

BOARD AGENDA –

23 JUNE 2026

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	PAGE NO
1	Attendance & Apologies	Noting	Chair	3
2	Declaration of Interest	Noting	Chair	-
3	Minutes	Approval		-
3.1.1	Minute of Meeting 26 May 2026	Approval	Chair	5
3.1.2	Note of Tenant Board Panel 28 May 2026	Noting	Service Development Manager	7
3.2	Action Sheet	Noting	Chief Executive	8
4	Date of Next Meetings 25 & 26 August 2026	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 2026	Approval	Director of F&CS	9
6.2	Budgetary Performance for the Year Ended 31 March 2026	Approval	Director of F&CS	75
6.3	SHR Returns	Approval	Director of F&CS	88
6.4	Investment Framework Consultancy Procurement	Approval	Assets & Contracts Manager	105
6.5	Operations Report – Review of Allocations Quotas	Approval	Director of Operations	108
6.6	Annual Review of Governance Documents	Approval	Governance Officer	109
6.7	20 th Anniversary	Approval	Chief Executive	218
6.8	Management Report to 31 May 2026	Decision	Director of Finance & Corporate Services	220

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	
7	Policies & Strategies			
7.1	Entitlements Payments & Benefits Policy	Approval	Governance Officer	238

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	
8	Monitoring Reports			
8.1	Quarterly Treasury Report to 31 March 2026	Noting	Chief Executive	273
8.2	Development Monitoring Report 2026/27	Noting	Development Manager	281
8.3	Investment Monitoring Report 2026/27	Noting	Assets & Contracts Manager	286

ITEM	AGENDA ITEM	ACTION	PRESENTED BY	
9	For Information Only			
9.1	Asset Management Strategy Annual Review	For Information	Director of Operations	292
9.2	ESG Strategy Annual Review	For Information	Director of Operations	300
9.3	Equalities, Inclusion & Diversity Annual Update	For Information	-	334
9.4	Operations Report to 31 March 2026	For Information	Director of Operations	342
MEETING GOES INTO PRIVATE SESSION				

Board Meeting Attendance 2025/26

Board Members	Notes	03-Sep-25	18-Nov-25	10-Feb-26	24-Mar-26	26-Mar-26	26-May-26	23-Jun-25	25-Aug-26
Helen Mackenzie									
Iain M Macleod									
Christina Macneil	1								
Fiona Macleod	2								
Alison MacCorquodale									
Calum Mackay									
Norman Macdonald									
Duncan Macinnes									
Valerie Russell									
Colin Gilmour									

1 Appointed as Tenant Member 3 September 2025

2 Tendered resignation on 17 November 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

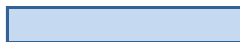
Leave Special Leave Granted

Board Training & Conferences 2025/26

Board Members	Landlord Facilities H&S Training	One Advanced Goals	My1HS Modules	Finance for Non Financials	Board Member Role & Contributing to Decision Making Training
	14-Jan-26	27-Jan-26	10-Feb-26	07-May-26	21-May-26
Calum Mackay					
Helen Mackenzie					
Iain M Macleod					
Christina Macneil					
Alison MacCorquodale					
Norman Macdonald					
Duncan Macinnes					
Valerie Russell					
Colin Gilmour					

SFHA Conference
SFHA Finance Conference

Helen Mackenzie
Colin Gilmour



Member present at training



Member not present at training



Cancellation of travel due to weather
Unable to attend remote training due to
technical difficulties



Member not required to be present at training

Leave

Special Leave Granted



HEBRIDEAN HOUSING PARTNERSHIP

Board

Minutes of Meeting held at the Dark Island Hotel, Benbecula on Tuesday, 26 May 2026 at 5.30pm

PRELIMINARY ITEM																			
ATTENDANCE & APOLOGIES																			
1	<u>Attendance & Apologies</u> <table><tr><td><u>Attendees</u></td><td><u>Staff & Consultants in Attendance</u></td></tr><tr><td>Calum Mackay (Chair)</td><td>Dena Macleod (Chief Executive)</td></tr><tr><td>Duncan Macinnes</td><td>Donald Macleod (Director of Finance & Corporate Services)</td></tr><tr><td>Christina Macneil</td><td>John Maciver (Director of Operations)</td></tr><tr><td>Iain M Macleod</td><td>Iona France (Governance Officer)</td></tr><tr><td>Valerie Russell</td><td>Katie Walker (Uist Area Manager)</td></tr><tr><td>Helen Mackenzie</td><td>Michael Libby (Corporate Services Officer) via MS Teams</td></tr><tr><td>Colin Gilmour</td><td></td></tr><tr><td>Norman Macdonald</td><td></td></tr></table> <u>Apologies received</u> Alison Maccorquodale The Chair, on behalf of HHP, paid tribute to the late Norman Macdonald OBE, a former Board Member, recognising his significant contribution to HHP, his commitment to community and tenants, and the valued contribution he made to Board discussions.	<u>Attendees</u>	<u>Staff & Consultants in Attendance</u>	Calum Mackay (Chair)	Dena Macleod (Chief Executive)	Duncan Macinnes	Donald Macleod (Director of Finance & Corporate Services)	Christina Macneil	John Maciver (Director of Operations)	Iain M Macleod	Iona France (Governance Officer)	Valerie Russell	Katie Walker (Uist Area Manager)	Helen Mackenzie	Michael Libby (Corporate Services Officer) via MS Teams	Colin Gilmour		Norman Macdonald	
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Helen Mackenzie	Michael Libby (Corporate Services Officer) via MS Teams																		
Colin Gilmour																			
Norman Macdonald																			
PRELIMINARY PROCEDURAL MATTERS																			
2	<u>Declaration of Interest</u> The Chair and Vice Chair declared an interest in item 8.3 and advised they would leave the meeting for the duration of the item.																		
3.1	<u>Minute of Board Meeting 24 March 2026</u> The Board discussed the format of the minutes and agreed that, while individual attribution is not required, the key points of discussion should be clearly captured. The minute of the Board meeting of 24 March 2026 was submitted and approved as a true and accurate record of the proceedings of the meeting.																		
3.2	<u>Action Sheet</u> The Board noted the Action Sheet and received an update for the Chief Executive on the Scott Road development and associated judicial review. The Action Sheet was noted.																		
4	<u>Date of Next Meeting</u> It was agreed the date of the next meeting would be 23 June 2026.																		
5	<u>Health & Safety</u> The Director of Operations provided the Health and Safety update, including a near-miss incident involving a contractor vehicle on a development site, where no injuries were sustained and appropriate corrective action had been taken. An issue relating to the company electric vehicle braking system was also noted, with investigations completed, repairs carried out and no ongoing concerns identified.																		

ITEMS FOR DECISION	
6.1	<u>Annual Return on the Charter 2025/26</u> The Governance Officer presented the Annual Return on the Charter (ARC) 2025/26, noting the introduction of new indicators and the overall positive performance reported across key areas. It was highlighted that performance had generally improved year-on-year, including reductions in voids and rent arrears, despite operational challenges and wider cost-of-living pressures. The Board recognised the continued commitment of tenants in maintaining rent payments during a challenging financial climate. The Board approved the Draft Annual Return on the Charter 2025/26, subject to the reconciliation of any queries raised.
6.2	<u>Five Year Financial Plans</u> The Director of Finance & Corporate Services presented the Five-Year Financial Plan, noting that it was based on the approved long-term business plan and provided an overview of projected financial performance, comprising of, The Statement of Financial Position, Statement of Comprehensive Income and Cashflow Statement. The Board discussed the underlying assumptions, including cost projections, efficiency measures and the approach to depreciation and asset component lifecycles. The Board was satisfied that the Plan reflected a robust and sustainable financial position. The Board approved the Five-Year Financial Plans for submission to the Scottish Housing Regulator
6.3	<u>Solar Panel Funding Opportunity</u> The Director of Operations presented the Board with a proposal to install solar panels to properties with lower energy efficiency ratings, noting the potential benefits in reducing tenant energy costs, improving EPC ratings, and supporting wider sustainability and net zero objectives. The Board discussed the deliverability of the programme within the required timescales, potential risks, and the implications of applying a service charge to tenants. Particular consideration was given to issues of affordability, including the potential impact on tenants in lower income brackets, and the fairness of applying additional charges where benefits may vary. Equity across the housing stock was discussed, noting the need to ensure that the proposal does not disproportionately advantage or disadvantage tenants based on existing property condition or energy efficiency. The Board also considered the longer-term financial implications, including future maintenance and replacement costs, and the need for further tenant engagement and validation of anticipated benefits. The Board: a) approved progressing the solar panel programme on a pilot basis, on condition it was cost neutral to our currently approved Business Plan with additional costs to be met through reprofiling of the investment programme; and b) agreed further work would be undertaken to assess tenant benefits and inform future policy.
Monitoring Reports	
7.1	<u>SHR Engagement Plan</u> The Board considered the SHR Engagement Plan for 2026/27 and noted that the Scottish Housing Regulator will attend a future Board meeting as part of its engagement programme. The Board noted the SHR Engagement Plan for 2026/27
7.2	<u>Annual Assurance Statement Review</u> The Governance Officer presented the Annual Assurance Statement Review and noted that the review process is underway, with supporting documentation to be made available via SharePoint to support member scrutiny. It was noted that the Annual Assurance Statement will be presented to the Board for approval on 24 August 2026. The Board noted the review of the Annual Assurance Statement checklist and backing evidence.



Tenant Board Panel – Note of Meeting

28th May 2026

Attendance: Donald Macdonald, Rosie Wicks, Gary Lamont, Mandy Macleod and Sophie Stephen (Young Islanders Network Member).

Staff attendance: Katrina Rowlands and Laura Mackenzie.

1. The meeting was chaired by Gary Lamont, previously nominated at last meeting held on 3 March 2026 as Tenant Board Panel Chair.
2. The proposal of the 20th Anniversary fund was discussed with all Tenant Board Panel Members (TBP). All members agreed it was a positive contribution to tenants and should be viewed as an encouraging tenant engagement opportunity. There was some discussion regarding how tenants can apply for the fund. The TBP felt that tenants should have a voting opportunity when nominations have been received. It was agreed that a clear nomination process should be developed for Board to consider. The TBP wanted to emphasise their approval of this fund and agreed it would be 'something special' to celebrate the 20th Anniversary.
3. Gary encouraged all TBP members to apply for HHP Membership with the panel agreeing it would be beneficial to attend the AGM in person. The TBP agreed to request approval from the Executive Team be granted to incorporate AMG attendance alongside an in person TBP meeting.
4. The Tenant Satisfaction Survey was discussed in advance of next years survey. Katrina asked the TBP to review the proposed survey methods set out by the regulator and to provide feedback on the most effective method of surveying. This also includes how we should carry out the survey so as to get the best results.
5. The annual tenant performance report was discussed by Laura. This will be circulated for feedback and will be on the upcoming agenda for discussion with the panel to consider how the Tenant Board Panel can feed into the development of the report to ensure opportunities for engagement are highlighted.
6. Laura went over the Tenant Participation Strategy Action Plan with the TBP, highlighting that the majority of the aims are being met. However, attendance at drop ins remains low. it was suggested by the TBP that we should have a presence at local games/shows. It was noted that Laura and Uist Housing Staff will attend The North Uist & South Uist shows. It was agreed to encourage attendance at events held by similar partners.
7. Tenant scrutiny was discussed by Laura with the panel. A proposal of a short life meeting group to scrutinise how a policy works in practice with the TBP members was agreed to progress with. Gary suggested speaking to TPAS to explore training opportunities on how to unpack and interpret policies.



BOARD ACTION SHEET

ACTION POINT	MINUTE NUMBER	ACTION TO BE TAKEN	DEADLINE/TIMESCALE	ACTION BY	PROGRESS
1	24-Mar-26 (6.3)	Exercise the final two-year extension of the Repairs & Maintenance contract	31 March 2027	Director of Operations	Planned
2	24-Mar-26	Present an updated Social Value Report to Board when year-end data is available	25 August 2026	Director of F&CS	Data not yet available. Aiming for report to be ready for August Board.
3	26-May-26 (3.2)	Provide ongoing progress updates on the Scott Road Development and judicial review	23 June 2026	Chief Executive	Update will be given at Board
4	26-May-26 (6.1, 6.2, 7.3)	Submit ARC, Five-Year Financial Plan and SHR Engagement Plan	23 June 2026	Chief Executive	All returns submitted
5	26-May-26 (6.3)	Progress Solar Panel programme on a pilot basis, funded through the reprofiling of the investment programme, and provide locality information.	30 June 2026	Director of Operations	Installation programme being mobilised. Reprofiling of investment will be carried out following stock condition survey in 2028. Locality information issued.

ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Board 23 June 2026

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 2026 to the Board for approval.

Summary

- 2.1 The Financial Statements for the year ended 31 March 2026 are at Appendix 1.
2.2 The Dachaigh Property Solutions Financial Statements have been prepared for the year ended 31 March 2026 and are at Appendix 2.

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 2026 as at Appendix 1; and**
 - b) **note the Dachaigh Property Solutions Accounts for the year ended 31 March 2026 at Appendix 2.**

APPENDIX 1:	Annual Report and Accounts for the year ended 31 March 2026
APPENDIX 2:	Dachaigh Property Solutions Accounts for the year ended 31 March 2026
Background Papers:	None
Writer of Report:	Donald Macleod

Tel: 0300 123 0773

Report Details

- 5.1 Accounts for the year ended 31 March 2026 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.
- 5.2 Opportunity to ask questions with regard to the Financial Statements and performance for the year will be given at the Board meeting.
- 5.3 The key financial factors to highlight in the Financial Statements are that:
- a) Operating surplus of £2,931K shows a decrease from the previous year of £149K. The key changes are detailed below:

Area	£000's	Reason
Rental Income	£781	Driven by annual rent increase and the additional number of units delivered through our new build programme.
Increase in Management & Maintenance Administration Costs	(£57)	(£110K) increase in Employee costs due to annual salary increases. An increase in supplies & services of (£26K) mainly driven by IT & Telecoms and Premises Costs, offset by a £69K increase in Management Income as a result of a larger Investment Programme as well as a decrease in Administration and Corporate Expenses £10K.
Depreciation	(£439)	Increase driven by new build properties completed and component replacements capitalised in the year
Increase in Planned, Cyclical & Reactive Maintenance	(£664)	An increase of £664K from prior year is mainly driven by the increase in the level of expensed investment works (smoke alarms) £265K and an increase of £90K in Cyclical Maintenance as a result of increased EICR costs. Reactive Maintenance has increased £309K driven by an increase in the average cost of repairs and pressure on Void costs at change of tenancy.
Increase in Grants	£304	OT Aids & Adaptations funding received up £157K from last year and RHI income is down (£68K). Amortised grant has increased by £215K with the completion of new build units in the year & additional Net Zero Heating Grants being amortised.
Increase in Bad Debts	£27	Increase in bad debts, due to an increase in the level of bad debt provision on Rechargeable Repairs.

- b) Increase of £2.403M in net assets reflecting the investment in our stock through the investment and development programmes.
- c) Other Debtors have increased by £569K due to the level of grant income due on our new build programme (Melbost West) and the Net Zero Heat Fund monies due from Scottish Government at the year end.
- d) Trade Payables increased by £893K due to the timing of the receipt of contractor invoices.
- e) Accruals have increased by £409K, reflecting the value of development and investment works undertaken at Blackwater, Rathad Na Ceardaich and Melbost West not yet billed.
- f) Inclusion of the subsidiary, Dachaigh Property Solutions, and the decision not to prepare group accounts due to the immateriality of the trading activity of the Company during the year; and
- g) The statement of comprehensive income includes an actuarial gain of £0.756M for 2025/26, 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 £0.756 M 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 2026 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 fourth 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 or through refunds from the plan (Paragraph B28.16 FRS102). As a result, we have restricted the value of the pension surplus by £0.756m to Nil. Changes to the FRS102 accounting standard have resulted in updates to the determination of accounting requirements and the housing SORP which will need to be applied for accounting periods which begin after 1 January 2026. Our Accounting Policies are being updated and will be presented to the Board for approval in August 2026.
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 regulator issue a new Determination of Accounting Requirements in

COMPLIANCE CHECKLIST	
	December 2025. This will be applicable for next year's Financial Statements and is not expected to result in significant changes. 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. 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 submitted to the Scottish Housing Regulator through the landlord portal and our Funder (Royal Bank of Scotland) once approved by Board. A copy will be made available on our website with an abbreviated set of Financial Statements provided to our members at the AGM.



hebridean housing
partnership

ANNUAL FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2026



A Registered Society under the Co-operative & Community
Benefit Societies Act 2014 No: 2644R (S)
Registered Charity No: SC035767
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
Calum Mackay	Community	31 August 2022	
Gordon Macleod	Community	31 August 2022	2 September 2025
Fiona Macleod	Community	1 March 2024	17 November 2025
Valerie Russell	Community	19 November 2024	
Colin Gilmour	Community	25 March 2025	
Helen Mackenzie	Board Appointed	28 June 2023 (reappointed)	26 May 2026
	Community	26 May 2026	
Iain Mackinnon	Co-opted	26 May 2026	
Alison MacCorquodale	Board Appointed	21 May 2024 (reappointed)	
Iain M Macleod	Councillor	25 May 2022	
Norman Macdonald	Councillor	4 January 2024	
Duncan Macinnes	Councillor	21 October 2024	
Gary Lamont	Tenant	28 August 2024	2 September 2025
Christina MacNeil	Tenant	3 September 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.



At 31 March 2026:

- **2,461 Homes available for Social Rent**
- **20 New Build Homes under development**

Our vision is to provide great homes and deliver excellent services throughout the Outer Hebrides. 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.

