, the Workplace (Health & Safety and Welfare) Regulations 1992 and the Equality Act 2010.

1.2 Precautions taken to protect the Health and Safety (H&S) of HHP's employees as a whole will, in many cases, also protect new and expectant mothers. However, there are occasions when, due to their condition, different and/or additional measures will be necessary.

1.3 The policy applies without reference to length of service or employment type.

AIMS & OBJECTIVES

2.1 We will ensure that work activities exposing new & expectant mothers to unacceptable risks are eliminated, so far as is reasonably practicable.

2.2 Measures to achieve this include preventing exposure to such risks by ensuring:

a) appropriate risk assessment of tasks is carried out;

b) relevant legal standards (dependent on the risk involved) are met;

c) procedures and good practice are followed;

d) working conditions and/or hours are adjusted, if required; and

e) if necessary, that new & expectant mothers are removed from hazardous activities, working conditions or physical, biological or chemical agents. We will provide suitable alternative work or, if this is not possible, will place the employee on paid absence.

IMPLEMENTING THE POLICY

3.1 The Chief Executive has overall responsibility for the implementation of this policy.

3.2 Procedures relating to the implementation, monitoring and enforcement of this policy will be developed and maintained by the Health & Safety Committee and updated as required.

3.3 Day-to-day responsibility for the implementation of this Policy lies with Line Managers but all employees are obliged to adhere to, and facilitate the implementation of, the Policy in the workplace.

3.4 Where hazardous activities cannot be eliminated, risk assessments carried out by an appropriate and competent person, together with the new or expectant mother, will be undertaken to identify residual risks and to reduce them to the lowest level reasonably practicable. The assessments will take into account the actual risks associated with the work activities and whether these risks are increased, due to any particular problems experienced by the new or expectant mother during her pregnancy or postnatal period.

Specifically, the assessment will consider risks associated with exposure to:

a) physical agents;

b) biological agents; and

c) chemical agents.

The risk assessment will also consider working and welfare conditions.

3.5 Risk assessments relating to new and expectant mothers will be reviewed, and if necessary, revised regularly.

COMMUNICATING THE POLICY

4.1 All staff undertaking risk assessments will be trained in the operation of the Policy.

4.2 All new employees will be given access to the New & Expectant Mothers Policy (e.g. at induction).

4.3 Suitable information, instruction and training will be provided to new & expectant mothers to ensure their health and safety. Training needs will be identified and reviewed by a competent person and support given to allow new & expectant mothers to attend any required training sessions. The effectiveness of any training provided will be monitored and training regularly reviewed.

MONITORING AND REVIEW OF POLICY

5.1 We will review this Policy every 3 years. More frequent reviews will be considered if, for example, there is a need to respond to new legislation/policy guidance.

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this policy:

WORD	INTERPRETATION
HHP or Partnership	Hebridean Housing Partnership
Board	Means the Board of the Hebridean Housing Partnership
Board Members	All Members of the Board including co-opted Members
H & S	Health and Safety
New & Expectant Mother	a) is pregnant b) who has given birth within the previous 6 months (given birth is defined as having given birth to a living child, or a still-born child after 24 weeks of pregnancy) c) is breast feeding

All references to the masculine gender in this policy shall read as equally applicable to the feminine gender

If there is a conflict between this Policy and any statutory provision or regulation, the latter shall prevail.

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ITEM NO 7.2

PARENTAL LEAVE POLICY

Board 28 November 2023

Report by Chief Executive

Purpose of Report

1.1 To present the updated Parental Leave Policy for approval to consult with staff and Unison.

Summary

2.1 The policy review process includes looking at model policies prepared by a number of organisations e.g. EVH. The revised policy takes account of changes to the model policy which provide clarity on giving notice for taking parental leave and conditions attached to a return from parental leave.

2.2 The revised policy is at Appendix 1.

2.3 The policy has been in place since 2015 and there has only been one request for unpaid parental leave. The consultation will be a reminder for staff of their entitlement and we will have an annual reminder in the weekly newsletter.

Competence

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

Recommendations

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

a) the Parental Leave Policy for consultation with staff and the Union at Appendix 1; and

b) 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.

APPENDIX 1:	Parental Leave Policy	
Background Papers:	None	
Writer of Report:	Dena Macleod	Tel: 0300 123 0773

Competence

Financial

5.1 There are no financial implications arising directly from consideration of this report.

Legal

6.1 Parents have the right to unpaid time off work when they need to look after their children.

Regulatory Guidance

7.1 The Regulatory Standards Checklist has been completed and there is nothing in this report which would breach these standards.

Risk

8.1 The revision to the policy will minimise risk in relation to breach of employment law.

8.2 The relevant risks in our Risk Register are:

- Risk 5 - Lack of skilled workforce (net score 8)
- Risk 11 - Loss of key staff/skills (net score 3)

APPENDIX 1

PARENTAL LEAVE POLICY

APPROVED BY HHP BOARD:

EFFECTIVE DATE:

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INTRODUCTION

1.1 Parental Leave gives parents or adoptive parents of children under the age of 18 years the right to take one or more period of unpaid leave to look after a child or make arrangements for a child's welfare.

1.2 Parental Leave is intended to support parents in spending more time with their children and help them to strike a work-life balance that works for them. It is not intended, for example, to allow you time off to pursue a hobby.

1.3 Both parents may take Parental Leave.

ELIGIBILITY

2.1 To be entitled to take unpaid Parental Leave you must be named on the child's birth certificate or adoption certificate or have (or expect to have) parental responsibility as defined by law, for the child.

2.2 You must also have completed one year's qualifying service with us at the time you want to take the Parental Leave.

PAY AND BENEFITS DURING PARENTAL LEAVE

3.1 You are not entitled to receive remuneration during Parental Leave. A period of Parental Leave does not affect your entitlement to paid annual leave. However, any additional contractual holiday entitlement will not accrue during that period.

HOW MUCH LEAVE MAY BE TAKEN

4.1 You are entitled to take unpaid Parental Leave for up to 18 weeks for each child under the age of 18. You can take leave in blocks of one week or more, up to a maximum of four weeks in a year for each eligible child.

4.2 You must take Parental Leave as whole weeks (e.g. 1 week or 2 weeks) rather than individual days. A 'week' equals the length of time you normally work over 7 days. The exception to this is if your child is disabled. Parents of disabled children may take the leave in odd days rather than weeks.

4.3 You don't have to take all the leave at once.

WHEN MUST THE LEAVE BE TAKEN

5.1 You must use Parental Leave before the child's eighteenth birthday.

CARRYING LEAVE OVER FROM A PREVIOUS JOB

6.1 Parental Leave applies to each child not to an individual's job, for example, an Employee is entitled to 18 weeks. If they've used 10 with a previous Employer they can use up to 8 weeks with us if they're eligible.

GIVING NOTICE

7.1 You must submit a request in writing using the appropriate form to the Personnel Section, giving at least 21 days' notice of your intention to take Parental Leave and stating when the leave will start and end.

7.2 Leave may be postponed if we consider that our business would be unduly disrupted if you were absent during the period requested. Any notice of postponement will be in writing and state the reasons for it. Notice will be given no more than seven days after your notice was given to us.

RETURN FROM PARENTAL LEAVE

8.1 At the end of Parental Leave, you are entitled to return to the same job as you occupied before the start of the period of Parental Leave, on the same terms and conditions of employment, provided that the leave taken was a period of four weeks or less (and did not follow on immediately from a period of additional maternity leave or additional adoption leave).

8.2 If the period of parental leave taken was longer than four weeks (or followed on immediately from a period of additional maternity leave or additional adoption leave), then you will be entitled to return either to the same job as before or, if it is not reasonably practicable for us to allow you to return to the same job, to a suitable alternative job which is on terms and conditions that are no less favourable than those that would have applied if you had not been absent on Parental Leave.

MONITORING AND REVIEW OF POLICY

9.1 The Policy will be reviewed every three years in line with the policy review schedule.

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this policy:

WORD	INTERPRETATION
HHP or Partnership	Hebridean Housing Partnership
Board	Means the Board of the Hebridean Housing Partnership
Board Members	All Members of the Board including co-opted Members
Leave	Leave is taken to mean both annual and public holiday entitlement subject to the statutory minimum
Personnel Section	Chief Executive's Personal Assistant and Executive Office

All references to the masculine gender in this policy shall read as equally applicable to the feminine gender

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ITEM NO 7.4

RECRUITMENT POLICY

Board 28 November 2023

Report by Chief Executive

Purpose of Report

1.1 To present a revised and updated Recruitment Policy for approval.

Summary

2.1 The Policy has been updated to take into account best practice recommendations by Employers in Voluntary Housing (EVH) and is at Appendix 1.

2.2 Our commitments under the Disability Confident scheme and Armed Forces Covenant pledge have been added to the Policy, whereby anyone with a disability or an Armed Forces veteran will be guaranteed an interview if they meet the essential criteria.

2.3 The Vacancy Procedure has been moved from the Policy and are included in our procedure manual.

2.4 Under the Recognition Agreement we are required to consult with Unison on this Policy.

Competence

3.1 The legal, financial or other constraints to the recommendations in this report are contained in paragraph 5.1 – 8.1.

Recommendations

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

a) the revised Recruitment Policy at Appendix 1 for consultation with Unison and staff; and

b) 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.

APPENDIX 1:	Recruitment Policy	
Background Papers:	None	
Writer of Report:	Dena Macleod	Tel: 0300 123 0773

Competence

Financial

5.1 Provision is made in the budget each year for recruitment and training.

Legal

6.1 There is a considerable amount of legislation which needs to be complied with. Examples include:

- The Equality Act 2010;
- Agency Workers Regulations 2011;
- Immigration, Asylum & Nationality Act 2006;
- The Employment Act 2002;
- Part-time Workers Regulations 2000;
- Sex Discrimination Act 1975;
- Race Relation Amendment Act 2000;
- Employment Equality (Age) Regulation 2006; and
- Disability Discrimination Act 2005.

6.2 We also need to be aware of implications of direct and indirect discrimination.

6.3 The approval of personnel policies for all staff is a matter which is reserved to the Board.

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 It is essential that in recruiting staff we ensure all legislative requirements are met and that all recruitment decisions are based solely on the merits and abilities of the job candidates. The risk of legal challenge from unsuccessful candidates should be minimised by adhering to best practice in relation to employment rights and equal opportunities.

8.2 Loss of key staff/skills is highlighted on our Risk register with a residual rating of 6 which is considered low.

APPENDIX 1

RECRUITMENT POLICY

APPROVED BY HHP BOARD:

EFFECTIVE DATE:
November 2023

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INTRODUCTION

1.1 At Hebridean Housing Partnership (HHP) we recognise our staff are fundamental to fulfilling our strategic aims and supporting the core values of our business. We seek to recruit the best candidates with the necessary skills and attributes to fulfil the roles. We conduct business underpinned by Equal Opportunities legislation and strive to maintain a diverse staff team. We encourage excellence at all levels in our organisation and are not influenced by age, disability, gender reassignment, marriage & civil partnership, pregnancy & maternity, race (including colour, nationality, ethnic or national origins and citizenship), religion/belief, sex and sexual orientation nor any other factor irrelevant to achieving successfully and performing our jobs.

EQUAL OPPORTUNITIES

2.1 Equal Opportunities are aimed at removing barriers to access and opportunity, with positive results for individuals and HHP. In the context of recruitment and selection, equal opportunities refer to equality in the attraction and selection of candidates, promotion or training in line with terms and conditions of employment. In seeking suitable candidates for new or vacant posts, we will not discriminate on the grounds of age, disability, gender reassignment, marriage & civil partnership, pregnancy & maternity, race (including colour, nationality ethnic or national origins and citizenship), religion/belief, sex and sexual orientation nor nor any other factor irrelevant to achieving successfully and performing our jobs.

2.2 Our recruitment decisions will be based completely on the merits and abilities of candidates in line with those set out in the job description and person specification and no other criteria will be used. To achieve this, equality and diversity practices will be integrated into every stage of the recruitment and selection process.

2.3 A fair recruitment process will remove barriers where possible to the employment of individuals from different backgrounds. This will enable us to recruit from the widest pool of talent, thus raising the standard of candidates and therefore increasing the opportunity of a more diverse workforce which reflects the community it is serving. A more diverse workforce should improve our service delivery, as it will include staff with varied knowledge and experience about meeting the needs and aspirations of service users and potential service users.

2.4 To highlight our commitment to promoting equality and diversity from the beginning of the employment relationship, all vacancies will be aimed at as wide a group as possible and any advertisement for a vacancy within HHP will state that an equality and diversity policy is in place. In addition, the advert will also display any signs of equality bodies that HHP is affiliated with. The information contained in the advert and all vacancy literature will be clear and accurate to attract the most appropriate candidates from all groups across society, to allow them to decide their own suitability for the vacancy and whether they wish to apply. For those that wish to apply, we will ensure that all applications have clear instructions for completion and application forms are free from personal questions that are not relevant to the vacancy or may lead to discrimination.

2.5 We will ensure that all staff involved at any stage in the recruitment and selection process receive equality and diversity awareness training. This will ensure that those involved in the recruitment process will not discriminate either knowingly or unknowingly by asking any questions which may lead to discrimination.

AIMS

3.1 We encourage good practice and equal opportunities in line with legislative requirements to which all staff are required to adhere to. During the recruitment and selection process, our aims are:

- To attract candidates with the appropriate skills, knowledge and experience for consideration for employment with HHP.
- Ensure that access to employment opportunities are based on fair, objective and consistent criteria in line with HHP's Equality & Diversity Policy
- To ensure that recruitment and selection procedures are clear and adhered to by all staff and board members involved.

- To develop a suitably qualified workforce committed to the aims, values and service delivery requirements of HHP.

IDENTIFYING THE NEED TO RECRUIT

4.1 When either a job becomes vacant or a new job is created, there is an opportunity to fully consider what we require. The relevant Director should consider the following questions before making a recommendation to the Chief Executive:

- Is there a requirement for this post to be filled?
- What would be the adverse effect/s of not filling the post?
- If the post is to be filled, is this required on a like for like basis or are there alternative considerations?
- Does this vacancy provide an opportunity to look at the wider team roles?

4.2 At this point, agreement should be reached about the future of the post. If it is agreed that the vacancy will be filled or a new job is created, the vacancy procedure will be followed prior to the recruitment and selection process taking place.

THE RECRUITMENT PANEL

5.1 The recruitment panel will be made up of three individuals where possible. Those individuals identified as suitable for the recruitment panel will depend on the post being filled. Below is an example:

- For posts which currently exist and are not Directorate-staff only.
- For Directorate-Staff and Board Members

5.2 We recognise that the Board will require support when recruiting for the Chief Executive. In this circumstance, they will seek support from an independent organisation prior to commencing the recruitment and selection process. The Board will decide who will be involved in the process alongside the Chair.

5.3 Any individual serving on a recruitment and selection panel must have undergone relevant recruitment and selection training along with equality and diversity awareness training.

5.4 The recruitment panel should not be entirely made up of officers from the same department, there should be at least one officer from another department.

ATTRACTING CANDIDATES

6.1 We understand the importance of attracting suitable candidates through the most appropriate and cost-effective means. The recruitment panel should discuss the best internal and external advertising methods in line with the agreed advertising budget. The knowledge and skills required for the job should ensure suitable candidates are attracted to apply for the job and the advert should outline the main details of the post:

- Job title
- Salary/ Grade
- Hours per week
- Location (***indicate if hybrid working forms part of the role)***
- Nature of the contract – permanent, fixed term
- Main duties
- Closing date and proposed interview date
- Information on how to apply and any other relevant information.

ADVERTISING

PERMANENT RECRUITMENT

7.1 We will advertise all permanent posts via a variety of methods:

- Internal advert – this will be in conjunction with another advertising method.
- Specialist recruitment sites demonstrating our commitment to Equal Opportunities.
- HHP website.
- HHP social media platforms
- Local media website and where appropriate local papers.

7.2 All candidates will receive an application pack that will include the following:

- An application form
- Equal opportunities monitoring form
- Job description and person specification

- Any other relevant information deemed necessary for the post e.g., summary statement of terms and conditions of employment, relevant information about HHP which cannot otherwise be accessed via our website and is relevant to the role.

7.3 An exception to this, will be in cases of restructuring or redundancy where it may be necessary to appoint candidates into vacant posts as alternatives to redundancy rather than advertising the vacant posts. If this situation arises, we will seek HR advice on the process.

TEMPORARY RECRUITMENT

7.4 Short-term appointments of less than one year e.g., maternity leave cover, may be advertised internally and filled by a current employee where appropriate to do so, or by candidates engaged from suitable employment agencies. Temporary posts in excess of one year should be advertised internally and externally simultaneously.

INTERNAL RECRUITMENT

7.5 All existing staff will be notified of permanent and long-term temporary vacancies. We will ensure that those employees on sick leave or any type of other leave are notified and will be eligible to apply for any post advertised.

7.6 For very short-term posts of a few weeks, internal advertising will not normally take place as line managers have discretion to seek a temporary candidate from an employment agency if there is no suitable internal candidate identified.

MODERN APPRENTICESHIPS

7.7 Candidates for modern apprenticeships will also be required to submit application documents, which will be subjected to fair shortlisting procedures. Successful shortlisted individuals will be invited to attend an interview and the most suitable individual/s will be selected.

SHORTLISTING

8.1 Once the post has closed, only then should shortlisting take place by the recruitment panel. At least one panel member must possess skills, experience or knowledge most closely related to the post for which candidates are to be shortlisted and interviewed. The individual responsible for the administration of the process will number all applications, remove all personal and equal opportunities information making applications unidentifiable before passing all applications to the recruitment panel.

8.2 To comply with our Disability Confident commitment anyone who is disabled will be interviewed if they meet all essential criteria.

8.3 To comply with our Army Covenant commitment we guarantee to interview any Armed Forces veteran who meet all the essential criteria and will recognise military skills and qualifications when interviewing for new positions.

8.4 Each panel member must complete the shortlisting assessment form independently in relation to each candidate. If a panel member can identify a candidate via the information contained in the application form, resulting in a conflict of interest, they should declare this to the other members of the recruitment panel. That recruitment panel member should exclude themselves from the panel if the candidate is to be shortlisted. This decision will be made by the panel before progressing to the next stage and where possible, another person will be appointed to the recruitment panel.

8.5 The recruitment panel will agree how each of the essential criteria are to be tested e.g. interview, application form, test etc. Essential criteria will be applied in the first instance to shortlist candidates. Candidates who do not match all the essential criteria identified to be tested by application form will not be called to interview. Candidates who do not possess all the desirable criteria may still be called to interview. However, desirable criteria will only be applied, where there has been a large response to the advert, to reduce fairly the number of candidates called for interview.

8.6 The recruitment panel will meet collectively after completing their own shortlist and then decide on the final shortlist of candidates for interview. The recruitment panel will record their collective reasons for those candidates who have not been shortlisted. There must be agreement on what evidence is required for each essential criteria to ensure consistency.

8.7 Those candidates shortlisted will be invited to interview. HHP will also contact candidates not shortlisted to advise that their application will not progress to the next stage of the process. Those candidates not shortlisted for interview have the right to request feedback on their application and the reason/s for not being shortlisted.

8.8 Any requested or appropriate, information which has been provided by HHP to a candidate will be made available to all other candidates invited to interview.

SKILLS ASSESSMENT

9.1 As part of the recruitment and selection process, HHP may ask candidates to carry out a test/ skills assessment. This is not applicable for every role, but the recruitment panel will decide what is necessary to determine suitability for the role. This may take the form of a practical exercise, management test or presentation to the recruitment panel. Where this is required, candidates will be informed in advance of their interview to allow suitable time to prepare as necessary.

INTERVIEW

10.1 All shortlisted candidates will be offered an interview. Interviews will be held face to face unless the candidate is unable to be present and the interview can be held virtually. The feedback forms must show if the interview was in person or virtual. The interview process will consider the following:

- Each candidate will be asked the same questions, based on the job description and person specification.
- Each candidate will be asked the questions in the same order by the relevant members of the recruitment panel.
- If appropriate candidates will carry out a suitable skills test and/or presentation topic.
- Typically, interviews will be 30-60 minutes duration depending on the nature of the post.
- Each recruitment panel member will complete an interview assessment form for each candidate, recording brief notes to assist with panel deliberations upon the conclusion of the interviews.

10.2 The recruitment panel will decide which panel member will Chair the interviews on the day. The Chair of the recruitment panel will be responsible for:

- Introducing the panel members to candidates.
- Explaining the format of the day, ensuring timings are adhered to.

- Informing candidates about when they should expect to be contacted about the outcome of their interview.
- Completing an overall assessment form combining all panel member scores for each candidate interviewed.
- Ensuring panel members state and document justifiable reasons for the rejection of each unsuccessful candidate.
- All interview paperwork being accurately completed.

10.3 Upon conclusion of the interviews, the recruitment panel will score each candidate and discuss them in turn to identify if they have an appointable candidate. Where candidates are judged to be equal, they may be called back for a second interview.

JOB OFFER

11.1 Once the recruitment panel has made a decision, a conditional offer will be issued to the successful candidate subject to the following terms:

- Receipt of two satisfactory references.
- Original qualifications stated on the candidate's application form being verified.
- Proof of eligibility to work in the UK being provided.
- A satisfactory PVG membership/Disclosure Scotland check where appropriate.

11.2 Appointment will normally be made at the bottom of the salary scale; otherwise, an appointment will be made on a suitable salary within the scale paying due consideration to a candidate's skills, experience and current job role. The initial offer can be verbal and followed up in writing. The terms of a written contract of employment will be confirmed and issued noting that the aforementioned conditions must be satisfied before confirmation of the job offer can be issued.

11.3 If the job offer is declined, the recruitment panel should indicate if the second highest scoring candidate was suitable and may be offered the post subsequently. If there is not a suitable candidate, the recruitment process should be revised and a rerun of the whole recruitment process should be considered.

11.4 Once the job offer has been accepted, the interview outcome should be issued to unsuccessful candidates. It is the intention of HHP where possible, to inform candidates of the outcome of the interview as quickly as possible and within a few days of the interview having taken place.

FEEDBACK

12.1 The recruitment panel will record their collective reasons for unsuccessful candidates and agree the feedback at the end of the interview process. All candidates will be advised of the outcome of their interviews by ***telephone/email or letter*** and constructive feedback on their interview can also be made available to them, if they desire via telephone.

SELECTION CHECKS

REFERENCES

13.1 We will carry out reference checks for the successful candidate only once the verbal offer has been made and the candidate has informed HHP that it is suitable to do so. Two references will be required, one from the candidate's current employer and another from a previous employer. These will be requested in writing along with a copy of the job description. This will provide the referees with the knowledge and skills required for the post to allow them to give an informed opinion about the preferred candidate. All references will be checked on return to ensure employment dates match those stated on the application form of the preferred candidate and there is no information which would make the reference unsatisfactory.

RIGHT TO WORK IN THE UK

13.2 HHP has a responsibility to prevent illegal working therefore we will carry out a right to work check before confirming employment for the successful candidate. This will ensure the candidate is not disqualified from carrying out the work in question by reason of their immigration status. The successful candidate will be informed what is required to satisfy this check.

DISCLOSURE SCOTLAND CRIMINAL RECORDS CHECKS

13.3 The successful candidate will be asked to complete a criminal convictions declaration form. Depending on the nature of the role, they may also be asked to undergo a PVG/ Disclosure Check. If following these checks, information arises which the candidate has not disclosed or raises concern with HHP, we will discuss this with the candidate prior to a decision being made about whether the selection check has been satisfied.

INTERVIEW EXPENSES

13.4 Reasonable travel expenses will be reimbursed to candidates for non-local journeys. Any reasonable interview travel expenses paid to candidates for new or vacant posts will be in accordance with our Staff Expenses Policy.

EQUAL OPPORTUNITIES MONITORING

13.5 As part of our recruitment process, equal opportunities monitoring will be undertaken from any completed equal opportunities forms and reported. We will analyse the report to inform future recruitment.

DATA PROTECTION/RETENTION

13.6 Candidates will be entitled to access any notes taken during the recruitment process, presuming that they contain personal data which will relate to them. If any candidate asks for access to this information, their enquiry should be directed to Personnel Team.

13.7 All recruitment documentation associated with the vacancy, will be stored confidentially for a minimum of six months and a maximum of twelve months.

13.8 The successful candidate's recruitment documentation and all associated paperwork will be made into a personnel file and retained in line with our Data Retention Schedule.

13.9 Special consideration will be given to storing the results of any criminal record check or health questionnaire/medical report. We will make a record of all checks and whether the result was or was not satisfactory. The original will then be promptly destroyed. The record of the results will then then be stored in accordance with our Data Retention Schedule. There may be exceptional circumstances where this information should be kept if it is clearly related to the ongoing employment relationship.

13.10 HHP's Employee Privacy Notice outlines how we will process personal data.

INDUCTION

14.1 Our staff will welcome a new staff member by providing initial induction training in the organisation, which will be organised by the line manager in advance of the successful candidate taking up post. This will help to settle the new staff member, convey our vision, strategic goals, performance targets, policies and procedures thereby encouraging the individual to make a valuable contribution to our work.

COMPLAINTS

15.1 If a complaint is received about any stage of the recruitment and selection process it should be resolved promptly in the first instance and verbally where appropriate to do so. If the complainant wishes to further pursue the matter, they should be advised to put the complaint in writing and address it to the Chief Executive who will arrange for the matter to be investigated and determine the appropriate person to liaise further with the complainant.

