BOARD AGENDA – 24 JUNE 2025

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO
1	**Attendance & Apologies**	Noting	Chair	3
2	**Declaration of Interest**	Noting	Chair	
3	**Minutes**	Approval		
3.1	Minute of Meeting 21 May 2025	Approval	Chair	5
3.2	Action Sheet	Noting	Chief Executive	8
4	**Date of Next Meeting** 2 September 2025	Approval	Chair	
5	**Health & Safety**	Noting	Director of Operations	

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	
6	**Items For Decision**			
6.1	Annual Report & Financial Statements to 31 March 2025	Approval	Director of F&CS	9
6.2	Budgetary Performance for the Year Ended 31 March 2025	Approval	Director of F&CS	87
6.3	SHR Financial Return	Approval	Director of F&CS	99
6.4	Operations Report to 31 March 2025	Approval	Director of Operations	118
6.5	Annual Review of Standing Orders	Approval	Governance Officer	139
6.6	Board Member Appointment – 9 Year Rule	Approval	Governance Officer	210
6.7	Apprenticeship Scheme	Approval	Chief Executive	213
6.8	Use of AI Pilot	Approval	Governance Office	218
6.9	Development Report to 31 May 2025	Approval	Development Report	223

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7	**Policies & Strategies**			
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7.3	Policy Consultation Feedback	Approval	Director of Operations	260

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8.4	Investment Report to 31 May 2025	Noting	Assets & Contracts Manager	367
8.5	Business Plan Monitoring Report to 31 March 2025	Noting	Chief Executive	373

MEETING GOES INTO PRIVATE SESSION

Board Meeting Attendance 2024/25

Board Members	Notes	28-Aug-24	19-Nov-24	11-Feb-25	25-Mar-25	22-May-25	22-Jun-25	02-Sep-25
Gordon Macleod								
Helen Mackenzie								
Iain M Macleod								
Gary Lamont	1							
Fiona Macleod								
Alison MacCorquodale								
Calum Mackay								
Norman Macdonald								
Duncan Macinnes	2							
Valerie Russell	3							
Colin Gilmour	4							

1 Appointed as Tenant Member 28 August 2024
2 Appointed as Council Appointed Member 21 October 2024
3 Appointed as Community Member 19 November 2024
4 Appointed as Community Member 26 March 2025

Member present at meeting

Member not present at meeting

Cancellation of travel due to weather

Unable to attend remote meeting due to technical difficulties

Member not required to be present at meeting

Leave Special Leave Granted

Board Training & Conferences 2024/25

Board Members	OneAdvanced Refresher Training
	08-May-25
Gordon Macleod	
Helen Mackenzie	
Iain M Macleod	
Gary Lamont	
Fiona Macleod	
Alison MacCorquodale	
Calum Mackay	
Norman Macdonald	
Duncan Macinnes	
Valerie Russell	
Colin Gilmour	

Member present at training

Member not present at training

Cancellation of travel due to weather

Unable to attend remote training due to techncial difficulties

Member not required to be present at training

Leave — Special Leave Granted

Fiona Macleod	RIHAF Conference	21-Oct-24
Gary Lamont	SFHA Governing Body Members Conference	07-Feb-25
Gordon Macleod	SFHA Annual Conference	09-Jun-25

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ITEM NO 3.1

HEBRIDEAN HOUSING PARTNERSHIP

Board

Minutes of Meeting held via Microsoft Teams on Tuesday 20 May 2025 at 5.30pm

PRELIMINARY ITEM	
ATTENDANCE & APOLOGIES	
1	**Attendance & Apologies** **Attendees via MS Teams** — **Staff & Consultants in Attendance** Alison Maccorquodale — Dena Macleod (Chief Executive) Calum Mackay — Donald Macleod (Director of Finance & Corporate Services) Fiona Macleod — John Maciver (Director of Operations) Helen Mackenzie — Angus E MacNeil (Assets & Contracts Manager) Colin Gilmour — Iona France (Governance Officer) Valerie Russell — Peter O'Donnell (Investment Manager) Gary Lamont — James Morrison (Finance Manager) **Apologies Received** — Joel Martin (Corporate Services Officer – Minute Taker) Duncan Macinnes Gordon Macleod Iain M Macleod **Apologies Not Received** Norman Macdonald Calum Mackay chaired the meeting. Calum Mackay welcomed Colin Gilmour to the Board.
PRELIMINARY PROCEDURAL MATTERS	
2	**Declaration of Interest** **There were no declarations of interest made.**
3.1	**Minute of Board Meeting 25 March 2025** **The minute of the Board meeting of 25 March 2025 was submitted and approved as a true and accurate record of the proceedings of the meeting.**
3.3	**Action Sheet** **The Action Sheet was noted.**
4	**Date of Next Meeting** **The date of the next meeting will be Tuesday 24 June 2025.**
5	**Health & Safety** **Nothing to report.**

ITEMS FOR DECISION	
6.1	**<u>Annual Return on the Charter 2024/25</u>** The Governance Officer presented the Annual Return on the Charter 2024/25 to the Board for consideration and approval, subject to the reconciliation of any queries raised. The report highlighted the variances with some of the key indicators from both the 2022/23 and 2023/24 charter returns: • Repairs performance had improved over the last two years across all areas; • Repairs satisfaction figures had decreased by 5%; • The value of arrears had increased year on year by 8.5%, with former tenants' arrears increasing by 12.59%. However, the percentage of arrears remains steady at 3%; • Gross rent arrears as a % of rent due remained at 3%; • 91.8% of our stock was meeting the SHQS; and • Average time to relet properties had decreased by 6.99% Ms Mackenzie raised questions about the data on new tenants versus returning tenants and the satisfaction of factored owners. The Director of Operations advised the Board the Annual Allocations Report would be going to Board in June 2025 and this would provide more detail on the allocations process. Mr Maciver then provided a brief overview of the potential reasons for five of our tenants stating they were very dissatisfied with factoring services provided by their landlord. Ms Mackenzie queried whether the 6.3% drop in repairs satisfaction specifically related to those who were dissatisfied or those who were ambivalent. The Director of Operations stated a shift to ambivalence had occurred as more tenants stated they were neither satisfied nor dissatisfied when compared to last year's return. Mr Maciver added these figures came from the Tenant Satisfaction Surveys whereas the point of service surveys showed higher satisfaction rates. The Director of Operations commented tenants would promptly be asked to provide feedback regarding repairs which took place in their home and satisfaction surveys are made available to tenants through our online portal. Mr Gilmour enquired about benchmarking and feedback from the Regulator. The Chief Executive and the Governance Officer explained the benchmarking process and the availability of information on the Scottish Housing Regulator website. **The Board reviewed and approved the Draft Annual Return on the Charter at Appendix 1, subject to the reconciliation of any queries raised.**
6.2	**<u>Five Year Financial Plans – Scottish Housing Regulator Return</u>** The DF&CS presented the Five-Year Financial Plans (FYFP) (2025/26-2029/30) required by the Scottish Housing Regulator (SHR) for consideration and approval and explained the provisional figures and assumptions behind the plans. Ms Mackenzie asked for clarity regarding the difference between our debt per unit and net debt per unit figures and whether this difference might be a risk. The DF&CS explained the reason for the difference between our debt and net debt per unit figures and reassured the Board that no risk would be posed as a result of this, with both figures under the threshold set by Board of £11,500 per unit. **The Board noted the SHR Engagement Plan for 2025/26 at Appendix 1.**

POLICIES & STRATEGIES	
7.1	**<u>Neonatal Care Leave Policy</u>** The Chief Executive presented a new Neonatal Care Leave Policy to ensure we are compliant with a recent change in the law. A member of staff had a premature baby on 5 April 2025 and the Chief Executive asked the Board to homologate her decision to apply the policy to that member of staff. **The Board:** **a) approved the Neonatal Care Leave Policy at Appendix 1; and** **b) Homologated the decision by the Chief Executive to apply the policy to a staff member whose baby was born prematurely on 5 April 2025 and required neo-natal care.**

MONITORING REPORTS	
8.1	**<u>SHR Engagement Plan</u>** The Chief Executive presented the SHR Engagement Plan for information and advised the Board there had been no change to our regulatory status and our Regulation Manager planned to be at our meeting in November 2025. **The Board noted the SHR Engagement Plan for 2025/26 at Appendix 1.**
8.2	**<u>Annual Assurance Statement Review</u>** The Governance Officer explained the process for reviewing the Annual Assurance Statement and the supplementary evidence bank and encouraged Board members to provide feedback regarding both. A Sharepoint link was made available to Board members to review the evidence and Ms Mackenzie proposed Board members select an aspect they felt they had a level of expertise within and provide feedback to the Governance Officer. **The Board noted the review of the Annual Assurance Statement checklist and backing evidence.**

Chairperson Mr Calum Mackay

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	20 May 25 (6.1)	Submit ARC through the Regulator portal	31 May 2025	Chief Executive	Uploaded 21 May 2025.
2	20 May 25 (6.1)	Director of Operations to provide information regarding dissatisfaction amongst factored owners and data on returning tenants.	24 June 2025	Director of Operations	Dissatisfaction reported by 5 owners. 4 of these related to grounds maintenance related issues. We do not collect data on former tenants re-applying in a format that enables reporting.
3	25 Mar 25 (6.3)	Quantum heating to be installed at Doig Crescent	24 June 2025	Investment Manager	Communication with tenants being progressed.
4	28 Jun 23 (6.7)	Scott Road Development to proceed to full planning permission.	30 June 2025	Development Manager	Interim Hydrology study received and reviewed. Proceeding to planning application but required to progress as major development which will extend timescale for submission by approx. 16 weeks.

ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Board 24 June 2025

Report by Director of Finance & Corporate Services

Purpose of Report

1.1 To present the Annual Report and Financial Statements for the year ended 31 March 2025 to the Board for approval.

Summary

2.1 The Financial Statements for the year ended 31 March 2025 are at Appendix 1. An unqualified audit opinion has been provided by CT Audit.

2.2 The HHP Community Housing Financial Statements have been prepared for the year ended 31 March 2025 and are at Appendix 2.

2.3 It is proposed that the Board appoint another Director to HHP Community Housing Limited. We currently only have 3 appointed Directors in the Subsidiary

Competence

3.1 The compliance issues relating to this report are at section 6.1 of the report.

Recommendations

4.1 It is recommended that the Board:

a) approve the Annual report and Financial Statements for the year ended 31 March 2025 as at Appendix 1; and

b) note the HHP Community Housing Accounts for the year ended 31 March 2025 at Appendix 2; and

c) appoint another director to HHP Community Housing Limited.

APPENDIX 1:	Annual Report and Accounts for the year ended 31 March 2025	
APPENDIX 2:	HHP Community Housing Accounts for the year ended 31 March 2025	
Background Papers:	None	
Writer of Report:	Donald Macleod	Tel: 0300 123 0773

Donald Macleod 09 Jun-25

Report Details

5.1 Accounts for the year ended 31 March 2025 have been prepared and are at Appendix 1 of this report. The external auditor's management letter will be issued to the Audit & Risk Committee along with the auditor's report to the Financial Statements.

5.2 Opportunity to ask questions with regards to the Accounts and performance for the year will be given at the Board meeting. The Development & Finance Committee meet on 23 June 2025 to scrutinise the Annual Report and Financial Statements as at Appendix 1.

5.3 The key financial factors to highlight in the Annual Accounts are that:

a) An operating surplus (inclusive of depreciation and grant amortization) of £3,080K shows a decrease from the previous year of £86K. The key changes are detailed below:

Area	£000's	Reason
Rental Income	£734	Driven by annual rent increase and the additional number of units delivered through our new build programme.
Voids	£39	Improvement on prior year as Cx go live contributed to some delays in void turnaround as well as 14 days of voids at all Bremner Court properties.
Management & Maintenance Administration Costs	(£275)	£103K increase in Employee costs due to annual salary increases. An increase in supplies & services of £40K mainly driven by IT & Telecoms (Annual inflationary increases on licences and upgrades), a £38K increase in admin costs, a £50K increase in insurance costs and a £62K reduction in internal fees.
Depreciation	(£328)	Driven by newly completed properties and capitalised component replacements throughout the year.
Planned, Cyclical & Reactive Maintenance	£19	A reduction of £19K from prior year is mainly driven by the reduction in the level of OT works in the year £174K, a reduction in expensed development costs of £57K. Once adjusted for this, repairs have increased £212K driven by an increased number of homes and pressure on Void costs at change of tenancy.
Grants	(£97)	OT Aids & Adaptations funding received down £194K from last year and RHI income is down £31K. Amortised grant has increased by £128K with the completion of new build units in the year & additional Net Zero Heating Grants being amortised.

Area	£000's	Reason
Bad Debts	£104	Decrease in bad debts, mainly driven by a reduction in the level of provision required on arrears and sundry debtors.
Other Activities	(£248)	£265K of liquidated damages received in 23/24

b) Increase of £2.552M in net assets reflecting the investment in our stock through the investment and development programmes.

c) Inclusion of the subsidiary, HHP Community Housing, and the decision not to prepare group accounts due to the immateriality of the trading activity of the Company during the year; and

d) The statement of comprehensive income includes an actuarial gain of £1.820M for 2024/25, which has arisen due to a change in the actuarial financial measurement assumptions in relation to our pension fund. The surplus on our pension has been restricted by £1.820M as we are unable to recover the surplus through reduced contributions in the future or through refunds from the plan (Paragraph B28.16 FRS102).

5.4 A separate report is being presented to the Board detailing performance for the year against the approved budget.

6.1 Compliance Section

COMPLIANCE CHECKLIST	
Financial	The Annual Report and Financial Statements detail how the resources for the year ended 31 March 2025 have been utilised. The cost of auditing and producing copies of the Annual Report and Accounts has been provided for in the Annual Report and Accounts. Our pension position has for the third consecutive year resulted in a pension surplus. Under FRS102 a surplus must be restricted if we are unable to recover the surplus through reduced contributions in the future of through refunds from the plan (Paragraph B28.16 FRS102). As a result, we have restricted the value of the pension surplus by £1.820m to Nil.
Legal	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. b) Rule 70 – The Board must send the Partnership's accounts and Balance Sheet to the Partnership's auditor. The auditor must then report to the Partnership on the accounts they have examined. In doing this, the auditor must follow the conditions set out in Part 7 of the Co-operative and Community Benefit Societies Act 2014 and Part 6 of the Housing (Scotland) Act 2010.c). c) Rule 71 - The Partnership must provide the Scottish Housing Regulator and the Financial Services Authority with a copy of its accounts and the auditor's report within six months of the end of the period to which they relate.
Regulatory	The Annual Report and Financial Statements prepared must comply with the Statement of Recommended Practice (SORP) - Accounting by registered social landlords 2014 and the Determination of Accounting Requirements issued by the Scottish Housing Regulator (February 2019). The Facility Agreement with our Funder's requires the Partnership to submit an audited Annual Report and Financial Statements within six months from the end of the period to which they relate together with confirmation from our External Auditor that the Financial Covenants have been met.

COMPLIANCE CHECKLIST	
	The following Financial Regulations are applicable: a) 5.10.2 – Preparation of annual accounts is to commence immediately after the end of each financial year and draft accounts are to be prepared for consideration by the auditors and by the Board no later than three months after the year-end. b) 5.10.4 - the draft accounts and audit management letter will be reviewed by the Audit and Risk Committee. On their recommendation the draft accounts will be submitted to the Board for approval, and subsequently for adoption at the Annual General Meeting. The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.
Risk	The risk of not complying with the Legal requirements has been mitigated by completing the preparation of the Annual Reports and Financial Statements within three months of the year-end.
ESG	There are no ESG considerations arising directly from the consideration of this report.
Equalities	There are no Equalities considerations arising directly from the consideration of this report.
Communication	These audited Financial Statements will be uploaded to our website, submitted to the Scottish Housing Regulator through the landlord portal and our Funder (Royal Bank of Scotland) once approved by Board.

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APPENDIX 1

ANNUAL FINANCIAL STATEMENTS

Year Ended 31 March 2025

A Registered Society under the
Co-operative & Community Benefit Societies Act 2014 No: 2644R (S)
Registered Charity No: SCO 35767
Scottish Housing Regulator registration: No 359
Property Factor Act: No PF000183

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CORPORATE INFORMATION

Board of Management, Directors & Advisors

Name	Category	Changes during the year	
		Appointed	Resigned
Thomas Howe	Tenant	24 August 2023	27 August 2024
Calum Mackay	Community	31 August 2022	
Norman A Macdonald	Community	31 August 2022	27 August 2024
Gordon Macleod	Community	31 August 2022	
Fiona Macleod	Community	1 March 2024	
Helen Mackenzie	Board Appointed	28 June 2023 (reappointed)	
Alison MacCorquodale	Board Appointed	21 May 2024 (reappointed)	
Iain M Macleod	Councillor	25 May 2022	
Finlay Stewart	Councillor	25 May 2022	27 August 2024
Norman Macdonald	Councillor	4 January 2024	
Roddy Nicolson	Community	28 August 2023 (re-appointed)	5 June 2024
Gary Lamont	Tenant	28 August 2024	
Duncan Macinnes	Councillor	21 October 2024	
Valerie Russell	Community	19 November 2024	
Colin Gilmour	Community	25 March 2025	

Secretary and Registered Office
Dena Macleod BA CA
Creed Court
Gleann Seileach Business Park
Willowglen Road
Stornoway
Isle of Lewis
HS1 2QP

Funders
Royal Bank Of Scotland plc
4th Floor
110 Queen Street
Glasgow
G1 3BX

External Auditors
CT Audit Limited
Chartered
Accountants &
Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Bankers
Royal Bank of Scotland plc
17 North Beach Street
Stornoway
Isle of Lewis
HS1 2XH

Directors
Chief Executive: Dena Macleod BA CA
Director of Operations:
John Maciver BSc MPHIL, FCIH
Director of Finance & Corporate
Services: Donald Macleod BAcc, FCCA

Solicitors
Harper Macleod
The Ca'd'oro
45 Gordon Street
Glasgow
G1 3PE

Overview of Business

Our principal activity is to provide and manage good quality, affordable accommodation for people in housing need in the Outer Hebrides. We are a charitable Registered Social Landlord and we own and manage a range of houses for rent, primarily general needs accommodation but also some supported accommodation. We provide accommodation for homeless people who are referred by Comhairle Nan Eilean Siar (CNES) as statutory homeless and requiring permanent secure accommodation.

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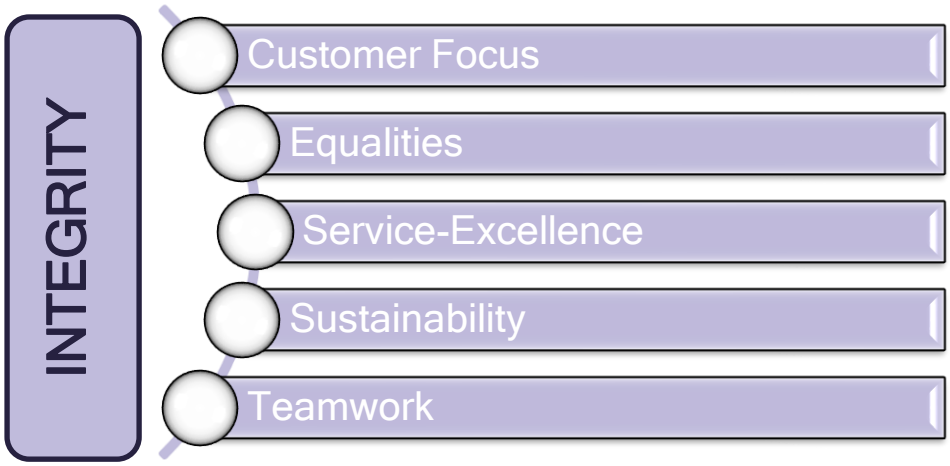
Our priority is to deliver our vision of, 'making our house, your home' for all tenants. We are currently in a strong financial position to manage identified risks but recognise how quickly those risks can change. Our local supply chain is vital to the economic wellbeing of many families in the Outer Hebrides and we are committed to our investment and development programmes.

Core Values

Our core value is Integrity – "We will be honest, fair, dependable and trustworthy in all our working relationships. We will do the right thing no matter who is watching".

The core value is supported by the following five values:



Regulation

HHP, because of its 'systemic importance' in the Outer Hebrides is categorised as 'medium engagement' by the Scottish Housing Regulator in our most recent Regulation Plan. Given the level of public money invested by HHP for developing new homes on an annual basis it is important that the Regulator has assurance that the organisation is well managed and delivers value for money.

Regular meetings take place with the Regulator to review the risks and challenges facing the business and monitor progress against the Business Plan. 30 year and 5 year financial projections are submitted to the Regulator annually.

The Regulator has expressed satisfaction with HHP's progress for 2024/25 confirming we comply with regulatory requirements, including the Standard of Governance and Financial Management

Governance & Management

HHP is a registered society under the Co-operative and Communities Benefit Societies Act 2014 and is governed by a set of Rules appropriate for a Registered Social Landlord. The Partnership is governed by a voluntary Board of Management, which is supported by a Chief Executive, Executive Team and staff. A full list of Board Members is at Page 2.

All Board Members and staff are required to comply with our Standing Orders, Policies and Financial Regulations.

The Governance structure is shown in Figure 1.

Figure 1 Board of Management

Our Standing Orders allow for three Standing Committees and two Working Groups. These Standing Orders also allow Working Groups to be set up as required for specific tasks.

The Board comprises up to 15 members - 4 Tenant members, 4 Community representatives (or more should there be insufficient nominations for the Tenant category), up to 2 Board Appointed Members, up to 2 Co-opted Members and 3 CNES nominees. The Board may appoint a Board Member whom they consider will enhance the skills, knowledge, diversity and/or objectivity of the Board and its decision-making. There are currently 11 Board members.

HHP's Rules require that one Community and one Tenant member step down each year. There will be elections for the vacant positions at the Annual General Meeting in September 2025.

Tenant and Community members hold one fully paid £1 share.

The Board is responsible for the overall strategic direction and objectives of HHP. Our new Business Plan which covers 2024/25 to 2028/29 is guided by the four Strategic goals outlined below:

The Board has delegated responsibility to the following Standing Committees:

Audit & Risk

To ensure that the activities of the Board are within the law and the regulations which govern the Board, and that an effective internal control system is maintained.

Development and Finance Committee

To ensure that Financial and Development matters are examined in detail and in accordance with policy and to enable swift responses where time is of the essence.

Joint Consultative Committee

To establish workable and effective arrangements for good industrial relations, for the avoidance of any misunderstanding and for the promotion of joint participation in all matters of common interest and concern on a genuine consultative and negotiating basis at Organisation level.

Internal Financial Control

The Board is responsible for establishing and maintaining systems of internal financial control within the organisation. By their nature these systems can provide reasonable, but not absolute, assurance against material misstatement or loss. The internal control framework is supported by organisational control measures including, financial and business planning, performance monitoring and reporting, project management and communication systems. The internal control framework also relies on formal governance measures including a structure of corporate policies, authorities and responsibilities delegated from the Board to the Executive Team.

Audit & Risk Committee

The Audit & Risk Committee consists of six members. Meetings are normally held four times a year to review and approve annual internal and external audit plans, reports and the action taken on issues raised by audit. In addition, the Audit & Risk Committee reviews the corporate risk management arrangements including the Risk Register.

Health & Safety

The Board places a high priority on the Health and Safety of tenants, staff and contractors. A Health and Safety group chaired by the Director of Operations meets regularly with a remit to ensure the Health and Safety requirements are being met. Our Health & Safety policies and procedures are regularly reviewed.

System of Internal Control

The key elements of the system of internal control are as follows:

- Regular meetings of the Board, which has a schedule of matters specifically reserved for its approval and which are the subject of regular standard reports as required;
- Appointment of Internal Auditors who work to the standards of the Institute of Internal Auditors and produce an annual internal audit plan and regular internal audit reports;
- The regular review by the Audit and Risk Committee of reports prepared by Internal Auditors;

- A Business Plan with a detailed annual budget, regularly revised forecasts, a comparison of actual with budget and key performance indicators all of which are reviewed by the Board.

Identification of Business Risk

Risk management lies with the Board supported by the Executive Team. Key risks have been identified as part of the business planning process and scored to reflect the likelihood of this occurring. Mitigation strategies are put in place to minimise the impact of identified risk on the organisation.

Corporate Risk

The Risk Register, which is updated and reviewed at each Audit & Risk Committee, is organisation wide and shows each risk, the significance of the risk and the probability of these risks occurring. The Register also details the impact of the risks should they occur and who will have responsibility for devising and implementing suitable controls and mitigating actions.

Corporate Governance

The Board meets six times a year to focus on performance, financial monitoring, and strategic direction along with the regular review of policies.

Management Information Systems

Management Information Systems provide timely monthly information on key aspects of the business. Management accounts comparing actual results against budget are presented to the Board along with performance against key financial and non-financial indicators.

Internal Audit

On 1 October 2023, the Board appointed WBG as their Internal Auditors. The Internal Auditors report directly to the Audit and Risk Committee.

Our External Auditors have placed reliance on the work carried out by the Internal Auditors on the accounting systems.

Investment Appraisal

The Financial Regulations provide the framework and procedures for investment appraisal. Expenditure beyond certain levels requires to be approved by the Board. A Fixed Asset Register is in place which details all the assets owned by the Partnership.

Investment

On 1 June 2010 HHP Community Housing Limited was formed as a non-charitable subsidiary of the Partnership. During 2024/25 there was no trading activity.

Board Statement on Internal Financial Control

The Board acknowledges its ultimate responsibility for ensuring that the Partnership has in place a system of controls that is appropriate for the business environment in which it operates. These controls are designed to give reasonable assurance with respect to the:

- reliability of financial information used within the Partnership, or for publication;
- maintenance of proper accounting records;
- safeguarding of assets against unauthorised use or disposal;
- The proper authorisation and recording of transactions.

It is the Board's responsibility to establish and maintain the systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss. Key elements of the Partnership's systems include ensuring that:

- formal policies and procedures are in place, including the ongoing documentation of key systems and any delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of the Partnership's assets;
- experienced and suitably qualified staff take responsibility for important business functions and a structured annual appraisal process is in place to uphold and enhance performance standards;
- forecasts and budgets are prepared which allow the Heads of Service and the Board to monitor the key business risks, financial objectives and

progress being made towards achieving the financial plans set for the year and for the medium term;

- monthly financial management reports are prepared, providing relevant, reliable and up to date financial and other information, with significant variances from budget being investigated as appropriate;
- regulatory returns are prepared, authorised and submitted promptly to the relevant regulatory bodies;
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through the Board;
- the Audit & Risk Committee/Board received reports from management and from external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed and that a general review of the major risks facing the Partnership is undertaken;
- formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal or external audit reports.

The Board has reviewed the effectiveness of the system of internal financial control in existence in the Partnership for the year end 31 March 2025. No weaknesses were found in internal financial controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or in the auditor's report on the financial statements.

Statement of Board Responsibilities

The Board of Management ("Board") is responsible for preparing the Board's Report and the financial statements in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 requires the Board to prepare financial statements for each financial year. Under those regulations the Board have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the Partnership and of the surplus or deficit for that period.

In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business; and
- prepare a statement on internal financial control.

The Board of Management is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Partnership and to enable them to ensure the Financial Statements comply with the Co-operative & Community Benefits Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2019. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. It is also responsible for ensuring the Partnership's suppliers are paid promptly.

Statement of Disclosure to Auditors

In so far as the Board of Management are aware:

- There is no relevant audit information (information needed by the Partnership's auditors in connection with preparing their report) of which the Partnership's auditors are unaware, and
- The Board of Management have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

On behalf of the Board

Gordon Macleod

Chair

OPERATING & FINANCIAL REVIEW

Summary of Performance Indicators

DETAIL	Variance	ARC 2024/25	ARC 2023/24	ARC 2022/23
Emergency repairs completed	-24.48%	**916**	**1,213**	1,119
Average length of time to complete emergency repairs	-3.23%	**2.10 hours**	**2.17 hours**	2.48 hours
Non-emergency repairs completed	-12.18%	**4028**	**4,620**	4,615
Average length of time to complete non-emergency repairs	-29.12%	**2.23 days**	**3.15 days**	3.69 days
Reactive repairs completed right first time	2.18%	**93.40%**	**91.41%**	89.84%
Total arrears	8.5%	**£354,953**	**£327,153**	£332,677
Former tenant arrears	12.59%	**£141,751**	**£125,898**	£113,701
Average time to re-let properties in the last year	-6.99%	**30.73 days**	**33.04 days**	30.97 days
Calendar days properties were empty	-23.01%	**5317**	**6,906**	6,225
Rent loss through voids	-30.38%	**£59,307**	**£85,191**	£61,139
General needs lets	-3.88%	**198**	**206**	242
Supported Housing lets	60%	**16**	**10**	3
Anti-social behaviour cases	7.14%	**15**	**14**	13
Abandoned properties	14.29%	**8**	**7**	7
Total self-contained stock	1.68%	**2,416**	**2,376**	2,330
Stock meeting SHQS	4.07%	**91.85%**	**88.26%**	82.79%
Rent increase	-13.73%	**4.4%**	**5.1%**	6.0%
Staff turnover	115.55%	**10.4%**	**9%**	11%

There has been an improvement in performance in the areas impacted last year by the implementation of our new housing system:

- A decrease of 6.99% in the average time to re-let homes
- The number of calendar days properties were empty decreased by 23.01%
- Void loss has decreased by 30.38%

The value of arrears has increased by 8.5% (When aligned to the four weekly benefit cycle), with former tenant arrears increasing by 12.59%. The gross rent arrears as a % of rent due remains at 3%.

Housing Services

With the increase of welfare concerns we entered a 2-year project with the Penumbra service called BeWell Outer Hebrides. The pilot launched in October 2024 with more than 10 cases referred to date. Concerns being highlighted relate to mental health, addiction and some struggling to manage day to day living. We have also been successful in securing funding for fuel vouchers which have been distributed to those struggling with energy price increases. Tenants were extremely grateful for the help and assistance they received.

The full migration to Universal Credit has commenced with all those under pension age still on legacy benefits moving over to Universal Credit. The migration is expected to complete in 2026. We are working closely with our partners CNES and the local DWP office. There is an HHP presence at the local job centre once a month for tenants who may need assistance. Bedroom Tax continues to be mitigated by the Discretionary Housing Payment through CNES.

Arrears have remained stable through the support and advice provided by Housing Officers. Key to this is early action which reduces the risk of debt increasing to unmanageable levels. All backdated housing benefit and discretionary housing payments for bedroom tax are largely up to date following the cyber-attack suffered by CNES.

Void rent loss for 2024/25 reduced by 30.38% from the previous year, which was impacted by the implementation of the new IT system and the initial void period following the handover of Bremner Court.

Tenant Engagement

Our Tenant Engagement Officer (TEO) supports our Registered Tenants' Organisations: The Western Isles Housing Association Community Forum and the Cearns Community Association. The TEO attends residents' groups and community associations allowing us to engage with tenants in a way they find suitable. Groups can also apply for a Community Grant to fund projects that will improve the neighbourhoods which we serve.

In the summer of 2024, we conducted a Tenant Satisfaction Survey, employing 4 surveyors to carry out surveys by visiting our tenants in their homes.

The Tenant Engagement Officer is working to encourage tenants to get involved at all levels including Board membership. However, the preference appears to be more informal and we continue to encourage short term or ad hoc engagement such as drop ins, tenant panels and scrutiny groups.

Our Tenant Portal was launched in May 2024 enabling Tenants to manage their tenancy online including real time rent balance, raising repair requests and other key aspects of their tenancy. New applicants will also be able to apply for housing online. We now have around 600 tenants registered on the portal. Recent surveys and consultations carried out via the tenant portal have been more successful than other previous survey methods.

Our Facebook page was launched in October 2024 and is proving to be a successful tool for engagement with impressions already higher than our other Social Media platforms.

We fund 5 tenants places at the TPAS Annual Conference. This gives tenants the opportunity to engage with other tenants and to attend various workshops and to share best practices.

Planned & Cyclical Maintenance

Our Planned Maintenance Programme aims to protect the structure of tenant's homes and to maintain the wider environment.

Our Cyclical Maintenance programmes ensure the safety of tenants and compliance with our legal and regulatory requirements. The following works were carried out during the year:

- 100% Gas safety compliance
- Air source heating systems were serviced with bath anti-scald valves checked at the same time
- oil heating systems were serviced
- Fire alarms, stair lighting, and door entry systems were serviced
- Tenant stair-lifts were serviced
- 372 house electrical systems were tested for safety
- A sample of properties had their water systems tested for legionella
- Asbestos was checked where in place and
- Flatted common areas were inspected for fire safety

Investment

£4.2M was invested in tenants' homes during the year delivering the following improvements:

Addressing the challenge of fuel poverty is a key priority and this is demonstrated by our investment in new windows, heating systems and our commitment to replacing electric storage, infrared and solid fuel heating systems. We have now replaced all infrared heating systems where requested by tenants and the remaining 18 systems will be replaced where opportunities arise e.g. change of tenancy.

We were successful in securing grant funding from the Scottish Government's Social Housing Net Zero Heat Fund to carry out external wall insulation to houses at 1-50 Plasterfield.

Development

The cost of developing new homes continues to present challenges in taking schemes forward. However, Scottish Government funding and strong partnership working is supporting our efforts to deliver the five year development plan. We drew £5.06M of funding from the Scottish Government Affordable Housing Supply Programme to support the completion of 41 homes as shown:

Scheme	Area	Type	Units
Ionad Dotair Macleoid	Uist	Rent	8
An Allt Dubh	Stornoway	Rent	33
Total Handover to 31 March 2025			**41**

51 Homes Under Construction at 31 March 2025

We started the financial year with the completion of 8 social rented homes at Lochmaddy which was a joint project with Tighean Innse Gall (TIG) that also provided 4 homes for rent to buy. A significant milestone was reached at Blackwater with the 33 homes (Phase 1) being completed and occupied in November 2024.

Construction commenced in July 2024 for 12 homes at Leverburgh with the first phase of 5 units handing over in May 2025 and the remainder due to hand over in October 2025.

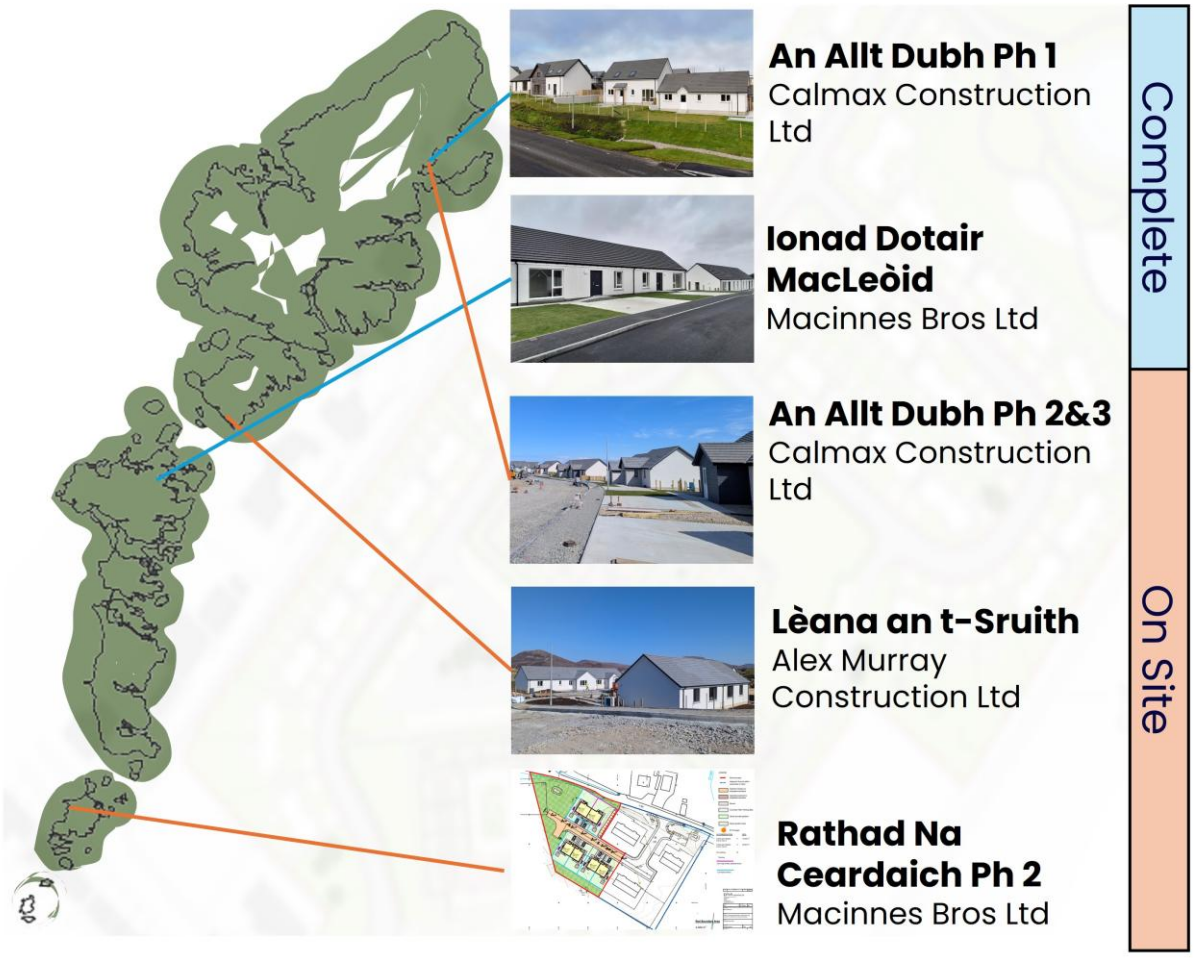
Work has also begun on the construction of another 6 homes at the existing Rathad Na Ceardaich scheme in Barra.

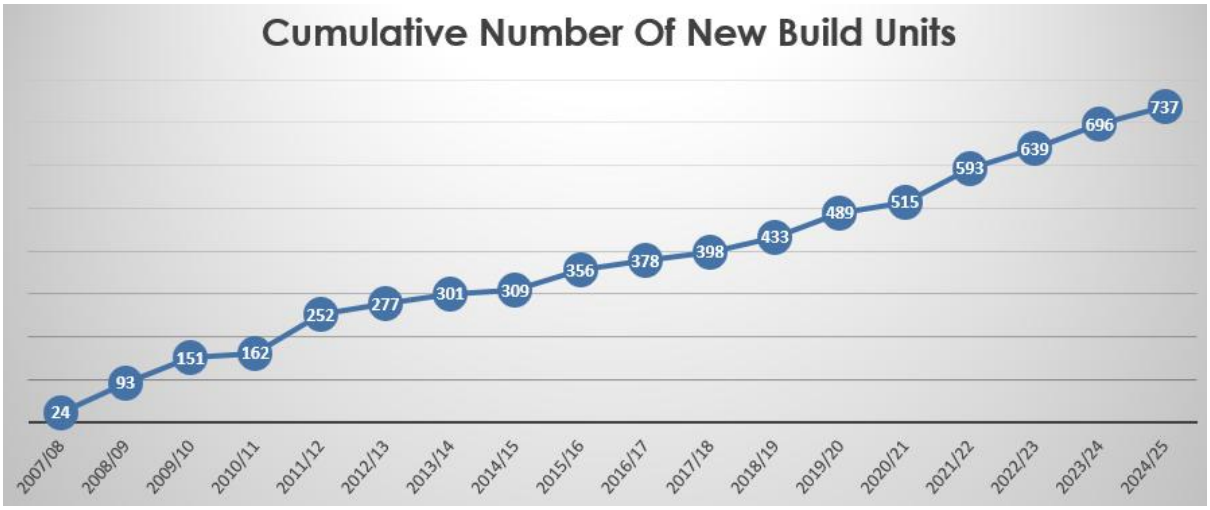
Future Development

We continue to assist CNES in identifying suitable land in line with the priorities identified in their annual Strategic Housing Investment Plan. We are also providing input to CNES as they develop the Local Housing Strategy (LHS) which should set out the aspirations on where housing should be built.

Completed Developments

The map below shows locations of sites completed (in blue) and sites under construction (in orange) as at 31 March 2025:





Political & Charitable Donations

a) There were no political donations made by HHP during the financial year.

b) A total of £6,000 was donated during the year to the following local charities:

£1,000	Cobhair Bharraigh
£1,000	Eilean Siar Foodbank
£1,000	Western Isles Kidney Patient Association
£1,000	The Eilidh Macleod Memorial Trust
£1,000	Share (South Uist & Eriskay)

Key Risks Impacting On The Future

Any risk, which materially jeopardises the Partnership's ability to achieve our vision and goals or conduct our business is not accepted. HHP's risk appetite is assessed as part of the annual business planning process.

We identify and score potential risks annually that could prevent us from achieving our Strategic Goals. We then set a target risk and put mitigation measures in place, including insurance or controls, to bring the score within the target. If these measures don't reduce the risk enough, we agree on further actions for the year or adjust the target risk.

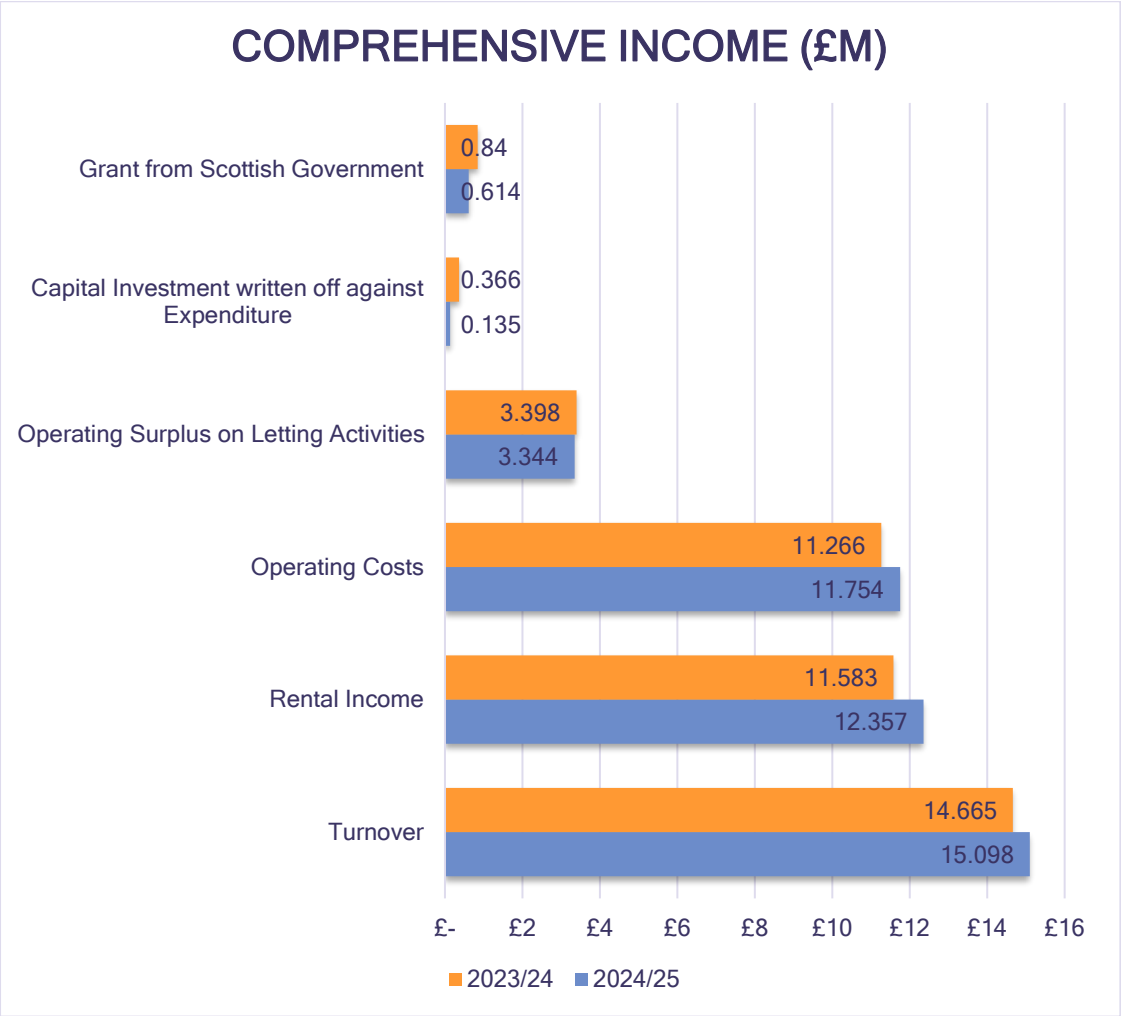
Partnership working is critical if we are to address the demographic challenges which are a concern for the future of our islands and is fundamental to the demand and need for housing. We seek to encourage and develop this debate and promote action to address it.

Fuel Poverty & EESSH

Levels of fuel poverty in the Outer Hebrides are amongst the highest in the UK and are exacerbated with the high costs of energy. We are investing heavily in tenants' homes to meet the anticipated new Net Zero targets for social housing and have contributed to consultations on this. We have replaced our solid fuel heating systems (except for refusals) with Air Source Heat Pumps and are making excellent progress on replacing older storage heating systems.

We work with agencies such as Citizens Advice Bureau (CAB) and TIG to source financial support to tenants and have been successful with funding applications to the Scottish Federation of Housing Associations (SFHA) and Housing Associations Charitable Trust (HACT) for fuel vouchers.

Financial Review



Financial Position

HHP's Financial Position is shown on Page 36. The key factors affecting the Statement of Financial Position are:

a) The value of housing properties under construction has increased as a result of the value of the capitalised investment programme as well as the development programme in the year being higher than the depreciation in the same period.

b) The addition of 41 new homes for rent funded largely from Affordable Housing Supply Programme (AHSP) Grant from the Scottish Government;

c) An increase in Deferred Capital Grants reflecting the continued investment in new homes.

Cash Flow

The Cash Flow is shown on page 37. The net change in cash equivalents was an outflow of £0.471M (2024: Inflow of £1.645M). The principal cash outflows were operating, development costs and investment in assets with cash inflow boosted by rental income and grants received.

Current Liquidity

At 31 March 2025, HHP had cash and short-term deposits of £9.195M (2024: £9.666M). It is anticipated that there will be a requirement to draw down £1M from our borrowing facility during 2025/26.

Capital Structure & Treasury Management Policy

The main elements of HHP's long term funding are a loan facility arranged with the Royal Bank of Scotland (RBS) and repayable grant provided by The Scottish Government. The RBS loan facility which was re-structured in June 2021, allows us to borrow up to £25 Million. In broad terms, we assume that borrowing will increase each year until the maximum of £21Million is reached in 2030 reflecting the significant investment in improving our current stock and building new homes. Debt is progressively paid off in subsequent years and is projected to be fully paid off by 2046.

The Board receives updates each quarter which detail the debt, cash and interest received.

Our Treasury Management Policy sets down the framework for investing and managing cash, raising loans, interest rate management and the use of financial derivatives by the Group. A key objective of the Policy is to ensure that the Partnership's loan portfolio represents the optimum balance of risk in interest rate, loan maturity and fixed rate exposure. Currently we have drawn £17M of the RBS loan facility with £15.5M fixed and £1.5M variable.

Plans For The Future

HHP plans to invest £22.17M over the next 5 years ensuring the Scottish Housing Quality Standard is maintained in all its properties. £26.58M of HHP cash and borrowings have been earmarked for the new build projects due for completion.

Auditors

CT Audit were appointed as new auditors in January 2025.

Independent Auditors Report

Opinion

We have audited the financial statements of Hebridean Housing Partnership (the 'Partnership') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves, the Cashflow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Partnership's affairs as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Co-operative and Communities Benefit Societies Act 2014, the Housing (Scotland) Act 2010, the Determination of Accounting Requirements 2019.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

In auditing the financial statements, we have concluded that the committee of management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the committee of management with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board of Management is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to Report by Exception

We have nothing to report in respect of the following matters where The Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- Proper books of accounts have not been kept by the Partnership in accordance with the requirements of the legislation;

- A satisfactory system of control over transactions has not been maintained by the Partnership in accordance with the requirements of the legislation;
- The Statement of Comprehensive Income and Statement of Financial Position are not in agreement with the books of account of the Partnership; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of the Board of Management

As explained more fully in the Boards' Responsibilities Statement set out on page 10, the Board of Management are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board of Management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Management are responsible for assessing the Partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Management either intend to liquidate the Partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the Partnership operates in and how the Partnership is complying with the legal and regulatory frameworks;
- inquired of management and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider that the most significant laws and regulations that have a direct impact on the financial statements were, but not limited to, FRS 102, Housing SORP 2018, the Scottish Housing Regulator's Determination of Accounting Requirements 2024, the Co-operative and Community Benefit Societies Act 2014 and the Housing (Scotland Act) 2010. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures against the requirements of the relevant financial reporting standards.

We also performed audit procedures to inquire of management, and those charged with governance whether the Partnership is in compliance with these laws and regulations, inspected correspondence with regulatory authorities including mandatory submissions to the Regulator, reviewed minutes of meetings of the Board of Management and relevant sub-committees, and reviewed available online information.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Partnership's members, as a body, in accordance with the Co-operative and Communities Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Partnership and the Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

CT Audit Limited
Chartered Accountants and
Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL
24 June 2025

Report by the Auditors to the Members of Hebridean Housing Partnership Ltd on Corporate Governance Matters

Corporate Governance

In addition to our audit of the financial statements, we have reviewed the Board of Management's statement on pages 10 to 11 concerning the Partnership's compliance with the information required by the Regulatory Standards for systematically important Registered Social Landlords (RSLs) in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes which are issued by the Scottish Housing Regulator.

Basis of Opinion

We carried out our review having regard to the requirements to corporate governance matters within Bulletin 2006/5 issued by the Financial Reporting Council. The Bulletin does not require us to review the effectiveness of the Partnership's procedures for ensuring compliance with the guidance notes, nor to investigate the appropriateness of the reason given for non-compliance.

Opinion

In our opinion the statement on internal financial control on pages 7 to 11 has provided the disclosures required by the relevant Regulatory Standards for systematically important RSLs within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes, issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

CT Audit Limited
Chartered Accountants and
Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL
24 June 2025

FINANCIAL STATEMENTS

Statement of Comprehensive Income as at 31 March 2025

	Notes	31 March 2025 £	31 March 2024 £
Turnover	3	15,098,129	14,664,679
Operating expenditure	3	(12,018,181)	(11,498,848)
Operating surplus	3	**3,079,948**	**3,165,831**
Loss on disposal of property, plant & equipment		(4,066)	10,379
Interest receivable	6	202,455	187,360
Interest payable and financing costs	7	(600,260)	(622,466)
(Decrease)/Increase in valuation of housing properties		(62,875)	66,482
Surplus before tax		**2,615,202**	**2,807,586**
Actuarial (loss)/gain in respect of pension scheme	22	**(63,000)**	**(45,000)**
Total comprehensive income for the year		**2,552,201**	**2,762,586**

The results for the year relate wholly to continuing activities.

These financial statements were approved by the Board on 24 June 2025 and were signed on its behalf by:

Gordon Macleod	**Dena Macleod**	**Calum Mackay**
Chair	Company Secretary	Vice Chair

The notes on pages 37 to 63 form part of these financial statements.

Statement of Changes in Reserves as at 31 March 2025

Current Year	Share Capital £	Unrestricted Fund £	Total Reserves £
Balance at 1 April 2024	87	45,436,907	45,436,994
Movement in Share Capital	(1)		(1)
Surplus from statement of comprehensive income		2,552,201	2,552,201
Balance at 31 March 2025	86	47,989,108	47,989,194

Prior Year	*Share Capital £*	*Unrestricted Fund £*	*Total Reserves £*
Balance at 1 April 2023	*224*	*42,674,321*	*42,674,545*
Movement in Share Capital	*(137)*		*(137)*
Surplus from statement of comprehensive income		*2,762,586*	*2,762,586*
Balance at 31 March 2024	*87*	*45,436,907*	*45,436,994*

The notes on pages 37 to 63 form part of these financial statements.

Statement of Financial Position as at 31 March 2025

	Notes	31 March 2025 £	31 March 2024 £
Fixed Assets			
Tangible Assets-Social Housing	8	139,372,269	132,986,857
Tangible Assets-Property, plant & equipment	9	1,487,021	1,637,736
Investments	10	2	2
		140,859,292	134,624,595
Current Assets			
Stock		25,651	24,456
Trade and other receivables	11	1,406,849	2,119,765
Investments		7,880,027	6,365,142
Cash and cash equivalents		1,315,403	3,301,061
		10,627,930	11,810,424
Less: Creditors amounts falling due within one year	12	(2,106,895)	(2,979,570)
Net current assets		8,521,035	8,830,854
Total assets less current liabilities		149,380,327	143,455,449
Creditors: amounts falling due after more than one year	13	(22,365,333)	(22,365,333)
Deferred Capital Grants	14	(79,025,801)	(75,653,123)
Pension Liability	15	-	-
Net Assets		47,989,194	45,436,993
Reserves			
Share Capital	16	86	87
Income & Expenditure reserve		47,989,108	45,436,906
		47,989,194	45,436,993

These financial statements were approved by the Board on 24 June 2025 and were signed on its behalf by:

Gordon Macleod	**Dena Macleod**	**Calum Mackay**
Chair	Company Secretary	Vice Chair

The notes on pages 37 to 63 form part of these financial statements.

Statement of Cash Flows for the Year Ended 31 March 2025

	Note	31 March 2025 £	31 March 2024 £
Net Cash inflow from operating activities	1	5,438,875	5,770,096
Cashflow from investing activities			
Purchase of tangible assets		(11,268,655)	(10,359,807)
Proceeds from sale of tangible fixed assets		142,581	295,823
Grants received		5,418,229	6,321,151
Interest received		202,455	187,360
Cashflow from financing activities			
Interest paid		(404,257)	(570,000)
Net change in cash equivalents		(470,773)	1,644,623
Cash and cash equivalents at the beginning of the year		9,666,203	8,021,580
Cash and cash equivalents at the end of the year		9,195,430	9,666,203
		(470,773)	1,644,623

The notes on pages 37 to 63 form part of these financial statements.

Notes to the Statement of Cash Flows for the Year Ended 31 March 2025

Cashflow from Operating Activities

	2025	2024
	£	£
Surplus for the year	3,079,948	3,165,831
Adjustments for non-cash items:		
Depreciation of tangible fixed assets	4,928,316	4,737,949
Amortisation of Capital Reserve	-	-
(Increase)/Decrease in stock	(1,195)	237
Decrease/(Increase) in trade and other debtors	683,907	(229,533)
(Decrease)/Increase in trade and other creditors	(953,675)	260,760
Receipt of donated land		-
Pension costs less contributions payable	81,000	66,000
Carrying amount of tangible fixed asset disposed	(145,331)	(292,775)
Adjustments for investing or financing activities:		
Loss from the disposal of tangible fixed assets	(141,959)	(111,186)
Government grants utlised in the year	(2,000,140)	(1,879,654)
Interest payable	(91,996)	(58,534)
	5,438,875	5,659,096

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

NOTE 1 - ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Financial Statements, except where noted below.

Base of Accounting

The Financial Statements of the Partnership are prepared in accordance with FRS 102 as issued by the Financial Reporting Council and comply with the requirements of the Co-operative and Community Benefit Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010, the Determination of Accounting Requirements 2019 issued by the Scottish Housing Regulator and the Statement of Recommended Practice (SORP) for social housing providers issued in 2018.

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain properties and financial instruments. The principal accounting policies that have been applied consistently to all periods presented in these financial statements are set out below.

The preparation of financial statements in conformity with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies selected for use by the Partnership. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. Hebridean Housing Partnership Ltd is a public benefit entity (PBE).

Preparation of Consolidated Financial Statements

The Financial Statements contain information about Hebridean Housing Partnership as an individual company and do not contain consolidated financial information as the parent of a group. The Partnership has taken the option not to prepare

consolidated Financial Statements due to the immateriality of the results of its subsidiary, HHP Community Housing Limited, as detailed in Note 10.

Turnover

Turnover, which is stated net of Value Added Tax, represents income receivable from lettings and service charges, fees receivable, revenue grants and other income.

Grant Income

Grant Income received is matched with the expenditure to which it relates. Social Housing Grant received as a contribution towards the capital cost of a housing development is recognised in line with the accrual model. The accrual model results in the grant being recognised over the expected useful life of the housing property structure and its individual components. Where grant is paid as a contribution towards revenue expenditure, it is included in turnover.

Deposit and Liquid Resources

Cash, for the purpose of the cash flow statement comprises cash in hand and deposits repayable on demand, less overdrafts repayable on demand. Liquid resources are current asset investments that are disposable without curtailing or disrupting the business and are readily convertible into known amounts of cash at, or close to, their carrying value.

Pension Costs

The Partnership participates in the Highland Superannuation Scheme and contributions to the pension scheme are calculated as a percentage of pensionable salaries of the employees, determined in accordance with actuarial advice. The actual pension cost is charged to the income and expenditure account based on contributions to the fund. In accordance with FRS102 the future payments in respect of the past service deficit plan have been discounted and recognised as a provision within the financial statements. When a pension plan is in a net surplus position, there is a requirement, under FRS102, to restrict the surplus where there are restrictions on the recoverability of the plan surplus.

Housing Properties

Housing properties are stated at cost less accumulated depreciation. The cost of properties is their purchase price together with capitalised repairs. Housing properties in the course of construction are stated at cost and are not depreciated. Housing properties are transferred to completed properties when they are ready for letting and are stated at cost. The development cost of housing properties includes:-

1. Cost of acquiring land and buildings; and
2. Development expenditure including administration costs

Where it is considered that there has been any impairment in value this is provided for accordingly. Expenditure on schemes that are subsequently aborted is written off in the year in which it is recognised that the schemes will not be developed to completion.

Improvements to Housing Properties

The Partnership capitalises repairs and improvement expenditure on its housing properties which result in an enhancement of the economic benefit of the asset.

Impairment

An assessment is made at each reporting date of whether there are indications that a fixed asset (including housing properties) may be impaired. Impairment is recognised where the carrying value of an asset exceeds the higher of its net realisable value or its value in use. Value in use represents the net present value of expected future cash flows expected from the continued use of these assets. Any impairment of assets would be recognised in the Statement of Comprehensive Income.

Shared Ownership

Shared ownership properties are split proportionately between current and fixed assets based on the first tranche proportion.

First tranche proportions will be accounted for as current assets and the related sales proceeds shown in turnover; and

The remaining element of the share ownership property will be accounted for as a fixed asset and any subsequent sale will be treated as a part disposal of a fixed asset.

Commercial Properties

Commercial Properties are valued at existing use value.

Provisions

The Partnership only provide for contractual liabilities that exist at the balance sheet date.

Taxation

Income and capital gains are generally exempt from tax if applies for charitable purposes.

Depreciation

Depreciation is charged on a straight-line basis to write off the cost of each asset, less any estimated residual value, over its expected useful life, as set out below. Assets are depreciated in the year of acquisition, from the date of their acquisition, and in the year of disposal, up to the date of disposal. Land is not depreciated.

Housing Properties & Offices

All of the major components comprised within the Partnership's housing properties and offices are treated as separable assets and their costs (after the deduction of any related social housing grant) are depreciated by reference to the expected useful life of each component, on the following basis:

	Years
Roofs	50
Kitchens	20
Bathrooms	30
Showers	10
Heating Boilers	15
Heating Systems	30
Window & Doors	25
Other External Components	15
Structure	60

Other Fixed Assets

All other Fixed Assets are depreciated by reference to the following expected useful lives:

	Years
Furniture, Fittings and Office Equipment	5
Computer Hardware and Software	4
Motor Vehicles	25% reducing balance

Sale of Housing Accommodation

Properties are disposed of under the appropriate legislation and guidance. All costs and grants relating to the share of property sold are recognised in the Statement of Comprehensive Income at the date of sale. Any grants received that cannot be repaid from the proceeds of sale are abated and the grant removed from the Financial Statements.

Stock

Stocks are valued at the lower of cost and net realisable value.

Capitalisation of Development Overheads

Staff costs that are directly attributable to bringing housing properties into working condition for their intended use are capitalised.

Value Added Tax

The Partnership is registered for VAT. A large proportion of its income, including rental receipts, is exempt for VAT purposes, giving rise to a partial exemption calculation. Expenditure with recoverable VAT is shown net of VAT and expenditure with irrecoverable VAT is shown inclusive of VAT. VAT on refurbishment works expenditure included in the development works agreement with CNES is fully recoverable. Expenditure on these works is shown net of VAT.

Bad & Doubtful Debts

Provision is made against rent arrears for current and former tenants as well as other miscellaneous debts to the extent that they are considered potentially irrecoverable.

Leased Assets

Rentals payable under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

Designated Reserves

Designated reserves are unrestricted reserves earmarked by Directors for particular purposes.

Financial Instruments

Loans provided to HHP Community Housing Limited are classed as basic under the requirements of FRS102, and are measured at amortised cost. In the case of payment arrangements that exist with customers, these are deemed to constitute financing transactions and are measured at the present value of the future payments discounted at a market rate of interest applicable to similar debt instruments.

Going Concern

The Board has assessed the Partnership's ability to continue as a going concern and have reviewed the 30 year Business Plan and its exposure to key risks through detailed sensitivity analysis.

Based on these projections and the wider information currently available, the Board consider that the Partnership has sufficient resources to meet any potential concerns and there are no material uncertainties about the Partnership's ability to continue as a going concern.

The Partnership therefore continues to adopt the going concern basis in preparing its financial statements and the period of management's going concern assessment is the period to 30 June 2025.

NOTE 2 – CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions that affect the amounts reported for assets, liabilities, income and expenditure.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods should it affect future periods.

The estimates and assumptions which carry a higher degree of risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Useful economic lives of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. They are amended when necessary to reflect current estimates, future investment, economic utilisation and the physical condition of the assets. See notes 8 and 9 for details of the values of tangible fixed assets.