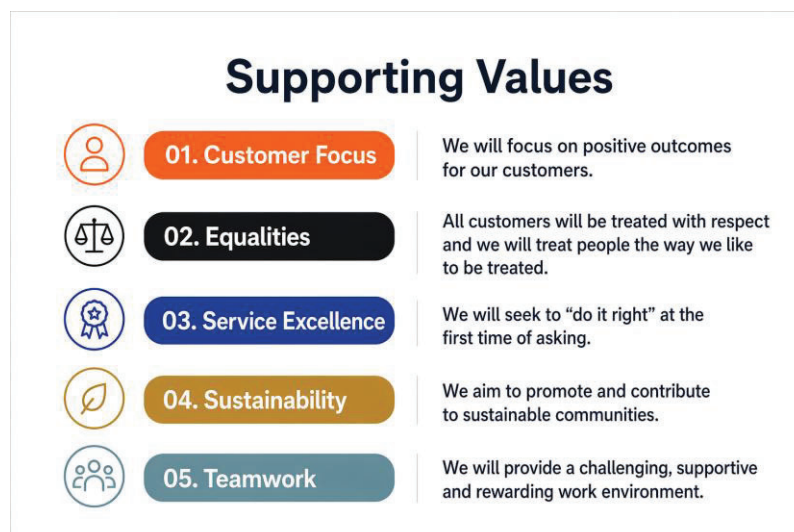
The Board is responsible for the overall strategic direction and objectives of HHP. Our Business Plan which covers 2024/25 to 2028/29 is guided by the four Strategic goals outlined below:



Core Value

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. 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 2025/26 confirming we comply with regulatory requirements, including the Standard of Governance and Financial Management

Governance & Management

HHP is governed by a set of Rules appropriate for a Registered Social Landlord. The Partnership is governed by a voluntary Board of Management (Board), 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, Code of Conduct 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 10 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 August 2026.

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

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 & 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 & 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. On 4 September 2025 the subsidiary name was changed to Dachaigh Property Solutions Limited. During 2025/26 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 ended 31 March 2026. 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 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 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. In addition, the Board ensures the Partnership's suppliers are paid promptly.

Statement of Disclosure to Auditors

In so far as the Board 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 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

Calum Mackay

Chair

OPERATING & FINANCIAL REVIEW



Summary of Performance Indicators

DETAIL	Variance	ARC 2025/26	ARC 2024/25	ARC 2023/24
Emergency repairs completed	2.84%	942	916	1,213
Average length of time to complete emergency repairs	7.62%	2.26 hours	2.10 hours	2.17 hours
Non-emergency repairs completed	11.97%	4510	4028	4,620
Average length of time to complete non-emergency repairs	2.7%	2.29 days	2.23 days	3.15 days
Reactive repairs completed right first time	2.76%	96.16%	93.4%	91.41%
Total arrears	0.97%	£358,383	£354,953	£327,153
Former tenant arrears	-11.8%	£125,028	£141,751	£125,898
Average time to relet properties	-27.63%	22.24 days	30.73 days	33.04 days
Number of calendar days homes were empty	-25.56%	3958	5317	6,906
Amount of rent lost due to properties being empty	0.89%	£59,836	£59,307	£85,191
Total number of lets excluding exchanges	-0.47%	214	215	216
Anti-social behaviour cases	-33.33%	10	15	14
Abandoned properties	-50%	4	8	7
Total self-contained stock	1.53%	2453	2,416	2,376
Stock meeting SHQS	0.75%	92.54%	91.85%	88.26%
Rent increase	2.27%	4.5%	4.4%	5.1%
Staff turnover	-3.4%	7%	10.4%	9%

- Average time to relet properties has decreased by 27.63%
- Number of calendar days properties were empty decreased by 25.56%
- Although the value of rent loss through voids has increased slightly the percentage has decreased and is the lowest % recorded for this indicator since the introduction of the Charter.

Housing Services

Arrears have remained stable following the completion of the migration from legacy benefits to Universal Credit. There are currently over 700 accounts receiving a UC direct housing payment, with less than 300 tenants still in receipt of Housing Benefit. Housing Officers work closely with Job Centre Plus and maintain ongoing liaison with the Housing Benefit team at CNES. Bedroom Tax continues to be mitigated through Discretionary Housing Payments from CNES.

The average re-let time for a property is now 22.24 days, an improvement on the previous year's figure of 25.31 days.

Tenant Engagement



Tenant Engagement Officer, Laura along with members of the Manor & Castle Residents Group and Stornoway North Development staff

Our Tenant Engagement Officer (TEO) supports our Registered Tenants' Organisations. The TEO attends residents' groups and community associations to allow 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.

We set up a structured but informal Tenant Board Panel in 2025. Our Tenant Panel is a structured but informal advisory panel that meets to deal with tenant related matters which require insight and output from tenants ahead of taking a policy or strategy to the Board for consideration.

Throughout the year we provide Tenant Drop Ins in various areas, giving tenants the opportunity to have an informal chat with their Housing Officer and the Tenant Engagement Officer. We also attend regular events with external agencies to support tenants and help them access appropriate services.



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:

1. 100% Gas safety compliance
2. Air source heating systems were serviced with bath anti-scald valves checked at the same time
3. Oil heating systems were serviced
4. Fire alarms, stair lighting, and door entry systems were serviced
5. Tenant stair-lifts were serviced
6. 5-yearly Electrical inspection condition reports were carried out to 327 houses
7. A sample of properties had their water systems tested for legionella
8. Asbestos was checked where in place and
9. Flatted common areas were inspected for fire safety

Investment

£5.07M was invested in tenants' homes during the year delivering the following improvements:



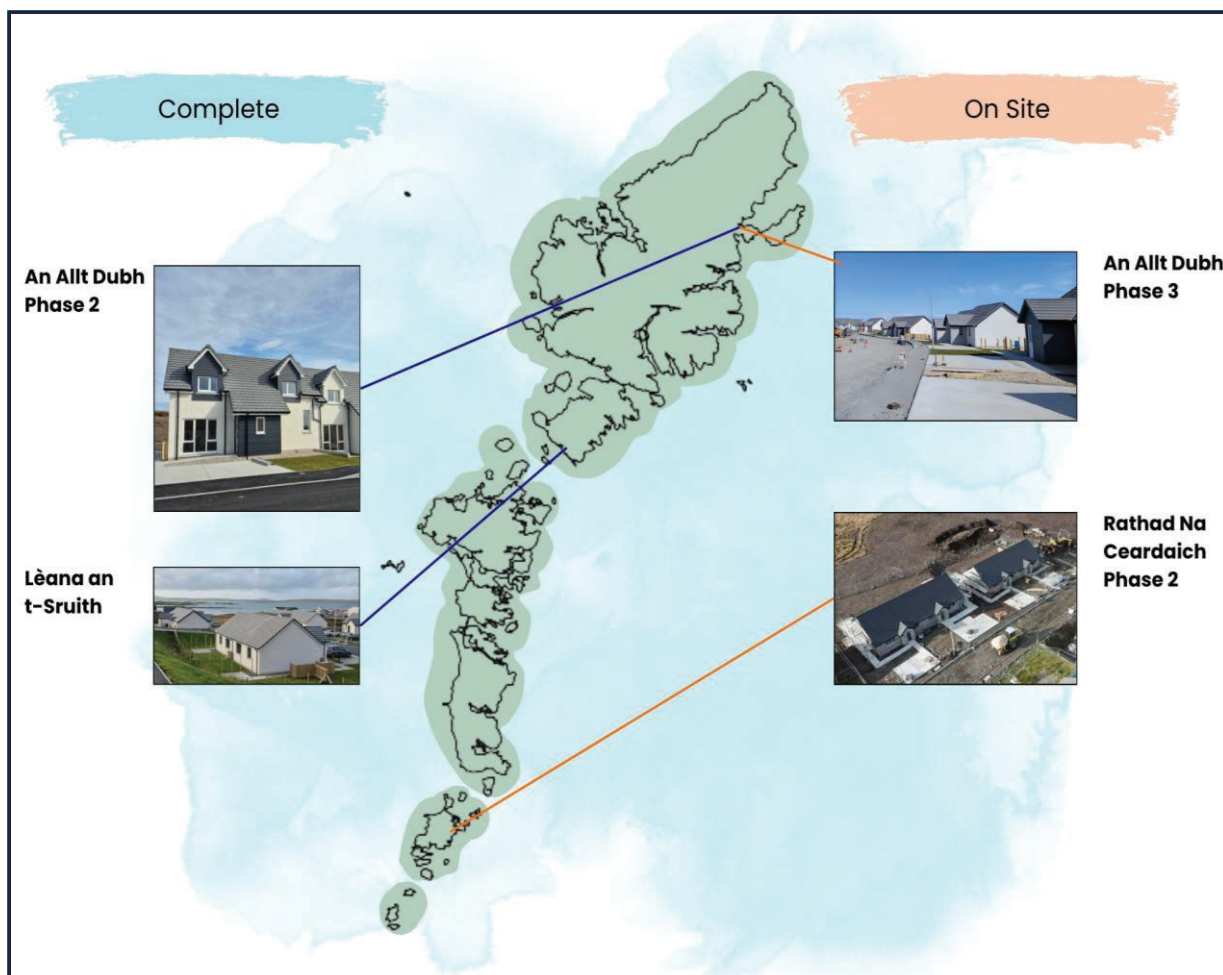
Addressing the challenge of fuel poverty is a key priority and this is demonstrated by our approach to Net Zero targets. 99% of our non-gas homes have zero direct emission heating systems.

We are grateful to the Scottish Government for once again granting funding through the Social Housing Net Zero Heat Fund, enabling us to deliver 120 air source heat pump installations across all islands this year.



Development

The cost of developing continues to rise with wider global issues having a major impact on the supply chain. However, we are making progress towards the delivery of new homes through strong partnership working with Scottish Government and our local contractors.



We drew down £1.52M of funding from the Scottish Government Affordable Housing Supply Programme to support the completion of 37 homes as shown:

Scheme	Area	Type	Units
Lèana an t-Sruith, Leverburgh	Harris	Rent	12
An Allt Dubh, Stornoway	Stornoway	Rent	25
Total Handover to 31 March 2026			37



**20 Homes Under Construction
at 31st March 2026.**

Political & Charitable Donations

- a) There were no political donations made by HHP during the financial year.
- b) A total of £5,000 was donated during the year to the following local charities:

£1,000	Tagsa Uibhist
£1,000	CRY (Andrew Macleod Memorial Fund)
£1,000	Crossroads Lewis & Harris
£1,000	Western Isles Association for Mental Health
£1,000	Volunteer Centre Western Isles

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.

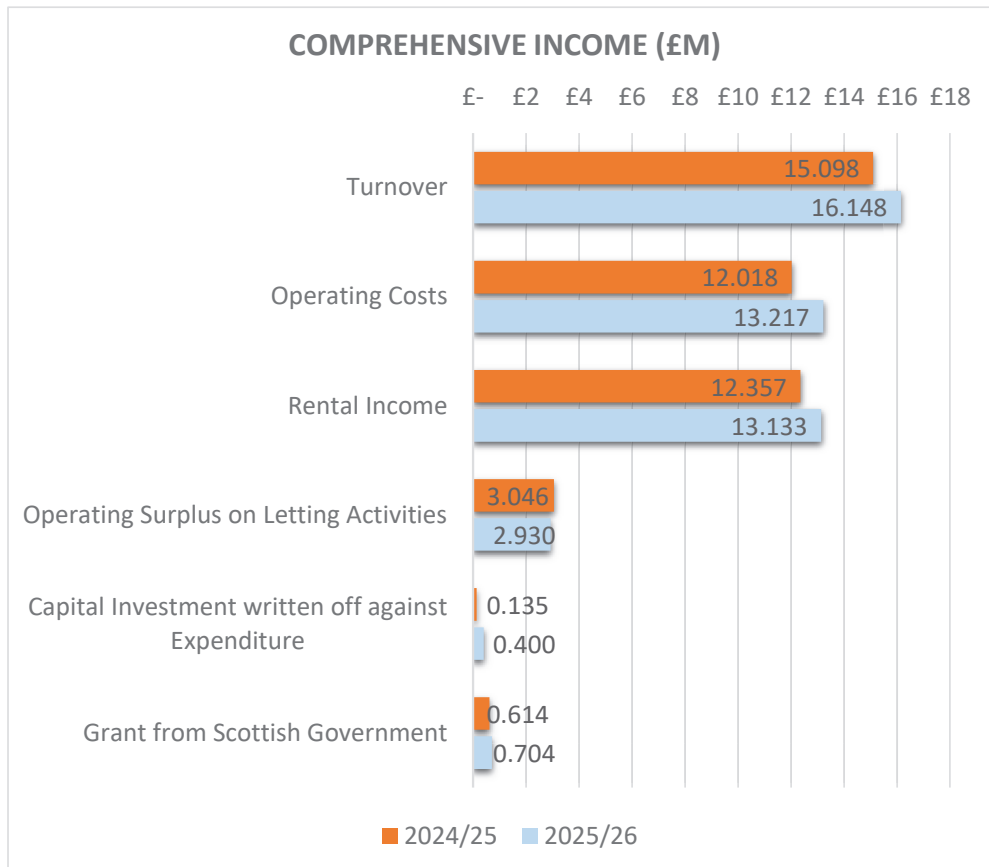
Partnership working is critical if we are to address the demographic challenges which are a concern for the future of our islands and is fundamental to the demand and need for housing. We seek to encourage and develop this debate and promote action to address it.

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. 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 Tighean Innse Gall (TIG) to source financial support to tenants and have been successful with funding applications to Comhairle Nan Eilean Siar via the Islands Cost Crisis Emergency Fund and Housing Associations Charitable Trust (HACT) for fuel vouchers.

Financial Review



Financial Position

HHP's Financial Position is shown on Page 32. The key factors affecting the Statement of Financial Position are:

- a) The value of housing properties under construction has reduced as we near completion of the developments at An Allt Dubh and Rathan Na Ceardaich. £4.66M was invested replacing components in our homes.
- b) The addition of 37 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.
- d) Other Debtors have increased by £569K due to the level of grant income due on our new build programme at the year end.
- e) Trade Payables increased by £893K due to the timing of the receipt of contractor invoices.

- f) Accruals have increased by £409K reflecting the value of development and investment works undertaken not yet billed.
- g) National Insurance Contributions have increased 29% (£57.6K) from prior year.

Cash Flow

The Cash Flow is shown on page 33. The net change in cash equivalents was an outflow of £0.680M (2025: Outflow of £0.471M). 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 2026, HHP had cash and short-term deposits of £8.516M (2025: £9.195M).

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. Debt is progressively paid off from June 2031 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 £24.17M over the next 5 years ensuring the Scottish Housing Quality Standard is maintained in all its properties. £41.44M of HHP cash and borrowings have been earmarked for the new build projects due for completion.

Auditors

CT Audit were re-appointed as auditors at our AGM in September 2025.

Independent Auditors Report

Opinion

We have audited the Financial Statements of Hebridean Housing Partnership (the 'Partnership') for the year ended 31 March 2026 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 2026 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 Community 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 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

As explained more fully in the Boards' Responsibilities Statement set out on page 11, the Board 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 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 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 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 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 Community 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
23 June 2026

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's statement on pages 9 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 9 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
23 June 2026

FINANCIAL STATEMENTS



Statement of Comprehensive Income as at 31 March 2026

		31 March 2026	31 March 2025
		£	£
	Notes		
Turnover	3	16,148,254	15,098,129
Operating expenditure	3	(13,217,008)	(12,018,181)
Operating surplus	3	2,931,246	3,079,948
Loss on disposal of property, plant & equipment		(1,177)	(4,066)
Interest receivable	6	201,577	202,455
Interest payable and financing costs	7	(433,090)	(600,260)
Increase/(Decrease) in valuation of housing properties		13,868	(62,875)
Surplus before tax		2,712,424	2,615,202
Actuarial (loss)/gain in respect of pension scheme	22	(309,000)	(63,000)
Total comprehensive income for the year		2,403,424	2,552,201

The results for the year relate wholly to continuing activities.

These Financial Statements were approved by the Board on 23 June 2026 and were signed on its behalf by:

Calum Mackay

Chair

Dena Macleod

Company Secretary

Helen Mackenzie

Vice Chair

The notes on pages 34 to 60 form part of these Financial Statements.

Statement of Changes in Reserves as at 31 March 2026

	Share Capital £	Unrestricted Fund £	Total Reserves £
Current Year			
Balance at 1 April 2025	86	47,989,108	47,989,194
Surplus from statement of comprehensive income		2,403,424	2,403,424
Balance at 31 March 2026	86	50,392,532	50,392,618
	Share Capital £	Unrestricted Fund £	Total Reserves £
Prior Year			
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

The notes on pages 34 to 60 form part of these Financial Statements.

Statement of Financial Position as at 31 March 2026

		31 March 2026	31 March 2025
		£	£
	Notes		
Fixed Assets			
Tangible Assets-Social Housing	8	145,300,543	139,372,269
Tangible Assets-Property, plant & equipment	9	967,140	1,487,021
Investments	10	2	2
		<u>146,267,685</u>	<u>140,859,292</u>
Current Assets			
Stock		23,928	25,651
Trade and other receivables	11	1,871,103	1,406,849
Investments		5,403,888	7,880,027
Cash and cash equivalents		3,111,849	1,315,403
		<u>10,410,768</u>	<u>10,627,930</u>
Less: Creditors amounts falling due within one year	12	<u>(3,638,528)</u>	<u>(2,106,895)</u>
Net current assets		<u>6,772,240</u>	<u>8,521,035</u>
Total assets less current liabilities		153,039,925	149,380,327
Creditors: amounts falling due after more than one year	13	(22,365,333)	(22,365,333)
Deferred Capital Grants	14	(80,281,974)	(79,025,801)
Pension Liability	15	-	-
Net Assets		<u>50,392,618</u>	<u>47,989,194</u>
Reserves			
Share Capital	16	86	86
Income & Expenditure reserve		50,392,532	47,989,108
		<u>50,392,618</u>	<u>47,989,194</u>

These Financial Statements were approved by the Board on 23 June 2026 and were signed on its behalf by:

Calum Mackay

Chair

Dena Macleod

Company Secretary

Helen Mackenzie

Vice Chair

The notes on pages 34 to 60 form part of these Financial Statements.

Statement of Cash Flows for the Year Ended 31 March 2026

	31 March 2026	31 March 2025
	£	£
Net Cash inflow from operating activities	6,709,586	5,438,875
Cashflow from investing activities		
Purchase of tangible assets	(11,016,540)	(11,268,655)
Proceeds from sale of tangible fixed assets	327,541	142,581
Grants received	3,764,402	5,418,229
Interest received	201,578	202,455
Cashflow from financing activities		
Interest paid	(666,260)	(404,257)
Net change in cash equivalents	<u>(679,693)</u>	<u>(470,773)</u>
Cash and cash equivalents at the beginning of the year	9,195,430	9,666,203
Cash and cash equivalents at the end of the year	<u>8,515,737</u>	<u>9,195,430</u>
	<u>(679,693)</u>	<u>(470,773)</u>

The notes on pages 34 to 60 form part of these Financial Statements.

