hebridean housing partnership

ITEM NO 3.1.1

HEBRIDEAN HOUSING PARTNERSHIP

Board

Minutes of Meeting held remotely via Microsoft Teams on Tuesday, 10 February 2026 at 5.30pm

PRELIMINARY ITEM	
ATTENDANCE & APOLOGIES	
1	**Attendance & Apologies** Attendees via MS Teams Calum Mackay (Chair) Duncan Macinnes Alison Maccorquodale Iain M Macleod Valerie Russell Helen Mackenzie Christina Macneil Norman Macdonald Apologies received Colin Gilmour Staff & Consultants in Attendance Dena Macleod (Chief Executive) Donald Macleod (Director of Finance & Corporate Services) John Maciver (Director of Operations) Iona France (Governance Officer) James Morrison (Finance Manager) Michael Libby (Corporate Services Officer) In attendance for Public Items Only Sawan Morrison (Development Manager) Angus Smith (Corporate Resources Manager) Katrina Rowlands (Service Development Manager) Angus E MacNeil (Assets & Contracts Manager) Peter O'Donnell (Investment Manager) Gary Macleod (Digital Transformation Manager) Donalda Mackinnon (Area Manager) The Chair paid tribute to Mr Alasdair Nicholson MBE, who passed away suddenly whilst on holiday in Africa. Mr Nicholson served as Chair of the Comhairle's Housing Committee prior to stock transfer.
PRELIMINARY PROCEDURAL MATTERS	
2	**Declaration of Interest** **There were no declarations of Interest.**
3.1.1	**Minute of Board Meeting 18 November 2025** **The minute of the Board meeting of 18 November 2025 was submitted and approved as a true and accurate record of the proceedings of the meeting.**
3.1.2	**Note of Tenant Board Panel 13 January 2026** A formal way of capturing the items from the Tenant Board Panel was discussed. **The note of the Tenant Board Panel meeting of 13 January 2026 was noted.**
3.2	**Action Sheet** The Chief Executive informed Board Members she would forward the response from the Scottish Government regarding Public Sector Reform. **The Action Sheet was noted.**
4	**Date of Next Meeting** The Chief Executive provided an update on the proposed Board meeting due to be held in Barra in May 2026. Due to challenges regarding the cost and availability of accommodation on Barra, it may be necessary to hold an online meeting and reschedule an in-person meeting in Barra for a later date. **It was agreed the date of the next meeting would be 24 March 2026.**
5	**Health & Safety** There was nothing to report.

ITEMS FOR DECISION	
6.1	**<u>Business Plan</u>** The Chief Executive presented the 2026 update to the Business Plan (2024/25 to 2028/29) and highlighted the changes in the Risk Register and the Risk Appetite statement which were discussed at the Audit & Risk Committee earlier in the day. The Tenant Board Panel and staff will be consulted on the changes to the Business Plan. The Risk Appetite statement was amended to reflect a more cautious approach in some areas, with the exception of Development, where the position shifted from cautious to open. Suggestions were made on improving the reporting of the anti-social behaviour performance indicator by separating out cases we have no control over due to ongoing legal processes, and the Key Workers indicator to provide more context. **The Board approved:** **a) the draft 2026 update to the Business Plan 2024/25 to 2028/29 as the basis for the consultation document with the Tenant Board Panel with a final Plan brought to the Board in March 2026; and** **b) the Risk Appetite Statement.**
6.2	**<u>Rent Setting & Cash Planning Limits</u>** The draft 2026/27 cash planning limits, including charges for rents, garages and services were presented for approval. The Director of Finance & Corporate Services (DFCS) provided an overview of the rent consultation. This year saw an increase in response numbers, with a total of 185 submissions received. Of these, almost 90% selected option one, which proposed a 4.5% rent increase The most common feedback from respondents to the consultation related to dissatisfaction with the rent increase, primarily referencing cost of living concerns. Maintenance issues were also highlighted, with tenants enquiring about investment works or fencing repairs. The DFCS advised that detailed budgets would be submitted for approval to the March 2026 Board Meeting and provisions for carry forward and slippage in the Investment and Development programmes would be incorporated into the detailed budget. It was agreed at the Development & Finance Committee meeting the previous day that administrative fees would be rounded up to the nearest pound going forward. Following the approval of this item the prize draw for the tenant consultation took place. **The Board:** **a) approved the cash planning limits;** **b) approved the increase of house rents for 2026/27 at RPI only (4.5%), an average increase of £4.46 per week to £103.65 per week;** **c) approved garage rents and garage site rents for 2026/27 be increased by RPI only (4.5%).** **d) approved all other services and charges for 2026/27 as shown at Appendix 2 be increased by 4.5% (September RPI);** **e) approved the non-tenant administrative charges are rounded up to the nearest pound; and** **f) noted that detailed budgets will be submitted to the Board for approval on 24 March 2026.**