NOTE 3 – TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	2025			2024		
	Operating Turnover	Operating Costs	Operating Surplus	Operating Turnover	Operating Costs	Operating Surplus
	£	£	£	£	£	£
Income and Expenditure from Lettings						
Social Lettings (Note 4)	14,971,460	(11,925,595)	3,045,865	14,294,328	(11,410,142)	2,884,186
Other Activities (Note 5)	126,669	(92,586)	34,083	370,351	(88,706)	281,645
TOTAL	**15,098,129**	**(12,018,181)**	**3,079,948**	**14,664,679**	**(11,498,848)**	**3,165,831**

NOTE 4 – PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS FROM SOCIAL LETTING ACTIVITIES

	General Needs Housing	Supported Accommodation	Shared Ownership	Total	2024
	£	£	£	£	£
Income from rent and service charges					
Rent receivable net of service charges	12,083,411	135,390	4,488	12,223,289	11,523,284
Service charges	156,875	39,780	1,969	198,624	163,955
Gross Income from rents and service charges	12,240,286	175,170	6,457	12,421,913	11,687,239
Less voids	(65,046)	-	-	(65,046)	(104,268)
Net Income from rents and service charges	12,175,240	175,170	6,457	12,356,867	11,582,971
Release of deferred capital grant	1,930,728	67,352	2,060	2,000,140	1,871,758
Other Revenue Grants	614,453	-	-	614,453	839,599
Total Turnover from social letting activities	14,720,421	242,522	8,517	14,971,460	14,294,328
Expenditure					
Management and Maintenance Administration costs	2,966,766	34,699	3,718	3,005,183	2,730,634
Service charges	196,398	2,297	246	198,941	162,701
Planned and Cyclical Maintenance including major repairs	1,425,533	15,078	-	1,440,611	1,452,766
Reactive Maintenance	2,140,124	19,956	1,412	2,161,492	2,168,442
Bad Debts-rents and service charges	53,159	-	-	53,159	157,650
Depreciation of social housing	4,952,870	111,139	2,200	5,066,209	4,737,949
Operating costs for social letting activities	11,734,850	183,169	7,576	11,925,595	11,410,142
					-
Operating surplus on letting activities for 31 March 2025	2,985,571	59,353	941	3,045,865	2,884,186
Operating surplus on letting activities for 31 March 2024	3,108,187	8,397	166	3,116,750	

NOTE 5 – PARTICULAR OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS FROM OTHER ACTIVITIES

	Grants from Scottish Ministers	Other Revenue Grants	Other Income	Total Turnover		Other Operating Costs		Operating Surplus/ Deficit	
				2025	2024	2025	2024	2025	2024
	£	£	£	£	£	£	£	£	£
Factoring	-	-	6,567	6,567	5,157	4,112	3,901	2,455	1,256
Development & construction of Property Activities	-	-	116,213	116,213	100,126	88,474	84,805	27,739	15,321
Sale of Developments	-	-	-	-	-	-	-	-	-
Management Services	-	-	3,889	3,889	68	-	-	3,889	68
Liquidated Damages	-	-	-	-	265,000	-	-	-	265,000
Total from other activities 2025	**-**	**-**	**126,669**	**126,669**		**92,586**		**34,083**	
Total for other activities 2024	-	-	370,351		370,351		88,706		281,645

NOTE 6 - INTEREST RECEIVABLE AND OTHER INCOME

Interest Receivable and Other Income		
	2025	2024
	£	£
Interest receivable on deposits	202,176	187,085
Interest receivable on loan to subsidiary	279	275
	202,455	187,360

NOTE 7 – INTEREST PAYABLE AND SIMILAR CHARGES

Interest Payable and Similar Charges		
	2025	2024
	£	£
Interest Payable	667,558	670,976
Other Financing costs	76,702	62,490
Net Cost on pension	(144,000)	(111,000)
	600,260	622,466

Other financing costs include commitment, non-utilisation fees, the amortisation of transaction costs on the funding arrangements. Please refer to Note 22 for details on the net cost on pension.

NOTE 8 – TANGIBLE FIXED ASSETS SOCIAL HOUSING

Tangible Fixed Assets				
SOCIAL HOUSING	**Housing Properties held for letting**	**Housing Properties under construction**	**Shared Ownership held for letting**	**Total**
	£	**£**	**£**	**£**
Current Year Cost				
At start of the year	160,202,084	9,846,418	128,335	170,176,837
Additions during the year	4,005,071	7,302,297	-	11,307,368
Transfers in year	9,107,985	(9,107,985)	-	-
Disposals	(375,811)	-	-	(375,811)
At end of year	172,939,329	8,040,730	128,335	181,108,394
Depreciation				
At start of year	(37,102,667)	-	(87,314)	(37,189,981)
Provided in year	(4,790,328)	-	(2,173)	(4,792,501)
Impairment	15,877	-	-	15,877
Eliminated on Disposal	230,480	-	-	230,480
At end of year	(41,646,638)	-	(89,487)	(41,736,125)
Net Book Value				
At end of year	131,292,691	8,040,730	38,848	139,372,269
Prior Year				
At start of the year	*139,617,104*	*20,414,767*	*128,335*	*160,160,206*
Additions during the year	*4,737,286*	*5,704,583*	*-*	*10,441,869*
Transfers in year	*16,213,106*	*(16,213,106)*	*-*	*-*
Impairment	*-*	*-*	*-*	*-*
Disposals	*(365,412)*	*(59,826)*	*-*	*(425,238)*
At end of year	*160,202,084*	*9,846,418*	*128,335*	*170,176,837*
Depreciation				
At start of year	*(32,953,656)*	*-*	*(85,140)*	*(33,038,796)*
Provided in year	*(4,459,719)*	*-*	*(2,173)*	*(4,461,892)*
Impairment	*66,483*	*-*	*-*	*66,483*
Eliminated on Disposal	*244,225*	*-*	*-*	*244,225*
At end of year	*(37,102,667)*	*-*	*(87,314)*	*(37,189,980)*
Net Book Value				
At end of year	*123,099,417*	*9,846,418*	*41,021*	*132,986,858*

Development administration costs capitalised amounted to £116,213 (2024: £100,126) for which Social Housing Grants amounting to £nil (2024: £nil) were received in the year.

The loss on sale of property disposals in the year was £4,064 (2024: Loss of £52,751).

The cost of new components & new homes capitalised in the year was £13,113,056 (2024: £20,950,392). Components were disposed with a cost of £375,811 (2024: £365,412) and accumulated depreciation of £230,480 (2024: £224,225) were disposed of in the year.

NOTE 9 – TANGIBLE FIXED ASSETS – PROPERTY, PLANT & EQUIPMENT

TANGIBLE FIXED ASSETS								
Property, Plant & Equipment	Heritable Property	Commercial Property	Office Equipment	Computer Equipment	Non-Housing Work In Progress	Motor Vans	Other Equipment	Total
	£	£	£	£	£	£	£	£
Current Year Cost								
At start of the year	696,343	930,708	94,520	949,899	-	38,950	95,873	2,806,293
Additions during the year	-	-	4,610	128,927	-	-	-	133,537
Transfers in year	(69,684)	-	-	-	-	-	-	(69,684)
Impairment		(78,752)						(78,752)
Disposals	-	-	(1,060)	(1,568)	-	-	(250)	(2,878)
At end of year	626,659	851,956	98,070	1,077,258	-	38,950	95,623	2,788,516
Depreciation								
At start of year	-	(286,982)	(93,140)	(664,200)	-	(28,569)	(95,667)	(1,168,558)
Transfers in year	-	-	-	-	-	-	-	-
Provided in year	-	(22,799)	(633)	(109,381)	-	(2,812)	(190)	(135,815)
Eliminated on Disposal	-	-	1,060	1,568	-	-	250	2,878
At end of year	-	(309,781)	(92,713)	(772,013)	-	(31,381)	(95,607)	(1,301,495)
Net Book Value								
At end of year	626,659	542,175	5,357	305,245	-	7,569	16	1,487,021
Prior Year								
At start of the year	*979,637*	*930,708*	*94,520*	*590,186*	*354,564*	*38,950*	*95,873*	*3,084,438*
Additions during the year	-	-	-	*5,149*	-	-	-	*5,149*
Transfers in year	*(171,531)*	-	-	*354,564*	*(354,564)*	-	-	*(171,531)*
Disposals	*(111,763)*	-	-	-	-	-	-	*(111,763)*
At end of year	*696,343*	*930,708*	*94,520*	*949,899*	-	*38,950*	*95,873*	*2,806,293*
Depreciation								
At start of year	-	*(263,184)*	*(92,733)*	*(538,014)*	-	*(24,713)*	*(95,477)*	*(1,014,121)*
Transfers in year	-	-	-	-	-	-	-	-
Provided in year	-	*(23,798)*	*(407)*	*(126,186)*	-	*(3,856)*	*(190)*	*(154,437)*
Eliminated on Disposal	-	-	-	-	-	-	-	-
At end of year	-	*(286,982)*	*(93,140)*	*(664,200)*	-	*(28,569)*	*(95,667)*	*(1,168,558)*
Net Book Value								
At end of year	*696,343*	*643,726*	*1,380*	*285,700*	-	*10,381*	*206*	*1,637,736*

NOTE 10 – INVESTMENTS

Investments			
		2025	2024
		£	£
Investment in subsidiary undertaking		1	1
Investment in Hebrides Energy CIC		1	1
		2	2
	Activity	*Registered*	*Shareholding*
HHP Community Housing Ltd	Dormant	Scotland	100%
Hebrides Energy	Offer competitive electricity tariffs	Scotland	11.1%

NOTE 11 – TRADE & OTHER RECEIVABLES

Trade and other receivables		
	2025	2024
	£	£
Rental Arrears	209,601	229,181
Less: provision for bad debts	(154,626)	(190,178)
	54,975	39,003
Amounts owed by subsidary undertaking (due within 1 year)	18,905	18,626
Other debtors	496,710	1,166,985
Prepayments and accrued income	691,904	721,787
Other debtors (due in more than 1 year)	144,355	173,364
Total	1,406,849	2,119,765

NOTE 12 – CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

Creditors-Amounts falling due within one year		
	2025	2024
	£	£
Trade payables	299,728	918,925
Contract retentions	170,927	149,665
Accruals and deferred income	1,259,713	1,328,314
Rent in advance	99,636	305,774
HAG creditor	276,891	276,891
RTB Receipts Repayable on demand	-	-
Total	2,106,895	2,979,570

NOTE 13 – CREDITORS – AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Creditors-Amounts falling due after more than one year		
	2025	2024
	£	£
Bank term loans	17,000,000	17,000,000
RTB Receipts due to the Scottish Government	5,365,333	5,365,333
Total	22,365,333	22,365,333
Bank Term loans are secured by specfic charges on the Partnership's properties and are repayable at varying rates of interest.		
The above creditors are due are follows:		
	£	£
Between one and two years	-	-
Between two and five years	-	-
In five years or more	22,365,333	22,365,333
	22,365,333	22,365,333

At the year end the Partnership's outstanding loan balance was £17 Million. A committed facility of £25 Million was available from the Royal Bank of Scotland along with an uncommitted overdraft facility of £0.250 Million. Loan arrangement fees incurred in setting up this facility are included in debtors and are being amortised over the period of the loan. Security has been granted in accordance with the restated loan agreement to the Royal Bank for the period of the lending facility.

NOTE 14 – DEFERRED CAPITAL GRANTS

Deferred Captial Grants	Housing Properties held for letting £	Housing Properties under construction £	Shared Ownership held for letting £	Property Plant & Equipment £	Total £
Current Year Cost					
At start of the year	(65,555,805)	(9,443,674)	(39,139)	(614,505)	(75,653,123)
Additions during the year	(361,742)	(5,056,487)	-	-	(5,418,229)
Disposals during the year	45,411	-	-	-	45,411
Transfers in year	(6,047,263)	6,047,263	-	-	-
Amortised in year	1,997,903	-	2,060	177	2,000,140
At end of year	(69,921,496)	(8,452,898)	(37,079)	(614,328)	(79,025,801)
Amount to be released within one year	(1,963,869)	(84,065)	(2,060)	(177)	(2,050,171)
Amount to be released in more than one year	(67,957,627)	(8,368,833)	(35,019)	(614,151)	(76,975,630)
	(69,921,496)	(8,452,898)	(37,079)	(614,328)	(79,025,801)
Prior Year					
At start of the year	*(56,432,945)*	*(13,972,194)*	*(41,199)*	*(771,543)*	*(71,217,881)*
Additions during the year	*(1,150,768)*	*(5,388,051)*	*-*	*-*	*(6,538,819)*
Disposals during the year	*41,214*	*25,848*	*-*	*-*	*67,062*
Transfers in year	*(9,890,723)*	*9,890,723*	*-*	*156,861*	*156,861*
Amortised in year	*1,877,417*	*-*	*2,060*	*177*	*1,879,654*
At end of year	*(65,555,805)*	*(9,443,674)*	*(39,139)*	*(614,505)*	*(75,653,123)*

NOTE 15 – PROVISIONS FOR LIABILITIES & CHARGES

Pension Fund	2025 £	2024 £
At 1 April 2024	-	-
Created in Year	(1,883,000)	(637,000)
Restriction in Pension Surplus	1,883,000	637,000
Utilised		
At 31 March 2025	-	-

NOTE 16 – SHARE CAPITAL

Share Capital		
	2025 £	2024 £
Shares of £1 each issued and fully paid		
At 1 April 2024	87	224
issued during period	5	13
Surrendered during period	(6)	(150)
At 31 March 2025	86	87

Shares were held by the following Board members during the year:

- Calum Mackay
- Roddy Nicolson
- Gordon Macleod
- Helen Mackenzie
- Alison MacCorquodale
- Fiona Knape
- Norman A Macdonald
- Fiona Macleod
- Thomas Howe
- Gary Lamont
- Valerie Russell
- Colin Gilmour

NOTE 17 – KEY MANAGEMENT EMOLUMENTS

OFFICER'S EMOLUMENTS	2025	2024
	£	£
Senior Officers are defined as the Chief Executive, the Director of Finance & Corporate Services and Director of Operations		
Aggregate emoluments payable to Directors exceeding £60,000 (excluding pension contributions and benefits in kind)	266,997	251,850
Emoluments payable to the highest paid officer (excluding pension contributions)	104,296	98,823
During the period the Directors' emoluments (excluding pension contributions) fell within the following band distributions:		
More than £70,000 but not more than £80,000	-	2
More than £80,000 but not more than £90,000	2	-
More than £90,000 but not more than £100,000	-	1
More than £100,000 but not more than £110,000	1	
Pension contributions	46,577	45,158
The directors are members of the Highland Superannuation Fund and employer's contributions are paid on the same basis as other members of staff.		
Total Expenses reimbursed in so far as not chargeable to UK Income Tax	676	975

NOTE 18 – EMPLOYEE INFORMATION

The average number of persons employed during the year was: 55 at 31 March 2025 the number of employees of the Partnership, including Directors, was: 46 (FTE), (2024 – 46 FTE).

EMPLOYEE INFORMATION	2025	2024
	£	£
Staff costs (for the above persons)		
Wages and Salaries	1,884,122	1,822,632
Social Security costs	195,921	183,290
Employers' pension costs	349,834	266,152
FRS102 Pension Adjustment (Note 22)	81,000	66,000
	2,510,877	2,338,074
Staff costs capitalised	(497,117)	(544,759)
	2,013,760	1,793,316

NOTE 19 – OPERATING SURPLUS

OPERATING SURPLUS		
	2025	**2024**
	£	**£**
Operating surplus is stated after charging:		
Depreciation	5,066,209	4,737,949
Amortised capital grants	(2,000,140)	(1,879,654)
Repairs:cyclical, major, day to day	3,602,103	3,783,909
Auditor's remuneration		
-in their capacity as auditors	16,560	11,904
-in respect of other services	-	-

NOTE 20 – TAXATION

The Partnership is a registered charity and is therefore exempt from Corporation Tax on its charitable activities. No corporation tax was due on the non-charitable activities in the year (2024: nil).

NOTE 21 – CAPITAL COMMITMENTS

CAPITAL COMMITMENTS		
	2025	**2024**
	£	**£**
Capital expenditure which has been contracted for but has not been provided for in the financial statements	7,449,970	13,615,830
Capital expenditure which has been authorised by the Board but is not contracted	41,299,830	40,781,370
	48,749,800	54,397,200
This is to be funded by:		
Funding from the Scottish Government	16,583,000	20,603,000
Private Finance	32,166,800	33,794,200
	48,749,800	54,397,200

NOTE 22 – PENSIONS

The Partnership participates in the Highland Superannuation Fund (HSF) which, as part of the Local Government Pension Scheme is a defined benefit statutory scheme based. From 1 April 2011 the scheme has operated the career average revalued earnings with 1/120th accrual benefit rate. Contributions are charged to the Income and Expenditure Account so as to spread the cost of pension over employees' working lives. These contributions are determined by formal actuarial valuation which takes place every three years, the last valuation was to 31 March 2023. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

During the accounting period, the Partnership paid contributions at a rate of 17.6% of pensionable salaries.

There were 53 active members of the Scheme employed by the Partnership. All new employees join the scheme and have the option to withdrawn after a short period if they so choose.

The fund is administered by Highland Council in accordance with the Local Government Pension Scheme (Scotland) Regulations 1998 as amended.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. As the Scheme is a multi-employer arrangement where the assets are co-mingled for investment purposes, benefits are paid from the total scheme assets, and the contribution rate for all employers is set by reference to the overall financial position of the scheme rather than by reference to individual employer experience. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the scheme as at 31 March 2025. The funding update revealed an increase in the assets of the Scheme to £15.187 million and continues to show a net asset compared to liabilities of approximately £4.890 million. Under FRS102, the net surplus has been restricted as we are unable to recover the surplus through reduced contributions or refunds from the plan.

Since the contribution rates payable to the Scheme have been determined by reference to the last full actuarial valuation the following notes relate to the formal actuarial valuation as at 31 March 2023.

Employer Membership Statistics			
	Number	Total Salaries/Pensions £000's	Average Age
	31-Mar-23	31-Mar-23	31-Mar-23
Actives	53	1717	55
Deferred Pensionsers	34	94	54
Pensioners	21	205	68

Investment Returns

The return on the Fund in market value terms for the period to 31 March 2025 is estimated below based on actual Fund returns as provided by the Administering Authority and index returns where necessary. Details are below:

Actual returns from 1 April 2024 to 31 March 2025	3.70%

Major Categories of Plan Assets as a % of Total Plan Assets

Period Ended	31-Mar-25	31-Mar-24
Equities	54%	69%
Bonds	26%	10%
Property	14%	15%
Cash	6%	6%

Financial Assumptions

Period Ended	31-Mar-25	31-Mar-24
Pension increase Rate	2.75%	2.75%
Salary increase Rate	3.55%	3.55%
Discount Rate	5.80%	4.85%

Historic Mortality

Period Ended	Current Pensioners	Future Pensioners
31-Mar-25	CMI 2022 model, with a 25% weighting of 2022 data, a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a	CMI 2022 model, with a 25% weighting of 2022 data, a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a

Commutation

An allowance is included for future retirements to elect to take 65% of the maximum tax-free cash up to HMRC limits.

Changes in Fair Value of Plan Assets Defined Obligation & Net Liability For The Year Ended 31 March 2025

Period ended 31 March 2025	Assets £000's	Obligations £000's	Net Liability/ Asset £000's
Fair Value of Plan Assets	14,460	-	14,460
Present Value of liabilitites	-	11,429	(11,429)
Present value of unfunded liabilities	-	24	(24)
Opening Position at 31 March 2024	**14,460**	**11,453**	**3,007**
Service Cost	**-**	**432**	**(432)**
Net Interest			
Interest income on plan assets	705	-	**705**
Interest cost on defined benefit obligation	-	561	**(561)**
Total Net interest	705	561	**144**
Total defined benefit cost recoginised in P & L	**705**	**993**	**(288)**
Cashflows			
Plan Participants contributions	127	127	-
Employers contributions	349	-	349
Contributions in respect of unfunded benefits	2	-	2
Benefits paid	(293)	(293)	-
Unfunded benefits paid	(2)	(2)	-
Expected closing position	**15,348**	**12,278**	3,070
Remeasurements			
Changes in demographic assumptions	**-**	(19)	19
Changes in financial assumptions	**-**	(1,868)	1,868
Other experience	**-**	(94)	94
Return on assets excluding amounts in net interest	**(161)**	-	(161)
Total remeasurements recognised in Other Comprehensive Income (OCI)	**(161)**	**(1,981)**	**1,820**
Fair Value of plan assets	**15,187**	-	15,187
Present value of funded liabilities	**-**	10,276	(10,276)
Present value of unfunded liabilities	**-**	21	(21)
Closing position at 31 March 2025	15,187	10,297	4,890

NOTE 23 – PROPERTY STOCK

The number of units of accommodation owned by the Partnership was as follows:

Property Stock

The number of units of accommodation owned by the Partnership was as follows:

	Units in Management		Units under Development	
	2025	2024	2025	2024
Unimproved				
New Build	621	595	51	80
Improved	1,773	1,774	-	-
General Needs Housing	2,394	2,369	51	80
Shared Ownership Accommodation	3	3	-	-
Supported Housing Accommodation	28	15	-	-
Total Housing Stock	2,425	2,387	51	80
Other Property				
Garages	41	42	-	-
Commerical	6	6	-	-
Heritable-Partnership's offices	3	3	-	-
Total Other Property	50	51	-	-

NOTE 24 – REVENUE COMMITMENTS

Operating Leases

	2025	2024
The Partnership had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:	£	£
Within one year	10,093	404
In the second to fifth year inclusive	23,768	-
	33,861	404

NOTE 25 – RELATED PARTY TRANSACTIONS

Board Members

During the period the tenancies held by tenant Board Members were held on normal commercial terms and they are not able to use their position to their advantage.

The Partnership retains a register of Members' interests. There are no interests in related parties requiring to be declared.

Transactions entered into with members and rent arrear balances at 31 March 2025 are as follows:

Rent Charges	£5,058.04

Any transactions with CNES are made an arm's length, on normal commercial terms and the Councillors cannot use their positions to their personal advantage.

HHP Community Housing Ltd

HHP Community Housing Ltd is a wholly owned subsidiary of Hebridean Housing Partnership, a company incorporated in Scotland. All of the directors are Board Members of HHP.

At the year-end HHP Community Housing Ltd owed Hebridean Housing Partnership £18,905 (2024: £18,626) which is included in other debtors Note 11.

NOTE 26 – LEGISLATIVE PROVISIONS

Hebridean Housing Partnership Limited ("HHP" or "The Partnership") is registered under the Co-operative and Community Benefit Societies Act 2014 (previously known as the Industrial and Provident Societies Act 1965) and is a Housing Association registered with Scottish Housing Regulator (previously Communities Scotland) under the Housing (Scotland) Act 2010. HHP has charitable status and is registered with OSCR.

Registered Number: SC379412 (Scotland)

HHP COMMUNITY HOUSING LIMITED

REPORT OF THE DIRECTORS AND

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD 1 APRIL 2024 TO 31 MARCH 2025

HHP COMMUNITY HOUSING LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 APRIL 2024 TO 31 MARCH 2025

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Company Information	1
Report of the Directors	2
Financial Statements	4
Notes to the Financial Statements	7

DIRECTORS:	C Mackay Iain Gordon Macleod Fiona Macleod
SECRETARY:	C Mackay
REGISTERED OFFICE:	Gleann Seileach Business Park Willowglen Road Stornoway Isle of Lewis HS1 2QP
REGISTERED NUMBER:	SC379412 (Scotland)

The Directors present their report with the financial statements of the Company for the period 1 April 2024 to 31 March 2025.

PRINCIPAL ACTIVITY

During the financial year the Company has not traded and has received no income and the only expenditure incurred is with respect to subsidiary loan interest payable.

INCORPORATION

The Company was incorporated on 1 June 2010.

DIRECTORS

The Directors who have held office during the year from 1 April 2024 to the date of this report are as follows:

Directors	Changes during the year	
	Appointed	Resigned
Calum Mackay	13 Sep 2012	
Iain Gordon Macleod	23 Jun 2020	
Fiona Macleod	22 Apr 2024	

All Directors who are eligible offer themselves for election at the forthcoming Annual General Meeting.

STATEMENT OF DIRECTORS

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial positions of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

ON BEHALF OF THE BOARD

Director:

13 June 2025

INCOME & EXPENDITURE ACCOUNT

	Notes	31 March 2025 £	31 March 2024 £
Turnover		-	-
Operating Costs		-	-
Operating Surplus		-	-
Surplus on sale of fixed assets			
-housing properties		-	-
-other assets		-	-
Interest receivable and other income		-	-
Interest payable and other charges		(279)	(275)
Loss on ordinary activities, before transfer to Reserves		(279)	(275)
Tax on surplus on ordinary activities		-	-
Deficit for the Year		(279)	(275)
Revenue Reserve at 1 April 2024		(18,626)	(18,350)
Revenue Reserve at 31 March 2025		(18,905)	(18,626)

BALANCE SHEET

	Notes	31 March 2025 £	31 March 2024 £
Current Assets			
Cash at bank and in hand		1	1
		1	1
Creditors: amounts falling due within one year	2	(18,905)	(18,626)
Net current assets		(18,904)	(18,625)
Total assets less current liabilities		(18,904)	(18,625)
Capital and Reserves			
Called up Share Capital	3	1	1
Revenue Reserve	4	(18,905)	(18,626)
SHAREHOLDERS FUNDS		(18,904)	(18,625)

AUDIT EXEMPTION STATEMENT

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 March 2025 relating to small companies.

The Members have not required the Company to obtain an audit of its financial statements for the period ended 31 March 2024 in accordance with Section 476 of the Companies Act 2006

For the financial year ended 31 March 2025 the Company was entitled to exemption from audit under Section 480 Companies Act 2006 relating to dormant companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with Section 476 of the Companies Act 2006; and
- The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board and authorised for issue on 24 June 2025

Director

Company Registration No: SC379412

The notes form part of these financial statements.

1. ACCOUNTING POLICIES

Accounting Convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the
Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company.
Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention.

2. CREDITORS: Amounts falling due within one year

	2025	2024
	£	£
Intercompany Creditor	**18,905**	**18,625**

3. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal Value	2025	2024
			£	£
1	Ordinary	£1	**1**	**1**

1 Ordinary share of £1 was allotted and fully paid for cash at par during the period

4. REVENUE RESERVE

	2025	2024
	£	£
Accumulated surplus at 1 April 2024	**(18,626)**	**(18,350)**
Loss for the year	**(279)**	**(275)**
Accumulated surplus at 31 March 2025	**(18,905)**	**(18,625)**

BUDGETARY PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2025

Board 24 June 2025

Report by Director of Finance & Corporate Services

Purpose of Report

1.1 To present a report on the performance against budget, for the year ended 31 March 2025, including an overview of Board Members' expenses and consultancy spend for the year as per Appendix 1.

Summary

2.1 An operating surplus of £1.4m was the approved budget for 2024/25. The final out-turn was £1.3m higher with an operating surplus of £2.7m. Further detail on the increased operating surplus can be found in the table at paragraph 6.1 of this report.

2.2 Appendix 1 provides an overview of performance for the year when compared to budget.

2.3 The covenant compliance calculation for the year is at Appendix 2 and confirms we have complied with all covenants for the year ended 31 March 2025.

Competence

3.1 The legal, financial or other constraints to any recommendation in this report are detailed at paragraph 6.1.

Recommendations

4.1 It is recommended that the Board:

a) note the performance against budget for the year ended 31 March 2025 as at Appendix 1;

b) note the Financial Covenant for 2024/25 as at Appendix 2; and

c) approve a recommendation to the AGM that £5,000, or another sum, of the surplus be donated to local charities during 2025/26.

APPENDIX 1:	Budgetary Performance for 2024/25	
APPENDIX 2:	Financial Covenant 2024/25	
Background Papers:	Corporate Sponsorship 17 March 2012	
Writer of Report:	Donald Macleod	Tel: 0300 123 0773

James Morrison 13-May-25

Report Details

5.1 Actual performance has been reviewed against budget and the report at Appendix 1 provides explanations for material variances against approved budgets. The table below outlines how the operating surplus has increased when compared to the original surplus approved by Board:

	(£m)
Initial Board approved Surplus	**£1.402**
Changes in Income - Improved Bad Debts/ Voids & Grants	£0.414
Changes in Operating Expenditure	£0.096
Interest Received - Additional Monies on Deposit	£0.112
Interest Paid - No Drawdown needed in the year coupled with improved interest rates	£0.392
Total Net Interest on Pension	£0.144
Depreciation - Accelerated depreciation on component disposals	(£0.222)
Grant Amortisation	£0.412
Actual Surplus at 31 March 2025	**£2.750**

5.2 The budgeted operating surplus was increased to £2.03M and our investment programme was increased by £327K due to savings on interest payable. The final operating surplus was £0.72M higher at £2.75M. Appendix 1 provides further detail on budgetary performance.

5.3 It is proposed that a recommendation be placed before the Membership of the 2025 AGM for £5,000.

6.1 Compliance Checklist

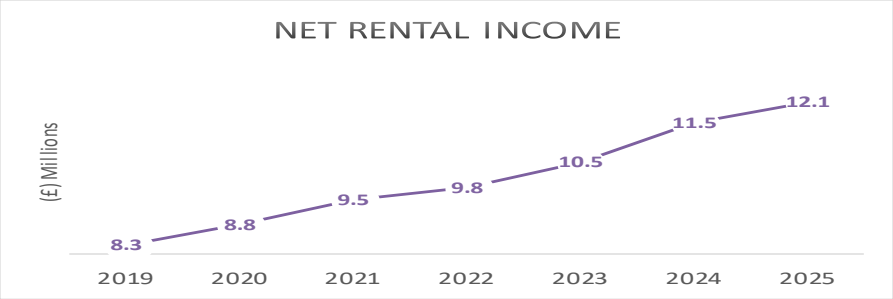
COMPLIANCE CHECKLIST	
Financial	The Report deals with how the financial resources of the Partnership have been utilised.
Legal	The following Partnership rules are applicable: Rule 79.1 The Partnership must not distribute its surpluses to Members. Rule 79.2 The Board shall set and review periodically its policy for the donation of funds to charities. Such donations must further the objects of the Partnership and the Board shall report to the Members on such donations. The following Standing Orders are applicable: Part 2 – 2.1a) Approval and Amendment of Strategy, Business Plans and Budgets, including virements to or from a budget head to the value as defined in the Financial Regulations.
Regulatory	The Regulatory Standards Checklist has been completed and there is nothing in this report which would breach these standards.
Risk	The budgets approved by the Board ensure that the Financial Covenants for the year will be achieved. Failure to contain spend within approved budgets could result in the Financial Covenant not being achieved with the corresponding penalties being applied by the Funder which could have a significant impact on our finances. The Financial Covenant for 2024/25 was an Interest Cover Covenant of 110% and a Gearing covenant of 30%. Appendix 2 shows the covenant position at 31 March 2025 being met with an interest cover of 536% and gearing of 10%.
ESG	There is no ESG impact arising from the consideration of this report.
Equalities	We are committed to promoting equality, diversity and inclusion. There are no equalities implications arising from the approval of this report.
Communication	There are no communications required following the consideration of this report.

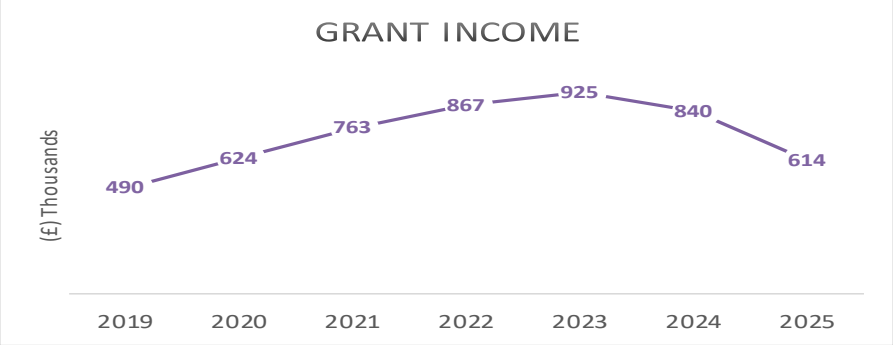
Appendix 1 – I&E Summary

Line		CURRENT YEAR BUDGET Initial Budget £	Revised Budget £	ACTUAL to 31-Mar-25 £	BUDGET VARIANCE Budget to date £	Budget to date %
1	Dwelling rents (net)	11,658,470	11,816,623	12,086,795	270,172	2%
2	Non Dwelling rents (net)	18,630	18,630	18,290	(340)	-2%
3	Profit/(Loss) on Disposal of Assets	-	-	(66,939)	(66,939)	100%
4	Grant Funding	610,000	594,280	614,453	20,173	3%
5	Other Income	205,500	209,280	209,079	(201)	0%
6	**TOTAL INCOME**	12,492,600	12,638,813	12,861,678	222,865	2%
7	Supervision & Management	3,165,000	3,294,086	2,981,555	312,531	9%
8	Response Repairs	2,008,820	2,149,758	2,161,492	(11,734)	-1%
9	Estate Works	139,300	139,300	134,714	4,586	3%
10	Planned/Cyclical Maintenance	1,431,080	1,423,871	1,370,111	53,759	4%
11	**Total Operating Expenditure**	6,744,200	7,007,015	6,647,872	359,143	5%
12	Operating Surplus/(Deficit)	5,748,400	5,631,798	6,213,806	582,008	10%
13	Interest received	90,750	189,525	202,455	12,930	7%
14	Interest paid	1,136,000	756,000	600,260	155,740	21%
15	Surplus/(Deficit)	4,703,150	5,065,323	5,816,001	750,678	15%
16	Depreciation	4,889,700	4,944,700	5,066,209	(121,509)	-2%
17	Grant Amortisation	(1,588,610)	(1,908,610)	(2,000,140)	91,530	-5%
18	Surplus/(Deficit)	1,402,060	2,029,233	2,749,932	720,699	36%
	CAPITAL INVESTMENT					
19	OT Aids & Adaptations	120,000	115,280	124,430	(9,150)	-8%
20	Housing Investment Programme	3,530,200	3,857,034	3,760,759	96,275	2%
21	Non Housing Investment	9,040	140,480	128,954	11,526	8%
22	Development Programme	2,047,200	1,960,676	1,969,967	(9,291)	0%
23	Total	5,706,440	6,073,470	5,984,110	89,360	1%

Appendix 1 – Income

Line		2020/21 ACTUAL £	2021/22 ACTUAL £	2022/23 Actual £	2023/24 Actual £	2024/25 Actual £	2024/25 BUDGET £	VARIANCE £
1	Net Rental Income	(9,479,361)	(9,785,232)	(10,477,681)	(11,526,366)	(12,105,084)	(11,835,253)	269,831
2	Grants	(763,072)	(866,639)	(925,019)	(839,599)	(614,453)	(594,280)	20,173
3	Grant Amortisation	(1,382,934)	(1,462,709)	(1,612,107)	(1,871,758)	(2,000,140)	(1,908,610)	91,530
4	(Profit)/Loss on Disposal of Assets	206,411	248,435	1,499,632	44,703	66,939	-	(66,939)
5	Other Income	(2,085,220)	(2,406,477)	(2,404,066)	(169,181)	(209,079)	(209,280)	(201)
6	Interest Received	(5,438)	(2,381)	(16,650)	(187,360)	(202,455)	(189,525)	12,930
7	**Total Income**	**(11,489,114)**	**(14,275,003)**	**(13,935,892)**	**(14,549,561)**	**(15,064,274)**	**(14,736,948)**	**327,325**





Net Rental Income **(better than budget by 2.3%)**

- Void Loss was better than budget by £77K as void relet times have reduced by 6.99% with the remainder coming from Bad debts being significantly lower than budget due to a reduction in the level of provision required on arrears and sundry debtors.

Grants **(better than budget by £20K)**

- RHI receipts were better than anticipated due to inflationary increases and the timing of payments received.

Grant Amortisation **(better than budget by £92K)**

- An additional 41 units completed throughout the year, resulting in additional Amortisation recognised.

Loss/(Profit) on Disposal of Assets **(£67K over budget)**

- Impairment of Balivanich Office in anticipation of sale in 25/26, offset by impairment gain from previously impaired infra-red heating systems.

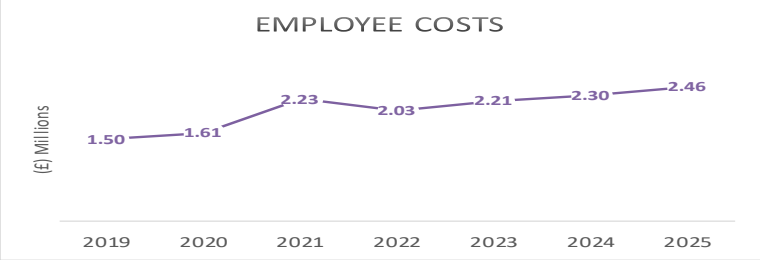
Interest Received **(better than budget by £13K)**

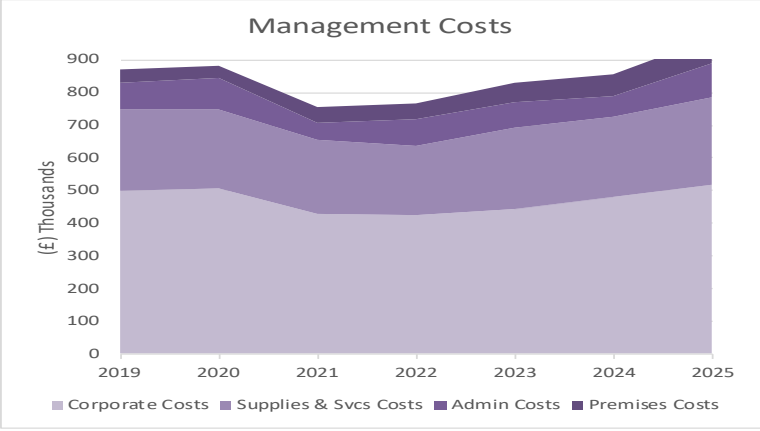
- Additional monies placed on deposit at the end of the year.

Appendix 1 – Management Costs

Line		2020/21 ACTUAL £	2021/22 ACTUAL £	2022/23 Actual £	2023/24 Actual £	2024/25 Actual £	2024/25 BUDGET £	VARIANCE £
1	Employee Costs	2,233,197	2,029,322	2,205,017	2,301,770	2,456,407	2,646,261	189,854
2	Pension Adjustment	-	561,000	510,000	-	81,000	65,000	(16,000)
3	Premises Costs	46,299	47,466	60,836	67,256	80,076	81,005	929
4	Supplies and Services	226,479	211,542	250,922	242,786	270,050	287,781	17,731
5	Administration Costs	53,976	84,812	77,619	63,866	101,934	142,545	40,611
6	Corporate Expenses	428,523	423,663	441,856	481,502	516,191	540,382	24,191
7	**Total Management Costs**	**2,988,474**	**3,357,805**	**3,546,251**	**3,223,181**	**3,505,659**	**3,762,974**	**257,315**

**Pension Adjustment is based on actuarial valuation provided at year end*





Employee Costs incl Pensions **(better than budget by £174K)**

- £167K underspend on Salaries and associated costs (NI & Pensions) due to vacant posts throughout the year with the pension adjustment being £16K overbudget
- £12K underspend on Travel & Subsistence due to remote meetings driving costs down
- Other Costs were underspent by £11K mainly as a result of minimal additional mobile charges and Professional Fees

Supplies and Services **(better than budget by £18K)**

- Savings were made on Software Licences in addition to annual Faire costs being less than provisioned for (£18K)

Administration Costs **(better than budget by £41K)**

- Community Support was £15K under budget due to low uptake of community grants throughout the year in addition to no tenant training being delivered
- Training Courses were £16K under budget due to the majority of training being delivered remotely at a reduced cost in addition to minimal spend on occupational health services (£4K) and reduced publication costs (£4K)

Corporate Expenses **(better than budget by £24K)**

- Consultancy Spend and Corporate Legal Fees was £10K less than budget with minimal legal work required throughout the year
- Remote board meetings and training resulted in savings of £6K on Governance and minimal expenditure on hospitality and publicity resulted in £6K underspend on PR/Marketing

Appendix 1 – Response Repairs & Planned Maintenance

Line		2020/21 ACTUAL £	2021/22 ACTUAL £	2022/23 Actual £	2023/24 Actual £	2024/25 Actual £	2024/25 BUDGET £	VARIANCE £
1	General Repairs	1,495,856	1,675,204	1,781,901	1,876,760	1,895,214	1,893,038	(2,176)
2	Specific Repairs	42,143	60,080	78,223	53,231	46,084	48,494	2,410
3	Rechargeable Repairs	10,552	1,356	(4,661)	33,676	30,988	18,490	(12,498)
4	Insurance Repairs	64,273	133,438	84,423	153,439	146,680	134,566	(12,114)
5	Non Dwelling Repairs	22,212	19,311	62,957	51,335	42,525	55,170	12,645
6	**Total Response Repairs**	**1,635,035**	**1,889,388**	**2,002,842**	**2,168,442**	**2,161,492**	**2,149,758**	**(11,734)**
7	Planned Maintenance	889,028	793,832	952,317	1,125,845	1,370,111	1,423,871	53,759
8	Estate Works	65,930	140,339	93,115	123,642	134,714	139,300	4,586
9	**Total Planned Maintenance**	**954,958**	**934,171**	**1,045,432**	**1,249,488**	**1,504,826**	**1,563,171**	**58,345**

General Repairs (£2K over budget)

- Whilst Responsive Repairs has come in £21K under budget, Void Repairs came in £27K over budgeted spend. A small number of properties needing considerable work completed to bring them up to a lettable standard has resulted in this overspend. There was a £4K underspend on Handyperson costs with Diesel costs and materials being underbudget

Specific Repairs (under budget by £2K)

- Mainly driven by an under spend on Decoration Allowances due to a delay in roofing works

Rechargeable Repairs (£12K over budget)

- £12K overbudget as recharge invoices were raised post year end (unable to trace debtor at end of Financial Year) which have now been raised. One debtor resulted in a £21K recharge invoice

Insurance repairs (£12K over budget)

- A large volume of repairs were related to roof repairs under the excess threshold after various weather events at the beginning of the year. There were two insurance events throughout the year that were able to be claimed through our insurer

Planned Maintenance (£54K better than budget)

- Chimney works that were planned for 24/25 were not completed this year

Appendix 1 – Capital Investment

Line		2020/21 ACTUAL £	2021/22 ACTUAL £	2022/23 Actual £	2023/24 Actual £	2024/25 Actual £	2024/25 BUDGET £	VARIANCE £
1	Investment Programme	2,545,443	4,284,001	3,968,862	4,125,957	3,885,189	3,972,314	87,125
2	Development Programme	951,903	8,995,105	3,031,642	359,447	1,969,967	1,960,676	(9,291)
3	Non Housing Investment	40,141	266,021	142,778	5,847	128,954	140,480	11,526
4	**Total Capital Investment**	**3,537,487**	**13,545,128**	**7,143,283**	**4,491,251**	**5,984,110**	**6,073,470**	**89,361**

Investment Programme (Underspend of £87K)

- Roof works at Cearn Sheileidh were not completed at year end due to delays in getting materials on site and poor weather in March

Development Programme (Overspend of 9K)

- The overspend on development is principally driven by increased valuations at year end for Blackwater and Leverburgh

CONSULTANCY SPEND 2024/25							
Area	**Consultant**	**Cost (£)**	**Budget (£)**	**Responsible Officer**	**Scope of Works**	**Summary of Performance**	**Value for Money (Y/N)**
Consultants Funders Valuation	Jones Lang LaSalle	22,560	22,560	Donald Macleod	Valuation report on 2,335 units	Report submitted to our funder in accordance with the requirements of our Facility Agreement.	Y
Consultants General	Glenbrex Ltd	2,496	2,496	Dena Macleod	Board skills audit	Work completed on time. Met with Board to provide feedback and an action plan	Y
Consultants General	Jones Lang LaSalle	2,808	2,808	Donald Macleod	Lady Matheson Count RCA Proposal	Report produced in accordance with the requirements of our insurer to provide a reinstatement calculation for the Grade B listed building.	Y
Consultants General	Kirsty Innes	16,650	16,650	Dena Macleod	Scoping, planning, & mobilisation of culture audit.	Provided an insight into our culture and a platform to build from particularly around changing culture	Y
VAT Consultants	Azets	1,140	1,140	Donald Macleod	VAT advice and assistance in relation to Goathill project reimbursement query	Ad Hoc VAT Advice to ensure compliance with VAT regulations	Y
VAT Consultants	Azets	996	996	Donald Macleod	VAT advice and assistance in relation to LIFT & SSEN	Ad Hoc VAT Advice to ensure compliance with VAT regulations	Y
***The above spend does not include consultants employed through the course of the development programme**							

BOARD MEMBER EXPENSES 2024/25

1.1 Expenses are claimed at the end of every calendar month using the approved Claim Form with all necessary receipts attached.

1.2 All Claim Forms are checked and approved for payment by the Governance Officer and payment made within 10 working days.

1.3 The chart overleaf details the areas of expenditure incurred during the year against budget.

1.4 There has been an overall underspend of 27% on the total budget allocated to Board Members.

1.5 Reasons for underspend are:

a) the majority of Boards meetings are now held remotely, with only 2 in-person meetings each year which has led to a reduction in travel costs:

Target Attendance	85%
Actual for 2024/25	70%
Actual for 2023/24	71%
Actual for 2022/23	72%
Actual for 2021/22	71%
Actual for 2020/21	86%
Actual for 2019/20	79%

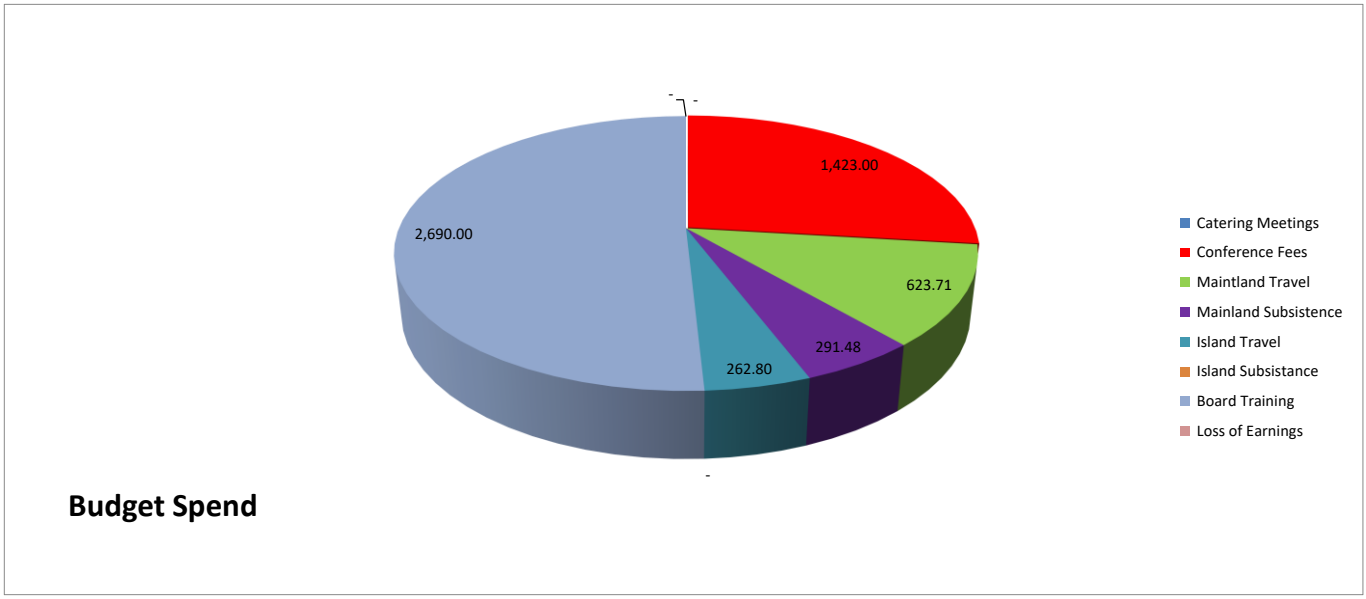
b) The Board training session and skills assessment were held remotely. Therefore, this ensured no expenses were incurred for travel and subsistence.

Target Attendance	85%
Actual for 2024/25	40%
Actual for 2023/24	70%
Actual for 2022/23	67%
Actual for 2021/22	30%
Actual for 2020/21	57%
Actual for 2019/20	47%

1.6 There was 1 external Board training session held throughout the year and Board Members attended 2 conferences in 2024/25.

1.7 Board Members undertook an independent Board Skills Assessment in 2024/25 which all Board Members participated in.

BOARD MEMBERS' EXPENSES



	Catering Meetings	Conference Fees	Maintland Travel	Mainland Subsistence	Island Travel	Island Subsistance	Board Training	Loss of Earnings	Total
Gordon Macleod	-	628.00	305.13	-	262.80	-	-	-	1,195.93
Calum Mackay	-	-	-	-	-	-	-	-	-
Helen Mackenzie	-	-	-	-	-	-	-	-	-
Gary Lamont		265.00	174.98	171.48					611.46
Iain M Macleod	-				-	-	-	-	
Norman A Macdonald	-	-	-	-	-	-	-	-	-
Alison MaCorquodale	-	-	-	-	-	-	-	-	-
Valerie Russell									
Colin Gilmour									
Duncan Macinnes									
Fiona Macleod		530.00	143.60	120.00					793.60
Board Catering	-	-	-	-	-	-	-	-	-
Board General	-	-	-	-	-	-	2,690.00	-	2,690.00
Totals	**-**	**1,423.00**	**623.71**	**291.48**	**262.80**	**-**	**2,690.00**	**-**	**5,290.99**

Budget Allocation fo 2024/25 **£7,254.00**

Board & Area Committee Members Budget Allowance Underspend **27%**

APPENDIX 2

Line	Detail	YTD
1	Adjusted Operating Surplus	£ 3,343,843
2	Add back Depreciation	£ 4,792,501
3	Deduct Capitalised Investment (inc OT)	(£ 4,005,071)
4	Deduct Amortisation	(£ 2,000,140)
5	Adjusted Operating Surplus	£ 2,131,133
6	Interest Payable	£ 600,260
7	Interest Receivable	£ 202,455
8	Net Interest Payable	£ 397,805
9	Covenant for 24/25	110%
10	Adjusted Operating Surplus as percentage of Net interest Payable	536%
11	Headroom	£ 1,693,547
12	Historic Cost of Properties	£ 173,067,664
13	Financial Indebtedness	£ 17,000,000
14	Gearing Covenant for 24/25	30%
15	Gearing	10%

SHR RETURNS 2024/25

Board 24 June 2025

Report by Director of Finance & Corporate Services

Purpose of Report

1.1 To present the Loan Portfolio return (2024/25) required by the Scottish Housing Regulator (SHR) for consideration and approval.

Summary

2.1 The SHR require RSLs to submit three returns on an annual basis. The Loan Portfolio Return (Appendix1), the Audited Financial Statements and the five year financial plans which were approved by Board in May 2025 and has subsequently been submitted to regulator.

2.2 The SHR has not yet opened the Audited Financial Statements return on the portal but this return will be filed as per the Audited Financial Statements at Board Item 6.1.

2.3 The Annual Loan Portfolio has been updated to record the final covenant position for the year, an update to the number of housing units owned and to record the updated value of the stock for which the bank hold security. Following the funders valuation conducted in June 2024 the value of stock, secured against our borrowing, increased to £55.76M from £47.715M in 2021.

Competence

3.1 The competence issues relating to this report are at section 5.1 of the report.

Recommendations

4.1 It is recommended that the Board approve for submission to the Scottish Housing Regulator:

a) the Loan Portfolio Return for 2024/25 as at Appendix 1; and
b) the submission of the Audited Financial Statements as at Board agenda item 6.1 once the Regulator has opened the portal for submissions.

APPENDIX1:	Loan Portfolio Return 2024/25	
Background Papers:	None	
Writer of Report:	Donald Macleod	Tel: 0300 123 0773

Donald Macleod 05-Jun-25

5.1 Compliance checklist

COMPLIANCE CHECKLIST	
Financial	The Loan Portfolio Return reflects the level of debt drawn at 31 March 2025 (£17M) along with an overview of the make-up of the borrowing facility held with the Royal Bank of Scotland (£25M).
Legal	The Partnership's Rule 69 states that "The Partnership must keep proper books of account to cover its income, expenditure transactions and its assets, liabilities and reserves in line with sections 75 and 76 of the Co-operative and Community Benefit Societies Act 2014. It must also set up and maintain a suitable system for controlling its books of accounts, its cash and its receipts and invoices". The Board has ultimate responsibility for the Partnership's finances and in accordance with the Financial Regulations the Board has the responsibility to approve the five year plans.
Regulatory	The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.
Risk	The setting of realistic budgets with robust assumptions reduces the risk of financial loss and failure as highlighted in the Risk Register.
ESG	There is no ESG impact arising from the consideration of this report.
Equalities	We are committed to promoting equality, diversity and inclusion. There are no equalities implications arising from the approval of this report.
Communication	The AFS and Audited Financial Statements will be submitted to the regulator upon approval of this report and the opening of the relevant return on the portal.

APPENDIX 1

Loan Portfolio Annual Return 2024-2025

Scottish Housing Regulator

Landlord name:	Hebridean Housing Partnership Ltd
RSL Reg. No.:	359
Report generated date:	05/06/2025 14:50:49

Approval	
Date approved:	N/A
Approver:	N/A
Approver job title	N/A

Submission		
Nil return		No
Date of Return		31/03/2025
Accounting year-end		March
Number of housing units owned by RSL		2,387
Number of housing units used for Security		2,211
Unencumbered housing units		176
What Percentage of unencumbered housing units has a Positive value?		100.00%
Does a Lender have a floating charge over the company assets?		No
Loan Debt Outstanding	Less than 1 year	0.0
	Between 1 and 2 years	0.0
	Beyond 2 years and up to 5 years	0.0
	Greater than 5 years	17,000.0
	Total	17,000.0
Total value of interest payable for the Financial Year		744.3
Submission Comments		
N/A		

System Use: Version No.: lp_9_1 Date created: 09/12/2024 16:07

Covenants for Loans

Covenant Sequence Number	Type of Covenant applied	How is this Covenant calculated?	Required levels	Frequency of reporting to lender	Date of last report to lender	Actual levels achieved at that date
1	Interest Cover	Annual Cashflow Deficit Covenant In respect of each Financial Year specified in Part A where the ratio in column 2(total interest paid divided by net operating cashflow except in years where there is a deficit) is less than zero, the Annual Cashflow Deficit for that Financial Year shall not be a greater negative figure than that set out in Part A of Schedule 5, as amended each year by the Lender in line with the agreed Business Plan. Net Operating Cashflow Covenant In respect of each Financial Year specified in Part B where the ratio in column 2 is equal to or greater than zero, the ratio of Net Operating Cashflow to Total Interest for that period shall not be less than the ratio setout in Part B of Schedule 5, as amended each year by the Lender in line with the agreed Business Plan. Part A 31March2019 3,450,000 31March2020 5,434,000 31March2021 8,053,000 31March2022 2,551,000 31March2033 402,000 Part B 31March2023 1.27 31March2024 1.51 31March2025 1.81 31March2026 4.49 31March2027 4.28 31March2028 2.92 31March2029 3.41 31March2030 2.52 31March2031 3.89 31March2032 3.98	Cashflow deficit of £8.053m for 2020/21	Annually	31/03/2021	Cashflow Surplus of £0.22M

Covenant Sequence Number	Type of Covenant applied	How is this Covenant calculated?	Required levels	Frequency of reporting to lender	Date of last report to lender	Actual levels achieved at that date
		31March2034 3.90 31March2035 5.93 31March2036 18.99 31March2037 0.00 31March2038 0.00 31March2039 0.00 31March2040 0.00 31March2041 0.00 31March2042 0.00				
3	Interest Cover	Interest Cover Covenant - The Borrower shall procure that Adjusted Operating Surplus in respect of each Financial Year expressed as a percentage of Net Interest Payable in respect of such Financial Year shall not be less than one hundred and ten per cent (110%). "Adjusted Operating Surplus" to be calculated in accordance with the applicable SORP and adjusted as follows:- - adding back amounts charged for depreciation in respect of housing properties; - adding the profit/loss in respect of sales of housing properties sold in the ordinary course of its activities; - deduct 100% of capitalised component replacement costs and capitalised major repair costs; - deducting pension deficit contributions payable, Gearing Covenant - The Borrower shall procure that at all times Total Financial Indebtedness expressed as a percentage of Historic Cost of Properties will not exceed thirty per cent (30%).	Minimum Interest Cover 110% & Maximum Gearing = 30%	Annually	31/03/2025	Gearing = 10% / Interest Cover = 393%

Facilities

Facility Reference Number	Name of Lender	New Facility?	Charge holder	Security Trustee in place?	Start Date	End Date	Total Facility (£'000s)	Reason for Total Facility Change	Balance of Facility Outstanding (£'000s)	Facility Undrawn (£'000s)	Next five years?	Undrawn Facility for?	Details
HHPRBS2164	Royal Bank of Scotland plc	No		No	02/07/2021	31/03/2041	5,000.0		5,000.0	0.0			
HHPRBS2165	Royal Bank of Scotland plc	No		No	02/07/2021	31/03/2046	12,000.0		12,000.0	0.0			
HHPRBS2166	Royal Bank of Scotland plc	No		No	02/07/2021	31/03/2031	8,000.0		0.0	8,000.0	Yes	Working Capital	
Totals							25,000.0		17,000.0	8,000.0			

Facilities

Facility Reference Number	Name of Lender	Funds Committed?	Fees - Arrangement	Fees - Non-utilisation	Fees - Other	Fees - Details	All lenders within this syndicate	Linked to ESG Credentials?	Facility Comments
HHPRBS2164	Royal Bank of Scotland plc		Yes	No	No			No	RBS Refinancing 2021 (£10M increased facility from £15M to £25M)
HHPRBS2165	Royal Bank of Scotland plc		Yes	Yes	No			No	
HHPRBS2166	Royal Bank of Scotland plc	No	Yes	Yes	No			No	

Loans

Facility Reference Number	Loan Reference Number	Loan Type	Purpose of Loan	Loan Purpose Details	Total Loan Amt (£'000s)	Balance O/S (£'000s)	Repmnt Terms	Ref Int Rate	Margin Over Ref Int Rate (%)	'All in' Fixed Rate (%)	First Cap Repmnt Date	Final Cap Repmnt Date	First Int Pmnt Date	Interest is being
HHPRBS2164	RBSFIXED1045	Fixed Rate Loan	Refinancing		3,500.0	3,500.0	Interest only followed by structured capital repayments	Fixed Rate Percentage		6.6250%	30/06/2036	31/03/2041	18/10/2021	Paid
HHPRBS2164	RBSVAR1046	Variable Rate Loan	Refinancing		1,500.0	1,500.0	Interest only followed by structured capital repayments	SONIA	1.4000%		30/06/2036	31/03/2041	31/12/2021	Paid
HHPRBS2164 Total					5,000.0	5,000.0								
HHPRBS2165	RBSFIXED1047	Fixed Rate Loan	Refinancing		5,000.0	5,000.0	Interest only followed by structured capital repayments	Fixed Rate Percentage		2.8230%	30/06/2031	31/03/2046	31/03/2022	Paid
HHPRBS2165	RBSFIXED1049	Fixed Rate Loan	Affordable Housing Development		3,000.0	3,000.0	Interest only followed by structured capital repayments	Fixed Rate Percentage		2.8230%	30/06/2031	31/03/2046	30/09/2022	Paid
HHPRBS2165	RBSFIXED1050	Fixed Rate Loan	Affordable Housing Development		4,000.0	4,000.0	Interest only followed by structured capital repayments	Fixed Rate Percentage		2.8230%	30/06/2031	31/03/2046	31/12/2022	Paid
HHPRBS2165 Total					12,000.0	12,000.0								
Totals					17,000.0	17,000.0								

Loans

Facility Reference Number	Loan Reference Number	New Loan?	Loan to be repaid?	Start Date	Fin cap Rep Date Ind	Current deal expiry date	Forward fixes neg with Lender?	Fees - Arrangement	Fees - Non-utilisation	Fees - Other	Fees - Details	Percentage of Security provided by Social Housing assets (%)	Value of Security provided by Social Housing units (£'000s)	Basis of valuation	Date of valuation	Loan not linked to Covenant	Loan Comments
HHPRBS2164	RBSFIXED1045	No	No	02/07/2021	Yes			Yes	No	No		100.00%	55,760.0	EUV-SH without sales	28/06/2024		
HHPRBS2164	RBSVAR1046	No	No	02/07/2021	Yes			Yes	No	No		100.00%	55,760.0	EUV-SH without sales	28/06/2024		
HHPRBS2165	RBSFIXED1047	No	No	31/12/2021	Yes			Yes	Yes	No		100.00%	55,760.0	EUV-SH without sales	28/06/2024		
HHPRBS2165	RBSFIXED1049	No	No	30/06/2022	Yes			Yes	Yes	No		100.00%	55,760.0	EUV-SH without sales	28/06/2024		
HHPRBS2165	RBSFIXED1050	No	No	30/09/2022	Yes			Yes	Yes	No		100.00%	55,760.0	EUV-SH without sales	28/06/2024		

Loans Covenants

Facility Reference Number	Loan Reference Number	Covenant Sequence Number	Type of Covenant applied	How is this Covenant calculated?	Required levels	Frequency of reporting to lender	Actual levels achieved at that date
HHPRBS2164	RBSFIXED1045	3	Interest Cover	Interest Cover Covenant - The Borrower shall procure that Adjusted Operating Surplus in respect of each Financial Year expressed as a percentage of Net Interest Payable in respect of such Financial Year shall not be less than one hundred and ten per cent (110%). "Adjusted Operating Surplus" to be calculated in accordance with the applicable SORP and adjusted as follows:- - adding back amounts charged for depreciation in respect of housing properties; - adding the profit/loss in respect of sales of housing properties sold in the ordinary course of its activities; - deduct 100% of capitalised component replacement costs and capitalised major repair costs; - deducting pension deficit contributions payable, Gearing Covenant - The Borrower shall procure that at all times Total Financial Indebtedness expressed as a percentage of Historic Cost of Properties will not exceed thirty per cent (30%).	Minimum Interest Cover 110% & Maximum Gearing = 30%	Annually	Gearing = 10% / Interest Cover = 393%
HHPRBS2164	RBSVAR1046	3	Interest Cover	Interest Cover Covenant - The Borrower shall procure that Adjusted Operating Surplus in respect of each Financial Year expressed as a percentage of Net Interest Payable in respect of such Financial Year shall not be less than one hundred and ten per cent (110%). "Adjusted Operating Surplus" to be calculated in accordance with the applicable SORP and adjusted as follows:- - adding back amounts charged for depreciation in respect of housing properties; - adding the profit/loss in respect of sales of housing properties sold in the ordinary course of its activities; - deduct 100% of capitalised component replacement costs and capitalised major repair costs;	Minimum Interest Cover 110% & Maximum Gearing = 30%	Annually	Gearing = 10% / Interest Cover = 393%

Facility Reference Number	Loan Reference Number	Covenant Sequence Number	Type of Covenant applied	How is this Covenant calculated?	Required levels	Frequency of reporting to lender	Actual levels achieved at that date
				- deducting pension deficit contributions payable, Gearing Covenant - The Borrower shall procure that at all times Total Financial Indebtedness expressed as a percentage of Historic Cost of Properties will not exceed thirty per cent (30%).			
HHPRBS2165	RBSFIXED1047	3	Interest Cover	Interest Cover Covenant - The Borrower shall procure that Adjusted Operating Surplus in respect of each Financial Year expressed as a percentage of Net Interest Payable in respect of such Financial Year shall not be less than one hundred and ten per cent (110%). "Adjusted Operating Surplus" to be calculated in accordance with the applicable SORP and adjusted as follows:- - adding back amounts charged for depreciation in respect of housing properties; - adding the profit/loss in respect of sales of housing properties sold in the ordinary course of its activities; - deduct 100% of capitalised component replacement costs and capitalised major repair costs; - deducting pension deficit contributions payable, Gearing Covenant - The Borrower shall procure that at all times Total Financial Indebtedness expressed as a percentage of Historic Cost of Properties will not exceed thirty per cent (30%).	Minimum Interest Cover 110% & Maximum Gearing = 30%	Annually	Gearing = 10% / Interest Cover = 393%
HHPRBS2165	RBSFIXED1049	3	Interest Cover	Interest Cover Covenant - The Borrower shall procure that Adjusted Operating Surplus in respect of each Financial Year expressed as a percentage of Net Interest Payable in respect of such Financial Year shall not be less than one hundred and ten per cent (110%). "Adjusted Operating Surplus" to be calculated in accordance with the applicable SORP and adjusted as follows:- - adding back amounts charged for depreciation in respect of housing properties; - adding the profit/loss in respect of sales of housing properties sold in the ordinary	Minimum Interest Cover 110% & Maximum Gearing = 30%	Annually	Gearing = 10% / Interest Cover = 393%

Facility Reference Number	Loan Reference Number	Covenant Sequence Number	Type of Covenant applied	How is this Covenant calculated?	Required levels	Frequency of reporting to lender	Actual levels achieved at that date
				course of its activities; - deduct 100% of capitalised component replacement costs and capitalised major repair costs; - deducting pension deficit contributions payable, Gearing Covenant - The Borrower shall procure that at all times Total Financial Indebtedness expressed as a percentage of Historic Cost of Properties will not exceed thirty per cent (30%).			
HHPRBS2165	RBSFIXED1050	3	Interest Cover	Interest Cover Covenant - The Borrower shall procure that Adjusted Operating Surplus in respect of each Financial Year expressed as a percentage of Net Interest Payable in respect of such Financial Year shall not be less than one hundred and ten per cent (110%). "Adjusted Operating Surplus" to be calculated in accordance with the applicable SORP and adjusted as follows:- - adding back amounts charged for depreciation in respect of housing properties; - adding the profit/loss in respect of sales of housing properties sold in the ordinary course of its activities; - deduct 100% of capitalised component replacement costs and capitalised major repair costs; - deducting pension deficit contributions payable, Gearing Covenant - The Borrower shall procure that at all times Total Financial Indebtedness expressed as a percentage of Historic Cost of Properties will not exceed thirty per cent (30%).	Minimum Interest Cover 110% & Maximum Gearing = 30%	Annually	Gearing = 10% / Interest Cover = 393%

Embedded Interest Rate Derivatives

Facility Reference Number	Loan Reference Number	Sequence Number	Derivative Type	Amount (£'000s)	Date From	Date To	Margin Over Ref Int Rate (%)	'All in' Fixed Rate (%)

IGF Lend

Sequence Number	Name of the organisation that the funding is provided to	Relationship to RSL	Amount Provided (£'000s)	Balance O/S (£'000s)	Purpose of loan	Details	Duration of funding arrangement (months)	Start Date	End Date	First repayment date	Is Funding Provided Part of Funds Borrowed?	Loan Reference Number	Lender aware of on Lending Arrangement?
1	HHP Community Housing Ltd	Subsidiary	18.9	18.9	Working Capital		48	01/04/2023	31/03/2027	31/03/2027	No		
Totals			18.9	18.9									

IGF Lend

Sequence Number	Name of the organisation that the funding is provided to	Security taken?	Type of Security	Type of Security details	Value of Security (£'000s)	Loan Agreement in Place?	Loan Type	Repayment Period (months)	Repayment terms	Reference Interest Rate	Margin Over Ref Int Rate (%)	'All in' Fixed Rate (%)	IGF Lend Comments
1	HHP Community Housing Ltd	No				Yes	Bridging Finance	48	Payment start date deferred-bullet repayment of interest and capital at maturity	Base	1.0000%		

IGF Borrow

Sequence Number	Name of organisation that the funding is provided from	Relationship to RSL	Amount Received (£'000s)	Balance O/S (£'000s)	Purpose of loan	Details	Duration of funding arrangement (months)	Start Date	End Date	First repayment date

IGF Borrow

Sequence Number	Name of organisation that the funding is provided from	Security taken?	Type of security	Details	Value of security (£'000s)	Loan Agreement in place?	Loan Type	Repayment period (months)	Repayment terms	Reference Interest Rate	Margin Over Ref Int Rate (%)	'All in' Fixed Rate (%)	IGF Borrow Comments

ISDAs

Sequence Number	Name of Lender	Amount (£'000s)	Start Date	End Date	Reference Interest Rate	Margin Over Ref Int Rate (%)	'All in' Fixed Rate (%)	Mark to Market Threshold before collateral calls (£'000s)	Mark to Market Value (£'000s)	Date of Mark to Market Valuation	Implied loss or gain on Mark to Market Valuation (£'000s)	Type of collateral calls	Under which method are they marked?	Frequency of Call	Loan linked ISDA?	Loan Ref No	ISDA Comments

ISDA Covenants

ISDA Sequence Number	Sequence Number	Type of covenant applied	How is this Covenant calculated?	Required levels	Frequency of reporting to lender	Date of last report to lender	Actual levels achieved at that date

OPERATIONS REPORT TO 31 MARCH 2025

Board 24 June 2025

Report by Director of Operations

Purpose of Report

1.1 To update the Board on Allocations, Anti-Social Behaviour, Estate Management, Complaints and Repairs for 2024/25.

Summary

2.1 The Allocations Report, at Appendix 1 shows that the level of demand has remained stable over the year. 214 properties were let during the year.