Notes to the Statement of Cash Flows for the Year Ended 31 March 2026

Cash Inflow from Operating Activities

Cashflow from Operating Activities		
	2026	2025
	£	£
Surplus for the year	2,931,246	3,079,948
<i>Adjustments for non-cash items:</i>		
Depreciation of tangible fixed assets	5,505,342	4,928,316
Decrease/(Increase) in stock	1,723	(1,195)
(Increase)/Decrease in trade and other debtors	(468,493)	683,907
Increase/(Decrease) in trade and other creditors	1,531,633	(953,675)
Pension costs less contributions payable	(25,000)	81,000
Carrying amount of tangible fixed asset disposed	(377,260)	(145,331)
<i>Adjustments for investing or financing activities:</i>		
Loss from the disposal of tangible fixed assets	(1,177)	(141,959)
Government grants utilised in the year	(2,155,257)	(2,000,140)
Interest payable	(233,171)	(91,996)
	<u>6,709,586</u>	<u>5,438,875</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

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 Dachaigh Property Solutions 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 applied 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 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 Dachaigh Property Solutions 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 2027.

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

	2026			2025		
	Operating Turnover	Operating Expenditure	Operating Surplus	Operating Turnover	Operating Expenditure	Operating Surplus
	£	£	£	£	£	£
Income and Expenditure from Lettings						
Social Lettings (Note 4)	16,052,302	(13,122,175)	2,930,127	14,971,460	(11,925,595)	3,045,865
Other Activities (Note 5)	95,952	(94,833)	1,119	126,669	(92,586)	34,083
TOTAL	16,148,254	(13,217,008)	2,931,246	15,098,129	(12,018,181)	3,079,948

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

	General Needs Housing £	Supported Accommodation £	Shared Ownership £	Total £	2025 £
Income from rent and service charges					
Rent receivable net of service charges	12,848,027	141,566	4,507	12,994,100	12,223,289
Service charges	164,985	41,137	1,885	208,007	198,624
Gross Income from rents and service charges	13,013,012	182,703	6,392	13,202,107	12,421,913
Less voids	(69,060)	-	-	(69,060)	(65,046)
Net Income from rents and service charges	12,943,952	182,703	6,392	13,133,047	12,356,867
Release of deferred capital grant	2,147,123	66,800	1,373	2,215,296	2,000,140
Other Revenue Grants	703,959	-	-	703,959	614,453
Total Turnover from social letting activities	15,795,034	249,503	7,765	16,052,302	14,971,460
Expenditure					
Management and Maintenance Administration costs	3,025,292	34,845	2,489	3,062,626	3,005,183
Service charges	166,504	41,148	336	207,988	198,941
Planned and Cyclical Maintenance including major repairs	1,777,348	18,243	-	1,795,591	1,440,611
Reactive Maintenance	2,454,939	15,528	129	2,470,596	2,161,492
Bad Debts-rents and service charges	80,032	-	-	80,032	53,159
Depreciation of social housing	5,393,116	110,683	1,543	5,505,342	5,066,209
Operating costs for social letting activities	12,897,231	220,447	4,497	13,122,175	11,925,595
Operating surplus on letting activities for 31 March 2026	2,897,803	29,056	3,268	2,930,127	3,045,865
Operating surplus on letting activities for 31 March 2025	2,985,571	59,353	941	3,045,865	

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	
	£	£	£	2026 £	2025 £	2026 £	2025 £	2026 £	2025 £
Factoring	-	-	7,186	7,186	6,567	4,258	4,112	2,928	2,455
Development & construction of Property Activities	-	-	83,606	83,606	116,213	90,575	88,474	(6,969)	27,739
Management Services	-	-	5,160	5,160	3,889	-	-	5,160	3,889
Total from other activities 2026	-	-	95,952	95,952		94,833		1,119	
Total for other activities 2025	-	-	126,669		126,669		92,586		34,083

NOTE 6 - INTEREST RECEIVABLE AND OTHER INCOME

Interest Receivable and Other Income		
	2026	2025
	£	£
Interest receivable on deposits	201,115	202,176
Interest receivable on loan to subsidiary	462	279
	<u>201,577</u>	<u>202,455</u>

NOTE 7 – INTEREST PAYABLE AND SIMILAR CHARGES

Interest Payable and Similar Charges		
	2026	2025
	£	£
Interest Payable	654,130	667,558
Other Financing costs	62,960	76,702
Net Cost on pension	<u>(284,000)</u>	<u>(144,000)</u>
	<u>433,090</u>	<u>600,260</u>

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	172,939,329	8,040,730	128,335	181,108,394
Additions during the year	4,660,237	6,614,926	-	11,275,163
Transfers in year	8,378,899	(8,378,899)	-	-
Disposals	(665,778)	-	(42,547)	(708,325)
At end of year	185,312,687	6,276,757	85,788	191,675,232
Depreciation				
At start of year	(41,646,638)	-	(89,487)	(41,736,125)
Provided in year	(5,142,114)	-	(2,013)	(5,144,127)
Impairment	6,756	-	-	6,756
Eliminated on Disposal	468,475	-	30,332	498,807
At end of year	(46,313,521)	-	(61,168)	(46,374,689)
Net Book Value				
At end of year	138,999,166	6,276,757	24,620	145,300,543
Prior Year				
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

Development administration costs capitalised amounted to £83,606 (2025: £116,213) for which Social Housing Grants amounting to £nil (2025: £nil) were received in the year.

The loss on sale of property disposals in the year was £1,178 (2025: Loss of £4,064).

The cost of new components & new homes capitalised in the year was £13,039,136 (2025: £13,113,056). Components were disposed with a cost of £665,778 (2025: £375,811) and accumulated depreciation of £468,475 (2025: £230,480) 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 £	Motor Vans £	Other Equipment £	Total £
Current Year Cost							
At start of the year	626,659	851,956	98,070	1,077,258	38,950	95,623	2,788,516
Additions during the year	-	-	26,715	4,027	59,140	-	89,882
Transfers in year	(285,914)	-	-	-	-	-	(285,914)
Disposals	-	(293,389)	-	-	(19,475)	-	(312,864)
At end of year	340,745	558,567	124,785	1,081,285	78,615	95,623	2,279,620
Depreciation							
At start of year	-	(309,781)	(92,713)	(772,013)	(31,381)	(95,607)	(1,301,495)
Provided in year	-	(22,738)	(1,329)	(135,108)	(4,028)	(16)	(163,219)
Impairment	-	7,112	-	-	-	-	7,112
Eliminated on Disposal	-	128,565	-	-	16,557	-	145,122
At end of year	-	(196,842)	(94,042)	(907,121)	(18,852)	(95,623)	(1,312,480)
Net Book Value							
At end of year	340,745	361,725	30,743	174,164	59,763	-	967,140
Prior Year							
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)
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

NOTE 10 – INVESTMENTS

Investments			
	2026	2025	
	£	£	
Investment in subsidiary undertaking	1	1	
Investment in Hebrides Energy CIC	1	1	
	<u>2</u>	<u>2</u>	
	<i>Activity</i>	<i>Registered</i>	<i>Shareholding</i>
Daichaigh Property Solutions	Non-Trading	Scotland	100%
Hebrides Energy	Offer competitive electricity tariffs	Scotland	11.1%

NOTE 11 - TRADE & OTHER RECEIVABLES

Trade and other receivables		
	2026	2025
	£	£
Rental Arrears	134,567	209,601
Less: provision for bad debts	(109,935)	(154,626)
	<u>24,632</u>	<u>54,975</u>
Amounts owed by subsidiary undertaking (due within 1 year)	31,278	18,905
Other debtors	1,065,409	496,710
Prepayments and accrued income	609,669	691,904
Other debtors (due in more than 1 year)	140,115	144,355
Total	<u>1,871,103</u>	<u>1,406,849</u>

NOTE 12 – CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

Creditors-Amounts falling due within one year		
	2026	2025
	£	£
Trade payables	1,192,584	299,728
Contract retentions	166,925	170,927
Accruals and deferred income	1,668,908	1,259,713
Rent in advance	173,756	99,636
HAG creditor	304,233	276,891
Scottish Government Net Zero Grant funded in advance	132,122	-
Total	<u>3,638,528</u>	<u>2,106,895</u>

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

Creditors-Amounts falling due after more than one year		
	2026	2025
	£	£
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 specific 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 Capital 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	(69,921,496)	(8,452,898)	(37,079)	(614,328)	(79,025,801)
Additions during the year	(950,270)	(2,814,132)	-	-	(3,764,402)
Disposals during the year	60,038	-	11,828	1,653	73,519
Transfers in year	(6,286,324)	6,286,324	-	279,453	279,453
Amortised in year	2,153,177	-	1,905	175	2,155,257
At end of year	(74,944,875)	(4,980,706)	(23,346)	(333,047)	(80,281,974)
Amount to be released within one year	(2,168,775)	(64,265)	(1,905)	(175)	(2,235,120)
Amount to be released in more than one year	(72,776,100)	(4,916,441)	(21,441)	(332,872)	(78,046,854)
	(74,944,875)	(4,980,706)	(23,346)	(333,047)	(80,281,974)
Prior Year					
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)

NOTE 15 – PROVISIONS FOR LIABILITIES & CHARGES

Pension Fund		
	2026 £	2025 £
At 1 April 2025	-	-
Created in Year	(756,000)	(1,883,000)
Restriction in Pension Surplus	756,000	1,883,000
At 31 March 2026	-	-

NOTE 16 – SHARE CAPITAL

Share Capital		
	2026 £	2025 £
Shares of £1 each issued and fully paid		
At 1 April 2025	86	87
issued during period	3	5
Surrendered during period	(3)	(6)
At 31 March 2026	86	86

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

- Calum Mackay
- Helen Mackenzie
- Alison MacCorquodale
- Valerie Russell
- Colin Gilmour
- Christina Macneil

NOTE 17 – KEY MANAGEMENT EMOLUMENTS

OFFICER'S EMOLUMENTS		
	2026 £	2025 £
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)	276,159	266,997
Emoluments payable to the highest paid officer (excluding pension contributions)	108,181	104,296
During the period the Directors' emoluments (excluding pension contributions) fell within the following band distributions:		
More than £80,000 but not more than £90,000	2	2
More than £90,000 but not more than £100,000	-	-
More than £100,000 but not more than £110,000	1	1
Pension contributions	48,296	46,577
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	593	676

NOTE 18 – EMPLOYEE INFORMATION

The average number of persons employed during the year was: 55. At 31 March 2026 the number of employees of the Partnership, including Directors, was: 46 (FTE), (2025 – 46 FTE).

EMPLOYEE INFORMATION		
	2026 £	2025 £
Staff costs (for the above persons)		
Wages and Salaries	2,025,239	1,884,122
Social Security costs	253,552	195,921
Employers' pension costs	369,410	349,834
FRS102 Pension Adjustment (Note 22)	(25,000)	81,000
	<u>2,623,201</u>	<u>2,510,877</u>
Staff costs capitalised	<u>(528,332)</u>	<u>(497,117)</u>
	<u>2,094,869</u>	<u>2,013,760</u>

NOTE 19 – OPERATING SURPLUS

OPERATING SURPLUS		
	2026	2025
	£	£
Operating surplus is stated after charging:		
Depreciation	5,505,342	5,066,209
Amortised capital grants	(2,155,257)	(2,000,140)
Repairs: cyclical, major, day to day	4,266,187	3,602,103
Auditor's remuneration		
-in their capacity as auditors	16,560	16,560
-in respect of other services	-	-
	<u> </u>	<u> </u>

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 (2025: nil).

NOTE 21 – CAPITAL COMMITMENTS

CAPITAL COMMITMENTS		
	2026	2025
	£	£
Capital expenditure which has been contracted for but has not been provided for in the financial statements	28,175,740	7,449,970
Capital expenditure which has been authorised by the Board but is not contracted	<u>37,438,660</u>	<u>41,299,830</u>
	<u>65,614,400</u>	<u>48,749,800</u>
This is to be funded by:		
Funding from the Scottish Government	34,842,000	16,583,000
Other Funding	16,166,190	-
Private Finance	<u>14,606,210</u>	<u>32,166,800</u>
	<u>65,614,400</u>	<u>48,749,800</u>

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 withdraw 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 2026. The funding update revealed an increase in the assets of the Scheme to £16.482 million and continues to show a net asset compared to liabilities of approximately £5.646 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 Pensioners	34	94	54
Pensioners	21	205	68

Investment Returns

The return on the Fund in market value terms for the period to 31 March 2026 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 2025 to 31 March 2026	3.70%
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Major Categories of Plan Assets as a % of Total Plan Assets

Period Ended	31-Mar-26	31-Mar-25
Equities	58%	54%
Bonds	26%	26%
Property	13%	14%
Cash	3%	6%

Financial Assumptions

Period Ended	31-Mar-26	31-Mar-25
Pension increase Rate	3.00%	2.75%
Salary increase Rate	3.80%	3.55%
Discount Rate	6.30%	5.80%

Historic Mortality

Period Ended	Current Pensioners	Future Pensioners
31-Mar-26	CMI 2023 model, with a 15% weighting of 2023 (and 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 2023 model, with a 15% weighting of 2023 (and 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 retirees 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 2026

Period ended 31 March 2026	Assets £000's	Obligations £000's	Net Liability/ Asset £000's
Fair Value of Plan Assets	15,187	-	15,187
Present Value of liabilities	-	10,276	(10,276)
Present value of unfunded liabilities	-	21	(21)
Opening Position at 31 March 2025	15,187	10,297	4,890
Service Cost	-	345	(345)
Net Interest			
Interest income on plan assets	888	-	888
Interest cost on defined benefit obligation	-	604	(604)
Total Net interest	888	604	284
Total defined benefit cost recognised in P & L	888	949	(61)
Cashflows			
Plan Participants contributions	136	136	-
Employers contributions	368	-	368
Contributions in respect of unfunded benefits	2	-	2
Benefits paid	(252)	(252)	-
Unfunded benefits paid	(2)	(2)	-
Expected closing position	16,327	11,128	5,199
Remeasurements			
Changes in demographic assumptions	-	61	(61)
Changes in financial assumptions	-	(439)	439
Other experience	-	86	(86)
Return on assets excluding amounts in net interest	155	-	155
Total remeasurements recognised in Other Comprehensive Income (OCI)	155	(292)	447
Fair Value of plan assets	16,482	-	16,482
Present value of funded liabilities	-	10,815	(10,815)
Present value of unfunded liabilities	-	21	(21)
Closing position at 31 March 2026	16,482	10,836	5,646

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	
	2026	2025	2026	2025
Unimproved				
New Build	658	621	20	51
Improved	1,773	1,773	-	-
General Needs Housing	<u>2,431</u>	<u>2,394</u>	<u>20</u>	<u>51</u>
Shared Ownership Accommodation	2	3	-	-
Supported Housing Accommodation	28	28	-	-
Total Housing Stock	<u>2,461</u>	<u>2,425</u>	<u>20</u>	<u>51</u>
Other Property				
Garages	41	41	-	-
Commercial	6	6	-	-
Heritable-Partnership's offices	2	3	-	-
Total Other Property	<u>49</u>	<u>50</u>	<u>-</u>	<u>-</u>

NOTE 24 – REVENUE COMMITMENTS

Operating Leases		
	2026	2025
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	10,093
In the second to fifth year inclusive	13,675	23,768
	<u>23,768</u>	<u>33,861</u>

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 2026 are as follows:

Rent Charges	£6,348.87
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Any transactions with CNES are made at an arm's length, on normal commercial terms and the Councillors cannot use their positions to their personal advantage.

Dachaigh Property Solutions Limited

Dachaigh Property Solutions Limited 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 Dachaigh Property Solutions Limited owed Hebridean Housing Partnership £31,278 (2024: £18,905) 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.



HHP is a registered society under the Co-operative and Community Benefit Societies Act 2014, Registered Number: 2644R(S). Registered Office: Creed Court, Gleann Seileach Business Park, Willowglen Road, STORNOWAY, Isle of Lewis HS1 2QP. It is a charity registered in Scotland, Charity Number: SC035767, registered as Registered Social Landlord with the Scottish Housing Regulator, Registration Number: 359 and registered as a Property Factor, Registration Number PF000183

Email: info@hebrideanhousing.co.uk

Web: www.hebrideanhousing.co.uk

Phone: 0300 123 0773

BUDGETARY PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2026

Board 23 June 2026

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 2026, including an overview of Board Members' expenses and consultancy spend for the year as per Appendix 1.

Summary

- 2.1 An operating surplus of £2.1m was the approved budget for 2025/26. The final out-turn was £795K higher with an operating surplus of £3.1M. 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 2026.

Competence

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

Recommendations

- 4.1 **It is recommended that the Board:**
- a) **note the performance against budget for the year ended 31 March 2026 as at Appendix 1;**
 - b) **note the Financial Covenant for 2025/26 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 2026/27.**

APPENDIX 1: Budgetary Performance for 2025/26

APPENDIX 2: Financial Covenant 2025/26

Background Papers: Corporate Sponsorship 17 March 2012

Writer of Report: Donald Macleod

Tel: 0300 123 0773

5.1 Competence 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.
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 2025/26 was an Interest Cover Covenant of 150% and a Gearing covenant of 30%. Appendix 2 shows the covenant position at 31 March 2026 being met with an interest cover of 1134% and gearing of 9%.
ESG	This report outlines investment in asset sustainability and energy efficiency and confirms whether it was delivered as planned. It also explains how financial performance has affected tenants and service delivery, demonstrates how decisions support positive outcomes and value for money, and provides explanations for financial variances to evidence stewardship, accountability and the effective use of resources.
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, a further deep dive on organisational costs and budget methodologies will be held with the Committee in August 2026.

Report Details

- 6.1 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)	(£m)
Initial Board approved Surplus		£2.128
Void Loss	£0.202	
Bad Debt	£0.180	
OT Grants - Other side is capital expenditure	£0.241	
Loss on disposal of assets - Early grant funded heating replacements	(£0.140)	
Changes in Income		£0.483
Supervision & Management - Training posts within the staff structure not filled until Q2 in addition to regular staff turnover	(£0.275)	
Response Repairs - Increased average repair cost in addition to higher volume of jobs compared to prior year	£0.309	
Estate Works	(£0.052)	
Planned/Cyclical Maintenance	£0.018	
Changes in Operating Expenditure		(£0.001)
Interest Received - Additional Monies on Deposit		£0.163
Interest Paid -Improved interest rates		£0.024
Total Net Interest on Pension		£0.284
Depreciation - additional net zero heating replacements funded through the Scottish Governments net zero heat funding		(£0.134)
Grant Amortisation - additional net zero heating replacements funded through the Scottish Governments net zero heat funding		£0.165
Actual Surplus at 31 March 2026		£3.113
Improved our Surplus		
Figures in red text reduced our Surplus		

- 6.2 It is proposed that a recommendation be placed before the membership of the 2026 AGM to donate £5,000 across 5 local charities. The Board will also consider proposals to mark our 20 year Anniversary including proposals to increase this contribution in our 20th Anniversary year.