EXIT INTERVIEWS

16.1 Exit interviews will be carried out by a manager who is not the line manager of the departing employee. Exit interviews will be carried with all employees who have resigned from their post. The purpose of the exit interview is to allow to gain further information about the employee's reason for leaving. Furthermore, it provides additional information in relation to,

- The employee's perception of the organisation in relation to its employment practices.
- Management style and treatment perceived by employees as being unsatisfactory or unfair.
- Identifying reasons for turnover and improvements the organisation can make in the future.
- Whether there are any learning points or improvements the organisation can make on the working environment and culture.

16.2 Employees who have resigned from their post will be invited to attend an exit Interview prior to their termination date.

MONITORING AND REVIEW OF POLICY

17.1 This Policy will be reviewed every 3 years. More frequent reviews will be considered if, for example, there is a need to respond to new legislation/policy guidance.

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this policy:

WORD	INTERPRETATION
Board	Means the Board of the Hebridean Housing Partnership
Board Members	All Members of the Board including co-opted Members
Personnel Team	Chief Executive, Personal Assistant and People Development Officer
We/our/us	Hebridean Housing Partnership/HHP

All references to the masculine gender in this policy shall read as equally applicable to the feminine gender

hebridean housing partnership

Making our house your home

ITEM NO 7.4

TRAINING & DEVELOPMENT POLICY

Board 28 November 2023

Report by Chief Executive

Purpose of Report

1.1 The purpose of this report is to present the revised Training & Development Policy to the Board for approval.

Summary

2.1 A full review of the policy was undertaken, links to other policies were updated and job titles were updated to reflect our current staffing structure.

2.2 More detail on training for Board Members has been added to the Policy.

Competence

3.1 The financial, legal and other constraints to the recommendations of this report are detailed at paragraph 5.1 - 8.1.

Recommendations

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

a) the revised Training & Development Policy at Appendix 1 for consultation with Unison and staff; and

b) 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.

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

Competence

Financial

5.1 The financial costs involved in implementing the Training & Development Policy will be largely related to the delivery of the Staff Training Plan, which is presented to the Board annually with the Board Training Plan. If the cost of delivering the Training Plan exceeds the available budget the Training Plan will be re-profiled.

Legal

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

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 Loss of key staff is identified on the Risk Register with a residual risk rating of 6. Effective employee training programs are linked to improved staff retention and engagement rates. Strategic Goal 3 in our Business Plan is that we are a "good employer that attracts and retains high quality staff." The Training Policy is central to successful delivery of this goal.

TRAINING & DEVELOPMENT POLICY

APPROVED BY HHP BOARD:

EFFECTIVE DATE:

hhp hebridean housing partnership

TABLE OF CONTENTS

INTRODUCTION

1.1 This policy applies to all employees of Hebridean Housing Partnership.

1.2 It also applies to our Board Members, who will contribute to the identification of their training needs and participate in training as set out in the Code of Conduct for Board Members.

AIMS

2.1 One of our strategic goals is to be a good employer that attracts and retains high quality staff, we recognise the importance of training and development. Staff are our most valuable asset and are key to the delivery of a high quality service to our tenants.

2.2 The aim of this policy is to have a clear and consistent approach to training and development, which will maximise employees' personal and career development opportunities and enhance our Board Members skill set. This will in turn help us to meet our goals and maximise our performance.

POLICY PRINCIPLES

3.1 We are committed to the training and development of all our employees and Board Members. We will positively encourage equal access to training and development.

3.2 We are committed to the principles of lifelong learning and recognise that in times of change, the adaptability and flexibility of the workforce will help determine whether we thrive or fail. We will strive to:

- offer consistently high quality and appropriate learning opportunities;
- promote equality and widening of access to training and development opportunities;
- increase the use of e-learning and opportunities to learn on-line;
- Seek out news effective methods and forms of learning;
- Prepare and deliver a well-planned out, organised and efficient training plan which will be within the training budgets;
- seek opportunities to work with local training providers and the UHI North, West and Hebrides to provide training, where appropriate; and
- work in partnership with other local agencies to develop the young workforce throughout the Outer Hebrides.

3.3 Training and development will be used as a means of supporting change and improving quality. It is important that the training and development of staff is considered as a key tool for staff retention and also for the upskilling of individuals in preparation for moving into other roles, should such opportunities arise.

STAFF TRAINING PLAN

4.1 A rolling five year Training Plan will define how staff training needs will be met, the cost and how it links with the delivery of our strategic goals.

4.2 Our training needs are identified as a result of:

- statutory requirements;
- contractual requirements;
- staff appraisals; or
- discussions between the People Development Officer and individual Managers to establish where training and development could assist each section in achieving their objectives as set out in the Business Plan.

4.3 Responsibility for assessing an individual employee's training needs rests with their Line Manager and the Chairperson is responsible for the Chief Executive's assessment.

4.4 The Training Plan also takes into account training required as a result of contractual obligations. Such professional qualifications and the resulting Continuing Professional Development (CPD) requirements will be prioritised to ensure employees who have an increment bar placed on their salary scale can begin working towards their required qualification as soon as possible.

4.5 Progress towards meeting our training needs will be reviewed at Managers meeting on a quarterly basis.

4.6 The Training Plan will provide opportunities for employees to gain qualifications relevant to their role and allows for employee shadowing and coaching. It makes provision for a number of employees, across different departments, to pursue and obtain professional qualifications.

4.7 The Training Plan will be delivered through a mix of internal and external trainers. We want to continue to harness the skills, knowledge and experience of existing employees and ensure this is shared across the workforce. In some areas however, it will be essential that we use an external specialist to deliver training. This mix should ensure we receive training of the highest quality, whilst remaining cost effective.

4.8 As more training providers look to facilitate online and digital learning, we will continue to use this training method to maximise training opportunities

4.9 The People Development Officer will work to ensure feedback is collated and report to Executive team quarterly on the impact and effectiveness of training delivered.

4.10 Budgetary responsibility for training overall rests with the Chief Executive.

4.11 Responsibility for delivery of the Training Plan rests with the Chief Executive.

BOARD TRAINING PLAN

5.1 The Board Training Plan will support the requirement for the Board to contain the breadth of skills and knowledge required to make informed decisions on behalf of the organisation and tenants.

5.2 Board training needs are identified as a result of:

- statutory requirements;
- contractual requirements;
- staff appraisals; or
- Training needs analysis
- Skill Gap analysis.

5.3 It is the responsibility of the Company Secretary to ensure that the Board receives adequate training.

5.4 All research and administration relating to the Training Needs Analysis process will be carried out by the Executive Office Team.

5.5 Budgetary responsibility for Board training rests with the Chief Executive

INDUCTION TRAINING

6.1 All newly recruited employees will receive general induction training. This will include:

- an introduction to social housing;
- an introduction to Hebridean Housing Partnership;
- a shadowing opportunity with departments other than their own; and
- refresher induction training provided by the People Development Officer six months after their employment start date.

6.2 All employees newly recruited or transferred between departments will receive:

- a detailed introduction to their own department as determined by their Line Manager
- refresher induction training provided by the People Development Officer six months after their employment start date.

6.4 All new Board Members will receive induction training. This will include:

- HHP's aims & objectives;
- The role of the Board, Committees & Working Groups;
- Code of Conduct for Board Members;
- Decision Time;
- Disclosure of Interest; and
- Payments & Benefits

6.5 The Recruitment policy should ensure that when a new employee is recruited, they have the necessary skills to perform the duties of the post effectively. However, we recognise skills need to be sharpened so all employees will have their training needs assessed regularly at 1 to 1's and their annual appraisal.

6.6 All employees will receive annual mandatory online training in Health & Safety. It is the responsibility of the employee to ensure that this is kept up to date and the responsibility of Line Managers to oversee the training and ensure it is undertaken.

EMPLOYEE PERFORMANCE APPRAISAL

7.1 An effective Performance Appraisal process is critical to both employees and managers.

7.2 Our Performance Appraisal takes place in two ways:

a) Monthly One to One's

b) Annual appraisal

7.3 The outcome of an employee Performance Appraisal will be documented and once it is agreed by both employee and Line Manager, it will be recorded on the online HR system. This includes any objectives and/or deliverables which will be agreed upon. A key part of the appraisal will be reviewing how the job competencies have been achieved over the past year.

7.4 Following on from the annual Performance Appraisal, there will be monthly one to ones; four of which are used to review progress on the objectives and deliverables, in line with the quarterly reporting to the Board on progress of the Business Plan.

PERSONAL DEVELOPMENT

8.1 All employees should:

- take responsibility for their own personal development;
- participate in the employee Performance Appraisal process;
- identify their strengths and weaknesses and how they can build on these;
- set themselves clear, achievable and realistic, yet challenging, objectives to work towards as part of their personal development;
- consider the needs of their team, as well as the wider organisation and our tenants when creating personal objectives; and
- ensure they develop the skills required to achieve their objectives and deliverables as set out in their Performance Appraisal.

8.2 As part of our commitment to equal opportunities, we will ensure that staff and Board Member undertake awareness training every 3 years in relation to disadvantaged groups and groups with protected characteristics.

MANGEMENT RESPONSIBILITES

9.1 Managers have a responsibility to ensure appropriate training and development opportunities are made available to all employees.

9.2 Managers should:

- make arrangements for the employee Performance Appraisal and subsequent one to one reviews in a timeous and organised manner ;
- involve employees in identifying their own development needs and assist them in identifying their own strengths and weaknesses;
- ensure that employee objectives and deliverables are clear, relevant and achievable;
- balance the needs of the Partnership with the aspirations of individual employees; and

9.3 All training and development needs should be jointly agreed by employees and Managers.

9.4 Any training and development needs that are identified must be communicated to the People Development Officer.

9.5 There will be occasions where the budget is insufficient to deliver all the training needs in one year. Executive Team in discussion with Managers will agree which training needs should be prioritised and advise the People Development Officer.

PROFESSIONAL MEMBERSHIP FEES

10.1 Our Expense Policy details the arrangements for payment of membership of professional institutions.

FURTHER EDUCATION AND VOCATIONAL TRAINING

11.1 Employees will be encouraged to consider a range of training and development opportunities, such as:

- internal training;
- external training courses;
- mentoring and coaching;
- conferences and seminars;
- vocational qualifications; or
- further education qualifications.

11.2 Employees wishing to pursue a part time vocational qualification directly relevant to their career development with the Partnership will be given the opportunity to discuss with their Line Manager whether any assistance can be given.

11.3 Attendance on further education courses will be at the recommendation of their Line Manager and the Executive Team.

11.4 In order to qualify for any of the financial assistance, it will be necessary for an employee to complete a Training & Development Agreement Form (Appendix 2) and gain their Line Manager and Directors' authorisation for the course and dates of study.

11.5 Continuity of any financial assistance will be subject to satisfactory performance on the part of the employee concerned.

11.6 Attendance at any course of study will be subject to the needs of the service. An employee may have to reschedule attendance if service delivery provision will be affected.

11.7 All fees paid by the Partnership towards professional, vocational or further education qualifications are investments in our employees. Should an employee resign from their position within 36 months (12 months for graduate trainees) following completion of the relevant course and/or examination, HHP reserve the right to recover this investment from the employee.

11.8 We have the right to require an employee to refund the full, or a proportional, amount of the cost of fees where the employee voluntarily leaves their employment or is dismissed from their employment within those 36 months.

11.9 Likewise, if an employee is dismissed from the course of study by the training provider due to poor performance or behaviour, the employee will be liable to refund the full cost of fees.

11.10 Should an employee wish to withdraw from a course of study, they may apply to the Chief Executive, providing written justification for their reasons. This will be treated in confidence, and it will be at the Chief Executive's discretion if permission will be granted. If so, there will be no requirement to refund fees paid. This will only be in exceptional circumstances.

11.11 Where financial assistance has been given for the full purchase cost of reference books or materials, these will become property of the Partnership.

11.12 Employees undertaking examinations related to approved qualifications will be granted leave of absence with pay in accordance with the Special Leave policy.

11.13 Where an employee finds it necessary to re-sit an examination, Special Leave will not apply.

LEARNING OPPORTUNITIES FOR YOUNG PEOPLE

12.1 We are committed to providing learning opportunities for young people of the Outer Hebrides as outlined in our Apprenticeship Scheme.

12.2 We understand that apprenticeships provide young people and others wishing to re-train with the opportunity to study towards a nationally recognised qualification while gaining hands-on experience of the housing sector through on-the-job training.

12.3 A Modern Apprentice may take time off during working hours in order to work towards their qualification units and meet with their assessor or learning provider to discuss their qualification. The amount of time that will be permitted will be agreed when qualification units are being selected with their Line Manager and Executive Office, before their qualification commences.

12.6 We will work with our contractors to promote the provision of apprenticeship opportunities within their organisations.

12.7 We will establish a connection with local schools and provide training to students at secondary school level.

TRAINING & DEVELOPMENT MONITORING

13.1 In order to assess the impact of training and development opportunities and improve future effectiveness, we will:

- continually review employee training requirements through the Performance Appraisal process;
- establish in advance the anticipated benefits of training;
- undertake post training evaluation; and
- assess the contribution of training and development to the achievement of the goals set out in the Business Plan and our overall performance.

13.2 The Board will receive an annual report on expenditure of training budget, an evaluation of the outcomes of the Training Plan and how completed training has contributed towards achievement of Business Plan objectives. This information will be provided to Executive Team on a quarterly basis.

RELATED POLICIES & PROCEDURES

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

- Special Leave Policy
- Staff Expenses Policy
- Board Expenses Policy
- Grievance Procedure
- Code of Conduct for Board Members
- Apprenticeship Scheme

REVIEW

15.1 The Board will review the Policy every three years.

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this policy:

WORD	INTERPRETATION
HHP or Partnership	Hebridean Housing Partnership
Board	Means the Board of the Hebridean Housing Partnership
Board Members	All Members of the Board including co-opted Members
Executive Team	The Chief Executive, Director of Operations, Director of Finance & Corporate Services
Director	Director of Operations, Director of Finance & Corporate Services
Management Team	All Managers of HHP

All references to the masculine gender in this policy shall read as equally applicable to the feminine gender

hebridean housing partnership

Making our house your home

ITEM NO 7.5

DIGITAL TRANSFORMATION STRATEGY

Board 28 November 2023

Report by Director of Finance & Corporate Services

Purpose of Report

1.1 To provide an update on progress of the Digital Transformation Strategy (DTS) approved in November 2020.

Summary

2.1 The DTS has been reviewed and updated to reflect work done since its approval in November 2020.

2.2 It is proposed to extend the DTS for one year and update in November 2024 once we have fully implemented all elements of our new housing system including the tenant portal and to incorporate the strategic goals of the new Business Plan.

2.3 Appendix 1 provides an overview of what has been delivered to date through the DTS.

2.4 The delivery timeline at Appendix 2 for the remaining objectives has been updated to reflect the work completed.

2.5 The implementation time of the new housing management system was longer than expected and requires the current strategy to be extended to the end of November 2024.

Competence

3.1 The legal, financial or other constraints to the recommendations in this report are contained in paragraphs 5.1 – 8.1.

Recommendations

4.1 **It is recommended that the Board approve an extension of the Digital Transformation Strategy to the end of November 2024.**

APPENDIX 1:	Deliverables	
APPENDIX 2:	Digital Transformation Strategy Timeline	
Background Papers:	Digital Transformation Strategy	
Writer of Report:	Gary Macleod	Tel: 0300 123 0773

Competence

Financial

5.1 There are approximate savings of £16K per year on annual maintenance costs of Civica CX compared with the previous housing management system, MIS ActiveH.

5.2 The overall implementation cost is £367,222 which includes an additional cost of £8,500 for extending the MIS Active H license by 6 months. The additional costs were met by savings across various management and supervision budgets, in particular the ICT hardware budget for this year.

5.3 The implementation of the core housing system is now complete. A thorough analysis to project the expected efficiency gains for the next financial year will be collated imminently and will be presented to the Board for consideration.

Legal

6.1 There are no legal implications arising directly from this report.

Regulatory Guidance

7.1 The regulatory standards checklist has been completed and there is nothing in the report that would be in breach of the standards.

Risk

8.1 The main risk highlighted in the Risk Register concerning the delivery of the Digital Transformation Strategy is the Effectiveness of key IT systems with a residual risk rating of 9 which is considered medium. All software installations adhere to organisational policies and are consistently maintained in accordance with supplier guidelines to ensure appropriate security protocols are in place.

8.2 There is a risk that if we don't embrace Digital Technologies within our organisation we become ineffective in our work and how we deliver services.

8.3 The delayed launch of the planned maintenance system and some ongoing product issues is a risk to our ongoing asset and contract management. The module implementation is progressing and expected to be completed in 2023.

8.4 Not all tenants will have the ability to access Digital Services. The Strategy will ensure those who are Digitally Excluded are appropriately supported through training / access to IT equipment or alternative support arrangements being developed.

8.5 The recent IT breach experienced by the Comhairle reminds us that there are risks associated with our dependence on Digital Technologies. This risk is mitigated where possible through the controls and back-ups we have in place through the ICT Strategy. It is also worth noting that we possess Cyber Security insurance cover which includes the following:

a) First party cover – this will cover the costs of responding to a cyber event, restoration of affected data/software, the costs of dealing with immediate aftermath of the event E.g., communications to affected parties, legal costs and business interruption cover.

b) Third Party Claims – This would include any privacy and regulatory liability, network security liability, media liability and Payment Card Industry liability (HHP working to gain accreditation).

Report Details

9.1 The initial Digital Transformation Strategy (DTS) is a comprehensive plan that outlines our vision for using digital technologies to improve our services and operations.

9.2 The plan was to implement our new housing management system by December 2022 but after tender evaluation this was delayed by 12 months. The actual delivery was March 2023 which is a 15 month delay from our plan.

9.3 Secondary modules, including planned maintenance, tenant portal, contractor access portal, and CX Mobile, are currently in the final stages of delivery and will be implemented shortly. These modules play a pivotal role in providing a transformed experience for both external and internal customers.

9.4 Ongoing user and product issues related to the housing management system are being tracked by the project team. Civica continue to support the implementation of the tenant portal and planned maintenance modules.

9.5 The key outputs for the strategy will be delivered in the next 12 months and therefore it is recommended that the existing strategy be extended through to the end of November 2024. The updated list of deliverables can be found in appendix 1 with an updated timeline for delivery in appendix 2.

9.6 A new strategy will be presented to the Board for approval in November 2024. It is likely that current DTS objectives relating to technology in care, internet of things and emerging technologies will be carried over into the new strategy.

Deliverable	Outputs	Status	Anticipated Delivery Date
Tenant Self-service portal	• Ability to manage Rent Account Online	Implementation & testing	Dec 2023
	• Diagnose and Raise a Repair online	Implementation & testing	
	• Tenancy Change Requests	Implementation & testing	
	• Ability to apply for housing online	Implementation & testing	
	• Online Payment Portal	Live 2 October 2023	Delivered
Fully Integrated Housing System	• New Housing Management system	Live 20 March 2023	Delivered
	• Accounting integration	Live 20 March 2023	Delivered
Robust remote working	• Secure VPN for staff and partners	Live June 2023	Delivered
	• Mobile solution for staff	CX Mobile in Implementation & testing	March 2024
Real time dashboard reporting	• Dashboards within and across all systems • Controlled access • Real time updates	Partially delivered	March 2024
Voice over Internet Telephone System (VOIP)	• Cloud Based phone system	Live October 2020	Delivered
Secure fully digital document management	• Digital document storage • Streamlined searches • Data verification and tagging • Robust metadata rules	Partially delivered. A full review with corporate governance, IT and DPO is required before full integration	April 2024
A greener organisation which embraces new technologies that have a positive impact on our climate.	• Staff actively embrace digital transformation • proactively increase digital over physical media usage. • Procedures optimized to minimize physical travel time • Prioritizing the adoption of new technologies whenever feasible.	Full review of current state will be part of the efficiency savings report	

APPENDIX 2

Project Name/DTS Objective	Key Deliverables	Status	Projected Completion Date	Actual/Revised Completion Date
Voice Over Internet Protocol (VoIP)	A cloud telephony solution with Softphone and traditional handsets providing Increased business continuity and remote working		Q3 2020/21	Q3 2020/21
Online Forms	Digital forms available on the website including (Tenant Application forms, Repairs Request, Complaints/Compliments, Change of Name, Pet Permission, Alterations, Sub Letting)		Q3 2020/21	Q3 2020/21
Housing System	Online customer portal, Digital housing files, Dedicated Document Management, Online payments, Dashboard KPI Reporting		Q3 2021/22	Q4 2022/23
Website	Dynamic content, access to online portal, access to forms, direct real time communication		Q4 2021/22	Q4 2023/24
Customer Service	Modern communication tools that offer 24/7 support / Self Service Options		Q2 2021/22	Q4 2023/24
Document Management System	Central secure digital storage location for all documentation – GDPR & FOI compliant		Q4 2021/23	Q1 2024/25
Human Resources	Review of existing systems & procedures to incorporate changes to working practices as a result of Digital Transformation.		Q4 2021/22	Q4 2023/24
Technology in Care	Increased Tenant satisfaction, sustaining tenants in their home, support for additional needs and adaptations / sensors / communications systems / Integrations with Health & Social care		Q4 2023/24	TBC
Internet Of Things	Modern housing options, reduced maintenance costs, additional support for tenants. Housing diagnostic systems.		TBC	TBC
Emerging Technologies	Future proofing housing stock, reduction in emissions.		TBC	TBC

Behind Schedule
Risk to Schedule
On Schedule

DISCIPLINARY PROCEDURES

Board 28 November 2023

Report by Chief Executive

Purpose of Report

1.1 To present a revised and updated Disciplinary & Grievance Procedures for Directors and Staff and the procedure for Handling a Serious Complaint against the Chief Officer for approval.

Summary

2.1 The Procedures have been updated to take into account best practice recommended by Employers in Voluntary Housing (EVH).

2.2 The updated procedures were discussed by the Joint Consultative Committee on 10 October 2023.

2.3 Following approval, training will be provided to all Directors and Managers on the Disciplinary Procedures for Staff & Directors and to Board Members on the Handling a Serious Complaint against the Chief Officer.

Competence

3.1 The legal, financial or other constraints to the recommendations in this report are contained in paragraph 5.1 – 8.1.

Recommendations

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

a) the updated Disciplinary & Grievance Procedure at Appendix 1 for consultation with Unison and staff;

b) the updated Handling a Serious Complaint against the Chief Officer at Appendix 2;

b) if there are no material changes to the Disciplinary & Grievance Procedure arising from the consultation, that the Procedure is approved, otherwise a revised Procedure be presented to the next meeting of the Board.

APPENDIX 1:	Disciplinary Procedures for Directors & Staff	
APPENDIX 2:	Handling a Serious Complaint against the Chief Officer	
Background Papers:	None	
Writer of Report:	Dena Macleod	Tel: 0300 123 0773

APPENDIX 1

Disciplinary & Grievance Procedures for Staff & Directors

August 2023

Disciplinary & Grievance

Introduction

1.1 As an employee of HHP you are required to maintain the highest possible standards of attendance, conduct and performance. The purpose of this procedure is to help you understand these and encourage you to maintain them.

1.2 This procedure will inform you of our expected standards of conduct, performance and attendance. Please speak to your Line Manager if you are unsure of the standards expected of you. If you do not meet our standards, then we will manage this in accordance with this procedure.

1.3 Every effort should be made by all parties involved to resolve disciplinary issues in the workplace. A quiet word is often all that is required to resolve an issue. Where this is not possible consideration should be given to using an independent third party to help resolve the problem. The third party need not come from outside the organisation but could be an internal mediator, so long as they are not involved in the disciplinary or grievance issue. In some cases, an external mediator might be appropriate.

1.4 However, where an issue cannot be resolved informally or through mediation then it may be pursued formally. This procedure sets out the basic requirements of fairness that will be applicable in most cases; it is intended to provide the standard of reasonable behaviour in most instances.

1.5 More comprehensive advice and guidance on dealing with disciplinary and grievance situations is contained in Discipline and Grievances at Work: The ACAS Guide. The booklet also contains sample disciplinary and grievance procedures.