2.2 Complaints Performance shows that 57 complaints were received from 1 October 2024 – 31 March 2025 which is 4 lower than the 61 received in the same period last year. 100% were responded to within target. 99 compliments were received during the period mainly related to the support and assistance provided by staff.

2.3 There were 15 new complaints of anti-social behaviour during the year. The majority of these were relatively minor and overall levels continue to be low. However, 2 cases were more serious and are being escalated.

2.4 Repair and Maintenance Contractor Performance for the period 1 October 2024– 31 March 2025 has been assessed as good. Operationally, FES FM has provided a good service and this is reflected in the Service Review.

2.5 The detailed reports on Complaints, Anti-Social Behaviour and Repairs can be found in the Bulletin. If Board Members have any questions on these reports which they would like to raise at the Board meeting, please contact the Chair or Chief Executive.

Competence

3.1 The compliance issues relating to this report are at section 5.1 of the report.

Recommendations

4.1 **It is recommended the Board:**

a) note the Allocations Report 2023/24 at Appendix 1;

b) agree the quota of vacancies in Stornoway remain at 50% for homeless applicants and that the number of 2 apt properties being made available for homeless applicants in Stornoway be retained at 25 per annum; and

c) agree the quotas for allocation properties in Stornoway remain at 15% for transfer applicants and 35% for other waiting list applicants.

APPENDIX 1:	Allocations Report 2024/25	
Background Papers:	Allocations Policy	
Writer of Report:	John Maciver	Tel: 0300 123 0773

Iona France 6 Jun 25

5.1 Compliance Section

COMPLIANCE CHECKLIST	
Financial	There are no financial constraints to the recommendation in this report being implemented.
Legal	There are no legal constraints to the recommendation in this report being implemented.
Regulatory	The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.
Risk	Lack of demand from housing will impact the income and strength of the business. Reducing population is captured within the Risk Register with the residual rating of 20 (high). Repeated failures to meet SPSO Complaints response timescales could result in bother the Regulator and SPSO reviewing our complaints handling process and staff training, and we would fail to meet Business Plan target 1.3. Failure to meet adequate repairs service review scoring against the criteria could affect our ability to meet regulatory and legal obligations and performance targets. In addition, contractor failure is identified on our Risk Register with a residual rating of 12 (medium).
ESG	The data in the report helps to inform our ESG strategy.
Equalities	We are committed to promoting equality, diversity and inclusion. The data in the report forms part of our monitoring of equalities issues.
Communication	The data in the report will be shared with staff/tenants/partners as appropriate to their needs and requirements.

APPENDIX 1

Allocations Report 2024/25

WRITTEN BY: Mina Maclean, Housing Officer (Allocations)
DATE: 24 June 2025

hhp | hebridean housing partnership

EXECUTIVE SUMMARY

The overall level of demand has remained stable this year.

There are 453 applicants on the waiting list excluding transfer, suspended and deferred applications. There are 141 tenants seeking a transfer.

The highest demand continues to be for Stornoway with 53% of applicants selecting this as their first choice. This is followed by Back/Tong 7%, Creagorry/Kileravagh 6% and Tarbert 5%

56% of applicants are single person households.

There were 214 properties let during the year including 41 new build lets.

In 2024/25 the void loss figure decreased to 0.5% from 0.75% in 2023/24.

Reporting capabilities are still being developed as our Housing System (CX) beds in to allow more in-depth analysis of demand and supply issues.

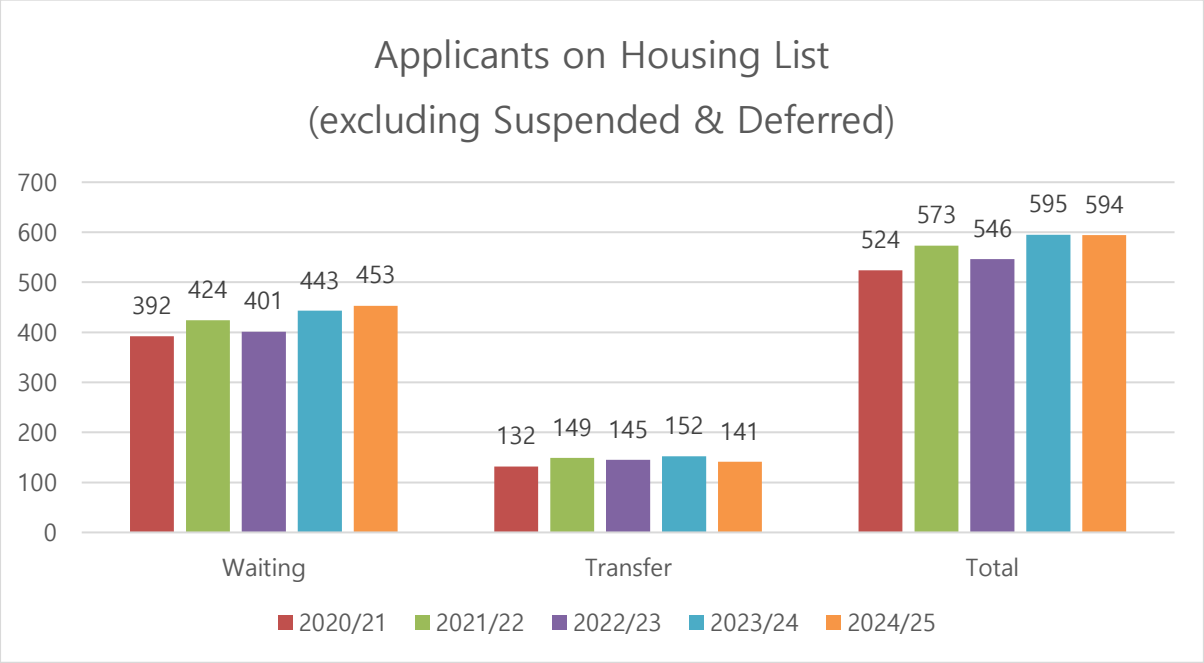
AIMS

1.1 The aims of this report are to:

- provide information on the supply and demand for social housing in the Outer Hebrides
- inform decisions on the requirement for, and location of, new supply
- monitoring equality in terms of access to housing.

BREAKDOWN OF APPLICANTS ON WAITING LIST FROM 2020/21 – 2024/25 (EXCLUDING SUSPENDED & DEFERRED)

2.1 The chart below shows the number of applicants on the waiting list over the last five years. The figure in this chart excludes suspended and deferred applications.

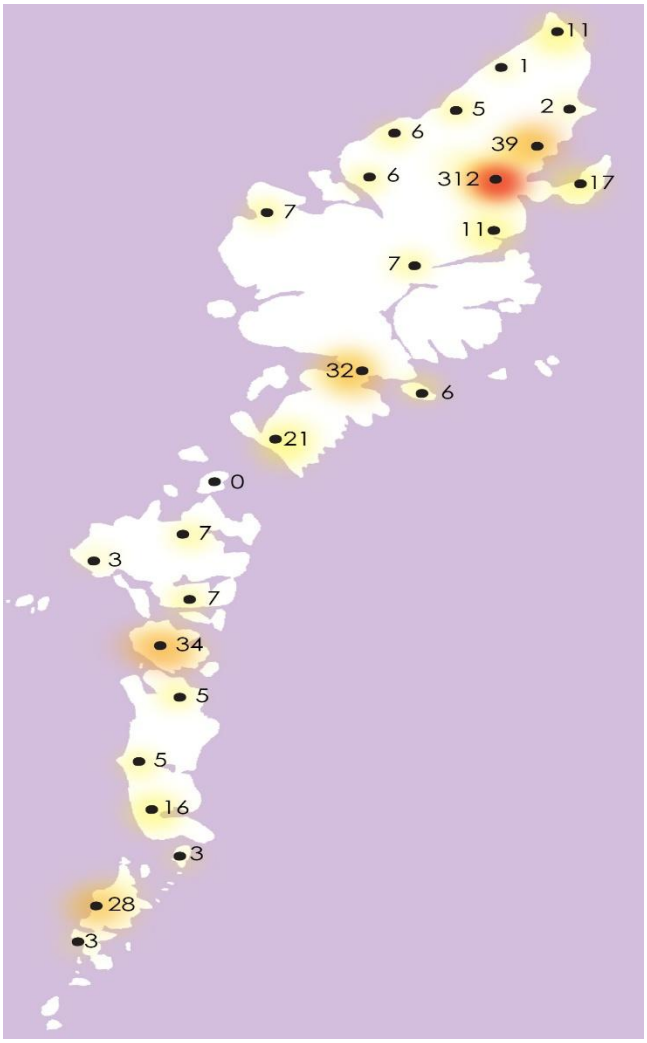


2.2 There are 594 applicants on the waiting list.

2.3 There is a 2.2% increase in the waiting list applications. There has been a 0.2% decrease in the overall number of applicants from 31 March 2024 to 31 March 2025 due to a decrease in tenants seeking transfer.

WAITING LIST ON 31 MARCH 2025

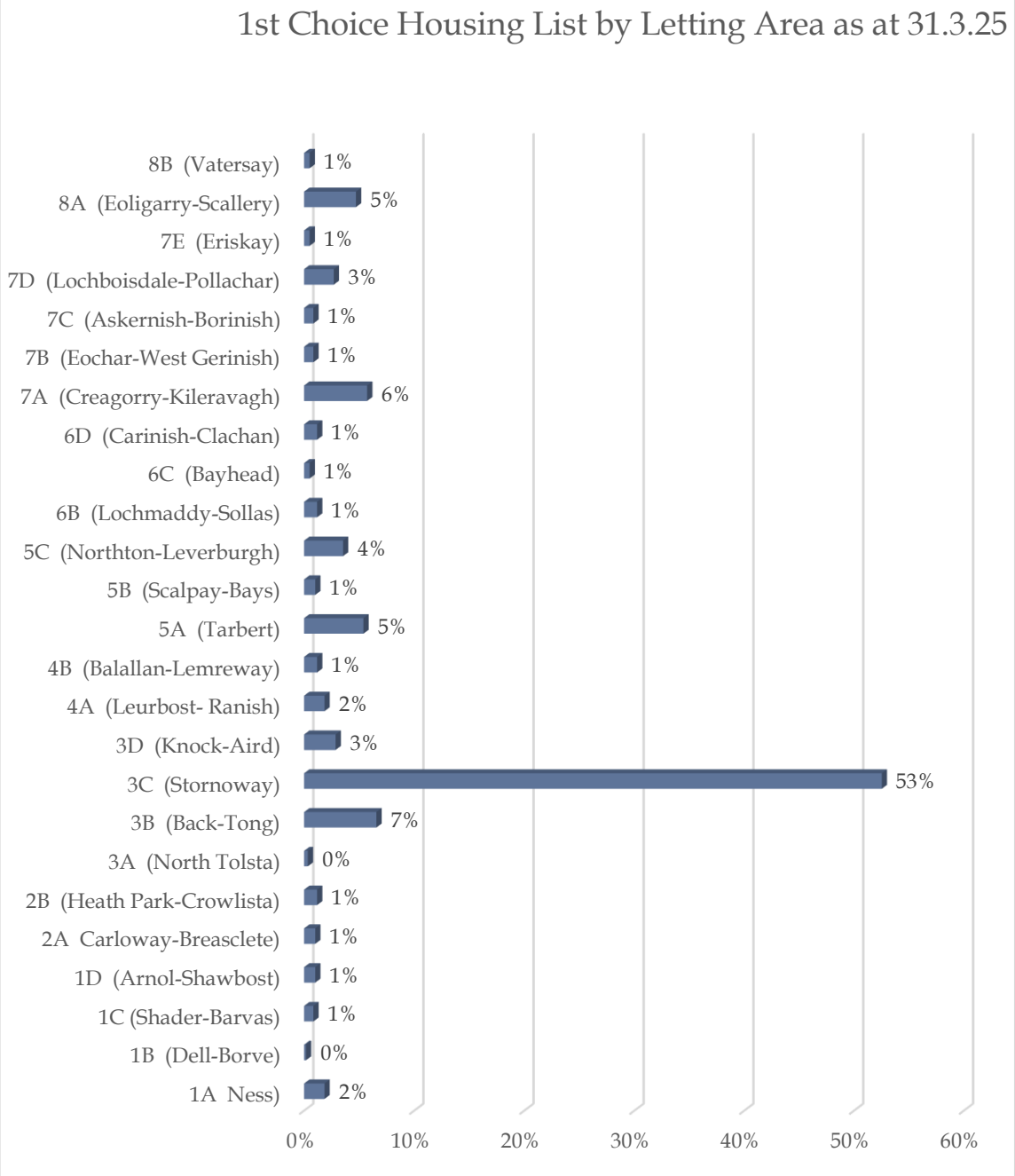
3.1 The map below shows the number of applicants on the waiting list on 31 March 2025 by first choice area of preference.



3.2 Demand continues to be highest at the main centres of population and is lowest in the most rural areas. This is similar to the national picture.

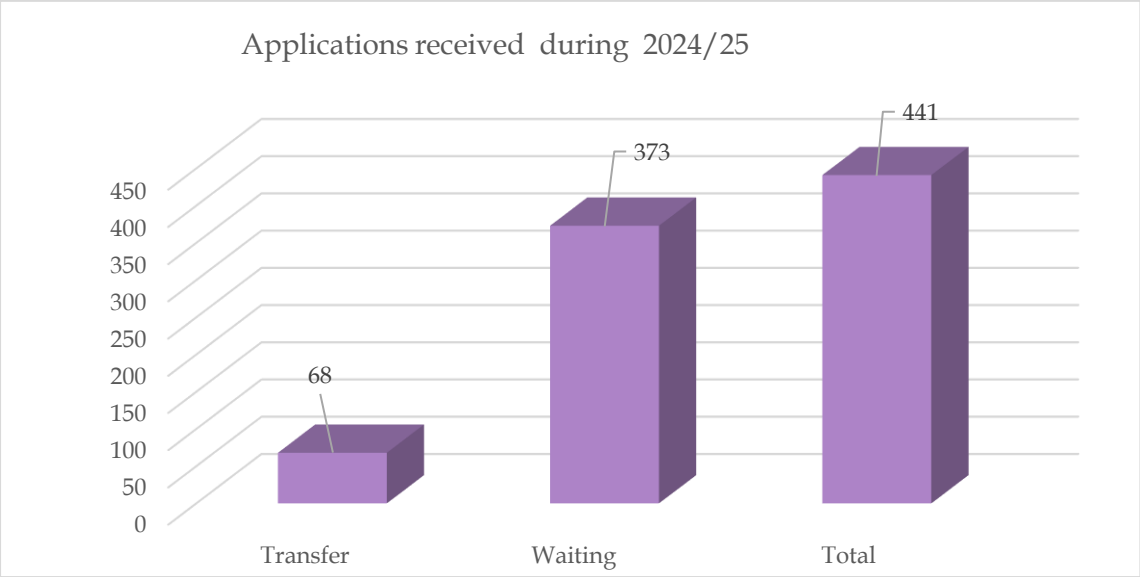
PERCENTAGE OF DEMAND BY AREA BY FIRST CHOICE

4.1 The chart shows that the largest demand by considerable distance is for the Stornoway area with 53% of applicants recording this as their first preference. The next largest areas of demand are Back/Tong with 7%, followed by Creagorry/Kileravagh, at 6%.

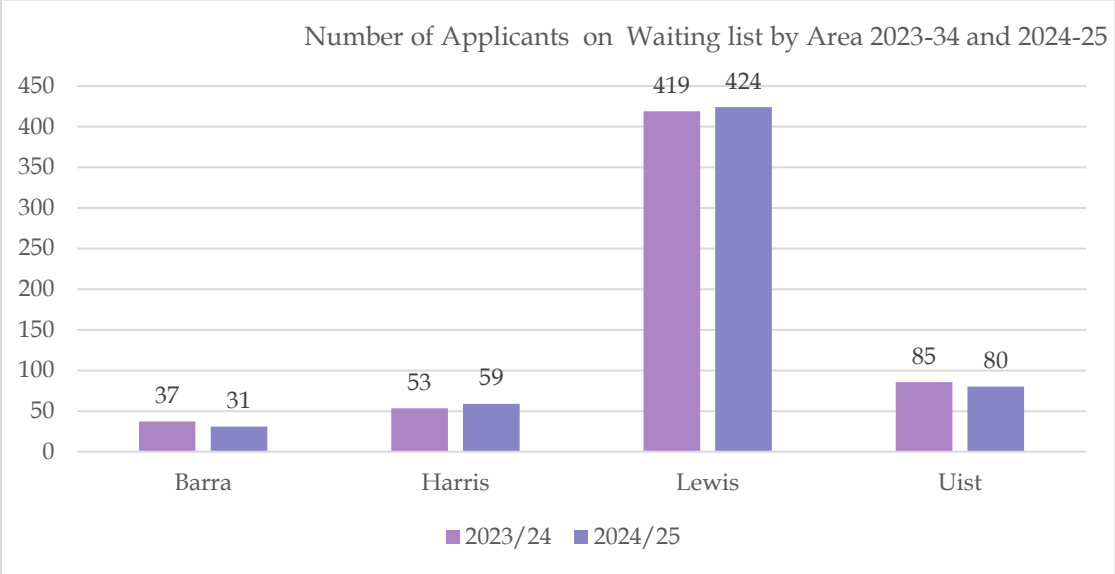


APPLICATIONS RECEIVED DURING 2024/25

5.1 The total number of applications received during 2024/25 was 441.



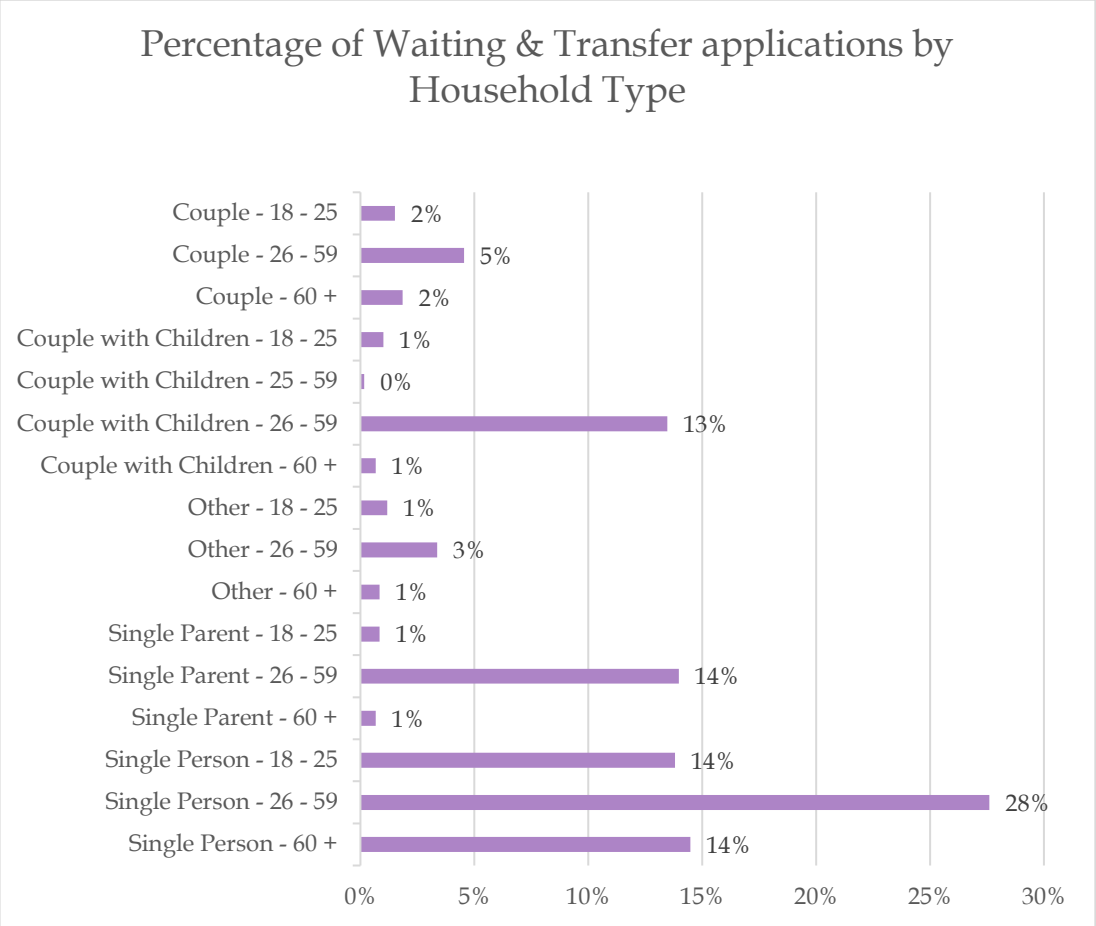
5.2 The chart below shows the number of applicants on the Waiting list broken down by area over the last two years.



PERCENTAGE OF WAITING & TRANSFER APPLICATIONS BY HOUSEHOLD TYPE

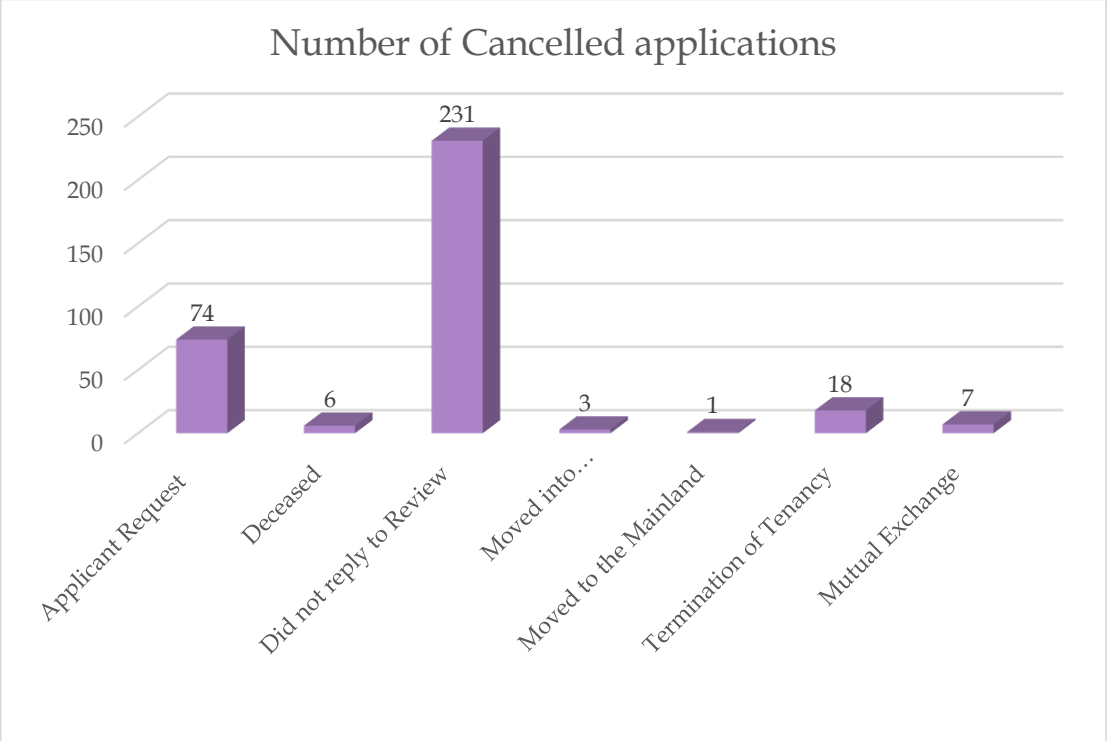
6.1 Single person households make up 56% of applicants with 28% aged 26-59. 31% of applicants are households with children.

6.2 This is broadly unchanged from 2022/23 when 54% of applicants were single persons and 28% were single aged 26-59. 30% of applicants are households with children.



CANCELLED, SUSPENDED AND DEFERRED APPLICATIONS

7.1 During the year 340 applications were cancelled, 231 of these were due to non-return of review forms, which indicated that people are no longer interested in being offered housing. The rolling review process is important in keeping data live and up to date.



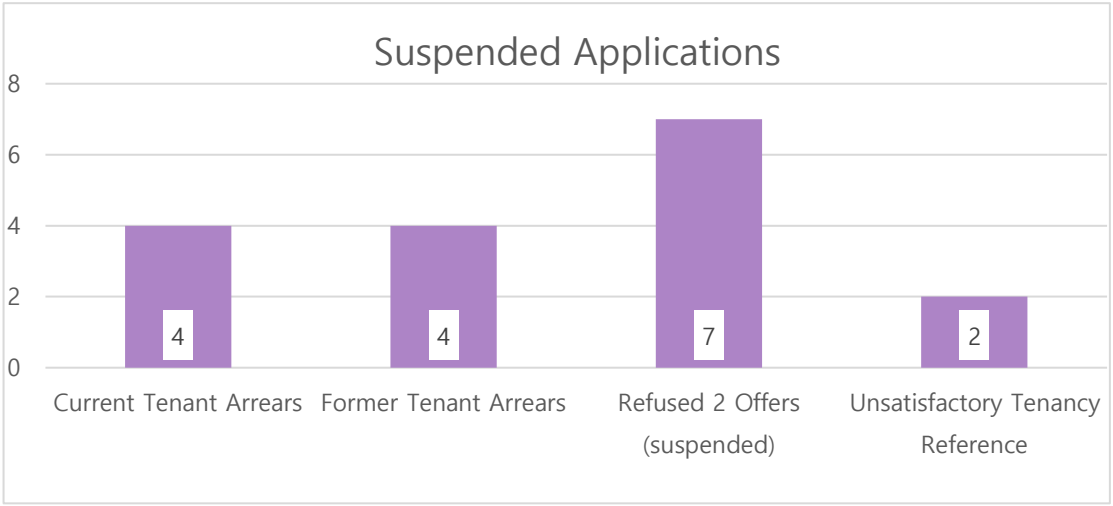
7.2 The transition to CX delayed the review process and therefore cancellations are higher than normal this year.

7.3 In 2023/24 there were 128 applications cancelled due to non-return of review forms and in 2022/23 the figure was 132.

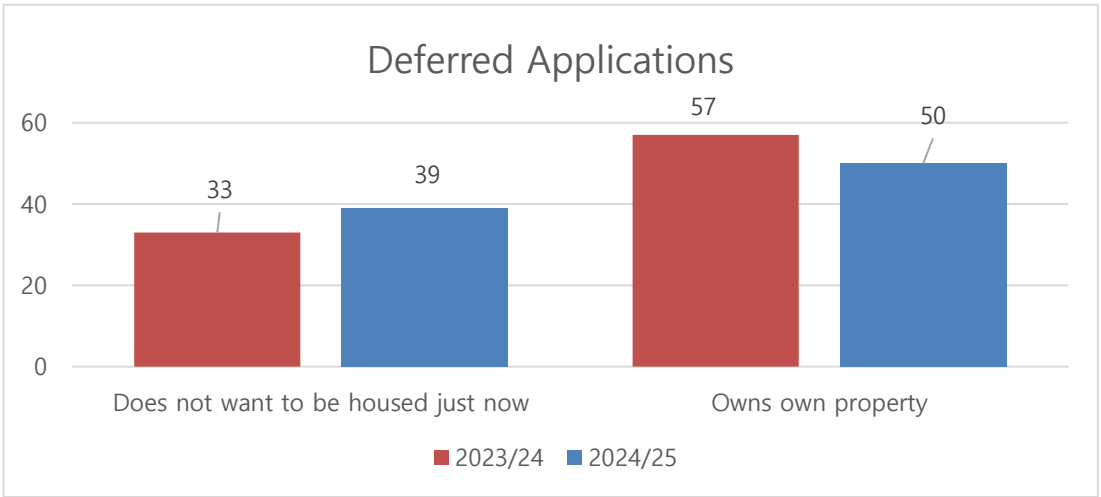
7.4 There were 74 applications cancelled due to applicants requesting to be removed from the housing list and in 2023/24 the figure was 45.

7.5 In some circumstances, applicants will be suspended from the waiting list. Suspended applicants are reviewed every month to ensure that the suspension is still relevant. There are currently 17 applications suspended, 4 are suspended

because of current tenant arrears, 4 are suspended because of former tenant arrears and 2 because of conduct issues. 7 applicants are suspended for refusing two offers of housing which met their choices.



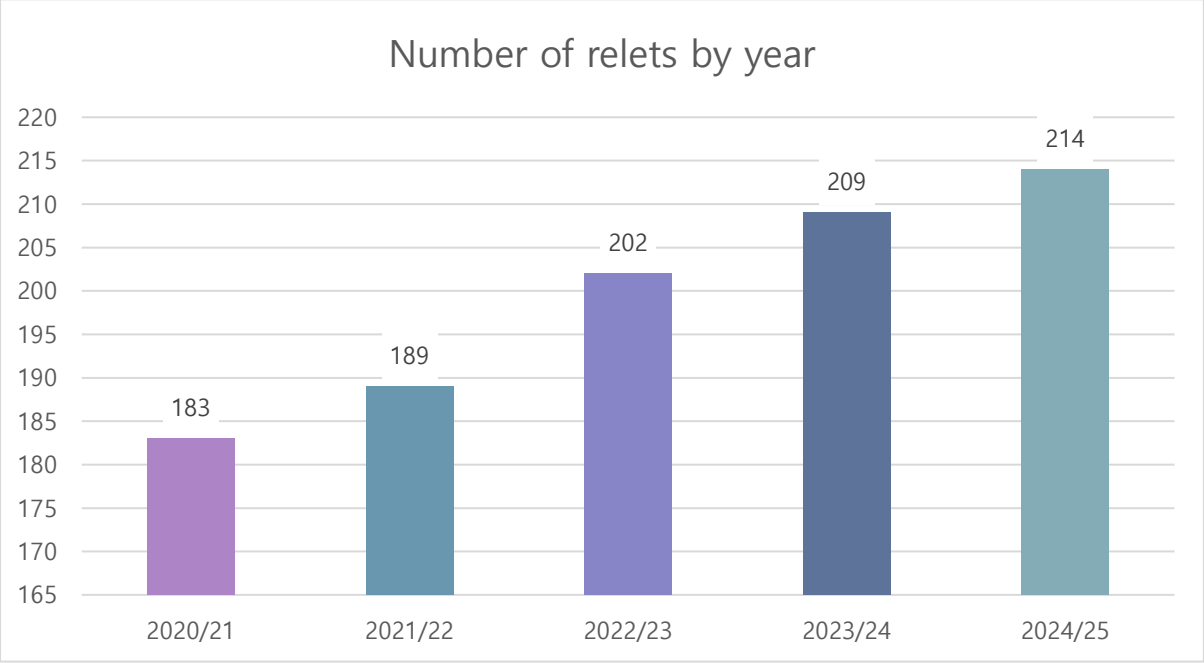
7.6 39 applicants do not wish to be housed at present and are deferred until such a time as their circumstances change. 50 applicants are deferred as they own their own property and are not eligible for an offer of housing under the Allocation Policy.



HOUSING SUPPLY

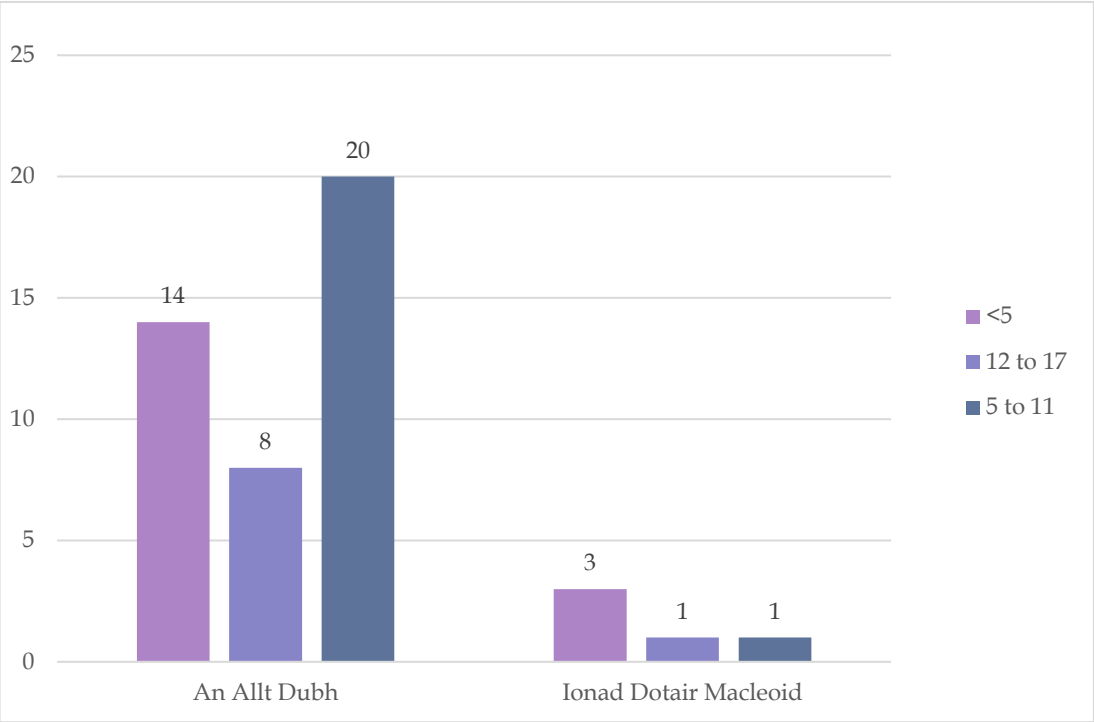
8.1 In total 214 properties were re-let during 2024/25. There were 31 lets made to transfer applicants. 41 of the lets were new build properties.

8.2 The chart below shows the relets for each year since 2020/21.



NEW BUILD LETS

9.1 In 2024/25 there were 41 new build lets. The chart below shows the number of children in the age brackets under 5, 5-11 and 12-17 year olds in new build properties.



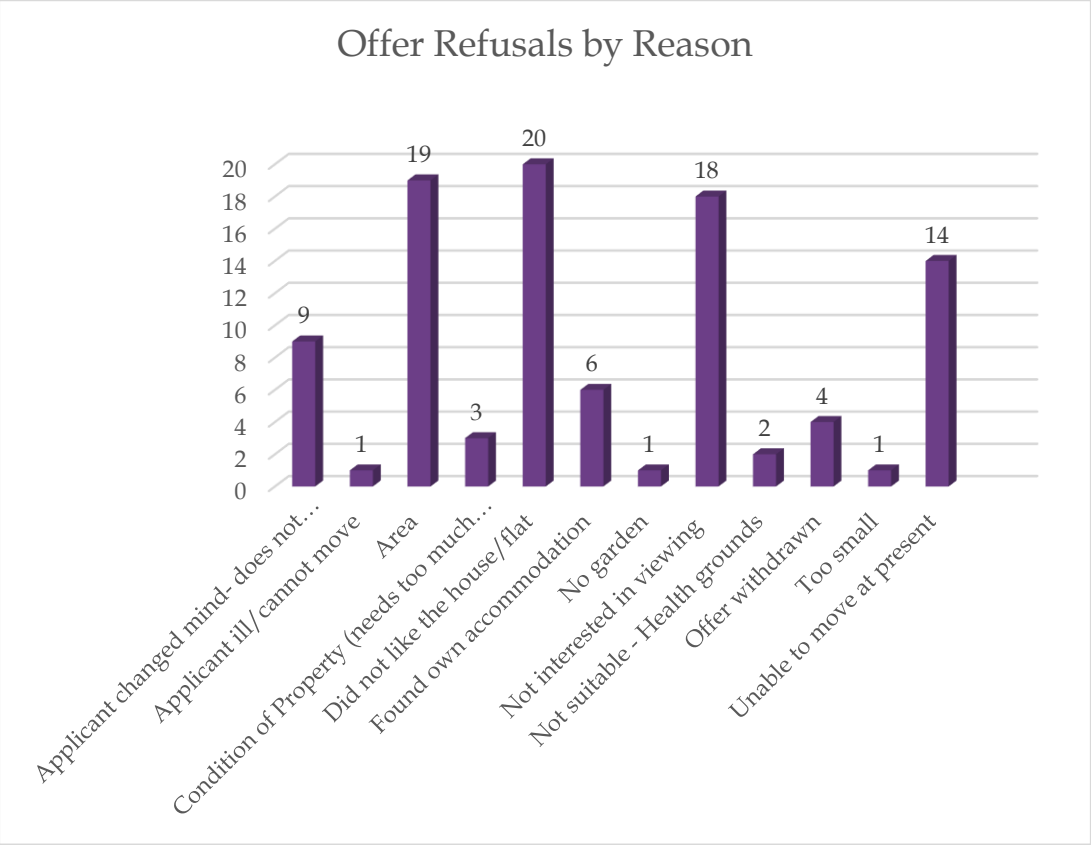
9.2 The table below gives information on families who were already in the area or moved into the area when allocated.

Development	Children	
	Moved into Area	Already in Area
An Allt Dubh, Newmarket	27	6
Ionad Dotair Macleoid, Isle of North Uist	4	4

TENANCY REFUSALS

10.1 The chart below shows the offers that were refused in 2024/25 and the reasons for refusal.

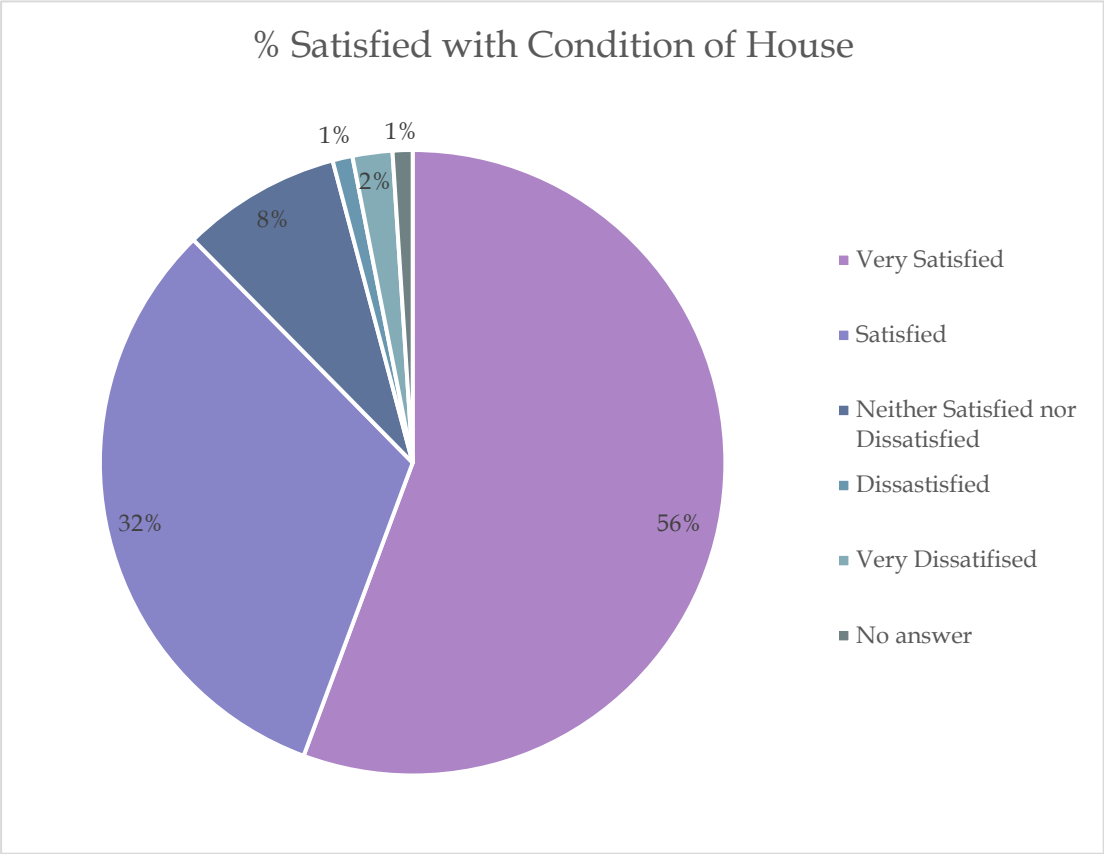
10.2 Applicants' choice of heating, house type and area preference are agreed with them before an offer of housing is made to try and avoid abortive offers.



NEW TENANT SATISFACTION WITH CONDITION OF HOME

11.1 Within a week of starting a new tenancy we will send a questionnaire to tenants asking them about the standard, decoration, cleanliness of the property and the quality of repairs carried out. 45% of questionnaires were returned in 2024/25. 88% of the tenants who responded said they were satisfied with the condition of the house.

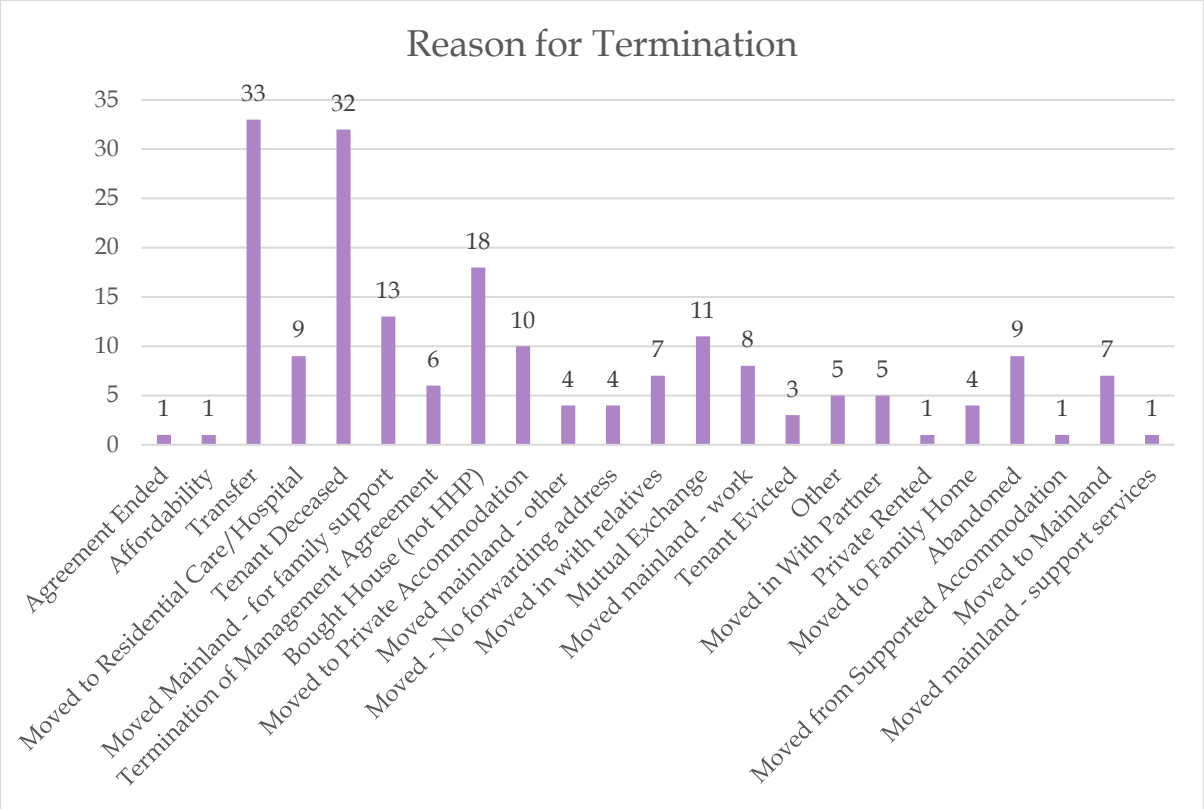
11.2 There was a higher return rate and percentage of satisfaction from the previous year.



11.3 In 2023/24 there were 30% of questionnaires returned. 81% of tenants who responded said they were satisfied with the condition of the house. 7% were dissatisfied due to decoration and/or the condition of the property.

REASON FOR TERMINATIONS

12.1 The reasons for terminations are, 15.0% moved to the private sector, while 17% moved to the mainland including 4% who moved to the mainland for work. 9% bought their own house.



12.2 In 2023/24 there were 9% who bought their own house.

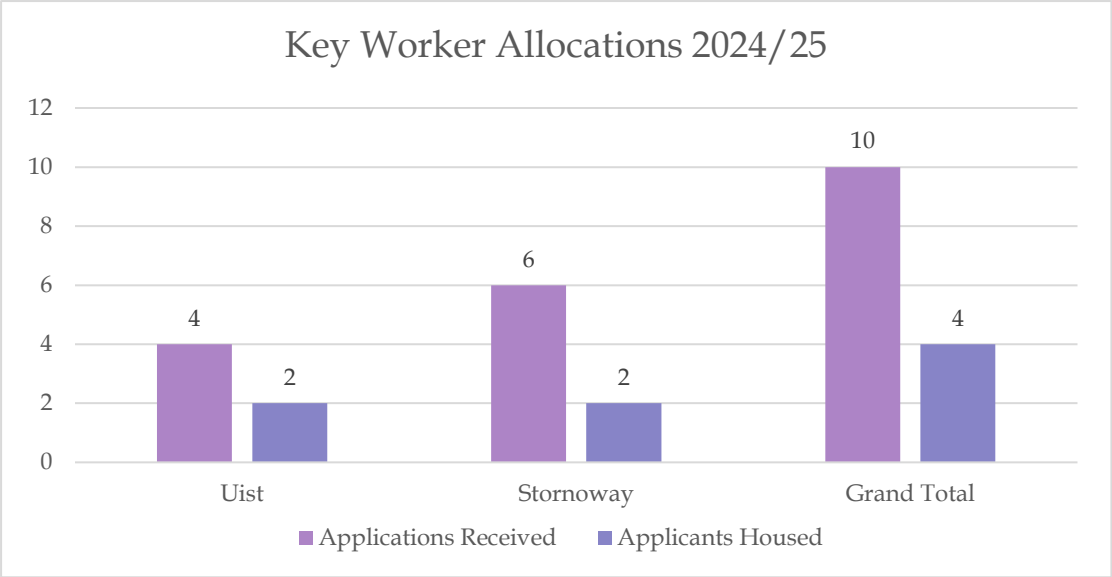
12.3 If we excluded people who transferred, this figure would be 18% moved to the private sector, 21% moved to the mainland of which 5% moved to the mainland for work.

KEY WORKER STATUS

13.1 To assist employers on the island with recruitment the Board agreed to include Key Worker Status in the Allocations Policy. Employers can request this where they are unable to recruit locally in key areas such as Care, Health and Education services.

13.2 Recruitment and retention of staff continues to be a concern for Comhairle Nan Eilean Siar particularly in the Care Service which has been severely affected and which limits the number of residents who can be supported in the HWEC. The areas where there is most concern is greater Broadbay and the Westside areas of Lewis.

13.3 The chart below shows the number of Key Worker status applications received in 2024/25 and the numbers housed.



LOW DEMAND PROPERTIES

14.1 Overall 52 relets during 2024/25 were classed for ARC purposes as being low demand compared to 60 relets in the previous year. In 2024/25 the void loss figure decreased to 0.5% from 0.78% in 2023/24.

HOMELESS APPLICANTS

15.1 In 2024/25 a total of 84 statutory homeless applicants were housed. Of these, 56 were housed in the Stornoway area in line with their expressed preference. This is 52% of lets in Stornoway against a target quota of 50%. This quota is reviewed annually and it is proposed that it continue at 50% except for 2 apt properties in Stornoway. The Board agreed to continue the previously agreed target of 25 per annum for 2024/25 and 22 allocations were made in the year, which represented 76% of all 2 apt Stornoway allocations made. Of all allocations made throughout the Outer Hebrides, 39% were made to statutory homeless applicants.

15.2 The overall number of statutory homeless applicants awaiting an offer of permanent housing decreased to 69 households in 2024/25. This represented an 18% decrease on the previous year and is the lowest number recorded since 2007/08, reflecting the ongoing commitment to work in partnership with the Comhairle in achieving the aims of its Rapid Rehousing Transition Plan.

15.3 On 19 May 2021 the Board agreed the:

(a) allocation of up to 25 (2 apt) vacancies per annum to Statutory Homeless applicants in the Stornoway area for an initial 12 month period;

(b) impact of the increased allocation was reviewed after 12 months; and

(c) increased allocation was on the basis that the Comhairle committed to establishing a cohesive preventive and housing support strategy in line with their housing development strategy, within the 12 month period.

15.4 This agreement was extended for one year respectively on 29 June 2022, 28 June 2023 and 25 June 2024.

15.5 The Comhairle's Housing Team were asked to provide an update on these issues and their response is detailed in paragraphs 15.6 – 15.11.

Information from the Comhairle's Housing Team

15.6 The table below shows the Statutory Homeless (SH) 2 apt allocations made in Stornoway from 2020/21 to 15 May 2025.

	2020/21	*2021/22*	*2022/23*	*2023/24*	*2024/25*	*2025/26*
SH waiting for offer 1 April each year	*36*	*34*	*33*	*28*	*22*	*29*
SH added in year	*30*	*33*	*39*	*30*	*38*	
SH resolved by other means	*17*	*14*	*17*	*5*	*9*	
Total number of SH in year requiring an offer	*49*	*53*	*52*	*53*	*51*	
SH allocated	*19*	*22*	*27*	*28*	*22*	
2 apt properties void in year	*28*	*51*	*49*	*37*	*29*	
% age of allocations to SH	*68%*	*43%*	*55%*	*66%*	*76%*	

15.7 The number of Statutory Homeless households awaiting a 2 apt tenancy in Stornoway increased this year for the first year since the target was introduced. This can be attributed to a combination of higher homeless demand for Stornoway and a lower number of void properties becoming available. To reduce the backlog and continue the general progress of the past 5 years, the Comhairle have requested that the target of at least 25 allocations be extended for a further year.

Prevention Strategy

15.8 The Comhairle is still awaiting the forthcoming Housing Bill – now introduced to the Scottish Parliament and currently at Stage 2 - which will outline new duties in relation to the Prevention of Homelessness. They advise that they consider it prudent to wait for this Bill before developing a prevention strategy.

Housing Support

15.9 The Comhairle have advised that all aspects of support are covered within the Rapid Rehousing Transition Plan. The Comhairle assess all applicants for their support needs and are now providing a Housing First service to eight of HHP's tenants. These tenancies have generally been successfully sustained. However, legal action is being taken against one. A further one statutory homeless applicant is currently waiting for a Housing First tenancy and is being supported in preparing for this. The Comhairle is also working in partnership with HHP to offer support to tenants, when required, to address their arrears.

Housing Development Strategy

15.10 Since 2017, the Comhairle has had a strategic approach towards affordable Housing provision that favours developments in rural areas. This is set out in the Local Housing Strategy 2017-2022 (LHS) as an aspirational target to see 55% of all new developments take place in the Rural Housing Market Area and 45% in the Stornoway Housing Market Area. The Stornoway HMA consists of Stornoway and outskirts, plus the Point District and most of the Broadbay District, apart from Tolsta.

15.11 The Comhairle is currently developing its next Local Housing Strategy which will cover the period 2024-2029. The new LHS has been delayed for various reasons and is now due to be agreed by the end of 2025. A key part of the development of the LHS will be consideration of the Affordable Housing Strategy and where new housing should be located. This issue is being considered by the Comhairle, and the local Housing Market Partnership (of which HHP is a member), during 2025.

QUOTAS FOR ALLOCATING HOUSES

16.1 Within the Stornoway area it is proposed that houses will continue to be allocated on a one-to-one ratio between homeless applicants and waiting list applicants.

16.2 In terms of new build allocations a one-to-one ratio of allocations being made to Priority Homeless applicants may not always be achieved.

16.3 The quota for waiting applicants is 35% and for transfer applicants in the Stornoway area is 15%.

REVIEW OF STANDING ORDERS

Board 24 June 2025

Report by Chief Executive

Purpose of Report

1.1 To present an updated set of Standing Orders to the Board for approval.

Summary

2.1 Our Standing Orders are reviewed annually and were last updated in June 2024.

2.2 The key changes to the Standing Orders following this review are detailed at 5.1 of this report.

Competence

3.1 The compliance issues relating to this report are at section 7.1 of the report.

Recommendations

4.1 It is recommended that the Board approve the Standing Orders at Appendix 1.

APPENDIX 1:	Composite Standing Orders	
Background Papers:	HHP Rules	
Writer of Report:	Iona France	Tel: 0300 123 0773

Standing Orders

5.1 There were only minor updates required to the Standing Orders and they are detailed in the table below:

Part 1	Paragraph	
Membership of the Board	1.30	Added reference to Rule 40.3 for consistency
	1.32	Clarification of re-appointment of Board Appointed Members.
Conduct of/at Board meetings	1.60	Addition of Board Management Software
	1.92	Added sentence about recording and transcript of Minute
	1.108	Clarification of who makes decision of what items will be considered in Private at the time of the Agenda setting.
Part 4	Paragraph	
Scheme of Delegations to Officers	4.8	Additional word added
	E7 (g)	Reference to Neonatal Care Leave Policy added
	E20	Chief Executive and Director of Operations added
	H16 (new)	Delegation to Director of Operations and Development Manager to sign planning notices

Board Attendance

6.1 The Board attendance figures for meetings and trainings throughout 2024/25 are detailed below. There were 2 Board training sessions held throughout the year and Board Members attended 3 conferences.

Board	
Target Attendance	85%
Actual for 2024/25	82%
Actual for 2023/24	71%
Actual for 2022/23	72%
Actual for 2021/22	71%
Actual for 2020/21	86%

Training	
Target Attendance	85%
Actual for 2024/25	43%
Actual for 2023/24	70%
Actual for 2022/23	67%
Actual for 2021/22	30%
Actual for 2020/21	57%

7.1 Compliance Section

COMPLIANCE CHECKLIST	
Financial	There are no financial implications arising from the implementation of the recommendations.
Legal	There is a legal requirement to have a Governance framework in place which outlines how the Board will discharge its responsibilities, and how the Partnership will function. The Standing Orders form part of this framework and detail how the powers and authorities outlined in the Partnership's Rules are to be exercised.
Regulatory	The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.
Risk	Governance of the Partnership is critical to its long-term viability. The Board requires the skills, knowledge and diversity to provide capable leadership, control and constructive challenge to achieve the RSL's purpose, and helps to mitigate the risk of not delivering good tenant outcomes or manage the Partnership's affairs. Governance is highlighted on our Risk Register with a residual risk rating of 6 considered low.
ESG	Reviewing our Standing Orders regularly ensures compliance with our ESG Strategy.
Equalities	There are no Equalities considerations arising directly from the consideration of this report.
Communication	Our Standing Orders are published on our website.

APPENDIX 1

Standing Orders

JUNE 2025

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PART ONE

REGULATION OF BUSINESS

PART ONE-REGULATION OF BUSINESS

INTRODUCTION

1.1 There are three parts of the Partnership's Constitutional Documents which set out how the Board will be managed and controlled.

Constitutional Document	***Detail***
a) The Rules	Define the aims of and set out the powers and authority of the Partnership as vested in the Board
b) Standing Orders	Provide the detail of how the powers and authorities can be exercised and includes a Scheme of Delegation
c)Financial Regulations	Provide a framework for managing our financial affairs

1.2 If there is a conflict between these Standing Orders and any statutory provision, regulation or The Scottish Housing Regulator's Guidance having the force of statute, the latter shall prevail.

1.3 Except in circumstances where the wording of a Standing Order is clearly wrong, due to a typographical error or otherwise, the ruling of the Chair of the Board as to the meaning of these Standing Orders shall be final.

1.4 These Standing Orders shall apply and have effect from 24 June 2025.

MEMBERSHIP

MEMBERSHIP OF THE PARTNERSHIP

1.5 The Board has delegated responsibility for assessing and approving applications for new members to the Company Secretary.