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<u>Management Report to 31 December 2025</u>

The Finance Manager presented the Management Report to 31 December 2025 and confirmed a detailed report was discussed at the Development & Finance Committee the previous day. The Finance Manager confirmed our debt position had improved with a reduction of £69K from the previous month.

The report highlighted three specific budget areas

- Response Repairs: There has been a year-on-year increase in both the volume and average cost of response repairs.
- Insurance Repairs: A significant proportion of repairs fell below the insurance excess threshold, resulting in costs that cannot be partially recovered through insurance claims.
- HWEC Service Charges: The Housing with Extra Care service charges have risen due to higher than budgeted utility costs and additional maintenance costs billed within this financial year.

The Investment Programme was experiencing additional pressures due to contractor workforce shortages and delays in the Net Zero grant award. The requirement for heating works to be completed by 31st March 2026 created labour availability pressures in the latter part of the year.

The Board:

a) approved the virement of £31.4K from reserves to Insurance Repairs costs, if required;

b) approved the virement of £38K from reserves to the increased out-turn on the HWEC service charges if required;

c) approved the virement of £24.6K to reserves due to savings on interest payable £16K and additional interest received of £8.6K;

d) approved the inclusion of reserves in future Management Reports;

e) noted the Management Report at 31 December 2025 and revised forecast out turn at 31 March 2026; and

f) noted the current legal action on live arrears.

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<u>LHS Consultation</u>

The Chief Executive advised a draft Local Housing Strategy (LHS) was available on the Comhairle's website for consultation. It was proposed delegation is given to the Chief Executive to respond to the consultation.

The Board agreed to delegate the submission of HHP's response to the Comhairle's Local Housing Strategy consultation to the Chief Executive and a draft of the response be issued to Board Members for comment prior to being submitted

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<tr><td colspan="2" align="center">POLICIES & STRATEGIES</td></tr>
<tr><td>7.1</td><td>

<u>Asbestos Policy</u>

The Investment Manager presented the Asbestos Policy which was updated to align with EVH's Landlord Manual following a recommendation from the Health & Safety audit conducted in November 2024.

The Board approved the Asbestos Policy.

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<u>Rent & Service Charges Policy</u>

The Area Manager presented the Rent & Service Charges Policy and highlighted the date used for the rent-increase consultation was amended to the preceding September RPI rather than October. This adjustment would enable earlier tenant consultation as part of the annual rent-setting process. The Policy will be presented to the Board for a full review in March 2027 following the implementation of the Housing (Scotland) Act 2025.

Helen Mackenzie stated the policy wording at Paragraph 8.8 was a bit ambiguous and should be clarified when we carry out the full review.

The Board agreed to amend the inflation reference point to September Retail Price Index (RPI) as detailed at Paragraph 8.2 of the Rent & Service Charge Policy with a full policy review coming to the Board in 2027.