1.6 This procedure applies to all staff and there is a supplementary procedure for the Chief Executive.

Structure

2.1 This document has five parts:

PART ONE: Disciplinary Procedures for Staff

PART TWO: Disciplinary Procedures for Directors

PART THREE: Capability

PART FOUR: Grievance Procedures

PART FIVE: Useful Resources and Appendices

Aims

3.1 The aims of the procedure are to:

- Make sure that you know the standards expected in respect of conduct, performance and attendance
- Manage you in accordance with the procedures in this policy should you fall short of our expected standards
- Manage any fall in standards in a fair and consistent manner

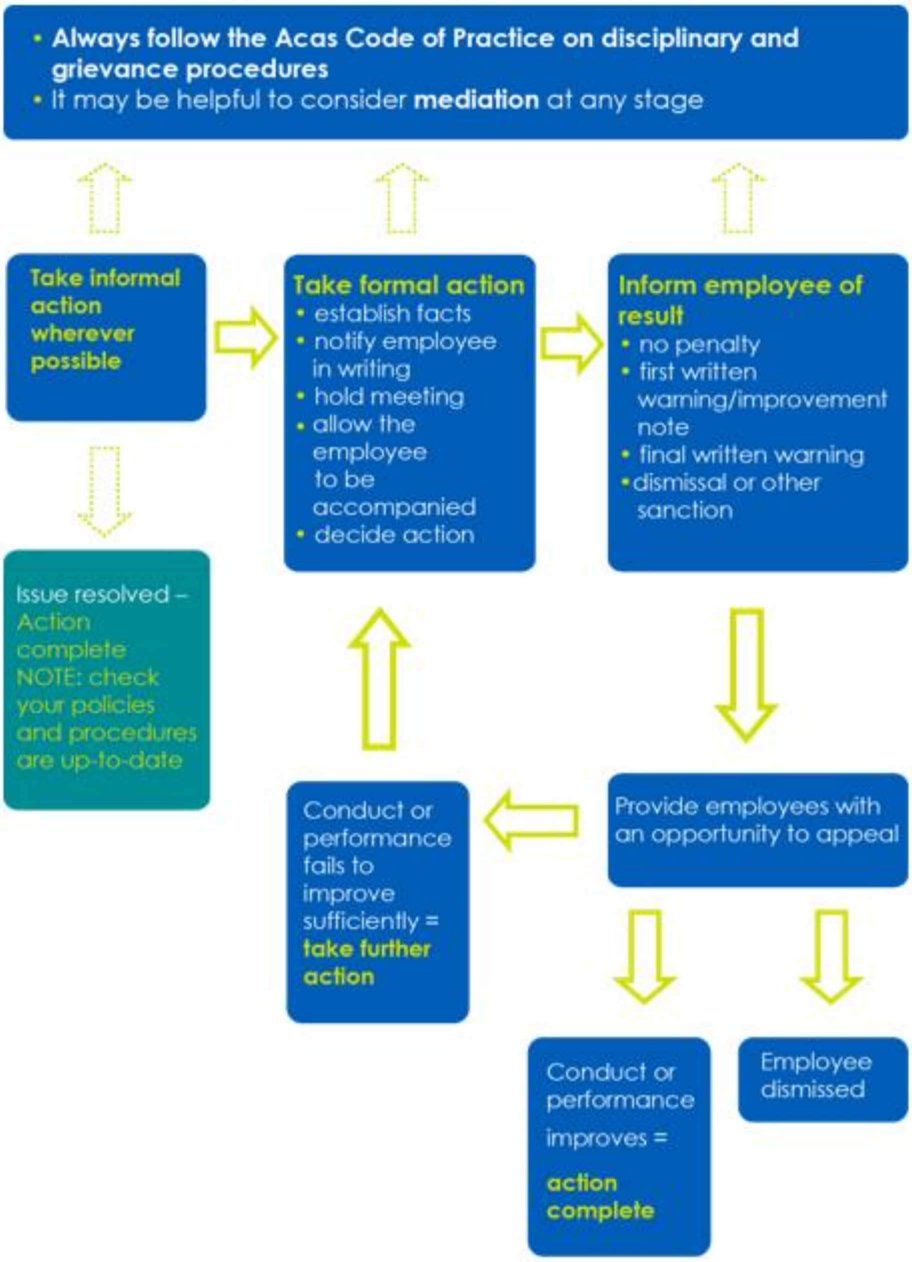
Legal Framework

4.1 The disciplinary rules and procedures incorporate the requirements of ACAS Code of Practice on discipline and grievance issued under section 199 of the Trade Union and Labour Relations (Consolidation) Act 1992 which came into effect on 11 March 2015.

4.2 It is important that employees know what standards of conduct are expected of them and Section 26 and Schedule 4 of the Trade Union Reform and Employment Rights Act 1993 requires employers to provide written information for your employees about certain aspects of your disciplinary rules and procedures.

PART ONE: Disciplinary Procedures for Staff

Handling discipline – An overview



Taking Disciplinary Action

5.1 This section covers the disciplinary procedures for staff, they are our way of dealing with misconduct (unacceptable or improper behaviour), capability (performance) is dealt with in Part Four.

5.2 Before any formal action takes place, we will see if the problem can be resolved in an informal way as this can often be the quickest and easiest solution.

5.3 We will conduct an appropriate investigation. The purpose being to establish the facts surrounding the allegations about misconduct or capability. This will normally involve speaking to you and anyone else that may provide us with relevant information. We will also collect any other information we deem to be relevant. This meeting is not formal and does not form part of the formal disciplinary process.

5.3 Part Five contains a list of the proforma letters available for Managers to use and they can be obtained from the Personnel Section.

Types Of Disciplinary Action

6.1 The types of disciplinary action that may be taken, should the conduct of an employee warrant them, include:

- Informal oral warning (unrecorded)
- First warning in writing
- Final warning in writing

6.2 The matter of minor misconduct will be dealt with by Managers on an informal basis. Matters of gross misconduct should follow the procedure detailed in Paragraphs 7.1 to 7.32.

Who Can Take Action?

7.1 The following posts have been designated as a Manager for the purpose of this:

MANAGERS

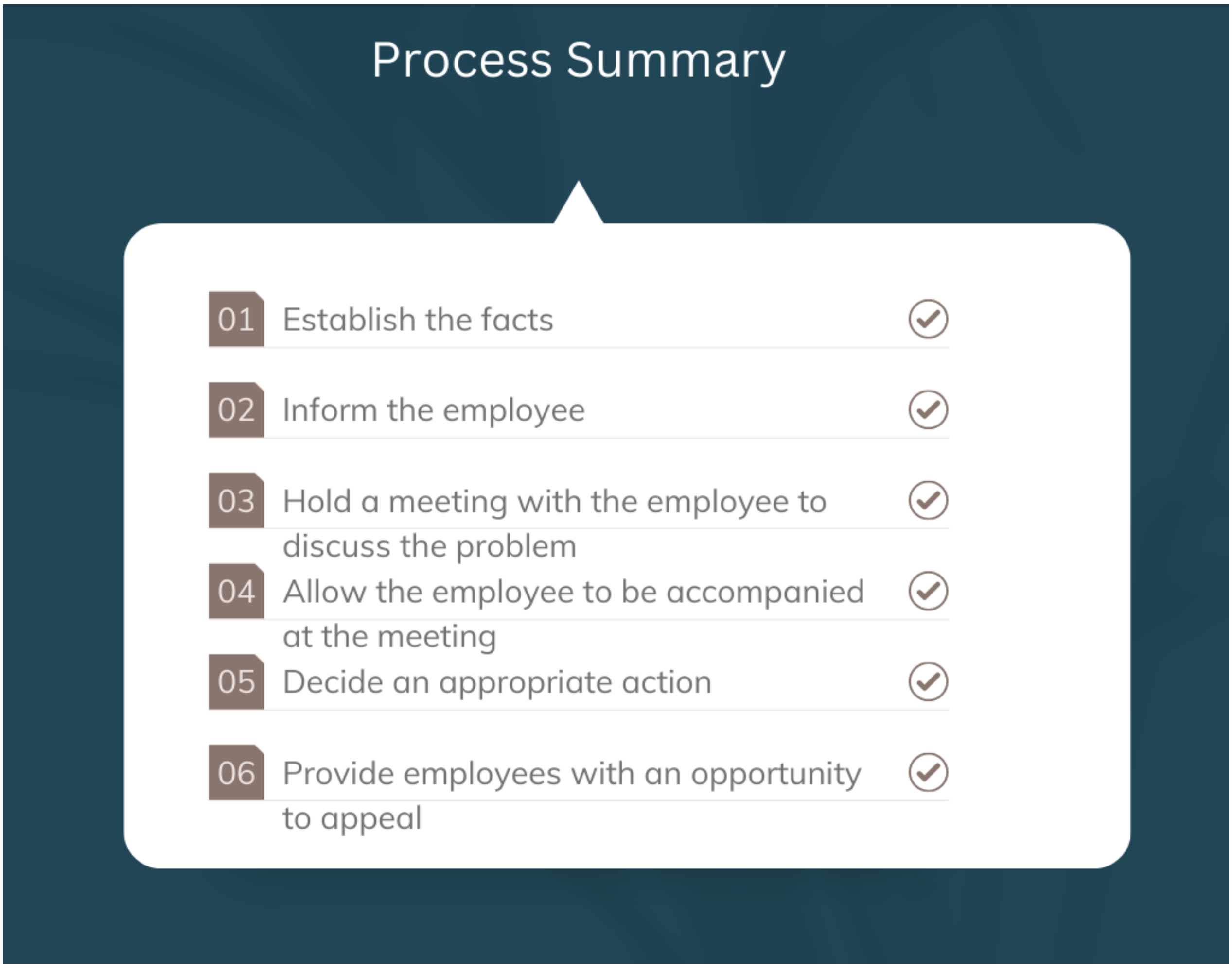
- Area Managers
- Asset & Contracts Manager
- Corporate Resources Manager
- Development Manager
- Finance Manager
- Investment Manager
- Service Development Manager

7.2 For staff below manager grade any investigation will be carried out by your Manager (where appropriate) and if the matter is to be taken further another Manager will hold the disciplinary hearing. If there is an appeal a Director will hear it.

7.3 For Managers, your Director (where appropriate) will carry out the investigation and if the matter is to be taken further another Director will hold the disciplinary hearing. The Chief Executive will hear any appeals.

Disciplinary Process

8.1 We want to ensure the process is fair and will follow the following process:



Stage1: Establish The Facts

8.2 Where a possible disciplinary matter arises your Manager, should establish the facts promptly before recollections fade, recording the statements of any available witnesses. Such information should be written down preferably on the same day or at the earliest possible opportunity following the incident. The Personnel Section should be consulted at this stage.

8.3 In misconduct cases, where practicable, different people should carry out the investigation and disciplinary hearing.

8.4 Prior to a decision whether to take any disciplinary action, other than an informal oral warning your Manager will ask the Personnel Section to arrange an investigatory interview for the purpose of examining the grounds of complaint; giving you the opportunity to state your case and thereby establishing the facts.

You must be given:-

a) Reasonable notice of the date and time of the hearing;

b) Specific details of the complaint against you including copies of written evidence; and

c) Information concerning your right to be accompanied by, and to have your case presented by a Trade Union representative or a fellow employee of your choice.

8.5 In cases were a period of suspension with pay is considered necessary, this period should be as brief as possible, should be kept under review and made clear that this suspension is not considered a disciplinary action.

8.6 Following the investigatory interview your Manager will decide

- No further action
- Informal action
- Formal disciplinary action.

8.7 If no further action is to be taken your Manager will inform the Personnel Section and a letter confirming no further action is to be taken will be sent to you.

8.8 If your Manager decides there are sufficient grounds to take further action, he will prepare a report with his recommendation and pass it to Manager who will be carrying out the Disciplinary hearing. Your manager will inform Personnel Section of his decision and a letter confirming that the case has been passed to the relevant Manager will be sent to you.

8.9 Guidelines regarding the recording of statements from you and any witnesses are attached at Paragraphs 11.1 to 11.7.

Stage 2: Inform You

8.10 If it is decided that there is a disciplinary case to answer, you should be notified of this in writing within three working days. This notification should contain sufficient information about the alleged misconduct or poor performance and its possible consequences to enable you to prepare to answer the case at a disciplinary meeting. It would normally be appropriate to provide copies of any written evidence, which may include any witness statements, with the notification.

8.11 The notification should also give details of the time and venue for the disciplinary meeting and advise you of your right to be accompanied at the meeting.

8.12 The meeting should be held without reasonable delay whilst allowing you reasonable time to prepare your case.

8.13 All parties (and any companions) should make every effort to attend the meeting. At the meeting the manager should explain the complaint against you and go through the evidence that has been gathered. You should be allowed to set out your case and answer any allegations that have been made. You should also be given a reasonable opportunity to ask questions, present evidence and call relevant witnesses. You should also be given an opportunity to raise points about any information provided by witnesses. Advance notice should be provided of by both parties of any relevant witnesses intended to be called.

Stage 3: Holding A Disciplinary Meeting

8.14 All parties should make every effort to attend the meeting. At the meeting the relevant Manager should explain the complaint against you and go through the evidence that has been gathered. You should be allowed to set out your case and answer any allegations that have been made. You should also be given a reasonable opportunity to ask questions, present evidence and call relevant witnesses. They should also be given an opportunity to raise points about any information provided by witnesses. Where either party intends to call relevant witnesses, they should give advance notice that they intend to do this.

Stage 4: Allow You To Be Accompanied

8.15 You have a statutory right to be accompanied by a companion where the disciplinary meeting could result in:

- A formal warning being issued; or
- The taking of some other disciplinary action; or
- The confirmation of a warning or some other disciplinary action (appeal hearings)

8.16 The statutory right is to be accompanied by a fellow worker, a Trade Union representative, or an official employed by a Trade Union. A Trade Union representative who is not an employed official must have been certified by your Union as being competent to accompany a worker.

8.17 To exercise the statutory right to be accompanied you must make a reasonable request. What is reasonable will depend on the circumstances of each individual case. A request to be accompanied does not have to be in writing or within a certain timeframe. However, you should provide enough time for HHP to deal with the companion's attendance at the meeting. You must inform the Personnel Section in advance the name of the companion where possible and whether they are a fellow worker or Trade Union official or representative.

8.18 If your chosen companion will not be available at the time proposed for the meeting, the Manager will postpone the meeting to a time proposed by you provided that the alternative time is both reasonable and not more than five working days after the date originally proposed.

8.19 The companion should be allowed to address the hearing to put and sum up your case, respond on your behalf to any views expressed at the meeting and confer with you during the hearing. The companion does not, however, have the right to answer questions on your behalf, address the meeting if you does not wish it or prevent the Manager from explaining your case.

Stage 5: Decide On Appropriate Action

8.20 After the meeting decide whether or not disciplinary or any action is justified and inform you accordingly in writing.

8.21 Where misconduct is confirmed or you are found to be performing unsatisfactorily it is usual to give you a written warning. A further act of misconduct or failure to improve performance within a set period would normally result in a final written warning.

8.22 If your first misconduct or unsatisfactory performance is sufficiently serious, it may be appropriate to move directly to a final written warning. This might occur where your actions have had, or are liable to have, a serious or harmful impact on the organisation.

8.23 A first or final written warning should set out the nature of the misconduct or poor performance and the change in behaviour or improvement in performance required (with timescale). You should be told how long the warning will remain current. You should be informed of the consequences of further misconduct, or failure to improve performance, within the set period following a final warning, for instance, that it may result in dismissal or some other contractual penalty such as demotion or loss of seniority.

8.24 A decision to dismiss should only be taken by a Manager who has the authority to do so. You should be informed as soon as possible of the reasons for the dismissal, the date on which the employment contract will end, the appropriate period of notice and your right of appeal.

8.25 Some acts, termed gross misconduct, are so serious in themselves or have such serious consequences that they may call for dismissal without notice for a first offence. But a fair disciplinary process should always be followed, before dismissing for gross misconduct.

8.27 If you are persistently unable to unwilling to attend a disciplinary meeting without good cause the Manger should make a decision on the evidence available.

Stage 6: Appeals

8.28 Where you feel that disciplinary action taken against you is wrong or unjust you should appeal against the decision. Appeals should be heard without reasonable delay and ideally at an agreed time and place. You should let your Manager know the grounds for your appeal in writing.

8.29 The appeal should be dealt with impartially and, where possible, by a Manager who has not previously been involved in the case.

8.30 You have the statutory right to be accompanied at appeal hearings.

8.31 The Manager will set a date for the appeal and inform you within one calendar week of receiving the appeal notice of the date for the appeal meeting.

8.32 The decision of the Manager hearing the appeal will be final and binding on both parties. You will be notified of the decision in writing within 3 days or as soon as possible.

Police Involvement & Criminal Offences

8.33 We may treat any criminal investigation, charge or conviction connected to you as a disciplinary matter if we consider it relevant to your employment with us.

8.34 Should you be subject to any police investigation, we may conduct our own independent investigation, and proceed regardless of the status of any police involvement.

8.35 If you are subject to any of the above and believe this may in any way affect your ability to do your job or our reputation, you must discuss this with your line manager as soon as you possibly can.

Misconduct

9.1 Misconduct can fall into two categories:

Minor Misconduct

9.2 The following are examples of minor misconduct which may lead to a verbal warning:

- Bad time keeping
- Unauthorised absences
- Absenteeism

Gross Misconduct

9.3 Gross misconduct equates to a serious breach of contract and includes actions that will have a serious effect on our business, reputation or damage the relationship of trust and confidence between us. We will normally regard the following as gross misconduct (this list is not exhaustive):

- Theft from us, our staff, customers or anyone connected with us
- Serious willful damage or misuse of our property
- Bullying, threatened/actual violence, or provoking violence
- Under the influence due to alcohol or any other substance
- Possession, use, supply or attempted supply of illegal and/or legal substances.

- Fraud, forgery or other dishonesty including, fraudulent wage claims or falsification of records/expenses including time sheets and overtime.
- Harassment, discrimination or victimisation.
- Serious infringement of health and safety rules and procedures, or any other policies, operating procedures or workplace rules put in place by us.
- Acts of gross professional incompetence.
- Bringing HHP into serious disrepute.
- Serious breaches of security or confidentiality, including misuse or disclosure of confidential information.
- Acceptance of bribes or other concealed payments.
- Deliberately accessing internet sites containing illegal, pornographic, offensive, obscene, and/or information to incite or carry out any acts of violence.
- Being charged or convicted of a criminal offence that in our opinion may affect our reputation, or relationships with staff, clients, customers or anyone connected with us, and/or affects your suitability to work for us.
- If we become aware of any official information from outside agencies that may compromise your suitability for your role, e.g. PVG scheme.
- Malicious or untrue allegations against others.
- Serious insubordination.

Capability

10.1 If we believe your performance needs to improve we will ensure that the reasons are clear and outline the steps that will be taken to support and improve your performance.

10.2 If your performance still does not improve we will decide to investigate more formally before deciding the next steps. Part Three outlines the process in detail.

Keeping Records

11.1 It is important, and in the interest of both employers and employees, to keep written records during the disciplinary process. Records should include:

- The complaint against you;
- Your defence;
- Findings made and actions taken;
- The reasons for actions taken;
- Whether an appeal was lodged;
- The outcome of the appeal;
- Any grievance raised during the disciplinary procedure; and
- Subsequent developments

11.2 Records should be treated as confidential and be kept no longer than necessary in accordance with the Data Protection Act 1998. This Act gives the individuals the right to request and have access to certain personal data.

11.3 Copies of meeting records should be given to you including copies of any formal minutes that may have been taken. In certain circumstances (for example to protect a witness) the employer might withhold some information.

11.4 Should disciplinary action be reconsidered and effectively withdrawn any written reference thereto shall be expunged from your record and you will be notified accordingly.

11.5 Breaches of disciplinary rules will be expunged except in special circumstances after varying periods and you will be informed in writing. The period are as follows:

a) Written warnings (except final) – after twelve months satisfactory conduct

c) Written final warnings – after two years satisfactory conduct

11.6 Where there are special circumstances and it is not intended to disregard the breach as detailed above, this fact will be made known to you at the same time as the warning is given and be equally subject to a right of appeal to a Director or Chief Executive.

11.7 If your conduct is deemed to be unsatisfactory after the due period of time and the warning is not expunged from the person's file, this action is also subject to appeal in accordance with Paragraph 7.28 to 7.32

Types Of Actions Explained

Verbal Warnings

12.1 Managers may have occasion to give verbal warnings for initial incidents of minor misconduct. The first time there is a need to speak to you it will not be recorded.

12.2 Should your conduct appear to warrant a more serious reprimand the procedures detailed at Paragraphs 12.3 to 12.13 shall be invoked. If a decision is made to take disciplinary action in the form of a warning, it will be written if the nature of the offence appears to warrant this. Your rights in terms of appeal in respect of recorded verbal warnings will be the same as those for written warnings.

Written Warnings

12.3 Where, following a disciplinary meeting, you are found guilty of misconduct, the first step is to issue a written warning setting out the nature of the misconduct and the change in behaviour required.

12.4 You should be informed that the warning is part of the formal disciplinary process and what the consequences will be of a failure to change behaviour. The consequences could be a final written warning and ultimately dismissal.

12.5 You will be informed of the appeals process.

12.6 A written warning will be kept on your personal file but will be disregarded for disciplinary purposes after six months.

Final Written Warnings

12.7 If you have a current warning about conduct or performance then further misconduct or unsatisfactory performance (whichever is relevant) may warrant a final written warning. This may also be the case where 'first offence' misconduct is sufficiently serious, but would not justify dismissal. Such a warning should normally remain current for a specified period, for example, 12 months, and contain a statement that further misconduct or unsatisfactory performance may lead to dismissal.

Dismissal Or Other Penalty

12.8 If after training or support your conduct or performance still fails to improve, the final stages in the disciplinary process may be:

- Dismissal;
- Demotion;
- Disciplinary transfer;
- Disciplinary suspension without pay; or
- Loss of seniority/pay.

Suspension

12.9 Certain types of misconduct may lead to your removal from front line duties, summary suspension or dismissal. Summary dismissal would only be justified by reason of gross misconduct, examples of gross misconduct are listed at Paragraph 8.3. In such a case, the practice will be for the Director to suspend you with pay and discuss a full report of the matter with the Chief Executive and Personnel Section as soon as possible and in any event within 48 hours. An interview to establish the facts should then be arranged as soon as possible.

12.10 Where following investigation to establish the facts, you have been summarily suspended or dismissed or where you have been advised that from a future date you will be:

- Removal from front line duties;
- Suspended;
- Dismissed;
- Will have an increment withheld or deducted; or
- Will be reduced in grade.

You will be notified by the Director in writing of the reasons for such action or proposed action and of your right of appeal and the appropriate Trade Union must also be formally notified. If you consider your suspension, dismissal, the whithholding/deduction of an annual increment or reduction in the grade is or would be unfair, you may lodge an appeal in writing either individually or through your Trade Union.

Dismissal With Notice

12.11 You should only be dismissed if, despite warnings, conduct or performance does not improve to the required level within the specified time period. Dismissal must be reasonable in all the circumstances of the case.

12.12 Unless you are being dismissed for reasons of gross misconduct, you should receive the appropriate period of notice or payment in lieu of notice.

Dismissal Without Notice

12.13 Employers should give all employees a clear indication of the type of misconduct which, in the light of the requirements of the employer's business, will warrant dismissal without the normal period of notice or pay in lieu of notice. So far as possible the types of offences which fall into this category of 'gross misconduct' should be clearly specified in the rules, although such a list cannot normally be exhaustive.

Special Cases

13.1 There are some special cases where a variation to procedure applies, and these are outlined below.

Trade Union Representatives

13.2 Where disciplinary action is being considered against you and you are a Trade Union representative the normal disciplinary procedure should be followed. Depending on the circumstances, however, it is advisable to discuss the matter at an early stage with an official employed by the Union, after obtaining your agreement.

Alcohol & Drugs Problems

13.3 In any case where disciplinary action arises due to an alcohol and/or drugs problem of an employee, the Manager should make known HHP's Alcohol & Substance Misuse Policy and the availability of support on a confidential basis in accordance with that Policy. Any further disciplinary action for offences of the same nature should be in accordance with the Alcohol & Substance Misuse Policy procedures. There are exceptions to this clause which are detailed at Paragraph 13.4.

Limitations to Alcohol & Substance Misuse Policy

13.4 The application of this Policy is limited to those instances of drug and alcohol problems which affect your health and/or work capacity or your conduct. The Policy does not apply to employees who, because of excessive indulgence in drugs and/or alcohol on random occasions, behave in a manner contrary to the normal standard of safety and conduct required; such instances will be dealt with in accordance with the normal recognised disciplinary procedures.

PART TWO: Disciplinary Procedures for Directors

Directors

14.1 The disciplinary procedures for Directors will be the same as those for staff with the exception of who conducts the disciplinary meeting and the right of appeal.

Initial Investigation	Other Director
Disciplinary meeting	Chief Executive
Right of Appeal	Committee from Board Members

Chief Executive

15.1 The disciplinary procedures for the Chief Executive has been issued separately by the Scottish Housing Regulator and have been approved by the Board.

PART THREE:
Capability

Capability

Informal Procedure

16.1 Where there are concerns about your performance, your Manager will meet with you to share those concerns and explore ways of addressing them. Your Manager may issue advice and guidance to you or provide coaching or take other informal action.

16.2 Your Manager will confirm the outcomes of any discussions in writing to you and they will retain any notes of these informal discussions or meetings.

16.3 Following a satisfactory outcome to the use of the informal procedure, the matter will be considered resolved.

Formal Procedure

16.4 If your performance does not meet acceptable standards after the informal procedure has been followed your Manager will move to the formal procedure. The right to be accompanied at Para 8.15 to Para 8.19 applies to the formal procedure.

Level 1-Formal Meeting (First Warning in Writing)

16.5 Your Manager will meet with you to discuss the issues. They will outline the performance issues that have led to the meeting and you will be given the opportunity to state you case and raise any factors you wish to have considered. If, in the view of your Manager, you are unable to provide a satisfactory explanation for the performance shortfall, you will be advised of:

- The improvement in performance required
- The timescale for improvement
- Any support to be received
- The consequence of not meeting the performance targets

16.6 A written warning will in that case be issued and the above will be confirmed in writing to you, normally within five working days. You will also be advised of your right of appeal. A copy of the letter will be retained on the your file for a period 6 months.

Level 2-Formal Meeting (Final Warning in Writing)

16.7 If the problem is more serious, or if there has been a failure to meet the performance targets set at the first formal meeting, you will be invited in writing to a level two formal meeting, normally with at least 10 days' notice. The letter inviting you to the meeting shall set out the issues to be considered. The meeting will be conducted by your Manager (who will be accompanied by a member of the Personnel Team). Your Manager will outline the performance issues that have led to the meeting and will review the circumstances of the case and the action taken to date. You will be given the opportunity to state you case and raise any factors you wish to have considered.