1.6 Our Membership Policy outlines how to become a member of the Partnership and full details of the criteria for membership can be found in the Policy. The Policy will be reviewed regularly by the Board.

1.7 If we approve your application, you will immediately become a member of the Partnership and your name will be included in our Register of Members referred to in Rule 64 within seven working days. You will then be issued one share in the Partnership.

Register of Members

1.8 The second copy of the Register of Members referred to in Rules 64 and 65 showing the names, addresses and membership category of each Member shall be available upon request to the public during office hours at the Partnership's registered office in Stornoway and also in our Balivanich office.

1.9 At any time, the Board may require Members to provide evidence that they meet the criteria of their relevant Member Category. If the evidence is not

provided within twenty-one days, the Member may be removed from the register and notified accordingly.

1.10 It shall be the responsibility of Members to inform the Secretary in writing when they no longer meet the membership criteria and will thus no longer be Members of the Partnership.

MEETINGS OF THE MEMBERSHIP

1.11 All General Meetings other than the Annual General Meeting (AGM) shall be called Special General Meetings (SGM). All general meetings, including Special General Meetings (SGM), shall be convened in conformity with the Rules.

Annual General Meeting

1.12 The AGM of the Members of the Partnership will be held at a date and time fixed by the Board. The AGM will be advertised in the local media and it will be open for the general public to attend though only Members shall be entitled to participate in the discussions and to vote.

1.13 The order of business will be:

a) to elect a Chair of the meeting if the Chair or Vice-Chair is not present;
b) to approve as a correct record and sign the minutes of the last AGM and any extra-ordinary general meeting where the minutes have not been approved;
c) present the Chair and Chief Executive's annual reports;
d) to receive the accounts, balance sheet and auditors report;
e) the passing of a special resolution or resolution requiring special notice;
f) to appoint the external auditor;
g) to transact any other general business of the Board which has been included in the Notice calling the meeting or is otherwise competent.

Quorum for Membership Meetings

1.14 No item of business shall be transacted at an AGM or an SGM unless:

a) at least seven Members, including at least one Member from each of the Member categories, are present and entitled to vote on that item; or
b) where the membership exceeds 70 persons, at least one tenth of the membership, including at least one Member from each of the Membership categories, are present or represented by proxies, but with at least half of the quorum being present and entitled to vote on that item.

1.15 If there are insufficient Members present to form a quorum within half an hour after the time appointed for a AGM to commence, no business will be transacted and the meeting will be re-scheduled for the same day of the following week at the same time and place, unless such date is clearly unsuitable, in which case the meeting will be re-scheduled to a time and place agreed by the Secretary. Where a meeting is adjourned, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and indicating the general nature of business to be transacted.

THE BOARD

MEMBERSHIP OF THE BOARD

1.16 Members of the Board are elected to serve in accordance with the Partnership's Rules and the Code of Conduct.

1.17 Membership of the Board is not transferrable and shall cease on the resignation, retirement or death of a Board Member and as otherwise set out in the Rules.

Composition of the Board

1.18 The Board shall have up to fifteen Board Members inclusive of two co-opted Members.

1.19 Board Membership of the Partnership is governed by Rules 37 to 44 of the Partnership's Rules and the Partnership's Membership Policy.

1.20 Other than co-opted Members, Board Membership at all times shall be made up of four main categories, these are:

- **Tenants** comprising of up to four members of any geographical location in the Outer Hebrides
- **Community** comprising up to four members or five should there be insufficient nominations for the **Tenant** category
- **Council Board Members** comprising up to three members nominated by the Comhairle in line with Rule 40.8; and
- **Board Appointed** Members comprising of up to two members or four should there be insufficient nominations for the **Tenant** category

1.21 The Council's nominees are called **Council Board Members** and will be chosen by Comhairle Nan Eilean Siar, following satisfactory assessment that their skills, knowledge and objectivity will enhance the Board's decision making. The Comhairle must provide evidence of this assessment along with notification of who the nominees are. Council Board Members are subject to change at any time and notification must be made to the Company Secretary as soon as practicable.

1.22 The Board may appoint up to two **Board Appointed Members** if there is a need or requirement for a particular skill or experience. This can be increased to four if there are insufficient nominations received within the Tenant category (see Standing Order 1.28).

Elections and Nominations

1.23 The Tenant and Community Members are elected in line with Rules 40.1 to 40.6. Any vacancies that occur will be filled in accordance with the Casual Vacancies procedure at Standing Order 1.33.

1.24 Nominations shall be in writing, either by post or electronically and submitted on an approved form to the registered office of the Partnership not later than

fifty-six days prior to the AGM for Tenant Board Members and not later than thirty-five days prior to the AGM for Community Members. The form can be returned by post or to email address shown on the form.

1.25 A Board Member due to retire under the Rules may stand for re-election without nomination. The exception to this is where the Board Member has served for 9 years and in that instance the process outlined in Standing Order 1.27 should be followed.

1.26 Where the number of retiring Board members seeking re-election and nominations exceeds the numbers available, a ballot of the membership will be taken at the AGM.

Long Serving Members

1.27 In accordance with Rule 37.7, the Board must determine whether to let Board Members serving for a continuous period of nine years or more continue in service. Any Board Member fulfilling this criteria and who wishes to remain on the Board will be asked to complete a self-evaluation questionnaire to demonstrate their continued effectiveness, and a report will be prepared by the Company Secretary, which the Board will then assess.

1.28 In accordance with Rule 40.3, if there are fewer nominations received from Tenant Members than the number of vacant Tenant Board Member places, then the remaining vacant Tenant Board Member places may be filled as follows:

a) one Community Member who would become a Community Board Member; then
b) up to two Board Appointed Members.

1.29 Board Members shall confirm in writing that they agree with the terms of the Partnership's Code of Conduct for Board Members before they can discharge any aspect of their role as a Board Member. If such an agreement in writing is not received within fourteen days of the person's election to the position of Board Member and no good reason is given for the delay, the Board shall convene a special meeting under Rule 44.5 to have the Member removed from the Board.

Board Appointments

1.30 In accordance with Rule 40.3 the Board may use up to two places to appoint Board Appointed Members in line with the skills assessment and whom the Board considers will enhance the skills, knowledge, diversity and/or objectivity of the Board and its decision-making. The appointees must be Members of the Partnership.

1.31 The annual Board skills assessment will identify areas where there are skills gaps and this will inform the Board's decision regarding the manner of identifying, selecting, and appointing a Board Appointed Member.

1.32 When appointing Board Appointed Members, the Board must determine the proposed duration of the appointment, which must be no longer than three

years. A Board Appointed Member may be re-appointed following the determined duration of the appointment.

Casual Vacancy

1.33 When a vacancy arises, the Board can appoint a casual vacancy to fill the period between the date the position became vacant and the next AGM. The casual vacancy must stand down at the next AGM. Any member who replaces a Board Member in this way must come from the same category of membership as the vacancy.

Termination of Board Membership

1.34 Generally, Board Membership will cease at the AGM or at the end of a local council term but there are other circumstances where Board Membership may be terminated and they are outlined in the Table below:

Rule	Detail
39.1 to 39.4 and 43.2	Retirement by rotation at AGM End of a casual vacancy, a Board appointment or a co-opted appointment
43	Detail of what would make someone ineligible to be a Board Member *e.g. if they have any legal proceedings in any Court of Law by or against the Partnership*
44	Circumstances were someone would cease to be a Board Member *e.g. someone misses four Board meetings in a row without special leave of absence*

1.35 Any person wishing to withdraw from holding office of Board Member shall give one month's written notice to the Partnership. The Notice should be addressed to the Chair with a copy to the Secretary. On expiry of the Notice, the person shall cease to be a Board Member.

Co-opted Members

1.36 Where there is a shortage of particular skills, expertise or experience, the Board may co-opt to bring such skills to the Board, Committee or Working Group in respect of particular or general aspects of the Board's work.

1.37 To meet such a need, up to two persons may be co-opted in the following type of circumstances:

a) As a substitute for a Member who may be absent for a prolonged period on special leave;

b) To assist with a substantial, complex undertaking, for which the Board's skill base is deficient;

c) To assist with a major overhaul of an aspect of Board activities that is in crisis; or

d) As one of two Appointed Board Members in accordance with Rule 37.2.4

1.38 Such persons shall be appointed in accordance with Rule 42 and the Code of Conduct for Board Members, following a recruitment process.

Recruitment of Board Members

1.39 If a skills gap becomes apparent on the Board, an exercise will be carried out by the Company Secretary and Executive Office to identify potential candidates and make recommendations for approval in line with these Standing Orders and the Rules.

THE ROLE AND REMIT OF THE BOARD

Delegated Authority

1.40 The Board is responsible for all decisions taken and actions carried out by or on behalf of the organisation. The Board recognises that good governance depends on a clear definition and understanding of the authorities which attach to Board and staff members. To ensure there is clarity regarding decisions that only the Board can take and those that may be delegated to a Committee or an Officer, the Board has drawn up a Schedule of Decision Reserved to the Board which can be found in Part Two of the Standing Orders.

1.41 The Board has approved a Scheme of Delegated Authority included in Part 4, a Scheme of Administration to Committees and a Scheme of Financial Delegation set out in the Financial Regulations approved by the Board.

1.42 Any matters not specified in the Scheme of Delegated Authority or Scheme of Financial Delegation is reserved to Board unless the matter is urgent. See Standing Order 1.84.

1.43 Where authority is delegated to staff on financial matters this relates to operational responsibilities.

1.44 The Chief Executive is responsible to the Board for the implementation of policy and for the day to day running of all aspects of the organisation's activities. The Board, therefore, delegates authority to the Chief Executive to enable the discharge of responsibilities expeditiously, without necessarily referring to the Board. Office Bearers, who are elected Board Members appointed by Board, acting with senior staff, have authority to:

- Represent the Partnership on official business, consistent with agreed policies and procedures.
- Implement agreed emergency procedures.
- Take urgent decisions and/or action between meetings, in consultation with the Chief Executive.
- Take decisions on specific issues between meetings that have been delegated to one or more office bearers by the Board.

1.45 The Chief Executive, in consultation with senior staff, has authority to:

- Ensure the effective implementation of strategies, policies and plans, including the updating of policies for legislative and regulatory changes.

- Represent the Partnership on official business, consistent with agreed policies and procedures.
- Carry out all necessary legal and financial duties to ensure compliance with statutory and regulatory requirements.

The Board has agreed specific delegations to manage routine business matters as defined in the Scheme of Delegation at Part 4.

1.46 The Schedule of Decisions Reserved to the Board will be reviewed at the last Board meeting prior to the AGM.

Functions of the Board

1.47 The Board is responsible for a range of functions which are consistent with and complementary to Rule 45 and the Code of Conduct for Board Members. The range of functions are:

a) The direction and control of the organisation;

b) Ensuring the Board receives appropriate information and advice to carry out its duties;

c) The risks and legal responsibilities arising from its control;

d) Ensuring that the objectives of the organisation are in line with the Rules and are regularly reviewed;

e) Ensuring there is a balance of skills, experience and diversity of equality on the Board, if necessary, by making use of Board appointments, co-options and casual vacancies; and

f) Decision making related to the range of subjects listed in the "Schedule of Decisions Reserved to the Board".

1.48 The core responsibilities of the Board include ensuring that the organisation:

a) Operates within the law;

b) Operates according to its rules and procedures;

c) Meets the standard laid down by the Scottish Federation of Housing Associations, The Scottish Housing Regulator and other regulatory bodies;

d) Establishes business and financial objectives;

e) Protects the assets of the organisation;

f) Recognises its duty to tenants, applicants and other service users;

g) Develops, operates and regularly reviews policies designed to achieve its objectives;

h) Approves each year's budget, exercising financial management and managing responsibly both financial and non-financial risks;

i) Oversees and exercises control over the organisation's work and services;

j) Delegates authority to and monitors the work of Committees, Working Groups and staff;

k) Is responsible for employing staff to carry out the work of the organisation and setting their terms and conditions;

l) Ensure standards of performance are set by the organisation;

m) Monitors performance against objectives and performance standards;

n) Monitors the achievements of performance targets; and

o) Is assured that the information collected is used to amend targets, policies and/or procedures as necessary.

1.49 Board Members have a high level of responsibility, and every support will be given to them to enable them to meet the expectations placed upon them. This will include clear information, comprehensive reports with legal and financial implications where appropriate, policies and procedures and training and support as required.

1.50 The Secretary will assist the Board in discharging its specific responsibilities and shall ensure that adequate information is provided at the appropriate time to the Board to enable necessary decisions to be made and approvals given.

Office Bearers

1.51 In accordance with Rule 59.1, the Partnership shall have three officer bearers: the Chair, the Vice-Chair and the Secretary. The role of the Chair and the duties relating to this post are outlined in Appendix 1. In the Chair's absence the Vice-Chair will perform the same role and duties as the Chair.

1.52 The Chief Executive, in accordance with the job description of that post, shall undertake the duties of Company Secretary listed in Rule 59.3.

1.53 If in the absence of the Chief Executive the duties of Company Secretary will be undertaken by the Director of Finance & Corporate Services.

1.54 The Board shall elect the Chair and Vice-Chair at a meeting held immediately after the AGM, and they will serve until the end of the next AGM.

1.55 Should the post of Chair or Vice-Chair become vacant during the year, the Board will elect a replacement office bearer who will serve for the remainder of that year until the next AGM.

1.56 A person may serve in the post of Chair for a maximum of five consecutive terms and then will not be eligible for election to that post for a period of one year.

1.57 A person may serve in the post of Vice-Chair for a maximum of five consecutive terms and will then not be eligible for election to that post for a period of one year.

CONDUCT OF/AT BOARD MEETINGS

Frequency

1.58 The Board will normally convene no less than six meetings of the Board in any one calendar year. Dates of meetings will be agreed at the first Board Meeting following the AGM.

1.59 Dates of meetings may be altered, by arrangement between the Chair and Secretary.

Notice of Meetings and Agendas

1.60 The Secretary shall ensure that each meeting of the Board and its committees shall be called by written notice - posted, sent by email or through Board Management software, and that the agenda, minutes and reports relating to each meeting shall be made available to Board Members for downloading to Board Management software or their Tablet device at least eight days before the date of the meeting.

1.61 Public notice of the time and place of meetings of the Board shall be given at least seven clear days before the meeting or, if the meeting is convened at shorter notice, as soon as possible after it has been convened. Notices will be posted at all offices from which the Partnership operates, on the Partnership's website and social media platforms.

1.62 The proceedings at any meetings of the Board shall not be invalidated by reason of any failure of delivery of any notice, any vacancy in its membership, any defect in the appointment of any Member, or any informality or defect in the calling of the meeting.

1.63 The appropriate Chair should be provided with advance notice of Agenda items and any discussions regarding the Agenda should be with the relevant advisor to the Board or Committee. In the case of the Board this will be the Chief Executive.

1.64 Depending on prevailing circumstances, and during winter months, meetings may be convened remotely using the Partnership's video conferencing facilities. The Secretary shall take all reasonable steps to ensure that all Board Members are able to access and participate in the meeting if it is being held in this manner. If meetings are due to take place in person, Board Members should make every effort to attend. If there is a legitimate reason why attendance in person is not possible the Secretary shall also ensure a video conferencing option is available.

Attendance at Board Meetings

1.65 Board Members are expected to attend Board meetings. Where four meetings in a row are missed, the Board Member will automatically cease to be a Board Member unless before the start of the fourth meeting in a row:

a) Special leave of absence has been requested, and granted in writing by the authority of the Chair; and

b) A copy of the written authorisation of special leave has been tabled at the Board meeting by the Secretary to enable the matter to be approved.

1.66 Special leave shall be granted only in very exceptional circumstances for reasons such as:

a) Family illness or bereavement of a close relative or a funeral;

b) Serious illness;

c) Absence on Board business;

d) Working/Career development training; or

e) Public transport being unavailable as a result of bad weather or technical failure

1.67 Special leave will not be granted where:

a) The Chair has reasonable doubt regarding the reasons given or the extent of those circumstances; and

b) The Member has attended fewer than half of the Board meetings in the previous two years.

1.68 If any Board Member is subject to court proceedings by the Partnership, they will automatically cease to be a Member of the Board.

Committee, Working Groups and Spokespersons

1.69 The Board will have the following standing Committees:

Committee	Meeting Frequency	Membership
Audit & Risk	Min 4 times a year	6
Development & Finance	Min 2 times a year	6
Joint Consultative	Min 1 time a year	2

1.70 All Committees, with the exception of the Joint Consultative Committee, may appoint a working group as they deem necessary, subject to the remit and terms of reference being approved by the Board.

1.71 The Board may set up working groups and the terms of reference for the remit, operation and lifespan of the working groups are contained in Part 3 of the Standing Orders.

1.72 The Board will appoint a Spokesperson for each of the following areas who will serve in that role until the AGM.

a)	Development
b)	Tenant Liaison & Housing Management
c)	Repairs & Investment
d)	Finance

1.73 Where the Chair is unable to act as our Gàidhlig spokesperson the Board will appoint a Gàidhlig spokesperson to assist the Chief Executive respond to media enquiries.

1.74 The remit for the various Spokespersons is at Part 3 of the Standing Orders.

Hearing and Appeals Panels

1.75 The Board may establish hearing and appeals panels as required to hear, investigate and decide upon matters raised by breaches of the Code of Conduct of Board Members.

1.76 Where appropriate, the Board may delegate authority for agreeing the membership and remit of individual panels to the Chair or where the matter involves the Chair, to the Chief Executive or an appointed external consultant.

1.77 Following consideration of any competent matter referred to it, the Hearing/Appeals Panel will decide and report its actions to the Board. The Hearing/Appeals Panel is accountable to the Board whose decision is final.

Quorum for Board, Committees and Working Groups

1.78 For any meeting and for any item of business, a Member who is able to participate by telephone or videoconference or web link will be regarded as being present and will count towards the quorum.

1.79 Co-opted Members will not count for the purpose of determining a quorum.

1.80 Consistent with the terms of Rule 48, no item of business shall be transacted at a meeting of the Board unless at least **four** Board Members, who must represent at least two of the Board Member Categories, are present and entitled to vote on that item.

1.81 No item of business shall be transacted at a meeting of a Committee unless at least **three** Board Members are present and entitled to vote on that item, one of whom must be either a tenant or community Board Member. The exception to this is the Joint Consultative Committee and the quorum for that Committee is within its remit.

1.82 The quorum for working groups will be **three** Board Members.

1.83 If there are insufficient Members present to form a quorum within half an hour after the time appointed for the meeting to commence, no business will be transacted, and the meeting will be adjourned to a time and place agreed by the Secretary and the Members who turned up for the meeting.

Matters of Urgency Outwith Board Meetings

1.84 When, in the opinion of the Board Chair, a decision is urgently required which is reserved to the Board or a Committee, the Board Chair may make such decision on behalf of the Board as the Chair considers to be in the interest of the Board. When the decision relates to a matter delegated to a Committee, the Chair of that Committee shall be consulted before the decision is made. Any such decision and the reason why it was dealt with under this Standing Order shall be reported to the next meeting of the Board, homologated and minuted.

Minutes of Meetings

1.85 The Secretary will ensure that a draft of a Minute will be produced within seven working days of each meeting. The draft will be forwarded to the Chair (or the office bearer who chaired the meeting) for initial checking. The final draft of the minutes will be circulated to all Board Members with the agenda and papers of the following meeting.

1.86 Only Members who were present at a meeting may move or second a motion for the approval of the Minutes as an accurate record of the meeting's proceedings. After a Minute is approved, and any agreed amendments are made to it, the Chair of that meeting shall sign it. If no Members who were present at a meeting are available to approve the minute, e.g., following resignations or retirals, officers who were present at the meeting can confirm the Minute is an accurate record of the meeting's proceedings which will enable the Board to approve the minute.

1.87 To expedite business, the Chair of a Committee may present a report of recommendations from the Committee to the next meeting of the Board for approval, before the Committee has approved the Minute of the Committee. The Board on the motion by the Chair of the appropriate Committee, or in his absence, by any other Member of the committee, may approve recommendations presented in a report from a committee. If any matter in the report is challenged, the Board may resolve to withdraw the item so that it will be considered with the approved Minute at the next meeting, or if it is a matter of some urgency, proceed to determine the matter.

1.88 For consistency, and so that the reader can follow the Minutes, each set of Minutes of a meeting shall be drafted in conformity with a Corporate Standard for Minutes approved by the Board, and which is likely to be in the following order:

a) Minute Header and meeting details;

b) The names of Members present, participating staff and others in attendance, as well as any apologies received;

c) Any declaration of interests or conflicts of interest;

d) Number, narrative and decision relating to each agenda item including the approval of the minutes of the previous meeting

e) Major points raised in discussion

f) The names of those proposing and seconding any motion or amendments; and

g) the result of any vote, whether by show of hands or secret ballot.

1.89 Minutes may be adopted "*subject to*" the inclusion of an amendment to correct or clarify a point. Any amendment(s) required must be formally proposed, seconded and approved by a majority of Board Members present, prior to the formal adoption of the minutes.

1.90 The approved and signed Minutes of the committees shall be submitted to the next meeting of the Board to note the activities of the committee and to approve any recommendations submitted to the Board for decision.

1.91 The Secretary shall keep a register of the approved and signed Minutes of the Board and its Standing Committees as the definitive record of the Board's proceedings. Meetings will be recorded for the purposes of the Minute only and recordings and transcripts will be kept for a period of 1 year following the meeting.

1.92 A Board Member who was not present at a particular meeting of that Board, may request clarification of a point in the minutes at the following meeting, but may not re-open the discussion on any item where a decision was made at the previous meeting.

1.93 A Board Member who is not a member of a particular committee may request clarification of a point in the respective minutes but may not re-open the discussion on any item, except where the committee has referred an item to the Board for consideration.

Disclosure of Interests

1.94 Board Members, Committees and Working Group members will be required to disclose all actual or potential interests on an annual basis in accordance with the approved Code of Conduct and Entitlements, Payments and Benefits Policy.

1.95 Where a Board Member or staff member has a direct or indirect financial interest in any contract or proposed contract or any other matter, which is to be considered, this should be disclosed to the meeting and they should leave the meeting before any discussion and will not be allowed to vote on that matter.

1.96 Any other interest (non-financial) which could influence judgement or be perceived that a Board Member or staff may be acting from personal motives (such as personal interest, kinship, friendship, membership of another organisation or other relationship should be disclosed and they should leave the meeting before any discussion or voting on that matter.

1.97 This requirement will be contained within the papers issued in advance of the meeting and highlighted as a standard agenda item at the start of all meetings of the Board, Committees and Working Groups.

1.98 In respect of any matters contained within the agenda and papers for consideration at the meeting, they will be required to declare this interest at the earliest possible opportunity.

1.99 Where an actual or potential interest has been declared, the Board Member will not receive any further papers or minutes in relation to the relevant item.

1.100 The Board Member will also be required to be excused from the meeting when the item is being considered and will take no part in any discussions in relation to the relevant item whether at a meeting or outwith the meeting.

1.101 Any exceptions to the above requirements would require the specific approval of the Board, subject always to the requirement to comply with the terms of our Rules.

1.102 Failure to comply with the disclosure of interest requirements may result in procedures being implemented to remove the Board Member from the Board or in relation to a staff member, disciplinary action may be taken.

1.103 All declarations will be recorded in the minutes of the meeting together with the action taken. The declaration will also be recorded in the Register of Interests maintained by the Governance Officer.

1.104 Board members who are also tenants of property owned or managed by HHP will not normally be considered to have a conflict of interest where the Board is dealing with matters of general policy unless, as a result of particular circumstances applicable to a Board member, it can be reasonably considered that a conflict of interest arises for that Board member.

Openness and Transparency

1.105 There will be a presumption that all proceedings, including agendas, reports, minutes and other documents for Board are non-confidential unless otherwise agreed.

1.106 Minutes, with any confidential items omitted, may be viewed on the Partnership's website.

1.107 At the time of setting the Agenda, the Company Secretary will make a decision on whether a report should be taken in private due to commercial sensitivity or maintaining confidentiality in line with UK GDPR requirements.

1.108 There may be occasions where after an Agenda has been agreed there is a need to take a report in private. The report will be marked "Private" and issued as such but before the Board or a Committee agrees to take an Agenda item in private, the Board or a Committee shall consider whether to approve a motion to exclude the public and press during consideration of the item in view of the confidential nature of the business to be transacted. The motion shall specify in general terms why the item is considered to be of a confidential nature, e.g. because it relates to a disciplinary matter, a person's personal circumstances, etc. The Board, Committee, etc. shall decide by majority when an item should be confidential. Further detail relating to this subject can be found in the Openness and Confidentiality Policy.

1.109 The Board and its committees may similarly decide to exclude some or all staff from a meeting where personal or sensitive matters are to be discussed.

PROCEDURE AT BOARD MEETINGS

1.110 Except where the majority of Board Members present and voting on such matters decide otherwise at the start of the meeting:

a) the business of the meeting shall proceed in the order it appears on the Agenda;

b) no business other than that contained in the Agenda shall be discussed; and

c) no item shall be withdrawn from the Agenda.

1.111 Since the main responsibilities of the Board relate to strategic and policy matters and performance monitoring, the order of business at Board meetings shall reflect this. A Corporate Standard for Board Agendas shall be approved by the Board with detailed specifications relating to agenda matters.

Motions and Amendments

1.112 Subject to the provisions of the following paragraph, any Member of the Board who wishes to have a particular matter discussed, may submit for consideration by the Board at any ordinary meeting a motion or resolution, by giving notice thereof in writing to the Secretary at least **fourteen days** prior to the date of the meeting at which it is intended to be submitted. The Secretary shall incorporate such notice in the agenda issued with the notification of the meeting and the Member will be entitled to speak to the motion and seek a seconder. The matter may be determined at the Board meeting or referred on to another meeting for further discussion.

1.113 A motion or resolution relating to any matter directly arising from Minutes or an Agenda may be moved without prior notice having been given. If, in the opinion of the Chair of the meeting, any motion or resolution so submitted does not arise directly from the Minutes or Agenda, the Chair may require the mover to give notice thereof.

1.114 If a motion, intimation of which is specified in the notice calling the meeting, is not moved by the Member, or by some other Member on his behalf, it shall, unless postponed by leave of the Board, be considered as withdrawn and shall not be moved without further notice.

1.115 The following shall apply to motions and amendments:

a) Every amendment shall be relevant to the motion and may include a proposition that is the direct negative of the motion;

b) A motion or amendment moved but not seconded shall not be put to the meeting, but dissent may be recorded in terms of Standing Order 1.125.

c) No Member shall move or second:

i) An amendment if that Member has moved or seconded the motion;

ii) More than one amendment to a motion.

d) If a motion or amendment is withdrawn, the mover and the seconder shall, prior to formal debate commencing, be able to move or second another motion or amendment;

e) There shall be no discussion on any motion or amendment except by the mover until such motion or amendment is seconded;

f) When a motion and two or more amendments have been proposed, the Chair of the meeting shall determine in what order the motion and amendments shall be put to the meeting; and

g) Any motion or amendment proposing either expenditure or a reduction in income shall identify the source of funding to meet the additional expenditure or income foregone, and an amendment failing to identify such source shall be incompetent

1.116 Subject to the right of reply of the mover of a motion or amendment, no Member shall speak more than once or for longer than five minutes, provided always that a Member may speak to a point of order or in explanation with the consent of the Chair of the meeting.

1.117 The movers of a motion and amendments in their right of reply in terms of Standing Order 1.115 (f) and (g), shall speak for no longer than five minutes and shall confine themselves strictly to summing up, answering points made by previous speakers but shall not introduce new material.

1.118 When a motion has been made and is under debate, no other motion shall be moved except a motion:

a) To adjourn the meeting;

b) To suspend Standing Orders;

c) To exclude a Member or Officer from the meeting;

d) To exclude the press and public from the meeting;

e) To take the vote by ballot or roll call; or

f) That "the question be now put".

1.119 At the close of any speech, any Member who is not the mover or seconder of the motion or of any amendment to that motion that is before the meeting and who has not spoken on the question before the meeting, may move that the "*question be now put*". If this is seconded, the Chair of the meeting, if of the opinion that the matter has been fully discussed, shall without further debate and without speeches on the motion that the question be put, have a vote taken on that motion. If the motion is carried, the movers of the original motion and any amendments thereto shall have the right to reply in terms of Standing Order 1.117 and the question shall be put to the meeting.

Order of Debate

1.120 Every motion or amendment shall be moved and seconded, and shall, if required by the Chair of a meeting, be reduced to writing and read before being put to the meeting for approval or formal debate. No motion, to which an amendment has been moved, or amendment shall be altered or withdrawn without the consent of the mover and the seconder.

1.121 The order of debate shall be as follows:

a) The mover of the motion;

b) The movers of amendments in the order moved;

c) The seconders of the motion';

d) The seconders of the amendments in the order moved;

e) Any other Member of the Board who has not spoken in the debate;

f) The movers of the amendments, in reply to points and to sum up, in the reverse of the order in which the amendments were moved; and

g) The mover of the motion in reply to points and to sum up

1.122 The mover of a motion and any mover of an amendment have the right of reply before a vote is taken but may not introduce any new matter after this stage. After the mover of the motion has exercised his right of reply, no other Member may speak on the question unless:

a) To raise a point of order;

b) To adjourn the meeting;
c) To suspend the Standing Orders; or
d) To exclude a Member or Officer from the meeting.

1.123 Subject to the right of reply of the mover of a motion or amendment, no Member shall speak more than once or for longer than five minutes, provided always that a Member may speak to a point of order or in explanation with the consent of the Chair of the meeting.

1.124 The movers of a motion and amendments in their right of reply in terms of Standing Order 1.115 (f) shall speak for no longer than five minutes and shall confine themselves strictly to summing up, answering points made by previous speakers but shall not introduce new material.

1.125 The Chair shall decide when the resolution or motion is to be put to the vote after debate has concluded.

Entering Dissent

1.126 No reservation or qualification by any Member with respect to a particular resolution shall be recorded in the Minutes of meetings of the Board, except where a Member has proposed a motion or amendment which has not been seconded, and who has requested that their dissent be recorded from the resolution adopted, prior to the meeting commencing consideration of the next item on the agenda.

Voting/Decision

1.127 All acts of, and all questions coming and arising before the Board, shall be done and decided by a majority of the Members present and voting at that meeting of the Board. Majority agreement may be reached by a consensus without a formal vote. Where there is doubt, a formal vote shall be taken.

1.128 In the case of an equality of votes, the person presiding at the meeting, in addition to a deliberative vote, shall have a second or casting vote. Where the Chair chooses not to use his second or casting vote the matter shall be determined by lot.

1.129 Voting shall be taken by Members by a show of hands; or when the majority of Members present and entitled to vote so determines, by ballot.

1.130 Co-opted Members shall not be entitled to vote on matters affecting membership of the Partnership or on the election of Partnership office bearers.

Points of Order

1.131 Any Member may raise a point of order in the course of a meeting; all questions of order are decided by the Chair of the meeting. No other Board Member is permitted to speak to the point of order except with the Chair's permission.

Length of Meeting and Adjournment

1.132 Meetings will continue for no more than **two hours** beyond the stated starting time, unless at least two-thirds of the Members present and entitled to vote agree, on the expiry of that time, to continue the meeting.

1.133 If there is insufficient support to continue, the meeting will either:

a) be closed formally, with the remaining business being added to the agenda for the next scheduled meeting (this option will be followed if there are no matters requiring a decision before the next scheduled meeting); **OR**

b) be adjourned to a time and place agreed at the meeting to complete the business if there are matters requiring a decision before the next scheduled meeting

1.134 An adjourned meeting will be regarded as a continuation of the original meeting. All decisions etc. will be recorded as having been made on the date of the additional meeting. No business will be dealt with at the additional meeting other than the matters not reached or left unfinished at the original meeting.

1.135 A motion for the adjournment of a meeting may be made at any time, shall have precedence over all other motions and shall be put to the meeting without amendment or discussion. Unless the time and place are specified in the motion for adjournment, the adjournment shall be until the day of and before the next ordinary meeting.

Officer Advisors at Board Meetings

1.136 The Chief Executive shall establish arrangements to ensure that the appropriate level of professional advice is available at all meetings of the Board, its committees and working groups, having regard to the agenda of the particular meeting.

1.137 The Chair of a meeting may invite officers of the Board or external advisors to speak to an item of business.

1.138 The Chief Executive and Secretary shall attend all meetings of the Board and Standing Committees unless statute or the constitutional documents indicate otherwise.

1.139 The Chief Executive may, consistent with these Standing Orders, delegate such powers, responsibilities and authority to such members of staff as she may from time to time determine.

1.140 The Chief Executive, in consultation with the Chair, is responsible for the interpretation of our policies and the Chief Executive is responsible for the implementation of our policies.

Policy Safeguards

1.141 A policy approved by the Board shall be binding for at least twelve months. This means that it will not be competent to move to change or modify an

approved policy within that timescale, except where the Chair of the meeting rules that a "*material change of circumstances*" has occurred: which circumstances shall be specified in the Minutes.

1.142 Where a policy is changed or modified, it shall not affect or prejudice any action, proceedings or liability which may have been done or undertaken competently before the policy was amended.

1.143 Policies which have elements of safeguarding to protect vulnerable beneficiaries will be reviewed on an annual basis to ensure they are consistent with Office of the Scottish Charity Regulator (OSCR) guidance.

APPLICATION, VARIATION AND SUSPENSION OF STANDING ORDERS

1.144 It shall be the duty of any person who chairs meetings of the Board, committees or working groups and the Secretary or a person nominated by the Secretary, to ensure that the Standing Orders are observed.

1.145 The Partnership acknowledges that there may be occasions where it is in the best interests of the Partnership to act in a way either not governed by these Standing Orders or to act in a way not in adherence to these Standing Orders. Generally, these circumstances will be exceptional and will involve a particular issue usually arising from an emergency or some other unexpected circumstance not in keeping with the normal course of the Partnership's business. Therefore, in order to permit an item of business to be considered at a meeting, the Board or committee may, at the meeting, on a motion duly moved and seconded, suspend or dispense with any Standing Order to be specified in the motion if supported by a majority of the Members of the Board or committee present and voting.

1.146 The motion to suspend must be clearly minuted and the minute must contain details of the special circumstances giving rise to the Suspension, any conditions attaching and any time scales applying.

1.147 The Secretary may submit a written report to a meeting of the Board recommending a new Standing Order or an alteration of an existing Standing Order, which the Secretary considers to be required for the better conduct of the business of the Board.

1.148 The Standing Orders may be varied, revoked or added to at a meeting of the Board by a majority of Members present and voting provided that the agenda, for the meeting at which the proposal is to be considered, clearly states the extent of the proposed repeal, addition or amendment.

1.149 The Standing Orders shall be subject to an annual review prior to the AGM unless the Board agree to delay the review e.g. following a change to the Rules.

USE OF COMMON SEAL

1.150 The Secretary shall keep the Common Seal of the Partnership in a secure place, be responsible for its safe custody and ensure that it is only used when the Board so decides.

1.151 The Board authorises the use of the seal on the following documents:

a) The Partnership's Share Certificates;

b) Documents relating to the sale of property to tenants provided that the sale and the sale price have been calculated in accordance with the Partnership's relevant policies and procedures and the details have been approved by the Secretary;

c) Any document for the disposal of any land or property falling within the definition given in the Housing Associations Act 1985, section 9, or any statutory modification or re-enactment of that legislation;

d) Any contract, except a contract of employment, with a value greater than £500,000; and

e) Any other class or type of deed, or individual deed specifically authorised by the Board

1.152 When the seal is used, the deed or document shall be signed by the Secretary and one Member of the Board duly authorised to subscribe the deed or document on the Partnership's behalf and recorded in the register as required by Rule 63.

1.153 Each use of the seal must be recorded in the relevant register.

1.154 In cases where it is necessary that a document is sealed, the Seal shall be affixed in the presence of the Secretary and one Board Member duly authorised in accordance with Rule 63.

PART TWO

SCHEDULE OF DECISIONS RESERVED TO THE BOARD

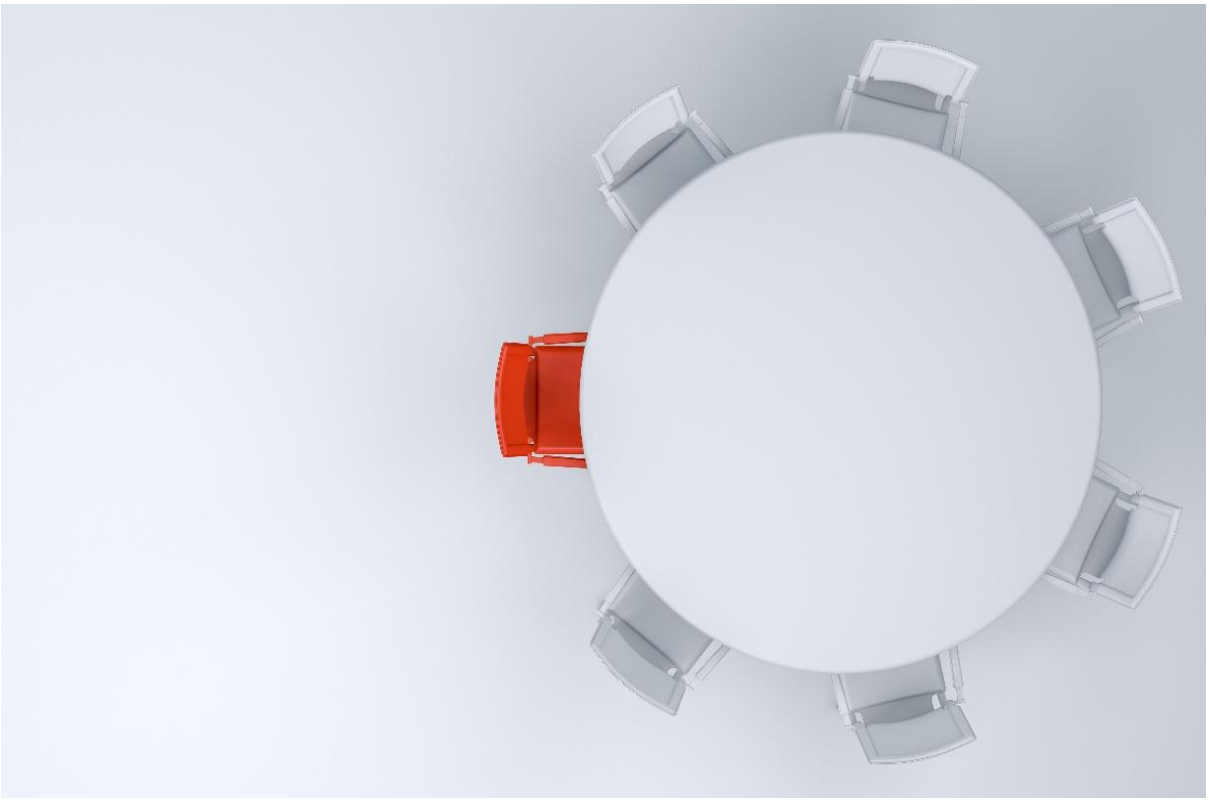
PART 2-SCHEDULE OF DECISIONS RESERVED TO THE BOARD

This "Schedule of Decisions reserved to the Board" forms an integral part of the Standing Orders of the Hebridean Housing Partnership

2.1 Decisions relating to the following items of business shall be reserved for approval by the Board. Their inclusion on this list does not preclude any item of such business being referred to a Standing or other committee of the Board for detailed consideration and recommendation before being presented to the Board for its formal decision:

a) Approval and Amendment of Strategy, Business Plans and Budgets, including virements to or from a budget head to the value as defined in the Financial Regulations;
b) Approval and amendment of major updates to policies (other than amendments required by legislation or regulatory changes as per Standing Order 1.45);
c) Annual Rent Setting;
d) Corporate Governance or Constitutional documents including the:
    i. Rules;
    ii. Standing Orders;
    iii. Schedule of Decisions Reserved to the Board;
    iv. Scheme of Administration for Committees;
    v. Scheme of Delegation of Administrative Matters to Officers;
    vi. Financial Regulations; and
    vii. Scheme of Delegation of Financial Matters to Officers.
e) All items of capital expenditure and disposal of assets with a value in excess of £50,000, except urgent items of capital expenditure where the time scale for a decision does not allow the matter to be considered by the Board. (Such exceptions shall be dealt with under delegated powers by the Chief Executive, but only with the prior agreement of the Chair of the Board);
f) Personnel policies for all staff, including arrangements for the appointment, remuneration, appraisal, disciplining and dismissal of staff;
g) Appointment of Chief Executive and Directors;
h) Arrangements for dealing with a serious complaint against the Chief Executive;
i) Financial and performance reporting arrangements, with compliance with published standards and other key performance indicators being reported to the Board;
j) Internal Audit appointments;
k) Treasury Management Policy;
l) Service Agreements and contracts with a value greater than £100,000;
m) Review of complaints and any reports from the Ombudsman in line with Ombudsman's requirements.

n) Approval of the annual report and accounts;
o) The creation and dissolving of Committees and the referral and delegation of business to them;
p) The annual review of the "Schedule of Decisions Reserved to the Board"; and
q) Review of Board's performance and skills and individual experience of Board Members.



PART THREE

SCHEME OF ADMINISTRATION FOR COMMITTEES

PART 3 - SCHEME OF ADMINISTRATION FOR COMMITTEES

3.1 The Scheme of Administration shall regulate:

a) The terms of reference, constitution and membership of the Committees, Community Liaison Groups, Working Groups and spokespersons etc. of the Partnership;

b) The reference of the functions of the Board to Committees, Community Liaison Groups and Working Groups, etc. for consideration, report and recommendation as appropriate;

c) The delegation to Committees to exercise functions of the Board; and

d) Such other administrative matters relating to Committees, Community Liaison Groups, Working Groups and Spokespersons, etc. as the Board may determine

3.2 Appointments as Spokespersons and to Committees and Working Groups will be made at the first Board meeting immediately following the AGM each year.

COMMITTEES, COMMUNITY LIAISON GROUPS & WORKING GROUPS

Committees

3.3 The Board shall have the following standing Committees:

Committee	Meeting Frequency	Membership
Audit & Risk	Min 4 times a year	6
Development & Finance	Min 2 times a year	6
Joint Consultative	Min 1 time a year	2

3.4 The Board shall determine the terms of reference, objectives, constitution, quorum and what matters shall be referred and delegated to the Standing or other committees. No committee or working group shall be established until their Terms of Reference are approved by the Board.

3.5 Notwithstanding that a matter has been delegated to it, a Committee may direct that, before action is taken; its recommendation shall be submitted to the Board for approval.

3.6 Where Board Members (including the Chair) are not Members of a Committee, subject to the terms of the Constitutional Documents, they shall have the right to attend and speak but not to be involved in motions, amendments or voting at such committees.

3.7 Any Committee may, with the prior approval of the Board, appoint such work group with such terms of reference, constitution, quorum and what matters shall be referred and delegated to the work group, as it deems necessary.

3.8 Committees may comprise Members of the Board and any other person who may be co-opted to serve on a Committee within the terms of their remit.

Where functions are being carried out by a Committee, their Members including those who are co-opted, are acting on behalf of the Board.

3.9 Subject to any statutory provision, regulation, or Direction by a Scottish Minister:

a) Each Committee shall give effect to any instructions of the Board, and for these purposes, an instruction shall be taken to include a decision taken by the Board against the instructions of the Committee;

b) The Board may deal with any matter included in the reference or delegation to a Committee although no report from such a Committee is before it; and

c) The Board may vary, add or restrict any reference or delegation to any Committee.

3.10 The Terms of Reference approved by the Board for Committees and shall be subject to an annual review to be completed before the AGM.

3.11 At their last meeting before the AGM, the standing committees shall consider how they have discharged their obligations having regard to their approved Terms of Reference and recommend to the Board:

a) How such discharge of obligations can be improved; and

b) How the Terms of Reference can be amended

Community Liaison Groups

3.12 If requested by local communities, we will arrange to have Community Liaison Groups set up in Stornoway, Rural Lewis, Harris, The Uists and Barra.

3.13 Community Liaison Groups will be informal meetings open to all tenants and members of the public. The Community Liaison Groups will operate within terms of their remit.

3.14 Notes of meetings will be taken and after approval by the Community Liaison Group will be made available on the Partnership's website. Any personally sensitive information will be excluded from the public note of the meeting.

Working Groups

3.15 Working Groups will be set up by the Board as required for specific tasks. The Board will approve the remit and the membership of the Working Group.

3.16 Minutes of meetings of the Working Groups will be made available to the Board through the Board Information Bulletin. Minutes of working groups will not be published on the website.

APPOINTMENT OF MEMBERS

3.17 On the first meeting after the AGM, the Board shall make appointments to the Standing committees, taking into account as far as possible Members' wishes, ascertained by the Secretary at least seven days before the meeting. Appointees shall hold office until the AGM following their appointment, providing they remain Members of the Board. Co-opted Members shall also hold office until the AGM following their appointment.

3.18 Casual vacancies in the committees shall be filled by the Board as soon as practicable following the occurrence of the vacancy. However, for good reasons, the Board may decide that a vacancy shall remain unfilled.

APPOINTMENT OF CHAIR

3.19 Except as provided in Statute or in the Constitutional Documents:

a) The Chair of a Standing or other committee shall be appointed by the relevant Committee; and

b) The Chair of a Working Group should be the Chief Executive or other Head of Service.

3.20 In the absence of the Chair, or if the Chair is vacated, the Committee shall elect from its Members, a replacement Chair for the whole or part of the meeting.

3.21 The term of office of the Chair of any committee shall be until the AGM following their appointment, providing they remain Members of the Board.

QUORUM

3.22 Unless otherwise determined by the Board, no item of business shall be transacted at a meeting of the Standing Committee unless at least **three** Board Members are present and entitled to vote on that item, one of whom must be either a tenant or community Board Member. Co-opted Members shall not count towards a quorum.

3.23 The quorum for the Joint Consultative Committee is 2 members from each side: Employers and the Union.

3.24 The quorum for Working Groups will be three Board Members and Co-opted Members will count towards the quorum.

DELEGATION TO WORKING GROUPS AND HEADS OF SERVICE

3.25 Subject to statute and to the "Schedule of Decisions Reserved to the Board", a Committee may delegate authority to a Working Group or to a Head of Service to discharge any function which is delegated to that Committee. The Secretary in consultation with the Chair of the Standing Committee is authorised, where the Secretary deems it to be appropriate for the effective administration of the Board's business to refer a matter otherwise delegated or referred to a Working Group directly to the relevant parent committee.

REFERRED FUNCTION

3.26 Subject to any statutory provision, regulation or Direction by a Scottish Minister, and subject also to the provision of the Board's Constitutional Documents, the Board may refer a matter to the standing committees for consideration but not delegate powers to that committee to enable it to reach a decision. In such cases, the committee shall make a recommendation to the Board which shall require to be approved by the Board.

DELEGATED FUNCTIONS

3.27 Subject to any statutory provision, regulation or Direction by a Scottish Minister, and subject also to the provisions of the Board's Constitutional Documents, where any function of the Board is delegated to a committee or officer, the committee or officer shall have the power to exercise the function in like manner in all respects as the Board could have exercised it had there been no delegation. However, it shall be competent for such committee or officer, in relation to any matter, instead of making a decision thereon, to make a recommendation thereon to the Board or Committee. In which event, the matter shall be decided by the Board or Committee after consideration of the officer's, or committee's recommendation.

3.28 Where a Head of Service is unable to make a decision under delegated powers due to the terms of a safeguard listed in Standing Order 4.7 of the Scheme of Delegation, the matter shall be determined instead by the appropriate committee.

CONDITIONAL DELEGATION

3.29 With the exception of those functions listed in the "Scheme of Decisions Reserved to the Board", a Standing Committee may determine matters on behalf of the Board under delegated powers where:

a) By reason of urgency there is insufficient time for the matter to be referred in accordance with the Scheme of Administration to the Board, which reasons shall be specified in the Minute of the Meeting concerned; and

b) Where a motion to approve a recommendation to bind the Board to a particular course of action is approved unanimously by the Committee; and provided always that:

i) The matter is not contentious; and

ii) No breach of a major policy position of the Board would result from the decision.

3.30 This may apply to any referred function of the Standing Committee which is not specifically reserved to the Board for example:

a) Implementing urgent Health and Safety action; or
b) Implementing urgent action recommended by an auditor

3.31 Staff and external advisers shall attend Committee to present reports and otherwise advise and assist the Committee. Such persons shall leave the meeting if they have a conflict of interest or if they are asked to do so by the Chair, whom failing, the Vice-Chair or other person presiding at a meeting.

REPORTING TO THE BOARD

3.32 After a meeting of the Committee has approved the Minutes of the previous meeting as a correct record of proceedings, an approved copy of those Minutes shall be presented to the next ordinary meeting of the Board in accordance with Standing Order 1.86.

3.33 If there is a need to expedite business arising from a recommendation of the Committee, the Chair, or in his absence, a Member of the Committee, may present a report of such recommendations from the Committee to the next meeting of the Board for approval, notwithstanding that the minute of the Committee relating to such recommendations has not been approved by the Committee.

VARIATION OF SCHEME OF ADMINISTRATION

3.34 Notwithstanding the above, the Scheme of Administration for Committees may be amended or added to at a meeting of the Board by a majority of Members present and voting provided that the agenda, for the meeting at which the proposal is to be considered, clearly states the extent of the proposed repeal, addition or amendment.

AUDIT & RISK COMMITTEE-TERMS OF REFERENCE

OBJECTIVES

The main objectives are to ensure that:

- Effective internal controls operate to ensure the Partnership complies with relevant laws, regulations and external reporting requirements
- The system of controls, financial and otherwise, promotes effective and efficient operations
- There is an independent review of internal and external audit activity

CONSTITUTION

1.1 The Committee shall be appointed by the Board and shall comprise six Board Members, one of whom must be either a tenant or community Board Member. At least one member of the Committee must have relevant financial or audit experience.

1.2 If additional expertise or experience is required by the Committee at any time, one additional person may be co-opted to the Committee.

1.3 The Chair of the Board is excluded from membership of the Committee.

FREQUENCY

2.1 The Committee shall meet at least quarterly on such dates and times as the Committee determines, having regard to the annual time-table of meetings set by the Board.

2.2 The Secretary, in consultation with the Committee Chair, may convene an additional meeting at any time if the Secretary or the External or Internal Auditor considers that such a meeting is necessary.

REFERRED FUNCTIONS

3.1 The Committee shall consider the following functions on behalf of the Board and report thereon to the Board for its consideration or decision:

Function	Detail
Internal Control and Corporate Governance	a) Monitoring and reviewing policies and procedures relating to the Board's system of internal control, risk evaluation and corporate governance b) Evaluating the control environment c) Evaluating the decision-making processes d) Making arrangements to identify, review, evaluate and manage risks e) Considering quarterly presentation on the evaluation of key business risks f) Undertaking an annual review of control effectiveness

Function	Detail
Internal Audit	g) To ensure that the Partnership has appropriate internal audit arrangements h) Holding quarterly reviews of the operational effectiveness of the internal audit service by considering performance measures such as audit report completion times, significant recommendations implemented; customer satisfaction surveys, customer requests for assistance, staff turnover, cost of non-productive time, performance against strategic and annual plans i) Identifying and initiating Value for Money studies j) Overseeing and reviewing action taken by the Chief Executive on Internal Audit recommendations and Value for Money reports k) Reviewing and monitoring the Internal Audit Strategy and Plan, particularly by considering quarterly progress reports and comparing activity against the audit plan l) Considering briefings from internal audit on new legislation
External Audit	m) Reviewing and monitoring the External Audit strategy and plan; particularly by considering progress reports and comparing activity against the audit plan n) Overseeing and reviewing action taken by the Director of Finance & Corporate Services on External Audit recommendations and Value for Money reports o) Reviewing the External Audit management letters, in particular any relating to the certification of the Board's accounts p) Advising regarding the appointment and terms of the External Auditor
Constitutional Documents	q) Monitoring and reviewing the Rules, Standing Orders and Financial Regulations r) Monitoring and reviewing the Scheme of Delegation and the Scheme of Administration s) Monitoring and reviewing the Schedule of Decisions reserved to the Board t) Examining the circumstances on each occasion when the Standing Orders are waived
Annual Accounts	u) Reviewing schedules of losses and compensations v) Approving changes in accounting policies w) Considering annual accounts reports with a view to recommending the approval of the Annual Accounts to the Board

Function	Detail
General	x) In the light of the annual report on the adequate and effectiveness of internal controls obtained from Internal Audit, evaluating the whole internal control environment and providing the Board with an annual statement which addresses business, operational, financial and compliance risks y) Review annually the level of suspected and detected fraud and corruption within the Partnership, and arrangements for prevention and detection; and z) Reviewing Accounts Commission and Audit Scotland reports and recommending any necessary action within the Board in response to such reports

DEVELOPMENT AND FINANCE COMMITTEE-TERMS OF REFERENCE

OBJECTIVES

The main objectives are to ensure that Financial and Development matters are examined in detail and in accordance with policy and to enable swift responses where time is of the essence

CONSTITUTION

1.1 The Committee shall be appointed by the Board and shall comprise six Board Members, one of whom must be either a tenant or community Board Member. At least one member of the Committee must have relevant financial experience.

1.2 If additional expertise or experience is required by the Committee at any time, one additional person may be co-opted to the Committee.

FREQUENCY

2.1 The Committee shall meet at least twice a year or on such dates and times as the Committee determines, having regard to the annual time-table of meetings set by the Board.

2.2 The Secretary, in consultation with the Committee Chair, may convene an additional meeting at any time if the Secretary considers that such a meeting is necessary.

REFERRED FUNCTIONS

3.1 The Committee shall consider the following functions on behalf of the Board and report thereon to the Board for its consideration or decision:

Function	Detail
Finance	a) To review the Budget Strategy and rent setting process, including consultation with tenants b) To review Draft Financial Statements and in particular how the partnership had performed against agreed goals and budgets c) To stress test the long term and short-term financial plans which support the Business Plan d) To contribute to and review the Value for Money Strategy (VFM) e) To consider any additional matters requested by the Board in respect of finance f) To give views based on achieving the best financial services for tenants in accordance with the requirements of the Partnership

Development	g) Consider potential sites for acquisition h) Assess and review project and site plans i) Review HHP's 5-year Development Plan and all project Financial Appraisals and make recommendations to the Board j) Represent the Partnership at opening of developments k) Consider in depth any issues that might arise whilst developments are underway l) Prepare responses for consultation relating to local and national development issues m) Consider any additional matters requested by the Board in respect of the Partnership's development service

JOINT CONSULTATIVE COMMITTEE-TERMS OF REFERENCE

OBJECTIVES

To establish a workable and effective arrangement for good industrial relations, for the avoidance of any misunderstanding and for the promotion of joint participation in all matters of common interest and concern on a genuine consultative and negotiating basis at Organisation level, as outlined in Clauses 7.3 and 7.4 of the Recognition and Procedural Agreement

CONSTITUTION

1.1 There shall be an employer's side and a Union side.

1.2 The employer's side shall consist of 3 persons nominated by the Board; at least 2 of whom shall be members of the Board.

1.3 The Union side shall consist of 3 representatives of the Union who shall be members of staff and elected by the UNISON membership within the Organisation.

1.4 Each side shall confirm the names of its representatives on an annual basis and inform the other immediately of any changes in the interim period.

1.5 Each side shall make every effort to send its confirmed representatives to each meeting but substitution will be permitted on both sides where it cannot be avoided.

1.6 Staff and management will be entitled to have advisors in attendance who will have speaking rights. Except in the case of special meetings each side shall give a minimum of seven days' notice to the other side of its intention to invite such advisors to the meeting.

COMMITTEE CHAIR

2.1 The Chairperson for each meeting of the JCC shall be nominated alternately by the Union side and the Management side, or as otherwise agreed in writing by both sides.

2.2 The two sides shall jointly appoint a secretary who will be responsible for convening meetings, preparing agenda in consultation with both sides, and taking and circulating minutes. Minutes shall be subject to the agreement of the Committee and will be signed by the Chairperson of the meeting at which they are agreed.

FREQUENCY

3.1 Meetings of the JCC shall be every 6 months with a prepared agenda which shall be issued fourteen days before each meeting. The agenda shall provide for any other business of an urgent nature to be discussed.

3.2 Special meetings may be called by either the Union or the Board. Such meetings must be convened within fourteen days, unless the side requesting the meeting agrees otherwise, but always within twenty-eight days.

STATUS OF RESOLUTIONS

4.1 Resolutions of the JCC shall not be binding on either side but shall be recommendations only to the respective parties (the Board and the Union) whose ratification shall be required before an agreement is deemed to be reached.

COMMUNICATIONS

5.1 Members on both sides shall be afforded reasonable facilities to visit and communicate with all offices and staff of the Partnership.

COMMUNITY LIAISION GROUPS-TERMS OF REFERENCE

OBJECTIVES

To ensure that suitable arrangements are in place in each defined area, so that there is satisfactory consultation and feedback taken from each area before important decisions are taken by the Board which affect the defined area

CONSTITUTION

1.1 The Community Liaison Groups will be made up of tenants, members of the Partnership and residents who reside in the defined area. Board members and council representatives who reside in the area may also be part of the Group.

1.2 A quorum of 3 members is required for any business to be transacted at a meeting.

1.3 The most senior officer present from HHP will act as the Chairperson.

1.4 A note of the meeting will be taken which will record the key actions agreed at the meeting together with a note of all those present. A note of the meeting will be issued to Board Members following the meeting to enable any necessary action to be taken as soon as possible.

1.5 The Group will meet on a frequency determined by the group with a minimum of one and a maximum of four meetings a year.

1.6 Where an area would prefer to make use of a Community Council rather than set up another group, views from the Community Council on housing matters can be submitted and reviewed by the Board in the same way as Community Liaison Group minutes.

PERSONNEL WORKING GROUP REMIT & TERMS OF REFERENCE

REMIT

1.1 The Personnel Working Group's Remit is:

- To recommend to the Board how the Annual Pay Award will be carried out
- To consider recommendations from the Chief Executive for the Annual Pay Review for all staff with the exception of the Chief Executive
- To recommend to the Board an Annual Pay Award for the Chief Executive on condition the % awarded does not exceed the % offered and accepted by the staff
- To review on a regular basis the grading and salary framework to enable a robust review of the grading of all approved posts and recommend any changes to the Board
- To manage the grading appeals mechanism to deal with grading appeals
- To review when consultancy support is required and to select appropriate consultants within approved budgets
- To review the effectiveness of appraisal systems
- To review the annual plan for reviewing employee related policies
- To review the Workforce Plan

CONSTITUTION

2.1 The Personnel Working Group is made up of five Board Members appointed by the Board. To provide continuity and build up skills, the Board Members will serve for up to three years from appointment. Where vacancies occur, new members will be appointed after the AGM or at the next Board Meeting if necessary.

2.2 The Chief Executive will provide advice to the Working Group except where external expertise and knowledge is required, or a decision is required on the remuneration or terms and conditions of the Chief Executive.

2.3 Action Points will be agreed at the end of each meeting and held as a record of what was agreed at the meeting. The Action Points will be tabled at the Board Meeting following the Working Group meeting.

2.4 At the first meeting of the Working Group after the AGM a Chair of the Working Group will be appointed.

2.5 The meetings cannot proceed unless three Board Members are present.

2.6 Agenda and papers for Working Groups will be prepared at least three working days prior to the meeting.

FREQUENCY OF MEETINGS

3.1 There will be a minimum of one meeting a year.

3.2 There may be a requirement to meet more frequently if the grading and salary framework is being reviewed but these meetings will be agreed at least a month in advance.

OPERATIONS WORKING GROUP REMIT & TERMS OF REFERENCE

1.1 The Operations Working Group will deal with Housing Management, Asset Management, Repairs and Tenant Liaison matters which require insight and input from Board Members ahead of taking a policy or strategy to the Board for consideration.

1.2 The Remit includes:

Asset Management & Repairs

- Contribute to and review the Asset Management Strategy
- Contribute to and review the Affordable Warmth Strategy and matters pertaining to fuel poverty
- review updates to the Investment Programme prior to Board approval being requested
- consider the Procurement Framework & procurement matters pertaining to investment work prior to Board approval being requested;
- consider and review any major updates to the Repairs & Maintenance Policy, Asbestos Policy, Estate Management Policy and Gas Safety Management Policy;
- review the Grounds Maintenance & Garden Assistance Scheme prior to Board approval being requested;
- monitor progress against Scottish Housing Quality Standard (SHQS) and the Energy Efficiency Standard for Social Housing (EESSH);
- consider any additional matters requested by the Board in respect of investment in the Partnership's housing stock; and
- feed back to the Board in respect of achieving the best asset management service for tenants and the Partnership alike

Housing Management

- To review legislation in relation to housing management and implement the requirements and recommendations of, for example, the Housing Scotland Act 2014;
- To oversee the review of the Allocations Policy, to include any consultation required;
- To investigate and consider how the Partnership might address difficult to let properties;
- To liaise with the Tenant Participation Officer where required;
- To consider rent structure along with the Development & Finance Committee;
- To consider any additional matters requested by the Board in respect the management of the Partnership's housing service; and
- To give views based on achieving the best housing management service for tenants and the Partnership alike

Community Grants Policy

The Operations Working Group will approve grant requests made under the Community Grants Policy.

MEMBERSHIP

2.1 The Operations Working Group is made up of six Board Members appointed by Board, the Chief Executive, and the Director of Operations. Other officers, including the Area Managers, Service Development Manager, the Investment Manager or the Assets and Contracts Manager will attend where their skill and expertise is required. To provide continuity and build up skills the Board Members will serve for up to three years from appointment. Where vacancies occur, new members will be appointed at the next Board meeting.

2.2 The Director of Operations will chair the Working Group and in their absence the Chief Executive will act as Chair.

2.3 Action points will be agreed at the end of each meeting and a minute will be drawn up and held as a record of what was discussed and agreed at the meeting.

2.4 Working Group meetings cannot proceed unless three Board Members are present.

2.5 Agenda will be agreed with the Company Secretary at least 7 days before the meeting and papers for Working Groups will be issued at least three working days prior to the meeting.

