hebridean housing partnership

ITEM NO 3.1

HEBRIDEAN HOUSING PARTNERSHIP

Board

Minutes of Meeting held in HHP Board Room, Stornoway, and remotely via Microsoft Teams on Tuesday, 24 June 2025 at 5.30pm

PRELIMINARY ITEM	
ATTENDANCE & APOLOGIES	
1	**Attendance & Apologies** Attendees in Person: Gordon Macleod (Chair); Fiona Macleod; Duncan Macinnes; Helen Mackenzie; Calum Mackay; Valerie Russell Attendees via MS Teams: Norman Macdonald; Iain M Macleod; Gary Lamont Apologies: Alison Maccorquodale Staff & Consultants in Attendance: Dena Macleod (Chief Executive); Donald Macleod (Director of Finance & Corporate Services); John Maciver (Director of Operations); Iona France (Governance Officer); Joel Martin (Corporate Services Officer – Minute Taker); James Morrison (Finance Manager); Michael Libby (Corporate Services Officer – via MS Teams); Katie Walker (Uist Area Manager – via MS Teams) In attendance for Public Items Only: Angus E MacNeil (Assets & Contracts Manager); Peter O'Donnell (Investment Manager); Angus Smith (Corporate Resources Manager); Sawan Morrison (Development Manager); Kenneth Mackay (Finance Accountant); Donalda Mackinnon (Lewis Area Manager); Garry Campbell (Debt Management Officer) Following Housing Officer, Mina Maclean's announcement that she would be retiring in July of this year, the Chair acknowledged her significant contribution to the organisation and commended her for over 30 years of service to the housing sector. Gordon Macleod, who had been a Board Member of HHP for five years and Chair for almost 3 years announced he would be stepping down from his role to pursue a new direction in his career. Mr Macleod will begin training to become a minister in the Free Church of Scotland over the summer. We are all very sorry to be losing Gordon's experience and wise leadership and wish him all the best for the new adventure he will soon embark on. Calum Mackay further commended Mrs Maclean and Mr Gordon Macleod for their service to HHP.
PRELIMINARY PROCEDURAL MATTERS	
2	**Declaration of Interest** Calum Mackay declared an interest in item 6.6.
3.1	**Minute of Board Meeting 20 May 2025** **The minute of the Board meeting of 20 May 2025 was submitted and approved as a true and accurate record of the proceedings of the meeting.**
3.2	**Action Sheet** **The Action Sheet was noted.**
4	**Date of Next Meeting** **It was agreed the date of the next meeting would be 2 September 2025.**

5	**Health & Safety** The Director of Operations provided an update on the following Health and Safety issues to the Board. Each of the issues reported had been discussed at the Audit & Risk Committee the previous day. • Electricity Meter – A tenant raised concern over a burning smell from their electricity meter, which lead to the involvement of the Fire Brigade. Information gathered after discussions were held with SSEN on the matter confirmed electricity meters were the responsibility of the company that had supplied the home. • Leverburgh site – The site at the new development in Leverburgh was left unsecured over the course of a weekend. No incidents occurred and this lapse was addressed with the contractor responsible. • Barra – An open excavation site was left unsecured overnight and reported by a neighbour. No one was hurt as a result, and the contractor responsible was reminded of proper practices. The Director of Operations added actions had been taken to ensure there would not be a reoccurrence of these events.
ITEMS FOR DECISION	
6.1	**Annual Report & Financial Statements to 31 March 2025** On 23 June 2025, the Development & Finance Committee and the Audit & Risk Committee scrutinised the Annual Financial Statements. The DF&CS highlighted the key changes from last year and confirmed we had a strong set of financial results and CT Audit, our external Auditors, issued an unqualified audit report. The DF&CS confirmed our adjusted operating surplus was broadly in line with last year's. Net Assets rose by over £2.5M, and the pension remained in surplus this year. Mrs Mackenzie thanked the DF&CS and the Finance team for preparing the accounts and commended the team on receiving an unqualified audit report. Colin Gilmour enquired about the reduction in trade and other debtors outlined in the Statement of Cash Flows. The DF&CS provided an explanation for the reduction and advised that Note 11 of the accounts provided detail on the movement shown. The DF&CS advised note 11 of Appendix 1 provided context regarding his enquiry as it showed our trade and other receivables. At the subsidiary meeting earlier in the day, the Chair advised he would be stepping down as Director of the Subsidiary, therefore nominations for a replacement were requested. It was agreed Duncan Macinnes would join the Subsidiary. **The Board:** **a) approved the Annual Report and Financial Statements for the year ended 31 March 2025 as at Appendix 1; and** **b) noted the HHP Community Housing Accounts for the year ended 31 March 2025 at Appendix 2; and** **c) appointed Duncan Macinnes as a Director of HHP Community Housing Limited.**
6.2	**Budgetary Performance for the Year Ended 31 March 2025** A report on the performance against budget for the year ended 31 March 2025 was presented to the Board, which included an overview of Board Members' expenses and consultancy spend for the year. The Development & Finance Committee met on 23 June 2025 to review the detailed performance against budget for the year ended 31 March 2025. The DF&CS reported an operating surplus of £1.4M was the approved budget for 2024/25, whilst the final out-turn was £1.3M higher with an operating surplus of £2.7M and the DF&CS confirmed we had met our covenant compliance for the year ended 31 March 2025. Colin Gilmour asked whether it was our target to increase reserves year on year and whether we seek to make a surplus and add that to reserves. The DF&CS advised some years we return a surplus and some years we return a deficit. The surplus which we generated must be higher than the net interest payable by 110% and any surplus generated which was beyond what was originally approved by Board would be recycled into our plans and reflected in our Business Plan. The report sought approval for a recommendation to the AGM that £5,000 of the surplus be donated to local charities during 2025/26. **The Board:** **a) noted the performance against budget for the year ended 31 March 2025 as at Appendix 1;** **b) noted the Financial Covenant for 2024/25 as at Appendix 2; and** **c) approved a recommendation to the AGM that £5K. of the surplus be donated to local charities during 2025/26**