16.8 If no satisfactory explanation is given for the failure to meet the required standard of performance, your Manger will write to you with a final written warning normally within five working days. The letter will indicate:

- The improvement in performance required
- The timescale for improvement
- Any support to be received
- The consequence of not meeting the performance targets i.e. that you may be dismissed if no acceptable improvement in performance is achieved within the given timescale
- Your right of appeal

16.9 A copy of the letter will be retained on your personal file for a period 12 months.

Level 3-Formal Meeting (Dismissal)

16.10 If your performance does not improve as specified in the final written warning issued under level two above, or where serious performance issues arise or gross negligence is alleged (and after such investigation as is appropriate in the circumstances), you will be invited to a formal dismissal hearing with the Director. You will be advised in writing of the grounds that have led to the hearing being called, including full details of the alleged performance issues. You will also be advised that one consequence of the hearing may be the termination of employment.

16.11 The meeting will take the form of a hearing conducted by the Director who will be accompanied by a member of the Personnel Team or an HR Advisor.

16.12 A letter will be sent to you, normally ten working days before a level three hearing, detailing the purpose of the meeting, and the circumstances that have led to us considering dismissing you. You will be invited to make any written submissions.

Prior to the hearing you will be provided with copies of papers that will be considered at the meeting.

16.13 At the level three hearing, you will be advised of the performance issues that have led to the meeting. You will be given an opportunity to present you case and raise any issues you wish to have considered.

16.14 The Director conducting the hearing and case will consider the facts of the case and any representations made. On the basis of the information presented your Manager may decide on the following outcomes:

- That there are insufficient grounds to dismiss you under this procedure;
- On the imposition, extension or renewal of a warning or final written warning issued under this procedure;
- To withhold an increment of salary;
- On the removal of any title or office held in addition to the substantive appointment;
- That you should be dismissed on grounds of capability (with appropriate notice);
- to transfer you to an alternative post within the Partnership;
- That matters should be considered under an alternative procedure.

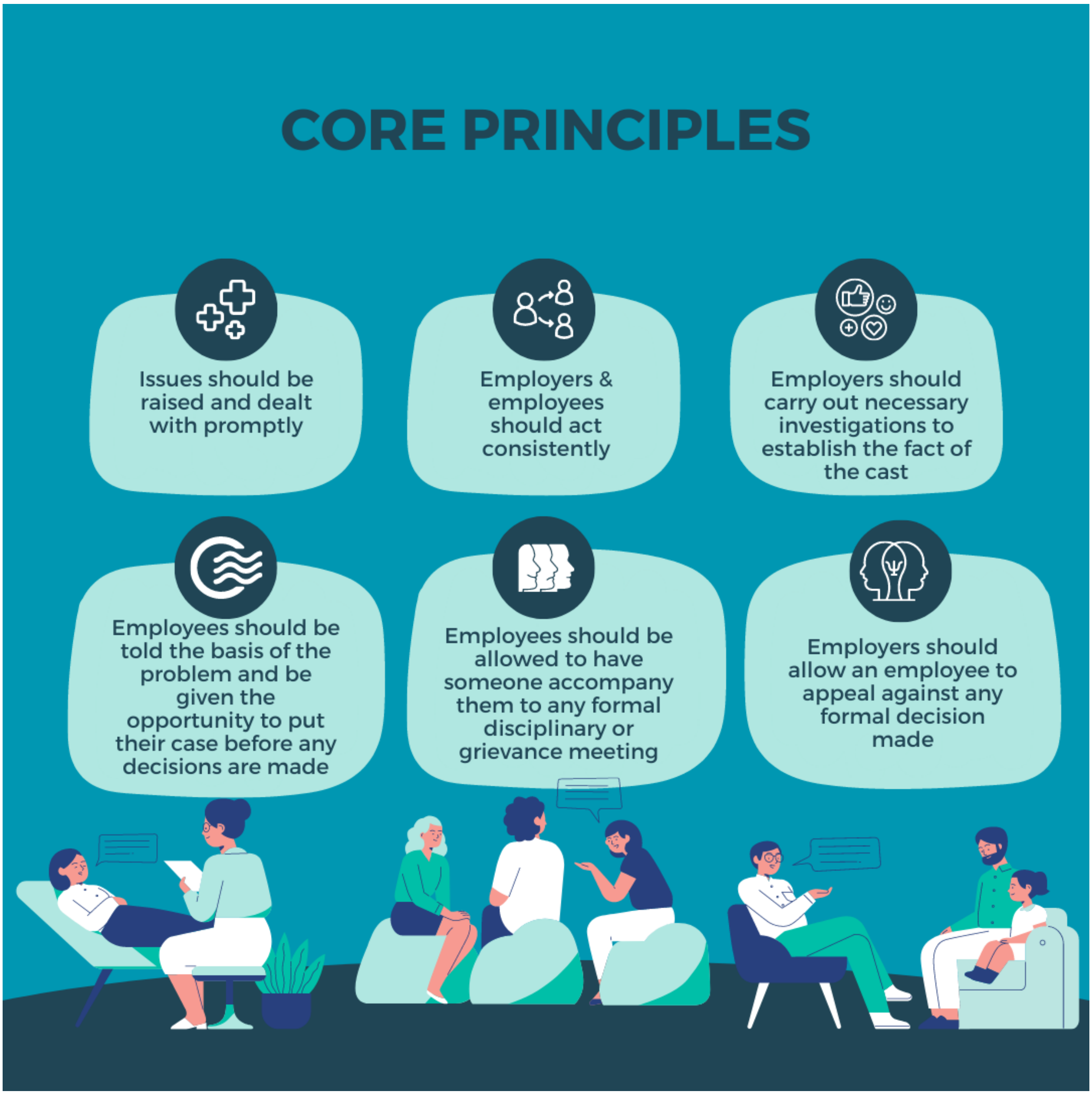
The above list is not exhaustive and the outcome may be varied according to the circumstances of the case

16.15 The decision may be given verbally at the hearing and will in any event be conveyed or confirmed in writing within five working days of the hearing. The correspondence shall also notify you of your right to appeal against any sanction. In the event that the decision at a level three hearing is taken to dismiss you, the correspondence will include the reasons for dismissal and the date that your employment will terminate together with details of any notice arrangements.

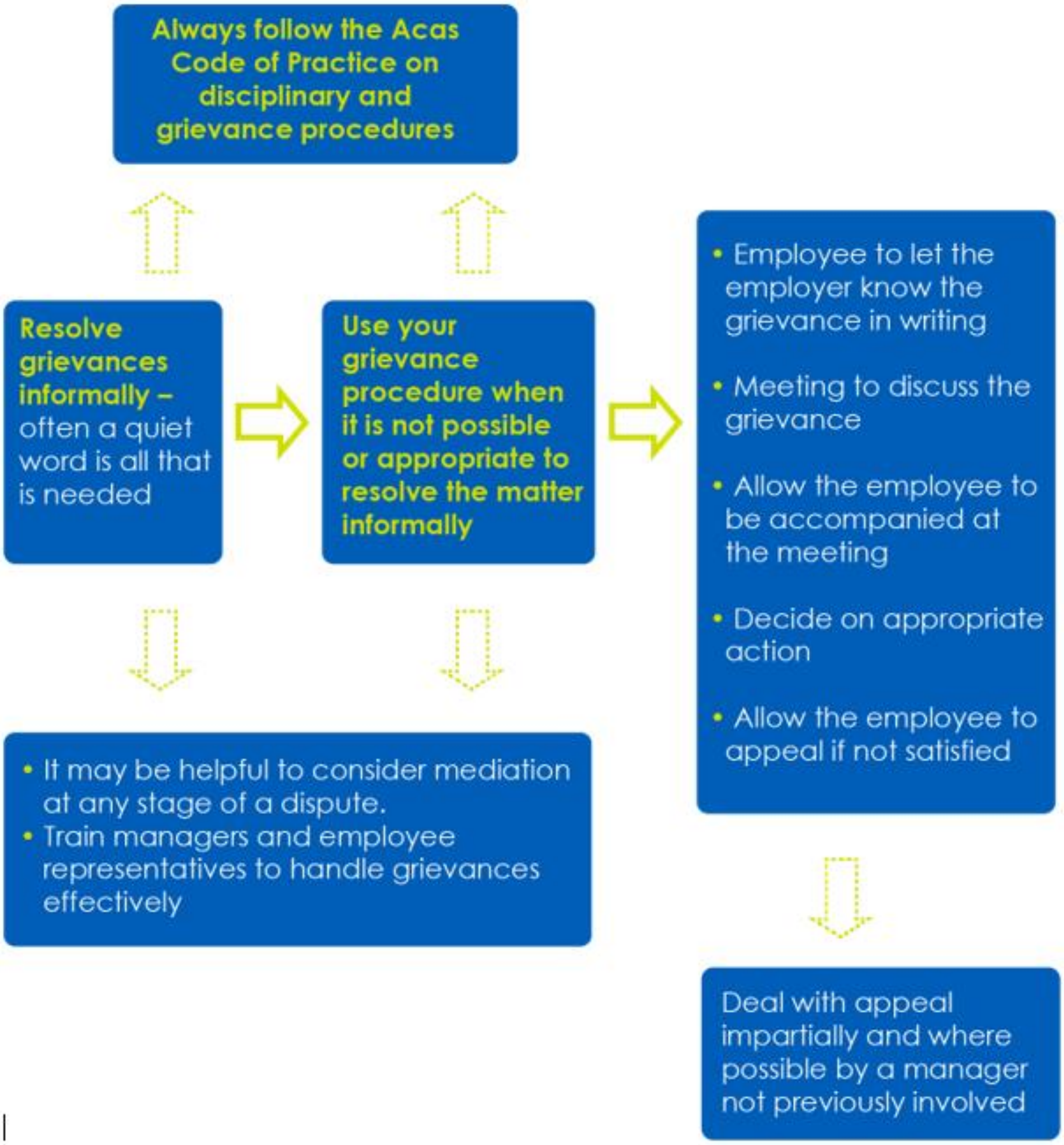
Appeals

16.16 You have the right to appeal against a decision to issue a warning or sanction, less than dismissal, under this procedure. The appeal will follow the same process as under the disciplinary procedure outlined in Paragraphs 8.28 to 8.32.

PART FOUR: Grievance



Handling grievances – An overview



General Grievance

17.1 You should aim to settle most grievances informally with your Line Managers. Many problems can be raised and settled during the course of everyday working relationships which should allow for problems to be settled quickly.

17.2 ACAS has defined a grievance as follows:

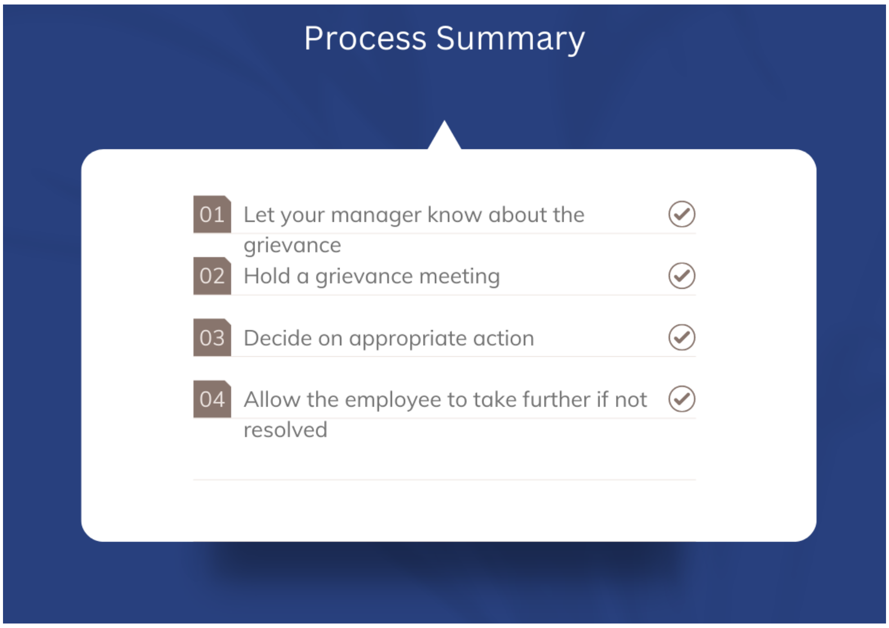
"Grievances are concerns, problems or complaints that employees raise with your employers"

17.3 To ensure good practice is followed the ACAS guide on Grievances is the framework used for the Partnership's grievance procedures.

17.4 Issues which may cause grievances include:

- Terms and conditions of employment
- Health & Safety
- Working relations
- Bullying and harassment
- New working practices
- Working environment
- Organisational change
- Discrimination

17.5 These procedures do not apply to grievances raised on behalf of two or more employees by a representative of a recognised Trade Union or other appropriate workplace representative. These grievances will be handled in accordance with the Partnership's collective grievance process.



Stage 1-Let Your Manager Know

17.6 If it is not possible to resolve a grievance informally you should raise the matter formally without unreasonable delay with a Manager who is not the subject of the grievance. This should be done in writing and should set out the nature of the grievance.

17.7 Where a grievance is serious or you have attempted to raise a problem informally without success, you should raise it formally with management in writing.

17.8 If you have difficulty expressing yourself because of language or other difficulties you may like to seek help from a Trade Union or other employee representatives or from colleagues.

17.9 When stating your grievance, you should stick to the facts and avoid using language which may be considered insulting or abusive.

17.10 Where the grievance is against the Line Manager you may approach another Manager as detailed in Paragraph 18.1 below.

Stage 2-Holding A Grievance Meeting

17.11 Managers should arrange for a formal meeting to be held without unreasonable delay after a grievance is received.

17.12 All parties should make every effort to attend the meeting. You will be allowed to explain your grievance and how they think it should be resolved. Consideration will be given to adjourning the meeting for any investigation that may be necessary.

17.13 Copies of any minutes taken at the meeting will be provided to you. In certain circumstances the Manager might withhold some information e.g. to protect a witness.

Stage 3-Decide On Appropriate Action

17.14 Following the meeting the Manager will decide on what action if any should be taken. Decisions will be communicated to you in writing, without unreasonable delay and, where appropriate should set out the action the Manager intends to take to resolve the grievance.

17.15 You should be informed that they can appeal if they are not content with the action taken.

17.16 It is generally good practice to adjourn a meeting before a decision is taken about how to deal with an employee's grievance. This allows time for reflection and proper consideration. It allows for any further checking of any matters raised.

17.17 In such cases, you should be informed of who else will be told about the decision and what type of information they will be given.

17.18 Where your grievance is not upheld Managers will make sure the reasons are clearly explained. Managers should bear in mind that action taken to resolve a grievance may have an impact on other individuals, who may also feel aggrieved.

17.19 If the grievance highlights any issues concerning policies, procedures, or conduct (even if not sufficiently serious to merit separate disciplinary procedures) they should be addressed as soon as possible.

17.20 Ensure that any action taken is monitored and reviewed, as appropriate, so that it deals effectively with the issues.

Stage 4 -Allow Employee To Take It Further If Not Resolved

17.21 If you feel that your grievance has not been satisfactorily resolved you can appeal. You should let your Manager know the grounds for your appeal without reasonable delay and in writing.

17.22 Appeals should be heard without reasonable delay and at a time and place which should be notified to you in advance.

17.23 The appeal will be dealt with impartially and wherever possible by a Manager who has not previously been involved in the case.

17.24 Employees have a statutory right to be accompanied to any such appeal hearing.

17.25 The outcome of the appeal will be communicated to you in writing without unreasonable delay.

List Of Managers Who Can Hear Grievances

18.1 The table below shows the Managers who can hear grievances.

TEAM	GRIEVANCES	ALTERNATIVES
Corporate Resources	Corporate Resouces Manager	Finance Manager
Customer Services	Service Development Manager	Area Manager Development Manager
Finance	Finance Manager	Corporate Resources Manager Digital Transformation Manager
Executive Office	Governance Officer	Corporate Resources Manager Finance Manager
Housing Services	Area Manager	Assets & Contracts Manager Service Development Manager Investment Manager
Property Services	Investment Manager	Assets & Contracts Manager

18.2 Managers who report directly to either the Director of Operations or Director of Finance & Corporate Services should try and raise their grievance with their own Director and if this is not suitable the grievance should be raised with the other Director.

PART FIVE:
Useful resources

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this policy:

WORD	INTERPRETATION
HHP or Partnership	Hebridean Housing Partnership
Board	Means the Board of the Hebridean Housing Partnership
Board Members	All Members of the Board including co-opted Members
HR Officer	People Development Officer
SHR	Scottish Housing Regulator
Chair	Chair of the Board
Acas	Advisory, Conciliation and Arbitration Services

Links To Helpful Websites

https://www.acas.org.uk/disciplinary-procedure-step-by-step

https://www.evh.org.uk/

List Of Proforma Letters Available From Personnel

1. Notice of Disciplinary Meeting
2. Notice of Written Warning or Final Written Warning
3. Notice of Appeal Meeting Against Warning
4. Notice of Result of Appeal Against Warning
5. Letter to Confirm Meeting Where Dismissal or Action Short of Dismissal Being Considered
6. Outcome of Disciplinary Meeting
7. Notice of Appeal Meeting Against Dismissal/Disciplinary Action
8. Notice of Result of Appeal Against Dismissal/Disciplinary Action
9. Letter of Enquiry Regarding Likely Cause of Absence – Addressed to GP

Handling A Serious Complaint Against The CEO

August 2023

Serious Complaint-CEO

Introduction

1.1 This procedure is part of our overall Disciplinary Procedure and specifically deals with what action should be taken if there is a serious complaint or grievance against the Chief Executive.

1.2 For all routine complaints our Complaints Policy should be followed, and Stage 1 resolution sought.

1.3 Any routine grievance or disciplinary matter will be dealt with through the Discipline and Grievance Procedure.

1.4 It is important that the same core principles for Discipline and Grievance apply to all members of staff including the Chief Executive but as the most senior member of staff the process for the Chief Executive will involve the Board from the outset.

1.5 The Scottish Housing Regulator (SHR)'s guidance on handling a serious complaint or grievance against the Chief Executive of an RSL has been taken into account in the preparation of the procedure.

Aim

2.1 The aim of the procedure is to ensure the Board have a clear process that complies with SHR's Regulatory Standards to deal with serious complaints against the Chief Executive.

Legal & Regulatory Framework

Legal

3.1 The Disciplinary rules and procedures incorporate the requirements of ACAS Code of Practice on discipline and grievance issued under section 199 of the Trade Union and Labour Relations (Consolidation) Act 1992 which came into effect on 11 March 2015.

3.2 It is important that employees know what standards of conduct are expected of them and Section 26 and Schedule 4 of the Trade Union Reform and Employment Rights Act 1993 requires employers to provide written information for your employees about certain aspects of your disciplinary rules and procedures.

Regulatory

3.3 The Partnership is required to inform SHR when there is a serious complaint, investigation or disciplinary action relating to senior staff. These serious complaints do not arise often but because of their nature, sensitivity, and potential impact on leadership arrangements, they have the potential to seriously damage the organisation. SHR Notifiable Events Guidance should be consulted.

Structure

4.1 This procedure is broken down into the following parts:

PART ONE: Regulator

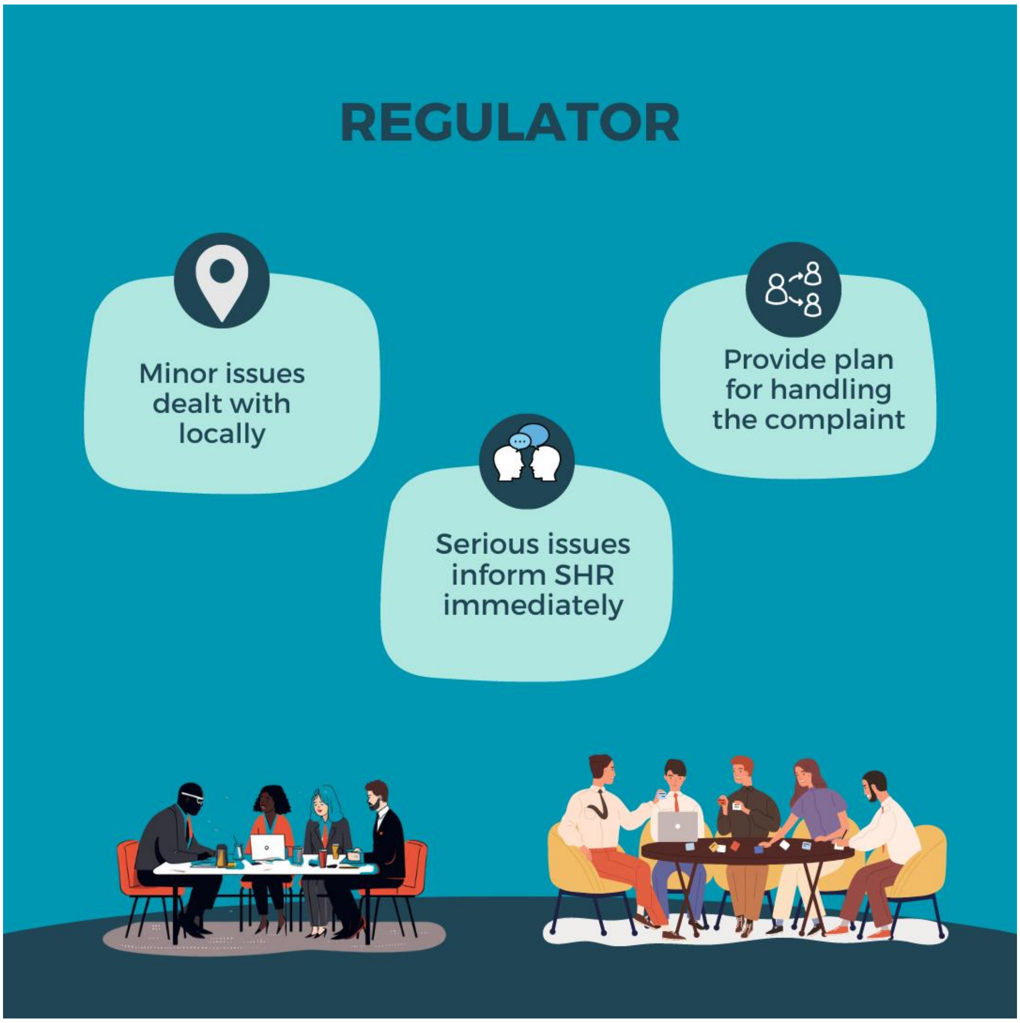
PART TWO: Formal Serious Complaint

PART THREE: Hearing Principles

PART FOUR: Appendices

PART ONE:

REGULATORY REQUIREMENTS



Regulatory Expectations

5.1 Minor issues should be dealt with and resolved at local level and need not be reported to the Regulator.

5.2 RSL's are expected to:

- Notify SHR if there is a formal serious complaint or grievance against HHP's Chief Executive.
- Take prompt, independent and professional advice as appropriate to the event.
- Put in place strong governance systems that set out clear procedures for dealing with such events and clarify the role of the governing body.
- Be open and transparent about the decision-making process

Notify SHR

6.1 The Chair should notify the SHR if there is a formal serious complaint against the Chief Executive.

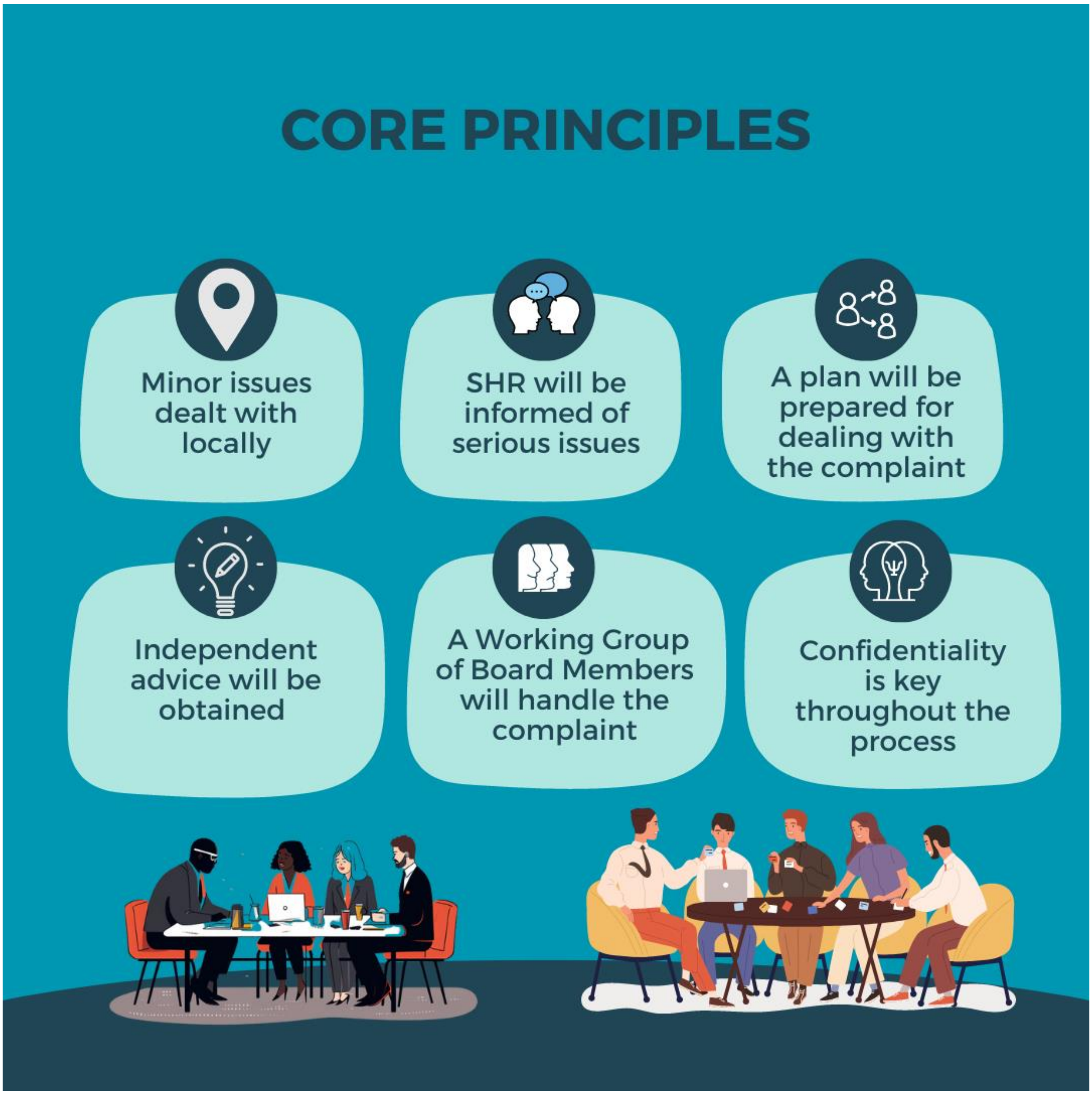
6.2 The Chair should also tell SHR how the Board intends to handle the complaint.