FREQUENCY OF MEETINGS

3.1 The Working Group will meet a minimum of twice a year or more frequently if there is a requirement.

SPOKESPERSON

REMIT AND TERMS OF REFERENCE

In addition to the roles, tasks and responsibilities expected of HHP Board Members, the following is expected of Spokespersons:

Development

- To speak on behalf of the Board in matters pertaining to Development;
- To promote an understanding and recognition of issues that are important to HHP's Development Programme;
- To be familiar with the Partnership's policies and procedures regarding Development;
- To develop their wider skills and knowledge with particular regard to this service area in order to better represent the Partnership and its customers alike;
- To keep up-to-date with national issues and risks that are likely to affect HHP's Development Programme;
- To give views based on achieving the best Development service for tenants and the Partnership alike;
- To regularly engage with and seek feedback from officers and others charged with delivering Development services to HHP;
- To represent HHP on relevant partnerships and external bodies as required; and
- To maintain the highest standards of conduct to ensure public confidence in HHP.

Tenant Liaison & Housing Management

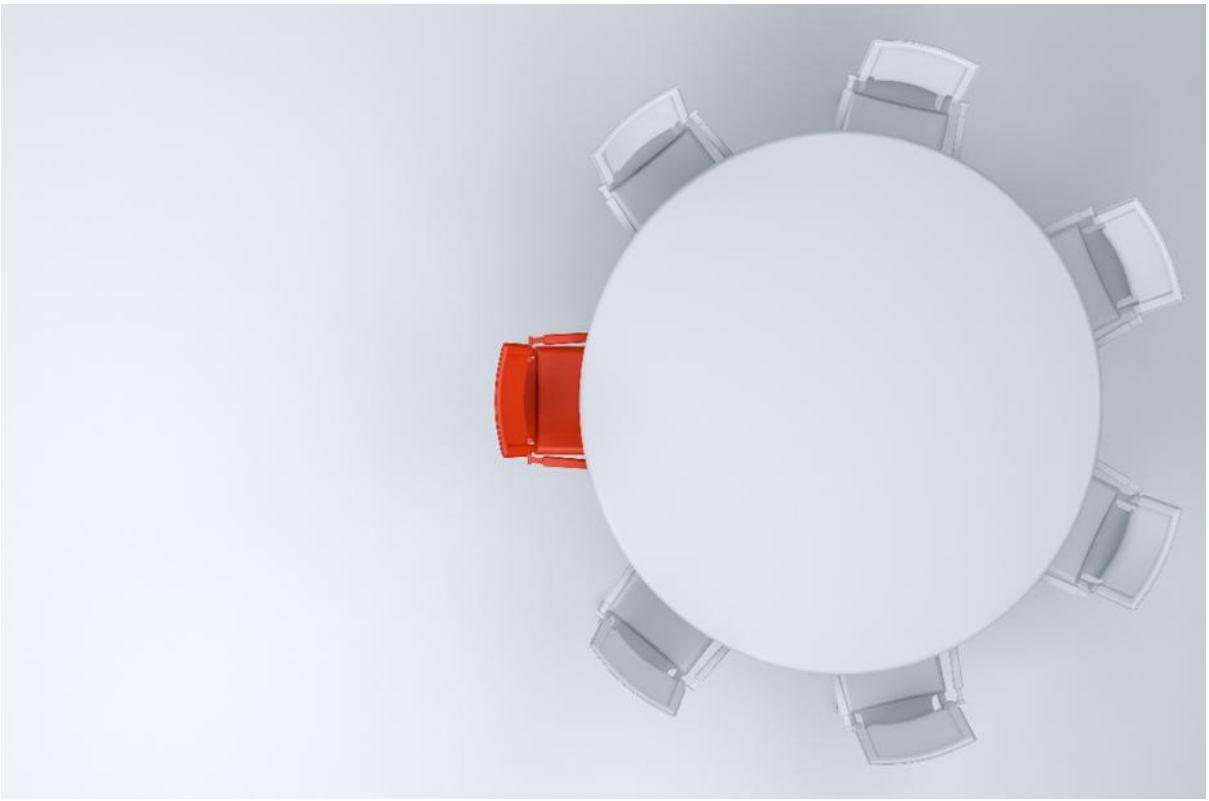
- To speak on behalf of the Board in matters pertaining to Tenant Liaison and Housing Management;
- To be familiar with the Partnership's policies and procedures regarding Tenant Liaison and Housing Management;
- To develop wider skills and knowledge with particular regard to this service area in order to better represent the Partnership and its customers alike;
- To keep up-to-date with national issues and risks that are likely to affect HHP's tenants;
- To give views based on achieving the best housing management service for tenants and the Partnership alike;
- To promote an understanding and recognition of issues that are important to HHP's tenants;
- To regularly engage with and seek feedback from tenants regarding any housing management concerns they might have;
- To regularly engage with and seek feedback from officers and others charged with delivering Housing Management services to HHP;
- To represent HHP on relevant partnerships and external bodies as required; and
- To maintain the highest standards of conduct to ensure public confidence in HHP.

Repairs & Investment

- To speak on behalf of the Board in matters pertaining to Repairs and Investment;
- To be familiar with the Partnership's policies and procedures regarding Repairs & Investment;
- To develop wider skills and knowledge with particular regard to this service area in order to better represent the Partnership and its customers alike;
- To keep up-to-date with national issues and risks that are likely to affect HHP's Repairs and Investment Programme;
- To give views based on achieving the best repairs service for tenants in accordance with the resources available to the Partnership;
- To promote an understanding and recognition of issues that are important to HHP's tenants when planning Repairs and Investment works;
- To regularly engage with and seek feedback from officers and others charged with delivering Repairs and Investment services to HHP;
- To represent HHP on relevant partnerships and external bodies as required; and
- To maintain the highest standards of conduct to ensure public confidence in HHP.

Finance

- To speak on behalf of the Board in matters pertaining to Finance;
- To be familiar with the Partnership's policies and procedures regarding Finance;
- To develop wider skills and knowledge with particular regard to this service area in order to better represent the Partnership and its customers alike;
- To keep up-to-date with national issues and risks that are likely to affect HHP's financial resources;
- To give views based on achieving the best financial services for tenants in accordance with the requirements of the Partnership;
- To promote an understanding and recognition of issues that are important to HHP's tenants when allocating resources;
- To regularly engage with and seek feedback from officers and others charged with delivering financial services to HHP;
- To represent HHP on relevant partnerships and external bodies as required; and
- To maintain the highest standards of conduct to ensure public confidence in HHP.



PART FOUR

SCHEME OF DELEGATION TO OFFICERS

SCHEME OF DELEGATION

4.1 Hebridean Housing Partnership has a range of responsibilities, which require to be discharged by the Partnership's Board unless the Board specifically delegates them to a Committee or Officer.

4.2 The Chief Executive is responsible to the Board for the implementation of policy and for the day to day running of all aspects of the organisation's activities. The Board, therefore, delegates authority to the Chief Executive to enable the discharge of responsibilities expeditiously, without necessarily referring to the Board. Office Bearers, who are elected Board Members appointed by Board, acting with senior staff, have authority to:

- Represent the Partnership on official business, consistent with agreed policies and procedures.
- Implement agreed emergency procedures.
- Take urgent decisions and/or action between meetings, in consultation with the Chief Executive.
- Take decisions on specific issues between meetings that have been delegated to one or more office bearers by the Board.

4.3 The Chief Executive, in consultation with senior staff, has authority to:

- Ensure the effective implementation of strategies, policies and plans.
- Represent the Partnership on official business, consistent with agreed policies and procedures.
- Carry out all necessary legal and financial duties to ensure compliance with statutory and regulatory requirements

GENERAL

4.4 "*Heads of Service*" shall mean the Chief Executive, any Director or Head of Service, on the understanding that Heads of Service may further delegate to other officers within their service. Such further delegation shall be written and agreed with the Secretary who will maintain a register of such delegation and review it annually.

4.5 Any reference in this scheme to procedures or action under previous legislation shall be taken to include references to similar, like or equivalent procedures and action under subsequent legislation.

4.6 This "*Scheme of Delegation for Officers*" forms an integral part of the Board's Standing Orders.

SAFEGUARDS

4.7 The delegation granted in the Scheme shall be exercised only:

a) In compliance with the Board's Standing Orders, Financial Regulations and other Constitutional Documents;

b) In respect of matters that are not contentious, sensitive or complex. Where a matter appears to be contentious, sensitive or complex, prior to a decision or action being taken, the Head of Service shall consult the Chief Executive and/or the Board Chair as appropriate;

c) On the basis that the exercise of the delegated power will not result in actual expenditure exceeding, or actual income falling below, that set out in the relevant part of the budget to the extent that this could not be contained by the relevant Head of Service viring in accordance with Financial Regulations;

d) On the basis that the exercise of delegated power will not result in expenditure exceeding that set out in the relevant part of the Investment or Development Programme for the financial year in question;

e) Subject to a member of the public or, in the case of disciplinary matters, an employee being notified in writing of any rights of appeal;

f) Where it is consistent with the Board's procedures, policies, corporate standards and strategies;

g) On the basis that the exercise of the power does not result in budget growth in future years;

h) On condition that the Heads of Service shall maintain appropriate records of all decisions taken under delegated powers (with the exception of matters involving day to day management e.g. the ordering of office supplies, the granting of annual leave, etc.);

i) On condition that action (with the exception of matters involving day to day management e.g. the ordering of office supplies, the granting of annual leave, etc.) taken under delegated power shall be reported to the appropriate Committee at a frequency prescribed by the Board;

j) In the event that a matter requires determination but is in conflict with anyone or more of the above categories a) to i), the Head of Service shall refer that matter to the Board or to the relevant committee or sub-committee for decision; and

k) Any judgement regarding whether a matter is contentious, sensitive or complex shall be made on the basis of the situation that applied when the decision was taken by the Head of Service exercising the delegated power

4.8 The Director of Finance & Corporate Services, if necessary, in conjunction with the Chief Executive and after consultation with the Chair of the Board, shall have the powers to take appropriate action necessary to safeguard the financial interests of the Partnership.

Ref	Authority for	Delegated to
Employment and Employers Responsibilities		
E1	To agree staffing structure (other than Directorate) and to appoint staff subject to consultation with the Director of Finance and Corporate Services that adequate budgetary funding is available, regarding the remuneration and other terms and conditions of the post	Chief Executive
E2	To determine applications for the release of vacant posts	Chief Executive
E3	To determine the suitability of a particular post for job share, in consultation with the relevant Head of Service	Chief Executive
E4	With the agreement of the Chair of the Board, to approve the appointment of staff whose purpose is to obtain new funding and where delay would jeopardise the obtaining of such funding	Chief Executive
E5	To appoint temporary staff in the following circumstances: a) for a period not exceeding 40 weeks, in the case of an absence from work of a permanent employee taking maternity leave and where such absence would otherwise affect the functioning of the service; b) for a period not exceeding 3 months, to meet the increased requirements of seasonal or other cyclical workloads; c) for a period not exceeding 3 months, in the case of a vacancy arising within a department's establishment, where the absence of the employee undertaking the duties of the post would affect the functioning of the service; or d) for a period not exceeding 3 months, in the case of temporary absences from work of a permanent employee where such absences would otherwise affect the functioning of the service	All Heads of Service
E6	To issue Contracts of Employment	Chief Executive
E7	To determine the following in line with our Attendance & Absence Policy and Special Leave Policy: a) approval of annual leave for employees they are responsible for consistent with any standing instructions issued by the Chief Executive b) To determine applications for paid leave to employees in respect of a bereavement or	Heads of Service Managers

Ref	Authority for	Delegated to
	family illness in accordance with the Board's Scheme of Special Leave c) To grant up to one week's unpaid leave for reasons not covered by the Special Leave Policy d) To grant paid paternity leave in line with statutory allowance to an employee on the birth or adoption of a child e) To grant leave in line with the Neonatal Care Leave Policy	
E8	To determine applications for permission for employees to attend training courses and enrolment for online courses that will help them better discharge the duties of their post which are in line with the approved Training Plan, after consultation with the People Development Officer	Heads of Service
E9	To determine applications for leave with pay to employees to attend examinations related to recognised qualifications within the Training Policy	Heads of Service in line with Special Leave Policy
E10	To determine applications for leave with pay to employees to serve on a jury, subject to the deduction of the allowance received	Heads of Service in line with Special Leave Policy
E11	To approve essential overtime working in consultation with the Chief Executive and in accordance with the Board's policy on overtime working	Heads of Service (Grade A to E) Chief Executive (Grade F to H)
E12	Provided they have a relevance to the duties of the post, to authorise the attendance of: a) Employees attending as delegates at seminars, conferences, courses or meetings which are organised by recognised bodies; b) Employees invited to lecture in their professional capacity; and c) Employees attending meetings of professional bodies of which they are Members	Heads of Service
E13	To determine applications for retirement on the grounds of ill health where there is a medical certificate that the employee is considered permanently unfit to carry out the duties of the post	Chief Executive
E14	To take disciplinary action against employees in their service, including suspension and dismissal, in accordance with the Board's disciplinary procedures and guidelines and subject to prior consultation with the Chief Executive	Heads of Service Managers

Ref	Delegation	Delegated to
E15	To implement the Pay Model approved by the Board and ensure any new posts are assessed and graded in line with the Pay Model	Chief Executive
E16	To interpret conditions of service and to authorise the implementation of revised conditions of service, such as Islands Allowance and First Aid Allowance, and as approved by the Board in respect of employees of the Partnership	Chief Executive
E17	To authorise the acceleration of an employee within his salary, wage, grade (or such extended grade as may be provided for under the relevant condition of service) who, in the opinion of the employee's Head of Service, has achieved advancement within an approved career grade or who is temporarily undertaking duties at a higher level and has met the requirements of the Competency Framework	Chief Executive
E18	To determine applications for leave with pay to employees to attend meetings of Trade Unions recognised by the Board	Chief Executive
E19	Consistent with national agreements, to pay acting-up allowances to staff within the service in respect of periods during which the employee has been authorised by the Head of Service to undertake duties above the employee's current grading	Chief Executive
E20	To authorise the payment of expenses and allowances to officers and to Partnership's Directors	Chief Executive, Director of Operations & Director of Finance & Corporate Services
E21	To determine requests from Directors or officers for advance payment of expenses or allowances	Director of Finance & Corporate Services
E22	To authorise the arrestment of wages or salaries in respect of Partnership employees	Director of Finance & Corporate Services
E23	To apply for Air Discount Scheme Cards for approved Staff	Corporate Resources Officer/Corporate Services Officer
E24	To determine and approve authorised car users for the Partnership.	Director of Finance & Corporate Services
E25	To determine and approve the allocation of portable electronic devices to posts within the Partnership	

Ref	Delegation	Delegated to
Governance and Strategic Management & control		
G1	To act as the Company Secretary and carry out all duties associated with this role and as set out at Item 9.1 - 9.7	Chief Executive
G2	To authorise Board Members' expenses claims	Governance Officer
G3	To authorise returns to Scottish Housing Regulator, OSCR and FCA and any other returns relating to the Company Secretarial role	Company Secretary, Director of Finance & Corporate Services
G4	To apply for Regulator's consent where it is required	Company Secretary
G5	To oversee the Partnership's compliance with Data Protection and Freedom of Information legislation	Data Protection Officer
G6	Following consultation with the relevant Chair, to call additional meetings of the Board, committees, sub-committees, Member/officer working parties and like bodies and informal meetings of the Members of such bodies	Company Secretary
G7	To keep the Partnership's Common Seal in a secure location and ensure that it is only used when the Board so decides	Company Secretary
G8	To sign documents upon which the Seal has been used, in conjunction with one Board Member, and to record the details in the register as required by Rule 63	Company Secretary
G9	To approve Membership Applications in accordance with the Membership Policy	Company Secretary
G10	To carry out regular reviews of Board Member and Staff Disclosure of Interest Forms	Company Secretary
G11	To ensure all policies are reviewed on a 3 yearly cycle by the appropriate Manager and approve minor policy changes.	Company Secretary
G12	Where the Heads of Service further delegate matters listed in this Scheme to nominated officers, the Secretary shall maintain and annually review a list of the scope of such delegation and the officers to whom delegation has been granted	Company Secretary
G13	Except where otherwise referred to in the Constitutional Documents, and in consultation with the appropriate Chair, determine minor incidental matters on behalf of the Board, provided that the matter falls within the established policy position of the Board	Chief Executive

Ref	Delegation	Delegated to
G14	Where required as a matter of urgency, to submit the views of the Board, to Scottish Ministers, Central Government, Scottish Housing Regulator and other external agencies and individuals, subject to the matter being reported to the next meeting of the Board	Chief Executive
G15	To arrange, in consultation with the relevant Chair, for an external speaker to address a meeting of the Board, a Committee, working group or an informal meeting of Members of the Board, Committee or working group	Chief Executive
G15	To arrange, subject to prior consultation with the Chair of the Board, attendance by Members at seminars, conferences and like events	Governance Officer
G16	To deputise for the Chief Executive	Director of Operations
G17	With the agreement of the Chair of the Board, to approve urgent items of capital expenditure where the time scale for a decision does not allow the matter to be considered by the Board	Chief Executive
G18	To authorise official hospitality	Chief Executive

Ref	Delegation	Delegated to
Finance & Risk Management		
F1	To vire expenditure between Budget Heads in line with limits outlined in the Financial Regulations	All approved Budget Managers
F2	To authorise the payments of accounts	Chief Executive & Director of Finance & Corporate Services
F3	To determine arrangements for the payment of debts to the Partnership	Director of Finance & Corporate Services
F4	In relation to sundry debts, to select and implement appropriate methods of recovery of arrears	Director of Finance & Corporate Services
F5	To draw down and sign for cash from the Scottish Government in accordance with the Board's funding allocation	Director of Finance & Corporate Services & Finance Manager
F6	To approve applications for financial assistance from outside bodies up to a maximum of £2,500	Director of Finance & Corporate Services, Director of Operations
F7	To undertake all responsibilities under the terms of the Partnership's Fraud Policy including determining: • at what stage the Police should be contacted • the type and level of resource to be used in the investigation of suspected fraud	Director of Finance & Corporate Services
F8	In consultation with the originating Head of Service, to write off individual debts which are irrecoverable, up to a maximum of £1,500	Director of Finance & Corporate Services
F9	To effect the arrangements for the borrowing and lending of money as required by the Partnership in accordance with the Partnership's borrowing and lending policies and the CIPFA "Treasury Management in Housing Partnerships: A Code of Practice."	Director of Finance & Corporate Services
F10	To ensure compliance with the CIPFA "Treasury Management in Housing Partnerships: A Code of Practice" and to ensure compliance with the approved Treasury Management Policy Statement	
F11	To open bank accounts as required, in the name of the Hebridean Housing Partnership and in the name of Hebridean Community Housing Limited	Director of Finance & Corporate Services
F12	To apply for purchasing cards for approved users	Director of Finance & Corporate Services and Finance Manager
F13	To maintain a list of those officers, who are authorised to sign cheques and other payable orders drawn on the Partnership's accounts with commercial Banks. This "List of Authorised Signatories" will include specimen signatures and will specify the level of delegated authority for each signatory	Director of Finance & Corporate Services

Ref	Delegation	Delegated to
F14	To maintain also in the "List of Authorised Signatories" a list of authorised officers for such other purposes as are specified in the Financial Regulations	Director of Finance & Corporate Services
F15	To ensure that all discretionary fees and charges are submitted for annual review to the Board for approval before the start of the financial year	Director of Finance & Corporate Services
F16	Authorising auditors' reports, signing of cheques & other instructions to bankers, signature for tax liabilities	Director of Finance & Corporate Services
F17	To develop and implement a Corporate Risk Assessment framework	Chief Executive
F18	To arrange and review all insurance cover and negotiate all claims	Director of Finance & Corporate Services
F19	In accordance with policy, to determine the amount of allowance to be paid to tenants as a result of works carried out to their homes having regard to approved guidelines	Director of Operations
F20	Expenditure which is essential to meet any immediate and unavoidable needs created by a sudden emergency If higher than £100,000, the Board Chair should be involved; if less, the Chief Executive. The action in question and financial implications should be reported in writing to the Board and the Director of Finance & Corporate Services at the earliest opportunity. The Director authorising such expenditure must be satisfied that the expenditure will not cause a fundamental and irrevocable financial impact	Chief Executive Director of Finance & Corporate Services Director of Operations

Ref	Delegation	Delegated to
Legal		
L1	To grant wayleaves or servitudes over property owned by the Hebridean Housing Partnership	Chief Executive
L2	To authorise the transfer and appropriation of land incidental to the Board's decision to construct, alter or dispose of a building where a minister's decision is not involved	Chief Executive
L3	To institute and defend any proceedings on behalf of the Board	Chief Executive
L4	To obtain the opinion or other services of Counsel and/or other legal or financial practitioners up to a maximum cost of £10,000	Chief Executive
L5	To settle claims against the Board up to a figure of £10,000, excluding interest and judicial expenses	Chief Executive
L6	To ensure the implementation and regular revision of the Board's general policy on Health and Safety	Chief Executive
L7	To approve the award in writing of agreements and contracts	Chief Executive
L8	To dispose of heritage and lease on the basis of terms recommended by the District Valuer, subject to prior approval of the disposal by the Board	Director of Finance & Corporate Services
L9	To initiate Court Proceedings leading to Recovery of Possession of a tenancy at the Sheriff Court following Executive Team approval	Director of Operations, Area Managers

Ref	Delegation	Delegated to
Housing, Property & Development		
H1	To allocate Partnership housing	Director of Operations, Area Managers, Housing Officers (Allocations)
H2	To allocate agency housing in accordance with their Allocations Policy	Director of Operations, Area Managers, Housing Officers (Allocations)
H3	To determine applications from tenants to vacate their dwellings for a period of up to 6 months in any period of 12 months	Director of Operations, Area Managers
H4	To determine applications for transfer outwith the terms of the Partnership's allocation system in cases involving the under-occupancy of Partnership housing	Director of Operations
H5	To consider and determine applications to sub-let	Director of Operations
H6	To transfer tenants of Partnership housing in those cases where it is necessary for their houses to be vacated	Director of Operations
H7	To arrange house management transfers in compliance of the Policy on Anti-Social Behaviour and Neighbour Disputes in Housing	Director of Operations
H8	To have the day-to-day responsibility for rent arrears monitoring and recovery including the issue of Notice of Proceedings for Recovery of Possession	Director of Operations, Area Managers
H9	To implement and enforce the terms of the Partnership missive of let including repossession and eviction	Director of Operations
H10	To determine applications from tenants to alter their homes internally or externally, to erect sheds and garages, install driveways and parking areas, and to keep pets and any other appropriate permissions	Director of Operations, Area Managers
H11	To determine the amount of allowance to be paid to tenants as a result of works carried out to their homes having regard to approved guidelines	Director of Operations, Area Managers
H12	To factor property in the Outer Hebrides on behalf of local housing agencies and act as the Partnership's "responsible person" as required by the Property Factors (Scotland) Act 2011	Director of Operations
H13	To authorise and, subject to current Partnership policy and procedures, instruct repairs and minor alterations to houses	Director of Operations, Investment Manager, Assets & Contracts Manager
H14	To arrange for the execution of works in respect of Partnership houses by direct labour or by outside contractors, within approved programme and budget	Director of Operations
H15	To apply for planning permission	Director of Operations

Ref	Delegation	Delegated to
H16	Signing planning notices	Director of Operations, Development Manager

Ref	Delegation	Delegated to
Procurement		
P1	To open tenders in the presence of another officer	Director of Finance & Corporate Services
P2	To accept a tender other than the lowest only in exceptional circumstances and upon advice from the instructing Head of Service and after prior consultation with the Chief Executive. A report giving the reasons for the acceptance of such tender shall be submitted to the next meeting of the Board	Director of Finance & Corporate Services
P3	To invite and accept tenders for house construction and improvements subject to financial provision and approved budgets	Director of Operations
P4	To approve all new acquisitions of information technology hardware and software, consistent with relevant standards as may be set from time to time by the Board in the Information & Communication Technology Strategy and Digital Transformation Strategy	Director of Finance & Corporate Services
P5	To accept tenders and award contracts provided prior approval has been received from the Board and is within budget for the plans and/or specification to which the tender or contract relates	Heads of Service

APPENDIX 1

DUTIES OF THE CHAIR

1.1 The appointment of the Chair and the procedure for chairing Board meetings will be in accordance with Rule 59.6.1 to 59.6.12.

1.2 At every meeting of the Board, including General Meetings, the Chair, if present, shall preside. If the Chair is absent from any meeting the Vice-Chair, if present, shall preside. If the Chair and Vice-Chair are both absent, the Members present at the meeting shall elect from among the non-co-opted Members, a person to act as Chair for that meeting.

1.3 The responsibilities of the Chair will be to ensure the smooth running of meeting by:

a) Preserving order;

b) Making sure those who wish to, are allowed to contribute;

c) Ensuring that sufficient opportunity and time is given to Members who wish to speak or express their views on the subject under discussion;

d) Ensuring voting procedures are in place and that these are followed;

e) Announcing votes at meetings;

f) Deciding on all matters of order, competency, relevancy and procedure except as provided in the Standing Orders;

g) Deciding between two or more Members wishing to speak;

h) Ensuring that the sense of the meeting is properly ascertained with regard to any matter which is properly before the meeting;

i) At the Chair's discretion, determining all questions for which no express provisions are made under these Standing Orders or otherwise under the Constitutional Documents;

j) Providing support for and establishing a constructive working relationship with the Chief Executive;

k) Representing the Partnership where authorised;

l) Taking all other decisions that are the responsibility of the Chair as laid down in the Rules and Code of Conduct for Board Members; and

m) Participating in training, where necessary, to enable the above responsibilities to be undertaken.

1.4 At all times, deference shall be paid to the authority of the Chair and on all points of order, the ruling of the Chair shall be final and not open to discussion.

1.5 If any Member disregards the authority of a Chair or is guilty of obstructive or offensive conduct, the Board may move to exclude the Member for the remainder of the meeting. The motion shall be put without discussion and, if it is carried, the Member shall be asked by the Chair to leave the meeting.

1.6 The same principles shall apply to the chairing of committees, and in the absence of the Chair, the remaining Board Members shall appoint one of their number to chair that meeting.

INTERPRETATIONS & ABREVIATIONS

The following interpretations and abbreviations are used in this policy:

Word	**Interpretation**
Board	The Board of Management of the Partnership
Board Member	A Member of the Board and shall include any person co-opted onto the Board.
Chief Executive	The Chief Executive of Partnership or anyone who is deputising for the Chief Executive.
Committee	A committee of the Partnership appointed by the Board shall have the same meaning as the term sub-committee used in the Rules. In the Standing Orders, the term committee shall include sub-committees unless the sense of the context indicates otherwise.
Scottish Housing Regulator	An independent regulator of RSLs and local authority housing services in Scotland established on 1 April 2011 under the Housing (Scotland) Act 2010.
Council Board Member	Shall have the same meaning as the term "Council Appointed Board Member" in the Rules.
Rules	The Rules of the Partnership incorporated under the Co-operative and Community Benefit Societies Act 2014 and registered with the Financial Conduct Authority.
Except as otherwise provided, the Standing Orders of the Board with the appropriate changes shall also be the Standing Orders of the committees of the Board.	
All references to the masculine gender in this policy shall read as equally applicable to the feminine gender	

HEBRIDEAN HOUSING PARTNERSHIP LIMITED

STANDING ORDERS

Standing Orders drawn up with reference:

Rules of the Partnership

Scottish Housing Regulator – Regulatory Framework

Code of Conduct for Board Members

Entitlements, Payments & Benefits Policy

Disclosure of Interest Policy

Membership Policy

Previous Standing Orders dated: June 2024

Presented for approval to Board: 24 June 2025

Standing Orders Approved:

Next Review Due: June 2026(annual review)

ITEM NO 6.6

BOARD MEMBER APPOINTMENT

Board 24 June 2025

Report by Chief Executive

Purpose of Report

1.1 The purpose of this report is to consider a re-election to HHP's Board.

Summary

2.1 In accordance with the *Regulatory Standards of Governance and Financial Management* a governing body: "must be assured that any member seeking re-election after nine years' continuous service is able to demonstrate their continued effectiveness…"

2.2 Mr Calum Mackay has served on our Board since 2012, is our most experience Board Member and continues to demonstrate his knowledge and effectiveness.

2.3 Rule 39.1 states that the longest serving Tenant and Community Board Members must resign each year at the AGM. Under this rule Mr Mackay is not required to stand down this year, but the Board's approval is required prior to 2 September 2025 to enable his service beyond the nine-year limit.

Competence

3.1 The competence issues relating to this report are at section 6.1 of the report.

Recommendations

4.1 **It is recommended that the Board approve Mr Calum Mackay's continued service to the 2025 AGM as a Community Board Member.**

Background Papers: Regulatory Standards of Governance and Financial Management
HHP Rules

Writer of Report: Iona France

Iona France 29-May 2025

Report Details

5.1 Mr Mackay has served on our Board since 2012, and prior to that from 2002, when he was on the Shadow Board and then from 2006 to 2011.

5.2 The Board must take into consideration the following factors whilst determining whether Mr Mackay's continued effectiveness" may be demonstrated:

- his commitment to tenants and residents throughout the Outer Hebrides and beyond demonstrated by his role of Chair of both the Tenant Participation Advisory Service (TPAS) and Cearns Community Association.
- his involvement with the development of HHP since 2002 and the stability provided by such continuity and the associated knowledge base.
- Mr Mackay is Chair of the Development & Finance Committee, Board Vice Chair, and is a member of the Audit & Risk Committee.
- Mr. Mackay has represented the Partnership on various occasions, networked accordingly, and is aware of current housing issues both locally and nationally
- his willingness to further his own knowledge and skills base, as evidenced by his excellent record in attending training events and Business Planning days and invaluable participation in the recent Board Skills Audit.
- Mr Mackay's ability to challenge respectfully his fellow Board Members, in addition to officers during Board meetings.
- Mr Mackay's standing in the community and the respect with which he is held.

5.3 Should the Board agree that the above factors demonstrate Mr Mackay's "continued" effectiveness, Mr Mackay would be required to stand down in accordance with Rule 39.1 at the AGM in 2026.

6.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	There are no financial implications arising from implementing the recommendations in this report.
Legal	There are no legal implications arising from the consideration of this report.
Regulatory	There is a regulatory requirement to ensure that any Board Member who has served continuously in excess of nine years is able to demonstrate their continued effectiveness: *Regulatory Standard 6.2. The RSL plans effectively to achieve the appropriate and effective composition and profile of governing body members through ongoing performance evaluation and active succession planning. The governing body is able to assure that any non-executive member seeking re-election after nine years' continuous service can demonstrate their continued effectiveness.*
Risk	The report removes the risk of being in breach of Regulatory standards and our own policies and procedures Governance is highlighted on our Risk Register with a residual risk of 6 which is considered medium.
ESG	Ensuring robust governance is a key strand of our ESG Strategy.
Equalities	We are committed to promoting equality, diversity and inclusion. There are no equalities implications arising from the approval of this report.
Communication	Board Member details are on our website and reported in various publications.

hebridean housing partnership

Making our house your home

ITEM NO 6.7

APPRENTICESHIP SCHEME

Board 24 June 2025

Report by Chief Executive

Purpose of Report

1.1 To review and approve HHP's apprenticeship scheme at Appendix 1.

Summary

2.1 We have employed Modern Apprentices since 2018 and so far it has proved successful for the Apprentices and for HHP.

2.2 We are now expanding our offer so we have prepared an Apprenticeship Scheme for HHP which we will review each year to make sure it remains relevant.

2.3 The Scheme clarifies pay during the Apprenticeship.

2.4 The Personal Working Group considered the Scheme on 19 May 2025 and made a couple of suggestions which have now been incorporated in the updated Scheme at Appendix 1.

Competence

3.1 The financial and legal issues affecting the recommendation in this report are at Section 5.1.

Recommendations

4.1 **It is recommended that the Board consider the recommendations from the Personal Working Group and approve the Apprenticeship Scheme at Appendix 1.**

APPENDIX 1:	HHP Apprenticeship Scheme
Background Papers:	None
Writer of Report:	Dena Macleod

Dena Macleod 27 May 25

5.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	The cost of apprenticeships has been provided for in the 2025/26 budgets. We currently have sufficient provision in our salary budgets to cover the Apprenticeships for this year.
Legal	The employment policies is a matter reserved to the Board.
Regulatory	The Regulatory Standards Checklist has been completed and there is nothing in this report which would breach these standards.
Risk	There is no particular risk involved with implementing the Apprenticeship Scheme.
ESG	There is no ESG impact arising from the consideration of this report.
Equalities	We are committed to promoting equality, diversity and inclusion. From the initial assessment undertaken there are no equalities implications arising from the approval of this report.
Communication	The shared Board's decision will be with staff in the first instance and on social media.

APPENDIX 1

Apprenticeship Scheme

APPROVED BY HHP BOARD:
June 2025
EFFECTIVE DATE:
JUNE 2025

hhp | hebridean housing partnership

Introduction

1.1 There are a number of ways in which we can develop skills and provide opportunities for gaining qualifications. This document outlines how we will operate our Apprenticeship scheme.

The Purpose

2.1 To give young people an opportunity to get a qualification and in the process hopefully build the workforce of the future for HHP.

What We Are Offering

3.1 We offer the following options:

Option	Timescale	Qualification
1	1 Year	Business Administration Modern Apprentice Creative Digital Media Modern Apprentice
2	3 Years	Housing Apprentice Year 1: Business Administration Apprentice course Year 2: Level 2 CIOH Year 3: Level 3 CIOH
3	2 to 4 Years	Graduate Apprentice to gain a qualification up to an HND, Degree or Masters in their preferred field. Available for new and existing employees

Employment Conditions

Pay

4.1 Apprentices will be paid as follows:

	Modern Apprentice	Graduate Apprentice
Start of Year 1	Grade A	Grade A
After 6 months	Grade A	Grade B Point 1
Start of Year 2	Grade B Point 1	Grade B Point 2
After 18 months	Grade B Point 1	Grade B Point 3
Start of Year 3	Grade B Point 2	Grade B Point 4
After 30 months	Grade B Point 2	Grade C Point 1
Start of Year 4	NA	Grade C Point 2
After 42 months	NA	Grade C Point 3

Terms & Conditions

4.2 Apprentices will be offered the same terms and conditions as full time members of staff e.g.

1. Annual leave
2. Sick Pay
3. Pension contributions
4. Special Leave

Support

4.3 Our Admin Officer (Exec Team) will support you through your course ensuring you get the appropriate experience. You will also be provided with a workplace mentor to help you with the technical side of your training.

Requirements

4.4 To apply for any of the apprenticeships you will need the following

Option	Qualifications
1	National 5 or equivalent in English & Maths
2	National 5 or equivalent in English & Maths or a Modern Apprentice Business Administration Qualification
3	Dependant on chosen field and qualification

4.5 You will also be a keen learner and willing to undertake the various assignments required to complete your course.

Conclusion

5.1 We want to be a great training organisation that gives you the opportunity to learn and gain experience working alongside our teams. We also hope to extend the variety of apprenticeships we can offer over the next 5 years.

USE OF AI PILOT PROGRAMME

Board 24 June 2025

Report by Chief Executive

Purpose of Report

1.1 To report on the outcome of the AI pilot and the various uses of AI within the organisation.

Summary

2.1 During 2024 we launched a pilot programme to evaluate AI benefits and purchased 3 Co-pilot Licences for use by the Chief Executive, Governance Officer and Corporate Services Officer.

2.2 The pilot project demonstrated various benefits including improved post meeting efficiency, providing recaps, transcriptions and highlighting action points, quick access to large amounts of information and preparing presentations. A fuller analysis of the pilot programme can be found at Appendix 1.

2.3 More generally, there is an increase in use of free AI programmes (including a free version of MS Copilot) and internal controls/protocols are required to monitor how and when staff use these programmes.

Compliance

3.1 The competence issues relating to this report are at section 7.1 of the report

Recommendations

4.1 It is recommended that the Board:

a) note the outcome of the AI pilot programme; and

b) agree that AI protocols be developed and staff are provided with basic training to ensure compliance with data protection requirements.

APPENDIX 1:	Co-pilot Project Results	
Background Papers:	None	
Writer of Report:	Iona France	Tel: 0300 123 0773

Iona France 5 June 2025

Report Details

5.1 Overall, whilst the information provided by Co-pilot was mainly accurate, there were occasional errors and this highlighted the importance of checking and reviewing the information before finalising documents. As Co-pilot is a Microsoft product, it can only be used with other Microsoft Products.

5.2 There is a risk there could be an over-reliance of AI leading to a decline in skills and the ability to analyse and understand information. However, the use of AI is becoming increasingly prevalent and learning how to use AI effectively requires several key skills, to understand, implement and get the most out of using these programmes.

5.3 Co-pilot has proven to be an invaluable resource in the preparation of key documents. It would be a backward step not to incorporate Co-pilot, or similar AI tools, into additional work processes. Further work into how AI technology, in particular Co-pilot, can enhance efficiencies into other areas of work should be explored.

Data Protection

6.1 With any AI tool privacy and security are critical considerations and we must ensure we implement robust security measures to safeguard data.

7.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	There are no financial implications arising directly from the consideration of this report. The cost of Co-pilot Licences was met from existing budgets.
Legal	There are no legal implications arising from the consideration of this report. However, laws around data protection, copyright, etc should be considered when using AI.
Regulatory	The Regulatory Standards Checklist has been completed and there is nothing in this report which would breach these standards.
Risk	Data security, reputational risk and loss of key staff/skills are some of the possible risks highlighted on our Risk Register associated with the use of AI. As the use of AI becomes more prevalent it may be worth considering additional risks such as bias and discrimination and lack of transparency and accountability.
ESG	There is no ESG impact arising from the consideration of this report
Equalities	We are committed to promoting equality, diversity and inclusion. There are no equalities implications arising from the approval of this report.
Communication	Protocols around using AI will be communicated to staff.

Co-pilot Project Results

The table below outlines various applications of Co-pilot and other AI programs, along with their respective advantages and disadvantages.

COPILOT			
Programme	**Use**	**Pros**	**Cons**
Teams	Meetings	Ability to recap meetings at any point within the meeting Transcripts Highlight Action Points Increased efficiencies in producing Minutes & Action Sheet Training Tool	Interpretation of names, especially Gaelic names, is challenging
	Chat	Documenting follow-up items from MS Team chats.	
Word	Preparation of Documents & Summarising Documents	Drafting reports, letters etc, quickly & efficiently More professional documents Producing summaries of large documents making the information more accessible for colleagues Refining Written Work	Quality of generated content can vary Over reliance can reduce skills Accuracy of information
Excel	Statistical analysis, Finance information Coding/Logic	Quickly and efficiently analysing detailed information Improved reporting Checking Excel data	Training requirement for data to be set up in the most efficient way for optimum results
Powerpoint	Presentations	Producing professional presentations from existing documents Summarising Key Points Providing speaker notes	

COPILOT			
Programme	**Use**	**Pros**	**Cons**
Forms	Surveys Consultations		As our surveys/consultations tend to be fairly brief this has not so far provided any benefits
Outlook	Email Calendar	Review Previous week's meetings and upcoming week's calendar to ensure actions were followed up and prepare for week ahead	
Edge	Research	Checking legislative change to policies Various research projects	Ensuring relevance of data e.g. Scottish Law rather than English Law
OTHER AI PROGRAMMES			
Programme	**Use**	**Pros**	**Cons**
Canva AI	Image Generating Document Design	Easy to create visually pleasing documents without design expertise	
ChatGPT	Coding	Complex coding solutions created in seconds rather than hours	Solutions can be flawed in logic and understanding of data
	Research	Research problems e.g. How to semi-automate processes on MS 365	Data can be out of date
	Image Generating	Easily generate images for video backgrounds	Images can be blurry

DEVELOPMENT UPDATE TO 31 MAY 2025

BOARD 24 June 2025

Report by Director of Operations

Purpose of Report

1.1 To provide a progress update on our 5 Year Development Plan (2025-30) up to 31 May 2025 and seek approval to progress to developments

Summary

2.1 Good progress is being made on the Development Plan for 2025-30 with 25% of planned houses completed and 29% on site with work ongoing to progress future projects. We had the handover of 5 homes at Leverburgh in May with the final phase due in October 2025.

2.2 The site at Blackwater continues to make progress with the next handover due at the end of August 2025 and construction has started on the second phase of 6 houses at Rathad na Ceardaich, Barra.

2.3 A planning application has been submitted for the Melbost West site. Discussions are continuing with SSEN regarding their support for works and the potential use of houses as worker accommodation. A connection quote for £458K for powering the site has been received which is dependent on the outcome of another application for connection and payment is not therefore due at present. The quote has been accepted at this stage to enable progress to continue. The Board are asked to approve this payment and associated virement.

2.4 It is proposed that a Pre Application Consultation (PAC) process be commenced for Scott Road with a view to submitting a planning application for 48 houses as soon as possible thereafter.

Competence

3.1 The competence issues relating to this report are at section 8.1 of the report.

Recommendations

4.1 It is recommended that the Board:

a) approve a virement of £458K from reserves for the connection charges at the Melbost West site and authorise the Director of Finance & Corporate Services to make the payment at the optimal time for HHP;

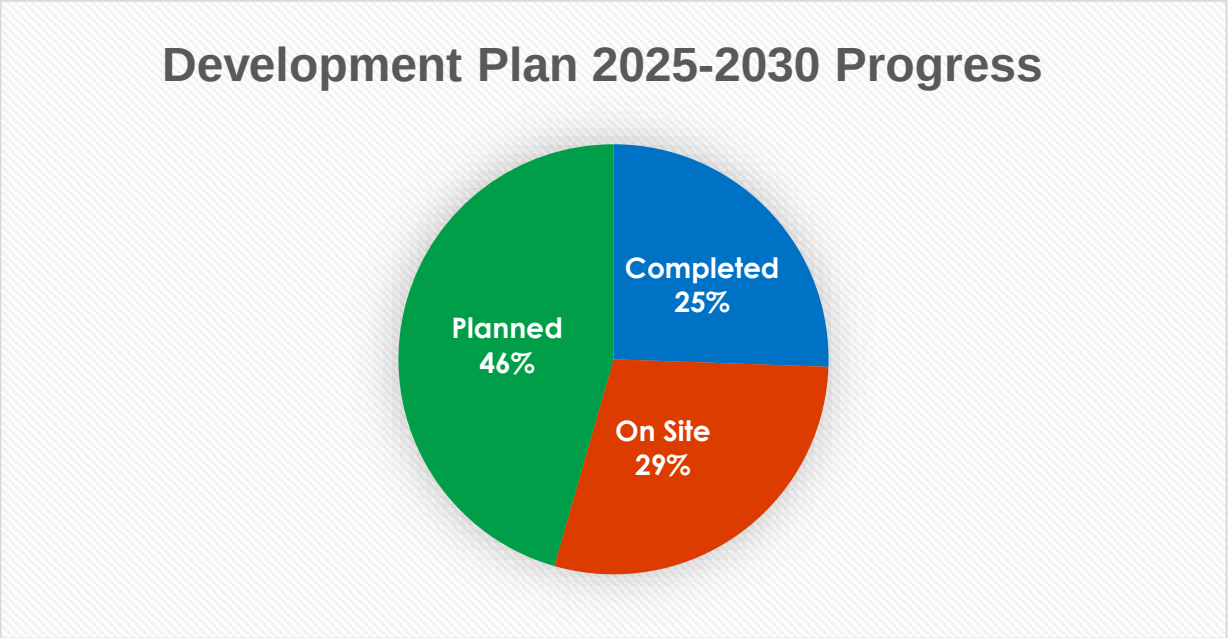
b) agree to progress a detailed planning application for both phases at Tarbert providing 48 houses and;

c) note the progress updates on New Build projects.

APPENDIX 1:	New Build Updates	
APPENDIX 2:	Projects Under Construction	
Background Papers:	Development Risk Threshold	
Writer of Report:	Sawan Morrison	Tel: 0300 123 0773

Report Details

Development Plan 2025-2030



5.1 The main points to note are:

- **Melbost West –** A planning application was lodged in early June for the full site which would enable 160 homes to be delivered in phases. It is anticipated that SSEN will provide funding to support the costs incurred in reaching this stage but this has still to be confirmed. We have received a connection quotation from SSEN for £458,444.47. The connection offer expired on 13/06/25 and was therefore accepted at that time. However, payment is not due as the offer is dependent on an earlier application where a decision is pending. They have advised that the connection offer is also dependant on the following:
    - Replacement of Battery Point Transformer upgrade (est Mar 2027)
    - Creation of new open point under separate project
    - Capital project for Battery Point 11kV feeder (est 11/2027)

  We do not therefore have full clarity on the position with the site being fully serviced at this time. The Board are asked to approve the payment and associated virement when it becomes due.

- **Scott Road** – Missives have been concluded with North Harris Trust (NHT) and we are awaiting final completion of an acquisition from Atlantic Holdings. The agreement with NHT includes land to provide an opportunity for a second phase for future development. As previously reported the groundworks on this phase would require to be carried out in conjunction with the phase 1 development because of the likelihood of blasting being required. There was overwhelming support from the community for creating the potential for a phase 2.

  Following discussions with planning, they have determined that due to the size of the development in the context of Tarbert this will require to be progressed as a major development. Consequently, we will need to conduct a pre-application consultation process which will include 2 formal public consultations prior to

lodging the planning application. This will in turn cause a delay of approximately 12 week delay before a planning application can be lodged. There are 2 options available to us in progressing. We can seek detailed planning for phase 1 with planning in principle for the phase 2 area or seek detailed planning for both phases at this time.

It is recommended that we seek **detailed planning** for both phases at this time. This has advantages in terms of cost and will enable us to react quickly to future opportunities if funding becomes available and demand for housing supports further development. In addition, there is potential for Planning to seek to reduce the number of houses in the proposed first phase due to concerns regarding the distillery water supply although we believe that our plans have already been amended to address these.

- **Barra Ph 2 –** Following the approval of the planning application and building warrant the contractor started on site on 12 May 2025. Although this is a period of disruption for our tenants at the first phase we are working with the contractor to minimise disturbance and ensure safety.

- **Grimsay –** The landowner has contacted all shareholders to gauge support and to enable us to progress with planning application. The intention is to tender this project along with the 4 units at Low Flyer to make the tender more attractive to contractors.

5.2 Further information on the progress of the development plan can be found at Appendices 1 and 2.

Local Housing Strategy

6.1 The Comhairle's previous Local Housing Strategy (LHS) covered the period 2017 – 2022. Following a series of public consultations, the Comhairle have conducted workshops with key partners including HHP to inform the development of the new strategy. It is expected that this will be finalised late in 2025.

Affordable Housing Supply Programme

7.1 In May, Scottish Government confirmed that the grant level available for the 2025/26 financial year is £8.404 million. This is the full Resource Planning Assumption available to the Comhairle and although is not restricted to provision of social housing, we initially aimed to draw down £6.4 million this financial year. However, due to some site difficulties as outlined in this paper, this has been revised to £5.1million.

8.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	The initial budget for development in 2025/26 was at £11.35M of expenditure, £6.42M Scottish Government (SG) Grant resulting in a private finance requirement of £4.93M. Details of the projected out-turn for the year are in the Management Report on this agenda. The RPA for 2025/26 has been confirmed at £8.404M of which we plan to draw down £5.1M. Board approval will be required for a virement from reserves to meet the SSEN connection cost for Melbost West. The cost of submitting a planning application for 48 houses at Scott Road would be £75K (includes CNES fees and design) at this time. If only planning in principle is sought for phase 2 the cost would be £57K now. However, the total cost of developing the 24 houses in the second phase at a later date would be £99K in total.
Legal	There are no legal implications arising from the consideration of this report.
Regulatory	The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards. This report provides ongoing assurance of evidence RS2.2, RS4.3 and RS7.7 in relation to our Annual Assurance Statement.
Risk	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 carry out a Local Housing Needs Demand survey if our waiting list indicates that demand is limited for housing in the area. Our Housing Needs and Demands Analysis (HNDA) 2021 indicated weak demand in all areas and particularly in the most rural locations. However, waiting list demand has increased since then and the reason for this is being analysed further. The HNDA report 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. The Risk Register identifies a number of risks which can impact on the delivery of the Development Plan with a residual risk rating of high or medium: • climate change with a residual risk rating of 12 (medium); and • lack of skilled workforce with a residual risk rating of 12 (medium); and • construction process issues such as delayed or cancelled work with a residual risk rating of 12 (medium); and

COMPLIANCE CHECKLIST	
	• housing component technology failure with a residual risk rating of 12 (medium); and • rent affordability with a residual risk rating of 12 (medium); and • impact of regulatory and legislative changes on service delivery with a residual risk rating of 10 (medium); and • infrastructure failure with a residual risk rating of 8 (medium); and • Failure to adapt to changing demographics and reducing population with a residual risk rating of 8. There are specific risks with the Melbost site as there is at least one other competing application for connection and some constraints on infrastructure capacity at this time.
ESG	Our new build programme considers ESG implications at every point in the process. It does so through detailed planning feedback sought at the onset of a project and by creating homes that are designed to be affordable to ensure a sustainable tenancy in the long term. This ensures placemaking is at the heart of a development.
Equalities	We are committed to promoting equality, diversity and inclusion. There are no equalities implications arising from the approval of this report.
Communication	Tenant communication during the period of disruption for groundworks (specifically rock breaking) at Barra Ph 2. Blackwater Ph 2 handover due August 2026. Barra Ph 2 – going on site. Leverburgh – final handover of site (October 2026). Leverburgh – official opening (November 2026). Scott Road – 2 public consultation events.

New Build Plan Updates **APPENDIX 1**

Development Performance – 5 Year Development Plan 2025-2030 (Approved March 2025)

	RENT	NSSE	HWEC	TOTAL	% of Plan	Comments
Completed 2024/25	41	0	0	41	22%	-
Completed 2025/26	5	0	0	5	3%%	5 homes at Leverburgh.
On Site	52	0	0	52	29%	-
Planned for 2025-30	72	0	10	82	46%	-
	170	**0**	**10**	**180**		

Table 1.2 - 5 Year Development Plan Summary

Type	Area	Location	Total Units	Stage	2024/25	2025/26	2026/27	2027/28	2027/28	2028/29
RENT	Stornoway	Blackwater	72	On Site - 33 homes (Ph 1) completed 24/25 FY	33	26	13			
RENT	Uist	Lochmaddy Former Hospital	8	Completed	8					
RENT	Harris	South Harris - Leverburgh	12	5 completed, 7 due for completion in October 2025.		12				
RENT	Barra	Cleat Road- Phase 2	6	Contractor has started on site		6				
RENT	Rural Lewis	Rural Lewis- Gravir	4	Land acquisition & tender - awaiting land valuation			4			
RENT	Stornoway	Melbost West	12	Planning application due to be lodged in June 2025			12			
RENT	Harris	Scott Road	22	PAC (Public consutlation) process to be started				22		
RENT	Uist	North Uist - Grimsay	8	Planning permission WIP - on hold				8		
RENT	Rural Lewis	Rural Lewis- Bernera	4	Land acquisition - site access issue being clarified				4		
RENT	Uist	Benbecula Low Flyer	4	To progress alongside Grimsay tender				4		
RENT	Uist	South Uist	6	Feasibility study to be instructed				6		
RENT	Rural Lewis	Cross Skigersta Road	8	Developer led - planning in place. Contractor reviewing costs				8		
RENT	Rural Lewis	Point (Knock)	4	Full fesibility study received - additional planning review					4	
HWEC	Barra	Barra HWEC	10	Initial Assessment						10
		Total Units	**180**		**41**	**44**	**29**	**52**	**4**	**10**

Table 1.3 Housing Projects with alternative source of funding

Area	Location	Total Units	Stage
Stornoway	Melbost West	160	Planning application submitted. Ongoing discussion with SSEN for funding worker accommodation.

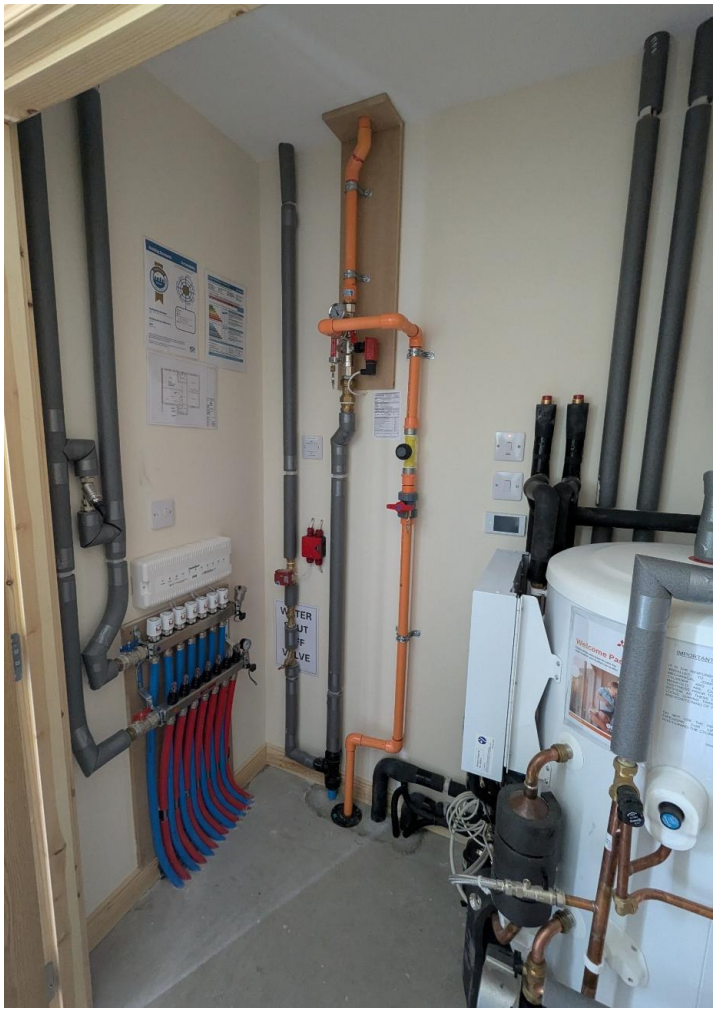
APPENDIX 2

An Allt Dubh, Blackwater (CalMax)

The complexity of pipework in our lofts now which is part of the reason we ask tenants to not access the loft.

APPENDIX 2

Leana an Sruth, Leverburgh
(Alex Murray)



South Harris Community Council Visit

Heating & hot water cupboard

APPENDIX 2

Rathad Na Ceardaich – Ph 2 (Macinnes Bros)

SEXUAL HARASSMENT POLICY

Board 24 June 2025

Report by Chief Executive

Purpose of Report

1.1 To present the Sexual Harassment Policy for approval.

Summary

2.1 Following a change in the law in October 2024, placing a greater responsibility on employers to protect their employees from sexual harassment a Sexual Harassment Policy was drafted.

2.2 The Policy was considered by the Personnel Working Group on 19 May 2025 who recommended approval to the Board following consultation with staff and Unison. The Working Group also recommended regular training for staff in this area.

2.3 Following the consultation period, no changes were made to the Policy.

Competence

3.1 The competence issues relating to this report are at section 5.1 of the report.

Recommendations

4.1 It is recommended that the Board approve the Sexual Harassment Policy at Appendix 1.

APPENDIX 1: Sexual Harassment Policy
Background Papers: HHP's Standing Orders
Writer of Report: Iona France Tel: 0300 123 0773

5.1 Compliance Section

COMPLIANCE CHECKLIST	
Financial	There is no financial implication arising from the recommendation to this report being implemented.
Legal	On 26 October 2024 new sections of the Equality Act 2010 came into force placing a new duty on employers to take reasonable steps to prevent sexual harassment of workers in the course of their employment (known as "preventative duty").
Regulatory	The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.
Risk	There is no specific risk relating to the considerations of this report. The Policy will help us meet our legal obligations. Reviewing and updating policies ensures a solid foundation for good governance and mitigates the risk.
ESG	Having robust policies for staff and Board Members supports the aims of our ESG Strategy.
Equalities	We are committed to promoting equality, diversity and inclusion. There are no exclusions to the categories of employee who have access to this policy. No employee will be excluded on the grounds of colour, race, ethnic or national origin, religion, social background, marital status, sexual orientation, age or disability.
Communication	The Sexual Harassment Policy will be available in our Staff Handbook and website following approval by Board.

Sexual Harassment Policy

APPROVED BY HHP BOARD:
EFFECTIVE DATE: June 2025

hhp | hebridean housing partnership

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POLICY STATEMENT

1.1 We expect our employees, agency staff, consultants, contractors and volunteers to behave in a professional and appropriate way towards each other and to others connected with HHP. Our expected standard of behaviour is outlined in the Code of Conduct.

1.2 Our workplace should be a thriving environment where staff come together as professionals, colleagues and friends. It is and always should be an enjoyable space for everyone but we need to put protections in place so that we all know what behaviours are not acceptable.

1.3 All members of staff are entitled to be treated with dignity and respect in our place of work. This means freedom from sexual harassment, feeling safe and supported and having access to redress if such behaviour does arise.

1.4 We will take action to prevent sexual harassment from occurring and have clear reporting procedures for all staff to make a complaint about sexual harassment.

LEGAL FRAMEWORK

2.1 The law requires employers to take reasonable steps to prevent sexual harassment of their workers. There are a number of legal principles contained in the following legal documents that will apply:

- **The Equality Act 2010 (EqA) as amended**-protects the rights of individuals and advances equality of opportunity for all.
- **Worker Protection Act 2023**-An amendment to the Equality Act 2010 aims to better protect employees from sexual harassment, prioritising prevention.
- **Public Interest Disclosure Act 1998**-provides protection to employees who have been victimised at work or they have lost their job due to a disclosure they raised.
- **Health & Safety at Work Act 1974**-sets out the framework for managing workplace health and safety in the UK.

DEFINITIONS

Sexual Harassment

3.1 Sexual harassment is unwanted conduct of a sexual nature which has the purpose or effect of violating a person's dignity or creating an intimidating, hostile, degrading, humiliating or offensive enviornment for that person.

3.2 It covers treating someone less favourably because they have submitted to, or refused to submit to, unwanted conduct of a sexual nature or in relation to gender reassignment or sex.

3.3 Sexual harassment may be committed by a fellow worker, an agent of an organisation, or a third party. It does not need to occur in person. It can occur via digital means, including social media sites or channels (eg WhatsApp). Someone may be sexually harassed even if they were not the target of the behaviour. Examples of sexual harassment include, but are not limited to:

- sexual comments or jokes, which may be referred to as "banter"

- displaying sexually graphic pictures, posters or photos
- suggestive looks, staring or leering
- propositions and sexual advances
- making promises in return for sexual favours
- sexual gestures
- intrusive questions about a person's private or sex life or a person discussing their own sex life
- sexual posts or contact in online communications, including on social media
- spreading sexual rumours about a person
- sending sexually explicit emails, text messages or messages via other social media
- unwelcome touching, hugging, massaging or kissing

Victimisation

3.4 Victimisation is subjecting someone to detriment because they have done, are suspected of doing, or intend to do, an act which is protected under discrimination and harassment laws. These are outlined below. It is not necessary for the person to have done the protected act in order for detrimental treatment to be considered as victimisation.

3.5 The protected acts are:

- making a claim or complaint under the EqA (eg for discrimination or harassment)
- helping someone else to make a claim by giving evidence or information in connection with proceedings under the EqA
- making an allegation that someone has breached the EqA
- doing anything else in connection with the EqA

3.6 Examples of victimisation may include:

- failing to consider someone for promotion because they have previously made a sexual harassment complaint
- dismissing someone because they accompanied a colleague to a meeting about a sexual harassment complaint
- excluding someone from work meetings because they gave evidence as a witness for another employee as part of an employment tribunal claim about harassment.

CIRCUMSTANCES WHICH ARE COVERED

4.1 This policy covers behaviour which occurs in the following situations:

- a work situation
- a situation occurring outside of the normal workplace or normal working hours which is related to work, eg a working lunch, a business trip or social functions
- outside of a work situation but involving a colleague or other person connected to the Organisation, including on social media
- against anyone outside of a work situation where the incident is relevant to your suitability to carry out the role.

WHAT TO DO IF YOU ARE SUBJECT TO SEXUAL HARASSMENT OR VICTIMISATION

5.1 We are committed to ensuring that there is no sexual harassment or victimisation in our workplace. Allegations of sexual harassment and victimisation will be treated as a disciplinary matter, although every situation will be considered on an individual basis and in accordance with the principles of our disciplinary procedures, a copy of which is available in our Employment Handbook or from your Line Manager.

Informal Complaint

5.2 We recognise that complaints of sexual harassment or victimisation can be of a sensitive or intimate nature and that it may not be appropriate for you to raise the issue through our normal grievance procedure. In these circumstances, you are encouraged to raise such issues with a senior colleague of your choice (whether or not that person has a direct supervisory responsibility for you) as a confidential helper. This person cannot be the same person who will be responsible for investigating the matter if it becomes a formal complaint.

5.3 If you experience sexual harassment and you feel comfortable to do so, you should make it clear to the harasser on an informal basis that their behaviour is unwelcome and ask the harasser to stop. If you feel unable to do this verbally then you should hand a written request to the harasser, and your confidential helper can assist you in this.

5.4 In addition, you may also choose to raise concerns during your regular communication with your manager, eg in a one-to-one meeting. Your manager will listen to you and take your concerns seriously if you do this but may encourage you to follow the reporting procedures set out below. If you don't have a one-to-one meeting scheduled with your manager, you can ask to meet with them to discuss any concerns that you may have.

Formal Complaint

5.5 Where the informal approach fails or if the sexual harassment or victimisation is more serious, you should bring the matter to the attention of your Director as a formal written complaint and again your confidential helper can assist you in this.

5.6 If possible, you should keep notes of what happened so that the written complaint can include:

- the name of the alleged harasser
- the nature of the alleged harassment
- the dates and times when the alleged harassment occurred
- the names of any witnesses
- any action already taken by you to stop the alleged harassment

5.7 On receipt of a formal complaint, we will take action to separate you from the alleged harasser to enable an uninterrupted investigation to take place. This may involve a temporary transfer of the alleged harasser to another work area or suspension with contractual pay until the matter has been resolved.

5.8 The person dealing with the complaint will invite you to attend a meeting, at a reasonable time and location, to discuss the matter and carry out a thorough investigation. The meeting will normally be held within five working days of receipt of your complaint. You have the right to be accompanied at such a meeting by your confidential helper or another work colleague of your choice and you must take all reasonable steps to attend. Those involved in the investigation will be expected to act in confidence and any breach of confidence may be dealt with under the disciplinary procedure.