6.3	**<u>SHR Financial Return</u>** The Loan Portfolio Return (2024/25) and Audit Financial Statements (2024/25) submission, required by the SHR, was presented for consideration and approval. **The Board approved submission to the Scottish Housing Regulator of:** **a) the Loan Portfolio Return for 2024/25 as at Appendix 1; and** **b) the Audited Financial Statements as at Board Agenda Item 6.1 once the Regulator has opened the portal for submissions.**
6.4	**<u>Operations Report to 31 March 2025</u>** The Lewis Area Manager presented the Operations Report to 31 March 2025 and provided an update on repairs, antisocial behaviour and complaints. <u>Repairs</u> Repair and Maintenance Contractor performance for the period 1 October 2024 – 31 March 2025 was assessed as good. Operationally, FES FM had provided a satisfactory service and this was reflected in the Service Review. <u>Antisocial Behaviour</u> There were 15 new complaints of antisocial behaviour reported during the year. The majority of these were minor and, overall, levels continue to be low. However, 2 cases were serious and were to be escalated. <u>Complaints</u> Complaints Performance showed that 57 complaints were received from 1 October 2024 – 31 March 2025, which was 4 lower than the 61 received within the same period last year. 100% of complaints were responded to within target. 99 compliments were received during the period and these related to the support and assistance provided by staff. The Director of Operations discussed the impact of CNES' pending prevention strategy on homelessness allocations and the importance of early intervention to prevent homelessness. CNES are awaiting new legislation before the prevention strategy can be progressed. The Director of Operations added the current allocation quotas for homeless applicants had aided efforts to reduce the number of households in temporary accommodation. The Lewis Area Manager highlighted the importance of regular meetings with Police Scotland to address antisocial behaviour and maintain a strong working relationship. Calum Mackay commended the allocations team for the comprehensive nature of the report. **The Board:** **a) noted the Allocations Report 2024/25 at Appendix 1;** **b) agreed the quota of vacancies in Stornoway remain at 50% for homeless applicants and that the number of 2 apt properties being made available for homeless applicants in Stornoway be retained at 25 per annum; and** **c) agreed the quotas for allocation properties in Stornoway remain at 15% for transfer applicants and 35% for other waiting list applicants.**
6.5	**<u>Annual Review of Standing Orders</u>** The Governance Officer presented the reviewed Standing Orders for approval and stated there were only minor updates made to the Standing Orders. **The Board approved the Standing Orders at Appendix 1.**
6.6	**<u>Board Member Appointment – 9 Year Rule</u>** At this point, Calum Mackay left the room. The Governance Officer presented a report which sought approval for the continued service of Calum Mackay, who had served on the Board for 9 continuous years. Ms Mackenzie added Mr Mackay's connection with tenants had been invaluable to the organisation over the 9 years of his service and this was seconded by Iain M Macleod. Gordon Macleod acknowledged Mr Mackay's extended service and his willing nature to remain on the Board. At this point, Calum Mackay rejoined the meeting and was informed by the Chair of the decision that the remain on the Board. **The Board approved Mr Calum Mackay's continued service to the 2025 AGM as a community Board member.**