6.3 The SHR recognises the highly sensitive nature of serious complaints. If information is given in confidence the SHR will respect that confidentiality, provided it does not compromise their ability to safeguard the overall interests of the Partnership or sector or breach a legal obligation to disclose that information.

6.4 Employment issues are for the Board as the employer to resolve with the individual employee. However, the SHR does need to be assured that the Board will handle a serious complaint or grievance about the Chief Executive in a manner that is compliant with Regulator Standards and, will obtain appropriate advice and support to help manage these situations and discharge its employment responsibilities fully and properly.

PART TWO:

SERIOUS COMPLAINT



What Is A Serious Complaint?

7.1 It is difficult to create a list of all the possible eventualities, but a few examples are noted below:

- Allegations from an individual employee of bullying or harassment by the Chief Executive
- Inappropriate behaviour which may bring HHP into disrepute
- Allegations of theft, fraudulent activities including the misuse of funds or other assets

Action Required

8.1 If a formal serious complaint or grievance is received concerning HHP's Chief Executive, the Chair of the Board will be informed immediately. Formal normally means that the complaint has been submitted in writing. However, there may be occasions where a member of staff received a verbal complaint. In this instance the complainant will be asked to confirm their complaint in writing to ensure the issues raised are clearly stated.

8.2 The Chair will inform the SHR of the complaint, how it intends to handle the complaint including the use of independent professional advice.

8.3 Acknowledgement of the complaint/grievance should be sent to the complainant as soon as is practicable, ideally within three working days. HHP's HR Officer can assist the Chair with this task.

8.4 The Chief Executive will be notified verbally by the Chair within a day of the complaint/grievance being made. This will be followed up in writing within three working days of receipt of the complaint/grievance. The notification will contain sufficient information about the complaint/grievance and its possible consequences to enable the Chief Executive to prepare to answer the case at a meeting with the sub-committee. Copies of any written evidence, including witness statements if applicable, will be provided with the notification. HHP's HR Officer can assist the Chair in compiling the notification letter.

Who Will Hear The Complaint/Grievance?

9.1 The Chair is not expected to deal with such matters alone. Therefore, a Working Group of HHP's Board Members will be selected to handle the complaint. This Working Group will have a quorum of 3 members. One member will be designated Chair for the purposes of handling the complaint. Members of this Working Group will then be responsible for hearing and deciding on any action from the complaint/grievance.

9.2 Due to the highly sensitive nature of complaints at this level, it is vital that confidentiality is observed and maintained throughout. The full HHP Board may be told that a complaint/grievance has been received and is being dealt with but not about any of the detail. This is for a variety of reasons:

- It ensures confidentiality for the Chief Executive at the centre of the allegations, as is their right.
- the Board knows that the complaint is being handled.
- If independent help is required, then any associated costs can be authorised.
- the Board can monitor any emerging patterns of grievances and decide on an appropriate course of action.
- By keeping the substance of the complaint confidential, it leaves a clean route for any appeal to be heard by other members of the Board who are untainted by detailed knowledge

9.3 Should it be required, an Appeals Panel will be formed from remaining members of HHP's Board. HHP Board will be notified of the outcome of the complaint/grievance at the end of the full process.

Independent Advice & Support

10.1 Again due to the sensitive nature of such situations, it would be inappropriate for any HHP employees to be involved in the investigation or handling of a complaint/grievance against the Chief Executive. Access to independent advice must therefore be sought by the Working Group. Investigation of the complaint/grievance, and any subsequent action taken, must comply with HHP's legal duties, including those relating to equalities and human rights.

10.2 Employee matters are complex and such advice will be sought from an employment law expert.

10.3 The Chair of the Working Group may ask HHP's HR Officer for information on possible sources of independent advice. HHP's Personnel Section will provide this information and if requested may also assist with administrative tasks such as arranging meeting space or for courier delivery of confidential documentation.

PART THREE:

HEARINGS

Principles For Hearing The Complaint/Grievance

11.1 The full process of hearing a complaint/grievance is noted in the attached guidance (see Appendix 1). The general principles which the Working Group must follow however are:

- Investigate the complaint and gather information and evidence – this may require a meeting with the complainant and other relevant parties/witnesses. It may be appropriate to commission an independent party (e.g. an employment law expert as referred to in section 10.1 to 10.3) to undertake the investigation, but all findings will be reported to the Working Group.
- Meet with the Chief Executive and allow them to put forward their case in response to the complaint/grievance.
- Allow the Chief Executive to be accompanied at the meeting by a representative of their choosing.
- Investigate further if required.
- Adjourn the meeting if required to consider the information presented.
- Notify the Chief Executive of the outcome decision and the right of appeal.

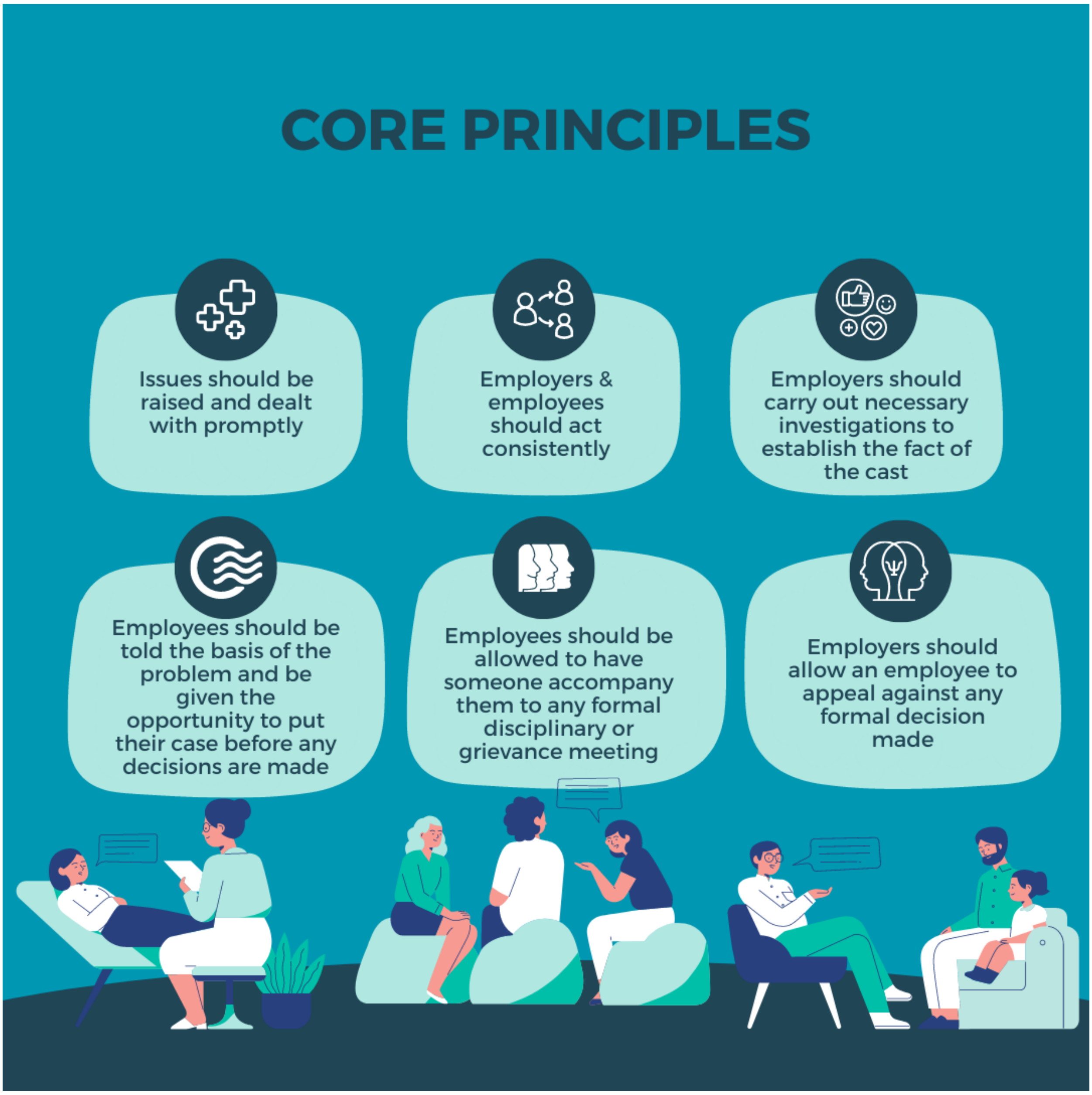
11.2 Following the investigation, hearing and consideration of the information presented, it should be borne in mind that the findings may lead to the instigation of disciplinary action which would activate the disciplinary process.

11.3 At all stages it is important to keep accurate and appropriate records to document and evidence decision making.

Updating Of The Procedure

12.1 The procedure will be reviewed as necessary in line with any future SHR guidance.

PART FOUR:
APPENDICES



APPENDIX 1:

GUIDANCE NOTES FOR THE WORKING GROUP TO INVESTIGATE AND HEAR A COMPLAINT/GRIEVANCE AGAINST THE CHIEF EXECUTIVE

Hearing Process

Notification Of Hearing

1.1 The Working Group will carry out an appropriate investigation into the complaint/grievance prior to the meeting. This may be with the assistance of an independent advisor/investigator.

1.2 The Chief Executive will be informed in writing of the time, date and place of the hearing, who will be conducting the hearing and who else will be present. They will be advised of their right to be accompanied and asked for the name of the person who will accompany them. At least five working days' notice of a hearing should be given. The Chief Executive will be expected to attend the hearing in person unless there are exceptional circumstances (an example might be where the Chief Executive is on long term absence and is unlikely to return within a reasonable period).

1.3 The aim is to reach a conclusion which is satisfactory to all parties. It is important to deal with such matters as quickly as possible to remove a period of uncertainty. Unless there are strong reasons why the complaint/grievance cannot be dealt with quickly) e.g.one of the parties is on holiday, the Working Group should collect all the relevant information and aim to hold the hearing within 10 working days of receipt of the complaint.

At The Hearing

2.1 The Chair of the Working Group will outline to the Chief Executive the details of the complaint and findings from any subsequent investigations. The Chief Executive will be invited to discuss these findings and present their response to the detail of the complaint/grievance.

2.2 The meeting can be adjourned to consider information presented. It can be reconvened on the same day or if that is not appropriate further arrangements can be made for a new meeting. There is no need for the Working Group to present their decision at this stage.

2.3 A member of the Working Group should take notes at the hearing.

After The Investigation And Meeting

3.1 After the hearing, the decision of the Working Group should be conveyed in writing to HHP's Chief Executive within three working days of the date of the hearing.

The decision letter must record:

- The nature of the grievance/complaint raised
- The date of the meeting and who was present
- The key points made in discussions at the hearing
- The names of any witnesses or other parties who provided information
- The reasons for the decision
- The outcome
- The right of appeal

3.2 It is particularly important that the decision letter contains information which will enable all parties to understand how the conclusions and decision(s) were reached.

Potential Outcomes From The Hearing

4.1 Once the Working Group is satisfied that it has come to a satisfactory conclusion it must then decide whether to:

- Uphold the complaint
- Partially uphold the complaint
- Not to uphold the complaint

Right Of Appeal

5.1 If the Chief Executive is not satisfied with the outcome of the hearing, an appeal may be submitted in writing to an Appeals Panel within ten working days of the date of the decision letter. The appeal should specifically outline the reasons why the Chief Executive believes the decision was unfair or unreasonable and/or why they believe the grievance procedure has not been properly applied.

5.2 Grounds for appeal include:

- Procedural irregularities
- Unfairness of the judgement
- New evidence which would not have been available at the time of the original decision or was unreasonably withheld and which could have materially affected the outcome

Notification Of Appeal

6.1 The Chief Executive will be informed in writing of the time, date and place of the hearing; who will be conducting the hearing and who else will be present. They should also be advised of their statutory right to be accompanied and asked for the name of the person who will accompany them. At least five working days' notice of a formal hearing should be given. In all cases the Chief Executive will be expected to attend the hearing in person unless there are exceptional circumstances (an example might be where they are on long term sickness absence and unlikely to return in a reasonable period).

Right To Be Accompanied

7.1 The Chief Executive has the right to be accompanied at all stages of the procedure by an appropriate work colleague or a trade union representative. Appropriate in this context means someone who does not have a conflict of interest, is not a witness to related events or involved in the facts of the complaint/grievance.

7.2 A work colleague who has been asked to accompany a member of staff to a formal grievance hearing is entitled to a reasonable amount of time away from their normal duties to fulfil this role. This should include not only time to attend the hearing but also time to familiarise themselves with the issues and confer with the employee both before and after the hearing.

7.3 No employee is required to agree a request to accompany a colleague to a hearing and no pressure should be brought to bear on them if they do not wish to do so.

7.4 The Working Group and Appeals Panel may co-opt an independent advisor to attend the hearing or appeal meetings.

Right Of Delay

8.1 At all stages of the grievance and appeal procedure the Chief Executive can request to delay the hearing for up to five working days if their chosen companion is unavailable. The Working Group should agree to this request unless there are exceptional reasons for not doing so.

8.2 If the Working Group, the Chief Executive or their companion cannot attend the meeting for a reason that was not reasonably foreseeable at the time the meeting was arranged, the meeting must be rearranged (i.e., illness on the day, or car break down). However, if either party does not attend the meeting and the failure could be reasonable foreseen, then the meeting will not be rearranged again.

Records

9.1 Records should be kept detailing the nature of the complaint/grievance, the response given, any action taken and the reasons for it. A member of the Working Group should be appointed to prepare a comprehensive note of the grievance hearing. In certain circumstances some information may be withheld, for example, to protect a witness.

9.2 Records will be kept of all meetings detailing:

- The nature of the complaint/grievance raised
- A note of the meeting held to hear the grievance
- The Partnership's response
- Any action taken and the reasons for this
- Whether there was an appeal
- A note of the appeal meeting
- The outcome of the appeal meeting

APPENDIX 2:

INTERPRETATIONS & ABBREVIATIONS

The following interpretation and abbreviations are used in this policy:

WORD	INTERPRETATION
HHP or Partnership	Hebridean Housing Partnership
Board	Means the Board of the Hebridean Housing Partnership
Board Members	All Members of the Board including co-opted Members
HR Officer/Personnel	Personal Assistant and People Development Officer
SHR	Scottish Housing Regulator
Chair	Chair of the Board

hebridean housing partnership

Making our house your home

ITEM NO 7.7

POLICY CONSULTATION RESPONSE

Board 28 November 2023

Report by Chief Executive

Purpose of Report

1.1 To approve the Alcohol & Substance Misuse Policy following consultation with Staff and Unison.

Summary

2.1 The Alcohol & Substance Misuse Policy was approved for consultation with Staff and Unison at the 23 August 2023 Board meeting.

2.2 The responses to the consultations, and any amendments required to the policy, are at Appendix 1.

Competence

3.1 Financial, legal and other constraints from the recommendations to this report are at paragraph 5.1 – 8.1.

Recommendations

4.1 **It is recommended that the Board approve the Alcohol & Substance Misuse Policy.**

APPENDIX 1:	Consultation Responses on Alcohol & Substance Misuse Policy	
Background Papers:	None	
Writer of Report:	Iona France	Tel: 0300 123 0773

Competence

Financial

5.1 There are no financial implications arising directly from the consideration of this report.

Legal

6.1 There are no legal implications arising directly from the consideration of this report.

Regulatory Guidance

7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

8.1 The risk of not updating policies can lead to breaches in regulatory codes of governance, legislation and recommended practice, and can leave the Partnership open to legal action.

APPENDIX 1

RESPONSES TO ALCOHOL & DRUGS POLICY CONSULTATION 2023

Number of responses	**5**
Number of responses received where respondents were happy with the proposed changes	**3**
Number of responses received where no changes were made to the Policy	**1**
Number of responses were where changes were made to the Policy	**1**
Staff / Union	**4 staff / 1 Union**

Staff Responses:

Clause	Area	Comment	Management Response
10.1	Work Events	Could manager be changed to senior member of staff is circumstances where the line manager is not present?	**No update to Policy**

Union Responses:

Clause	Area	Comment	Management Response
N/a	Policy	Generally I would like to see a general statement such as "Unless stated otherwise this policy relates to at work or on HHP property" as it is not currently clear	Statement to be added to the Policy

APPENDIX 1

Clause	Area	Comment	Management Response
5.1	Alcohol & the Workplace	Duplication with 10.1	5.1 to be deleted
6.2	Driving at Work	What is meant by risk assessment? This needs to be clearer. Staff drive at many different times throughout the day. Are they to carry out RA's each time? Should we reference BCARM training where this is covered?	Policy to be amended to: All authorised car users must complete BCARM Driving Safety module annually and drive in accordance with recommendations, which include carrying out a visual assessment.
7.8	Managing Alcohol Misuse (Testing)	Surely there needs to be some reasoning behind any such decision? As it stands you are inferring that this can be carried out at any time for any reason or no reason whatsoever. Perhaps adding "should we deem the performance of the staff member has been affected by drink or drugs".	Policy to be amended to: Where behaviour gives cause for concern we reserve the right to conduct or require an alcohol and drug screen on any employee whilst at work or on HHP property.
8.6	Legal Substances	What if an employee is dealing in drugs outside work?	**No update to Policy.**
9.1	Police Involvement	Not clear if this relates to work or not	**No update to Policy.**

POLICY REVIEW (SAFEGUARDING)

Board 28 November 2023

Report by Chief Executive

Purpose of Report

1.1 The purpose of this report is to update the Board regarding compliance of our Safeguarding Policies with OSCR guidance.

Summary

2.1 OSCR expects Charity Trustees to review safeguarding policies on an annual basis, to ensure they are consistent with the Interim Guidance, issued in May 2018.

2.2 The guidance covers the welfare of children and vulnerable adults to protect them from harm including physical, emotional, sexual and financial harm and neglect.

2.3 We have various policies which have aspects of Safeguarding in them and their compliance with appropriate guidance is detailed at Appendix 1, with further details on our approach to Safeguarding in the body of the report.

Competence

3.1 The financial, legal and other constraints to the recommendations in this report being implemented are at paragraph 5.1 – 8.2.

Recommendations

4.1 **It is recommended that the Board note the review of policies at Appendix 1 in respect of Safeguarding.**

APPENDIX 1:	Policy Review (Safeguarding)
Background Papers:	OSCR Safeguarding Guidance: Keeping vulnerable beneficiaries safe, May 2018
Writer of Report:	Iona France

Competence

Financial

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

Legal

6.1 There is a legal requirement to comply with guidance issued from regulatory bodies.

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 assurance of evidence GF1 and RS4.3 in relation to our Annual Assurance Statement.

Risk

8.1 The major risk of not complying with Safeguarding guidance from OSCR is that vulnerable beneficiaries may not be safe and could come to harm. We could compromise our charitable status or incur reputational damage.

8.2 Legislative changes, Health & Safety breaches, data security and integrity are all identified on our Risk Register along with relevant mitigations to minimize the risk

Report Details

9.1 We can demonstrate that we are operating appropriately and in a manner consistent with safeguarding guidance in a number of ways:

- An Annual Assurance Statement is issued to the Scottish Housing Regulator, confirming that the Board are satisfied that we comply with all legal and regulatory standards and requirements. The mapping and ongoing provision of evidence to the Board to allow the Assurance Statement to be made, is an important part of this self-regulation.
- Codes of Conduct, based on model documents approved by regulatory bodies, are signed annually by all Staff and Board Members before they can take an active part in HHP's business functions;
- Full Disclosures of Interest are made by all Staff and Board Members annually, and further Declarations of Interest are recorded before each Board or Committee Meeting commences;
- Rule compliance is reviewed and approved at the last meeting before the AGM;
- Training requirements are reviewed during staff appraisals and worked into a Training Plan which is approved by Board;
- There is a Policy Review Schedule in place to ensure all policies are subject to a review within a timeframe consistent with the risk they carry;
- Our Risk Register is reviewed and presented at each meeting of the Audit & Risk Committee;
- Our Business Plan and Financial Regulations are reviewed annually; and
- Various statutory returns are made to Regulatory Bodies annually.

9.2 In terms of our policies, those identified as having elements which addressed Safeguarding, of beneficiaries and staff, are detailed at Appendix 1.

9.3 It was agreed that the relevant policies would have an annual review in respect of Safeguarding, and a report would go to the Board each November to confirm the policies remain compliant with the latest guidance or advise of any changes which may be required.

APPENDIX 1

POLICY REVIEW (SAFEGUARDING)

POLICY	REVIEW CONDUCTED	DATE OF REVIEW	NEXT REVIEW DUE
Alcohol & Substance Misuse (formerly Alcohol & Drugs)	Policy updated in line with EVH & Croner Model Policies. Policy renamed at review to Alcohol & Substance Abuse Policy.	August 2023	August 2026
Codes of Conduct	Model Codes, originally adopted in 2018 and updated in 2021, were approved by the Scottish Housing Regulator and drafted by SFHA. Consistent with all current guidance. Codes to be signed by staff and Board Members annually.	August 2021	August 2024
Comments, Compliments & Complaints	The Policy was updated in line with Scottish Public Service Ombudsman (SPSO) guidance and contact details were updated for both the SPSO and factoring complaints.	August 2020	August 2025
Debt Management	The Policy was implemented in June 2022, combining the provisions of Rent Arrears Policy and Sundry Debts Policy. The Policy complies with all current guidance and legislation.	n/a	June 2025
Disclosure of Interest	The Policy remains consistent with Codes of Conduct, which are consistent with current guidance.	August 2022	August 2025
Domestic Abuse	The Policy was implemented in 2020 and is appropriate with current guidance and legislation. An interim review took place in January 2021 with no amendments required.	January 2021	January 2024
Entitlements, Payments & Benefits	The Policy is consistent with Codes of Conduct, which adhere to current guidance. The review cycle was amended to bring it line with the review of the Codes.	August 2021	August 2024
Equality & Diversity	The Policy was updated to take into account best practice recommended by EVH. (Previously called Equal Opportunities Policy)	March 2021	March 2024
Fire Safety (Office)	Review took place in May 2022 and the Policy is appropriate with current guidance.	May 2022	May 2025

POLICY	REVIEW CONDUCTED	DATE OF REVIEW	NEXT REVIEW DUE
Fraud	The Fraud Checklist is reviewed annually. The Policy includes reference to the Whistleblowing Policy and is consistent with regulatory and legislative requirement.	February 2020	February 2024
Gas Safety Management	At 30 September 2023, 438 properties had gas heating systems and all had a gas safety certificate.	February 2022	February 2025
Health & Safety	Consistent with all current guidance and no significant amendments made at last review.	February 2023	February 2024
Landlord Health & Safety Policies	The suite of policies are based on ACS Risk Group Model policies and updated to reflect new regulatory requirements.	May 2022	May 2025
Lone Working	The Policy is consistent with EVH guidance and based on a Croner Model Policy. There were no significant changes made at the review.	August 2023	August 2026
Managing Violence and Aggression at Work	This is based on a Croner Model Policy which was compliant with all relevant guidance at the point of adoption. Policy updated at review to include electronic communications.	May 2022	May 2025
Maternity Leave (previously Maternity & Shared Parental Leave)	The Policy is consistent with Health & Safety at Work legislation. Based on Croner Model Policy. Policy renamed at review to Maternity Leave Policy.	November 2021	November 2024
New & Expectant Mothers	The Policy based on a Croner Model Policy which was compliant with all relevant guidance. No changes required at review.	November 2023	November 2026
Openness & Confidentiality	Policy complies with GDPR and FOI legislation. There were minor updates at review to ensure consistency with current working practices.	August 2023	August 2026
Parental Leave	Amendments at review consistent with Croner Model Policy.	November 2023	November 2026
Particular Housing Needs	No major amendments required at review and Policy is consistent with current guidance.	August 2023	August 2026
Paternity Leave	The Policy is consistent with Health & Safety at Work legislation. Based on Croner Model Policy. No changes required at review.	November 2021	November 2024

POLICY	REVIEW CONDUCTED	DATE OF REVIEW	NEXT REVIEW DUE
Personal Relationships at Work	The policy was implemented in May 2019 and is based on EVH Model Policy and developed to ensure best practice. No changes required at review.	May 2022	May 2025
Repair & Maintenance	In line with Special Needs Housing Policy, Right to Repair and OT referral processes and consistent with relevant guidance.	March 2021	March 2024
Risk Management	Reviewed on an annual cycle and consistent with the risk HHP faces.	June 2023	June 2024
Scottish Secure Tenancy	Updated in line with Model Scottish Secure Tenancy Agreement following the introduction of the Housing (Scotland) Act 2014 in May 2019.	May 2019	n/a
Shared Parental Leave	The Policy was implemented in November 2021 (the provisions of the policy were previously included in the Maternity and Shared Parental Leave Policy). The Policy is consistent with Health & Safety at Work legislation and is based on EVH Model Policy.	n/a	November 2024
Smoking at Work	No major amendments required at last review and Policy is consistent with Health & Safety at Work legislation. Based on Croner Model Policy.	January 2021	January 2024
Special Leave	Policy was updated to increase compassionate leave following a bereavement to 10 days. Discretion to Chief Executive to award special leave to staff member who is part if a life line agency.	May 2023	May 2026
Stress Management	The Policy is consistent with Health & Safety at Work legislation and incorporates EVH's Model Policy from May 2020.	November 2020	February 2024
Tenant Participation	Tenant Participation Strategy in place and updated annually.	August 2023	August 2024
Engagement (Previously Unacceptable Actions by Complainants)	The policy is based on Scottish Public Service Ombudsman (SPSO) Engagement Policy. The SPSO had recommended organisations moved away from an Unacceptable Actions by complainants Policy and developed an Engagement Policy. The Policy now covers all individual and organisations that engage with HHP.	August 2023	August 2026

POLICY	REVIEW CONDUCTED	DATE OF REVIEW	NEXT REVIEW DUE
Vulnerable Consumers	All aspects of vulnerability covered by Policy and appropriate staff have undergone training which includes: Child Protection, Landlords Facilities Health and Safety Awareness, Energy Awareness, Gas Safety Awareness, Full Service Universal Credit, Emergency First Aid, and Equalities.	May 2022	May 2025
Whistleblowing	No major amendments required, Consistent with Whistleblowing guidance following the Public Interest Disclosure Act 1998 (PIDA) and the Enterprise and Regulatory Act 2013.	February 2020	February 2024
Young Workers	No major amendments required at review and is consistent with Health & Safety at Work legislation. Based on Croner Model Policy.	January 2021	January 2024

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ITEM NO 8.1

QUARTERLY TREASURY REPORT TO 30 SEPTEMBER 2023

Board 28 November 2023

Report by Director of Finance & Corporate Services

Purpose of Report

1.1 To inform the Board of the Treasury Management activities for the second quarter of 2023/24.

Summary

2.1 The quarterly Analysis of Investment and Borrowing report required by the Treasury Management Policy is at Appendix 1.