5.9 On conclusion of the investigation, which will normally be within 10 working days of the meeting with you, the decision of the investigator, detailing the findings, will be sent in writing to you.

5.10 You have the right to appeal against the findings of the investigator. If you wish to appeal, you must inform the Chief Executive within five working days of receiving the outcome. You will then be invited to a further meeting. As far as reasonably practicable, HHP will be represented by a more senior manager than the manager who attended the first meeting (unless the most senior manager attended that meeting).

5.11 Following the appeal meeting, you will be informed of the final decision, normally within 10 working days, which will be confirmed in writing.

5.12 Regardless of the outcome of the procedure, we are committed to providing the support you may need. This may involve mediation between you and the other party or some other measure to manage the ongoing working relationship.

5.13 You will not be victimised for having brought a complaint.

WHAT TO DO IF YOU WITNESS SEXUAL HARASSMENT OR VICTIMISATION

6.1 If you witness sexual harassment or victimisation, you are encouraged to take appropriate action to address it. You should not take any action that may put you at risk of sexual harassment or other harm. If you feel able, you should intervene to prevent the matter continuing. If you are not able to do this, your action may include offering support to the person who has been sexually harassed and encouraging them to report the incident or reporting the incident yourself.

6.2 If reporting the incident, you should bring the matter to the attention of [*enter name or job title, eg senior manager*] in writing. Alternatively, you can report instances of sexual harassment by emailing [*enter email address, eg a central non-personalised email address, possibly one set up especially for this purpose*] or by visiting [*enter details of intranet portal or other online means in your organisation and how complaints can be registered*]. Our online means of reporting sexual harassment are continually monitored.

6.3 Your concerns will be handled by [*enter name or job title, eg senior manager*] who will sensitively talk to the person subject to sexual harassment to determine how they want the matter to be handled.

THIRD PARTY SEXUAL HARASSMENT

7.1 Third-party sexual harassment occurs when a member of our workforce is subjected to sexual harassment by someone who is not part of our workforce but who is encountered in connection with work. This includes our customers, suppliers, members of the public, friends and family of colleagues, delegates at a conference an audiences.

7.2 Third-party sexual harassment of our workforce is unlawful and will not be tolerated. The law requires employers to take steps to prevent sexual harassment by third parties and we are committed to doing so.

7.3 The law does not provide a mechanism for individuals to bring a claim of third-party harassment alone. However, failure for an employer to take reasonable steps to prevent third-party sexual harassment may result in legal liability in other types of claim.

7.4 In order to prevent third-party sexual harassment from occurring, we will:

- attach signage to the walls of the areas within the workplace where customers are present to warn that sexual harassment of our staff is not acceptable
- inform third parties (ie suppliers) of our zero-tolerance sexual harassment policy within our supplier documentation

7.5 If you have been subjected to third-party sexual harassment, you are encouraged to report this as soon as possible to your Line Manager.

7.6 Should a customer sexually harass a member of our workforce, we will follow the steps in our Engagment Policy but in the first instance warn the client or customer about their behaviour. Any criminal acts will be reported to the police.

7.7 We will not tolerate sexual harassment by any member of our workforce against a third party. Instances of sexual harassment of this kind may lead to disciplinary action, including termination of employment.

DISCIPLINARY ACTION

8.1 If the decision is that the allegation of sexual harassment or victimisation is well founded, the harasser/victimiser will be liable to disciplinary action in accordance with our disciplinary procedure up to, and including, summary dismissal. An employee who receives a formal warning or who is dismissed for sexual harassment/victimisation may appeal by using our disciplinary appeal procedure.

8.2 When deciding on the level of disciplinary sanction to be applied, we will take into consideration any aggravating factors affecting the case. One example of aggravating factors is an abuse of power over a more junior colleague.

8.3 If, due to the investigation, it is concluded that your complaint is both untrue and has been brought with malicious intent, disciplinary action will be taken against you.

TRAINING

9.1 We provide training to all our staff on sexual harassment to ensure there is a clear understanding of:

- what sexual harassment is, how it may occur and that it will not be tolerated
- expected levels of behaviour
- how they can report any incidents of having been sexually harassed or having witnessed it
- how acts of harassment will be dealt with under the disciplinary procedure, which can potentially result in dismissal.

9.2 We ensure that all levels of management are trained on implementing this policy, including preventing and managing sexual harassment in the workplace and the procedure to follow if an allegation is reported.

9.3 We will regularly review the effectiveness of our training and provide refresher training as appropriate.

GENERAL DATA PROTECTION REGULATIONS

10.1 The organisation will treat your personal data in line with our obligations under the current data protection regulations and our own [*Insert name of policy or procedure*]. Information

regarding how your data will be used and the basis for processing your data is provided in HHP's employee privacy notice.

REVIEW OF POLICY

11.1 Responsibility for review and monitoring the application of this policy will rest with Chief Executive.

11.2 The policy will be reviewed every three years and if necessary, in line with legislative updates.

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 and Area Committee Members
Consultants	
Employees	
Agency staff	
Mediation	A voluntary confidential process that allows two or more disputing parties to resolve their conflict in a mutually agreeable way with the help of a neutral third party, a mediator.
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.

DEBT MANAGEMENT POLICY

Board 24 June 2025

Report by Director of Finance & Corporate Services

Purpose of Report

1.1 To provide the board with an updated Debt Management Policy for approval.

Summary

2.1 The Debt Management Policy was last reviewed in June 2022 where the Sundry Debts policy and Rent Arrears policy were consolidated into one policy.

2.2 There have been minimal changes in regard to the policy with small updates to timelines and changes to ensure clarity as to when HHP can write debt off. The methods of potential payments have also been updated to reflect the fact we now collect monies through the Allpay suite of payment tools (Online/Payment card/Callpay) and the tenant portal.

Competence

3.1 The competence issues relating to this report are at section 5.1 of the report.

Recommendations

4.1 It is recommended that the Board approve the Debt Management Policy at Appendix 1, subject to any recommendations from SHR on the current notifiable event.

APPENDIX 1	Debt Management Policy	
Background Papers		
Writer of Report	James Morrison	Tel: 0300 123 0773

James Morrison 12-Jun-25

5.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	Provision has been made within our budgets to pursue debt in line with the policy.
Legal	Before commencing with legal action, we will ensure that all Pre-Action Requirements as set out under sections 14 and 14A of the Housing (Scotland) Act ("the 2001 Act") as amended by section 155 of the 2010 Act and Repossession Orders under section 16 of the 2001 Act as amended by Section 153 of the 2010 Act have been complied with. The debt management policy has been updated to include the provisions for prescribed debt under the Prescription (Scotland) Act 2018.
Regulatory	The Regulatory Standards Checklist has been completed and there is nothing in this report which would breach these standards.
Risk	The risk of not updating policies can lead to breaches in regulatory codes of governance and recommended practice, and leave the Partnership open to legal actions. The risk of debt increasing is reduced through an effective debt management policy.
ESG	There is no ESG impact arising from the consideration of this report.
Equalities	We are committed to promoting equality, diversity and inclusion. There are no equalities implications arising from the approval of this report.
Communication	There are no communications required following the consideration of this report.

DEBT MANAGEMENT POLICY

APPROVED BY HHP BOARD:
EFFECTIVE DATE:
JUNE 2025

hhp | hebridean housing partnership

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INTRODUCTION

1.1 We will ensure we minimise debt and maximise our rates of collection whilst being consistent in our approach and aiding customers who experience financial difficulty. We have a duty to recover outstanding debts and to ensure that we do it in a way that is fair to everyone.

1.2 The effective collection, prevention and management of all types of debt is vital for us in order to maximise the financial resources available to maintain our housing stock, fund ongoing investment programmes, provide a full range of services to our tenants and remain a going concern. This will ensure the standard of services delivered to our customers and the quality of their homes is not compromised.

1.3 We do not want tenants accumulating debt that may trap them in a cycle of poverty and/or lead to their eviction. It is important to focus on early action and intervention, and a supportive and understanding view will be taken of arrears problems in cases of proven financial hardship.

AIMS

2.1 The overall aim of this policy is to minimise the level of debt in a sensitive but effective manner and to communicate how we manage Rent Arrears and Sundry Debts.

2.2 The other aims of the Debt Management Policy are to:

a) Emphasise the importance of the payment of rent when a tenant first applies for housing, at sign up, and during new tenancy visits.

b) Ensure that we have sufficient resources to function efficiently and effectively;

c) Ensure that tenants are not burdened with higher rents as a result of uncontrolled debt;

d) Maximise rent collected;

e) Maximise uptake by tenants of Housing Benefit or Universal Credit (UC) and other welfare benefits to which they are entitled;

f) Wherever possible, enable tenants to maintain their tenancy and avoid eviction and/or homelessness;

g) Monitor levels of debt; and

h) Set out methods of debt recovery.

TYPES OF DEBT

3.1 This policy applies to all sums owed to HHP and ensures a consistent approach to the management of debts across the organisation. The main types of debt are:

a) **Current Rent Arrears** – When a tenant living in a HHP property with a tenancy agreement fails to keep up with regular rent payments in accordance with the terms of their tenancy agreement.

b) **Service Charges** - When a tenant living in an HHP property with a tenancy agreement fails to keep up with regular service charge payments in accordance with the terms of their tenancy agreement.

c) **Former Rent Arrears** – When a tenant terminates their tenancy agreement and fails to pay the outstanding balance at termination.

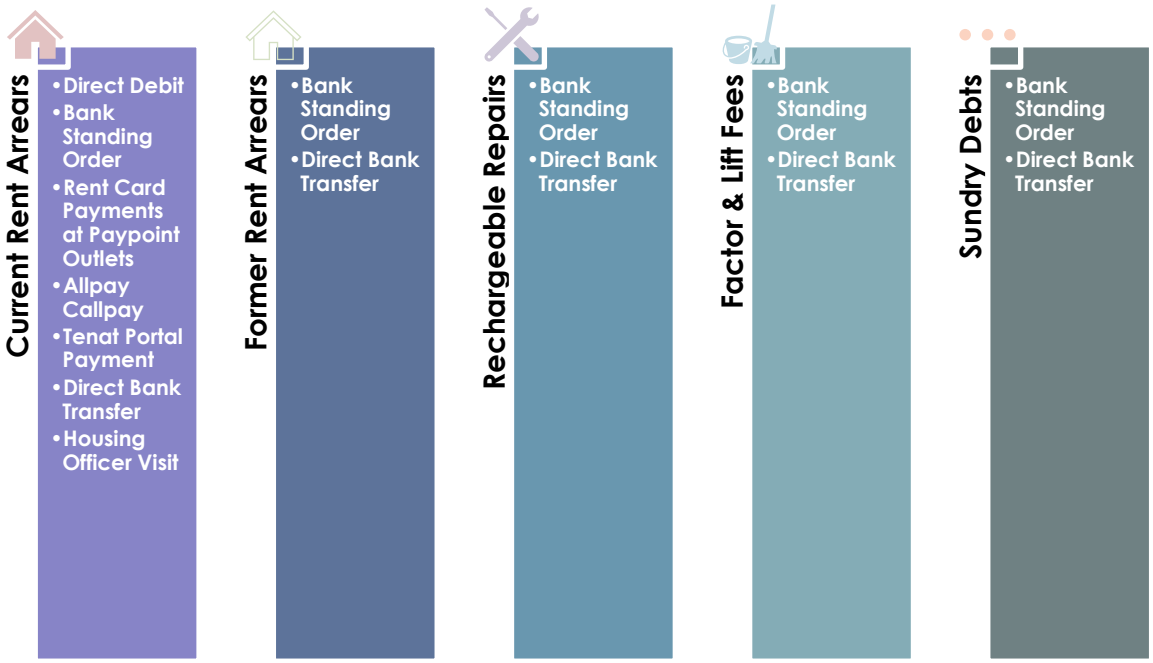
d) **Rechargeable Repairs** – When a tenant causes what is deemed to be wilful and neglectful damage to a property, the cost of repairing the property will be passed on to that tenant.

e) **Factorage Fees** – Costs passed on to homeowners for the management and upkeep of common parts of land or property.

f) **Sundry Debts** – The fees and charges for any other services.

METHODS OF PAYMENT

4.1 We will offer tenants a range of payment methods and will keep these under review. These include:



4.2 Wage arrestment may be used as a method of recovering debt subject to the necessary legal consents being granted.

4.3 We will consider new methods of payment as these develop.

4.4 We will encourage tenants in receipt of Housing Benefit or Universal Credit housing element to opt for direct payment to landlord, and in appropriate circumstances will seek statutory deductions from DWP payments.

4.5 In accordance with our Tenancy Agreement, tenants are required to pay their rent and other charges in full one week in advance, unless an alternative arrangement which suits their particular circumstances is agreed in advance.

WELFARE BENEFITS

5.1 Universal Credit (UC) full service was implemented in the Outer Hebrides in September 2018. UC is affecting an increasing number of tenants at present but this will further increase when full migration takes place. Tenants are moving on to UC when they have a change in circumstances, this is known as managed migration. Full migration will be completed by early 2026. This policy continues to refer to 'Housing Benefit' as not all tenants will be affected by UC.

5.2 Many tenants will remain on Housing Benefit administered by the Comhairle. UC and HB payments account for a significant percentage of our income and strong relationships with DWP and the Comhairle's Revenues team are very important in minimising rent arrears and to our financial wellbeing.

5.3 We will take a proactive approach to Housing Benefit and UC cases at all times, and in appropriate circumstances will assist tenants affected by the 'Bedroom Tax' to claim Discretionary Housing Payment (DHP).

5.4 We will encourage the prompt reporting of change in household/income circumstances and will actively encourage tenants to return Housing Benefit review forms promptly. In the case of UC claimants we will ensure tenants report any changes through their online journal.

5.5 We will contact tenants as soon as possible after information is received that a Housing Benefit or UC claim has been suspended or cancelled and will assist tenants as appropriate to have their claim reinstated.

5.6 We will work to maintain a positive working relationship with Comhairle Nan Eilean Siar Housing Benefit and DWP staff to ensure the best possible service to tenants and to minimise rent arrears caused by suspension or cancellation of Housing Benefit or Universal Credit claims.

DEBT CONTROL & RECOVERY

6.1 We will seek to maximise income through the recovery of debts by taking action that is reasonable, proportionate, sensitive and cost effective. Details of support and advice providers are updated regularly. These are available from our office and online at www.hebrideanhousing.co.uk.

We will:

- Take action to minimise the amount of debt owing at the termination of tenancies;
- Inform debtors within 14 days of tenancy termination date of any charges that they are responsible for, subject to any extenuating circumstances;
- Negotiate realistic agreements for the repayment of debt by instalments;
- Consider measures to recover debts through all legal means; and
- Provide debtors with information regarding access to benefits advice and debt counselling to maximise their income and manage any debt

6.2 Rent arrears recovery will be based on a staged escalation process up to and including repossession.

6.3 Recovery actions will be based on a preventative approach that seeks to maximise tenants' entitlement to benefits as well as securing regular payments.

6.4 Staff will take account of the particular needs of vulnerable tenants and liaise with relevant external agencies to assist as appropriate.

6.5 Tenants and owners have varying obligations under the terms and conditions of their Tenancy Agreements and Title Deeds to pay debts due to the Partnership. If two or more people have signed the Tenancy Agreement, they are jointly and severally liable for the payment of rent and any debts arising from the tenancy. This means that each person is fully responsible for debts that arise from non-payment of rent or rechargeable repairs.

6.6 Any payments due to be paid to a debtor by us, will in the first instance be paid to their rent account to reduce the debt owed to us. Any balance outstanding after the rent account balance has been cleared, will be allocated against any remaining debts with the balance being paid to the tenant. This shall also apply to former tenants' accounts if payment is due through the tenants' right to compensation scheme.

6.7 There may be circumstances where we are required to make payments to tenants who have an outstanding debt. Such payments require to be approved by the Director of Finance & Corporate Services.

6.8 In cases where the tenant cannot clear the current arrears in a single payment, an affordable payment plan to reduce debt in realistic and sustained instalments over a specific period of time will be set up. This will be based upon a detailed assessment of the person's ability to pay.

6.9 A written agreement will be made with the person where possible.

6.10 Once a person has agreed a repayment plan, the account(s) will continue to be monitored. If the agreement is not adhered to, recovery action will be escalated.

6.11 In most cases, the recovery of debts is handled by us through our own dedicated Debt Management Officers, however we will use the services of a registered Debt Collection Agency to pursue sundry debts where customers have:

(a) failed to respond to correspondence;

(b) failed to repay the outstanding amount;

(c) failed to agree or maintain an affordable repayment agreement; and

(d) To enforce any rulings made by the court.

6.12 We can also use this service to trace former tenants that have failed to provide a forwarding address.

LEGAL ACTION & NOTICE OF PROCEEDINGS

CURRENT TENANTS

7.1 Legal action is the last stage in the arrears process and a decision to proceed with action to recover possession of the property and outstanding debt will only be taken when all other means of recovery of the rent arrears have been exhausted, or when the tenant has failed to engage or respond and rent arrears continue to increase or have not reduced.

7.2 Before commencing with legal action, we will ensure that all Pre-Action Requirements as set out under sections 14 and 14A of the Housing (Scotland) Act ("the 2001 Act") as amended by section 155 of the 2010 Act and Repossession Orders under section 16 of the 2001 Act as amended by Section 153 of the 2010 Act have been complied with.

7.3 Relevant departments of Comhairle Nan Eilean Siar and any appropriate support agency/provider will be informed of the legal action and encouraged to provide assistance to prevent the homelessness of the tenant and their household.

7.4 During all stages in the legal action process the rent account will be regularly monitored and attempts to make personal contact with the tenant and resolve the matter will be made.

7.5 Eviction will always be seen as a measure of last resort.

7.6 Other forms of action such as lowering repayment arrangements, Direct Payments from benefits and wage arrestment will be pursued before a decision to seek, obtain and implement a Decree of Ejection is made.

7.7 We will provide tenancy support to tenants who are at risk of losing their homes and where appropriate, signpost to other advice agencies.

7.8 We will seek to recover legal expenses incurred when taking court action against tenants in rent arrears, unless the Director of Finance and Corporate Services determines that it is not cost effective to do so.

7.9 The Board will receive a report, at each meeting summarising any Notice of Proceedings for Recovery of Possession issued to tenants and Decrees of Ejection granted by the Sheriff Court.

7.10 We will take immediate action to implement a Decree of Ejection once granted.

7.11 Some tenants will seek to clear rent arrears after a Decree of Ejection has been granted. In such cases, if payment is made in full, the Decree of Ejection will not be implemented.

7.12 Any decision to accept less than full payment will only be taken by the Director of Operations. If a decree is granted against a tenant for the second time, the assumption will be that the decree will be implemented regardless of an offer to pay. A decision not to implement a second decree will only be taken by the Director of Operations and would be based on an assessment of the tenant's circumstances, the implications of enforcement, and liaison with other appropriate agencies. If a decree is granted for the third time, it must be implemented.

7.13 Comhairle Nan Eilean Siar's Social Work Department, Homelessness Section and other relevant agencies will be notified of cases where we are pursuing a Decree of Ejection.

FORMER TENANTS & OTHER DEBTORS

7.14 Where former tenants and any other debtors fail to clear their accounts or make appropriate repayment arrangements to clear outstanding debts, the Debt Management Officer will, where appropriate, raise court action against the former tenants to obtain a decree for payment through the courts.

DELEGATIONS

8.1 The Director of Operations will have day to day responsibility for rent arrears monitoring and recovery including the issue of Notice of Proceedings for Recovery of Possession.

8.2 It is delegated to the Director of Finance and Corporate Services to initiate Court Proceedings leading to Recovery of Possession of a tenancy at the Sheriff Court.

STAFF & BOARD MEMBER DEBT

9.1 It is important that there is no conflict of interest for Board Members in debt matters. Board Members in rent arrears must declare an interest at any meeting where the matter being discussed involves rent arrears, as set out in our Disclosure of Interest Policy.

9.2 If staff have outstanding debt to us then any payments due to them by us will first be paid to their rent account (if applicable). Any balance outstanding after the rent account balance has been cleared, will be allocated against any remaining debt with the balance being paid to the employee.

WRITE OFFS

10.1 We will consider it appropriate for debt to be recommended for write off where:

(a) it is not cost effective to pursue the debt; or

(b) The debtors ability to pay means there is no likely prospect of recovery; or

(c) the debtor is deceased; or

(d) the debtor cannot be traced and the debt is more than 12 months old; or

(e) the debtor is sequestrated, bankrupt or in any other legally protected debt solution; or

(f) the debt has become prescribed under the definition of the Prescription (Scotland) Act 2018.

10.2 The Director of Finance & Corporate Services has delegated authority to write off debts in line with the thresholds in the Standing Orders. Any debts greater than this threshold will require to be approved by the Board.

10.3 We will maintain a list of all debts written off should the recovery of the debt prove legally possible in the future.

MONITORING & REVIEW

11.1 We will maintain systems to measure performance including but not restricted to the following Indicators:

TOTAL DEBT

a) Total Debt inclusive of current and former rent arrears, rechargeable repairs and sundry debt;

b) Total Debt inclusive of current and former rent arrears, rechargeable repairs and sundry debt with expected benefit payments included on current rent arrears.

CURRENT RENT ARREARS

a) Current tenant rent arrears as a percentage of the annual net and gross rent receivable;

b) Number and percentage of tenants in rent arrears;

c) Number and percentage of tenants owing over £400 in rent arrears;

d) Number and percentage of tenants owing over £1000 in rent arrears.

e) Amount and percentage of rent arrears due to Housing Benefit and Universal Credit;

f) Amount and percentage of annual rent collected;

g) A banded analysis of arrears;

h) A geographic analysis of arrears; and

i) Number of tenants evicted due to rent arrears.

SUNDRY DEBTS

a) FTAs collected during the period.

b) Balance of FTAs outstanding at the end of the period.

c) FTAs balance as a percentage of the rent debit.

d) FTAs written off for the year, as a percentage of total FTA debt.

e) FTA balances and number of new accounts added in the period.

f) Balance of Rechargeable Repairs at the end of the period.

g) Number of new Rechargeable Repairs accounts balances added for the period.

h) Amount of Rechargeable Repairs collected for the period.

i) Rechargeable Repairs written off for the year as a percentage of total rechargeable repairs debt.

11.2 Appropriate targets will be set for the above indicators to allow us to track performance versus targets.

11.3 The Board will annually agree its target for current tenant rent arrears as a percentage of the net rent due in the financial year.

11.4 We will regularly benchmark against other organisations' rent collection performance.

11.5 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.

COMPLAINTS PROCEDURE

12.1 Tenants who have a complaint about the way they have been dealt with in respect of our Debt Management Policy may refer to our Comments, Compliments & Complaints Handling Policy, which is available at our offices and on our website.

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
ARC	Annual Return on the Charter
FTA's	Former Tenant Arrears
UC	Universal Credit
DWP	Department for Work & Pensions
HB	Housing Benefit
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 7.3

POLICY CONSULTATION RESPONSE
BOARD 24 JUNE 2025

Report by Director of Operations

Purpose of Report

1.1 The purpose of the report is for the Board to consider the responses to the Allocations Policy consultation and views on providing an additional bedroom for home working.

Summary

2.1 Our Allocations Policy was approved to go to consultation following the Board meeting on 25 March 2025.

2.2 The number of responses to the consultation was low with 13 responding as detailed in Appendix 1. The number of respondents was made up of 75% tenants, 8% Housing List applicants and 17% other stakeholders.

2.3 There were no significant issues raised and the approach to the property sizes being made available to households was supported by 62% of respondents.

2.4 Our approach to key worker status was supported by 67% respondents.

2.5 Views on providing an extra bedroom for home working were sought and the majority response (77%) were against this. The Board is asked to consider whether provision should be made to facilitate home working.

2.6 If an additional bedroom is agreed for home working, this could be limited to situations where the employee is required to work from home or where a significant level of home working is required due to the nature or location of the business. Situations where working at home is a choice could be excluded.

Compliance

3.1 The competence issues relating to this report are at section 5.1 of the report.

Recommendations

4.1 It is recommended that the Board:

a) consider whether provision to support home working be incorporated into the Allocations Policy; and

b) approve the Allocations Policy.

APPENDIX 1:	**Allocations Policy Consultation Response**	
Background Papers:	None	
Writer of Report:	Katie Walker	Tel: 0300 123 0773

Katie Walker 2 June 2025

5.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	Resources to support the allocation policy will be agreed annually through the budget setting process.
Legal	Any social housing allocation policy should be compliant with a range of key legislation and statutory guidance including: Sections 19 and 20 of the Housing (Scotland) Act 1987, as amended by Sections 9 and 10 of the Housing (Scotland) Act 2001 and the Housing (Scotland) Act 2001 and the Housing (Scotland) Act 2014.
Regulatory	The Regulatory Standards Checklist has been completed and there is nothing in this report which would breach these standards.
Risk	The risk of reducing the demand for stock and the changing demographics is highlighted on our Risk Register with a residual risk of 8 which is considered medium.
ESG	If Working from Home is approved by Board this may reduce travel and emissions. The consultation was carried out online reducing paper and postages.
Equalities	We are committed to promoting equality, diversity and inclusion. There are no equalities implications arising from the approval of this report.
Communication	A consultation was carried out with tenants, applicants and other stakeholders. The final Allocations Policy will be available on our website.

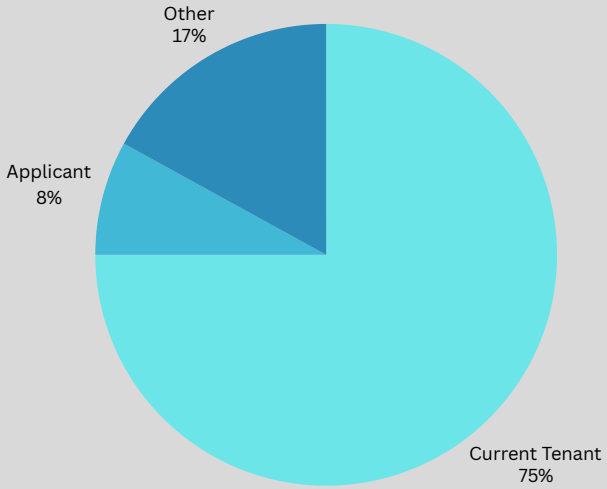
Allocations Policy Review Consultation Results

How many responded?

Responses Received

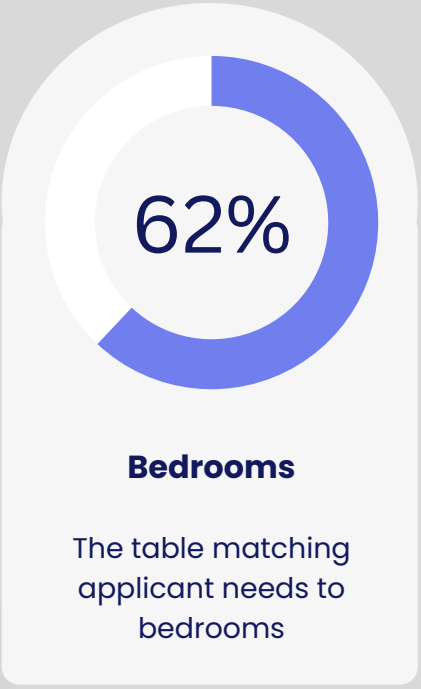
13

Who responded?



Questions asked in the Allocations Policy Consultation

People were asked if they agreed with the following policy areas and the % of those agreeing is shown below



Bedrooms

The table matching applicant needs to bedrooms

HHP RESPONSE

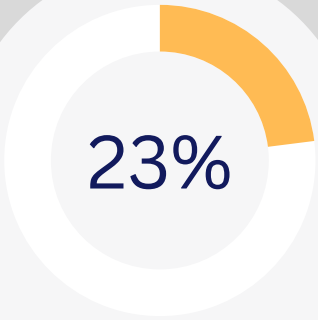
The policy allows for children of the apposite sex to have their own bedroom when the eldest turns 7. We feel this is consistent with the majority of consultation responses and makes best use of available stock.

Larger families are covered by the table and their needs will be identified in line with the policy.

Blended families children are considered as able to share bedrooms with the same criteria.

Questions asked in the Allocations Policy Consultation

People were asked if they agreed with the following policy areas and the % of those agreeing is shown below

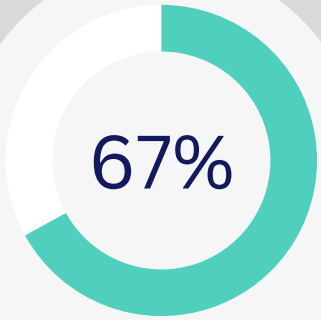


Working from Home

Extra bedroom for working from home.

HHP RESPONSE

HHP are considering whether there should be allowance within the policy for tenants that are required to work from home. Due to the low agreement in the consultation response, this has not been added to the policy but will be passsed back to the Board for further consideration.



Keyworker Status

Our approach to Keyworker status

HHP RESPONSE

We only use the Keyworker status approach where employers can evidence that they have been unable to recruit locally.
There is also provision within the policy for local employees and emergency response teams who have travel difficulties.

Big Thanks

hebridean housing partnership

Making our house your home

ITEM NO 7.4

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) STRATEGY ANNUAL REVIEW

Board 24 June 2025

Report by Director of Operations

Purpose of Report

1.1 To review our annual performance against the Environmental, Social and Governance (ESG) Strategy.

Summary

ESG Strategy

2.1 The ESG Strategy is a systematic approach for identifying and assessing how effective we are in running our business (Governance), managing our impact on the environment (Environmental) and on the communities in which we operate (Social). It allows us to demonstrate our sustainability as an organisation and inform our corporate decision-making in line with our overall vision.

2.2 A review of our annual performance is attached at Appendix 1.

2.3 Our measurement against the Sustainable Reporting Standard for Social Housing is attached at Appendix 2.

2.4 Our Action plans for 2025/26 are attached at Appendix 3

Competence

3.1 The compliance issues relating to this report are at section 9.1 of the report.

Recommendations

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

a) note the ESG annual review at Appendix 1;

b) note the measurement of performance at Appendix 2; and

c) approve the ESG action plans for 2025/26 at Appendix 3.

APPENDIX 1:	ESG Annual Review 2024/25	
APPENDIX 2:	ESG SRS 2024/25	
APPENDIX 3:	ESG Action Plans 2025/26	
Background Papers:	None	
Writer of Report:	Peter O'Donnell	Tel: 0300 123 0773

Peter O'Donnell 9 Jun 25

Report Details

ESG Changes

5.1 The ESG Strategy was developed to show how we undertake our business activities in a sustainable manner. The overall aim was to provide a robust framework within which informed decisions could be made that ensure sustainability is at the core of our business and that the outcomes from our activities are delivered in a sustainable manner that provides positive outcomes for our tenants and the wider community in which we operate.

5.2 Climate change is still one of the biggest challenges within the Outer Hebrides and we need to demonstrate our awareness through inclusion in policy, procedure and practice.

5.3 We are still awaiting the Scottish Government's new Social Housing Net Zero Standard (SHNZS) which will replace the Energy Efficiency Standard for Social Housing. It is anticipated that it will be introduced this financial year.

ESG Overall Performance

6.1 A highlights summary of our ESG performance during 2024/25 is captured in the ESG annual review document at Appendix 1. Additionally, we have:

- 22% of tenants signed up to Tenant portal
- most estates inspected annually
- 99.8% of houses meeting SHQS (excluding abeyances and exemptions)
- all houses meeting EESSH (excluding abeyances and exemptions)
- all tenants issued with Tenant Health and Safety booklet
- used community benefit to enhance communities
- ensured ESG is considered in each Policy review
- held drop-ins at Cearns resource centre
- held tenant events in Stornoway, Uist and Barra
- built 8 homes to Silver Aspect Level 1
- completed our culture audit

ESG Measurement

7.1 We have not signed up to the Sustainable Reporting Standard for Social Housing, but it remains an example of best practice and can be used as a measurement tool to demonstrate our progress.

7.2 A summary of our SRS measurement is attached at Appendix 2.

ESG Action Plans

8.1 Annual ESG Action plans is prepared by each section to show our business-wide commitment to the Strategy. They should align with ESG themes or the SRS measurements.

8.2 Action plans for 2025/26 are attached at Appendix 3.

9.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	There are no specific financial implications arising from ESG Strategy. All ESG actions require to be approved to ensure they are either delivered within current budgets, use externally sourced funding or realise savings from the proposed change.
Legal	The 'Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 was passed by the Scottish Parliament on the 26th September 2019 detailing new carbon emission reduction targets for Scotland.
Regulatory	The Regulatory Standards Checklist has been completed and there is nothing in this report which would breach these standards.
Risk	There are a number of risks highlighted in the Risk Register concerning • The risk of failing to meet the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 will have an adverse impact on our islands and our organisaton. • Climate change is recognised as a top priority risk in our risk register. It Is not only recognized on its own but is embedded within other top priorities such as changing demographics; supply chain issues and affordability. It is evident in other priorities such as governance; transport links; service delivery and health and safety.
ESG	
Equalities	We are committed to promoting equality, diversity, and inclusion. There are no equalities implications arising from the approval of this report.
Communication	Following approval of this report, action plans will be implemented and monitored

Hebridean Housing Partnership

2024/25

ESG ANNUAL REVIEW

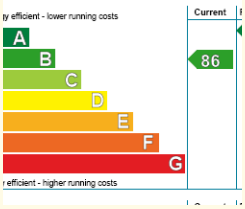
Environmental	Social	Governance

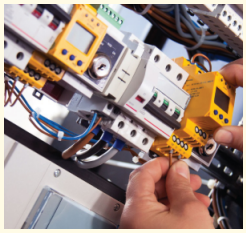
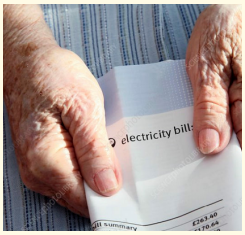
OUR ESG APPROACH

The Environmental, Social and Governance (ESG) Strategy is a systematic approach for identifying and assessing how we run ourselves effectively (Governance) and how we manage our impact on the environment (Environmental) and on the communities in which we operate (Social). It allows us to demonstrate our sustainability as an organisation and guide our corporate decision-making in line with our overall vision.

To measure our ESG performance we will use the Sustainability Reporting Standard for Social Housing (SRS) by Sustainability for Housing and The Good Economy as best practise. The SRS provides a wide range of quantitative and qualitative criteria across 12 ESG themes which we can report against on an annual basis. This will provide us with the opportunity to transparently demonstrate our progress in a clear and consistent manner and understand our progress as part of wider international sustainability efforts.

ESG 2024-25 highlights

41 energy efficient new homes built	115 new heat pumps installed	75% of homes at Band C or above	EWI to 30 houses at Plasterfield	No complaints progressed to SPSO
				

100% gas boilers serviced within MOT date	5 yearly electrical check on all houses	£20K financial assistance from Island Cost Crisis Emergency Fund	Over 14000 electric miles from our EV's	HP staff raise £1000 to local charities
				

Environment

Net Zero Funding

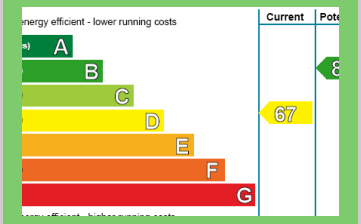
This year we received £317k from the Scottish Government's Social Housing Net Zero Fund enabling external wall insulation works to 30 houses in Plasterfield. The works followed on from replacing the existing infrared heating system with new air source heat pumps and a new ventilation system to improve air quality within these popular homes.

This has brought about thermal and air quality improvements alongside lower fuel bills. The external appearance has also been greatly improved which has really pleased the tenants.

We spoke with 3 elderly tenants to see how things were after the improvements. They all felt that their homes were warm, less expensive to run and looked great. They were leaving the heat pump on as shown by the installers and they found the controls easy to use. Although the houses were yet to go through a full summer the average running costs were very good with over 350% efficiency.

We expect costs to reduce further and efficiency to increase once a full summer has been completed. Some houses still have to go through a full winter and we will continue to monitor and report back through Fuel Poverty updates. Improvements are shown below.

Average monthly heating and hot water cost £80



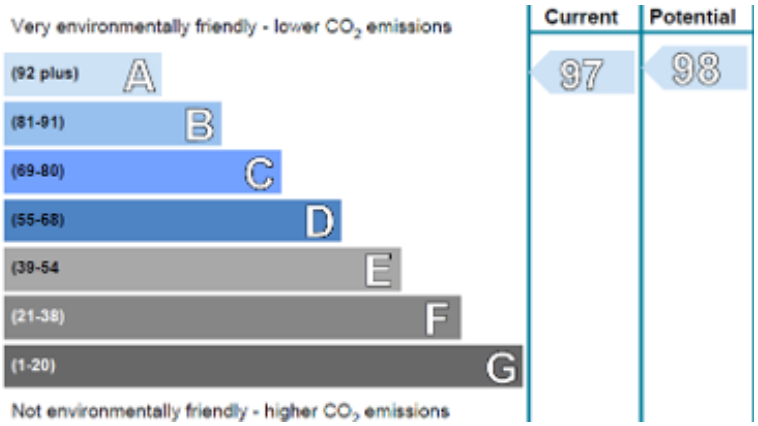
36pt increase in SAP points from band F to C

Improvement in humidity levels with new air quality units

Increased tenant satisfaction from infrared heating

Leana an t-Sruith

Our new build development in Leverburgh achieved an A rating for environmental impact, which measures carbon dioxide emissions. This is the first time we have achieved an A rating. The average Scottish household produces 6 tonnes of carbon dioxide each year whilst the homes at Leana an t-Struith are predicted to produce only 0.3 tonnes. This score is 1.8 tonnes less than the new build at An Allt Dubh and over 2.5 tonnes less than heat pump retrofits. The reduction is due to slight improvements in the thermal transmittance of the walls, roof and floor.



Net Zero

The Scottish Government's new Net Zero standard failed to materialize again as did the introduction of new EPC certification. It is anticipated that they will be introduced at some point this year and the targets will be split between installing clean heating systems (electric systems such as heat pumps and storage heaters) and a thermal efficiency target for each house.

We will continue to install air source heat pumps to meet the clean heating systems target. We currently have 98.5% clean heating systems in our off-gas stock, 88% of which are heat pumps.

Electric Vehicles

With the introduction of a new long-range EV in Uist this year we covered over 14000 miles with both cars. The Uist team are achieving more miles than Stornoway so there may be an issue with efficient use of the EV in Stornoway. The Stornoway EV averages 600 miles per month whereas Uist are averaging 750 miles. Going forward we will look to analyse mileage to gain further usage increases each year.

The new development at Leana an t-Sruith has dedicated EV chargers to all houses. This will incentivise tenants to purchase EV's and can also help with household running costs if they sign up to special EV tariffs which can then reduce the cost of running white goods, especially tumble dryers.

Social

Bremner Court

The Housing with Extra Care facility at Bremner Court is now nearing full occupancy after the decision was taken to assist the Comhairle following the closure of the Blar Buidhe care home.

As a result of the transfer, minor works were required to ensure the safety of the new residents to ensure they cannot leave the facility unaided. The allocation panel will still be used to identify new residents and their care needs as vacancies arise.

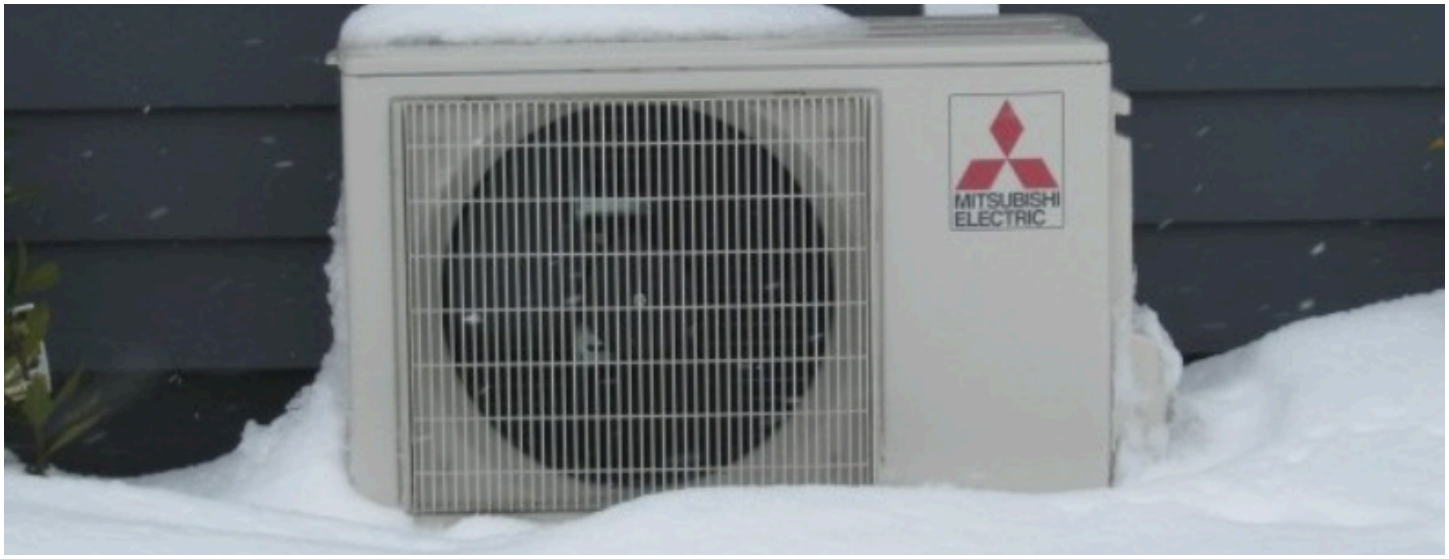
Mould and Damp

Mould and damp policy and procedures are now in place to ensure we fully engage with tenants who report issues with mould, damp or condensation. We also have the necessary tools in place to assist with inspections and provide evidence to tenants that will support our conclusions and solutions.

All issues are dealt with sympathetically to ensure the best outcome for our tenants,

We are now complying with the Scottish Housing Regulator to ensure our processes align to enable reporting compliance which will be required in the 2026 annual return.

Emergency Fuel Vouchers



Heating breakdowns, especially in winter, can be a real issue for our tenants if we cannot resolve the problem fast. Where we have to leave the tenant with temporary heating, we leave them vouchers to cover their additional electrical cost.

We use Charis to produce our emergency vouchers. We top up our online account with grant funding and this is used to process the vouchers. We pay Charis a small admin fee of £2.40 for each £100 voucher, which is covered by our grant funding. The voucher is instantly emailed to us and we can then forward that to our tenants, either by email, or we can print the voucher codes and issue by hand or letter as required.

Tenant Satisfaction

In 2024/25 we moved the responsibility for collecting tenant satisfaction on Investment works to our contractors. It made sense as they were on site and needed the tenants to sign off on the works.

This led to an increase our tenant satisfaction returns from 43% to 90% which in turn increased the accuracy of the average satisfaction score. Once again, we achieved an average of 10/10 but this year that score was across every project on our framework.

Charity Presentations

This year six charities received £1000 each from HHP. The charities were: Cobhair Bharraigh, Share (South Uist & Eriskay) Eilidh Macleod Memorial Trust, Eilean Siar Foodbank, Advocacy Western Isles and Western Isles Kidney Patients Association. Housing Officer Fiona Macdonald and HHP Board Member Gary Lamont presented The Eilidh Macleod Memorial Trust with their donation of £1,000.

Later that month £500 cheques were handed out to Western Isles Cancer Care Initiative and Bethesda Hospice through HHP staff annual fundraising.

Governance

As an organisation, we need to have robust measures in place to ensure we govern ourselves as effectively as possible in order to deliver our objectives. In 2024/25 we:

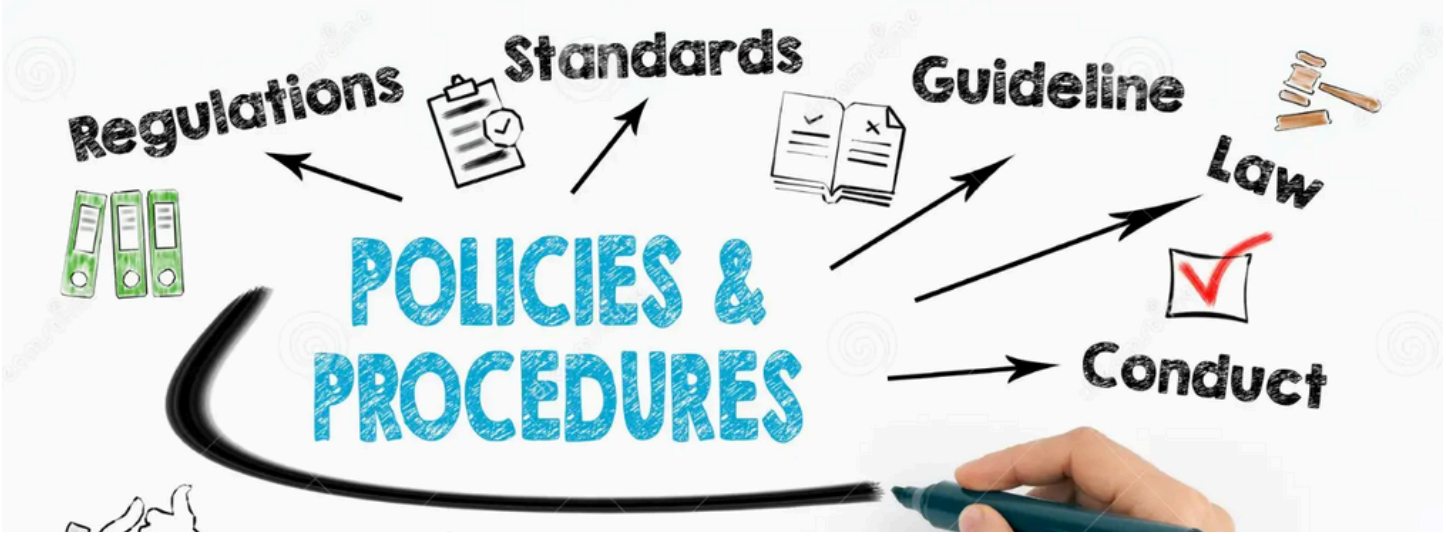
- ESG imbedded in all Board reports
- Equalities, Diversity and Human Rights Impact Assessment being used at all Policy reviews
- Fuel poverty update raises Board awareness of energy efficiency impact on tenants
- We annually collect equalities data from all Board members

Business Plan

Our Business Plan is now in its second year. It outlines our vision, core value and strategic goals for the upcoming four financial years. Developed with input from Board, staff, stakeholders and partners, it aims to provide good quality affordable homes and ensure excellent housing services to our tenants. Our strategic goals are:

- 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

Policies



During the year we updated these policies to support the health and wellbeing of staff and tenants:

- Neonatal Care Leave
- Special Leave
- Maternity Leave
- Health & Safety

- Landlords Fire Safety
- Water Safety Legionella
- Play Areas
- Electrical Safety
- Lift Safety

ESG: A look forward

ESG Action plans for all sections will deliver results in all aspects of our Business. These plans will be approved by our Board in June and monitored through our Managers monthly meetings. Progress will be monitored quarterly.

Environmental	• Install 120 new air source heat pumps through SHNZF funding • Develop our Net Zero Strategy • Decrease the environmental impact of our new build developments • Increase paperless invoicing
Social	• Continue to support placemaking through Community Benefit • Seek funding to support those struggling with energy bills • Hold tenant events and tenant drop-ins • Increase tenant sign up to Tenant Portal
Governance	• Continue to raise Board awareness of energy efficiency in homes • Annual review of 30 year Business Plan • Keep rents affordable • Support local economy

Hebridean Housing Partnership

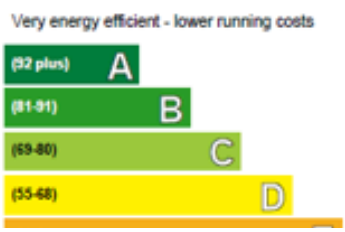
2024/25

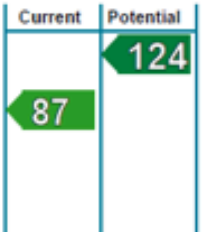
SUSTAINABILITY REPORT

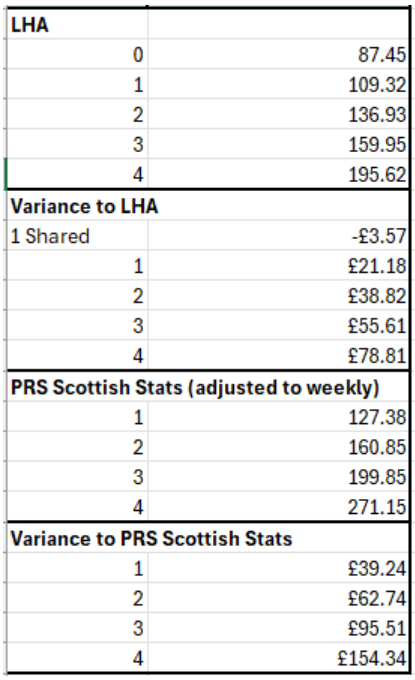
Sustainability Reporting Standard for Social Housing

Our measurement of ESG performance follows the Sustainability Reporting Standard for Social Housing (SRS) by Sustainability for Housing and The Good Economy. The SRS provides a wide range of quantitative and qualitative criteria across 12 ESG themes which we report against on an annual basis.

This provides us with the opportunity to transparently demonstrate our progress in a clear and consistent manner and understand our progress as part of wider international sustainability efforts.





Theme	Criteria	Description	Performance
Affordability and Security	C1	For properties that are subject to the rent regulation regime, report against one or more Affordability Metric: 1) Rent compared to Median private rental sector (PRS) rent across the Local Authority 2) Rent compared to Local Housing Allowance (LHA)	 **LHA** 0: 87.45 1: 109.32 2: 136.93 3: 159.95 4: 195.62 **Variance to LHA** 1 Shared: -£3.57 1: £21.18 2: £38.82 3: £55.61 4: £78.81 **PRS Scottish Stats (adjusted to weekly)** 1: 127.38 2: 160.85 3: 199.85 4: 271.15 **Variance to PRS Scottish Stats** 1: £39.24 2: £62.74 3: £95.51 4: £154.34
Affordability and Security	C2	Share, and number, of existing homes (owned and managed) completed before the last financial year allocated to:	General Needs: 2366 HWEC: 50 Managed: 3
Affordability and Security	C3	Share, and number, of new homes (owned and managed) that were completed in the last financial year, allocated to:	General Needs: 41
Affordability and Security	C4	How is the housing provider trying to reduce the effect of fuel poverty on its residents?	94% compliant with EESSH and on track to meet Net Zero standards There is a renewable heating system installed in 88% of off-gas properties There is a clean heating system installed in 98.5% of off-gas properties
Affordability and Security	C5	What % of rental homes have at least a 3 year tenancy agreement?	Scottish Secure Tenancies with only 17 Short Secure Tenancies in place
Building Safety and Quality	C6	What % of homes with a gas appliance have an in-date, accredited gas safety check?	100%

Theme	Criteria	Description	Performance
Building Safety and Quality	C7	What % of flatted buildings have an in-date and compliant Fire Risk Assessment (FRA)?	All 3 storey + flatted properties have up to date compliant FRA's All flats are inspected annually for fire risk in common areas. All flats have fire escape plan fixed inside property
Building Safety and Quality	C8	What % of homes meet the Social Housing Quality Standard?	92.9%
Resident Voice	C9	What arrangements are in place to enable tenants to hold management to account for provision of services?	Tenant Participation (TP) Strategy Tenant Engagement Officer
Resident Voice	C10	How does the housing provider measure Tenant Satisfaction and how has Tenant Satisfaction changed over the last 3 years?	2021 – 86% 2024 – 83% Point of service satisfaction: 96.88.
Resident Voice	C11	In the last 12 months, how many complaints have been upheld by the Ombudsman. How have these complaints resulted in change of practice within the housing provider?	No complaints progressed to SPSO
Resident Voice	C12	What support services does the housing provider offer to its tenants. How successful are these services in improving outcomes?	We received £20,006 from the Islands Cost Crisis Emergency Fund. This provided financial assistance to 197 tenants
Placemaking	C13	Provide examples or case studies of where the housing provider has been engaged in placemaking or place-shaping activities.	New build developments feasibility reports incorporate green spaces and linkages
Climate Change	C14	Distribution of EPC ratings of existing homes (those completed before the last financial year).	A - 0.4% B - 11.1% C - 63.9% D - 24.4% E - 0.2%

Theme	Criteria	Description	Performance
Climate Change	C15	Distribution of EPC ratings of new homes (completed 2024/25)	B - 41
Climate Change	C16	Scope 1, Scope 2 and Scope 3 greenhouse gas emissions.	No information available
Climate Change	C17	What energy efficiency actions has the housing provider undertaken in the last 12 months?	Installed 115 new air source heat pumps Concluded External Wall Insulation works to 30 detached bungalows Installed 30 condensation control PIV units
Climate Change	C18	How is the housing provider mitigating the following climate risks: - Increased food risk - Increased risk of homes overheating	No information being gathered at present
Climate Change	C19	Does the housing provider give residents information about correct ventilation, heating, recycling etc? Please describe	Tenant 'Health and Safety' booklet delivered to all tenants. Covers all aspects of Landlord Health and safety Top tips for air source heating
Ecology	C20	How is the housing provider increasing Green Space and promoting Biodiversity on or near homes?	New build projects are subject to extensive green spaces and promote biodiversity through sustainable drainage systems (SUDS) Specific sites address individual biodiversity issues. • Newmarket: Peatland restoration • Leverburgh: Otter Study • Scott Road: Hydrology Study

Theme	Criteria	Description	Performance
Ecology	C21	Does the housing provider have a strategy to actively manage and reduce all pollutants? If so, how does the housing provider target and measure performance?	Strategy to be in place by 2028
Resource Management	C22	Does the housing provider have a strategy to use or increase the use of responsibly sourced materials for all building works? If so, how does the housing provider target and measure performance?	Investment and Framework contracts have sustainability as part of the scoring requirements. The weighting is 10% of overall scoring.
Resource Management	C23	Does the housing provider have a strategy for waste management incorporating building materials? If so, how does the housing provider target and measure performance?	Strategy to be in place by 2028
Resource Management	C24	Does the housing provider have a strategy for good water management? If so, how does the housing provider target and measure performance?	Strategy to be in place by 2028 We know the impact that flooding and other extreme weather events has on our buildings.
Structure and Governance	C25	Is the housing provider registered with the national regulator of social housing?	Registered Social Landlord with the Scottish Housing Regulator Registration Number: 359 Registered Property Factor
Structure and Governance	C26	What is the most recent regulatory grading/status?	Compliant at 31 March 2025 The RSL meets regulatory requirement, including the Standards of Governance and Financial Management

Theme	Criteria	Description	Performance
Structure and Governance	C27	Which Code of Governance does the housing provider follow, if any?	Scottish Housing Regulator's Standards of Governance and Financial Management SFHA Model code of Governance
Structure and Governance	C28	Is the housing provider Not-For-Profit? If not, who is the largest shareholder, what is their % of economic ownership and what % of voting rights do they control?	We are Not-For-Profit
Structure and Governance	C29	Explain how the housing provider's board manages exceptional risk.	Risk Management Strategy which includes Risk Appetite and Risk Register Business continuity Plan
Structure and Governance	C30	Has the housing provider been subject to any adverse regulatory findings in the last 12 months (data protection breaches, bribery, money laundering, HSE breaches etc) - that resulted in enforcement or other equivalent action?	No
Board and Trustees	C31	What are the demographics of the board?	Men: 8 Women: 4 Disability: 1 Age: Ranging from 39 to 65 years of age
Board and Trustees	C32	What % of the board and management team have turned over in the last two years?	Board: 13% Executive Team: 0% Management: 0%

Theme	Criteria	Description	Performance
Board and Trustees	C33	Is there a maximum tenure for a board member? If so, what is it?	9 years but can be extended by assessment
Board and Trustees	C34	What % of the board are non-executive directors?	100%
Board and Trustees	C35	Number of board members on the Audit Committee with recent and relevant financial experience.	1
Board and Trustees	C36	Are there any current executives on the Remuneration Committee	The Chief Executive will provide advice to the Working Group except where external expertise and knowledge is required, or a decision is required on the remuneration or terms and conditions of the Chief Executive.
Board and Trustees	C37	Has a succession plan been provided to the board in the last 12 months?	Yes
Board and Trustees	C38	For how many years has the housing provider's current external audit partner been responsible for auditing the accounts?	1 Year
Board and Trustees	C39	When was the last independently-run, board-effectiveness review?	2024/25
Board and Trustees	C40	Are the roles of the chair of the board and CEO held by two different people?	Yes
Board and Trustees	C41	How does the housing provider handle conflicts of interest at the board?	There is a Code of Conduct for Board Members All Members must declare any interests and these are held and published in a Register of Interests, which Members must keep updated.