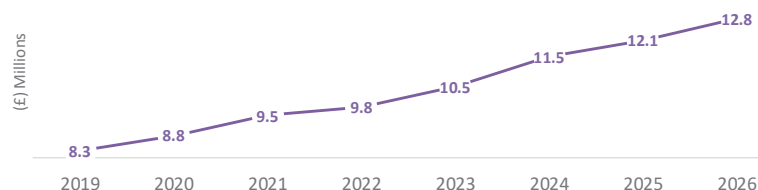
Appendix 1 – I&E Summary

Line		CURRENT YEAR BUDGET		ACTUAL to 31-Mar-26 £	BUDGET VARIANCE	
		Initial Budget £	Revised Budget £		Budget to date £	Budget to date %
1	Dwelling rents (net)	12,443,810	12,627,023	12,825,667	198,644	2%
2	Non Dwelling rents (net)	19,000	19,000	19,342	342	2%
3	Profit/(Loss) on Disposal of Assets	(45,000)	(162,312)	(185,306)	(22,994)	100%
4	Grant Funding	465,090	702,941	703,959	1,018	0%
5	Other Income	218,250	220,265	220,353	88	0%
6	TOTAL INCOME	13,101,150	13,406,918	13,584,016	177,098	1%
7	Supervision & Management	3,348,810	3,328,062	3,073,852	254,210	8%
8	Response Repairs	2,161,130	2,431,032	2,470,596	(39,564)	-2%
9	Estate Works	145,060	140,684	92,700	47,985	34%
10	Planned/Cyclical Maintenance	1,492,310	1,542,411	1,510,785	31,626	2%
11	Total Operating Expenditure	7,147,310	7,442,190	7,147,933	294,257	4%
12	Operating Surplus/(Deficit)	5,953,840	5,964,728	6,436,083	471,355	8%
13	Interest received	38,700	201,017	201,578	560	0%
14	Interest paid	741,000	735,000	433,089	301,911	41%
15	Surplus/(Deficit)	5,251,540	5,430,745	6,204,571	773,826	14%
16	Depreciation	5,173,300	5,223,300	5,307,345	(84,045)	-2%
17	Grant Amortisation	(2,050,170)	(2,110,170)	(2,215,296)	105,126	-5%
18	Surplus/(Deficit)	2,128,410	2,317,615	3,112,521	794,906	34%
	CAPITAL INVESTMENT					
19	OT Aids & Adaptations	30,000	248,000	241,764	6,236	3%
20	Housing Investment Programme	4,475,200	4,474,184	3,881,714	592,470	13%
21	Non Housing Investment	50,300	92,588	90,194	2,393	3%
22	Development Programme	4,927,990	3,682,557	3,787,758	(105,201)	-3%
23	Total	9,483,490	8,497,329	8,001,431	495,898	6%

Appendix 1 – Income

Line	2021/22 ACTUAL £	2022/23 Actual £	2023/24 Actual £	2024/25 Actual £	2025/26 Actual £	2025/26 BUDGET £	VARIANCE £
1 Net Rental Income	(9,785,232)	(10,477,681)	(11,526,366)	(12,105,084)	(12,845,009)	(12,646,023)	198,985
2 Grants	(866,639)	(925,019)	(839,599)	(614,453)	(703,959)	(702,941)	1,018
3 Grant Amortisation	(1,462,709)	(1,612,107)	(1,871,758)	(2,000,140)	(2,215,296)	(2,110,170)	105,126
4 Loss/(Profit) on Disposal of Assets	248,435	1,499,632	44,703	66,939	185,306	162,312	(22,994)
5 Other Income	(2,406,477)	(2,404,066)	(169,181)	(209,079)	(220,353)	(220,265)	88
6 Interest Received	(2,381)	(16,650)	(187,360)	(202,455)	(201,578)	(201,017)	560
7 Total Income	(14,275,003)	(13,935,892)	(14,549,561)	(15,064,274)	(16,000,889)	(15,718,105)	282,784

NET RENTAL INCOME



GRANT INCOME



Net Rental Income (better than budget by 1.6%)

- Void loss outperformed budget by £18K, primarily due to consistently low relet times. The favourable variance was further supported by significantly lower bad debt costs, driven by a low number of write-offs.

Grant Amortisation (better than budget by £105K)

- Increases are attributable to the additional net zero heating replacements, which have been delivered as part of the Scottish Governments Net Zero Heat fund.

Loss/(Profit) on Disposal of Assets (£23K over budget)

- The increase reflects accelerated depreciation arising from unplanned heating replacements undertaken in March 2026. As these assets were replaced earlier than expected, their remaining value has been written down quicker, resulting in a higher depreciation charge for the period.

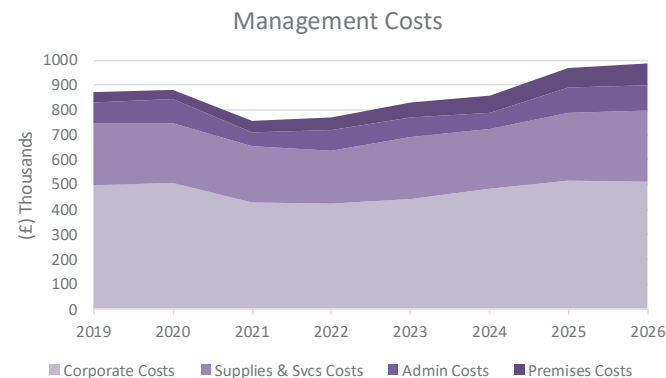
Interest Received (better than budget by £0.1K)

- Additional deposits were placed throughout the year due to delays in development works resulting in higher cash balances available

Appendix 1 – Management Costs

Line	2021/22 ACTUAL £	2022/23 Actual £	2023/24 Actual £	2024/25 Actual £	2025/26 Actual £	2025/26 BUDGET £	VARIANCE £
1 Employee Costs	2,029,322	2,205,017	2,301,770	2,456,407	2,621,751	2,773,435	151,684
2 Pension Adjustment*	561,000	510,000	-	81,000	25,000	65,000	40,000
3 Premises Costs	47,466	60,836	67,256	80,076	88,253	90,313	2,060
4 Supplies and Services	211,542	250,922	242,786	270,050	288,140	291,832	3,691
5 Administration Costs	84,812	77,619	63,866	101,934	100,985	122,854	21,869
6 Corporate Expenses	423,663	441,856	481,502	516,191	509,803	552,172	42,369
7 Total Management Costs	3,357,805	3,546,251	3,223,181	3,505,659	3,633,933	3,895,605	261,673

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



Employee Costs incl Pensions (better than budget by £192K)

- £151K underspend on Salaries and associated costs (NI & Pensions) due to vacant training posts at the beginning of the year with the pension adjustment being £40K underbudget
- £3K underspend on Travel & Subsistence due to remote meetings driving costs down
- Other Costs were underspent by £7K mainly owing to savings on mileage claims due to electric car usage

Supplies and Services (better than budget by £3K)

- Savings were made on Software Licences in addition to annual Faire costs being less than provisioned for

Administration Costs (better than budget by £22K)

- Community Support was £4K under budget due to tenant engagement spend being lower than anticipated
- Training Courses were £14K under budget due to three scheduled training courses being postponed until 2026/27 in addition to minimal spend on occupational health services (£2K) and underspend on recruitment costs and postage, printing and stationery (£2K)

Corporate Expenses (better than budget by £42K)

- Consultancy Spend and Corporate Legal Fees was £26K less than budget with minimal legal work required throughout the year
- Remote board meetings and training resulted in savings of £7K on Governance and minimal expenditure on hospitality and publicity resulted in £9K underspend on PR/Marketing

Appendix 1 – Response Repairs & Planned Maintenance

Line	2021/22 ACTUAL £	2022/23 Actual £	2023/24 Actual £	2024/25 Actual £	2025/26 Actual £	2025/26 BUDGET £	VARIANCE £
1 General Repairs	1,675,204	1,781,901	1,876,760	1,895,214	2,145,330	2,100,676	(44,654)
2 Specific Repairs	60,080	78,223	53,231	46,084	60,137	65,607	5,470
3 Rechargeable Repairs	1,356	(4,661)	33,676	30,988	(21,009)	(15,000)	6,009
4 Insurance Repairs	133,438	84,423	153,439	146,680	207,438	199,363	(8,075)
5 Non Dwelling Repairs	19,311	62,957	51,335	42,525	78,699	80,385	1,686
6 Total Response Repairs	1,889,388	2,002,842	2,168,442	2,161,492	2,470,596	2,431,032	(39,564)
7 Planned Maintenance	793,832	952,317	1,125,845	1,370,111	1,510,785	1,542,411	31,626
8 Estate Works	140,339	93,115	123,642	134,714	92,700	140,684	47,985
9 Total Planned Maintenance	934,171	1,045,432	1,249,488	1,504,826	1,603,485	1,683,096	79,611

General Repairs (£45K over budget)

- Responsive Repairs came in £40K overbudget as we saw continued pressure on this budget throughout the year. A higher volume of jobs compared with the prior year was compounded by an increase in the average repair cost
- Void Repairs was £7K overbudget with a small number of larger void repair costs incurred in the final month of the year. A small underspend of £2K on Handyperson costs is attributed to lower than expected diesel costs for vans

Specific Repairs (under budget by £5K)

- Small underspends on Decoration Allowances, Council Tax on empty properties as well as compensation payments made in the year being in line with the prior year

Insurance repairs (£8K over budget)

- A higher than anticipated volume of works fell below the applicable insurance excess threshold. As these repairs are not eligible for recovery through insurance claims, the costs were fully borne by HHP, contributing to the overall variance. There were five insurance events throughout the year that were able to be claimed through our insurer

Planned Maintenance (£32K better than budget)

- A number of services done under defects and therefore no cost was incurred (£54K). This was offset by the annual charge received from CNES for HWEK maintenance works being £20K higher than anticipated

Estate Works (£54K better than budget)

- Minimal requirement to carry out works during the year, but it is intended to carry out more detailed survey work to identify the condition of infrastructure for a longer-term programme

Appendix 1 – Capital Investment

Line	2021/22 ACTUAL £	2022/23 Actual £	2023/24 Actual £	2024/25 Actual £	2025/26 Actual £	2025/26 BUDGET £	VARIANCE £
1 Investment Programme	4,284,001	3,968,862	4,125,957	3,885,189	4,123,478	4,722,184	598,706
2 Development Programme	8,995,105	3,031,642	359,447	1,969,967	3,787,758	3,682,557	(105,201)
3 Non Housing Investment	266,021	142,778	5,847	128,954	90,194	92,588	2,393
4 Total Capital Investment	13,545,128	7,143,283	4,491,251	5,984,110	8,001,431	8,497,329	495,898

Investment Programme (Underspend of £599K)

- We were unable to progress Roughcast, Roof and Window works due to various factors. The primary constraint was limited contractor capacity, which meant that the necessary resources were not available to undertake the required level of work within the period. These works have been carried forward in 2026/27.

Development Programme (Overspend of 105K)

- The overspend on development is principally driven by Melbost West building warrant works which were progressed before the end of the year

CONSULTANCY SPEND 2025/26							
Area	Consultant	Cost (£)	Budget (£)	Responsible Officer	Scope of Works	Summary of Performance	Value for Money (Y/N)
Consultants General	Robert Potter & Partners	588	600	Donald Macleod	Architectural Input on Outline Proposals for Layout of New Offices	Draft Plan provided which formed the basis for the new office layout.	Y
Consultants General	Highland Council	1,422	1,500	Donald Macleod	24/25 IAS/FRS Report and Supplementary Paper	Actuarial Report with underlying commentary provided to satisfy year end Financial Reporting requirements	Y
Consultants General	Total Design Ltd	600	600	Donald Macleod	Mapping, survey, and title plan preparation of new Balivanich office	Title Plan created in accordance with brief and submitted on time.	Y
Property Consultants	ALT Procurement	300	300	John Maciver	R&M market intelligence	Good report and quick turnaround	Y
Property Consultants	Glasgow City Council	1,296	1,300	John Maciver	Provision of lab services & analysis of soil samples	No concerns	Y
VAT Consultants	Azets	5,400	5,400	Donald Macleod	VAT advice and assistance in relation to the intended rental of accommodation to Balfour Beatty, and ad-hoc advice in relation to SSEN grant.	VAT advice provided to allow us to progress to contract with SSEN	Y

*The above spend does not include consultants employed through the course of the development programme

BOARD MEMBER EXPENSES 25/26

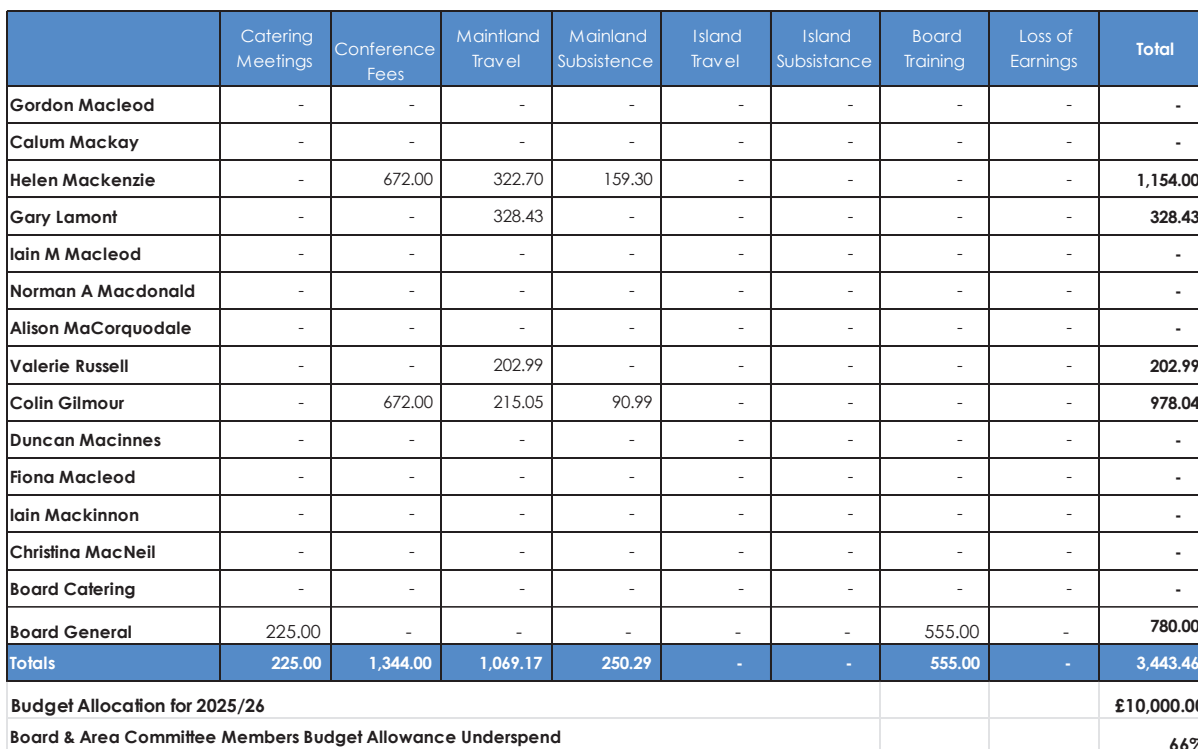
- 1.1 Expenses are claimed at the end of every calendar month using the approved Claim Form with all necessary receipts attached.
- 1.2 All Claim Forms are checked and approved for payment by the Governance Officer and payment made within 10 working days.
- 1.3 The chart overleaf details the areas of expenditure incurred during the year against budget.
- 1.4 There has been an overall underspend of 66% on the total budget allocated to Board Members.
- 1.5 Reasons for underspend are:
 - a) Most Boards meetings are now held remotely, with only 2 in-person meetings this year which has led to a reduction in travel costs:

Target Attendance	85%
Actual for 2025/26	83%
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%

- 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 2025/26	51%
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%

- ## BOARD MEMBERS' EXPENSES



APPENDIX 2

HEBRIDEAN HOUSING PARTNERSHIP
COMPLIANCE CERTIFICATE
YEAR ENDED 31 MARCH 2026

2026

1	Adjusted operating surplus	
	Operating surplus	2,859,301
	Adjustments	
	a Adding back depreciation on housing properties	5,144,127
	b Adding the profit (deducting the loss) on sale of housing properties	-
	d Adding back any capitalised component replacement costs and capitalised major repairs in connection with completion of the Deferred Works	-
	e Deducting pension deficit contributions payable	-
	f Excluding gift aid received	-
	g Deducting amortisation of Public Sector Grants	(2,155,257)
	h Excluding non-cash movement in fair value of investment properties	-
	i Excluding any non-cash movement in the fair value of non-basic financial instruments	-
	j Excluding any net change in the Borrower's net defined pension liability or surplus	-
		2,988,870
		<u>5,848,171</u>
2	Net interest payable	
	Interest Payable being	717,089
	less Interest Receivable	201,399
		<u>515,690</u>
	Adjusted Operating Surplus as a percentage of Net Interest Payable	1134%
	Not less than 150% Covenant Requirement	
3	Historic cost of properties	
	Completed housing properties	
	Held for letting	185,312,687
	Shared ownership held for letting	85,788
		<u>185,398,475</u>
4	Financial Indebtedness	17,000,000
	Gearing	9%
	Not greater than 30% Covenant Requirement	

SHR RETURNS 2025/26

Board 23 June 2026

Report by Director of Finance & Corporate Services

Purpose of Report

- 1.1 To present the Loan Portfolio return 2025/26 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 2026 and have 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 and an update to the number of housing units owned.

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 approve for submission to the Scottish Housing Regulator:**
- a) **the Loan Portfolio Return for 2025/26 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 2025/26

Background Papers: None

Writer of Report: Donald Macleod

Tel: 0300 123 0773

5.1 Compliance Section

COMPLIANCE CHECKLIST	
Financial	The Loan Portfolio Return reflects the level of debt drawn at 31 March 2026 (£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. Submission of the return at Appendix 1 will ensure the Partnership's regulatory requirements are met
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.