2.2 Financial covenants are forecast to be met for 2023/24.

Competence

3.1 Financial and legal constraints arising from the recommendation to this report being implemented are detailed at 5.1 – 8.3.

Recommendations

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

a) quarterly report on the Analysis of Investment and Borrowing as shown at Appendix 1;
b) outstanding loans at 30 September 2023 of £17M; and
c) cash balance at 30 September 2023 of £10.248M.

APPENDIX 1:	Analysis of Investment and Borrowings	
APPENDIX 2:	Quarterly Income and Expenditure Profile	
Background Papers	None	
Writer of Report	James Morrison	Tel: 0300 123 0773

Competence

Financial

5.1 This report deals entirely with the cash resources utilised over the second quarter of 2023/24.

Legal

6.1 Rule 19.1 to 20.1 details the Partnership's borrowing powers.

6.2 The effecting of borrowing and lending money is in accordance with the Partnership's borrowing and lending policies and CIPFA's "Treasury Management in Housing Partnerships: A Code of Practice" and has been delegated to the Director of Finance & Corporate Services.

6.3 The Treasury Management Policy requires that as a minimum a quarterly report is provided to the Board in the form "Analysis of Investment and Borrowing".

6.4 The Treasury Management Policy requires that if the cash balances exceed £4M the funds should be spread over no fewer than four interest bearing accounts. The cash balances are in a special interest account with Royal Bank of Scotland (RBOS). The remainder is held in the current accounts with the RBOS.

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

Regulatory Guidance

7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

8.1 There are a number of risks highlighted in the Risk Register in relation to Treasury Management. The risk scored as "high" is the impact of increases in the interest rate and inflation rate and this has been addressed in Appendix 1.

8.2 The COVID-19 pandemic and war in Ukraine has resulted in turmoil in the financial markets. The increase in the bank interest rates mean that there will be an increased cost with respect to any variable loans held. There will also be an increase in interest received on deposit accounts.

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

Report Details

Second Quarter Treasury Update

9.1 The second quarter of the year saw £3.545M expenditure of which £1.260M related to new build.

9.2 The income for the second quarter was £4.218M and comprised Rental Income (67%), Government Grants including new build (32%) and Other Income (1%).

9.3 In this quarter there was no change in total borrowing (£17M drawn).

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

9.5 The cash balances at 30 September 2023 increased quarter on quarter by £0.674M to £10.248M. This balance is anticipated to reduce over the next quarter as we have now drawn down all grant monies for Lochmaddy and the investment program progresses.

9.6 All covenants are forecast to be complied with for 2023/24.

9.7 The £5.5M drawdown originally forecast to be drawn in 2023/24 will not be drawn now until 2024/25. This is primarily driven by delays on development.

30SEP23 ANALYSIS OF INVESTMENTS AND BORROWINGS

INVESTMENTS

	Mar-23	Jun-23	Sep-23	Average
DEPOSIT ACCOUNTS	**£000's**	£000's	£000's	£000's
Royal Bank	**4,250**	4,250	5,450	4,650
CWS	**0**	0	0	0
BOS	**15**	18	19	17
Santander	**86**	88	89	88
Total Deposit	**4,351**	4,356	5,558	4,755
CURRENT ACCOUNTS				
General Account	**1,359**	**2,934**	**2,404**	2,232
Standing Order	**750**	**750**	**750**	750
Direct Debit	**750**	**750**	**750**	750
Office/Cash	**750**	**750**	**750**	750
Property Factoring	**33**	**34**	**36**	34
Total current	**3,642**	5,218	4,690	4,516
Total	**7,993**	9,574	10,248	9,271

Balances shown are taken from the Bank Statements and not the ledger.

The cash held at the Royal Bank is split between 5 operational accounts totalling £4.690M. 5 deposit accounts held with the 4 banks shown above total £5.558M.

BORROWINGS

Core Funding Facility	£m
Estimated debt outstanding (per Business Plan)	17.00
Actual amount outstanding	17.00
Difference	-

Interest Rates

The Interest Rate that applies to the Partnership is SONIA plus an agreed margin. SONIA is the Sterling Overnight Index Average and replaces LIBOR (London Inter Bank Offer Rate). SONIA has risen from 4.93% to 5.409% at 30 September 2023.

The Base Rate increased from 5% in June 2023 to 5.25% in September 2023 the Bank of England (BOE) attempts to curb rising inflation. It is anticipated the increases that the Bank of England have made to date as they try to control inflation (which at 6.7%, is running significantly above their 2% target) are nearing their peak. At 5% the base rate of interest is almost in line with the assumptions in our business plan (5.5%) and as such any ability to cover future increases in our plan are limited.

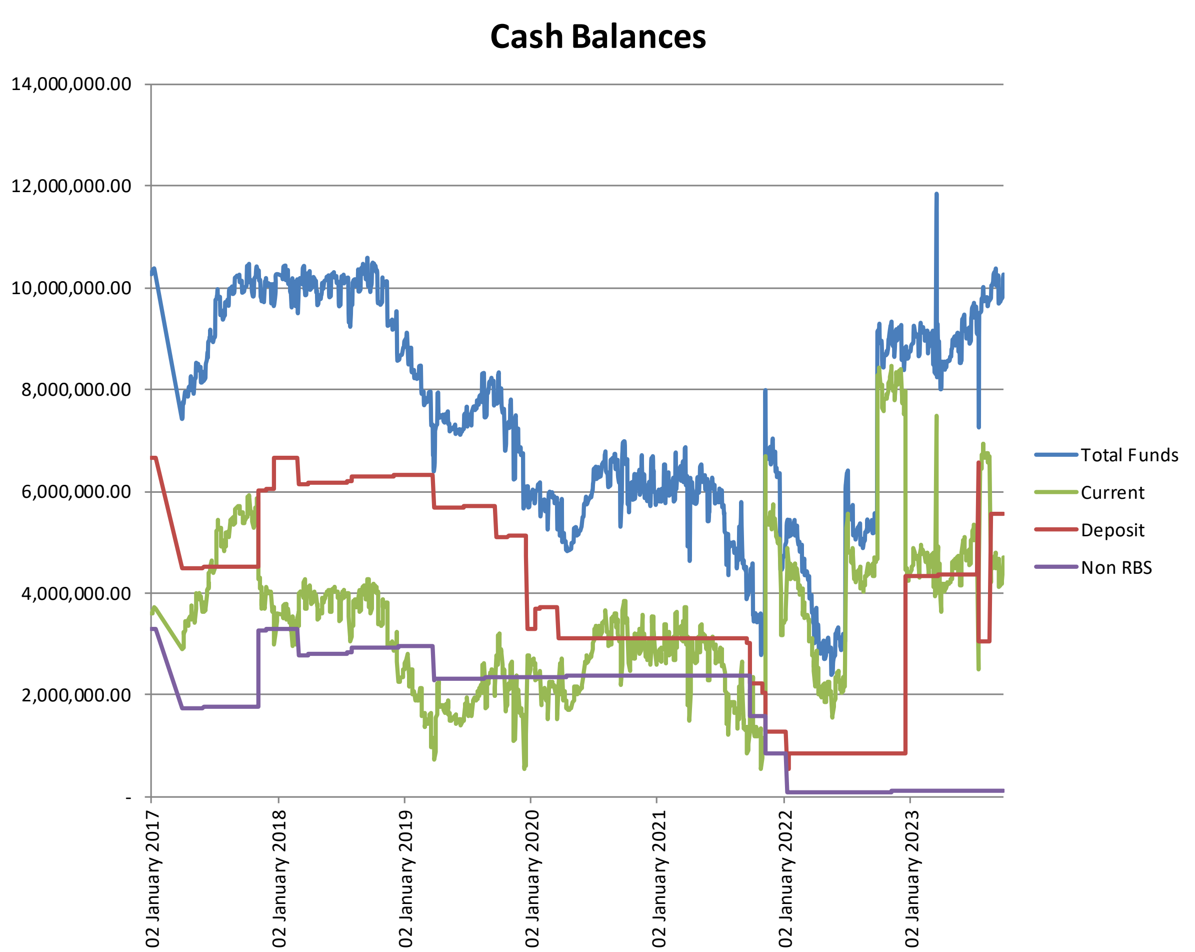
Borrowings		**Mar-23**	**Jun-23**	**Sep-23**	**Average**
		£000's	£000's	£000's	£000's
Facilities arranged		25,000	25,000	25,000	25,000
Loans outstanding		17,000	17,000	17,000	17,000
Variable/Fixed analysis-amounts					
	Variable amount	1,500	1,500	1,500	1,500
	Fixed amount	15,500	15,500	15,500	15,500
	Other Hedging	-	-	-	-
		17,000	17,000	17,000	17,000
Variable/Fixed analysis-Percentages					
Variable		8.82%	8.82%	8.82%	8.82%
Fixed		91.18%	91.18%	91.18%	91.18%
Other Hedging Products					
		100%	100%	100%	100%
Lenders amounts					
	Core Facility (RBS)	17,000	17,000	17,000	17,000
	Other Borrowings	-	-	-	-
		17,000	17,000	17,000	17,000

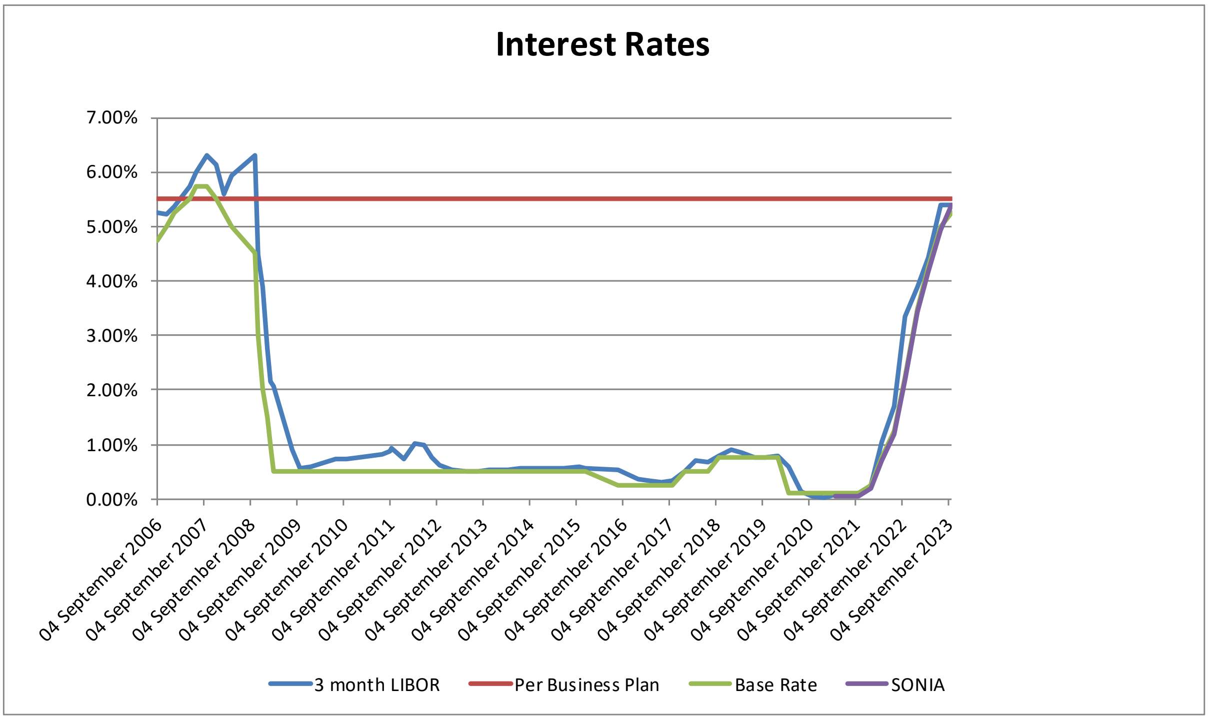
Average cost of borrowing

Amount £000's	**Interest**	**Type**	**Annual Cost**
15,500.00	3.69%	Fixed	572,198
1,500.00	10.05%	Variable	150,701
17,000.00			722,899
Average cost of funds			4.25%

Anticipated level of borrowing over next 5 years

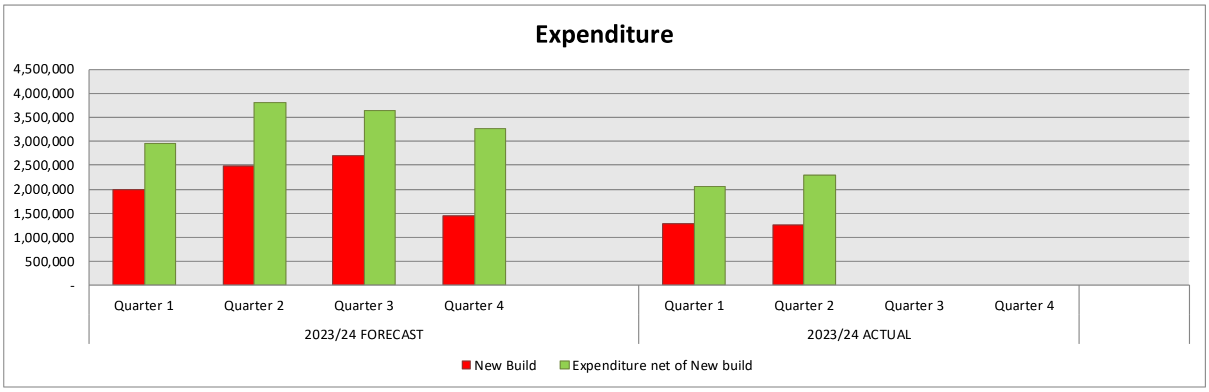
Year	2023/24 Est	AFS Forecast	Variance
	£m	£m	£m
2023/24	17.000	22.500	(5.500)
2024/25	24.500	24.500	-
2025/26	25.000	25.000	-
2026/27	25.000	25.000	-
2027/28	25.000	25.000	-




Interest Rates
7.00%
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
04 September 2006
04 September 2007
04 September 2008
04 September 2009
04 September 2010
04 September 2011
04 September 2012
04 September 2013
04 September 2014
04 September 2015
04 September 2016
04 September 2017
04 September 2018
04 September 2019
04 September 2020
04 September 2021
04 September 2022
04 September 2023
3 month LIBOR
Per Business Plan
Base Rate
SONIA

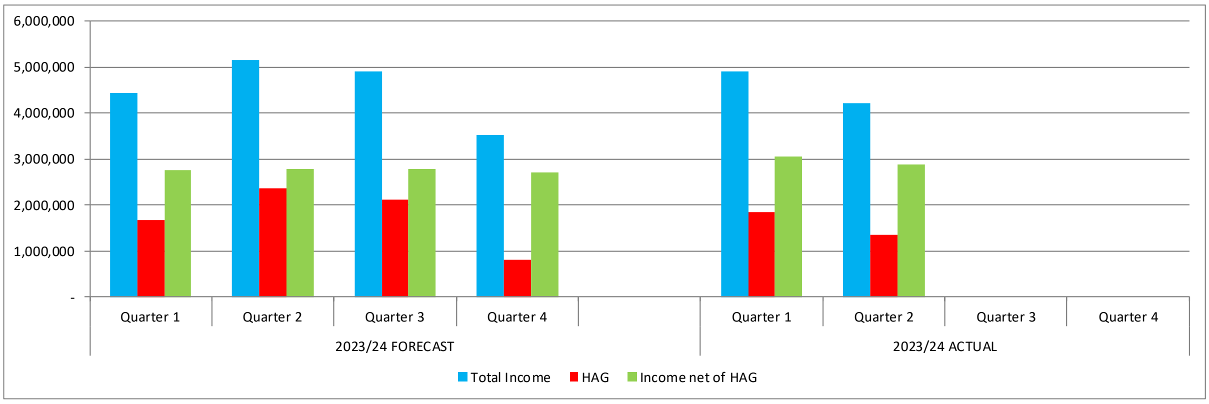
30SEP23 ANALYSIS OF INCOME AND EXPENDITURE PROFILES

EXPENDITURE



Overall the expenditure for the second quarter (Q2) of 2023/24 is £2.743M lower compared to forecast. This is driven by delays in getting onto site in a number of developments as originally planned with new build spend £1.215M below original forecast. Expenditure net of new build for Q2 is £1.528M below forecast, mainly as a result of delays on the investment programme due to the requirement to get building warrants for external wall insulation the delay in progressing the heating program (pending the outcome of the Infra-Red Grant application). £0.31M of Insurance premiums, originally forecasted to spend in Q2, were paid in the first week of October.

INCOME



Total Income for the second quarter of 2023/24 is £0.939M lower than the original forecast mainly due to delays in the development program resulting in HAG being £1.025M lower than forecast. Income net of HAG is £85.6K above forecast due to additional RHI monies and interest received in Q2.

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ITEM NO 8.2

BUSINESS PLAN MONITORING REPORT

Board 28 November 2023

Report by Chief Executive

Purpose of Report

1.1 To present the progress report to 31 October 2023 on the Delivery Plan for the Business Plan 2019/20 to 2023/24.

Summary

2.1 The progress report to 31 October 2023 is at Appendix 1 and shows that overall we are currently below target.

2.2 A revised plan for the New Rent Structure is at item 6.3 on the Agenda and will be discussed at the Development & Finance Committee on 24 November 2023.

2.3 The original target of 214 New Build units included 50 HWEC units which were handed over in May 2023. In total, 241 units have been completed with additional funding from the Scottish Government.

2.4 The cost of living crisis has impacted arrears performance.

2.5 Progress on fuel poverty has been negated by huge increases in fuel prices over the last 2 years, however, new systems help mitigate this.

2.4 Access issues meant there are still three properties which require EICR certificates. Of these three, one is due to access issues, one will be picked up in the planned maintenance programme and one property is for sale.

2.5 At our Business Planning Day on 7 November 2023 our performance indicators and targets for the next 5 year Business Plan were reviewed and will be updated.

Competence

3.1 The legal, financial and other constraints to the recommendations of this report are at paragraph 5.1 - 8.1.

Recommendations

4.1 **It is recommended that the Board note the Business Plan Monitoring Report to 30 October 2023 at Appendix 1.**

APPENDIX 1:	Business Plan Monitoring Report as at 31 June 2023	
Background Papers:	None	
Writer of Report:	Iona France	Tel: 0300 123 0773

Competence

Financial

5.1 The 5-year Business Plan is supported by 30 year financial projections, 5 year projections and the detailed annual budget for 2023/24.

5.2 The detailed annual budget for 2023/24 was approved in March 2023.

Legal

6.1 There are no specific legal issues relating to the Delivery Plan progress report.

Regulatory Guidance

7.1 The Regulatory Standards checklist has been completed and there is nothing in the report, which would result in a breach of the standards.

Risk

8.1 Reviewing progress on the Delivery Plan on a quarterly basis reduces the risk of the Strategic Goals not being delivered.