			During meetings, Members must declare any interest in a matter and are required to leave the meeting while the matter is discussed. Any interests declared during a meeting are recorded in the minutes.
Theme	**Criteria**	**Description**	**Performance**
Staff Wellbeing	C42	Does the housing provider pay the Real Living Wage?	We pay the Real Living Wage
Staff Wellbeing	C43	What is the median gender pay gap?	5.3%
Staff Wellbeing	C44	What is the CEO:median-worker pay ratio?	No information available
Staff Wellbeing	C45	How does the housing provider support the physical and mental health of their staff?	Alongside a suite of health policies staff have access to an occupational health specialist.
Staff Wellbeing	C46	What is the average number of sick days (both long and short term) taken per employee?	Short-term: 3.1 days Long-term: 5.5 days
Supply Chain	C47	How is Social Value creation considered when procuring goods and services?	Social value created through community benefit requirements Social Value Report due by 2026
Supply Chain	C48	How is Environmental impact considered when procuring goods and services?	Investment and Framework contracts have sustainability as part of the scoring requirements. The weighting is 10% of overall scoring

ESG STRATEGY SECTION ACTION PLANS 2024-25

Environmental	Social	Governance

CUSTOMER SERVICES

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date due	Officer Responsible
T3	Resident Voice	What arrangements are in place to enable the residents to hold management to account for provision of services?	Number of complaints received and upheld	Less than 35% upheld	31 March 2026	Service Development Manager
T3	Resident Voice	What arrangements are in place to enable the residents to hold management to account for provision of services?	Number of complaints responded to within SPSO target timescales.	100% to be responded to on time.	31 March 2026	Service Development Manager
T3	Resident Voice	How does the Housing Provider measure Resident Satisfaction and how has Resident Satisfaction changed over the last three years?	Overall satisfaction measured during the 3-yearly tenant satisfaction survey. To be carried out in 2024/25.	88% overall satisfaction	31 March 2027	Director of Operations
T3	Resident Voice	How does the Housing Provider measure Resident Satisfaction and how has Resident Satisfaction changed over the last three years?	Point of service satisfaction survey for the repairs service	>90% satisfaction with the repairs service	31 March 2026	Service Development Manager
T5	Resident Voice	In the last 12 months, how many complaints have been upheld by the Ombudsman. How have these complaints (or others) resulted in change of practice within the Housing Provider?	Number of complaints that have gone to the Ombudsman and they have upheld the complaint.	Zero complaints to be upheld by the SPSO.	31 March 2026	Service Development Manager

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date due	Officer Responsible
T4	Resident Support	What support does the Housing Provider offer to its residents? How successful are these services in improving outcomes?	Support engagement via Community Grant Applications for improving local areas.	Assist with 3 Community Grant Applications	31 March 2026	Tenant Engagement Officer
T4	Resident Support	What support does the Housing Provider offer to its residents? How successful are these services in improving outcomes?	Seek out funding to provide tenants with additional financial support	Assist 250 tenants with support	31 March 2026	Service Development Manager
T4	Resident Support	What support does the Housing Provider offer to its residents? How successful are these services in improving outcomes?	Housing Officer & Tenant Engagement drop ins being trialled in Cearns.	Hold 6 drop ins	31 March 2026	Area Housing Managers & Tenant Engagement Officer
T4	Resident Support	Provide examples or case studies of where the Housing Provider has engaged in placemaking or placeshaping activities	Attendance at tenant/resident meetings.	Officers to attend 80% of resident meetings invited to.	31 March 2026	Area Housing Managers & Tenant Engagement Officer and Investment Manager
T4	Resident Support	Provide examples or case studies of where the Housing Provider has engaged in placemaking or placeshaping activities	Tenant Events with partners.	Hold a tenant event in Stornoway, Uist and Barra with relevant partners in attendance.	31 March 2026	Area Housing Managers & Tenant Engagement Officer and Investment Manager

REPAIRS

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
T2	Building Safety and Quality	What % of homes with a gas appliance have an in-date, accredited gas safety check?	Number of gas appliances in houses serviced within MOT date	100%	31 March 2026	Investment Manager
T2	Building Safety and Quality	What % of buildings have an in-date and compliant Fire Risk Assessment?	3 storey flats and above with compliant FRA	100%	31 March 2026	Investment Manager
T2	Building Safety and Quality	What % of homes have an up-to-date Domestic Electrical Condition Report or Domestic Installation Certificate	Measured through ARC	100%	31 March 2026	Investment Manager
T5	Placemaking	Use community benefit to enhance communities	Repair and Maintenance contract	3 scheme enhancements 5 apprenticeships (continuing or new)	31 March 2027	Investment Manager/Asset and Contracts Manager
T6	Climate Change	We will use EPC environmental impact ratings from our existing and future EPC's to measure carbon dioxide emissions from our housing	Collect data from all new EPC's and add to database	60% of stock Postponed until new Scottish EPC introduced		
T6	Climate Change	We will ensure sustainability is embedded within all contract documentation	Forms part of Repairs framework scoring	In place (review)	31 March 27	Asset and Contracts Manager

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
T6	Climate Change	Reduce waste and increase the use of recycled materials	Forms part of Repairs framework scoring	In place (review)	31 March 2026	Asset and Contracts Manager
T7	Ecology	We will take a more sustainable approach to grounds maintenance and introduce tree planting and biodiversity where possible. Mulching	Contract specification	In place (review)	31 March 2026	Asset and Contracts Manager
T8	Resource Management	Regularly review standard specifications having regard to the environmental impact of individual products and materials	Specification reviewed and signed off by Director	Review November 2025	31 March 27	Asset and Contracts Manager/Investment Manager/Development Manager
T12	Supply Chain Management	Review procurement practices to maximise local sourcing of materials and the reduction of transport (energy) costs, where this is compatible with other objectives	Repairs and Maintenance Contract: 6 monthly review	In place (review)	31 March 26	Asset and Contracts Manager
T12	Supply Chain Management	Work with our contractor base to reduce waste and increase the use of recycled materials	Repairs and Maintenance Contract: 6 monthly review	In place (review)	31 March 27	Asset and Contracts Manager

INVESTMENT

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
T2	Building Safety and Quality	What % of homes with a gas appliance have an in-date, accredited gas safety check?	Number of gas appliances houses serviced within MOT date	100%	31 March 26	Investment Manager
T2	Building Safety and Quality	What % of buildings have meet EESSH?	Measured through ARC	100% (excl. abeyances/ exemptions)	31 March 26	Investment Manager
T2	Building Safety and Quality	What % of homes meet the SHQS standard	Measured through ARC	100% abeyances/ exemptions)	31 March 26	Investment Manager
T3	Resident Voice	We will engage with our tenants through surveys to evaluate satisfaction with our services	Tenant Satisfaction Surveys	75% returns 9/10 performance	31 March 26	Investment Manager
T4	Resident Support	We will provide tenants with guides on how to use their heat pump efficiently We will provide tenants with guides on how to use their ventilation fans and understand ventilation in general to avoid damp and mould	Number of ASHP guide issued Number of guides issues	100% 100%	31 March 26	Investment Manager
T5	Placemaking	Use community benefit to	Investment contracts	3 schemes per year	31 March 26	Investment Manager

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
		enhance communities				
T2	Climate Change	We will continue to support the installation of low emissions heating systems and insulation in line with the Scottish Governments Heat in Buildings strategy to create affordable homes and eradicate fuel poverty leaving tenants in a better financial position	Number of air source heat pumps installed Number of other electric heating systems installed	120 (subject to funding) 9	31 March 26	Investment Manager
T6	Climate Change	We will develop an EESSH2 strategy which will complement and align with the objectives of this strategy and the Scottish Governments Heat in Buildings strategy.	Strategy in place EESSH2 being replaced by new net zero standard. Still waiting on new standard	December 2025	Pending	Investment Manager/Asset and Contracts Manager
T6	Climate Change	We will ensure sustainability is embedded within all contract documentation	Forms part of investment framework scoring	Annual review/Contrc at Renewal	31 March 27	Asset and Contracts Manager

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
T8	Resource Management	Regularly review standard specifications having regard to the environmental impact of individual products and materials	Specification reviewed and signed off by Director	Annual review/Contrc at Renewal	31 March 27	Investment Manager/Asset and Contracts Manager
T12	Supply Chain Management	Review procurement practices to maximise local sourcing of materials and the reduction of transport (energy) costs, where this is compatible with other objectives	Contract Performance Management Review	In Place (review)	31 March 27	Asset and Contracts Manager

GOVERNANCE

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
T8	Resource Management	Modernise our means of service delivery through the introduction of our Digital Transformation strategy along with our Housing Management system	Increase the number of tenants and prospective tenants using the portal to 30%	Annual review	31 March 2026	Digital Transformation Manager
T9	Structure and Governance	Commit to embed sustainable practices in all we do	ESG impacts considered at each Policy review	100%	31 March 2026	Governance Officer

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
T9	Structure and Governance	Take account of equalities and human rights issues in our decisions, policy making and day to day service delivery	Equalities, Diversity and Human Rights Impact Assessment carried out at each Policy review.	100%	31 March 2026	Governance Officer
T10	Board and Trustees	Raise Board awareness of energy efficiency and how to pass on benefits to customers	Fuel Poverty reports to Board	Annual report	31 March 2026	Investment Manager
T10	Board and Trustees	Encourage the commitment of our Board to embed sustainable practices in all we do	Include ESG considerations in all Board reports	100%	31 March 2026	Governance Officer
T10	Board and Trustees	We will annually evaluate the diversity of our Board to ensure it is not discriminatory in selection.	Collect equalities data from Board Members on an annual basis.	100%	31 March 2026	Governance Officer

CORPORATE RESOURCES

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
T6	Climate Change	We will identify our organisational carbon footprint and then take the appropriate steps for reduction and produce and implement a Carbon Management Plan which will be externally audited/accredited	Stornoway Office: Carbon Footprint - 10.51 $kgCO_2$ per m^2 per year (567m^2) = 5959.2 $kgCO_2$ New Uist Office:	Annual review Review of Office Heating & shared building Solar Panels – Summer 2025 Carbon Reduction measures to be include in		Corporate Resources Manager (re HHP Offices) Investment Manager (New Build)

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
			Carbon Reduction Plan 2023-25	new build. Resulting Footprint measured Annual review		
T6	Climate Change	We will use EPC environmental impact ratings to measure carbon dioxide emissions from our offices	EPC certification sought	In place		
T6	Climate Change	We will monitor our current electric vehicle provision.	Reduction in carbon miles claimed by staff members	25% Reduction from 2024/25	31 March 2026	Corporate Resources Manager
T6	Climate Change	Ensure that the organisation has a clearly articulated strategy in place to support ongoing sustainability	Procurement Strategy	In Place		Corporate Resources Manager
T8	Resource Management	Modernise our means of service delivery through the introduction of mobile working	ICT and Digital Transformation Strategies	New Hosted Service Delivery Platform in Place by June 25 CX Mobile enabled to allow remote surveys/etc	31 March 2026	Corporate Resources Manager
T8	Resource Management	When making purchasing decisions we will consider environmentally friendly choices, i.e. those products with a low adverse environmental impact.	Purchasing procedures have been changed to prioritise fewer deliveries rather than faster delivery.	Annual review	31 March 2026	Corporate Resources Manager
T8	Resource Management	Increase the number of	Contact all creditors who send paper	7% increase in total electronic	31 March 2026	Finance Manager

	THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
			paperless invoices from creditors	invoices and request that they send them electronically	invoices received		
T8	Resource Management		Provide financial information to the RBS Carbon tracker tool	Carbon tracker tool kept up to date with the latest financial information	Annual Review	31 March 2026	Finance Manager
T9	Structure and Governance		Ensure that the organisation remains on a stable financial footing	Management Reports delivered by 10th of each month Covenant Compliance reviewed monthly 30 Year business plan reviewed annually Rents kept at an affordable level	Annual review Monthly review Annual review Annual review	31 March 2026	Finance Manager
T12	Supply Chain Management		Promote ethical and collaborative procurement	Procurement Strategy [Fair Work First (FWF)] principles adopted in relevant tendering processes	Use existing Public Sector Framework agreements Procure through Public Contracts Scotland	31 March 2026	Corporate Resources Manager
T12	Supply Chain Management		Use purchasing power to support local economy and enterprises	Procurement Strategy	90% procurement from local Suppliers	31 March 2026	Corporate Resources Manager

HOUSING SERVICES

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
T1	Affordability and Security	Through a 'multi-agency' approach we will identify vulnerable tenancies at an early stage to ensure support and advice and maximise tenant's income as a priority to help meet rent payments and avoid debt	Rent arrears process to be followed. Signposting vulnerable tenants to relevant agencies such as Social Work, CAB, CNES Financial Inclusion Officer and local JCP.	Rent arrears <2 %	31 March 26	Area Managers
T1	Affordability and Security	Publicise and support the availability of additional advice and practical services aimed at sustaining tenancies	SLA with Penumbra who support tenants with vulnerabilities and require day to day assistance	Annual review	31 March 26	Area Manager (Uist)
T3	Resident Voice	We will have a rigorous approach to tackling anti-social behaviour and seek to resolve 90% of cases with the agreed timescales	Work collaboratively with agencies involved in anti-social behaviour. Feed in to and attend Anti-social behaviour subgroup meetings lead by Police Scotland	90% of opened cases to be resolved within 3 months.	31 March 26	Area Managers
T3	Resident Voice	We will also engage with our tenants through surveys to evaluate satisfaction with our services	Questionnaire - Number of new tenants who are satisfied with the process and quality of their new home	80% of completed questionnaires where the standard of decoration and property is either 'good' or 'very good'	31 March 26	Area Managers/Service Development Manager

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
T4	Resident Support	Using our Digital Transformation strategy along with our new Housing Management system we will bring benefits to tenants by allowing self-service to the majority of our services	Introduction and advertisement of the tenant portal	Increase sign-up to 40%	31 March 26	Area Managers/Service Development Manager
T5	Placemaking	Develop estate action plans to improve the attractiveness of our estates	Estate inspections carried out annually. Any issues rectified with tenant engagement	100% of estates inspected annually	31 March 26	Area Managers

DEVELOPMENT

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
T2	Building Safety and Quality	We will continue to support the installation of low emissions heating systems and insulation in line with the Scottish Governments Heat in Buildings strategy to create affordable homes and eradicate fuel poverty leaving tenants in a better financial position.	Percentage of new build homes with low emission heating systems installed	100%	31 March 27	Development Manager
T2	Building Safety and Quality	We will evaluate green technology e.g. Air Source Heat Pumps, Battery technology, LED lighting, energy generating/storing technology including Solar Panels, smart heating controls and electric vehicle charging points	Review effectiveness	Report by March 2026	31 March 26	Development Manager
T3	Resident Voice	We will also engage with our tenants through an end of defect survey to evaluate satisfaction with	Qualitative End of Defect survey to capture their lived experience.	50% returns	31 March 26	Development Manager/Service Development Manager

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
		our new build homes.				
T5	Placemaking	Ensure placemaking at the heart of all new build developments through proactive engagement with planning department.	Percentage of new build sites with proactive planning engagement.	100%	31 March 26	Development Manager
T5	Placemaking	Embed active travel measures into new build developments through provision of footpaths, bus stations etc.	Percentage of new build sites with active travel infrastructure.	100%	31 March 26	Development Manager
T6	Climate Change	Ensure there is a clear case for peat excavation for new build sites to ensure peat is dealt with to reduce carbon emissions.	Percentage of sites requiring a peat management plan where relevant.	100%	31 March 26	Development Manager
T6	Climate Change	All new homes will be built to a minimum of Silver aspect level 1 standard as defined by the Scottish Building Standards that promotes sustainable standards for keeping a home warm. (This standard is currently under review)	Percentage of new build achieving Sliver Aspect Level 1	100%	31 March 26	Development Manager
T7	Ecology	We will take a more sustainable approach to grounds maintenance and introduce biodiversity (planting, wild	Percentage of new build schemes that provide blue and green infrastructure.	100%	31 March 26	Development Manager

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
		flower meadows) and other green (permeable pavements, tree planting) and blue (SUDS, swales) infrastructure that is sympathetic to the local environment where possible.				
T8	Resource Management	Review delivery of new build programme through modern methods of construction (MMC) and increase in offsite manufacturing	Review ability to integrate MMC.	Report by Nov 2025	31 March 26	Development Manager
T8	Resource Management	Regularly review standard specifications having regard to the environmental impact and longevity of individual products and materials from learnings from the investment programme, repairs and cyclical maintenance programmes. (e.g. UPVC windows and kitchens exceeding lifespans)	HHP Specification review	Review before every new build tender	31 March 26	Development Manager/Investment Manager/Asset and Contracts Manager
T12	Supply Chain Management	Review procurement practices to maximise local sourcing of materials and the	Keep register of consultants and sub-contractors.	Annual review	31 March 26	Development Manager/Investment Manager/Asset and Contracts Manager

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
		reduction of transport (energy) costs, where this is compatible with other objectives				

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ITEM NO 7.5

ASSET MANAGEMENT STRATEGY ANNUAL REVIEW

Board 24 June 2025

Report by Director of Operations

Purpose of Report

1.1 To provide the annual update on progress against the Asset Management Action Plan as agreed by Board in June 2024.

Summary

2.1 The Asset Management Strategy Action Plan has been reviewed and an update is at Appendix 1. Progress remains broadly on track. Several actions are ongoing and form part of the annual programme of work.

2.2 The implementation of the Civica Cx Planned Maintenance and Asset Management module has been further delayed but work is ongoing to verify and load data. The module will deliver significant future enhancements in management reporting, asset evaluation, service delivery, and data management.

Competence

3.1 The legal, financial and other considerations to the recommendations are contained in the Competence section at section 6.1 of this report.

Recommendations

4.1 It is recommended that the Board note progress on the Asset Management Strategy Action Plan at Appendix 1.

APPENDIX1: Action Plan progress
Background Papers: Risk Register/ Asset Management Strategy
Writer of Report: Angus MacNeil Tel: 0300 123 0773

Angus E MacNeil 29-MAY-25

Report Details

Asset Management Strategy

5.1 There is a clear expectation from the Scottish Housing Regulator that RSLs will have a clear and robust strategy for managing their housing stock and other assets, with a whole organisation approach using informed data, and setting a clear direction using the data. Good Asset Management also includes ensuring the safety and well-being of tenants and communities.

5.2 The Asset Management Strategy sets out our plans for the housing stock within the business plan framework and the wider strategic environment. The strategy recognises the need for an ongoing review of our housing stock to identify any areas or groups of houses where further assessment is required as to their long-term viability. This forms the basis for considering options for such stock and includes an understanding of the need and demand for housing in all areas.

5.3 The Strategy has been developed around the following key drivers:

- Ensuring the safety of tenants and compliance with all legal and regulatory duties including managing damp and mould issues effectively;
- Developing a framework to enable an assessment of the extent to which the assets meet current and future needs;
- The ongoing development of a comprehensive Asset Management Database to inform and manage investment decisions and to manage programme delivery and performance;
- The need to maintain the housing stock at Scottish Housing Quality Standard (SHQS) level and to address exemptions and abeyances;
- Pursuit of the Net Zero targets when these are finalised;
- Ensuring that investment in the housing stock results in a continuing sustainable product which meets the needs and aspirations of our customers; and
- Working with partners to contribute to the wellbeing of communities throughout the Outer Hebrides

5.4 Audits of Gas Safety and Landlord Health and Safety have been conducted within the past 12 months. The findings were positive and confirmed that we are complying with legal and regulatory obligations.

5.5 The Scottish Government has not yet issued a formal announcement regarding the outcome of the review of the Energy Efficiency Standard for Social Housing (EESSH) or its alignment with Scotland's Net Zero targets. At present, the timescales for any forthcoming announcement remain unknown.

5.6 The implementation of the new CX system is proceeding. It is envisaged that this will support our Asset Management as it beds in and develops.

6.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	There are no new financial implications arising from the Asset Management Strategy in this report. The Strategy is based on the financial framework as set out in the Business Plan and 30-year financial projections as agreed by Board in March 2025. The Asset Management Strategy and Business Plan are integrally linked in this way.
Legal	The Asset Management Strategy reflects HHP's legal duties as a landlord and draws heavily on guidance from the Scottish Housing Regulator.
Regulatory	The regulatory standards checklist has been completed and there is nothing in the report which would breach the standards.
Risk	There are no specific risks associated with the report. However, the Asset Management Strategy is part of HHP's overall approach to risk and seeks to ensure that the housing stock is managed prudently and efficiently in the long term. Audit work will be commissioned regularly to ensure compliance with our Health and Safety responsibilities as a landlord. The Strategy seeks to make the most of our assets, primarily as places to live; but also, as assets on which the organisation is built. Decisions made based on poor asset management information may result in wasted resources and other often long-term inefficiencies. There are further relevant risks highlighted in the Risk Register concerning rent affordability, failure of a major contractor, lack of skilled workforce, infrastructure failure, supply chain challenges, climate change, effectiveness of key IT systems, legislative changes on service delivery.
ESG	Reviewing our Asset Management Strategy regularly ensures it is consistent with and contributes to our ESG Strategy.
Equalities	There are no Equalities considerations arising directly from the consideration of this report.
Communication	Our Asset Management Strategy is published on our website.

ASSET MANAGEMENT STRATEGY – ACTION PLAN

REF	ACTION	RESPONSIBLE	TIMESCALE	PROGRESS
	PROTECT CORE STOCK			
1	Address SHQS abeyances and exemptions • Replace all solid fuel heating systems • Continue engagement with owners	Investment Manager Investment Manager	March 2026 And annual review of position Annually	Abeyances being addressed as opportunities arise. Solid fuel systems complete excluding refusals. 6 former refusals included in latest SHNZF bid. The remainder are kept under review and enforcement may be considered as an option. Enforcement may be required in lead up to EESSH 2, Climate Change and net zero targets. Government review still not completed Opportunities offered to owners on works when possible.
2	Potential to consolidate stock	Asset & Contract Manager	March 2026	Review assets and opportunities to purchase properties where HHP are a majority owner of blocks or disposal where a minority owner – over the last 12 months we have disposed of 2 garages at MacQueen Street, Tarbert and 61 Garrabost, Point. We have also approved the disposal of land at Cnoc Lachlainn and the lease of land at Cuidhe Nam Gamhna
	PROCUREMENT			
3	Determine procurement routes for investment programme and repairs and maintenance post 2027	Asset & Contract Manager	November 2025	Report on procurement options post 2027. The decision timetable to be prepared in 2025

REF	ACTION	RESPONSIBLE	TIMESCALE	PROGRESS
	ENERGY EFFICIENCY AND FUEL POVERTY			
4	Investigate and pursue replacement of all THTC systems within housing stock by end of strategy period	Director of Operations	March 2026	The bid for Social Housing Net Zero Heat Fund Was unsuccessful in 2024/25. New bid submitted to fund in May 2025 which includes 106 storage heating replacements out of 243 remaining. Awaiting decision on bid. Doig Cres heating options reviewed and Quantum high retention units considered as only viable solution
5	Monitor new and emerging solutions to improve energy efficiency	Investment Manager	Annually	Ongoing monitoring including any information sharing with members of other organisations or renewables industry. Solar and battery storage technologies being kept under review
6	Heating system replacement on former refusals at Voids	Investment Manager	Annually	Heating system replacement being progressed where previously refused by former tenant with timing subject to budget and contractor availability
7	Dampness and Condensation	Investment Manager	Weekly	Inspection and monitoring of identified cases and regular reporting in place. Addressing building related issues and administering advice and guidance. Reports updated to align with ARC requirements External training undertaken by officers. Training also undertaken for Cx system recording of cases.

REF	ACTION	RESPONSIBLE	TIMESCALE	PROGRESS
	LAND AND UNADOPTED INFRASTRUCTURE			
8	Review land assets on regular basis and consider potential uses including disposal	Asset & Contract Manager	Annually	Land holdings kept under review for development potential. Several small areas with no development potential being discussed with neighboring owners for disposal.
9	Survey unadopted roads and footpaths and assess maintenance needs, cost implications and shared ownership responsibilities	Asset & Contract Manager	November 2025	Unadopted Infrastructure surveys being prepared. Some data will be collected via Stock Condition Survey but further resource may be required. Surveys will cover • Roads • Footpaths • Kerbing • Drains/ covers • Parking • Lighting
10	Review effectiveness and specification of grounds maintenance arrangements with CNES and reprocure works	Asset & Contract Manager	March 2026	CnES retendered works and contract awarded. Contract expires 2026. Contract in final year. Discussions being held with CnES re developing procurement options.
	'CAUSE FOR CONCERN' STOCK			
11	Transition the model for assessing the value of properties to the business from Active H to Cx Review stock and classify as: • Core Stock • Under Review Non-core Stock	Director of Operations Asset & Contract Manager	March 2026	Modelling tool to continue development during full implementation of Cx Repairs and Planned maintenance. Ongoing delays and functionality issues with Civica CX have delayed the implementation of the full Asset Management module. When PM is live, CX will give a real time update on all compliance, responsive and investment works which can interlink with SHQS and EEESH

REF	ACTION	RESPONSIBLE	TIMESCALE	PROGRESS
				reporting to give a 360 view on asset management.

QUARTERLY TREASURY REPORT TO 31 MARCH 2025

Board 24 June 2025

Report by Director of Finance & Corporate Services

Purpose of Report

1.1 To inform the Board of the Treasury Management activities for the fourth quarter of 2024/25.

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 were met for 2024/25.

Competence

3.1 Financial and legal constraints arising from the recommendation to this report being implemented are detailed at 6.1.

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 31 March 2025 of £17M; and
c) cash balance at 31 March 2025 of £9.115M.

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

James Morrison 04-Jun-25

Report Details

Fourth Quarter Treasury Update

5.1 The fourth quarter of the year saw £5.167M expenditure of which £1.928M related to new build.

5.2 The income for the fourth quarter was £4.443M and comprised Rental Income (69%), Government Grants including new build (28%), bank interest (2%) and Other Income (1%).

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

5.4 Appendix 2 summarises the income and expenditure profiles for the fourth quarter.

5.5 The cash balances at 31 March 2025 decreased quarter on quarter by £0.947M to £9.115M.

5.6 All covenants were complied with for 2024/25.

6.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	This report deals entirely with the cash resources utilised over the fourth quarter of 2024/25.
Legal	Rule 19.1 to 20.1 details the Partnership's borrowing powers. 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. 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". 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. 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	The Regulatory Standards Checklist has been completed and there is nothing in this report which would breach these standards.
Risk	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. The wars in Ukraine and the Middle East coupled with the introduction of trade tariffs has resulted in turmoil in the financial markets. Whilst the Bank of England have reduced the base rate of interest by a further 0.25% in March, borrowing rates remain high. 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.

COMPLIANCE CHECKLIST	
ESG	There is no ESG impact arising from the consideration of this report.
Equalities	We are committed to promoting equality, diversity and inclusion. There are no equalities implications arising from the approval of this report.
Communication	There are no communications required following the consideration of this report.

31MAR25 ANALYSIS OF INVESTMENTS AND BORROWINGS

INVESTMENTS

	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Average
DEPOSIT ACCOUNTS	**£000's**	£000's	£000's	£000's	£000's	£000's
Royal Bank	**6,250**	5,750	6,750	7,250	7,750	6,750
CWS	**0**	0	0	0	0	0
BOS	**24**	27	30	30	36	30
Santander	**90**	91	92	92	93	92
Total Deposit	**6,365**	5,868	6,873	7,373	7,880	6,872
CURRENT ACCOUNTS						
General Account	**915**	**2,686**	**2,286**	**469**	**249**	1,321
Standing Order	**750**	**750**	**750**	**750**	**291**	658
Direct Debit	**750**	**750**	**750**	**750**	**298**	660
Office/Cash	**754**	**750**	**750**	**674**	**389**	663
Property Factoring	**40**	**42**	**45**	**47**	**8**	36
Total current	**3,209**	4,978	4,581	2,689	1,235	3,338
Total	**9,574**	10,846	11,454	10,062	9,115	10,210

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 £1.235M. 5 deposit accounts held with the 4 banks shown above total £7.880M.

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 was 4.46% at 31 March 2025.

The Base Rate at the end of March was 4.5%. The Bank of England (BOE), in its attempt to curb rising inflation, raised the base rate but with inflation in decline it continues to reduce the base rate with a further 0.25% reduction in March 2025.

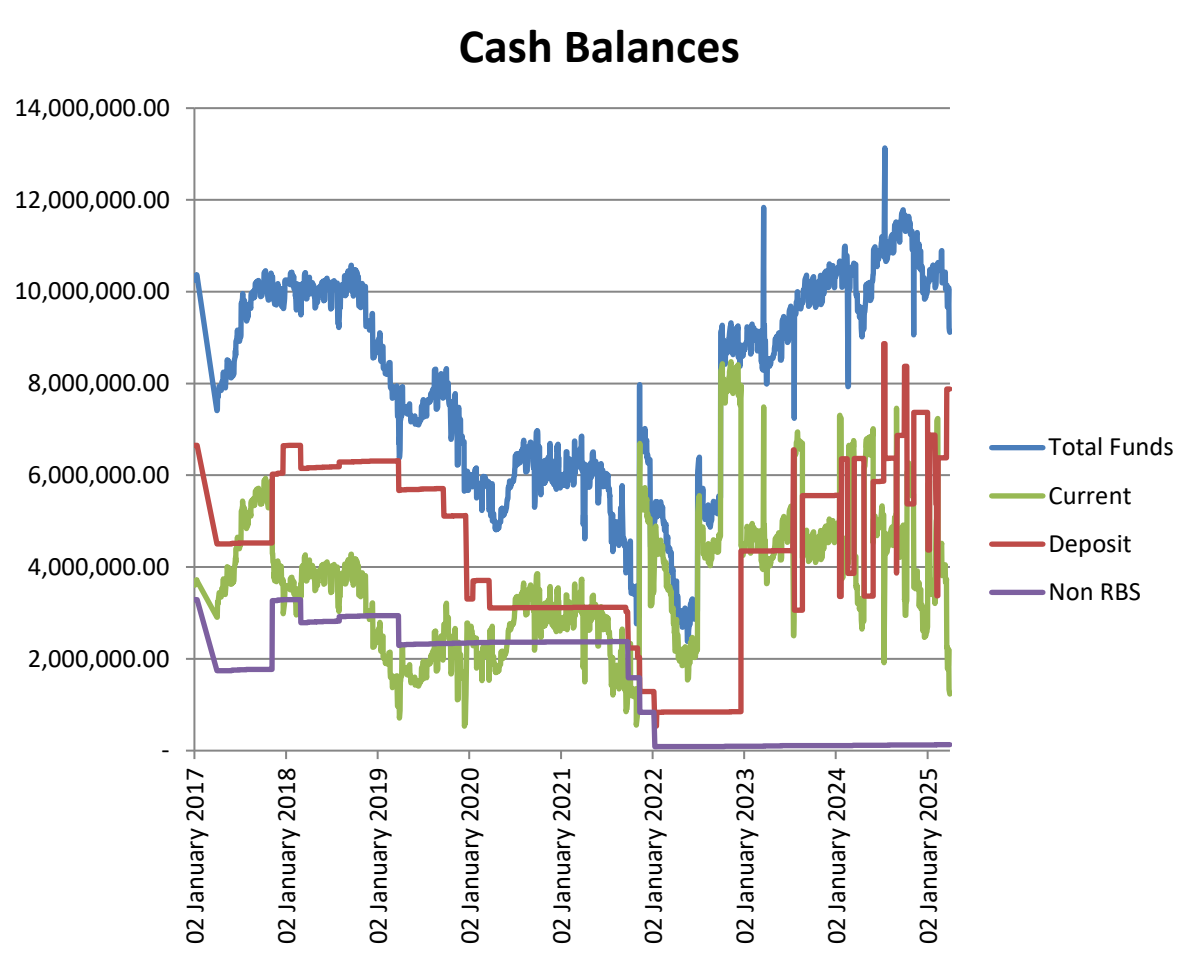
Borrowings	**Mar-24**	**Jun-24**	**Sep-24**	**Dec-24**	**Mar-25**	**Average**
	£000's	£000's	£000's	£000's	£000's	£000's
Facilities arranged	25,000	25,000	25,000	25,000	25,000	25,000
Loans outstanding	17,000	17,000	17,000	17,000	17,000	17,000
Variable/Fixed analysis-amounts						
Variable amount	1,500	1,500	1,500	1,500	1,500	1,500
Fixed amount	15,500	15,500	15,500	15,500	15,500	15,500
Other Hedging	-	-	-	-	-	-
	17,000	17,000	17,000	17,000	17,000	17,000
Variable/Fixed analysis-Percentages						
Variable	8.82%	8.82%	8.82%	8.82%	8.82%	8.82%
Fixed	91.18%	91.18%	91.18%	91.18%	91.18%	91.18%
Other Hedging Products						
	100%	100%	100%	100%	100%	100%
Lenders amounts						
Core Facility (RBS)	17,000	17,000	17,000	17,000	17,000	17,000
Other Borrowings	-	-	-	-	-	-
	17,000	17,000	17,000	17,000	17,000	17,000

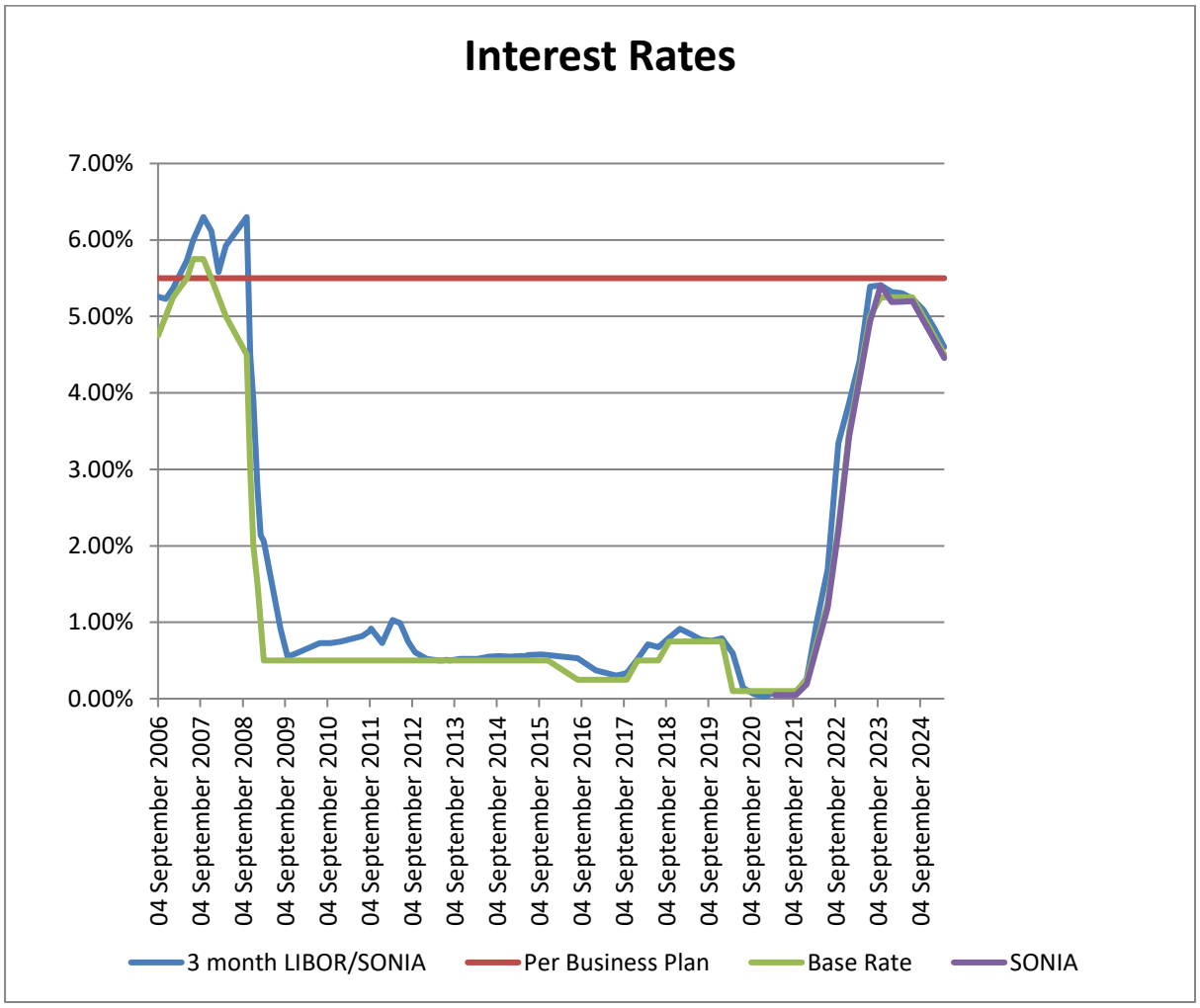
Average cost of borrowing

Amount £000's	**Type**	**Annual Cost**
15,500.00	Fixed	572,198
1,500.00	Variable	132,260
17,000.00		704,458
Average cost of funds		4.14%

Anticipated level of borrowing over next 5 years

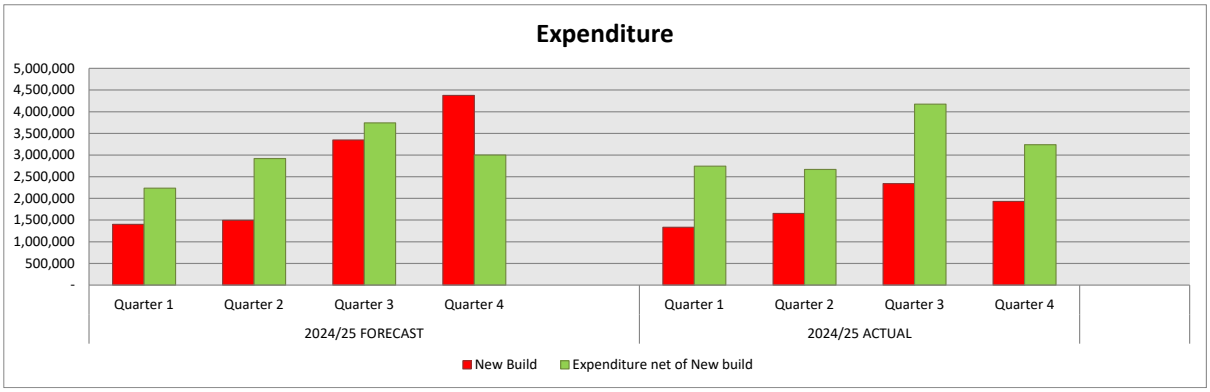
Year	2024/25 Est	AFS Forecast	Variance
	£m	£m	£m
2024/25	17.000	17.000	-
2025/26	18.000	18.000	-
2026/27	19.500	19.500	-
2027/28	19.500	19.500	-
2028/29	19.500	19.500	-
2029/30	17.000	17.000	-




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
04 September 2024
3 month LIBOR/SONIA
Per Business Plan
Base Rate
SONIA

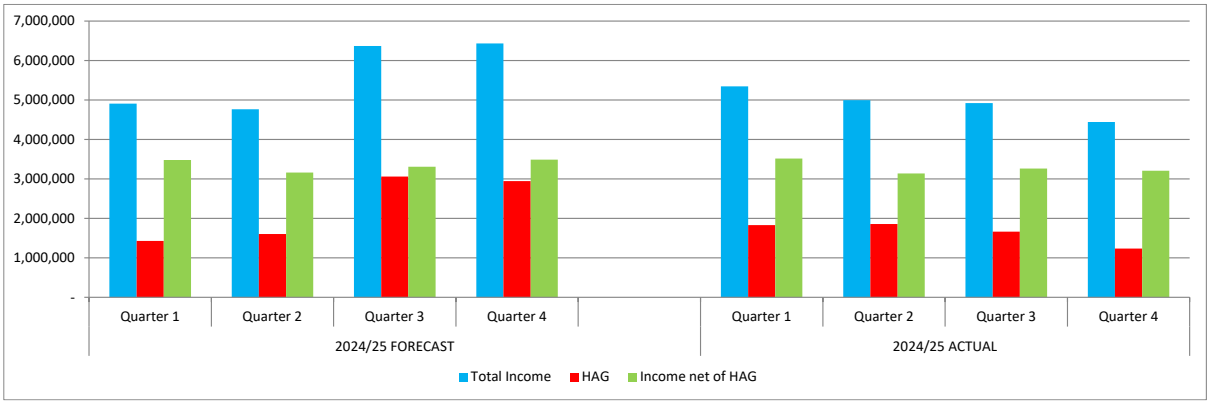
31MAR25 ANALYSIS OF INCOME AND EXPENDITURE PROFILES

EXPENDITURE



Overall, the expenditure for the fourth quarter (Q4) of 2024/25 is £2.21M lower compared to forecast. New build expenditure is £2.45M below forecast due to delays on site start dates at Barra and Scott Road. Expenditure net of new build is £0.24M above forecast as expenditure on our investment programme in the first half of the year was limited as we awaited the outcome on the Net Zero Grant fund.

INCOME



Total Income for the fourth quarter of 2024/25 is £1.99M lower than the original forecast mainly due to the delays on development resulting in reduced spend and consequently, reduced HAG receipts.

MANAGEMENT REPORT TO 31 MAY 2025

BOARD 24 June 2025

Report by Director of Finance & Corporate Services

Purpose of Report

1.1 To present the Management Report for the month ended 31 May 2025 to the Board for review.

Summary

2.1 The Management Report, at Appendix 1, shows that financial covenants will be met for the year ended 31 March 2026 with a headroom forecast of £677K (increase of £51K from initial budget).

2.2 With additional monies placed on deposit at the beginning of the financial year, the interest received out turn has increased.

2.3 A funding bid has been submitted for Net Zero Heating works and if successful, the heating replacement programme will increase by 55 units.

Compliance

3.1 The competence issues relating to this report are at section 5.1 of the report.

Recommendations

4.1 It is recommended that the Board note the Management Report at 31 May 2025 and revised forecast out turn at 31 March 2026 as at Appendix 1.

APPENDIX 1	Management Report to 31 May 2025	
Background Papers	None	
Writer of Report	James Morrison	Tel: 0300 123 0773

James Morrison 17-JUN-25

5.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	The board approved budgets for 2025/26 in March 2025, which projected a surplus for the year of £2.13M. The current forecasted out-turn surplus is £2.5M with the difference between initial and forecast being the award of Aids and Adaptations Grant which is matched by an increase of £290K in Aids and Adaptations Cost. Covenants are currently forecast at £677K headroom.
Legal	The following Partnership rules are applicable: *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	The Regulatory Standards Checklist has been completed and there is nothing in this report which would breach these standards. This report provides ongoing assurance of evidence point 3,4,5 and 6 in relation to our Annual Assurance Statement.
Risk	Borrowing Arrangements & not meeting our Financial Covenants is highlighted on our Risk Register with a residual risk of 6, which is considered low. All covenants will be met for the year.
ESG	The Management reports being delivered within good timescales each month are a target of our ESG strategy action plan and contribute to the good governance of the organisation.
Equalities	We are committed to promoting equality, diversity and inclusion. There are no equalities implications arising from the approval of this report.
Communication	Our Facilities Agreement with RBS requires us to provide our funders with a copy our Management Report at the end of each quarter.

Management Report 2025/26

To 31 May 2025

hebridean housing partnership

INTRODUCTION

The Management Report to 31 May 2025 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.

This report is an extract of the Management Report presented to the Development & Finance Committee for review and is made up of the following:

High level summary

Statement of Comprehensive Income

Statement of Financial Position

Financial Covenants

Financial Ratios

Cashflow Forecast

Stock Levels

SECTION 1: HIGH LEVEL SUMMARY

	INDICATOR	STATUS	COMMENT
INCOME	FINANCIAL COVENANTS		Covenants are forecasted to be met for the full year.
	FORECASTED SURPLUS		
	RENTAL INCOME		
	GRANT INCOME		
	DEVELOPMENT GRANTS		
	OTHER INCOME		
EXPENDITURE	DEVELOPMENT COSTS		
	INVESTMENT		Tenders out or in the process of being prepared for the majority of programmes. 2025 Grant award confirmed for Aids & Adaptations.
	REPAIRS & MAINTENANCE		General repairs budgets will be monitored with higher void and response costs so far this year.
	MANAGEMENT COSTS		
	INTEREST		

	No Issues - On Track
	Requires Monitoring
	Issues

SECTION 2: MANAGEMENT ACCOUNTS

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Statement of Comprehensive Income	4
Statement of Financial Position at 31 May 2025	5
Financial Covenants	6
Financial Ratios	7
Cash Flow Forecast	8
Stock Levels	9

STATEMENT OF COMPREHENSIVE INCOME

Line	Heading	CURRENT YEAR BUDGET Initial Budget £	Revised Budget £	ACTUAL to 31-May-25 £	BUDGET REMAINING Revised Budget £	Revised Budget %	FORECAST OUT-TURN Over/ (under) £	at 31-Mar-26 £
1	Dwelling rents (net)	12,443,810	12,443,810	2,140,613	10,303,197	83%	-	12,443,810
2	Non Dwelling rents (net)	19,000	19,000	8,194	10,806	57%	-	19,000
3	Profit/(Loss) on Disposal of Assets	(45,000)	(45,000)	(8,959)	(36,041)	80%	-	(45,000)
4	Grant Funding	465,090	773,090	89,366	683,724	88%	-	773,090
5	Other Income	218,250	218,250	35,200	183,050	84%	-	218,250
6	**TOTAL INCOME**	13,101,150	13,409,150	2,264,415	11,144,735	83%	-	13,409,150
7	Supervision & Management	3,348,810	3,340,738	606,567	2,734,171	82%	-	3,340,738
8	Response Repairs	2,161,130	2,161,130	321,984	1,839,146	85%	-	2,161,130
9	Estate Works	145,060	145,060	4,342	140,718	97%	-	145,060
10	Planned/Cyclical Maintenance	1,492,310	1,492,310	168,566	1,323,744	89%	-	1,492,310
11	**Total Operating Expenditure**	7,147,310	7,139,238	1,101,459	6,037,779	85%	-	7,139,238
12	Operating Surplus/(Deficit)	5,953,840	6,269,912	1,162,956	5,106,955	81%	-	6,269,912
13	Interest received	38,700	38,700	34,932	3,768	10%	60,552	99,252
14	Interest paid	741,000	741,000	118,836	622,164	84%	-	741,000
15	Surplus/(Deficit)	5,251,540	5,567,612	1,079,052	4,488,559	81%	60,552	5,628,164
16	Depreciation	5,173,300	5,173,300	863,364	4,309,936	83%	-	5,173,300
17	Grant Amortisation	(2,050,170)	(2,050,170)	(345,686)	(1,704,484)	83%	-	(2,050,170)
18	Surplus/(Deficit)	2,128,410	2,444,482	561,374	1,883,107	77%	60,552	2,505,034
	CAPITAL INVESTMENT							
19	Aids & Adaptations	30,000	318,100	7,241	310,859	98%	-	318,100
20	Housing Investment Programme	4,475,200	4,569,109	64,279	4,504,830	99%	-	4,569,109
21	Non Housing Investment	50,300	50,300	738	49,562	99%	-	50,300
22	Development Programme	4,927,990	4,927,990	722,467	4,205,523	85%	(63,690)	4,864,300
23		9,483,490	9,865,499	794,725	9,070,774	92%	(63,690)	9,801,809

Commentary on Performance

Income

Dwelling Rents are £14K ahead of budget to date due to strong Voids Dwelling performance. Grant Funding is £5.5K behind budget due to timing of RHI receipts. The out turn for Interest Received has been increased by £61K as additional monies have been placed on deposit and this additional income is to be moved to reserves.

Expenditure

Response Repairs overspend of £24K to date is mainly a result of the repair cost per job being higher than the previous year..

STATEMENT OF FINANCIAL POSITION

Line	Heading	Notes	31-May-25 £	31-Mar-25 £
	Fixed Assets			
1	Tangible assets-social housing	**1**	138,694,526	*139,372,269*
2	Development & Investment Programme		706,197	-
3	Tangible assets - property, plant and equipment	**1**	833,267	*860,361*
4	Landbank		626,660	*626,660*
5	Investments		2	*2*
6	**Total Fixed Assets**		140,860,652	*140,859,292*
	Current Assets			
7	Stock		25,651	*25,651*
8	Trade and other debtors due within one year	**2**	277,500	*1,262,494*
9	Debtors due after more than one year		142,020	*144,355*
10	Short-term deposits	**3**	7,382,722	*7,861,122*
11	Cash at bank and in hand	**4**	2,015,144	*1,315,403*
12	Loan to subsiduary		18,905	18,905
13	**Total Current Assets**		9,861,942	*10,627,930*
14	**Creditors: amounts falling due within one year**	**5**	(1,047,845)	*(2,106,895)*
15	**Net current assets**		8,814,097	*8,521,035*
16	**Total assets less current liabilities**		149,674,749	149,380,327
17	**Creditors: amounts falling due after more than one year**		(22,365,333)	*(22,365,333)*
18	Deferred capital grants		(78,680,091)	*(79,025,801)*
19	Pension Liability		-	-
20	**Net Assets**		**48,629,325**	***47,989,194***
	Capital and Reserves			
21	Share Capital		86	*86*
22	Revenue Reserve		48,629,239	*47,989,108*
23	**Total Capital and Reserves**		**48,629,325**	***47,989,194***

Commentary on Performance

Note 1 (Tangible Assets) – Tangible assets have reduced £704K from the prior year as depreciation exceeds the value of assets capitalised at the start of the year.

Note 2 (Trade and other debtors due within one year) – The reduction of £1M from March is mainly due to the release of accrued development grant income, and a reduction in rent arrears due to the timing of 4 weekly benefit payments received.

Note 3 & 4 (Short-term deposits & Cash at Bank and in Hand) - £500K less placed onto deposit than the previous month.

Note 5 (Creditors falling due within one year) – A reduction of £1M due to the release of accruals for development & investment costs invoiced and works in progress at the end of the last financial year.

Covenants are forecast to be met for the full year with an interest cover of 215% and gearing of 30%.

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	£ 666,279	£ 3,146,782
2	Add back Depreciation	£ 863,364	£ 5,173,300
3	Add back Profit/(Loss) on sale of LIFT properties	£ -	£ -
4	Deduct Capitalised Investment (inc OT)	(£ 71,520)	(£ 4,887,209)
5	Deduct Pension Contributions	£ -	£ -
6	Deduct Amortisation	(£ 345,686)	(£ 2,050,170)
7	Adjusted Operating Surplus	£ 1,112,436	£ 1,382,703
8	Interest Payable	£ 118,836	£ 741,000
9	Interest Receivable	£ 34,932	£ 99,252
10	Net Interest Payable	£ 83,904	£ 641,748
11	Covenant for 25/26	110%	110%
12	Adjusted Operating Surplus as percentage of Net interest Payable	1326%	215%
13	Headroom	£ 1,020,142	£ 676,780
14	Historic Cost of Properties	£ 173,306,935	£ 177,051,187
15	Financial Indebtedness	£ 17,000,000	£ 17,000,000
16	Gearing Covenant for 25/26	30%	30%
17	Gearing	10%	10%

FINANCIAL RATIOS

Key Ratios

	Current	Forecast	2024/25
Current Ratio	9.47	4.71	4.98
(Current Assets/Current Liabilities)			
Net Debt Per Unit			
Borrowing/ stock units	£6,995.88	£6,904.96	£7,004.53
Voids%	0.38%	0.92%	0.53%
Voids as % of Rental Income Due			
Bad Debts %	0.00%	2.01%	0.43%
Bad Debts written off as % of Rental Income Due			
Staff Cost/Turnover %	19.33%	21.17%	19.21%

CASH FLOW FORECAST 2025/26

The below cash flow shows the cash position at 31 May 2025 and a forecast for the remainder of the 25/26 Financial Year:

Year Ended 31-Mar-26	31-May-25 Month 2	30-Jun-25 Month 3	31-Jul-25 Month 4	31-Aug-25 Month 5	30-Sep-25 Month 6	31-Oct-25 Month 7	30-Nov-25 Month 8	31-Dec-25 Month 9	31-Jan-26 Month 10	28-Feb-26 Month 11	31-Mar-26 Month 12	Total
Cash on Hand at beginning of month	**1,147,035**	**2,110,215**	**1,501,968**	**874,501**	**670,671**	**122,127**	**881,668**	**1,699,406**	**1,306,262**	**1,567,488**	**1,622,621**	**1,309,154**
Cash Receipts												
Rent	1,119,749	840,965	1,351,660	843,585	1,041,185	1,388,375	854,645	1,052,245	1,391,140	1,052,245	854,736	**13,328,223**
Grant Income	65,611	183,127	186,225	172,210	175,960	373,875	574,630	1,115,960	1,119,575	977,080	863,540	**6,173,590**
Bank Interest	24,891	12,175	-	-	-	12,175	-	-	12,175	-	12,175	**96,332**
Other income	19,621	-	-	-	-	-	-	-	-	-	-	**139,639**
Transfer from Deposit	3,000,000	-	-	500,000	-	1,500,000	1,500,000	-	-	-	-	**9,000,000**
Total	**4,229,872**	**1,036,267**	**1,537,885**	**1,515,795**	**1,217,145**	**3,274,425**	**2,929,275**	**2,168,205**	**2,522,890**	**2,029,325**	**1,730,451**	**28,737,784**
Total Cash Available	5,376,907	3,146,482	3,039,853	2,390,296	1,887,816	3,396,552	3,810,943	3,867,611	3,829,152	3,596,813	3,353,072	
Cash Paid Out												
Payroll	223,547	232,910	232,910	232,910	232,910	235,110	235,110	235,110	235,110	235,110	235,110	**2,782,868**
Management Costs	55,365	75,100	75,100	75,100	75,100	393,875	75,100	75,100	93,875	75,100	75,103	**1,223,165**
Repairs	303,599	263,707	520,898	311,797	266,330	312,220	287,082	295,044	228,917	262,586	435,035	**3,830,994**
Investment	65,765	131,344	488,606	515,933	666,555	573,461	673,807	481,554	331,542	234,833	73,324	**4,689,200**
Development	613,844	939,954	670,531	581,884	512,794	822,413	838,438	1,457,541	1,194,414	1,164,564	1,198,046	**10,465,230**
Total	**1,262,119**	**1,643,014**	**1,988,046**	**1,717,625**	**1,753,689**	**2,337,079**	**2,109,537**	**2,544,349**	**2,083,858**	**1,972,192**	**2,016,618**	**22,991,457**
Cash Paid Out (Non P & L)												
Loan Interest	-	-	175,306	-	-	175,306	-	-	175,306	-	-	**689,257**
Capital Purchase	-	-	-	-	10,000	-	-	15,000	-	-	25,300	**50,300**
Refunds	4,573	1,500	2,000	2,000	2,000	2,500	2,000	2,000	2,500	2,000	2,000	**30,606**
Transfer to Deposit Account	2,000,000	-	-	-	-	-	-	-	-	-	-	**5,000,000**
Total	**2,004,573**	**1,500**	**177,306**	**2,000**	**12,000**	**177,806**	**2,000**	**17,000**	**177,806**	**2,000**	**27,300**	**5,770,163**
Total Cash Paid out	3,266,692	1,644,514	2,165,352	1,719,625	1,765,689	2,514,885	2,111,537	2,561,349	2,261,664	1,974,192	2,043,918	
Cash Position at End of Month	2,110,215	1,501,968	874,501	670,671	122,127	881,668	1,699,406	1,306,262	1,567,488	1,622,621	1,309,154	-
Deposit Acct At end of Month	7,380,198	7,383,015	7,383,105	7,385,278	6,880,198	5,380,198	3,880,198	7,387,945	3,880,198	3,880,198	3,880,198	
Total Funds Available	9,490,412	8,884,983	8,257,606	8,055,949	7,002,325	6,261,865	5,579,603	8,694,207	5,447,686	5,502,818	5,189,352	

STOCK LEVELS 2025/26

The below shows the current stock level position as at 31 May 2025:

Property Stock

The number of units of accommodation owned by the Partnership was as follows:

	Units in Management		Units under Development	
	2026	2025	2026	2025
Unimproved				
New Build	626	621	46	51
Improved	1,773	1,773	-	-
General Needs Housing	2,399	2,394	46	51
Shared Ownership Accommodation	3	3	-	-
Supported Housing Accommodation	28	28	-	-
Total Housing Stock	2,430	2,425	46	51
Other Property				
Garages	41	41	-	-
Commerical	6	6	-	-
Heritable-Partnership's offices	3	3	-	-
Total Other Property	50	50	-	-

Total housing stock number has increased by 5 since 31 March 2025 due to 5 new units at Leana An t-Sruith which were handed over in May.

REVIEW OF FINANCIAL AUTHORITIES & FINANCAL REGULATIONS

Board 24 June 2025

Report by Director of Finance & Corporate Services

Purpose of Report

1.1 The purpose of this report is to provide an update of any changes following the annual review of the Financial Regulations and Financial Authorities to the Board for approval.

Summary

2.1 The Financial Regulations and Financial Authorities are required to be reviewed on an annual basis.

2.2 The Financial Regulations have been reviewed with no changes required. The Financial Authorities have been updated to reflect changes in staffing over the last year.

Competence

3.1 The compliance issues relating to this report are at section 5.1 of the report.

Recommendations

4.1 It is recommended that the Board note the review of the Financial Regulations & Financial Authorities.

Background Papers: HHP Rules & Standing Orders
Writer of Report: Donald Macleod 0300 123 0773

Donald Macleod 04 June 2025

5.1 Compliance Section

COMPLIANCE CHECKLIST	
Financial	There are no financial implications arising from the implementation of the recommendations.
Legal	This report ensures compliance with Part 2 of our Standing Orders.
Regulatory	The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.
Risk	Governance of the Partnership is critical to its long-term viability. The Board requires the skills, knowledge and diversity to provide capable leadership, control and constructive challenge to achieve the RSL's purpose, and helps to mitigate the risk of not delivering good tenant outcomes or manage the Partnership's affairs. Governance is highlighted on our Risk Register with a residual risk rating of 6, which is considered low.
ESG	Reviewing our Financial Regulations regularly ensures compliance with our ESG Strategy.
Equalities	There are no Equalities considerations arising directly from the consideration of this report.
Communication	Our Financial Regulations are published on our website.

Financial Regulations

JUNE 2025

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STATEMENT OF PRINCIPLES **3**

FINANCIAL MANAGEMENT **4**

FINANCIAL PLANNING & CONTROL OF EXPENDITURE **7**

RISK MANAGEMENT & CONTROL OF RESOURCES **10**

SYSTEMS & PROCEDURES **16**

INTERPRETATIONS & ABBREVIATIONS **31**

INTRODUCTION

WHY DO WE HAVE FINANCIAL REGULATIONS

1.1.1 To conduct its business effectively, a housing association needs to ensure that it has sound financial management systems in place and that they are strictly adhered to. Part of this process is the establishment of financial regulations which set the financial policies of the association.

STATUS OF FINANCIAL REGULATIONS

1.2.1 This document sets out the Financial Regulations which form part of our Constitutional Documents and provide a framework for managing our financial affairs.

1.2.2 The Financial Regulations apply to the Partnership and any subsidiary undertakings. The relationship between the various parts of the constitution is at Appendix 1.

1.2.3 Compliance with the Financial Regulations is compulsory for all our employees. It is the duty of the Chief Executive or delegated nominee(s) to ensure that these Regulations are adhered to. Such delegation may be explicit or may be implicit in the nature of the employee's title or job description.

1.2.4 All Board members and employees have a responsibility to take reasonable action for the security of the assets under their control, and for ensuring the use of these resources is legal, properly authorised and provides value for money.

1.2.5 All employees shall be supplied with, and formally acknowledge receipt of, a copy of these Regulations and any changes to them. It shall be the duty of each employee to observe them within the scope of their job description.

1.2.6 The Audit & Risk Committee shall review the Regulations at least annually.

1.2.7 Detailed financial procedures set out how the Regulations will be implemented and are in a separate manual. It is the Director of Finance & Corporate Services' responsibility to prepare and maintain the financial procedures and make them available to all employees and Board Members.

STATEMENT OF PRINCIPLES

2.1.1 The Board expects high standards of conduct from its members and employees and those with whom it has dealings and this is outlined in the Code of Conduct for Board Members and Code of Conduct for employees. The Board's core value of integrity together with openness and honesty will underpin its financial affairs and all those involved with its finances should work with these values in mind. An extension of this is the Statement of Principles below which provide the basis for the detailed guidance in the Financial Regulations.

THE PRINCIPLES

2.2.1 We expect our members and employees to exercise high standards in financial management and administration and we aim to stimulate openness and a climate of frankness that will be supported through policies and regulations, such as the Whistleblowing Policy.

2.2.2 Our core value as a business is Integrity and this is upheld through a competency framework which outlines the requirements of each role.

2.2.3 The importance of planning, monitoring and controlling the use of resources is vital and we will make arrangements for these activities to be undertaken effectively.

2.2.4 Issues of probity will be dealt with effectively and we will work to meet our duty to maintain proper accounts and related records.

2.2.5 Value for money is at the core of how we conduct our financial affairs.

2.2.6 Compliance with statutory requirements, accounting standards and appropriate codes of practice will be inherent in all our financial arrangements.

2.2.7 We are mindful of the need for consistent standards in financial administration and management across all our operations. In particular, we expect officers to consult with and use all the expertise in financial matters that it has available in house and act on advice from such sources.

2.2.8 Our assets and resources must be protected from loss, damage and theft.

2.2.9 Identifying and quantifying risks is of key importance and arrangements must be made to reduce, eliminate or insure against them as appropriate.

2.2.10 We will ensure that the payment and collection of monies is accurate, appropriate and timely.

FINANCIAL MANAGEMENT

THE BOARD

3.1.1 The Board has ultimate responsibility for our finances. Its financial responsibilities are to:

Ensure

a) we are solvent;

b) we safeguard our assets;

c) the effective and efficient use of resources;

d) the compliance with the Scottish Housing Regulators performance standards including the annual publication of our Assurance Statement.

e) financial control systems are in place and are working effectively and that a statement of assurance is produced by the internal audit provider annually;

f) compliance with the regulatory body's code of audit practice;

g) compliance with financial covenants set up Funders

Approve

h) our strategic plans;

i) budgets and annual financial statements; and

Recommend

j) to the Annual General Meeting the appointment of the external auditors.

COMMITTEE STRUCTURE

3.2.1 The Board exercises some of its responsibility through three subordinate committees. These are the Audit and Risk Committee, Development & Finance and the Joint Consultative Committee. General authority is not delegated to a Committee, but specific authority is delegated in particular areas as defined in the Standing Orders. However, no decision made by a Committee of the Board is binding on HHP unless it is acting within its specifically delegated powers. The Terms of Reference for the Committees is contained within the Standing Orders Part 3.

BOARD MEMBER

3.3.1 The duty of Board members is to HHP, its tenants, its employees and more generally where it is in receipt of public funds – to the community at large. All Board Members should therefore satisfy themselves that they have sufficient access to all relevant information and are sufficiently informed to be able to

make properly informed decisions. The Director of Finance & Corporate Services will ensure that regular management reports are made available to all Board Members.

RESPONSIBLE OFFICERS

The Chief Executive

3.4.1 The Chief Executive is responsible for the operational management of the association's affairs. The Chief Executive must assist the Board in determining its strategic goals and promote the achievement of such goals through the deployment of the association's resources.

The Company Secretary

3.5.1 The Company Secretary is responsible for advising all Board members and employees about who has the authority to take a particular decision and whether a decision is likely to be considered contrary to the policy framework.

The Director of Finance & Corporate Services

3.6.1 The Director of Finance & Corporate Services is responsible for promoting and maintaining high standards of financial conduct and for reporting any actual or potential breaches of the law or maladministration and for ensuring that the procedures for recording and reporting key decisions are operating effectively.

3.6.2 The Director of Finance & Corporate Services is responsible for reporting to the Chief Executive if he considers that any proposal, decision or course of action will involve incurring unlawful expenditure or is likely to cause a loss or deficiency, or if the Partnership is about to enter an item of account unlawfully. If the item in question relates to the Chief Executive, the Board and External Auditor will be advised accordingly.

3.6.3 The Director of Finance & Corporate Services has the responsibility for the proper administration of the financial affairs including:

a) ensuring that all reports detail fully the resource implications of any course of action recommended to the Board or its Committees;

b) presenting management reports to the Board on a timely basis;

c) maintaining an efficient system of financial operations and controls;

d) preparing the annual accounts, liaising with the Partnership's Auditors in respect of the year end audit and giving the final presentation of such accounts to the Annual General Meeting;

e) managing the day to day running of our finances;

f) safeguarding our assets;

g) responsibility for long term financial planning;

h) ensuring the requirements of the Financial Conduct Authority (FCA) are observed concerning the requirements of the Partnership to keep proper books and records;

i) reviewing the Financial Regulations on behalf of the Board at least annually;

j) maintaining statutory records;

k) preparing appraisals for major investment and development decisions;

l) ensuring that medium and long term financial plans and annual investment and revenue budgets are prepared;

m) providing professional advice to the Board on all matters relating to financial policies and procedures including treasury management; and

n) Setting and monitoring compliance with financial management standards and procedures.

Money Laundering Reporting Officer

3.7.1 The Finance Manager is appointed as the Money Laundering Reporting Officer and the Financial Accountant is appointed as the Depute Money Laundering Reporting Officer. They are responsible for notifying the National Crime Agency (NCA) of any suspected cases of money laundering committed within the accounts of the Partnership as soon as possible and fulfil other duties as defined by legislation or regulation related to that post.

General

3.8.1 Heads of Service are responsible for accountability and control of employees and the security, custody and control of all other resources including plant, buildings, materials, cash and stores relating to their spheres of responsibility.

ACCOUNTING

3.9.1 All accounting procedures and records of the Partnership and its Officers shall be approved by the Director of Finance & Corporate Services in accordance with requirements of statutory agencies, authorities and the needs of the services. No change to existing accounting procedures may be made without prior consultation with the Director of Finance & Corporate Services.

3.9.2 The Director of Finance & Corporate Services or the Finance Manager must examine and certify where required any submission or claim for payment of grant by a Government Department or funding from any other body. Officers responsible for the administration of such grants, funds and spending associated with them must ensure compliance with the conditions of the grant/funding.

3.9.3 All formal accounts and accounting records shall be compiled under the direction of the Director of Finance & Corporate Services.

FINANCIAL PLANNING & CONTROL OF EXPENDITURE

4.1.1 Sound budget management is crucial to informing good decision making and achieving best value in the use of our resources.

BUDGET PREPARATION

4.2.1 The budget must be prepared in a form agreed by the Board and must be in line with our Strategic Goals and Business Plan. When the budget is presented to the Board it will come with recommendations from the Development & Finance Committee on its acceptability and on its impact on overall finances.

4.2.2 The budget is to be prepared according to the requirements defined in the detailed financial procedures. Once approved, the budget is to be used as the basis for authority to incur expenditure and for comparison with actual monthly and quarterly results. The approval for each officer to incur expenditure is defined in the detailed financial procedures and may be amended from time to time by the Board.

4.2.3 When the budget has been approved, the Director of Finance & Corporate Services shall allocate various amounts to delegated budget managers, in accordance with their responsibilities, and shall notify such employees of the budgeted amounts. All references to individual responsibilities within these Financial Regulations assume that authority is restricted to these amounts.

4.2.4 The Director of Finance & Corporate Services will prepare and present budgets to the Board for:

a) Income & Expenditure

b) Investment

c) Development

d) Non-Housing investment

4.2.5 The introduction of new items after the Budget has been approved (where such items exceed the virement delegation in place for directors at Appendix 3) requires the advance approval of the Board.

4.2.6 The Board must approve any slippage greater than 12 months for Investment and Development.

BUDGETARY CONTROL

4.3.1 Significant variations in actual income and expenditure against budget are to be reported and explained at each meeting of the Board by the Director of Finance & Corporate Services. Any variations will be explained and reflected in the forecast out-turn presented to the Board.