Loan Portfolio Annual Return 2025-2026



Landlord name:	Hebridean Housing Partnership Ltd
RSL Reg. No.:	359
Report generated date:	05/06/2026 15:05:01

Approval	
Date approved:	
Approver:	
Approver job title	

Submission		
Nil return		No
Date of Return		31/03/2026
Accounting year-end		March
Number of housing units owned by RSL		2,461
Number of housing units used for Security		2,211
Unencumbered housing units		250
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 Loan Debt Outstanding	17,000.0
Total value of Loan interest payable for the Financial Year (£'000s)		717.1
Loan interest payable Comments		
N/A		

Submission Comments

N/A

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 set out 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 (150%). "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; - 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 150% & Maximum Gearing = 30%	Annually	31/03/2026	Gearing = 9% / Interest Cover = 1134%

Facilities

Facility Reference Number	Name of Lender	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?	Undrawn Facility Details
HHPRBS2164	Royal Bank of Scotland plc		No	02/07/2021	31/03/2041	5,000.0		5,000.0	0.0			
HHPRBS2165	Royal Bank of Scotland plc		No	02/07/2021	31/03/2046	12,000.0		12,000.0	0.0			
HHPRBS2166	Royal Bank of Scotland plc		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	New Facility?	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	No		Yes	No	No			No	RBS Refinancing 2021 (£10M increased facility from £15M to £25M)
HHPRBS2165	Royal Bank of Scotland plc	No		Yes	Yes	No			No	
HHPRBS2166	Royal Bank of Scotland plc	No	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)	Balance O/S Comments	Repmnt Terms	Repmnt Terms Comments	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

Facility Reference Number	Loan Reference Number	Loan Type	Purpose of Loan	Loan Purpose Details	Total Loan Amt (£'000s)	Balance O/S (£'000s)	Balance O/S Comments	Repmnt Terms	Repmnt Terms Comments	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
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 fully 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 (150%). "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; - 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 150% & Maximum Gearing = 30%	Annually	Gearing = 9% / Interest Cover = 1134%
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 (150%). "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; - 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	Minimum Interest Cover 150% & Maximum Gearing = 30%	Annually	Gearing = 9% / Interest Cover = 1134%

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
				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 (150%). "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; - 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 150% & Maximum Gearing = 30%	Annually	Gearing = 9% / Interest Cover = 1134%
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 (150%). "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; - 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 150% & Maximum Gearing = 30%	Annually	Gearing = 9% / Interest Cover = 1134%

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
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 (150%). "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; - 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 150% & Maximum Gearing = 30%	Annually	Gearing = 9% / Interest Cover = 1134%

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 (%)
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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	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	Dachaigh Property Solutions Ltd	Subsidiary	19.4	19.4	Working Capital		48	01/04/2023	31/03/2027	31/03/2027	No		
Totals			19.4	19.4									

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	Repmnt Period (months)	Repmnt Terms	Repmnt Terms Comments	Reference Interest Rate	Margin Over Ref Int Rate (%)	'All in' Fixed Rate (%)	IGF Lend Comments
1	Dachaigh Property Solutions Ltd	No				Yes	Bridging Finance	48	Payment start date deferred-bullet repayment of interest and capital at maturity		Base	1.0000%		

INVESTMENT FRAMEWORK CONSULTANCY PROCUREMENT

Board 23 June 2026

Report by Director of Operations

Purpose of Report

- 1.1 To present to the Committee for consideration and approval to tender for consultancy support in assessing Investment Programme procurement, and delivery options from April 2027.

Summary

- 2.1 The current 4-year Investment Programme framework contract ends on 31 March 2027. Competition within the framework has been limited, particularly over the last 2 years. It would therefore be prudent to examine whether a framework approach remains appropriate and to examine alternative options for investment programme delivery after March 2027.
- 2.2 Approval is sought to tender for consultancy support to manage and advise on the procurement process and packaging of the investment works for April 2027 onwards.

Compliance

- 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 the procurement of consultancy support to establish arrangements for Investment Programme delivery from April 2027.**

Background Papers: Risk Register

Writer of Report: Angus MacNeil

Tel: 0300 123 0773

Report Details

Investment Procurement 2027 onwards

- 5.1 Investment works have been delivered through framework contracts for the last 12 years. The current framework expires on 31 March 2027 and therefore works require re-procurement.
- 5.2 The level of engagement by contractors in tendering for lots has decreased significantly over time and particularly during the period of this framework. There are now only 2 contractors who are competing for works and often only one tender return is received.
- 5.3 It is therefore evident that we need to review all options for delivering investment works going forward and that a framework arrangement might no longer be appropriate. It is proposed to seek consultancy support to assist with this review and subsequent procurement. This will include:
- Liaison with contractors and stakeholders, including tenants, where appropriate, including the attendance at meetings as required.
 - Assist with Project planning including tasks timelines and action plans.
 - Identify, review and advise on service delivery options, sector wide approaches and identify advantages and disadvantages.
 - Advise on procurement route options and any applicable restrictions.
 - Consideration of options to maximise interest from contractors to achieve competition.
 - Procurement advice including preparing and posting PIN notices or notices on the Public Contracts Scotland Portal, Assist in preparation of tender documents, handling clarification issues, supplier feedback, challenges, standoff periods.
 - Provide advice on national and EU procurement legislation and ensure compliance of all tender documentation, specifications and other requirements generally.
 - Provide advice on methods of good practice and initiatives in relation to procurement and delivery of framework contracts.
 - Contract Development including all tender document preparation. Work with HHP to formulate specifications, pricing schedules and contract requirements.
 - Develop a cost model for evaluation and scoring of the framework, both for price and quality.
 - Preparation of recommendations for the Board meeting in November 2026. Assist with formulation a final recommendation report to committee and Board

6.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	The services will be financed from the agreed consultancy budget of £20K
Legal	The proposed service will assist in ensuring full compliance with all legal requirements on procurement.
Regulatory	The Regulatory Standards Checklist has been completed and there is nothing in this report which would breach these standards.
Risk	There is a specific risk highlighted in the Risk Register concerning. - Construction supply chain - 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.
ESG	There is an ESG impact arising from the consideration of this report. - Social - Building Safety and Quality - maintaining Scottish Housing Quality Standard - Resident Voice - Placemaking – sustainability embedded into contract. - Environmental - Climate Change - reducing waste, sustainability, recycling, local materials. - Resource Management - regularly review standard specifications having regard to the environmental impact of individual products and materials. - Governance - Supply Chain Management – maximize 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, stakeholders will be involved in the review of options and the development of recommendations.

OPERATIONS REPORT - REVIEW OF ALLOCATION QUOTAS

Board 23 June 2026

Report by Director of Operations

Purpose of Report

- 1.1 To seek Board approval to retain the current allocation quotas for Stornoway, including the proportion for homeless applicants and the annual provision of 2 apartment properties.

Summary

- 2.1 The quota of allocations to homeless applicants in Stornoway is proposed to remain at 50% with the exception of 2 apt properties.
- 2.2 The number of 2 apt properties being made available for homeless applicants in Stornoway is proposed to be retained at 25 per annum.
- 2.3 The quotas for allocation properties in Stornoway are proposed to remain at 15% for transfer applicants and 35% for other waiting list applicants.
- 2.4 The detailed reports on Allocations, Complaints, Anti-Social Behaviour & Estate Management and Repairs can be found in 'For Information Only' at item 9.4.

Recommendations

- 3.1 **It is recommended the Board:**
- a) **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**
 - b) **agree the quotas for allocation properties in Stornoway remain at 15% for transfer applicants and 35% for other waiting list applicants.**

Background Papers: Allocations Policy

Writer of Report: John Maciver

Tel: 0300 123 0773

ANNUAL REVIEW OF GOVERNANCE DOCUMENTS

Board 23 June 2026

Report by Chief Executive

Purpose of Report

- 1.1 To present an updated set of Standing Orders & Financial Regulations to the Board for approval. Both documents are reviewed annually and were last updated in June 2025.

Summary

Standing Orders

- 2.1 The main changes to the Standing Orders are as follows:
- Whistleblowing section added
 - Integration of Dachaigh Property Solutions into Standing Orders
 - Remit of Tenant Board Panel added
 - Delegation to Chief Executive to approve allocations to connected persons in line with revised EPB guidance
 - Approval of the appointment of consultants up to a value of £20,000, following the completion of the tendering and evaluation process, for Investment & Repairs Frameworks and Stock Condition Survey
- 2.2 Further details of changes to the Standing Orders following this review are detailed at 5.1 of this report.
- 2.3 Over the next 6 months we will be reviewing the committee structure to ensure it remains appropriate.

Financial Regulations

- 2.4 The Financial Regulations have been updated to reflect the changes to our Procurement Policy, approved by the Board in March 2026. Appendix 2 of the Financial Regulations provides the Board approved options when procuring Goods & Services and Works & Construction Services.
- 2.5 The Financial Authorities have been amended to increase the invoice approval limit for the Chief Executive to allow for larger invoices anticipated on our Melbost West project.

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 approve the:
- a) Standing Orders at Appendix 1;
 - b) Financial Regulations at Appendix 2; and
 - c) Financial Authorities at Appendix 3.

APPENDIX 1:	Composite Standing Orders
APPENDIX 2:	Financial Regulations
APPENDIX 3:	Financial Authorities
Background Papers:	HHP Rules
Writer of Report:	Iona France

Tel: 0300 123 0773

Standing Orders

- 5.1 There are material updates required to the Standing Orders and they are detailed in the table below:

Part 1	Paragraph	
Whistleblowing	1.155	Paragraph added for Whistleblowing arrangements
Subsidiary Company	1.156 -1.167	Application of the Standing Orders to the Group Recognition of Dachaigh Property Solutions Chief Executive Group Responsibilities Reporting arrangements
Part 3		
Tenant Board Panel	Page 50	Tenant Board Panel remit added
Part 4	Paragraph	
Scheme of Delegations to Officers	G20	Delegation to Chief Executive added - approval of allocations to connected persons to align with the Entitlements, Payments & Benefits Policy
	P6	Approval of the appointment of consultants up to a value of £20,000.

- 5.2 There have been minor wording and formatting improvements throughout the document.

Board Attendance

- 6.1 The Board attendance figures for meetings and trainings throughout 2025/26 are detailed below. There were 4 Board training sessions held throughout the year and Board Members attended 2 conferences.

Board	
Target Attendance	85%
Actual for 2025/26	83%
Actual for 2024/25	82%
Actual for 2023/24	71%
Actual for 2022/23	72%
Actual for 2021/22	71%

Training	
Target Attendance	85%
Actual for 2025/26	51%
Actual for 2024/25	43%
Actual for 2023/24	70%
Actual for 2022/23	67%
Actual for 2021/22	30%

6.1 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 & Financial Regulations 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	Governance is a key strand of our ESG Strategy.
Equalities	There are no Equalities considerations arising directly from the consideration of this report.
Communication	Our Standing Orders & Financial Regulations are published on our website and staff will be advised of the changes.



Standing Orders

JUNE 2026

HEBRIDEAN HOUSING PARTNERSHIP |

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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 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 auditor's 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 an 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 transferable 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 forty-two 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 criterion 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 <i>e.g. if they have any legal proceedings in any Court of Law by or against the Partnership</i>
44	Circumstances where someone would cease to be a Board Member <i>e.g. someone misses four Board meetings in a row without special leave of absence</i>

- 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 Decisions 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 is as follows:

- 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) Ensures 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 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 minutes.

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 retirements, 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 use of a digital voting function); 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 minute 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.

WHISTLEBLOWING

- 1.155 The Partnership will maintain arrangements for Board Members, employees, contractors and others to raise concerns in confidence about suspected wrongdoing, including fraud, misconduct, breach of legal or regulatory obligations or risk to health & safety. Any concern raised in good faith shall be handled in accordance with the Partnership's Whistleblowing Policy and no person shall suffer detriment for doing so.

SUBSIDIARY COMPANY

- 1.156 The Partnership operates a subsidiary company:
- Dachaigh Property Solutions
- 1.157 It is agreed that these Standing Orders, and any variations approved by the Board, shall be the Standing Orders for all Members of the Group.
- 1.158 For the Subsidiary the following key documents are in place and have relevance to the governance arrangements within the Group.
- Memorandum and Articles of Association
 - Intergroup Agreements
 - Service Sharing Agreements
- 1.159 The preceding sections within these Standing Orders relating to the management of the Partnership's business shall be taken as also applying to the Partnership's subsidiary companies unless expressly excluded or amended by this section.

Role and Remit of the Boards

- 1.160 The subsidiary company Board is the governing body for its company. As the Partnership is the sole shareholder for the subsidiary, the Board Members are subject to appointment by the Partnership's Board of Management and serve at the Board's pleasure. The remit and responsibilities of the Board are set out in the Subsidiary's Memorandum and Articles of Association.
- 1.161 As a matter of policy, the Board has decided that the subsidiary company will not establish or operate sub Committees or delegate authority to any other Standing Committee.

Delegation to the Chief Executive and other Members of Staff

- 1.162 The Chief Executive of the Partnership is the Chief Executive of the overall Group. The Partnership's Chief Executive will act as the principal adviser to the subsidiary Board and may serve as a Board Member of the subsidiary company at the Partnership's Board's pleasure. The Chief Executive will be responsible and accountable to the Partnership Board and the subsidiary Board for the effective implementation by the staff teams of the subsidiary Board's decisions and policies.
- 1.163 The Chief Executive is authorised and empowered to manage the subsidiary company and to direct their operations. The Chief Executive is responsible and accountable to the subsidiary Board for the work of the subsidiary company staff team(s). The subsidiary company Board may delegate responsibilities to individual senior staff, but such staff are subject to line management by the Partnership's Chief Executive, acting as the Group Chief Executive.

Board Meetings and Codes of Conduct

- 1.164 The subsidiary company Boards will meet at least quarterly and more often as required. The quorum for meetings shall be as set out in the company's Memorandum and Articles. All other matters relating to the proceedings at meetings shall be as set out for the Partnership in these Standing Orders.
- 1.165 Alleged breaches of the Code of Conduct by subsidiary Board Members shall be investigated by the company Board as set out in the Partnership's Code of Conduct for Board Members.
- 1.166 Actions which are found to be in breach of the Code following investigation, as set out in these Standing Orders, shall be reported to the Partnership's Board of Management who may:
- Censure the Board Member
 - Remove the Member from the Board of the company
- 1.167 In all matters relating to the membership of the Board, the Board's decisions shall be final.



PART TWO

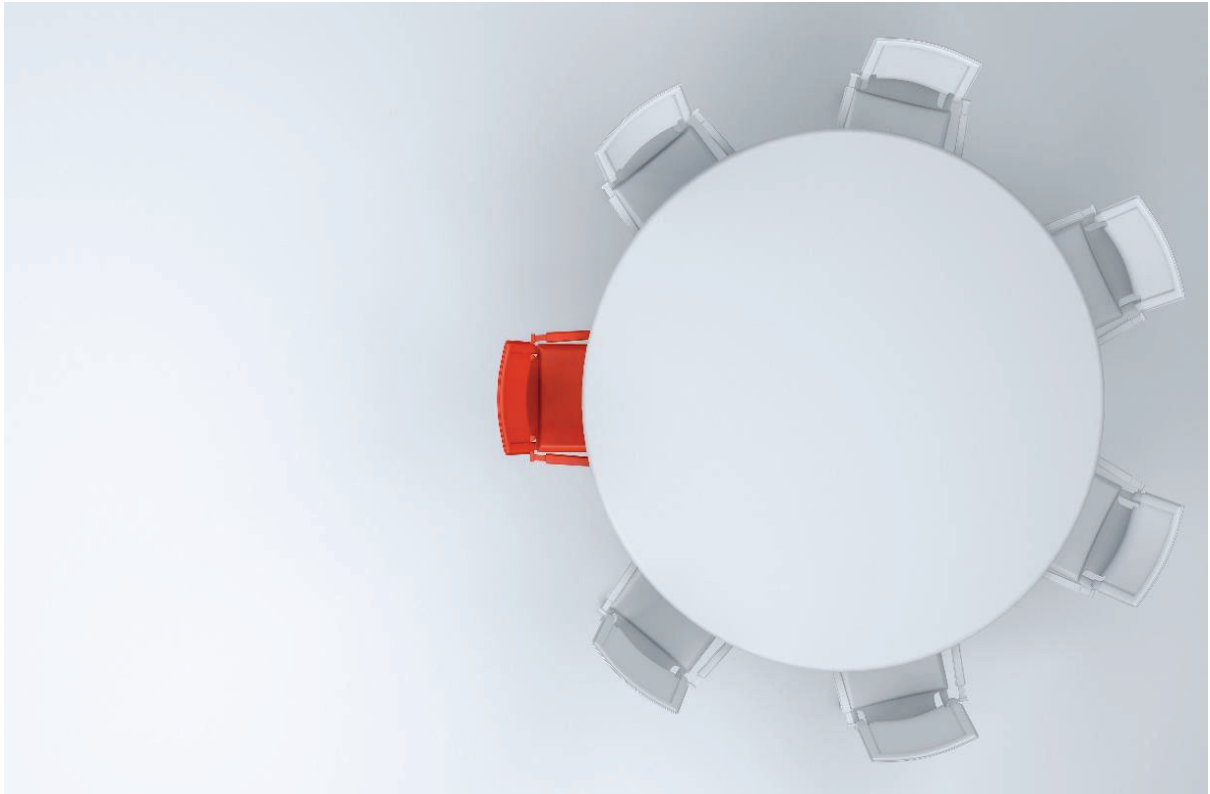
SCHEDULE OF DECISIONS RESERVED TO THE BOARD

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 timetable 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 timetable 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
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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 LIAISON 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 (EESH);
- 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 of 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.

TENANT BOARD PANEL REMIT & TERMS OF REFERENCE

- 1.1 The Tenant Board Panel will deal with tenant related matters which require insight and input from tenants ahead of taking a policy or strategy to the Board for consideration.
- 1.2 The Tenant Board Panel will act independently to form an effective working partnership with the HHP Board to increase tenant involvement and influence decision making.
- 1.3 The remit includes:
 - Review the Board plan for the year and agree which items should be discussed at the Panel meetings.
 - Consider subjects that will be coming before Board and provide a tenant representative view.
 - Record and evidence the impact of the Tenant Board Panel by demonstrating changes.

MEMBERSHIP

- 2.1 Membership of the panel is open to all tenants up to a maximum of 12. The meeting will be chaired by a tenant representative and administrative support will be provided by the Tenant Engagement Officer. Initial places will be allocated in a way to represent the four island areas and then offered on a first come first served basis. Where there are more than 12 tenants wishing to take part then time on the panel may be limited to 12 months before the position is reviewed.
- 2.2 A short form will be completed with interested tenants beforehand to capture tenant information.