Business Plan 2019/20 to 2023/24

Progress Report to: 31October 2023

	MEASURES OF SUCCESS	Due by 31 October 2023	On Target	Below Target	Exceeding Target
SG 1	Placing Tenants at the centre of everything we do	7	2	5	
SG 2	Investing in an environmentally sustainable way in tenants' homes	5	2	1	2
SG 3	Being a good employer that attracts and retains high quality staff	6	3	-	3
SG 4	Working with partners to contribute to the wellbeing of communities throughout the Outer Hebrides	6	4	2	-

	ACTION PLAN	Due by 31 October 2023	On Target	Below Target	Exceeding Target
SG 1	Placing Tenants at the centre of everything we do	13	9	1	3
SG 2	Investing in an environmentally sustainable way in tenants' homes	3	3	-	
SG 3	Being a good employer that attracts and retains high quality staff	5	3	-	2
SG 4	Working with partners to contribute to the wellbeing of communities throughout the Outer Hebrides	5	5	-	

Overall Progress

	Due	On Target	Below Target	Exceeding Target
	50	31	9	10
		62%	18%	20%

On Target
More than 75% of actions on target and less than 20% below

Below Target
Less than 75% of actions on target or more than 20% below

Exceeding Target
100% of actions on target and none below target

Measures of Success	Target date	Baseline		Progress to 31 October 2023	Trend	Lead Officer
1 Placing tenants at the centre of everything we do						
1.1 - % of satisfaction with our overall services > 90%	31/10/2021	88%	X	86%		Sevice Development Manager
1.2 - Maintain all our homes to meet or exceed SHQS *(exl abeyances & exemptions)*	31/03/2024	100%	√	99%		Investment Manager
1.3 - Respond to complaints within SPSO targets	31/03/2024	100.00%	X	90%		Service Development Manager
1.4 - Level of current arrears at 2% of Gross Debit	31/03/2024	1.70%	X	2.68%		Director of Operations
1.5 - Voids at < 1% of Gross Rent Debit	31/03/2024	0.66%	√	0.81%		Director of Operations
1.6 - Provide options for a rent guarantee period	31/03/2024	None	X	**Postponed with revised plan going to Board in November 2023**		Director of Finance
1.7 - 88% of tenants satisfied with opportunities to participate in decision making	31/10/2021	84%	X	85%		Service Development Manager
2 Investing in Properties						
2.8 - Deliver 214 new builds	31/03/2022		√	**241**		Development Manager
2.9 - Deliver 50 extra care units in Stornoway by Sept 2022	30/09/2022	None	√	**Completed in May 2023**		Director of Operations
2.10 - Reduce % of tenants in fuel poverty to under 25% by 2023 (subject to fuel prices)	31/03/2024	41%	X	**41%**		Investment Manager
2.11 - 100% properties achieving EESSH by 2020	31/03/2020	87%	√	**100%**		Investment Manager
2.12 - 100% of stock assessed in terms of long term viability	31/03/2024	98%	√	**98%**		Asset & Contract Manager
3 Being a good employer						
3.13 - Flexible working policy in place by 2020	31/03/2020	N/A	√	**Completed in June 2020**		Chief Executive
3.14 - Staff survey in 2020 showing positive feedback. Action Plan by 31 March 21	31/03/2021	2015 Survey	√	**Survey completed and reported in March 20**		Chief Executive
3.15 - 10% of staff pursuing and obtaining qualifications	31/03/2022	4%	√	**15%**		Training & Development Officer
3.16 - 100% of vacancies filled on first attempt	31/03/2022	100% in 2018/19	√	**75%**		Chief Executive
3.17 - Sustain a minimum level of 65% of HHP staff with a service length greater than 3 years	31/03/2022	68%	√	**71%**		Chief Executive
3.18 - % of staff turnover at less than 10%	31/03/2022	4% for 2018/19	√	**4%**		Chief Executive
4 Working with partners						
4.19 - New arrangement in place for the delivery of accommodation for the Foyer by 1 April 2019	01/04/2019	N/A	√	**In place 25 April 2019**		Director of Operations
4.20 - Population forecasts decline + demographics	31/03/2022	Population at 2011-27,684	X	**2020**-26,720 **2023** - 26200		Chief Executive
4.21 - Increased demand for housing in rural areas	31/03/2022	243 at 31 March 2019	√	**Total 660 Rural 352**		Director of Operations
4.22 - Community benefit measures delivered across our communities and on all contracts	31/03/2022	100% of contractors	√	**100%**		Director of Operations
4.23 - 95% of tenants satisfied with management of the area they live in	31/03/2022	92%	X	81%		Service Development Manager
4.24 - Complete Housing Demands Study	30/09/2021	N/A	√	**Final report to Board in November 2021**		Director of Operations
Competencies Achieved	31/08/2022	92% in 2020	√	**94% achieved**		Chief Executive

Action Plan	Target date	Baseline		Progress to October 2023	Lead Officer
1 Placing tenants at the centre of everything we do					
1.1 - Carry out affordability checks	31/03/2024	2018	√	**Rents benchmarked against peers**	Director of Operations
1.2 - Value for money Strategy	31/03/2021	2012	√	**Completed**	Director of Finance
1.3 - New Rent Structure	31/03/2024	Current Rent Structure	X	**Postponed with revised plan going to Board in November 2023**	Director of Finance
1.4 - Profile our Customers Needs	31/03/2022	20% complete	√	**25%**	Service Development Manager
1.5 - Support Western Isles Housing Association Communities Forum	31/03/2024	Grant + Staff time	√	**The Forum are supported by HHP with time and advice. HHP financed Forum attendance at TPAS conference. Forum had a table at Stornoway tenant event.**	Service Development Manager
1.6 - Develop tenant scrutiny	31/03/2024	2 groups in place	√	**Work continues with the Cearns Association. No current TPAS scrutiny group.**	Area Managers
1.7 - Provide dedicated tenant participation support	31/03/2023	Half time post in place	√	**New Tenant Engagement Officer now in post.**	Director of Operations
1.8 - Ensure tenants maximise their opportunties to access digitial services	31/03/2024	Information from survey	√	**Digital Transformation Manager appointed**	Area Managers
1.9 -Develop a digital transformation strategy	31/03/2022	IT Strategy	√	**Approved by Board in November 2020**	Business Support Officer
1.9 Implement the digitial transformation strategy	31/03/2023	DT Strategy	√	**New Housing System went live in March 2023**	Digitial Transformation Manager
1.10 - Develop an Anti-Poverty Strategy	31/03/2020	None in place	√	**CPP Strategy launched 9 October 19**	Director of Operations
1.11 - Benchmark our services with other Housing Associations	31/03/2024	High Level desk top	√	**High Level Desktop**	Executive Office
1.25 -Key Risk Indicators and Key Control Indicators developed during 2019	31/12/2020	None in place	√	**Three Health & Safety KCI's reported in Quarterly Performance Report**	Executive Office
2 Investing in Properties					
2.12 - Develop an Environmental Strategy	22/07/2022	Board approved	√	**Approved**	Investment Manager
2.13 - Update Asset Management Strategy annually	31/03/2024	Currrent Strategy	√	**Updated June 2023**	Assets & Contract Manager
2.14 - Annual Investment Programmes completed by February each year	28/2/2023	90% delivered by March	√	**97%**	Investment Manager
3 Being a good employer					
3.15 - Offer shadowing and coaching opportunities to all staff	31/03/2023	Informal arrangements	√	**Informal shadowing and coaching into place.**	Executive Office
3.16 - Team building events	31/03/2024	2 held	√	**Event held in June 2023**	Chief Executive
3.17 - Round table discussions with managers	31/03/2022	None in place	√	**To be re-instated in 2023/24**	Chief Executive
3.18 - Develop use of on line system in particular appraisals	31/03/2020	New system in Jan 2019	√	**1-2-1 being recorded on Breathe**	Executive Office
3.19 - Deliver Annual Training Plan for 2023/24	31/03/2024		√	**18%**	Executive Office
2021-4 Working with partners					
4.20 - Working with community groups to improve common areas	31/03/2024	None in place	√	**Working with Cearns Community Association to improve the estate**	Area Managers
4.21 - Identify opportunities to generate income	31/03/2024		√	**Applications for grant funding to support tenants + heating grants**	Finance Manager
4.22 - Support OHCPP to deliver its aims	31/03/2024	Attendance at OHCPP	√	**Meetings attended regularly new agreement due to be signed.**	Chief Executive
4.23 - Work closely with voluntary sector	31/03/2024	None in place	√	**in place**	Chief Executive
4.24 - Work with CNES to deliver LHS	31/03/2024	IDB	√	**New build on Target; Homeless targets presenting challenges. Members of the Housing Market Partnership set up by CNES as part of the LHS review**	Chief Executive

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ITEM NO 8.3

MANAGEMENT REPORT TO 30 SEPTEMBER 2023

Board 28 November 2023

Report by Director of Finance & Corporate Services

Purpose of Report

1.1 To present the Management Report for the month ended 30 September 2023 to the Board for review and noting.

Summary

2.1 The Management Report, at Appendix 1, shows that financial covenants will be met for the year ended 31 March 2024 with a headroom forecast of £610K.

2.2 There is a continued risk of overspend on General repairs as we see a larger than anticipated number of tenancies ending which require significant clear out costs. It is projected that the forecast out-turn could be £110K higher than current budget, based on the current spend trajectory. Repairs are being closely monitored with measures put in place to keep spend within full year budget. The position will be reviewed monthly and if necessary a virement will be taken to Board in February 2024.

2.3 Additional RHI grant receipts are anticipated as the index linking of these payments to inflation means we can expect a further £110K to be received by the end of the year.

Competence

3.1 The legal, financial, or other constraints to any recommendation in this report are contained in paragraph 5.1 - 8.1.

Recommendations

4.1 **It is recommended that the Board note the Management Report at 30 September 2023 and revised forecast out turn at 31 March 2024 as at Appendix 1.**

APPENDIX 1:	Management Report to 30 September 2023	
Background Papers:	None	
Writer of Report:	James Morrison	Tel: 0300 123 0773

Competence

Financial

5.1 The Board approved budgets for 2023/24 in March 2023, which projected a surplus for the year of £1.26M. The current forecasted out-turn surplus is £1.8M. Of the £0.54M increase in the surplus, £0.155M relates to additional OT & Adaptations grant which will support another £0.155M of cost in the Investment Programme. A further £0.386M relates to savings on interest paid which will be required in 2024/25 when we draw down from our Borrowing facility.

Legal

6.1 The following Partnership rules are applicable:

a) *Rule 69 - The Partnership must keep proper books of accounts to cover its income, expenditure transactions and its assets, liabilities and reserves in line with Part 7 of the Co-operative and Community Benefit Societies Act 2014. It must also set up and maintain a suitable system for controlling its books of accounts, its cash and its receipts and invoices.*

Regulatory Guidance

7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

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

Risk

8.1 The key risk is that we do not meet our Financial Covenants. This risk is mitigated by ensuring that our two financial covenants, interest cover and gearing are tracked monthly to ensure compliance. Current forecast is for covenant compliance for the year.

APPENDIX 1

Management Report 2023/24

To 30 September 2023

TABLE OF CONTENTS

INTRODUCTION

The Management Report to 30 September 2023 is attached and if Board Members or Managers have any areas of concern or would like additional information, they should contact the Finance Manager or the Director of Finance & Corporate Services.

The Management Report is made up of three sections:

Section 1: High Level Summary

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

Section 2: Management Accounts

Prepared by the Finance Manager. Provides an Income & Expenditure Account, Balance Sheet, and detailed operational budgets for the period. The Management Accounts include a more detailed commentary from Budget Managers on performance.

Section 3: Key Performance Measures

Prepared by the Finance Manager including a review of Financial Covenants to provide the Board with assurance that the Covenant for 2023/24 will not be breached.

SECTION 1: HIGH LEVEL SUMMARY

	INDICATOR	STATUS	COMMENT
	FINANCIAL COVENANTS		Covenants are forecasted to be met for the full year.
	FORECASTED SURPLUS		
INCOME	RENTAL INCOME		
	GRANT INCOME		
	DEVELOPMENT GRANTS		
	DEVELOPMENT SALES		No sales are planned for this fiscal year
	OTHER INCOME		Void loss risk on service charges at new Housing with Extra Care properties capped at two weeks.
EXPENDITURE	DEVELOPMENT COSTS		
	INVESTMENT		Tender works are almost complete and contractor surveys are underway.
	REPAIRS & MAINTENANCE		Continued high repair costs are causing concern with a number of void repairs with significantly high costs.
	MANAGEMENT COSTS		
	INTEREST		

	No Issues - On Track
	Requires Monitoring
	Issues

SECTION2: MANAGEMENT ACCOUNTS

STATEMENT OF COMPREHENSIVE INCOME

Line	Heading	CURRENT YEAR BUDGET Initial Budget £	CURRENT YEAR BUDGET Revised Budget £	BUDGET to 30-Sep-23 £	ACTUAL to 30-Sep-23 £	BUDGET VARIANCE Budget to date £	BUDGET VARIANCE Budget to date %	BUDGET REMAINING Revised Budget £	BUDGET REMAINING Revised Budget %	FORECAST OUT-TURN Over/ (under) £	FORECAST OUT-TURN at 31-Mar-24 £
1	Dwelling rents (net)	11,023,855	11,021,090	5,689,692	5,690,738	1,047	0%	5,330,352	48%	-	11,021,090
2	Non Dwelling rents (net)	17,120	17,120	11,463	12,146	683	6%	4,974	29%	-	17,120
3	Profit/(Loss) on Disposal of Assets	(45,000)	(45,000)	(45,000)	(10,764)	34,236	-76%	(34,236)	76%		(45,000)
4	Grant Funding	550,000	705,000	306,665	383,897	77,233	25%	321,103	46%	110,000	815,000
5	Other Income	186,130	153,630	60,560	69,954	9,394	16%	83,676	54%		153,630
6	**TOTAL INCOME**	11,732,105	11,851,840	6,023,379	6,145,971	122,592	2%	5,705,869	48%	110,000	11,961,840
7	Supervision & Management	2,941,015	2,957,121	1,510,029	1,435,927	74,102	5%	1,521,194	51%	1,000	2,958,121
8	Response Repairs	1,952,905	2,034,905	962,433	1,098,220	(135,787)	-14%	936,685	46%	110,000	2,144,905
9	Estate Works	136,700	134,243	66,940	56,073	10,867	16%	78,169	58%	-	134,243
10	Planned/Cyclical Maintenance	1,194,925	1,176,238	721,609	620,725	100,883	14%	555,513	47%	-	1,176,238
11	**Total Operating Expenditure**	6,225,545	6,302,507	3,261,010	3,210,945	50,065	2%	3,091,561	49%	111,000	6,413,507
12	Operating Surplus/(Deficit)	5,506,560	5,549,333	2,762,369	2,935,025	172,656	6%	2,614,308	47%	(1,000)	5,548,333
13	Interest received	18,500	90,750	42,850	42,884	34	0%	47,866	53%		90,750
14	Interest paid	1,189,400	800,040	376,348	363,223	13,125	3%	436,817	55%	(13,125)	786,915
15	Surplus/(Deficit)	4,335,660	4,840,043	2,428,871	2,614,686	185,815	8%	2,225,357	46%	12,125	4,852,168
16	Depreciation	4,617,600	4,617,600	2,108,800	2,105,116	3,684	0%	2,512,484	54%		4,617,600
17	Grant Amortisation	(1,538,600)	(1,588,600)	(839,290)	(842,533)	(3,243)	0%	(746,068)	47%		(1,588,600)
18	Surplus/(Deficit)	1,256,660	1,811,043	1,159,361	1,352,103	192,742	17%	458,941	25%	12,125	1,823,168
	CAPITAL INVESTMENT										
19	Housing Investment Programme	4,039,595	4,172,348	719,835	547,634	172,201	24%	3,624,714	87%	-	4,172,348
20	Non Housing Investment	6,920	8,958	2,445	2,405	40	2%	6,553	73%	-	8,958
21	Development Programme	1,647,190	779,171	324,532	278,241	46,290	14%	500,930	64%	-	779,171
22		5,693,705	4,960,477	1,046,812	828,280	218,531	21%	4,132,197	83%	-	4,960,477

Commentary on Performance

Income

Additional RHI grant receipts are anticipated as the index linking of these payments to inflation means we can expect a further £110K to be received by the end of the year.

Expenditure

Response Repairs continues to be a cause for concern and is currently £136K over budget. There have been a number of high value void repairs which have accounted for the majority of the cost. These are offsetting the anticipated increase in RHI grants.

Due to the base interest rate not increasing to levels anticipated in the budget in Q1, savings have been recognised to reflect the actual interest rate costs.

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

STATEMENT OF FINANCIAL POSITION

Line	Heading	Notes	30-Sep-23 £	31-Mar-23 £
	Fixed Assets			
1	Tangible assets-social housing	1	125,354,550	*127,121,408*
2	Development & Investment Programme	2	387,538	-
3	Tangible assets - property, plant and equipment	1	1,071,087	*1,090,682*
4	Landbank	3	869,637	*979,637*
5	Investments		2	*2*
6	**Total Fixed Assets**		127,682,814	*129,191,728*
	Current Assets			
7	Stock		24,693	*24,693*
8	Trade and other debtors due within one year		527,920	*1,669,510*
9	Debtors due after more than one year		187,868	*202,372*
10	Short-term deposits	4	5,557,502	*4,353,272*
11	Cash at bank and in hand	5	4,522,182	*3,668,308*
12	Loan to subsiduary		18,350	18,350
13	**Total Current Assets**		10,838,515	*9,936,505*
14	**Creditors: amounts falling due within one year**		(1,527,266)	*(2,652,809)*
15	**Net current assets**		9,311,249	*7,283,696*
16	**Total assets less current liabilities**		136,994,063	*136,475,425*
17	**Creditors:** amounts falling due after more than one year		(22,583,000)	*(22,583,000)*
18	Deferred capital grants		(70,420,050)	*(71,217,880)*
19	Pension Liability		-	-
20	**Net Assets**		**43,991,013**	***42,674,545***
	Capital and Reserves			
21	Share Capital		226	*224*
22	Revenue Reserve		43,990,787	*42,674,321*
23	**Total Capital and Reserves**		**43,991,013**	***42,674,545***

Commentary on Performance

Note 1 (Tangible Assets) A £1.7M reduction from March 2023 is due to greater depreciation on our assets than works capitalised to date.

Note 2 (Development & Investment Programme) £387K of Development & investment works due to our new build programme in progress (£278K) and investment programs in progress (109K).

Note 3 (Landbank) The land transaction at Goathill has now concluded with the Comhairle.

Note 4 (Short Term Deposits) £4.7M on deposit with RBS with maturity due in early 2024.

Note 5 (Cash at Bank and in Hand) Increase of £850K mainly due to the receipt of monies from deposit and Affordable Housing Programme Grant monies in April 2023 for development works completed in March 2023.

Covenants are forecast to be met for the full year with Interest cover forecast at 198% and gearing of 11%.

RENTAL INCOME

Line		CURRENT YEAR BUDGET		BUDGET	ACTUAL	BUDGET VARIANCE		BUDGET REMAINING		FORECAST OUT-TURN	
		Initial Budget £	Revised Budget £	to 30-Sep-23 £	to 30-Sep-23 £	Budget to date £	Budget to date %	Revised Budget £	Revised Budget %	Over/ (under) £	at 31-Mar-24 £
1	Dwelling Rent Gross	11,486,205	11,470,115	5,767,467	5,767,948	482	0%	5,702,167	49.71%		11,470,115
2	Non Dwelling Rent Gross	17,465	17,465	11,613	12,146	533	5%	5,319	30.46%		17,465
3	Voids - Dwelling	(232,155)	(218,830)	(77,775)	(77,209)	566	-1%	(141,621)	64.72%		(218,830)
4	Voids - Other	(345)	(345)	(150)	-	150	-100%	(345)	100.00%		(345)
5	Bad Debts	(230,195)	(230,195)	-	-	-		(230,195)	100.00%		(230,195)
6	TOTAL	11,040,975	11,038,210	5,701,154	5,702,884	1,730	0%	5,335,326	48%	-	11,038,210

Commentary on Performance

Voids – Dwelling Voids are currently 1.3%, which is approximately 0.7% higher than prior year as property relet times were impacted by post go live issues on our new Housing System.

SUPERVISION & MANAGEMENT

Heading	CURRENT YEAR BUDGET		BUDGET	ACTUAL	BUDGET VARIANCE		BUDGET REMAINING		forecast out-turn	
	Initial Budget £	Revised Budget £	to 30-Sep-23 £	to 30-Sep-23 £	Budget to date £	Budget to date %	Revised Budget £	Revised Budget %	Over/ (under) £	at 31-Mar-24 £
Salaries & Wages	1,841,490	1,855,545	921,760	887,870	33,890	4%	967,675	52%		1,855,545
National Insurance	185,745	186,650	92,585	88,637	3,948	4%	98,013	53%		186,650
Pension Costs	397,910	400,430	165,720	160,641	5,079	3%	239,789	60%		400,430
Other Employee Costs	39,875	40,075	17,690	12,560	5,130	29%	27,515	69%		40,075
Travel & Subsistence	16,650	16,200	7,860	2,596	5,264	67%	13,604	84%		16,200
EMPLOYEE COSTS	2,481,670	2,498,900	1,205,615	1,152,303	53,311	4%	1,346,596	54%	-	2,498,900
Premises Costs	70,100	70,100	26,782	26,198	584	2%	43,902	63%		70,100
IT & Telecoms	214,600	216,852	96,421	95,363	1,059	1%	121,489	56%	3,000	219,852
Area Offices	28,250	26,212	21,381	21,381	-	0%	4,831	18%		26,212
Payroll & Cashdesk	7,500	7,500	3,750	3,397	353	9%	4,103	55%		7,500
Property Management Fees	5,000	5,000	3,008	3,008	-	0%	1,993	40%		5,000
SUPPLIES & SERVICES	325,450	325,664	151,341	149,346	1,996	1%	176,318	54%	3,000	328,664
Postage, Printing & Stationery	37,850	37,850	15,970	11,157	4,813	30%	26,693	71%	(3,000)	34,850
Admin Furniture & Equipment	2,000	2,000	1,000	236	764	76%	1,764	88%		2,000
Training Courses	33,125	34,575	11,533	9,927	1,606	14%	24,648	71%		34,575
Community Support	53,750	32,570	13,000	10,634	2,366	18%	21,936	67%		32,570
Health & Safety	9,380	9,380	4,590	1,643	2,947	64%	7,737	82%		9,380
Recruitment Costs	2,000	2,000	1,000	428	572	57%	1,572	79%		2,000
ADMINISTRATION COSTS	138,105	118,375	47,093	34,025	13,068	28%	84,350	71%	(3,000)	115,375
Professional Fees	151,550	180,732	59,454	53,804	5,651	10%	126,929	70%		180,732
Insurance	282,420	289,720	125,072	127,538	(2,466)	-2%	162,182	56%		289,720
Affiliation Fees	32,795	32,795	27,229	26,907	322	1%	5,888	18%		32,795
Charitable Donations	5,000	5,000	-	-	-		5,000	100%		5,000
Governance	12,400	12,400	2,435	2,262	173	7%	10,138	82%		12,400
Bank Charges	6,690	6,690	4,060	4,050	10	0%	2,640	39%		6,690
Public Relations / Marketing	9,430	9,430	950	300	650	68%	9,130	97%		9,430
CORPORATE EXPENSES	500,285	536,767	219,201	214,861	4,340	2%	321,907	60%	-	536,767
Fees Charged to Capital	(497,495)	(511,585)	(107,721)	(109,765)	2,044	-2%	(401,820)	79%		(511,585)
VAT Received - Partial Exemption	(7,000)	(11,000)	(5,500)	(4,842)	(658)	12%	(6,158)	56%	1,000	(10,000)
MANAGEMENT INCOME	(504,495)	(522,585)	(113,221)	(114,607)	1,386	-1%	(407,978)	78%	1,000	(521,585)
MANAGEMENT COST	2,941,015	2,957,121	1,510,029	1,435,927	74,101	5%	1,521,193	16	1,000	2,958,121

Commentary on Performance

Employee Costs

The underspend of £53K can be attributed to training posts within the staff structure to be filled.

Supplies & Services

There are anticipated pressures on our IT hosting solution as we prepare to transition at the end of our current contract. As a result of this, savings have been recognised from Uist Franking to support this.

Corporate Expenses

The additional £30K outturn increase on insurance stated in August accounts is no longer required as insurance renewal costs came back significantly lower than anticipated.

REPAIRS & MAINTENANCE

Line	Heading	CURRENT YEAR Initial Budget £	Revised Budget £	BUDGET to 30-Sep-23 £	ACTUAL to 30-Sep-23 £	BUDGET VARIANCE Budget to date £	Budget to date %	BUDGET REMAINING Revised Budget £	Revised Budget %	FORECAST OUT-TURN Over/ (under) £	at 31-Mar-24 £
1	Responsive Repairs	1,225,520	1,275,520	602,020	625,046	(23,026)	-4%	650,474	51%	50,000	1,325,520
2	Void Repairs	403,000	435,000	230,010	342,514	(112,504)	-49%	92,486	21%	60,000	495,000
3	Handyperson	106,580	106,580	53,365	46,114	7,251	14%	60,466	57%		106,580
4	GENERAL REPAIRS	1,735,100	1,817,100	885,395	1,013,674	(128,279)	-14%	803,426	44%	110,000	1,927,100
5	Decoration Allowance	55,640	55,640	27,810	12,525	15,285	55%	43,115	77%		55,640
6	Council Tax empty properties	10,000	10,000	1,630	1,627	3	0%	8,373	84%		10,000
7	Compensation	9,500	9,500	4,740	2,499	2,241	47%	7,001	74%		9,500
8	SPECIFIC ITEMS	75,140	75,140	34,180	16,651	17,529	51%	58,489	78%	-	75,140
9	Rechargeable Repairs	108,000	108,000	54,000	68,779	(14,779)	-27%	39,221	36%		108,000
10	Rechargeable Repairs Recoverable	(58,500)	(58,500)	(29,250)	(55,710)	26,460	-90%	(2,790)	5%		(58,500)
11	Insurance Repairs	100,000	100,000	50,010	87,187	(37,177)	-74%	12,813	13%	20,000	120,000
12	Insurance Claims Recoverable	(62,000)	(62,000)	(58,725)	(58,725)	-	0%	(3,275)	5%	(20,000)	(82,000)
13	RECOVERABLE EXPENDITURE	87,500	87,500	16,035	41,530	(25,496)	-159%	45,969	53%	-	87,500
14	Commercial Properties	1,500	1,500	-	-	-		1,500	100%		1,500
15	Communal Lighting	53,665	53,665	26,823	26,366	457	2%	27,299	51%		53,665
16	NON DWELLING REPAIRS	55,165	55,165	26,823	26,366	457	2%	28,799	52%	-	55,165
17	Gas Servicing	75,490	75,490	37,740	37,562	178	0%	37,928	50%		75,490
18	ASHP Servicing	231,180	231,180	115,620	115,999	(379)	0%	115,181	50%		231,180
19	TOTAL HEATING SERVICES	306,670	306,670	153,360	153,561	(201)	0%	153,109	100%		306,670
20	Estate Management	51,355	51,355	31,180	31,127	53	0%	20,228	39%		51,355
21	Estate Management (Welfare)	23,465	34,821	27,492	26,122	1,370	5%	8,699	25%		34,821
22	Other Servicing	65,425	67,882	17,868	9,152	8,715	49%	58,730	87%		67,882
23	EPC Renewals	43,425	43,425	9,043	-	9,043	100%	43,425	100%		43,425
24	EICR Testing	137,315	137,315	135,000	132,690	2,310	2%	4,625	3%		137,315
25	General Planned Maintenance	341,245	341,245	240,919	184,595	56,324	23%	156,650	46%		341,245
26	Stair Lifts and Door Entry Systems	12,135	12,135	-	251	(251)		11,884	98%		12,135
27	Gutter Cleaning	64,605	64,605	64,605	64,936	(331)	-1%	(331)	-1%		64,605
28	Sewage Systems	18,085	18,085	9,043	-	9,043	100%	18,085	100%		18,085
29	Sewage Pumps	1,200	1,200	600	1,200	(600)	-100%	-	0%		1,200
30	HWEC Communal Charges	130,000	97,500	32,500	17,091	15,409	47%	80,409	82%		97,500
31	CYCLICAL MAINTENANCE	888,255	869,568	568,249	467,164	101,085	18%	402,404	46%	-	869,568
32	TOTAL REPAIRS & MAINTENANCE	3,147,830	3,211,143	1,684,041	1,718,945	(34,905)	-2%	1,492,196	46%	110,000	3,321,143

Commentary on Performance

Responsive Repairs - Responsive Repairs are £23K above YTD budget as the average cost of a repair has increased higher than anticipated year on year. Material costs are now stabilised but at a historically high level. However, labour costs have also increased.