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MONITORING REPORTS	
8.1	**<u>Quarterly Treasury Report to 31 December 2025</u>** The DF&CS presented the Treasury Management activities for the third quarter of 2025/26 and confirmed our cash balances at 31 December 2025 were £8.041M, a reduction of £1.523M from the previous quarter. All covenants were forecast to be met for 2025/26, based on the newly approved covenants from RBS which now exclude spend on major repairs and investment, in calculating our Adjusted Operating Surplus. Appendix 2 outlined all expenditure and income with regard to cash, comparing the original cash assumptions against the actual cash outlay and cash received. Notable variances have been identified, with the majority attributable to changes in the capital investment programmes. As discussed at Item 6.3 the Investment Programme is weighted heavily towards the latter part of the year. This was primarily due to the delays in the Net Zero funding announcement. As such, the timing of expenditure and income was impacted. Delays in several key development sites have further contributed to the variances between projected and actual cash flow. The DFCS confirmed the majority of our borrowing was on fixed terms, therefore the impact of changes in interest rates was minimal. **The Board noted:** **a) the Quarterly Report on the Analysis of Investment and Borrowing;** **b) The outstanding loans at 31 December 2025 of £17M; and** **c) The cash balance at 31 December 2025 of £8.041M**
8.2	**<u>Development Report</u>** The Development Manager provided an update on the Development Programme. **Blackwater** The delay to Blackwater Phase three due to electric meter supply issue had been resolved with work due to begin next week, The revised completion date was the second week of April 2026 with 14 houses scheduled for handover. No further delays were expected. **Scott Road** The Planning Board approved the application, subject to conditions, earlier in the day and it will proceed to Council on 11 February 2026. Work was underway to determine the next steps should full approval be granted with the immediate focus on identifying a contractor for the enabling works. **Melbost West** The project was in contract negotiation period following the return of tenders. Efforts were being made to finalise funding agreements with SSEN and the Scottish Government, to secure a fundable project for the development of phase one and phase two, comprising a total of 73 houses. **Iochdar School Site** The Development Plan was updated to reflect the previously unidentified site at South Uist as the Iochdar School site and work was being undertaken to advance with this site. Two further tenders had been issued for: the refurbishment of the Carloway Care Unit and the four unit site in Gravir. **The Board noted:** **a) the updated Development Plan; and** **b) the Iochdar School site is being progressed as the unnamed South Uist site included in the Development Plan.**
8.3	**<u>Investment Report</u>** This report provided an update on the 2025/26 Investment Programme. The main delays with the Investment Programme had been discussed at Item 6.3 and Item 8.1 primarily contractor resourcing issues. The roofing works in Uist & Barra were unable to progress as the contractor was unable to secure insurance for asbestos tile removal. It was intended to re-tender these works in 2026/27. **The Board noted the update on:** **a) the 2025/2026 Investment Programme; and** **b) Aids and Adaptations and the waiting list.**

8.4	**<u>Grounds Maintenance Contract</u>** The Assets & Contracts Manager provided an update on the procurement process for the 2026-2030 Grounds Maintenance Programme which was currently out to tender. Tender returns were due by Friday 13 February 2026. Following contractor feedback, the contract was divided into four lots, Stornoway, Lewis, Harris and Uist. Discussions addressed the impact of new build on grounds maintenance costs and responsibilities leading to a considerable rise in budget requirements. Suggestions were made to explore opportunities for local sole traders and community trusts to undertake grounds maintenance, especially in rural areas, as smaller contract lots may be more accessible and beneficial for local businesses. Challenges faced by smaller companies, including compliance with public liability insurance and health and safety policies, which may limit their participation, were recognised. **The Board noted the update on the procurement process for the 2026–30 Grounds Maintenance Programme.**
8.5	**<u>Business Plan Monitoring Report</u>** **This report was for information only and was noted with no discussion.**
8.6	**<u>Health & Safety Annual Update</u>** **This report was for information only and was noted with no discussion.**

Chairperson Mr Calum Mackay

SIGNED ………………………………………………………

DATE ………………………………………………………