FREQUENCY OF MEETINGS

- 3.1 Meetings will be held approximately 28 days before each Board meeting and will be programmed for the calendar year. They will be only cancelled when necessary.
- 3.2 The timings of meetings will be scheduled based on tenants' availability as indicated in the initial sign up form.

LOCATION

- 4.1 The meetings will take place in the HHP Board Room, Stornoway with a Teams link for tenants that are unable to make it in person. HHP staff will be available in the Balivanich Office for tenants who are unable access Teams at home.
- 4.2 Any reasonable expenses occurred attending the panel will be reimbursed.

AGENDAS & REPORTS

- 5.1 An Agenda will be prepared by the Tenant Engagement Officer in agreement with the Chair.
- 5.2 Where applicable, information will be provided in advance to tenants to allow preparation. Confidential information will be flagged as such and shared securely.

ACTIONS/DECISIONS

- 6.1 Actions and decisions will be recorded rather than detailed minutes. The action plan should be shared, where possible, within a week of the meeting. Each action plan will detail the level of confidentiality required, particularly where sensitive subjects have been discussed.

Feedback

- 7.1 Feedback to the Board will be collected in an action plan verbally delivered to the Board by the Tenant Engagement Officer to ensure that all opinions are captured and can be considered by the Board.
- 7.2 The Board will review the feedback provided by the Tenant Panel and use it to inform their discussions and decisions.
- 7.3 After Board meetings, a short summary will be shared with the Tenant Panel to show how their feedback is helping shape the Board's decisions.

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

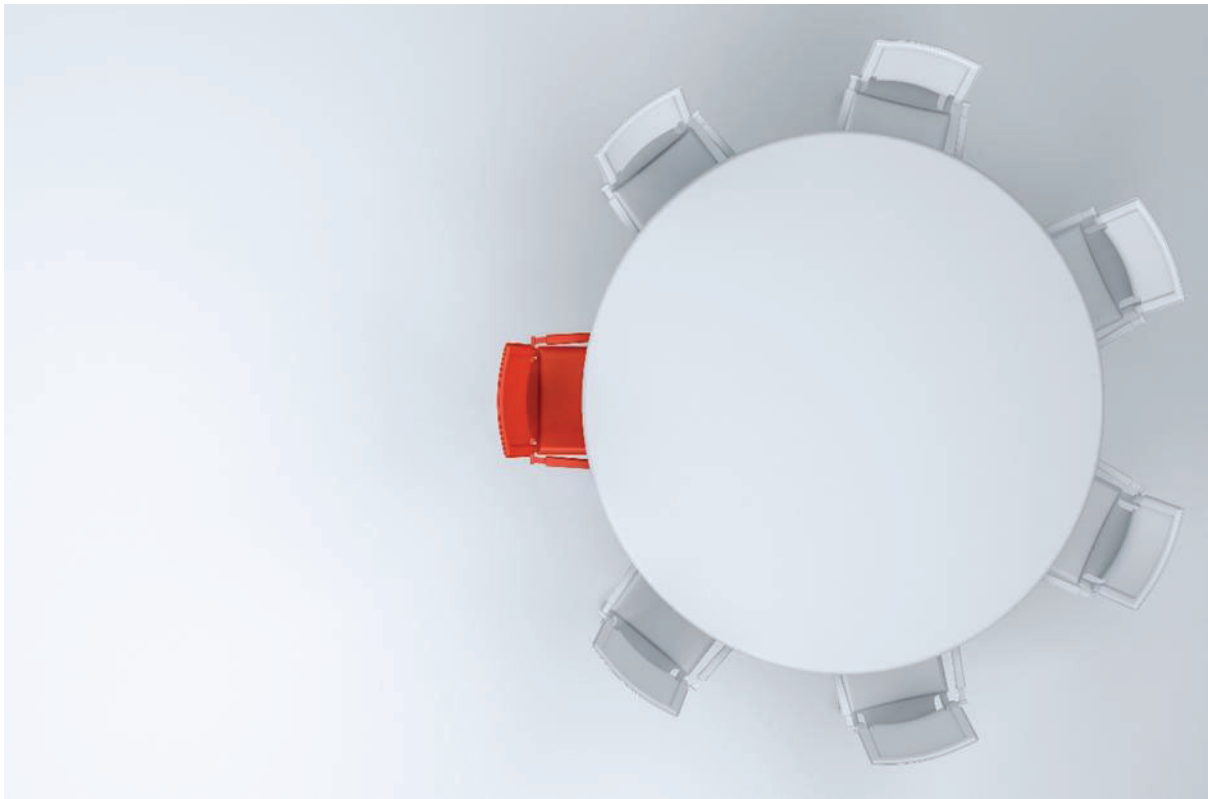
- To maintain the highest standards of conduct to ensure public confidence in HHP.

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.

SCHEME OF DELEGATION TO OFFICERS

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
G16	To arrange, subject to prior consultation with the Chair of the Board, attendance by Members at seminars, conferences and like events	Governance Officer
G17	To deputise for the Chief Executive	Director of Operations
G18	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
G19	To authorise official hospitality	Chief Executive
G20	To approve allocations to connected people in accordance with our Entitlements, Payments & Benefits Policy	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 Dachaigh Property Solutions 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 £15,000	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 (other than the delegation at G20)	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

Ref	Delegation	Delegated to
H15	To apply for planning permission	Director of Operations/Development Manager
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/Finance Manager
P2	To approve the acceptance of a tender other than the lowest compliant tender only in exceptional circumstances, after receiving advice from the instructing Head of Service and following 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 tenders for house construction and improvement works, and to manage the tender process up to recommendation of award, subject to approved budgets and financial provision. The acceptance of any tender and award of contract shall be in accordance with P2 and P5	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 the lowest compliant tender and award a contract, provided that: • prior approval has been received from the Board where required; • the contract is within the approved budget and the approved plans and/or specification to which the tender or contract relates; and • the acceptance of any tender other than the lowest compliant tender shall require approval under P2.	Heads of Service
P6	Approval of the appointment of consultants up to a value of £20,000, following the completion of the tendering and evaluation process, for the following services: • Investment Framework • Repairs Framework • Stock Condition Survey	Chief Executive

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 & ABBREVIATIONS

The following interpretations and abbreviations are used in this policy:

Word	Interpretation
<i>Board</i>	The Board of Management of the Partnership
<i>Board Member</i>	A Member of the Board and shall include any person co-opted onto the Board.
<i>Chief Executive</i>	The Chief Executive of Partnership or anyone who is deputising for the Chief Executive.
<i>Committee</i>	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.
<i>Scottish Housing Regulator</i>	An independent regulator of RSLs and local authority housing services in Scotland established on 1 April 2011 under the Housing (Scotland) Act 2010.
<i>Council Board Member</i>	Shall have the same meaning as the term "Council Appointed Board Member" in the Rules.
<i>Rules</i>	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.	

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

Whistleblowing Policy

Previous Standing Orders dated: June 2025

Presented for approval to Board: 24 June 2026

Standing Orders Approved:

Next Review Due: June 2027(annual review)



HHP is a registered society under the Co-operative and Community Benefit Societies Act 2014, Registered Number: 2644R(S), Registered Office: Creed Court, Gleann Seileach Business Park, Willowglen Road, STORNOWAY, Isle of Lewis HS1 2QP. It is a charity registered in Scotland, Charity Number: SC035767, registered as Registered Social Landlord with the Scottish Housing Regulator, Registration Number: 359 and registered as a Property Factor, Registration Number PF000183

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Financial Regulations

JUNE 2026

HEBRIDEAN HOUSING PARTNERSHIP |

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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 Chief Executive (or their depute in their absence) 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 of 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-£24,999.99. 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 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 in our procurement policy.

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 external consultant has produced to the Director of Operations, or Development Manager, a detailed statement of account and all relevant documents 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 IOUs 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 invoices 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

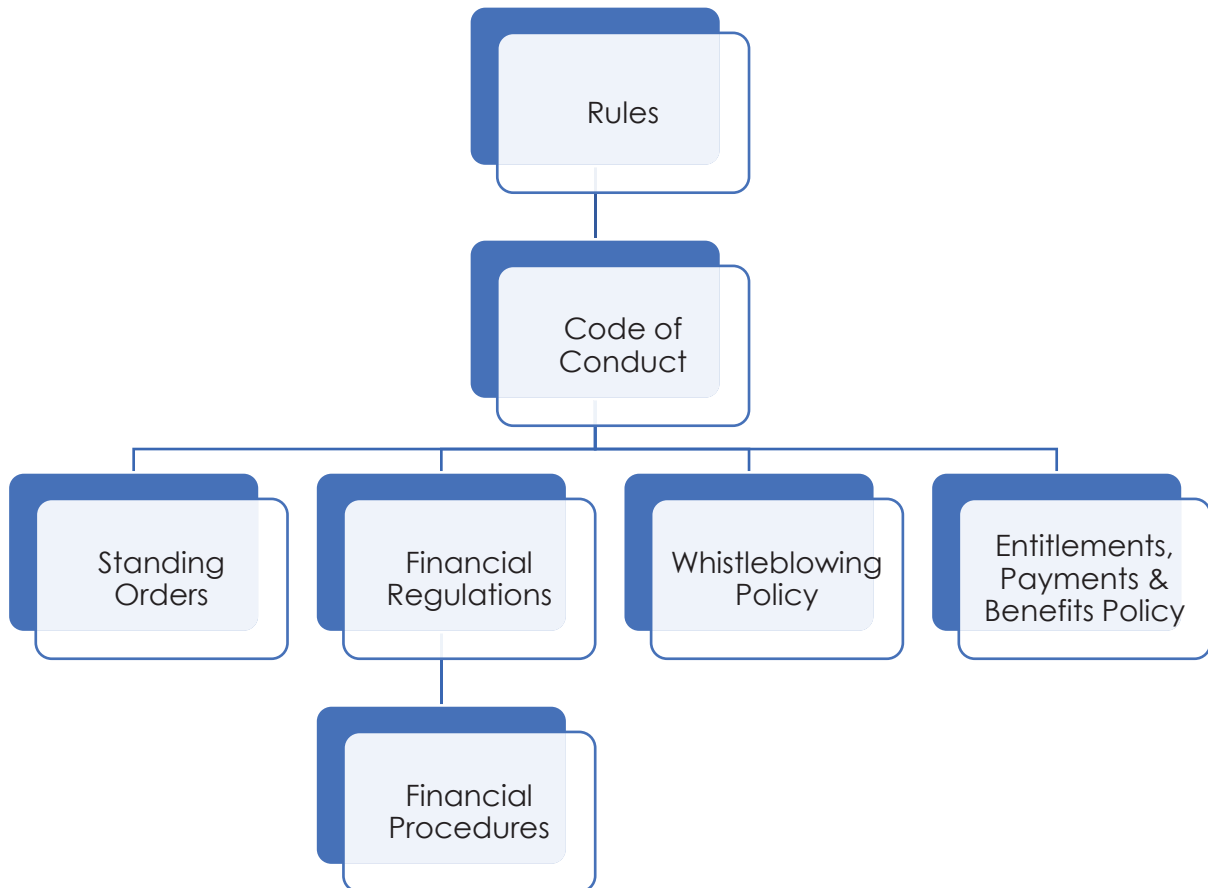
Fixed Asset Register

- 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.

RELATIONSHIP WITH CONSTITUTION



PROCUREMENT ARRANGEMENTS

The thresholds below are net of VAT and the GPA (Government Procurement Agreement) thresholds are updated every two years (shown as at 1st January 2026)

GOODS & SERVICES

Value Range	Procurement Journey
£0 – £1,999	1 written quotation
£2,000 – £24,999	2 written quotations
£25,000 – £50,000 (SRPT)	Route 1 (Quick Quote or Simplified PCS Tender)
£50,000 (SRPT) – £173,100 (GPAT)	Route 2 (Full PCS Tender)
Over £173,100 (GPAT)	Route 3 (Full PCS tender, bespoke contracts requiring enhanced governance)

WORKS

Value Range	Procurement Journey
£0 – £24,999	1 written quotation
£25,000 – £349,999	2 written quotations
£350,000 – £499,000	Quick Quote issued to min. 3 suppliers
£500,000 – £1,999,999 (SRPT)	Route 1 (Quick Quote or Simplified PCS Tender)
£2,000,000 – £4,327,500 (GPAT)	Route 2 (Full PCS Tender)
Over £4,327,500 (GPAT)	Route 3 (Full PCS tender, bespoke contracts requiring enhanced governance)

CONSTRUCTION

Value Range	Procurement Journey
£0 – £349,999	PCS Quick Quotes (CPR 1A)
£350,000 – £1,999,999 (SRPT)	PCS Tender Process (CPR 1B)
£2,000,000 – £4,327,500 (GPAT)	PCS Tender Process (CPR 2A)
Over £4,327,500 (GPAT)	PCS Tender Process (CPR 2B)

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

- c) A list of virements over £50K will be reported to the Development and Finance Committee quarterly.

INTERPRETATIONS & ABBREVIATIONS

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



HHP is a registered society under the Co-operative and Community Benefit Societies Act 2014, Registered Number: 2644R(S). Registered Office: Creed Court, Gleann Seileach Business Park, Willowglen Road, STORNOWAY, Isle of Lewis HS1 2QP. It is a charity registered in Scotland, Charity Number: SC035767, registered as Registered Social Landlord with the Scottish Housing Regulator, Registration Number: 359 and registered as a Property Factor, Registration Number PF000183

Email: info@hebrideanhousing.co.uk

Web: www.hebrideanhousing.co.uk

Phone: 0300 123 0773

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
Tenant Engagement Officer	£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 Assistant	£1,000,000.00	£0.00	£0.00	£0.00
Invoice Inputers				
Debt Management Officer	£ -	£ -	£1,000,000.00	£ -
Financial Accountant	£ -	£ -	£1,000,000.00	£ -
Finance Assistant	£ -	£ -	£1,000,000.00	£ -
Authorisers				
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	£ -	£1,500,000.00	£ -	£1,500,000.00

20TH ANNIVERSARY

Board 23 June 2026

Report by Chief Executive

Purpose of Report

- 1.1 To consider and approve proposals to mark our 20th Anniversary which falls on 12 September 2026.

Summary

- 2.1 Reaching 20 years is a significant milestone and especially when you look back and see all that has been achieved, so it is only right that we should stop and celebrate reaching this milestone.
- 2.2 Staff on the Communications Working Group have looked at a number of options to mark our 20th Anniversary and have narrowed them down to things that recognise our tenants, communities, partners, Board Members and staff.
- 2.3 The proposals are fully outlined in Appendix 1 and summarised below:
- One-off fund for community groups
 - Introduce a Community Champions award
 - Update the 15th Anniversary photobook of staff, Board Members & achievements
 - Develop a Social Media Milestone campaign
 - Rebranding our logo and uniforms
- 2.4 Tenant Board Panel Members welcomed the proposed Anniversary Fund, recognising it as a positive initiative to support tenants and enhance engagement. Members suggested developing a nomination and voting process for tenant involvement.

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 consider proposals and agree:**
- a) **to create a Community Fund of £20,000 to benefit our tenants' communities;**
 - b) **to run a Community Champion Award campaign with 4 individuals being selected by the Tenant Board Panel and a £100 prize for each champion;**
 - d) **update the 15th Anniversary photobook to capture new staff, Board Members and achievements in the past five years;**
 - e) **to develop a social media milestone campaign;**
 - f) **to hold a half-day session to develop options for rebranding; and**
 - g) **that full details of all options be presented to the Board in August for approval.**

APPENDIX 1: Proposals to mark our 20th Anniversary

Background Papers: Nil

Writer of Report: Dena Macleod

Tel: 0300 123 0773

5.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	There is a budget of £20,000 to mark the anniversary. If the proposed logo is acceptable the cost of rebranding will be minimal. If we need to appoint consultants there will be a cost and a delay of the launch till next year.
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 this report which would breach these standards.
Risk	The proposals should minimise any risk to our reputation particularly if we ensure the geographic benefit is even.
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	A comms plan will be drafted following agreement of the proposal

MANAGEMENT REPORT TO 31 MAY 2026

Board 23 June 2026

Report by Director of Finance & Corporate Services

Purpose of Report

- 1.1 To present the Management Report for the month ended 31 May 2026 to the Board for review.

Summary

- 2.1 Financial covenants are forecast to be met. This requires a minimum interest cover of 150% and does not require major repairs/investments to be deducted from our operating surplus.
- 2.2 An increase of £71K total debt can be mainly attributed to the timing of monthly Direct Debit payments received the day after the reporting period.
- 2.3 A number of roof and kitchen replacements which were due to be completed in March slipped into April and May 2026. These works had been included within the 2025/26 budget, contributing to an underspend in that year. The current year's forecast outturn has been increased by £69K to reflect these carried forward works.
- 2.4 Heating replacement works partially funded through the Net Zero Heat Fund for 2025/26, which were carried forward to 2026/27, are now largely complete. The Heating Grant forecast outturn has been increased by £132K to recognise the grant income associated with the completion of these works.
- 2.5 A number of updates to development budgets have resulted in a decrease in costs of £6.23M and grant of £5.98M. Works at Scott Road will not progress this year, pending the outcome of the judicial review. We require board approval to reduce the cost and grant by £2.5M
- 2.6 Melbost West will not draw down any Scottish Government grant this year as all works will relate to the SSEN units to achieve handover in April 2028. We require board approval to reduce the cost and grant by £2.5M.

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) approve to vire £132,122 from Heating Grants to reserves, representing grant income associated with investment works carried forward and subsequently delivered in 2026/27;
 - b) approve to vire £2,550,300 from Scott Road cost budget to reserves and £2,550,000 from Scott Road grant budget to reserves as a result of delays to the project;
 - c) approve to vire £2,500,300 from Melbost West (HHP) cost budget to reserves and £2,500,100 from Melbost West (HHP) grant budget to reserves as a result of delays to the project.
 - d) note the Management Report at 31 May 2026 and revised forecast out turn at 31 March 2027 at Appendix 1; and
 - e) note the total debt owed to HHP at 31 May 2026 as £841,160 and current legal action on live arrears at appendix 2;

APPENDIX 1	Management Report to 31 May 2026
APPENDIX 2	Current Legal Action on Live Cases
Background Papers	None
Writer of Report	James Morrison
Tel: 0300 123 0773	

5.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	The board approved budgets for 2026/27 in March 2026, which projected a surplus for the year of £1.66M. The current forecasted out-turn surplus is £1.66M. Covenants are forecast to be met for the year. A total of £3K has been spent on legal fees on arrears action during the financial period 2026/27. In the previous financial year, £1K was spent at this point.
Legal	The following Partnership rules are applicable: <i>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.</i> The management of the current rent arrears and all other debts is covered by the Debt Management Policy. The Prescription (Scotland) Act 2018 sets out the conditions under which debts can no longer be pursued.
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 and AN3 and RS3 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. Affordability for tenants is identified as a risk on our Risk Register with an inherent risk of 15 which is rated as high.
ESG	The Investment costs included in this report, which detail insulation and heating upgrades, are contributing to us delivering our ESG Strategy. The value of affordability and security is outlined in our ESG action plan with an associated target of arrears being less than 2%.

