hebridean housing partnership

ITEM NO 3.1

HEBRIDEAN HOUSING PARTNERSHIP
Board Minutes of Meeting held via Microsoft Teams on Tuesday, 19 November 2024 at 5.30pm

PRELIMINARY ITEM		
ATTENDANCE & APOLOGIES		
1	**Attendance & Apologies** **Attendees via MS Teams** Gordon Macleod (Chair) Alison Maccorquodale Calum Mackay Duncan Macinnes (Joined the meeting after Item 6.1) Fiona Macleod Gary Lamont Helen Mackenzie Iain M Macleod Norman Macdonald (Joined the meeting after Item 6.1) Valerie Russell (Joined the meeting after Item 1.1)	**Staff & Consultants in Attendance** Dena Macleod (Chief Executive) Donald Macleod (Director of Finance & Corporate Services) John Maciver (Director of Operations) Garry Campbell (Debt Management Officer) Iona France (Governance Officer) Joel Martin (Corporate Services Officer) Michael Libby (Corporate Services Officer – Minute Taker) **In attendance for Public Items Only** Angus E MacNeil (Assets & Contracts Manager) Angus Smith (Corporate Resources Manager) Gary Macleod (Digital Transformation Manager) James Morrison (Finance Manager) Katrina Rowlands (Service Development Manager) Laura Mackenzie (Tenant Engagement Officer) Peter O'Donnell (Investment Manager) Sawan Morrison (Development Manager)
PRELIMINARY PROCEDURAL MATTERS		
1.1	**Board Member Appointment** The Chief Executive introduced Valerie Russell as a potential new Board member, highlighting her skills in social work and children's services and added that she would be a good addition to the Board. **The Board approved Ms Valerie Russell's appointment to fill the vacant Community Member post until the 2025 AGM.**	
2	**Valerie Russell joined the meeting** **Declaration of Interest** **The Chair declared an interest in item 6.3** **Iain M Macleod declared an interest in item 6.3**	
3.1	**Minute of Board Meeting 27 August 2024** **The minute of the Board meeting of 27 August 2024 was submitted and approved as a true and accurate record.**	
3.2	**Minute of Board Meeting 28 August 2024** **The minute of the Board meeting of 28 August 2024 was submitted and approved as a true and accurate record.**	

3.3	<u>**Action Sheet**</u> The Chief Executive advised there were no updates to report on the Action Sheet. **The Action Sheet was noted.**
4	<u>**Date of Next Meeting**</u> **The date of the next meetings will be Tuesday 11 February 2025.**
5	<u>**Health & Safety**</u> **Nothing to report.**
ITEMS FOR DECISION	
6.1	<u>**Budget Strategy**</u> The Director of Finance and Corporate Services presented the Annual Budget Strategy for approval, outlining the approach for formulating next year's budgets. The strategy has been updated to reflect the latest economic indicators, noting an improved inflationary position compared to the previous year, although a slight rise in inflation is anticipated over the coming year. **The Board approved the 2025/26 Budget Strategy including the Budget Timetable.**
6.2	**Duncan Macinnes and Norman Macdonald Joined the meeting.** <u>**Business Plan**</u> The Chief Executive provided an update on the annual review of the Business Plan 2024/25 to 2028/29 which summarised the findings and discussion from the recent Business Plan review, this included: • regulatory review; • performance discussions; • budget and rent level considerations; • risk appetite; • financial reports; and • Culture Audit. The Chief Executive advised that the final report on the Culture Audit was received and would be made available to members allowing for a fuller discussion to be had alongside the Business Plan at the next Board meeting. Calum Mackay commented that the Business Plan Review was worthwhile, giving Board members the opportunity to review and scrutinise the Business Plan. Helen Mackenzie advised that she believed the discussion surrounding risk appetite at the Business Plan review was constructive and helpful. Ms Mackenzie commented that the Board, management and officers have demonstrated a mature attitude towards risk management which is reflected in recent internal audit reports. **The Board noted the progress made on the update of the Business Plan.**
6.3	<u>**Development Report**</u> The Development Manager presented the Development Report, providing updates on the Blackwater, Leverburgh, Grimsay and Melbost West developments. The Development Manager also advised the feasibility studies contract that we currently hold with TIG is due for re-tender and we have the option for a one-year extension. The Board were asked to approve the extension of one-year for the Feasibility Study contract with Tighean Innse Gall. Helen Mackenzie raised concerns about the delay in the Local Housing Strategy (LHS) and its impact on the Strategic Housing Investment Plan (SHIP). Ms Mackenzie asked if this is something that should be looked at as a risk. The Chief Executive advised that although there were risks associated with not having an up to date LHS, mitigations were in place, primarily regular scheduled meetings between HHP, the Scottish Government and the Council. **The Board:** **a) approved the extension of one year for the Feasibility Study contract with Tighean Innse Gall; and** **b) noted the Development Programme Progress.**