4.3.2 The inclusion of items in approved budgets or investment programmes shall constitute authority to incur such expenditure (within delegations as outlined in the Standing Orders & Financial Authorities) unless the Board shall have placed a reservation on any such item or items. Expenditure on any such reserved items may be incurred only when and to the extent that such reservation has been removed. Such reservations shall only be removed when the Board has approved full details and costs of the item.

4.3.3 Budget managers are responsible for ensuring that expenditure does not exceed the allocated budget and must identify pressures on their own budgets at a stage which allows the position to be addressed (i.e. during the financial year rather than at the end). Budget holders must not authorise expenditure which will create or increase an overspend on that budget.

4.3.4 When considering the adoption of a new policy or a variation to an existing policy, the Board must ensure it is fully apprised of the costs involved. Heads of Service are responsible for ensuring that the Board are provided with all cost information pertinent to the policy.

4.3.5 Significant budget variations should be reported to the Director of Finance & Corporate Services by the relevant budget manager. Anticipated variations should be incorporated in the reporting process. It is the responsibility of Heads of Service to provide timely, accurate and reasonable explanations for variances to be included in the month end management report.

4.3.6 With regard to Investment and Development programmes, actual spend will be monitored against budget and reported at each meeting of the Board as part of the regular management accounts report.

4.3.7 Actual and forecast expenditure and progress on tender awards and projects within the Investment and Development programme will be reported to the Board. Detailed reports including post development completion reports will be provided to the Development & Finance Committee.

4.3.8 The Director of Finance & Corporate Services will prepare a year end report on performance against budget and make recommendations to the Board on any budgets which should be carried forward into the next financial year.

BORROWING

4.4.1 It is the responsibility of the Director of Finance & Corporate Services to provide the Board with a written report on affordable levels of borrowing. The Treasury Management Policy requires an Annual Financing Strategy to be prepared before the end of the financial year.

RESERVES

4.5.1 It is the responsibility of the Director of Finance & Corporate Services to provide the Board with a written report on the levels of reserves that are considered prudent. This advice is to be based on an annual risk assessment of the Partnership.

VIREMENTS

4.6.1 Where a virement represents a major change in policy or exceeds the delegation levels outlined at Appendix 3, the Head of Service needs to prepare a report for the Board to seek approval for the policy change and the associated virement.

4.6.2 Where a virement involves an adjustment to Salary budgets, the Head of Service needs to seek approval from the Chief Executive before being processed.

4.6.3 For development projects, virements which allocate budget within the project will not require to be approved by Board as there is no change being made to the total budget.

4.6.4 All other virements should be approved by the Head of Service and forwarded to the Finance Manager using the approved Virement Form with the appropriate approvals required.

4.6.5 Virements should be prepared timely and in advance of any committed spend. It is noted that some virements are reactive e.g., following a large insurance type event. In these circumstances, virements should be requested as soon as the budget manager becomes aware of the need to amend budget and, where appropriate, be presented for approval at the next meeting of the Board.

4.6.6 The Director of Finance & Corporate Services (or in his absence the Chief Executive) shall have the authority to approve virements to an amount as specified in the detailed financial procedures.

RISK MANAGEMENT & CONTROL OF RESOURCES

5.1.1 The Board is responsible for approving our Risk Management Strategy, the Audit and Risk committee is responsible for reviewing the overall effectiveness of the strategy.

5.1.2 The Chief Executive, in conjunction with Directors is responsible for preparing the risk management policy statement and for promoting it throughout the organisation and updating it.

5.1.3 The general controls for risk management are:-

- Procedures are in place to identify, assess, prevent or contain material known risks and these procedures are operating effectively throughout the organisation;
- A monitoring process is in place to review the effectiveness of risk reduction strategies and the operation of these controls;
- Managers know which risks they are responsible for managing and are provided with relevant information;
- Provision is made for any losses that might result from the risks that remain;
- Claims are investigated within a given time scale;
- Acceptable levels of risk are determined and insured against where appropriate;
- Business continuity plans are in place in the event of a disaster that results in significant loss or damage to our resources.

INTERNAL CONTROL

5.2.1 Internal control refers to the systems of control devised by management to help ensure our objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that our assets and interests are safeguarded.

SYSTEMS OF INTERNAL CONTROL

5.3.1 The Director of Finance & Corporate Services is responsible for advising and implementing on effective systems of internal control. These arrangements need to ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice.

5.3.2 The Director of Finance & Corporate Services will prepare an annual statement on the effectiveness of the Partnership's system of internal control. The statement will be published as part of the Annual Statement of Accounts and will be approved by the Audit Committee.

SEGREGATION OF DUTIES

5.4.1 To ensure proper segregation of duties exist:

a) the duties of providing information about money due to or from HHP and of calculating, checking and recording these sums shall be separated as completely as possible from the duty of collecting or paying them;

b) Officers charged with the duty of examining and checking the accounts of cash transactions must not themselves be engaged in any of these transactions.

YEAR END AND RETENTION OF RECORDS

5.5.1 HHP's financial year shall be from 1 April to 31 March.

5.5.2 Accounting and other records must be retained for periods that comply with relevant legal requirements and the detailed standards in Paragraph 5.5.3.

5.5.3 Records must be retained for periods specified by Internal Audit, which will ensure the Partnership's compliance with VAT and other law. The following periods provide a broad indication only:

- All records associated with grant funding and the transfer agreement must be retained for longer periods if required by the funding body;
- Expenditure record (e.g. orders, invoices) should be retained for 5 years plus the current year;
- Income records (receipts, debtors invoices) should generally be retained for 6 years plus the current year.

TREASURY MANAGEMENT (INVESTMENT & BORROWINGS)

5.6.1 The Board adopts the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code), as described in Section 4 of that Code.

5.6.2 Accordingly, the Board will create and maintain, as the cornerstones for effective treasury management:

- a treasury management policy statement, stating the policies and objectives of its treasury management activities;

  Suitable treasury management practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

5.6.3 The content of the policy statement and TMPs will follow the recommendations contained in Sections 6 and 7 of the Code, subject only to amendment where necessary to reflect the particular circumstances of this organisation. Such amendments will not result in the organisation materially deviating from the Code's key recommendations.

5.6.4 The Board will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, and an annual report after its close, in the form prescribed in its TMPs.

5.6.5 The Board delegates responsibility for the execution and administration of treasury management decisions to the Director of Finance & Corporate Services who will act in accordance with the organisation's policy statement and TMPs and, if the Director of Finance & Corporate Services is a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management

INSURANCE

5.7.1 The Corporate Resources Manager must effect all insurance cover and negotiate all claims (within their delegation) in consultation with other Officers where necessary.

5.7.2 Each Head of Service shall ensure prompt notification to the Corporate Resources Manager of all new risks, properties, or vehicles which require to be insured and of any alterations affecting existing insurance policies.

5.7.3 Each Head of Service shall ensure that they notify the Corporate Resources Manager of any loss, liability or damage or any event likely to lead to a claim; and in instances of criminality, inform the Police and obtain the relevant crime reference number, unless otherwise decided by an identified officer.

5.7.4 All appropriate officers of the Partnership must be included in a suitable fidelity guarantee insurance policy.

5.7.5 The Director of Finance & Corporate Services must annually, or at any such lesser period as he may consider necessary, review all insurances and report to the Board in consultation with other Heads of Service as appropriate.

SECURITY PROCEDURES

5.8.1 Each Head of Service is responsible for maintaining proper security at all times for all buildings, stock, stores, furniture, equipment, cash, etc. under his control. He must consult the Chief Executive in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

5.8.2 Maximum limits for cash holdings must be agreed with the Director of Finance & Corporate Services and shall not be exceeded without his express permission.

5.8.3 Keys to safes or other similar containers are securely stored in a locked drawer; the loss of any such keys must be reported to the Director of Finance & Corporate Services forthwith. Keys must not be passed to any Officer who is not authorised to access the safe.

PAYMENTS & BENEFITS

5.9.1 All financial activities conducted by the organisation will conform to the requirements of the Entitlements, Payments and Benefits Policy which restricts

the types of direct and indirect financial benefits which may be awarded to employees and Board members and describes the actions which must be taken in the event of a potential breach.

5.9.2 All Officers and Board members should be aware of the requirements of the Entitlements, Payments and Benefits Policy and further information or advice can be provided on request by the Director of Finance & Corporate Services.

5.9.3 The basic requirements of the Policy are that a registered social landlord must not make a payment or grant a benefit to an officer or employee (current) of the landlord; a person who has been an officer or employee within the last 12 months (recent); a close relative of an officer or employee (current or recent); a business trading for profit of which a person falling within one of the previous categories is a principal proprietor or in the management of which such a person is directly concerned, except in the following cases:

a) payments made or benefits granted to an officer or employee under a contract of employment;

b) payment of expenses to an officer who does not have a contract of employment;

c) where a tenancy has been granted to a person who later became an officer or employee of the organisation (or a close relative thereof), the grant to that tenant of a new tenancy for the same or another house; or

d) payments made or benefits granted with the approval of Scottish Ministers.

5.9.4 Any issues which may give rise to a breach or potential breach of the requirements of policy should be reported to the Director of Finance & Corporate Services (or in his absence the Finance Manager) immediately.

5.9.10 Heads of Service may approve overtime working, in consultation with the Chief Executive for Grades A to E. The Chief Executive will approve overtime working for Grades F to H.

5.9.11 Overtime must be authorised in advance and will only be paid in exceptional circumstances.

EXTERNAL AUDIT

5.10.1 We will appoint external auditors as required by statute, and in a way consistent with the requirements of the current guidance issued by the Scottish Housing Regulator.

5.10.2 Preparation of annual accounts is to commence immediately after the end of each financial year and draft accounts are to be prepared for consideration by the auditors and by the Board no later than three months after the year-end.

5.10.3 The Director of Finance & Corporate Services is responsible for drawing up a timetable for final accounts purposes which will be agreed with the auditors.

5.10.4 The draft accounts and audit management letter will be reviewed by the Audit and Risk Committee. On their recommendation, the draft accounts will be submitted to the Board for approval, and subsequently for adoption at the Annual General Meeting.

5.10.5 Final audited and signed accounts are to be submitted to the Scottish Housing Regulator within the timescales set by the regulator.

5.10.6 The external auditors should be given the opportunity, at least once each year, to meet the Audit and Risk Committee without any officials being present, to discuss issues that may have arisen during their work or highlight areas of concern.

5.10.7 Each year, the Audit and Risk Committee will review the effectiveness of external audit and, provided the External Auditor's work is of a sufficiently high standard and reasonably priced, the Committee shall recommend that they be re-appointed at the Partnership's AGM. In addition, the Audit and Risk Committee will carry out a comprehensive review of the service provided every three years. A competitive tendering exercise will be held at least every seven years for the appointment of an External Auditor for the Partnership.

INTERNAL AUDIT

5.11.1 There will also be an internal audit function, under the independent control and direction of the Director of Finance & Corporate Services which shall be arranged to carry out a continuous examination of financial and other operations. An annual programme of work will be set by the Director of Finance & Corporate Services in consultation with the Chief Executive and other Directors and approved or otherwise amended by the Audit and Risk Committee.

5.11.2 The Internal Auditor will report to the Director or Finance & Corporate Services and the Audit and Risk Committee.

5.11.3 The internal audit service remains independent in its planning and operation and has direct access to the Board, the Chief Executive and the Chair of the Audit and Risk Committee.

5.11.4 The Chief Executive, the Director of Finance & Corporate Services or their authorised representatives and the external and internal auditors shall have authority to:

a) enter at all reasonable times any Partnership premises or land;

b) access all records, documents and correspondence relating to any financial and other transactions of the Partnership;

c) require and receive such explanations as are necessary concerning any matter under examination; and

d) require any employee of the Partnership to produce cash, stores or any other Partnership property under his/her control.

5.11.5 Whenever any matter arises which involves, or is thought to involve, irregularities of fraud concerning cash, stores or other property of the Partnership or there is any other suspected irregularity in the exercise of the activities of the Partnership, the manager concerned shall notify the Director of Finance & Corporate Services, in accordance with the Partnership's Fraud policy. The Director of Finance & Corporate Services will take such steps as necessary by way of investigation, the involvement of internal audit and reporting the matter to the regulatory body where required. The Board shall also ensure that a procedure for whistle blowing is in place and operating effectively.

5.11.6 If the suspected irregularity potentially involves:

a) the Director of Finance & Corporate Services or the Director of Operations, the Chief Executive shall be informed; or

b) The Chief Executive, the Chair of the Audit and Risk Committee, or failing that the Chair of the Board shall be informed.

SYSTEMS & PROCEDURES

GENERAL CONTROLS

6.1 The general controls for systems and procedures are:

a) Performance is communicated to the appropriate managers on accurate, complete and timely basis;

b) Early warning is provided on deviations from targets, plans and budgets and management action is taken; and

c) Operating systems and procedures are secure.

EXPENDITURE

Purchasing Arrangements

6.2.1 Delegated Budget Managers must ensure and be able to demonstrate that the Partnership obtains value for money in purchasing activity and that purchasing accords with service priorities.

6.2.2 The most effective purchasing arrangements should be used. In case of routine purchasing this should be undertaken through the Corporate Resources Team except:

a) transactions excluded by agreement with the Director of Finance & Corporate Services and the Delegated Budget Manager concerned; or

b) small items which may be purchased through petty cash.

6.2.3 Where any purchasing or services involves tendering or contracts these arrangements must conform to the requirements set out in the procurement policy.

6.2.4 The Finance Manager must ensure that e-business/purchasing processes maintain the security and integrity for transacting business electronically and must approve the introduction of such systems.

Orders of Work, Goods and Services

6.2.5 All orders, requests for works, instructions to vary works contracts or to vary individual orders, and the entering into of contracts, must be carried out according to the detailed requirements of the procurement policy. The procurement policy is available on our intranet/SharePoint to all employees.

6.2.6 Official orders must be in a form approved by the Director of Finance & Corporate Services and must be signed or otherwise authorised only by approved officers.

6.2.7 Official orders must be issued for all work, goods or services to be supplied to HHP except for:

- supplies of public utility services;
- for periodical payments such as rent or rates;
- for payments set by statute or other regulations (including home loss and disturbance payments);
- for petty cash purchases; or
- such other exceptions as the Director of Finance & Corporate Services may approve in advance.

Any verbal orders issued in an emergency must be confirmed by an official order by the next working day. A copy of each order must be retained for audit purposes.

6.2.8 Employees of the Partnership are not allowed to purchase goods privately under any Partnership arrangements or solicit preferential treatment in a private capacity from the Partnership's suppliers.

Orders under Procurement (Other Services)

6.2.9 One written quotation must be requested for individual orders up to an amount up to £1,999.99. The details of the quotation must be documented and held on file.

6.2.10 Two written quotations must be requested for individual orders which are estimated to be in the region of £2,000-£9,999.99. If a quotation other than the lowest is accepted, a written report must be made to the next meeting of the Board justifying this course of action. Where orders are awarded on a combined quality and price assessment, it is understood that the lowest price may not always be the one which will be accepted, and this will not need to be presented to Board.

6.2.11 Individual orders which are estimated to commit the Board to a cost in excess of £10,000 must be dealt with under the Procurement Policy and its detailed tendering procedures. Results of tenders should be referred to the Board or one of its committees. This regulation does not apply to the renewal of annual maintenance agreements previously agreed by the Board.

Orders under Procurement (Building Works)

6.2.12 All investment works are subject to a robust tender process with tenders for lots being returned as per the Board approved Investment Framework.

6.2.13 Repairs & Maintenance works are outsourced to a repairs contractor. The appointment of the contractor follows a robust, full tender process and the Board is regularly updated as to the performance of the contractor against agreed contractual performance targets.

6.2.14 The methods of procurement and appropriate limits for development contracts and consultants are outlined at Appendix 2.

Orders under Procurement Frameworks

6.2.15 Framework agreements may also be used to procure contractors and suppliers without committing or binding us to any specific expenditure.

General

6.2.16 No Officer may use the Partnership or its stationery to order goods and/or services intended for their private and personal use except in circumstances approved in advance and in writing by the Chief Executive.

Contracts

6.2.17 Where contracts provide for payment to be made by instalments, the Budget Manager will ensure that an approved purchase order is in place to reflect the staging of payments on each contract between the Partnership and the contractor.

6.2.18 Payments to contractors on account of contracts shall be made only in accordance with agreed expenditure authorisation procedures.

6.2.19 Subject to the provisions of investment/development contracts, in each case every variation shall be authorised in writing by the:

a) Director of Operations or any other officer nominated by him in writing for the purpose; or

b) consultant engaged by the Partnership when an outside consultant is appointed.

6.2.20 Any such variation shall be reported to the Board on a quarterly basis. If the variation creates an overspend, the procedure in relation to authorising overspends must be followed (see paragraph 4.3.2).

6.2.21 The final certificates of completion of any contract shall not be issued until the Director of Operations or external consultant has produced to the Partnership a detailed statement of account and all relevant documents, if required.

6.2.22 Where completion of a contract is delayed beyond the contract period, it shall be the duty of the Director of Operations to consider and, where appropriate, to take action in respect of any claim for liquidated damages.

6.2.23 All officers and consultants shall have regard to the requirements of the relevant regulatory body and government departments in respect of matters relating to such contracts.

Payments of Accounts

6.3.1 The procedures for making all payments shall be in a form specified by the Director of Finance & Corporate Services.

6.3.2 Apart from petty cash and other payments from advance accounts, the normal method of payment of money due from the Partnership must be by cheque, electronic payment (Bankline or Credit Card), BACS or CHAPS transfers drawn on the Partnership's bank account by signatories duly authorised by the Board.

6.3.3 The names of Officers authorised to sign orders and invoices will be maintained in a register along with a specimen signature by the Director of Finance & Corporate Services. Any changes to the register must be requested in writing. Employees authorised to issue an order are responsible for examining, verifying and certifying the related invoice(s) and similarly for any other payment vouchers or accounts arising from his/her department. Such certification must be in writing by the Officer.

6.3.4 Payment will only be made by the Director of Finance & Corporate Services against invoices which have been certified for payment by the appropriate head of department or budget holder. Certification of an invoice should involve at least two officers in the process and will ensure that:

a) the goods have been received, examined and approved with regard to quality and quantity, or that services rendered or work done is satisfactory;

b) where appropriate, it is matched to the order;

c) invoice details (quantity, price, discount) are correct;

d) the invoice is arithmetically correct;

e) the invoice has not previously been passed for payment;

f) where appropriate, an entry has been made on a stores record or departmental inventory;

g) VAT issues have been complied with where they apply; and

appropriate coding advice is provided. This coding advice must be one of the codes included in the budget holder's area of responsibility and must correspond with the types of goods or service described on the invoice.

6.3.5 Once accounts have been correctly certified, they must be passed promptly to the Director of Finance & Corporate Services who must examine them to the extent that he considers necessary, for which purpose the Director of Finance & Corporate Services is entitled to make such enquiries and to receive such information and explanations as he may require.

6.3.6 The Chief Executive and each Director must, six weeks after the financial year end, agree with the Director of Finance & Corporate Services all outstanding expenditure in relation to the previous financial year.

6.3.7 Responsibility for the authorisation of an account lies ultimately with the Officer who signs the payment authorisation. The Officers who have the authority to

approve payment for either goods or services within the approved revenue budget are specified in the detailed financial procedures.

6.3.8 Cheque or Banks Automated Clearing System (BACS) payments – all invoices should be paid within agreed payment terms and such terms are recorded in our Finance System against each supplier. The general rule is that properly authorised invoices are paid once goods have been certified as received and no later than 30 days of receipt by the Finance Department. This is subject to variations as agreed with the individual supplier of goods and services and as set out in the Partnership's detailed financial procedures.

6.3.9 No individual or employee of the Partnership shall act as the first signatory or certify transactions for any payments to themselves or their immediate families or to their companies or companies of their immediate families.

6.3.10 The use of direct debits as a payment method requires the prior approval of the Director of Finance & Corporate Services or Finance Manager.

6.3.11 Officers of the Partnership must not prepare supplier's invoices. If it is necessary for an officer to amend an invoice, that fact and the reason therefore shall be shown on the invoice and the amendment must conform to the Value Added Tax regulations.

6.3.12 Override procedure - If a payment has to be made more quickly than the general rule and is not covered by the exceptions, then the date of payment must be marked on the certified invoice and addressed to the Resources Department duly marked for special treatment.

Petty Cash

6.4.1 Petty cash will be controlled through the Imprest system. Detailed guidance will be issued by the Financial Accountant and is contained in the Partnership's financial procedures.

6.4.2 At the end of the financial year, a certificate of the balances held should be completed by the member of employees responsible for the float and countersigned by the head of department.

Company Credit Cards

6.5.1 The Director of Finance & Corporate Services will make arrangements for the administration of "company credit cards" and will issue them where the circumstances require.

6.5.2 Directors are responsible for ensuring that "company" credit cards used in their Department are only held by appropriate employees and are used strictly in compliance with the specific guidance issued by the Director of Finance & Corporate Services.

Expenditure Authorisations

6.6.1 The Board has approved the following procedures for the authorisation of expenditure commitments and invoices for payment. Levels of authority range

from department employees to the Board, and it is important for good internal control of the Partnership's expenditure that all employees have a working knowledge of the content. It is the responsibility of each Director to ensure that all of their employees affected are fully aware of their own authority levels and limits.

6.6.2 The following important points shall be observed in the authorisation procedure and followed carefully:

a) three separate procedures involved in incurring expenditure:

- Taking on the commitment to spend;
- Approving the invoice after goods or services received;
- The actual transfer of funds to creditors.

b) evidence of approval and authority must be kept.

c) the person approving the invoice will be expected to be satisfied that prior approval of the original order or instruction was given, at the appropriate level, in cases where such prior approval is required.

d) payments to suppliers, etc. will not be made if substantiated only by statements. If an invoice has been mislaid, a copy must be obtained from the supplier.

e) the cost code must be in accordance with the approved budget heading and not changed because another original budget head is being used in order to "vire" expenditure.

f) approval of invoices must include a check of the calculations.

6.6.3 The Director of Finance & Corporate Services shall maintain a register of authorised signatories including limits. Any changes to the authorities to sign must be notified to the Director of Finance & Corporate Services immediately. Heads of Service must supply the Director of Finance & Corporate Services with specimen signatures of those authorised to certify invoices for payment.

6.6.4 Where changes to the authorisation schedule are required ahead of the annual review of financial regulations and procedures, the Director of Finance & Corporate Services shall instruct, or confirm, changes in writing to Heads of Service, and other appropriate employees and Board Members.

6.6.5 Authorisations can be obtained through e-signatures, e-mail, system authorisations or physical signatures in accordance with the delegations permitted in the Financial Authorisations.

INCOME & BANKING

Banking Arrangements

6.7.1 The Board is responsible for the appointment of our bankers. Should there be an occasion where the banking arrangements are deemed to no longer meet our requirements, the Board shall be provided with a report outlining why this is the case and banking services will be re-tendered through a competitive tendering process.

6.7.2 Bank accounts held by HHP are specified in the detailed financial procedures. Only the Director of Finance & Corporate Services may open or close a bank account for dealing with HHP's funds. All bank accounts shall be in the name of "Hebridean Housing Partnership" or its Subsidiary "HHP Community Housing". The Finance Manager is responsible for ensuring that all bank accounts are subject to regular reconciliation and independent review and that large or unusual items are investigated as appropriate.

6.7.3 All arrangements with HHP's bankers shall be made by or under arrangements approved by the Director of Finance & Corporate Services, who shall be authorised to operate such banking accounts, as he may consider necessary.

6.7.4 All cheques, electronic payments (Bankline or Credit Card), BACS or CHAPS shall be ordered only on the authority of the Director of Finance & Corporate Services who shall make proper arrangements for their safe custody. Cheques on HHP's banking accounts shall bear the signature of identified Officers or Board Members as authorised by the Board. Details of authorised persons and the Partnership's cheque mandate can be found in the Partnership's detailed financial procedures.

Income

6.8.1 The Board is responsible for approving the level of rents, lettings and other charges, as determined by procedures approved by the Finance & Development Committee.

6.8.2 The collection of money due shall be under the supervision of the appropriate Director within procedures defined by the Director of Finance & Corporate Services. The relevant Director will ensure that the procedures are followed and that adequate arrangements are in place to ensure safe custody of monies to our premises or bankers.

6.8.3 All Officers shall furnish the Finance Manager with such particulars in connection with work done, goods supplied or services rendered and of all other amounts due as may be required by them to record correctly all sums due and to ensure that accounts are rendered within seven days for the recovery of income due.

6.8.4 Safeguards against loss of income are in place as follows:

a) prompt claiming of all Local Authority, Scottish Government or other public body grants, subsidies and allowances;

b) prompt reviews of rent. Increases must be implemented at the appropriate time, as agreed by the Board;

c) prompt action against all debtors and the institution of recovery proceedings, except where the contrary is approved by the Board, or in case of rent and tenants charges, by the Director of Operations;

d) comprehensive accounting procedure and internal controls for all income sources;

e) appropriate investment in stock to ensure minimal rent loss through voids.

6.8.5 All receipt forms, books, tickets and other such items shall be ordered and supplied by the Finance Manager, who shall approve the arrangements for their control.

6.8.6 All money received by an employee on behalf of HHP shall, without delay, be paid to the Director of Finance & Corporate Services or, as he may direct, to the appropriate bank account or transmitted directly to any other body or person entitled thereto. No deduction may be made from such money except to the extent that the Director of Finance & Corporate Services may specifically authorise. Each employee who so banks money shall enter on the paying-in slip a reference to the related debt. The detailed financial procedures set out the exact procedures to be followed with regard to the receipt of cash, cheques and postal orders.

6.8.7 Every transfer of money from one employee to another will be evidenced in the records by the signature of the receiving employee.

6.8.8 Any income due shall only be written off as a bad debt under procedures outlined in our Debt Management policy.

6.8.9 Donations of cash or other items must be recorded and a written acknowledgement sent to the donor by the Chief Executive.

6.8.10 All incoming post shall be opened in the presence of two members of employees and any remittances shall be recorded in a register. This register shall be done monthly and independently checked to bankings. All income shall be banked weekly unless the cash held in the safe will exceed £4,000 and receipts given for all payments by cash or postal order.

6.8.11 Personal cheques must not be cashed nor must IOU's be accepted out of monies held on behalf of the Partnership.

6.8.12 The Finance Manager shall ensure that:

a) debtors' invoices are raised promptly in respect of income due to us;

b) debtors' accounts are raised on official invoices;

c) swift and effective action is taken to collect overdue debts in accordance with formal procedures (detailed in the financial procedures):

d) outstanding debts are monitored and reports are prepared for managers.

6.8.13 A limit is imposed on the cash amount received in settlement for the payment for goods and services of £5,000 in any one transaction. This limit is required to ensure that the Partnership complies with the Money Laundering Regulations.

6.8.14 The Director of Finance & Corporate Services is responsible for implementing credit arrangements and indicating a period in which different types of invoice must be paid, and for implementing procedures and instructions for the allocation of sums received to individual constituent elements of tenants' rent accounts.

Control of Cash, Stock, etc.

6.9.1 Cash floats and balances kept by us are specified in the detailed financial procedures. All such floats must be maintained on the Imprest system and reimbursement will be authorised by the Financial Manager.

6.9.2 We will maintain inventories of various items as defined in the detailed financial procedures.

6.9.3 A register of documents of title (deeds, share certificates, building society books, etc.) must be kept and the documents stored in a secure place such as a locked safe. Access to the documents will be restricted to the Chief Executive, Director of Finance & Corporate Services, Governance Officer, Auditors and the Partnership's solicitors.

6.9.4 Computer records shall be maintained in line with the Partnership's Information and Communication Technology Policy [ICT] to ensure information held on personal computers and servers is secure. Backups must be stored securely off site.

Writing off Irrecoverable Items of Income

6.9.5 HHP will write off all established bad debts as soon as possible in order not to distort the rent arrears and other bad debts position. Consideration must be given as to whether or not the present abode of former tenants in arrears is known to establish whether the doubtful debts are collectable or not.

6.9.6 Before any income is written off in the financial records, the approval of the Director of Finance & Corporate Services must be obtained for write-offs up to an agreed amount as specified in the detailed financial procedures and the approval of the Board for all write-offs above the agreed amount. Any write-offs must be made in accordance with the authorisation levels specified in the detailed financial procedures.

6.9.7 Records of debts written off in the financial records will be retained by the Director of Finance & Corporate Services for a period of not less than ten years, for use in the event of a debt becoming recoverable again in the future.

SALARIES AND WAGES

Salaries, Wages and Pensions

6.10.1 Salaries paid to permanent employees must be on the basis of the appointment as agreed by the Board.

6.10.2 All employees are paid on a set day each month as specified in the Partnership's Terms and Conditions of Employment.

6.10.3 All payments shall be made by the Director of Finance & Corporate Services.

6.10.4 Appointment of all employees must be made in accordance with the regulations of the Partnership and the approved establishments, grades and rates of pay.

6.10.5 All partnership employees will be appointed to the salary scales approved by the Board and in accordance with appropriate conditions of service.

6.10.6 All-time records and other pay documents must be in a form prescribed or approved by the Director of Finance & Corporate Services.

6.10.7 Each Head of Service is responsible for ensuring that the Director of Finance & Corporate Services and the Chief Executive's Personal Assistant are notified as soon as possible and in the form prescribed by them, of all matters affecting the payment of such benefits, and in particular:

a) appointments, resignations, dismissals, suspensions, secondments and transfers;

b) absences from duty for sickness or other reason, apart from approved leave;

c) changes in remuneration, other than normal increments, and pay awards and arrangements of general application;

d) information necessary to maintain records of service for superannuation, income tax, national insurance, etc.

6.10.8 All casual and part-time employees must be included on the payroll.

6.10.9 Overtime and temporary recruitment of employees must be approved as prescribed in the expenditure authorisations schedule.

6.10.10 The Director of Finance & Corporate Services is responsible for keeping all records relating to payroll including those of a statutory nature. Administration of payroll process will be carried out by a member of the Finance Team with the Director of Finance & Corporate Services carrying out verification checks.

Travel and Subsistence

6.11.1 All claims for payment of mileage allowances, subsistence allowances, travelling and incidental expenses must be submitted, duly certified by a Head of Service in a form approved by the Director of Finance & Corporate Services, to him.

6.11.2 The certification by the Head of Service shall be taken to mean that the certifying Officer is satisfied that the journeys were authorised, the expenses properly and necessarily incurred and that the allowances are properly payable by the Partnership.

TAXATION

6.12.1 Compliance with taxation rules is important for the Partnership to meet its legal requirements and avoid unnecessary costs. Failure to comply with tax legislation can result in penalties and interest payments or may lead to the overpayment or under-recovery of taxes.

6.12.2 Heads of Service must ensure all employees are aware of the various tax regimes that impact on their areas of operational activity and ensure they are compliant with legislation governing tax and the detailed standards below.

VAT standards

6.12.3 Officers should be aware of the Partnership's VAT guidance, available from the Finance Manager and where to access primary reference documents for VAT related matters.

6.12.4 VAT must be paid and recovered within the time constraints laid down by H.M. Revenue and Customs.

6.12.5 Officers are responsible for obtaining and issuing proper tax documents (e.g. invoices, receipts) to ensure compliance with VAT law and to facilitate full recovery on expenditure.

Other Tax Standards

6.12.6 Guidance on taxation matters, other than VAT will be issued from time to time by the Director of Finance & Corporate Services.

6.12.7 Officers responsible for issuing or payment of invoices must give consideration to the impact of various taxes. Particular attention should be paid to the correct treatment of employment taxes and VAT

6.12.8 In instances of doubt over the correct treatment of taxation officers should consult the appropriate employees of the Resources Department

a) PAYE and National Insurance - Director of Finance & Corporate Services

b) VAT and other taxation - Financial Manager or Director of Finance & Corporate Services

FIXED ASSETS

Fixed Asset Register

6.13.1 A fixed asset register shall be maintained, recording an adequate description of furniture, fittings and equipment, plant and machinery and other capital equipment owned by the Partnership, and the form in which the fixed asset register shall be kept shall be determined by the Director of Finance & Corporate Services. The Chief Executive and each Director will be responsible for items within their areas, with an updated copy being provided annually to the Director of Finance & Corporate Services in line with the closing of accounts timetable.

6.13.2 Each Head of Service shall be responsible to the Director of Finance & Corporate Services for maintaining an annual check of all items on the fixed asset register for taking action in relation to surpluses and deficiencies and noting in the fixed asset register accordingly. The Director of Finance & Corporate Services must be notified of these changes.

6.13.3 The Partnership's property must not be removed other than in the ordinary course of the Partnership's business, or used other than for the Partnership's purposes except in accordance with specific directions issued by the Director concerned.

6.13.4 Equipment in housing schemes must be separately identified and recorded in the Asset Register.

Inventories

6.14.1 Inventories shall be maintained by the appropriate Director and Chief Executive, recording an adequate description of furniture, fittings and equipment, plant and machinery and other small items of equipment used up during developments. The form in which the inventories shall be kept shall be determined by the Director of Finance & Corporate Services.

6.14.2 Each Head of Service shall be responsible to the Director of Finance & Corporate Services for maintaining an annual check of all items on the inventory in line with the closing of accounts timetable, for taking action in relation to surplus or deficiencies and noting on the inventory accordingly.

6.14.3 The Partnership's property must not be removed from its normal location other than in accordance with the ordinary course of the Partnership's business or used other than for the Partnership's purposes except in accordance with specific directions issued by the Director concerned.

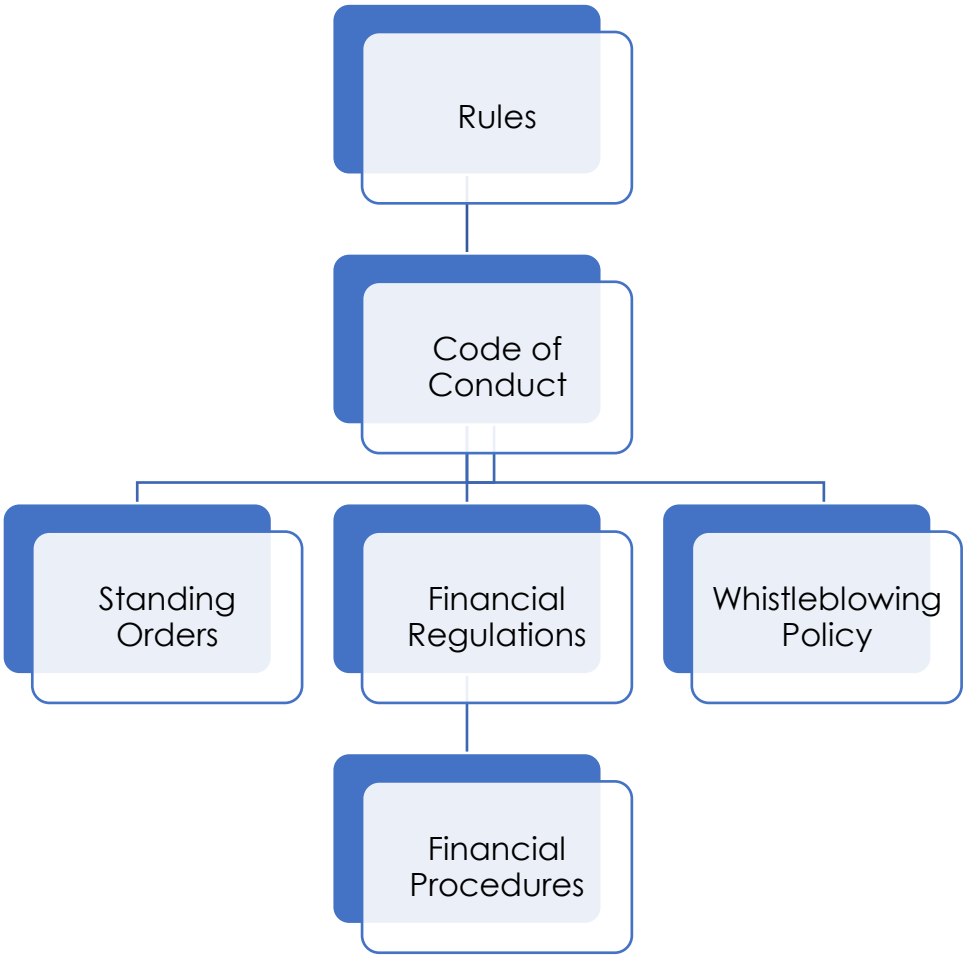
6.14.4 Each Head of Service must be responsible for the care and custody of the stocks and stores under his/her control, and for the maintenance of the relevant inventories.

6.14.5 Significant stock losses & losses on the disposal of components ahead of their natural replacement must be reported to the Board.

6.14.6 Scheme inventories must be separately identified and recorded.

APPENDIX 1

RELATIONSHIP WITH CONSTITUTION



APPENDIX 2

PROCUREMENT ARRANGEMENTS

The following table sets a framework for the procurement of goods and service. Any alternative from the recommended routes will require to be approved by the Board.

PROCUREMENT THRESHOLDS (FROM 1 FEBRUARY 2021)

Value of Purchase (excluding VAT)	**Minimum Requirement**
Up to £1,999.99	1 written quotation
£2,000 - £9,999.99	Either 2 independent written quotations or quotation(s) obtained through using the PCS Quick Quote facility
£10,000 – Scottish Procurement Threshold	Formal Tender process or quotation(s) obtained through using the PCS Quick Quote facility
Supplies threshold and above	Full UK Find a Tender Service (FTS) tendering procedures

APPENDIX 3

VIREMENTS

Overriding Principles:

a) no virement should cause a breach of our financial covenants

b) all overspends must be funded by savings or increased income

		Limit	Approved by
1)	Where an item of expenditure and associated income (E.g., Rent / Internal fees) has to be delayed for legitimate reasons that results in slippage of less than 12 months	None	Director of Finance & Corporate Services
2)	Saving or overspend on Supervision & Management budget (excluding depreciation, amortisation and year end pension actuarial adjustments)	£10,000	Budget Manager
		£20,000	Director of Finance & Corporate Services & Chief Executive
3)	Saving or overspend on a repairs & maintenance budget	£20,000	Budget Manager
		£50,000	Director of Operations or Director of Finance & Corporate Services
4)	Saving or overspend on investment, development or fixed asset budget	£50,000	Budget Manager
		£100,000	Director of Operations or Director of Finance & Corporate Services
5)	Savings or overspend on employee expenses	£5,000	Budget Manager
		£20,000	Chief Executive

INTERPRETATIONS & ABREVIATIONS

The following interpretations 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
Chair	Chairperson of the Board of Management of the Partnership
Chief Executive	The Chief Executive of Partnership or anyone who is deputising for the Chief Executive.
Committee	A committee of the Partnership appointed by the Board shall have the same meaning as the term sub-committee used in the Rules. In the Standing Orders, the term committee shall include sub-committees unless the sense of the context indicates otherwise.
Scottish Housing Regulator	An independent regulator of RSLs and local authority housing services in Scotland established on 1 April 2011 under the Housing (Scotland) Act 2010.
Local Connection	Means having a main or principal residence or principal place of business or operation in the Outer Hebrides and having lived or operated in the Outer Hebrides for a period of three consecutive years.
Rules	The Rules of the Partnership incorporated under the Industrial and Provident Societies Acts and registered with the Financial Services Authority.
The Partnership	Hebridean Housing Partnership
Heads of Service	A Director, Head of Executive Office or the Chief Executive
Delegated Budget Manager	Member of employees with responsibility for managing specific budgets
Standing Orders	Standing Orders of the Partnership which detail how the business of the Partnership will be conducted in practice.
Significant Variation	Where actual cost/income differs to budget by greater than 10% and over £5K
All references to the masculine gender in this policy shall read as equally applicable to the feminine gender	

Financial Approval Matrix				
Role	**Requisition Item**	**Requisition Approval**	**Invoice Item**	**Invoice Approval**
Requisitioners				
Housing Assistant	£1,000,000.00	£0.00	£0.00	£0.00
Corporate Resources Officer	£1,000,000.00	£0.00	£0.00	£0.00
Corporate Resources Officer	£1,000,000.00	£0.00	£0.00	£0.00
Corporate Resources Officer	£1,000,000.00	£0.00	£0.00	£0.00
Tenant Engagement Officer	£1,000,000.00	£0.00	£0.00	£0.00
Housing Assistant	£1,000,000.00	£0.00	£0.00	£0.00
Housing Assistant	£1,000,000.00	£0.00	£0.00	£0.00
Admin Officer	£1,000,000.00	£0.00	£0.00	£0.00
Corporate Services Officer	£1,000,000.00	£0.00	£0.00	£0.00
Corporate Services Officer	£1,000,000.00	£0.00	£0.00	£0.00
Invoice Inputers				
Debt Management Officer	£ -	£ -	£1,000,000.00	£ -
Debt Management Officer	£ -	£ -	£1,000,000.00	£ -
Financial Accountant	£ -	£ -	£1,000,000.00	£ -
Finance Assistant	£ -	£ -	£1,000,000.00	£ -
Authorisors				
Admin Officer	£ -	£1,000.00	£ -	£1,000.00
Personal Assistant	£ -	£1,000.00	£ -	£1,000.00
Area Manager	£ -	£1,000.00	£ -	£1,000.00
Service Development Manager	£ -	£1,000.00	£ -	£1,000.00
Governance Officer	£ -	£1,000.00	£ -	£1,000.00
Area Manager	£ -	£1,000.00	£ -	£1,000.00
Assets & Contracts Manager	£ -	£50,000.00	£ -	£50,000.00
Corporate Resources Manager	£ -	£50,000.00	£ -	£50,000.00
Digital Transformation Manager	£ -	£50,000.00	£ -	£50,000.00
Finance Manager	£ -	£50,000.00	£ -	£50,000.00
Development Manager	£ -	£50,000.00	£ -	£50,000.00
Investment Manager	£ -	£50,000.00	£ -	£50,000.00
Director of Finance & Corporate Services	£ -	£100,000.00	£ -	£100,000.00
Director of Operations	£ -	£100,000.00	£ -	£100,000.00
Chief Executive	£ -	£1,000,000.00	£ -	£1,000,000.00

INVESTMENT PROGRAMME

Board 24 June 2025

Report by Director of Operations

Purpose of Report

1.1 To provide an update on the 2025/26 Investment Programme (approved 19 November 2024.

Summary

2025-2026 Investment Programme

2.1 The programme continues to tackle fuel poverty and to progress towards the anticipated requirements of the forthcoming Net Zero targets for Social Housing. The Programme also seeks to ensure that we maintain homes at the Scottish Housing Quality Standard.

2.2 The Investment framework contract is being used for the delivery of the programme. Tendering has commenced, prioritising windows, roofing and roughcast in the first instance with remaining works following through June 2025.

2.3 An application has been submitted to the Scottish Government Social Housing Net Zero Heat Fund to support the heating replacement programme. The outcome is awaited.

Aids and Adaptations 2025/26

2.4 We have received confirmation from the Scottish Government for an award of £338K from the RSL Adaptations Programme 2025/26. The award is in line with expectation and need. Procurement has been completed and engagement with tenants is ongoing to progress works.

Compliance

3.1 The competence issues relating to this report are at section 7.1 of the report.

Recommendations

4.1 It is recommended that the Board note:

a) the update on the 2025/26 Investment Programme;

b) the update on Aids and Adaptations and the waiting list.

APPENDIX 1:	Investment Programme update by Lot
APPENDIX 2:	Occupational Therapy Referrals
Background Papers:	Risk Register
	Management Report to 31 May 2025

Angus E MacNeil 02-Jun-25

Report Details

2025/26 Investment Programme - progress

5.1 The roofing at Cearn Sheileidh was carried forward from 2024/25 and has now been completed.

5.2 The 2025/26 tendering plan has been phased, with priority given to weather-dependent external works to ensure completion ahead of the winter period. A detailed update on progress and scheduling is provided in Appendix 1.

5.3 Supply chain issues - The initial tender for roofing works at St Brendan Road (Barra) did not receive any returns. Feedback from the contractor on the framework highlighted significant challenges impacting interest. These included a shortage of available tradespeople in Uist and Barra, high levels of commitment among local subcontractors to private projects, and logistical difficulties related to securing suitable accommodation and transport due to availability and affordability.

5.4 To increase market interest and improve viability for small and medium-sized enterprises (SMEs), all roofing and roughcasting works in Uist and Barra have been repackaged. At the request of a framework contractor, tender return deadlines have also been extended to allow additional time for engagement with potential subcontractors capable of delivering this element of the programme.

5.5 Tendering for heating work is currently underway. We have submitted a bid to the Social Housing Net Zero Heat Fund for £1.19M and await the outcome. While the timeline for funding decisions has not yet been confirmed by the Scottish Government progressing procurement ensures that we are ready to commence works once a decision is known.

Aids and Adaptations position

6.1 The current position on General Adaptations is detailed in Appendix 2.

6.2 The Scottish Government have awarded a grant of £0.338M.

6.3 All current referrals are proceeding through pricing and survey. The grant award will permit the waiting list to be cleared.

7.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	The revised programme for the 2025-26 period is within the business plan cash planning limits of £3.80M. The Scottish Government have awarded Aids and Adaptations funding of £0.338M. A further Social Housing Net Zero Heat Fund application for £1.19M has been submitted to support the 2025-26 heating programme. If successful in our application, RBS will require to approve the additional expenditure as the level of additional gross expenditure cannot be met from covenant headroom. RBS have advised their willingness to provide appropriate approvals if our bid is successful.
Legal	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. Financial Regulations require that actual forecasts and progress on the Investment Programme be reported to each routine meeting of the Board.
Regulatory	The Regulatory Standards Checklist has been completed and there is nothing in this report which would breach these standards. This report provides ongoing assurance of evidence point AN3 (H&S) in relation to our Annual Assurance Statement.
Risk	There are a number of risks highlighted in the Risk Register concerning. • the health of the local economy and the capacity of contractors to deliver programmes. Capacity currently is limited both for contractors and elements of the supply chain. However, our 5-year term contract with FES provides some resilience in service delivery and enables resources to be aligned with maintenance requirements based on historic knowledge. Supply Chain challenges is highlighted on our Risk Register with a residual risk of 6 which is considered low. • affordability for tenants leading to increased levels of fuel poverty. This has a residual risk of 12 which is considered a moderate risk.
ESG	There is an ESG impact arising from the consideration of this report.

COMPLIANCE CHECKLIST	

	• Social
	  o Building Safety and Quality - maintaining Scottish Housing Quality Standard
	  o Resident Voice - evaluate satisfaction.
	  o Placemaking – sustainability embedded into contract.
	• Environmental
	  o Climate Change - reducing waste, sustainability, recycling, local materials.
	  o Resource Management - regularly review standard specifications having regard to the environmental impact of individual products and materials.
	• Governance
	  o Supply Chain Management – maximise sourcing of local materials, minimize travel, Living wage through supply chain

Equalities	We are committed to promoting equality, diversity, and inclusion. There are no equalities implications arising from the approval of this report.
Communication	Following approval of this report, tenants will be advised of programmes, and consultation will be carried out pre works and satisfaction surveys conducted on completion. The Green Book publication has been distributed to all tenancies identifying the works by Ward/ Street/ Works/ Years.

APPENDIX 1

	Works	Lot	Contractor	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
Lewis & Harris	Windows & Doors	1A	Alex Murray (Construction) Ltd												
	Windows & Doors	1B	Alex Murray (Construction) Ltd												
	Windows & Doors	1C													
	Heating	2A													
	Heating	2B													
	Heating	2C													
	Bathroom/Showers	3													
	Kitchens	4	Alex Murray (Construction) Ltd												
	Roughcast & Roofing	5A	Alex Murray (Construction) Ltd												
	Roofing	5B	Alex Murray (Construction) Ltd												
	Roughcast	5C													
	Electrical	6													
	Environmental	7													
	OT	8	Alex Murray (Construction) Ltd												
Uist & Barra	Heating	10													
	Bathroom/Showers	11													
	Kitchens	12													
	Roughcast & Roofing	13													
	Roofing	13A													
	Roughcast	13B													
	Roughcast	13C													
	OT	16	FES FM Ltd												

Tender to be issued

Tenders being evaluated

Work on site

Work awarded awaiting end date of programme to be confirmed

APPENDIX 2

Occupational Therapy Referrals Update	**2025/26**
Number of Properties	23
Number of **Referrals received** (some properties have more than one referral)	25
Number of **tasks** on Referrals **received** (a referral can have multiple tasks)	37
Number of Referrals **completed**	10
Number of Referral tasks **completed**	12
Number of Referral tasks awaiting issue/ completion	25
Total Estimate of Referrals	**£0.186M**
Grant Allocation – General Adaptations	**£0.338M**
Expenditure to 31 May 2025	**£0.006M**
Remaining spend for works	**£0.332M**

BUSINESS PLAN MONITORING REPORT

Board 24 June 2025

Report by Chief Executive

Purpose of Report

1.1 To present the Business Plan Monitoring Report.

Summary

2.1 The Business Plan Monitoring Report for the quarter ended 31 March 2025 is at Appendix 1.

2.2 Arrears, void loss and Former Tenant Arrears collection rates are all ahead of target rates although the level of both Former Tenant Arrears and Rechargeable Repairs are below target.

2.3 90% of Business Plan Actions were completed by 31 March 2025.

Competence

3.1 The compliance issues relating to this report are at section 5.1 of the report.

Recommendations

4.1 It is recommended that the Board note the Business Plan Monitoring Report at Appendix 1.

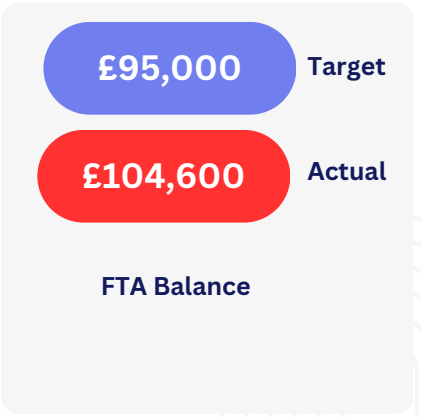
APPENDIX 1:	Business Plan Monitoring Report	
Background Papers:	None	
Writer of Report:	Iona France	Tel: 0300 123 0773

5.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	The 5-year Business Plan is supported by 30-year financial projections, 5-year projections and the detailed annual budget for 2024/25. The detailed annual budget for 2024/25 was approved in March 2024.
Legal	There are no specific legal issues relating to the Delivery Plan progress report.
Regulatory	The Regulatory Standards checklist has been completed and there is nothing in the report which would result in a breach of the standards.
Risk	Reviewing progress on the Delivery Plan on a quarterly basis reduces the risk of the Strategic Goals not being delivered.
ESG	Reviewing progress on the Delivery Plan on a quarterly basis ensures compliance with our ESG Strategy.
Equalities	We are committed to promoting equality, diversity and inclusion. There are no equalities implications arising from the approval of this report.
Communication	There are no communication requirements.

Lifeblood Indicators to 31 March 2025

Areas not hitting Green target are FTA. Rechargeable Repairs and the delay in raising invoices. 88% of Business Plan Actions are on target to be completed by 31 March 2025. Anti -social behaviour targets are slightly down due to a couple of long running cases.



Summary

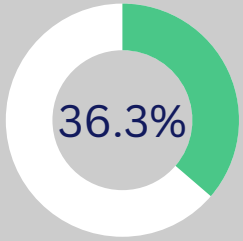
Income		●	
Waiting Lists	●		
Service Delivery	●		
Satisfaction		●	
Health & Safety	●		
Neighbourhoods		●	
Business Continunity	●		
People	●		
BP Actions	●		

Income Indicators

Void Loss

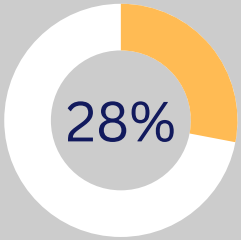
Void Loss

TARGET <1%
Actual 0.52%



FTA Collection Rates

TARGET 30%



Rechargeable Repairs Collection Rate

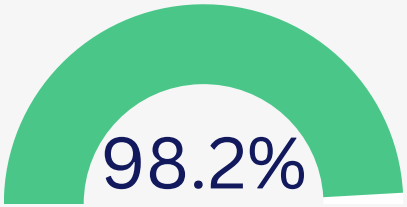
TARGET 30%

Time to raise an invoice

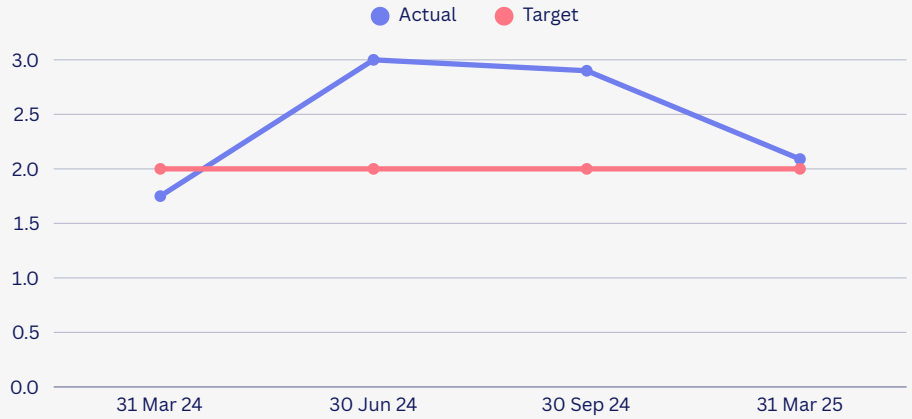
TARGET 14 DAYS
Actual 22 days

Repairs % within Target

TARGET 95%



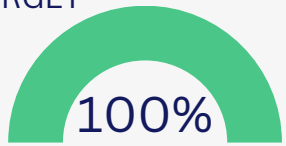
Current Rent Arrears (Expected)



Development

% completed against 5 year programme

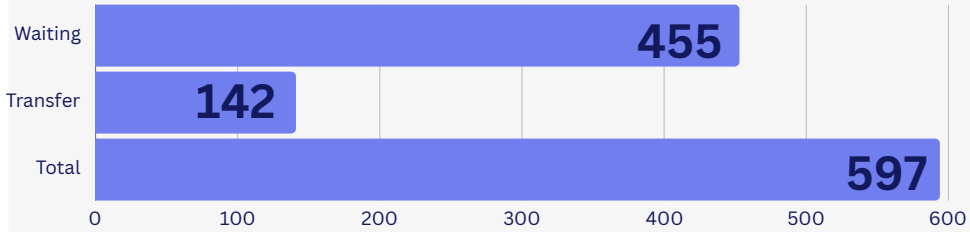
TARGET 100% - ON TARGET



Repairs - average time to complete non-emergency repairs

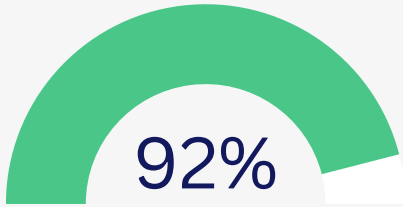
2.82
Days

Waiting Lists



% of investment delivered by Feb

TARGET 100% (of houses)

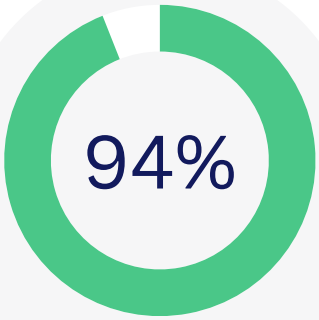


On target

Roofing may not be completed until after March 2025

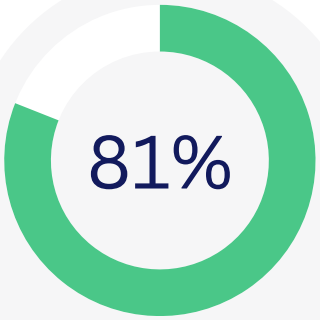
Satisfaction levels

The charts below show the annual satisfaction levels measured at point of service.



Repairs

TARGET 88%



Allocations

TARGET 85%

Investment

TARGET 90%

Neighbourhoods

ASB cases % resolved in 3 months

TARGET 100%

100%

Annual Estate Surveys-259

TARGET 100%

Planned works below target
with 161 completed

62%

Health & Safety

Annual Fire Doors checks completed

TARGET 100%
Planned works completed -
241 checks carried out

Electrical Check on 312 houses

TARGET 100%
Planned works completed -
318 checks carried out

Gas Servicing within 12 months

TARGET 100%

Planned works completed -
454 services completed

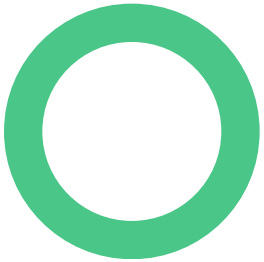
Business Continuity

Overall on target.
Board Membership: 2 tenant vacancies

Summary

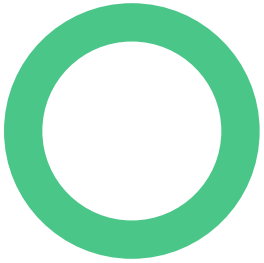
Indicator	
Notifiable Events on time	
Covenants	
No IT system breaches	
Insurance Loss ratio < 100%	
Board Membership	
IT systems downtime < 1%	
Business continuity tested	
FOI & Data Access requests on time	

People



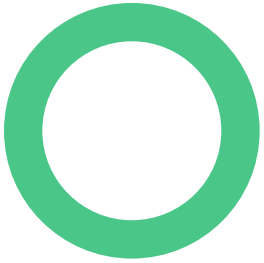
Turnover

TARGET <10%
Actual 10%



Sickness Rates (Days per year per employee)

TARGET <7 days
Actual 3%

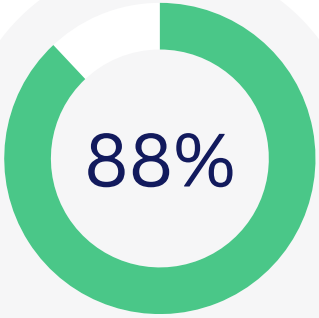


Complaints about staff

TARGET <5
Actual 0

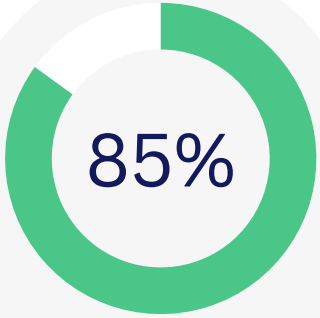
Strategic Goals

The charts below show the % of task that are on target for the year ended 31 March 2025

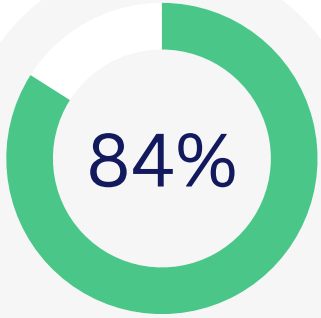


Tenants at the Heart

Investing sustainably



Excellent Employer

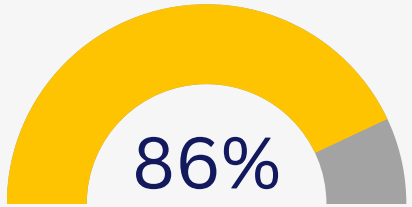


Thriving Communities

GOAL 1: Tenants at the Heart

Satisfaction with overall service

TARGET 88%



Equal Adventure Project

Pilot with Penumbra

Review COT (recycling)

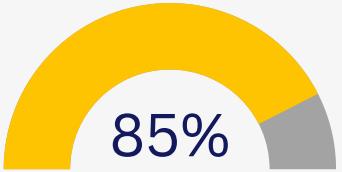
Tenant events held

Revised Rent Structure

Review Rechargeable Repairs

Satisfied with participation

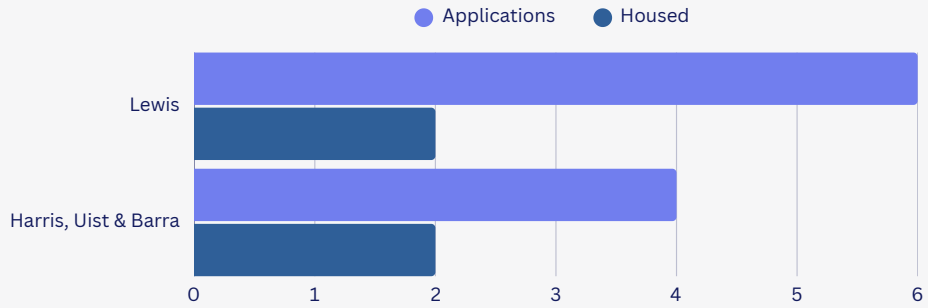
TARGET 87%



Respond to complaints

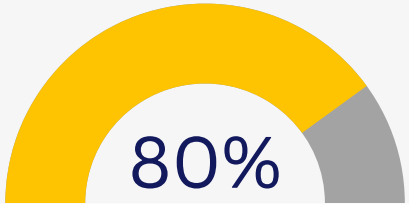
TARGET < 95%

Houses allocated to key workers 2024/25



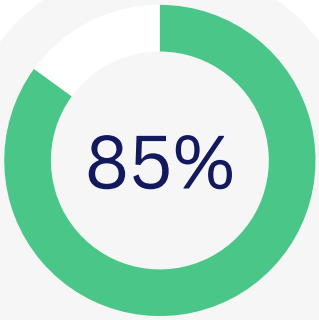
Review options for tenants to participate

TARGET 31 March 2025

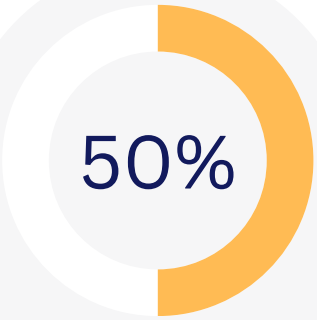


Core Services

The charts below show the % of task that are on target for the year ended 31 March 2025



Core Services

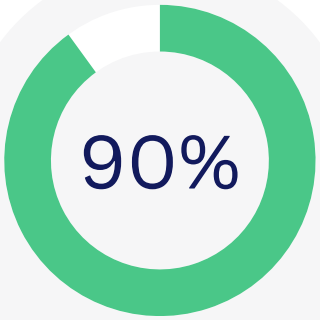


Benchmarking

Less resources available due to extended secondment + filling of a vacancy

Culture Audit

Audit undertaken and staff day held. Managers meeting scheduled



Self Assessment

Action Plan prepared