6.7	**<u>Apprenticeship Scheme</u>** The Chief Executive presented the Apprenticeship Scheme report and added we currently employ two Modern Apprentices and we had recruited a Graduate Apprentice Building Surveyor , who will commence employment during the summer months. **The Board considered the recommendations from the Personal Working Group and approved the Apprenticeship Scheme at Appendix 1.**
6.8	**<u>Use of AI Pilot Project</u>** The Governance Officer presented a report on the pilot project on the use of AI and discussed the benefits and potential uses of AI, whilst the need for protocols and staff training to ensure compliance with legal requirements was highlighted. Mr Mackay enquired about the possibility of Board members being able to attend AI-specific training. The Chief Executive confirmed AI-specific training would be arranged for Board members in due course. **The Board:** **a) noted the outcome of the AI Pilot programme; and** **b) agreed that AI protocols be developed and staff and Board members are provided with basic training to ensure compliance with data protection requirements.**
6.9	**<u>Development Report to 31 May 2025</u>** The Development Manager presented the Development Report and provided an update on the following developments: Blackwater – The next handover of houses at this site was due at the end of August 2025. Barra – Construction works on the second phase of 6 houses started at this site in May. Leverburgh – The first five houses of phase 1 were handed over in May 2025 and the final 7 houses of this phase were scheduled to be handed over in October 2025. Grimsay – Progress was being made with the planning application at this site. The intention was to tender this project along with the 4 units at Low Flyer to make the tender more attractive to contractors . The Development Manager added two public consultation events regarding Scott Road were scheduled to take place on Friday 27 June and Tuesday 19 August 2025. The Director of Operations added the purchase of land at Scott Road from Atlantic Holdings had been concluded. **The Board:** **a) approved a virement of £458K from reserves for the connection charges at the Melbost West Site and authorised the Director of Finance & Corporate Services to make the payment at the optimal time for HHP;** **b) agreed to progress a detailed planning application for both phases at Tarbert providing 48 houses and;** **c) noted the progress updates on New Build projects.**

POLICIES & STRATEGIES	
7.1	**<u>Sexual Harassment Policy</u>** The Chief Executive presented the Sexual Harassment Policy and added the Policy had been scrutinised by the Personnel Working Group and consulted on with Staff and Unison. The Personnel Working Group recommended regular training for staff in this area. **The Board approved the Sexual Harassment Policy at Appendix 1.**
7.2	**<u>Debt Management Policy</u>** The Finance Manager stated the Debt Management Policy was last reviewed in June 2022, when the Sundry Debts policy and the Rent Arrears policy were consolidated into one Policy. Minor changes were made to the Policy, to update timelines, provide clarity as to when debt can be written off and to reflect the fact we now collect monies through the Allpay suite of payment tools and the tenant portal. **The Board approved the Debt Management Policy at Appendix 1, subject to any recommendations from SHR on the current notifiable event.**