6.4	**<u>Investment Report</u>** The Assets and Contracts Manager updated the Board on the 2024/25 Investment Programme and presented the 2025/26 Investment Programme for approval. The Assets and Contracts Managers advised that the 2024/25 programme was progressing well, however a delay in the delivery of roof tiles had affected one project. The 2025/26 Investment Programme was presented for approval which included kitchens, bathrooms and showers which had been suspended in 2024/25 to enable heating systems to be progressed. The Board were informed that an Aids & Adaptations grant of £151K had been awarded for 2024/25 which was a reduction on previous years. Due to the limited budget Occupational Therapy are currently preparing a priority list from the Aids & Adaptations waiting list. An update was given on the heating at Doig Crescent. The Investment Manager advised that options are being looked at such as Air Source heating and upgraded storage heaters. Further work is being done to determine the best course of action. Allison MacCorquodale commented that Aids and Adaptations works could be looked at as part of the community benefit contribution from contractors for investment works during procurement. Helen Mackenzie commented that a reduction in Aids and Adaptions works due to reduced funding is likely to impact those that need it, with a risk that people with additional requirements may not be able to live as independently as they could with those adaptations in place. Fiona Macleod agreed that those who have been assessed as requiring aids and adaptations in their home should receive them, which would enable people to live independently in their own home rather than having to be moved to a care setting. **The Board:** **a) noted the progress on the 2024/25 Investment Programme;** **b) approved the Investment Programme 2025/26; and** **c) noted the update on Aids and Adaptations and the waiting list.**
6.5	**<u>Management Report to 30 September 2024</u>** The Finance Manager presented the Management Report noting that the financial performance was forecasted to be within covenant headrooms by the end of the financial year and highlighted the reallocation of savings to cover unexpected costs, including a significant void cost and increased insurance repair works. The Finance Manager advised the receipt of the grant offer for aids and adaptations had led to a reduction in budget assumptions. £300K of saving on interest payable was mainly to be used to increase the heating investment program with £11K of funding being allocated to assist with minor aids and adaptations. **The Board:** **a) noted the Management Report at 30 September 2024 and revised forecast out turn at 31 March 2025;** **b) approved the virement of £90,184 from void loss to bathrooms £4,851, Insulation £3,352, Other £26,098, Rewiring £8,179, showers £1,704, and void repairs £46,000; and** **c) approved the virement of £300,000 from interest payable savings to heating (former refusals) £280,200, minor aids and adaptations £11,000, Kitchens £5,500 and Windows & Doors £3,300.**

POLICIES & STRATEGIES

7.1 **Codes of Conduct**

The Governance Officer advised both the Code of Conduct for Board Members and Code of Conduct for Staff had been updated based on the SFHA model Codes of Conducts, with no major changes.