Void Repairs – There have been a larger than anticipated number of tenancies that have ended requiring significant clear out costs. This is linked to the welfare issues and concerns which were previously highlighted to board in June. The number of voids is broadly in line with last year. However, the average cost of repair has increased by 53%, with 8 properties requiring works ranging from £5K to £25K being responsible for over 40% of spend so far this year. Measures have been put in place to reduce target spend on individual voids and to try and reduce costs associated with clear outs.

Rechargeable Repairs – The difference in cost and recoverable position is due to the timing difference between sales invoices being raised and purchase invoice cost being processed.

Insurance Repairs – An increase in cost and recovery of insurance repairs is a result of a fire at one of our properties requiring extensive repairs.

ESTATE WORK

Line	Heading	CURRENT YEAR BUDGET		BUDGET	ACTUAL	BUDGET VARIANCE		BUDGET REMAINING		FORECAST OUT-TURN	
		Initial Budget £	Revised Budget £	to 30-Sep-23 £	to 30-Sep-23 £	Budget to date £	Budget to date %	Revised Budget £	Revised Budget %	Over/ (under) £	at 31-Mar-24 £
1	Unadopted Infrastructure	66,690	64,233	31,870	26,064	5,806	18%	38,169	59%		64,233
2	Grounds Maintenance	70,010	70,010	35,070	30,009	5,061	14%	40,001	57%		70,010
3	TOTAL ESTATE WORKS	136,700	134,243	66,940	56,073	10,867	16%	78,170	58%	-	134,243

AID & ADAPTATIONS

Line	Heading	CURRENT YEAR BUDGET Initial Budget £	CURRENT YEAR BUDGET Revised Budget £	BUDGET to 30-Sep-23 £	ACTUAL to 30-Sep-23 £	BUDGET VARIANCE Budget to date £	BUDGET VARIANCE Budget to date %	BUDGET REMAINING Revised Budget £	BUDGET REMAINING Revised Budget %	FORECAST OUT-TURN Over/ (under) £	FORECAST OUT-TURN at 31-Mar-24 £
1	OT Works	120,000	275,000	91,667	107,683	(16,016)	-17%	167,317	61%		275,000
2	**Grants**										
3	Grants Received	(120,000)	(275,000)	(91,667)	(107,683)	16,016	-17%	(167,317)	61%		(275,000)
4	TOTAL AIDS & ADAPTATIONS	-	-	-	-	-		-		-	-

Commentary on Performance

Works are progressing steadily, and it is expected that the awarded grant from the Scottish Government will be utilized in full.

INVESTMENT EXPENDITURE

Line	Heading	CURRENT YEAR BUDGET Initial Budget £	Revised Budget £	BUDGET to 30-Sep-23 £	ACTUAL to 30-Sep-23 £	BUDGET VARIANCE Budget to date £	Budget to date %	BUDGET REMAINING Revised Budget £	Revised Budget %	FORECAST OUT-TURN Over/ (under) £	at 31-Mar-24 £
1	Roofs	-	5,944	5,944	5,944	-	0%	-	0%		5,944
2	Insulation	200,655	200,655	160,524	63,519	97,005	60%	137,136	68%		200,655
3	Total Roofs	200,655	206,599	166,468	69,463	97,005	58%	137,136	66%	-	206,599
4	Kitchen	363,600	500,291	-	-	-		500,291	100%		500,291
5	Bathrooms	171,400	165,460	10,023	3,758	6,265	63%	161,702	98%		165,460
6	OT Aids & Adaptations	120,000	275,000	91,667	107,683	(16,016)	-17%	167,317	61%	-	275,000
7	Showers	316,070	308,289	4,373	1,470	2,903	66%	306,819	100%		308,289
8	Heating	1,107,070	1,121,382	447,304	374,839	72,465	16%	746,543	67%		1,121,382
9	Rewiring	69,120	52,602	-	-	-		52,602	100%		52,602
10	Total Internals	2,147,260	2,423,024	553,367	487,749	65,617	12%	1,935,274	80%	-	2,423,024
11	Windows	1,439,680	1,290,725	-	-	-		1,290,725	100%		1,290,725
12	Roughcast house & wall	252,000	252,000	-	-	-		252,000	100%		252,000
13	Externals	1,691,680	1,542,725	-	-	-		1,542,725	100%	-	1,542,725
14	**Total Investment excl. Unallocated Exp/Savings**	4,039,595	4,172,348	719,835	557,212	162,622	23%	3,615,135	87%	-	4,172,348
15	**Total Investment**	4,039,595	4,172,348	719,835	557,212	162,622	23%	3,615,135	87%	-	4,172,348

Commentary on Performance

Programmed Insulation works in Lewis have been completed, with works in Uist & Barra on site and due to complete in November. Delays are due to acquiring building warrants.

Window replacement works are now underway.

Kitchens and Bathrooms surveys are now in progress.

Our grant application for £800K (Low Carbon Infrastructure Transition Programme) which is to match fund the replacement of Infra-red heating systems has been successful. Works are progressing to programme and are anticipated to complete in February 2024.

Rewiring works are due to be tendered this month and are based on works identified from previous EICR testing.

Budget phasing for the remaining programmes will be updated once surveys are completed.

NON-HOUSING INVESTMENT

Line	Heading	CURRENT YEAR BUDGET Initial Budget £	Revised Budget £	BUDGET to 30-Sep-23 £	ACTUAL to 30-Sep-23 £	BUDGET VARIANCE Budget to date £	Budget to date %	BUDGET REMAINING Revised Budget £	Revised Budget %	FORECAST OUT-TURN Over/ (under) £	at 31-Mar-24 £
1	Office equipment	1,920	1,920	87	87	-	0%	1,833	95%		1,920
2	IT equipment & Systems	5,000	7,038	2,358	2,318	40	2%	4,720	67%		7,038
3	**Total**	**6,920**	**8,958**	**2,445**	**2,405**	**40**	**2%**	**6,553**	**73%**	**-**	**8,958**

DEVELOPMENT EXPENDITURE

Line	Heading	CURRENT YEAR BUDGET Initial Budget £	CURRENT YEAR BUDGET Revised Budget £	BUDGET Budget to 30-Sep-23 £	ACTUAL to 30-Sep-23 £	BUDGET VARIANCE Budget to date £	BUDGET VARIANCE Budget to date %	BUDGET REMAINING Revised Budget £	BUDGET REMAINING Revised Budget %	FORECAST OUT-TURN Over/ (under) £	FORECAST OUT-TURN at 30-Sep-23 £
1	New Build	8,070,835	5,679,323	2,342,422	2,530,406	(187,984)	-8%	3,148,917	55%	-	5,679,323
2	LIFT	-	-	-	336	(336)		(336)		-	-
3	**Total Development Costs**	8,070,835	5,679,323	2,342,422	2,530,741	(188,320)	-8%	3,148,581	55%	-	5,679,323
4	**Scottish Government Grant**										
5	Grant - New Build	(6,433,745)	(4,910,251)	(2,022,890)	(2,255,140)	232,250	-11%	(2,655,111)	54%	-	(4,910,251)
6	**Total Grants**	(6,433,745)	(4,910,251)	(2,022,890)	(2,255,140)	232,250	-11%	(2,655,111)	54%	-	(4,910,251)
7	**Private Finance required**										
8	New Build	1,637,090	769,071	319,532	275,266	44,266	14%	493,806	64%	-	769,071
9	LIFT	-	-	-	336	(336)		(336)		-	-
10	Expensed Development Cost	-	-	-	-	-	0%	-	0%		-
11	Feasibility	10,100	10,100	5,000	2,640	2,360	47%	7,460	74%		10,100
12	**Private Finance required**	1,647,190	779,171	324,532	278,241	46,290	14%	500,930	64%	-	779,171

Commentary on Performance

Leverburgh tender returns for 12 units is currently being assessed with 4 units from Low Flyer phase 2 being allocated to Leverburgh in the programme.

Work continues on Bernera, Gravir and Grimsay to take forward to the next stage.

Blackwater is progressing well on site with first phase expected to be handed over in March 2024.

Lochmaddy is on site with completion expected in April 2024.

Work has commenced in lodging a planning application for the project at Scott Road.

SECTION 3: KEY PERFORMANCE MEASURE

FINANCIAL COVENANTS

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

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

Line	Detail	YTD	Forecast
1	Operating Surplus	£ 1,672,442	£ 2,519,333
2	Add back Depreciation	£ 2,105,116	£ 4,617,600
3	Add back Profit/(Loss) on sale of LIFT properties	£ -	£ -
4	Deduct Capitalised Investment (inc OT)	(£ 557,212)	(£ 4,172,348)
5	Deduct Pension Contributions	£ -	£ -
6	Deduct Amortisation	(£ 842,533)	(£ 1,588,600)
7	Adjusted Operating Surplus	£ 2,377,814	£ 1,375,985
8	Interest Payable	£ 363,223	£ 786,915
9	Interest Receivable	£ 42,884	£ 90,750
10	Net Interest Payable	£ 320,340	£ 696,165
11	Covenant for 23/24	110%	110%
12	Adjusted Operating Surplus as percentage of Net interest Payable	742%	198%
13	Headroom	£ 2,025,440	£ 610,204
14	Historic Cost of Properties	£ 141,839,930	£ 157,856,960
15	Financial Indebtedness	£ 17,000,000	£ 17,000,000
16	Gearing Covenant for 23/24	30%	30%
17	Gearing	12%	11%

FINANCIAL RATIOS

Key Ratios

	Current	Forecast	2022/23
Current Ratio	7.14	4.71	2.67
(Current Assets/Current Liabilities)			
Net Debt Per Unit			
Borrowing/ stock units	£7,110.00	£7,110.00	£7,283.63
Voids%	1.34%	1.91%	0.62%
Voids as % of Rental Income Due			
Bad Debts %	0.29%	2.00%	0.38%
Bad Debts written off as % of Rental Income Due			
Staff Cost/Turnover %	18.75%	20.89%	19.91%

CASH FLOW FORECAST 2023/24

The below cash flow shows the actual cash position as at 30 September 2023 and a forecast for the remainder of the Financial Year:

Monthly Cash Flow Forecast

Year Ended 31-Mar-24	30-Sep-23 Month 6	31-Oct-23 Month 7	30-Nov-23 Month 8	31-Dec-23 Month 9	31-Jan-24 Month 10	28-Feb-24 Month 11	31-Mar-24 Month 12	Total
Cash on Hand at beginning of month	4,711,000	4,690,380	4,137,054	3,457,510	2,758,008	3,941,699	5,574,746	4,639,773
Cash Receipts								
Rent	964,191	991,906	877,254	991,906	877,254	877,254	716,827	11,128,305
Grant Income	430,954	544,200	144,200	622,700	171,696	529,000	553,500	5,765,662
Bank Interest	-	-	-	6,000	-	-	47,314	90,750
Insurance Claims	2,281	-	-	-	-	-	-	3,461
Other income	4,909	-	-	-	-	-	-	83,740
Transfer from Deposit	-	-	-	-	2,200,000	2,500,000	-	8,200,000
Total	1,402,334	1,536,106	1,021,454	1,620,606	3,248,950	3,906,254	1,317,641	25,271,918
Total Cash Available	6,113,334	6,226,486	5,158,509	5,078,116	6,006,958	7,847,953	6,892,387	
Cash Paid Out								
Payroll	197,614	204,000	204,000	204,000	204,000	204,000	204,000	2,401,010
Management Costs	40,627	362,736	70,736	70,736	70,736	70,736	70,736	968,516
Repairs	313,948	246,401	205,000	377,000	377,000	377,000	377,000	3,953,013
Investment	349,890	808,281	806,062	772,057	1,090,318	1,031,271	485,967	5,536,215
Development	396,913	467,013	414,200	645,315	322,205	589,200	863,910	5,841,147
Total	1,298,991	2,088,431	1,699,998	2,069,108	2,064,259	2,272,207	2,001,613	18,699,901
Cash Paid Out (Non P & L)								
Loan Interest	121,578	-	-	250,000	-	-	250,000	854,971
Refunds	2,385	1,000	1,000	1,000	1,000	1,000	1,000	18,171
Transfer to Deposit Account	-	-	-	-	-	-	-	4,701,000
Total	123,964	1,000	1,000	251,000	1,000	1,000	251,000	5,574,143
Total Cash Paid out	1,422,954	2,089,431	1,700,998	2,320,108	2,065,259	2,273,207	2,252,613	
Cash Position at End of Month	4,690,380	4,137,054	3,457,510	2,758,008	3,941,699	5,574,746	4,639,773	-
Deposit Acct At end of Month	5,557,519	5,557,519	5,557,519	5,557,519	3,357,519	864,074	864,074	
Total Funds Available	10,247,899	9,694,573	9,015,029	8,315,527	7,299,218	6,438,820	5,503,847	

STOCK LEVELS 2023/24

The below shows the current stock level position as at 30 September 2023:

Property Stock

The number of units of accommodation owned by the Partnership was as follows:

	Units in Management		Units under Development	
	2024	2023	2024	2023
Unimproved				
New Build	595	538	80	137
Improved	1,783	1,783	-	-
General Needs Housing	2,378	2,321	80	137
Shared Ownership Accommodation	3	3	-	-
Supported Housing Accommodation	20	20	-	-
Total Housing Stock	2,401	2,344	80	137
Other Property				
Garages	42	42	-	-
Commerical	6	6	-	-
Heritable-Partnership's offices	3	3	-	-
Total Other Property	51	51	-	-

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Making our house your home

ITEM NO 8.4

STOCK CONDITION SURVEY REPORT

Board 28 November 2023

Report by Director of Operations

Purpose of Report

1.1 To provide an update on the Stock Condition Survey 2023.

Summary

2.1 Periodically we are required to carry out a Stock Condition Survey. This serves a number of purposes and provides information for strategic planning, financing purposes, asset management and legislative purposes. In addition, the opportunity has been taken to collect some additional information on the prevalence of damp/condensation in houses.

2.2 The Scottish Housing Regulator and lenders expect landlords to have a robust approach to assessing stock condition and investment requirements. Carrying out the survey independently provides this robustness and also provides assurance for the Board.

2.3 The Survey is being carried out by John Martin Partnership. Field work is now complete and the final report detailing stock condition and investment requirements is being prepared.

2.4 The key outputs of the survey include assessing the remaining useful life of components, assessing compliance with the Scottish Housing Quality Standard (SHQS) and the Energy Efficiency Standard in Social Housing (EESSH), and creating a financial profile of the investment needs of the stock over the life of the business plan.

2.5 A verbal update will be provided on progress at the Board meeting and the Survey results will be provided to Board once these are available.

Competence

3.1 The legal, financial, or other constraints to the recommendations in this report are contained in paragraph 5.1 – 8.3.

Recommendations

4.1 **It is recommended that the Board note the report.**

Background Papers	Risk Register	
Writer of Report	Angus MacNeil	Tel: 0300 123 0773

Competence

Financial

5.1 The Stock Condition Survey will provide a projected profile of spend required to maintain the housing stock over the 30-year business plan period.

5.2 The Investment Programme for 2024-2029 will be prepared based on the survey results subject to cash planning limits and annual budget setting process.

5.3 The cost of the stock condition survey is £79K and is fully provided for in the 2023/24 budgets.

Legal

6.1 There are legislative targets to be maintained and achieved for the Scottish Housing Quality Standard (SHQS) and Energy Efficiency Standard in Social Housing (EESSH) respectively.

Regulatory Guidance

7.1 The Regulatory Standards checklist has been completed and there is nothing in the report that would result in a breach of the standards.

Risk

8.1 The Stock Condition survey informs risk management by providing up-to-date information on the condition and investment needs of the stock. This helps in mitigating risk of non-compliance with statutory and regulatory requirements and duties.

8.2 The survey is based on a 20% sample of the stock. Data is therefore cloned where appropriate and the survey does not therefore guarantee that each individual property meets the SHQS.

8.3 There are relevant risks highlighted in the Risk Register including the health of the local economy and the capacity of contractors to deliver programmes and lack of skilled workforce. There are also legislative and regulatory changes which place increasing pressure on resources.

Report Details

Survey and Cloning

9.1 A sample of 20% of the stock was targeted. 474 surveys have been completed, achieving the target. The surveyors are satisfied that the numbers achieved provide a representative sample of the stock. Properties surveyed in the previous stock condition surveys were excluded from the sample.

9.2 In addition to the condition survey, data was collected on damp and condensation issues.

Housing Condition - SHQS/ EESSH

9.3 The stock will be assessed against the 5 main groupings of the SHQS which comprises 55 quality elements. These groups are:

- Must be compliant with the current tolerable standard
- Must be free from disrepair;
- Must be energy efficient;
- Must have modern facilities and services; and
- Must be healthy, safe and secure.

30 Year Life Cycle and Cost Projections

10.1 Quality checks have commenced on data. The data will be used to prepare a 30 year investment plan showing when components should be replaced. The Board will use this information when preparing the new Business Plan and Investment Plan.

10.2 The investment requirements of the stock to improve the energy efficiency of the stock will continue to be a major element of the Investment Programme for 2024-29.

10.3 Assumptions for inflation will be accounted for separately within the business plan.

BOARD PLAN & BOARD CALENDAR 2024

Board 28 November 2023

Report by Company Secretary

Purpose of Report

1.1 This Report outlines a plan in respect of items to be considered by Board for 2024.

Summary

2.1 The Plan at Appendix 1 includes items, which the Board can expect to consider during 2024. The plan is a guide and may be added to throughout the year, if required.

2.2 The draft Board Calendar was presented at the Board meeting on 24 August 2023. Following consideration of CNES' 2024 year planner no changes have been made to our calendar.

Competence

3.1 There are no legal, financial, or other constraints arising from the recommendation to this report being implemented.

Recommendations

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

a) Board Plan for 2024 at Appendix 1; and
b) 2024 Board Calendar at Appendix 2.

APPENDIX 1:	Board Plan 2024	
APPENDIX 2:	Board Calendar 2024	
Background Papers	None	
Writer of Report	Iona France	Tel: 0300 123 0773

Competence

Financial

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

Legal

6.1 There is no legal constraint arising from the recommendation to this report being implemented.

Regulatory Guidance

7.1 The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.

Risk

8.1 Good governance of the Partnership is critical to its long-term viability. Ensuring that the Board has all the information, reports and supporting papers it requires to take well informed decisions, and a plan of when it can expect to see different types of reports, helps to mitigate the risk of the Board being unprepared.

BOARD PLAN 2024

Approval	
Noting	
Annual	●
Standing	Colour fill as above
Policies are in italics	

Item	Report	13-Feb-24	26-Mar-24	21-May-24	25-Jun-24	27-Aug-24	28-Aug-24	19-Nov-24
1	Budgets 2023/24	●						
2	Business Plan							
3	Debt Management Report							
4	Development Programme 2023/24							
5	Investment Programme 2023/24	●						
6	Training Plan 2023/24	●						
7	Health & Safety Policy Annual Review	●						
8	*Community Grants Policy*							
9	*Domestic Abuse Policy*							
10	*Smoking at Work Policy*							
11	*Young Workers Policy*							
12	*Fraud Policy & Fraud Checklist*	●						
13	*Health & Safety Policy Annual Review*	●						
14	*Whistleblowing Policy*	●						
15	Budgets 2023/24		●					
16	Annual Financing Strategy		●					
17	Annual Pay Recommendation		●					
18	Asset Management Strategy Annual Update		●					
19	Workforce Strategy Annual Update		●					
20	Procurement Strategy Annual Update		●					
21	*Expenses Policies (Staff & Board)*		●					
22	*Corporate Payroll Policy*							
23	*Equality & Diversity Policy & Action Plan*		●					
24	*Repairs & Maintenance Policy*							
25	ARC 2023/23			●				
26	SHR Returns			●				
27	Chief Executive Appraisal			●				
28	Annual Report & Financial Statements for 31 March 2024				●			
29	Budgetary Performance for Year Ended 31 March 2024				●			
30	Housing Allocations Report 2022/23				●			
31	Risk Management Strategy Annual Review				●			
32	ESG Strategy Annual Review				●			
33	*Privacy Policy*							
34	*Naming A Development Policy*							
35	Annual Assurance Statement					●		
36	Business Planning Timetable					●		
37	*Code of Conduct for Staff*							
38	*Code of Governance for Board Members*							
39	*Entitlements Payments & Benefits Policy*							
40	*Retirement Policy*							
41	Election of Office Bearers						●	
42	Election to Committees & Workgroups						●	
43	Board Skills & Development							●
44	Budget Strategy							●
45	*Maternity Leave Policy*							
46	*Paternity Leave Policy*							
47	*Shared Parental Leave Policy*							
48	Notifiable Events							
49	Management Reports	31-Dec-23	31-Jan-24		30-May-24	30-Jun-24		30-Sep-24
50	Quarterly Treasury Reports	31-Dec-23			31-Mar-24	30-Jun-24		30-Sep-24
51	Business Plan Monitoring Report							
52	Investment Programme Monitoring Report							
53	Minute of Audit & Risk	28-Nov-23	13-Feb-24	26-Mar-24	21-May-24	24-Jun-24		27-Aug-24
54	Minute of Development & Finance	05-Dec-23			12-Mar-24	24-Jun-24		
55	Planned Maintenance 2024/25		●					
56	SHR Engagement Plan			●				

Item	Report	13-Feb-24	26-Mar-24	21-May-24	25-Jun-24	27-Aug-24	28-Aug-24	19-Nov-24
57	Repairs Service Review				●			
58	Annual Review of Financial Regulations				●			
59	Annual Review of Standing Orders				●			
60	Governance Report					●		
61	Annual Insurance							●
62	Safeguarding Policy Review							●
63	2025 Board Plan							●

No of reports to be considered	21	18	5	18	15	2	16
Approval	14	13	3	9	8	2	7
Noting	7	5	2	9	7	0	9

Item	Report	13-Feb-24	26-Mar-24	21-May-24	25-Jun-24	27-Aug-24	28-Aug-24	19-Nov-24
1	Staff Changes							
2	Working Group Minutes							
3	Fuel Poverty Update							
4	Repairs 6 Month Review							
5	Comments, Compliments & Complaints							
4	Anti-Social Behaviour & Estate Management							
7	Board Development							

APPENDIX 2

Board Calendar 2024

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	
Mon	1 Public Holiday			1 Public Holiday			1						Mon
Tue	2 Public Holiday			2			2			1			Tue
Wed	3			3	1		3			2			Wed
Thu	4 Schools Open	1		4	2		4	1		3			Thu
Fri	5	2	1 Operations WG	5 •	3 • Public Holiday		5	2 Public Holiday		4	1 Operations WG		Fri
Sat	6	3	2	6	4	1	6	3		5	2		Sat
Sun	7	4	3	7	5	2	7	4	1	6	3	1	Sun
Mon	8	5	4	8	6 Public Holiday	3	8	5 Public Holiday	2	7	4	2	Mon
Tue	9	6 CIH Conference	5	9	7	4	9	6	3	8 JCC	5	3 D&F Committee	Tue
Wed	10	7 CIH Conference	6	10	8	5	10	7	4	9	6	4	Wed
Thu	11	8 Personnel WG	7	11	9	6 SFHA Conference	11	8	5	10	7	5	Thu
Fri	12 •	9 •	8 •	12	10	7	12	9	6	11 Public Holiday	8	6	Fri
Sat	13	10	9	13	11	8	13	10	7	12	9	7	Sat
Sun	14	11	10	14	12	9	14	11	8	13	10	8	Sun
Mon	15	12	11	15 Schools Open	13	10	15	12	9	14 Public Holiday	11	9	Mon
Tue	16	13 Board & Comms	12	16	14	11	16	13	10	15	12 SFHA Conference	10	Tue
Wed	17	14	13	17	15	12	17	14	11	16	13 SFHA Conference	11	Wed
Thu	18	15	14	18	16		18	17 Schools Open	12	17	14	12	Thu
Fri	19	16	15	19	17	14	19	16	13	18 •	15 •	13 •	Fri
Sat	20	17	16	20	18	15	20	17	14	19	16	14	Sat
Sun	21	18	17	21	19	16	21	18	15	20	17	15	Sun
Mon	22	19	18	22	20	17	22	19	16	21	18	16	Mon
Tue	23	20	19 JCC	23	21 Board & Comms	18	23	20	17	22	19 Board & Comms	17	Tue
Wed		21	20	24	22	19	24 C	21	18	23	20	18	Wed
Thu	25	22	21	25	23	20	25	22	19	24	21	19	Thu
Fri	26	23	22	26	24	21	26 •	23 •	20 •	25	22	20	Fri
Sat	27	24	23	27	25	22	27	24	21	26	23	21	Sat
Sun	28	25	24	28	26	23	28	25	22	27	24	22	Sun
Mon	29	26	25 D&F Committee	29	27	24 Committees	29	26	23	28	25	23	Mon
Tue	30	27	26 Board + A&R Comm	30	28	25 Board	30	27 Board & Comms	24	29	26	24 Office Closed	Tue
Wed	31	28	27		29	26 TPAS Conference	31	28 AGM	25	30	27	25 Christmas Day	Wed
Thu		29	28		30	27 Schools Close		29	26	31	28	26 Public Holiday	Thu
Fri			29 Public Holiday		31 •	28 •		30	27		29	27 Office Closed	Fri
Sat			30			29		31	28		30	28	Sat
Sun			31			30			29			29	Sun
Mon									30			30 Office Closed	Mon
Tue												31 Office Closed	Tue