7.3	<u>**Policy Consultation Feedback**</u> The Uist Area Manager presented the feedback on the Allocations Policy consultation and advised the Board there were no significant issues raised and the approach to the property sizes being made available to households was supported by 62% of respondents, whilst our approach to key worker status was supported by 67% of respondents. One of the questions consulted on was the allocation of a property with an extra bedroom to enable tenants to work from home. Due to the low agreement in consultation response this was not added to the Policy but passed back to Board for further consideration. Following discussion, it was agreed a report on the provision of an additional bedroom for homeworking be brought to the Operations Working Group in November 2025. **The Board:** **a) agreed a further report on the provision to support home working be brought to the Operations Working Group** **b) approved the Alllocations Policy**
7.4	<u>**ESG Strategy Annual Review**</u> The Investment Manager presented the ESG Strategy Annual review, which highlighted the actions taken throughout the year through our business and operations activities to contribute to social and sustainability agendas in the wider community. The report provided a summary of our overall performance during 2024/25: • 22% of tenants signed up to our tenant portal • 99.8% of houses met SHQS (excluding abeyances and exemptions) • All houses met EEESH (excluding abeyances and exemptions) • All tenants were issued with Tenant Health and Safety booklet • Community benefit was used to enhance communities • ESG was considered in each policy review • Drop-in events were held at Cearns resource centre • Tenant events were held in Stornoway, Uist and Barra • 8 homes were built to Silver Aspect level 1 • Our Culture Audit was completed Mr Gilmour asked why 7% of our properties had not met the Social Housing Quality Standard. The Investment Manager advised some tenants refused to have works carried out in their homes and some kitchens were unable to be altered unless they were to be remodelled, which would not be cost efficient. **The Board:** **a) noted the ESG annual review at Appendix 1** **b) noted the measurement of performance at Appendix 2; and** **c) approved the ESG action plans for 2025/26 at Appendix 3.**
7.5	<u>**Asset Management Strategy Annual Review**</u> The Assets & Contracts Manager presented the Asset Management Strategy Annual Review and highlighted a number of key points such as the upcoming net zero aspirations and procurement decisions. The Asset Management Strategy was based on our Stock Condition Survey and was set within the framework of our Business Plan. The Strategy recognised the need for an ongoing review of our housing stock to identify any areas or groups of houses where further assessment had been required as to their long-term viability. The Strategy was structured on guidance from the Scottish Housing Regulator, including their guidance on ensuring damp and mould issues within homes was effectively managed. Ms Mackenzie enquired about the grounds maintenance contract, which was due for renewal in 2026, and asked whether this might present an opportunity for tenants to get involved **The Board noted the progress on the Asset Management Strategy Action Plan at Appendix 1.**

MONITORING REPORTS	
8.1	**Quarterly Treasury Report to 31 March 2025** The DF&CS presented the Treasury Management activities for the fourth quarter of 2024/25 and confirmed all covenants were complied with for 2024/25 and our cash balances were £9.115M, a decrease of £0.947M compared to the previous quarter. **The Board noted the:** **a) quarterly report on the analysis of Investment and Borrowing** **b) outstanding loans at 31 March 2025 of £17M; and** **c) cash balance at 31 March 2025 of £9.115M.**
8.2	**Management Report to 31 May 2025** The Management Report to 31 May 2025 had been scrutinised by the Development & Finance Committee the previous day. The Finance Manager highlighted the following points: • Additional monies had been placed in deposit at the beginning of the financial year and this was the reason for our increased interest receivable out turn • A funding bid had been submitted for Net Zero Heating works and, if successful, the heating replacement programme would increase by 55 units • Confirmation of aids and adaptations grant of £338,000 had been received, which increased our surplus for the year. **The Board noted the Management Report at 31 May 2025 and revised forecast out turn at 31 March 2026 as at Appendix 1.**
8.3	**Annual Review of Financial Regulations** The DF&CS presented the Annual Review of Financial Regulations and added the Financial Regulations had been reviewed with no changes required. The Financial Authorities had been updated to reflect changes in staffing over the year. Mrs Mackenzie asked how often we review our procurement thresholds. The DF&Cs confirmed thresholds were in line with our Procurement Strategy. **The Board noted the review of the Financial Regulations & Financial Authorities.**
8.4	**Investment Report to 31 May 2025** The Assets & Contracts Manager presented the Investment Report to 31 May 2025, which had been scrutinised at the Development and Finance Committee the previous day. Confirmation had been received from the Scottish Government for an award of £ 0.338M for the Aids & Adaptations Programme 2025/26. The award was in line with expectation and need. Procurement had been completed and engagement with tenants was ongoing to progress works. **The Board noted:** **a) the update on the 2025/26 Investment Programme;** **b) the update on Aids & Adaptations and the waiting list.**
8.5	**Business Plan Monitoring Report to 31 March 2025** The Chief Executive presented the Business Plan Monitoring Report to 31 March 2025 and stated there was nothing to bring to the attention of the Committee. Arrears, Void loss and Former Tenant Arrears collection rates were all ahead of target rates although the level of both Former Tenant Arrears and Rechargeable Repairs were below target. 90% of Business plans were completed by 31 March 2025. **The Board noted the Business Plan Monitoring Report.**
MEETING GOES INTO PRIVATE SESSION	

Chairperson Mr Gordon Macleod

SIGNED ………………………………………………………

DATE ………………………………………………………