Helen Mackenzie raised a concern about paragraph 11.8 in the Board Members' Code of Conduct, which restricts the use of social media to criticise the organisation, questioning how this would affect Council appointed Board Members if they were acting on behalf of their constituents on matters relating to housing and HHP.

The Chief Executive explained that Board members have a legal responsibility to the Board, regardless of their nomination by the Local Authority. This means their primary duty is to the Board, and there should be no conflict in their roles.

The Board:

- **a) approved the revised Code of Conduct for Board Members;**
- **b) approved the revised Draft Code of Conduct for staff at Appendix 2 for consultation with staff and the Union; and**
- **c) approved if there are no material changes to the Code of Conduct for staff arising from the consultation, that the Code of Conduct is approved, otherwise a revised Code of Conduct be presented to the next meeting of the Board.**

7.2 **Digital Transformation Strategy**

The Digital Transformation Manager presented the updated Digital Transformation Strategy, which extends to March 2028. The strategy builds on the work completed under the first strategy and focuses on future initiatives.

The following future initiatives were detailed:

Project	**Update**
Tenant Interactions	The strategy aims to enhance tenant interactions using the tools from the first strategy, such as increasing the use of the tenant portal
Asset Management	Focus on getting the asset management module up and running to deliver operational efficiencies.
Business Analytics	An analysis of business analytics will be conducted and reported to the board
Emerging Technologies	The strategy includes exploring opportunities for integrating AI and machine learning into systems and processes.

Helen Mackenzie made suggestions surrounding the implementation of the Digital Transformation Strategy including:

- looking at how we interact with tenants and whether there would be a benefit to adopting technologies such as video consultations with tenants;
- implementation of AI tools to assist in research and improving communications; and
- adding a performance measure for increasing tenant interactions with digital services, not just registrations.

The Board:

- **a) noted the key outputs delivered under the 2020/21-2023/24 strategy; and**
- **b) approved the new Digital Transformation Strategy.**

7.3	**ICT Strategy** The Corporate Resources Manager presented the ICT Strategy to the Board advising the revised strategy retains core objectives from the current strategy and ensures that our ICT infrastructure is ready to address: • the delivery of a new ICT hosting solution in 2025; • the infrastructure and resources to allow us to deliver core systems and applications; • Increasing cybersecurity concerns; and • the new opportunities and challenges in relation to A.I. Helen Mackenzie enquired about the decision to use a co-location (private cloud) approach instead of public cloud services. The Corporate Resources Manager explained that the private cloud offers better cost management and avoids the variable costs associated with public cloud services. **The Board approved:** **a) the revised ICT Strategy; and** **b) a virement of £80K from increased interest receivables and 50K from reserves to ICT Hardware costs to allow us to proceed with upgrading our Data-Hosting infrastructure.**
7.4	**Workforce Plan Consultation Response** The Chief Executive advised the Board that the consultation period for the Workforce Plan has come to an end and feedback has been received from staff, which was reviewed and incorporated into the final plan. An amendment to the Recruitment Policy was proposed to allow internal advertisement of job share vacancies when one half of the job share leaves. The Policy was also amended to allow internal advertisement for positions when modern apprentices complete their training and qualifications. **The Board:** **a) noted the consultation responses at Appendix 1; and** **b) approved the Workforce Plan 2024-2028 at Appendix 2 and the Action Plan at Appendix 3.** **c) Agreed to amend the Recruitment Policy to include the following at the end of Para 2.4 to say "the only exceptions to all vacancies being advertised externally are:** **I. Where one half of a job share leaves the post; or** **II. Where a modern apprentice has completed all their qualifications, and a relevant job becomes vacant.** **In both cases the job can be advertised internally in the first instance.**
7.5	**Policy Safeguarding Review** The Governance Officer presented the Policy Safeguarding Review which involved checking various policies to ensure compliance with OSCR guidelines and advised that safeguarding training would be provided to both Board Members and staff. **The Board noted the review of policies in respect of Safeguarding.**

MONITORING REPORTS	
8.1	**Quarterly Treasury Report** The Director of Finance & Corporate Services presented the Treasury management activities for the second quarter of 2024/25 and confirmed our cash balances were £11.454M, an increase of £608K compared to the previous quarter. All covenants were forecast to be complied with for 2024/25. **The Board noted the:** **a) quarterly report on the Analysis of Investment and Borrowing;** **b) outstanding loans at 30 September 2024 of 17M; and** **c) cash balance at 30 September 2024 of £11.454M.**

8.2	**<u>Tenant Satisfaction Survey</u>** The Service Development Manager presented the results of the Tenant Satisfaction Survey which was conducted over summer 2024. Overall satisfaction decreased by 3% to 83%. Although there was a decrease, the overall performance compared favourably to the peer group average of 81.6%. The Service Development Manager advised that we were disappointed with the decrease in overall satisfaction. The decrease in satisfaction was driven by an increase in the number of people stating that they were 'Neither satisfied or dissatisfied', and there was no significant change in outright dissatisfaction. The preliminary results had been considered in the recently approved Tenant Participation Strategy action plan. Actions for improvement are also included in the Business Plan and Asset Management Strategy. **The Board noted the results of the Tenant Satisfaction Survey**
8.3	**<u>Gas Audit</u>** The Investment Manager advised the Board that the gas audit carried out in September 2024 showed improved performance and quality scores, with contract documentation now above the national average. One at-risk issue related to SGN work was identified and has since been addressed. **The Board noted the Gas Audit report.**
8.4	**<u>Housing Waiting List Analysis</u>** The Director of Operations presented the Housing Waiting List Analysis noting a 26% increase in the waiting list over the past 3 years. The increase spread across varying household types and geographic areas with likely drivers including the cost of living and mortgage rate increases, however more detailed data would be required to substantiate this analysis. Helen Mackenzie suggested capturing qualitative data from conversations with applicants and feedback from new tenants to better understand their motivations. Duncan Macinnes commented that COVID-19 and the ability to work from home may have an influence on geographical housing needs, as well as the energy efficiency of new build homes. **The Board noted the Housing Waiting List Analysis.**
8.5	**<u>Business Plan Monitoring Report</u>** The Governance Officer presented the Business Plan Monitoring Report highlighting an improved arrears performance and the receipt of back payments for Housing Benefit. 88% of business plan actions were on track for completion by 31 March 2025. Helen Mackenzie raised a point about the ASB cases resolved within 3 months performance indicator, questioning whether it is within the organisation's control to achieve this target given the involvement of multiple agencies. Ms Mackenzie suggested it might be more appropriate as an early warning indicator rather than a strict performance measure. The Director of Operations advised that reporting on ASB cases resolved within 3 months is in line with ARC indicators, but for the purposes of this report we can look at setting local targets. **The Board noted the Business Plan Monitoring Report.**
8.6	**<u>Board Plan & Board Calendar</u>** The Governance Officer presented the Board Plan and Board Calendar. The Board Plan outlined the items to be considered by the board for 2025 including standard reports and policies to be reviewed throughout the year. The Board calendar for 2025 was presented, with a note that the date for the Board and Committee meetings on February 11, 2025, would be reviewed to avoid having all 3 meetings on the same day. **The Board noted:** **a) the Board Plan for 2025; and** **b) the 2025 Board Calendar.**
8.7	**<u>Board Development</u>** The Governance Officer presented the Board Development report advising that an independent skills analysis would be conducted with the scheduled date being in either December 2024 or January 2025. **The Board noted:** **a) the 2024/25 Training plan update; and** **b) an independent Board Skills Assessment will be arranged and information sent to Board Members in due course.**
MEETING GOES INTO PRIVATE SESSION	

Chairperson	Mr Gordon Macleod
SIGNED	……………………………………………………….
DATE	……………………………………………………….