COMPLIANCE CHECKLIST	
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 of our Management Report at the end of each quarter.



Management Report

2025/26

To 31 May 2026



hebridean housing
partnership

INTRODUCTION

The Management Report to 31 May 2026 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

Debt Overview

Financial Covenants

Financial Ratios

Cashflow Forecast

Stock Levels

SECTION 1: HIGH LEVEL SUMMARY

	INDICATOR	STATUS	COMMENT
I N C O M E	FINANCIAL COVENANTS		
	FORECASTED SURPLUS		
	RENTAL INCOME		
	GRANT INCOME		Awaiting award of aids & adaptation grant for 2026/27.
	DEVELOPMENT GRANTS		Delays in various projects has resulted in a decrease in anticipated grants for the year.
	OTHER INCOME		
E X P E N D I T U R E	DEVELOPMENT COSTS		Delays in various projects has resulted in a decrease in anticipated costs for the year.
	INVESTMENT		
	REPAIRS & MAINTENANCE		
	MANAGEMENT COSTS		
	INTEREST		

	No Issues - On Track
	Requires Monitoring
	Issues

SECTION 2: MANAGEMENT ACCOUNTS

	Page
Statement of Comprehensive Income	4
Statement of Financial Position at 31 May 2026	5
Debt Management at 31 May 2026	7
Financial Covenants	9
Financial Ratios	10
Cash Flow Forecast	11
Stock Levels	12

STATEMENT OF COMPREHENSIVE INCOME

Line	Heading	CURRENT YEAR BUDGET		ACTUAL to 31-May-26 £	BUDGET REMAINING		FORECAST OUT-TURN	
		Initial Budget £	Revised Budget £		Revised Budget £	Revised Budget %	Over/ (under) £	at 31-Mar-27 £
1	Dwelling rents (net)	13,167,780	13,167,780	2,270,179	10,897,601	83%	-	13,167,780
2	Non Dwelling rents (net)	19,850	19,850	8,783	11,067	56%	-	19,850
3	Profit/(Loss) on Disposal of Assets	(173,170)	(173,170)	(17,047)	(156,123)	0%	(35,619)	(208,789)
4	Grant Funding	463,600	463,600	65,868	397,732	86%	-	463,600
5	Other Income	228,620	228,620	35,461	193,159	84%	-	228,620
6	TOTAL INCOME	13,706,680	13,706,680	2,363,244	11,343,436	83%	(35,619)	13,671,061
7	Supervision & Management	3,631,800	3,631,800	621,934	3,009,866	83%	75,090	3,706,890
8	Response Repairs	2,406,900	2,406,900	342,108	2,064,792	86%	-	2,406,900
9	Estate Works	143,400	143,400	8,378	135,022	94%	-	143,400
10	Planned/Cyclical Maintenance	1,904,500	1,904,500	209,590	1,694,910	89%	-	1,904,500
11	Total Operating Expenditure	8,086,600	8,086,600	1,182,010	6,904,590	85%	75,090	8,161,690
12	Operating Surplus/(Deficit)	5,620,080	5,620,080	1,181,233	4,438,846	79%	(110,709)	5,509,371
13	Interest received	35,800	35,800	13,066	22,734	64%	-	35,800
14	Interest paid	733,900	733,900	119,075	614,825	84%	-	733,900
15	Surplus/(Deficit)	4,921,980	4,921,980	1,075,224	3,846,755	78%	(110,709)	4,811,271
16	Depreciation	5,498,150	5,498,150	920,028	4,578,122	83%	-	5,498,150
17	Grant Amortisation	(2,235,120)	(2,235,120)	(369,191)	(1,865,929)	83%	-	(2,235,120)
18	Surplus/(Deficit)	1,658,950	1,658,950	524,387	1,134,562	68%	(110,709)	1,548,241
19	CAPITAL INVESTMENT							
20	Aids & Adaptations	120,000	120,000	8,410	111,590	93%	-	120,000
21	Housing Investment Programme	5,711,390	5,711,390	187,855	5,523,535	97%	(63,365)	5,648,025
22	Non Housing Investment	96,810	96,810	822	95,988	99%	-	96,810
23	Development Programme	1,073,800	1,073,800	1,124,327	(50,527)	-5%	(251,380)	822,420
		7,002,000	7,002,000	1,321,414	5,680,586	81%	(314,745)	6,687,255

Commentary on Performance**Income**

Dwelling Rents are £8K ahead of budget due to the void performance being less than the budgeted year to date amount, with current levels at 0.66% against a budget target of 1%. The loss on disposal of assets forecast has been increased by £36K to reflect the early replacement of heating systems carried over from 2025/26 funded through the Net Zero Heat Fund.

Expenditure

Supervision & Management spend to date is under budget due to staff turnover. The forecast has also been reduced due to delays in the development programme. Development works at Scott Road will not progress this year, pending the outcome of the judicial review. This has resulted in a reduction in development cost and grant of £2.5M. Melbost West will not draw down any Scottish Government grant this year as all works will relate to the SSEN units to achieve handover in April 2028. This has resulted in a reduction in costs and grant of £2.5M.

STATEMENT OF FINANCIAL POSITION

Line	Heading	Notes	31-May-26 £	31-Mar-26 £
	Fixed Assets			
1	Tangible assets-social housing	1	144,631,192	145,312,454
2	Development & Investment Programme		1,080,223	-
3	Tangible assets - property, plant and equipment	1	596,341	626,395
4	Landbank		340,746	340,745
5	Investments		2	2
6	Total Fixed Assets		146,648,504	146,279,596
	Current Assets			
7	Stock		23,928	23,928
8	Trade and other debtors due within one year	2	664,058	1,687,798
9	Debtors due after more than one year		137,622	140,115
10	Short-term deposits	3	2,405,346	5,403,888
11	Cash at bank and in hand	3	5,479,438	3,111,849
12	Loan to subsidiary		31,278	31,278
13	Total Current Assets		8,741,670	10,398,857
14	Creditors: amounts falling due within one year		(2,195,049)	(3,638,528)
15	Net current assets		6,546,621	6,760,329
16	Total assets less current liabilities		153,195,125	153,039,925
17	Creditors: amounts falling due after more than one year		(22,365,333)	(22,365,333)
18	Deferred capital grants		(79,912,779)	(80,281,974)
19	Pension Liability		-	-
20	Net Assets		50,917,013	50,392,618
	Capital and Reserves			
21	Share Capital		87	86
22	Revenue Reserve		50,916,926	50,392,532
23	Total Capital and Reserves		50,917,013	50,392,618

Commentary on Performance

Note 1 (Tangible Assets) – Tangible assets have decreased by £681K due to depreciation, with capitalised investment works lower at the beginning of the year.

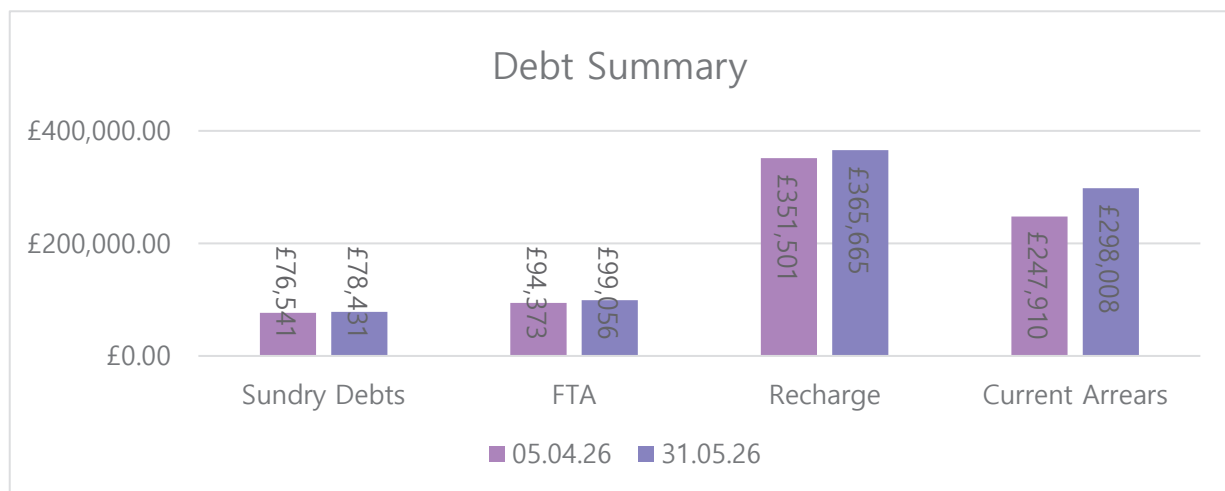
Note 2 (Trade and other debtors due within one year) – A £1M reduction is mainly due to a reduction in accrued grant income and the timing of the 4 weekly housing benefit receipts.

Note 3 (Cash) – Overall cash balances have reduced by £631K. £3M deposits matured during the year and will be placed back on deposit in June.

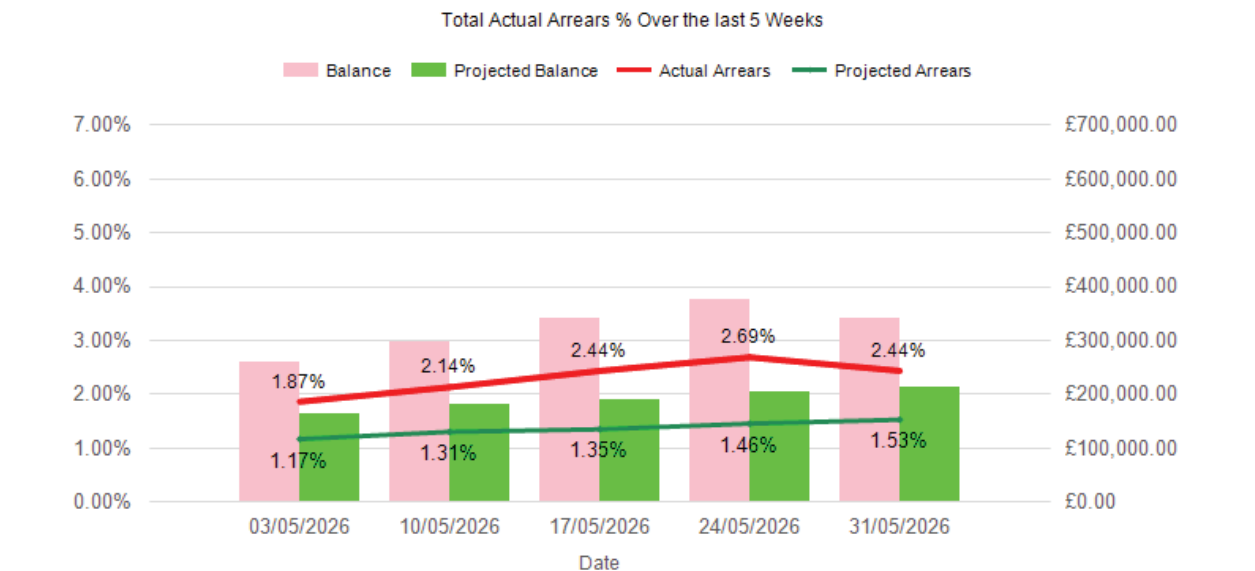
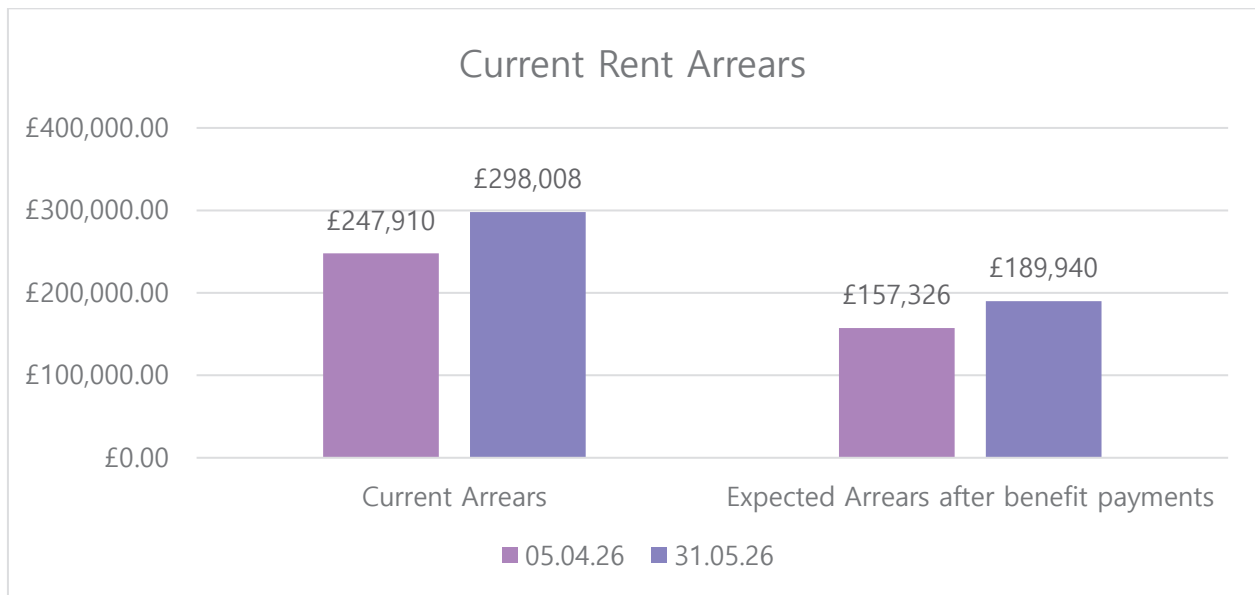
DEBT MANAGEMENT

The below table provides a view of debt at the 4 weekly housing benefit payment date from April to May 2026:

	At 5 April 2026	At 31 May 2026
Total Gross Debt	£770,324	£841,160
Total Debt (Adjusted for expected benefit)	£679,741	£733,092



Debt Class	Movement	Commentary
Current Rent Arrears increase	£50,098	Increase due to timing of Direct Debit payments – Direct Debit taken 1 st June totaling £211K.
Former Rent Arrears increase	£4,683	Raised 6 invoices (£6,341) and received 37 payments totaling £1,658 in payments.
Sundry Debts increase	£1,890	41 Invoices raised (£125,078) with payments received of £123,051. 3 credit notes raised (£137).
Rechargeable Repairs increase	£14,165	21 Invoices raised (£18,767) with 100 payments received totalling £2,578 as well as 5 credit notes (£2,024)
Total Increase in Debt	£70,836	



FINANCIAL COVENANTS

HHP has a credit facility with RBS and we are required to comply with an interest cover covenant and a gearing covenant. RBS have now confirmed their credit team has approved the move to the new covenant structure which require a minimum interest cover of 150% with a maximum gearing of 30%.

Line	Detail	2026/27	Forecast
1	Operating Surplus	£ 630,396	£ 2,246,341
2	Add back Depreciation	£ 920,028	£ 5,498,150
3	Add back Profit/(Loss) on sale of LIFT properties	£ -	£ -
4	Deduct Pension Contributions	£ -	£ -
5	Deduct Amortisation	(£ 309,153)	(£ 2,235,120)
6	Adjusted Operating Surplus	£ 1,241,271	£ 5,509,371
7	Interest Payable	£ 119,075	£ 733,900
8	Interest Receivable	£ 13,066	£ 35,800
9	Net Interest Payable	£ 106,009	£ 698,100
10	Covenant for 26/27	150%	150%
11	Adjusted Operating Surplus as percentage of Net interest Payable	1171%	789%
12	Historic Cost of Properties	£ 185,727,894	£ 191,818,504
13	Financial Indebtedness	£ 17,000,000	£ 17,000,000
14	Gearing Covenant for 26/27	30%	30%
15	Gearing	9%	9%

FINANCIAL RATIOS

Key Ratios			
	2026/27	Forecast	2025/26
Current Ratio	3.92	4.71	3.09
(Current Assets / Current Liabilities)			
Net Debt Per Unit			
Borrowing / stock units	£6,852	£6,849	£6,908
Voids%	0.66%	0.96%	0.53%
Voids as % of Rental Income Due			
Bad Debts %	0.04%	2.01%	0.40%
Bad Debts written off as % of Rental Income Due			
Staff Cost/Turnover %	19.36%	22.31%	19.41%

CASH FLOW FORECAST 2026/27

The below cash flow shows the anticipated cash position as at 31 May 2026 and a forecast for the remainder of the 26/27 Financial Year:

Monthly Cash Flow Forecast

Year Ended 31-Mar-27	31-May-26 Month 2	30-Jun-26 Month 3	31-Jul-26 Month 4	31-Aug-26 Month 5	30-Sep-26 Month 6	31-Oct-26 Month 7	30-Nov-26 Month 8	31-Dec-26 Month 9	31-Jan-27 Month 10	28-Feb-27 Month 11	31-Mar-27 Month 12	Total
Cash on Hand at beginning of month	4,287,952	5,366,176	5,334,572	5,420,125	5,380,932	5,032,896	5,156,080	5,215,548	4,894,955	4,996,586	4,662,428	3,842,016
Cash Receipts												
Rent	704,536	1,615,753	1,275,395	1,104,021	1,104,021	1,275,395	1,104,021	1,104,021	1,275,395	1,104,021	1,104,021	14,063,709
Grant Income	25,780	1,128,417	699,417	699,417	829,417	1,063,674	1,046,190	1,010,180	998,340	703,540	317,214	8,988,348
Bank Interest	9,980	-	-	-	-	8,950	-	-	8,950	-	8,950	46,933
Insurance Claims	-	-	-	-	-	-	-	-	-	-	-	1,997
Transfer from Deposit	1,500,000	-	-	-	-	-	-	-	-	-	-	3,000,000
Total	2,240,296	2,744,170	1,974,811	1,803,437	1,933,437	2,348,018	2,150,211	2,114,201	2,282,685	1,807,561	1,430,185	26,100,987
Total Cash Available	6,528,247	8,110,346	7,309,383	7,223,562	7,314,369	7,380,914	7,306,291	7,329,749	7,177,640	6,804,147	6,092,613	
Cash Paid Out												
Payroll	234,756	249,791	249,791	249,791	249,791	251,791	251,791	251,791	251,791	251,791	251,791	2,974,307
Management Costs	34,788	85,660	107,075	85,660	415,660	145,075	85,660	85,660	107,075	85,660	85,720	1,413,054
Repairs	115,393	446,092	301,798	301,798	301,798	301,798	301,798	474,254	474,254	474,254	474,254	4,311,400
Investment	13,625	705,204	687,781	682,948	544,333	471,431	397,253	379,374	379,374	259,463	513,920	5,487,289
Development	763,038	1,137,657	498,813	489,033	584,417	1,052,240	1,052,240	1,058,240	966,060	1,068,550	739,437	9,722,617
Total	1,161,599	2,624,404	1,845,258	1,809,230	2,095,999	2,222,335	2,088,742	2,249,319	2,178,554	2,139,719	2,065,122	23,908,668
Cash Paid Out (Non P & L)												
Loan Interest	-	127,571	-	-	183,475	-	-	183,475	-	-	183,475	733,900
Capital Purchase	-	22,300	42,000	31,400	-	-	-	-	-	-	-	95,700
Refunds	472	1,500	2,000	2,000	2,000	2,500	2,000	2,000	2,500	2,000	2,000	24,086
Total	472	151,371	44,000	33,400	185,475	2,500	2,000	185,475	2,500	2,000	185,475	853,687
Total Cash Paid out	1,162,071	2,775,775	1,889,258	1,842,630	2,281,474	2,224,835	2,090,742	2,434,794	2,181,054	2,141,719	2,250,597	
Cash Position at End of Month	5,366,176	5,334,572	5,420,125	5,380,932	5,032,896	5,156,080	5,215,548	4,894,955	4,996,586	4,662,428	3,842,016	-
Deposit Acct At end of Month	891,008	891,008	891,008	891,008	891,008	891,008	891,008	891,008	891,008	891,008	891,008	
Total Funds Available	6,257,185	6,225,580	6,311,133	6,271,940	5,923,904	6,047,088	6,106,556	5,785,963	5,887,594	5,553,437	4,733,025	

STOCK LEVELS 2026/27

The below shows the current stock level position at 31 May 2026:

Property Stock				
The number of units of accommodation owned by the Partnership was as follows:				
	Units in Management		Units under Development	
	2027	2026	2027	2026
Unimproved				
New Build	678	658	73	20
Improved	1,773	1,773	-	-
General Needs Housing	<u>2,451</u>	<u>2,431</u>	<u>73</u>	<u>20</u>
Shared Ownership Accommodation	2	2	-	-
Supported Housing Accommodation	28	28	-	-
Total Housing Stock	<u>2,481</u>	<u>2,461</u>	<u>73</u>	<u>20</u>
Other Property				
Garages	41	41	-	-
Commerical	6	6	-	-
Heritable-Partnership's offices	2	2	-	-
Total Other Property	<u>49</u>	<u>49</u>	<u>-</u>	<u>-</u>

Total housing stock number has increased by 20 since 31 March 2026 due to 6 new units at Rathad Na Ceardaich which were handed over in April and 14 new units at An Allt Dubh which were handed over in May which concludes the Blackwater project with 72 houses now completed at this site.

SUMMARY OF LIVE ARREARS CASES

APPENDIX 2

SUMMARY OF CURRENT POSITION

Monitoring Level	Number of cases	Current Arrear	Arrear at 5 April
CASES MONITORED BY HOUSING OFFICERS			
L1 Letter	10	£5,847	£6,384
L2 Letter	1	£682	£973
Pre NOP Letter	12	£12,102	£12,370
NOP Notice Letter	11	£6,814	£8,864
Exec Team Approved (Monitor)	16	£17,626	£14,331
CASES UNDERGOING LEGAL ACTION			
Passed to Legal	1	£1,077	£1,217
Court calling date	9	£12,091	£7,776
Sisted	10	£16,157	£14,558
Continued	5	£4,916	£4,883
Decree Granted	1	£2,273	£2,173
<u>TOTAL</u>	<u>76</u>	<u>£79,584</u>	<u>£72,430</u>

Current Performance

Arrear at approval	Current arrear	Movement	As a %
£87,587	£79,584	(£8,003)	9.14%

Number of cases where arrear has increased/decreased since approval

Decrease	38
Increase	38

ENTITLEMENTS, PAYMENTS & BENEFITS POLICY

Board 23 June 2026

Report by Chief Executive

Purpose of Report

- 1.1 To present a revised Entitlements, Payments & Benefits Policy to the Board for consideration and approval.

Summary

- 2.1 The Entitlements, Payments and Benefits Policy was due for review in August 2024, but this was delayed while SFHA updated its model policy. An interim high-level review was carried out in February 2025 pending completion of the SFHA review. SFHA published its revised model policy in January 2026.
- 2.2 Following this, the Highlands & Islands Liaison Group reviewed the model policy and, in line with the Board's decision in September 2015, we updated our Entitlements, Payments and Benefits Policy to reflect the Highlands & Islands variant.
- 2.3 The amendments to the Policy can be found in Section 5 of the report. The most significant change is that allocations to connected persons will no longer require Board approval. The Chief Executive will approve and the Board will be notified at the next meeting.
- 2.4 The revised Policy strengthens conflict of interest management, clarifies rules on connected people, aligns procurement provisions with legal requirements and includes a section on equalities and data protection.

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 approve the Entitlements, Payments and Benefits Policy at Appendix 1.**

APPENDIX 1: Entitlements, Payments & Benefits Policy

Background Papers: Codes of Conduct

Writer of Report: Iona France

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Report Details

5.1 The material changes to the Policy are highlighted in the table below:

Section 2	Paragraph	
Managing Your Interest	2.2	Clarity on Tenant Board Members' potential conflict of interests
	2.7	Recognises that some conflicts are inherently unmanageable
Section 5	Paragraph	
Granting A Tenancy	5.1	Change from advance Board approval of an allocation to a connected person to reporting to Board at the meeting following allocation
Section 6	Paragraph	
Equalities & Data Protection	6.1	Paragraph added to ensure compliance with Equalities & Data Protection legislation
Appendix A		
Gifts & Hospitality		Permitted value of gifts received increased from £60 to £70
		Permitted value of gifts given increased from £100 to £120
		Value of hospitality increased from £60 to £70
		Gifts from same source up to 3 times per annum (capped)
Procuring Goods/Services		Distinguishes contracts within public procurement law and contracts outside procurement law. States exclusion of connected contracts may be unlawful if procurement rules apply
Appendix B		
Approved Contractors		List Updated

6.1 Compliance Section

COMPLIANCE CHECKLIST	
Financial	There are no financial implications arising from the implementation of the recommendations.
Legal	Both the Regulator and our own Rules require we must have a policy governing payments, benefits and entitlements. This policy also complies with OSCR guidance. The updated Policy meets our obligations under Public Contracts (Scotland) Regulations 2015 and Procurement Reform (Scotland) Act 2014.
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 Entitlements, Payments & Benefits Policy is a key control document for managing governance, reputational and compliance risk. The revised Policy reduces overall risk exposure by: • Strengthening the identification and management of conflicts of interest; • Clarifying circumstances where interests cannot be managed; • Updating gifts and hospitality thresholds with clearer cumulative limits; • Aligning provisions relating to contractors and suppliers with public procurement legislation. Failure to maintain an up to date policy in this area could expose us to increased regulatory, reputational and legal risk.
ESG	The revised Entitlements, Payments & Benefits Policy (June 2026) is aligned with ESG principles, demonstrating strong compliance with the Governance strand.
Equalities	The Policy applies to all Board members and employees and does not introduce differential treatment based on protected characteristics. The revised policy strengthens transparency, clarity and fairness in the application of rules relating to entitlements, payments and benefits, supporting equality of treatment and consistency of decision making. No adverse equality impacts have been identified.
Communication	The Policy will be published on our website, staff handbook and Resources section on One Advanced. Staff & Board Members are asked to confirm they have read it when completing Disclosure of Interest Forms.

ENTITLEMENTS, PAYMENTS & BENEFITS POLICY

APPROVED BY HHP BOARD:

June 2026

EFFECTIVE DATE:

June 2026



hebridean housing
partnership

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INTRODUCTION

Who the Policy Affects

- 1.1 This policy is aimed at:
- a) All Members of our Board and of the Governing Body of any of our subsidiaries;
and
 - b) Everyone who works or volunteers for us or any of our subsidiaries
- 1.2 For the remainder of this policy the above will be referred to as “our people.”

Why we have this Policy

- 1.3 We are a Registered Social Landlord (RSL) and a Scottish Charity. We are part of a sector that has a strong reputation for integrity and accountability to the people we exist to help and to our Regulators, partners and funders. We must ensure that the organisation upholds its reputation and that of the sector. Our people cannot benefit inappropriately from their connection with the organisation. Equally we must protect our people from unjustified criticism and ensure that, wherever possible, no one is unfairly disadvantaged by their connection to us.
- 1.4 This policy describes the entitlements, payments or benefits that our people are able to receive. It also outlines what is not permitted (and why) and the arrangements that we have in place to ensure that we are transparent and accountable in how we comply with the requirements of this policy and our regulators.
- 1.5 Our Rules (Rule 38.1) require that we have a policy dealing with payments and benefits. The Scottish Housing Regulator (SHR) requires us to have a policy that sets out what payments and benefits we permit and to ensure that these arrangements demonstrate transparency, honesty and propriety. We must ensure there is no justifiable public perception of impropriety.
- 1.6 This policy is based on the SFHA’s Model Entitlements, Payments & Benefits Policy, which the SHR have confirmed meets their regulatory requirements, and a variant model, commissioned by 8 associations and endorsed by a governance expert as being compliant with the Regulatory Standards.

- 1.7 As we are a Scottish Charity, all of our Board Members must also ensure that they comply with the Office of the Scottish Charity Regulator (OSCR) guidance to Charity Trustees and charity legislation.
- 1.8 This Policy is intended to be a practical document that supports us in meeting all the above requirements, ensuring that none of our people benefits (or is seen to benefit) improperly or inappropriately from their involvement with us, but also that they are not unfairly disadvantaged. We expect our people to act in good faith, and in applying the terms of the policy we will always take this into account.
- 1.9 As someone who is affected by this policy, you are personally responsible for ensuring that you are familiar with and comply with its terms. You are also responsible for ensuring the Register of Interests is always up to date: declaring interests that are relevant to your role with us is key to the effective implementation of this policy.
- 1.10 At all times, we expect a common-sense and proportionate approach to be applied to the interpretation and application of this policy. If you are unsure about anything relating to benefits, payments or entitlements you should consult with the Chair or Chief Executive (if you are a member of the Board) or with your line manager (if you are a member of staff).

What this Policy Covers

- 1.11 This policy covers:
- a) Managing your interests:
 - i. Registering and declaring interests;
 - ii. Entitlements, Payments & Benefits;
 - b) People connected to you:
 - i. Who else you should consider when declaring interests;
 - ii. What you should consider; and
 - c) Use of our contractors/suppliers by our people.

Other Relevant Policies

- 1.12 The Code of Conduct is linked to this policy. Failure to comply with the terms of this policy may be regarded as a breach of the Code of Conduct.

- 1.13 You are also required to be familiar with and observe the terms of our Anti-Corruption Policy Statement and Fraud Policy. We prohibit any attempt to induce the organisation or our people to offer preferential services or business terms and we will at all times comply with the Bribery Act 2010.
- 1.14 Our policies and procedures relating to the following are also relevant to this document and must be complied with at all times:
- a) Allocations;
 - b) Repairs and Maintenance;
 - c) Particular Housing Needs;
 - d) Disclosure of Interests
 - e) Procurement;
 - f) Training;
 - g) Expenses;
 - h) Recruitment;
 - i) Sale of our Property;
 - j) Decoration Allowances/Prizes;
 - k) Notifiable Events;
 - l) Severance and Settlement Agreements; and
 - m) Donations.

Please note that this list is not exhaustive and you are required to comply with all of our policies and procedures.

MANAGING YOUR INTEREST

Registering and Declaring Interests

- 2.1 Being open about any interests our people have that are relevant to their role with us is critical to protecting our reputation. Our Register of Interests helps to ensure and demonstrate that we conduct our affairs with openness, honesty and integrity. You must record in this register any interests that you or someone connected to you (see

Section 3) has which are relevant to our business and/or our activities. You will be required to maintain the accuracy of the interests you declare and to confirm annually that your entry in the Register is accurate and up to date.

- 2.2 Our Rules require that any Board Member who has an interest in a matter being considered withdraws from all discussions and plays no part in decision-making. Where you have a personal or business interest in any matter that is being discussed or considered including at a meeting (or someone connected to you has), you must declare your interest and play no part in the consideration, discussion or decision making; you must withdraw from any part of a meeting where the interest arises. This requirement does not apply to Board Members who are tenants where matters being considered relate to policy implementation affecting all or a substantial number of our tenants (e.g. rent increases). The requirement to withdraw relates to matters in which someone affected by this Policy has an individual interest e.g. where they are the tenant of a property that is being considered for exceptional treatment (e.g. associated with RAAC) and that a decision will have an individual and personal impact on. If a Board Member who has a conflict of interest shares factual information about the matter with the Chair (or other Board Member), outwith the meeting to inform discussion, that must be declared to that meeting and the Chair must ensure it does not influence the outcome and decision making.
- 2.3 The SHR's Regulatory Standard 23 requires an RSL to "have a clear process to identify and address any conflicts of interest".
- 2.4 The Code of Conduct which our Board Members and staff are required to uphold contains requirements about Declaring Interests that you should ensure you are familiar with and comply with at all times.
- 2.5 An annual report will be made to our Board, at the last meeting before the AGM, on the entitlements, payments, & benefits that have been recorded in the Register by our people.
- 2.6 The following are examples of the kinds of interest that you must declare and ensure is managed appropriately. Please note that this list is not exhaustive, and there may be other interests that you should also declare.

- Tenancy of a property of which we are the landlord.
 - Occupancy or ownership of a property which is factored or receives property related services from us.
 - Receipt of care or support services from us.
 - Membership of a community or other voluntary organisation that is active in the area(s) we serve.
 - Voluntary work with another RSL or with an organisation that does, or is likely to do, business or engage with us.
 - Membership of the governing body of another RSL.
 - Being an elected member of any local authority where we are active.
 - If you purchase goods or services from us.
 - If you purchase goods or services from one of our contractors or suppliers (see section 4).
 - Significant shareholding in a company that we do business with (or are considering doing business with).
 - Membership of any other body whose interests and/or activities may directly affect our work or activities.
 - Ownership of land or property in our areas of operation. This excludes property for the purpose of your own residential use (i.e. there is no requirement for you to declare any house in which you currently live).
 - Unresolved dispute relating to the provision of services in connection with a tenancy or occupancy agreement or a contractual dispute over the provision of goods or services with us.
- 2.7 You should note that in some limited circumstances, declaration of an interest may not be sufficient, and that it may be necessary for the organisation to take additional measures to deal satisfactorily with the situation so as to protect the probity and reputations of both yourself and the organisation.
- 2.8 You should be aware that in some limited circumstances, it is not possible to manage an interest effectively. Examples of an interest that cannot be managed effectively include – but are not limited to:

- someone who is a member of the Board or closely connected to a Board Member cannot apply for or be appointed to a staff role or be engaged to provide goods or services to the RSL
- someone who is closely connected to an employee cannot become a member of the Board,
- a senior member of staff or office bearer cannot be an elected member of a local authority which the RSL engages with

In some circumstances, specific measures will be required to ensure that the probity and reputations of the organisation and its people are safeguarded e.g. by ensuring that all employment is undertaken openly and transparently and without the involvement of anyone connected to any applicant; by ensuring that employees who are connected are not line-managed (directly or indirectly) by the person they are connected to – if this is not possible, the 'benefit' (employment offer) cannot be conferred. Confirming that all interests are openly declared at the start of recruitment and procurement processes will assist in avoiding a breach of the policy and/or Code of Conduct or compromise regulatory compliance.

Entitlements, Payments & Benefits

- 2.9 Many of the interests you will be required to declare can be classed as entitlements, payments or benefits.
- 2.10 As one of our people, you are entitled to receive payments and benefits in accordance with the terms of our policies and, for staff, employment contracts. There are occasions where you could be offered benefits over and above what you are contractually entitled to, such as gifts or hospitality from external parties. These offers would be directly because you are one of our people and cannot always be accepted. We require that any such offers are managed and recorded very carefully to ensure the highest levels of probity in our organisation. Our people should not benefit – or be seen to benefit – inappropriately from their involvement with us.
- 2.11 Apart from payments that our people are entitled to by contract, statute, policy or other agreement (e.g. salary, expenses), we will only make a payment to, or accept a

payment from, someone affected by this policy in exceptional circumstances. Appendix A explains the payments we can and cannot make in more detail.

- 2.12 As we contribute to the economy of the area(s) we work in and we have commercial and business relationships with many different companies, contractors, suppliers and service providers, you must ensure that we are fully aware of any connection that you or someone you are close to (see section 3) has with any of these businesses or organisations.
- 2.13 Some entitlements, payments and benefits we can never permit, and others we have additional requirements or conditions that must be met before we can permit.
- 2.14 Appendix A lists the entitlements, payments and benefits that fall under this policy, and states:
- a) Which can be permitted by the organisation;
 - b) Which will not be permitted by the organisation;
 - c) Which you require to declare in the Register of Interests; and
 - d) Any other further requirements the organisation has before permitting.

Our Code of Conduct applies to all elected, appointed and co-opted members of our Board and its Committees and to the governing bodies of all subsidiaries.

PEOPLE CONNECTED TO YOU

Who Else You Should Consider When Declaring Interests

- 3.1 As well as considering your own actions, you must be aware of the potential risk created by the actions of people to whom you are closely associated. Someone 'closely associated' to you includes members of your household, family members, and other persons who might reasonably be regarded as similar to family members even when there is no relationship by birth or by law. There are three groups of people that you need to consider, outlined in Table A:

Table A

Group 1 Members of your household	Group 2 People closely associated with you	Group 3 Others you may need to consider
Anyone who normally lives as part of your household, (whether they are related to you or otherwise), including spouses/partners Those who are part of your household but work away from home and sons and daughters who are studying away from home.	• Parents, parents-in-law and their partners; • Sons and daughters; stepsons and step-daughters and their partners; • Brothers and sisters and their partners; • A partner's parent, child, brother or sister; • Grandparents, grandchildren and their partners; • Someone who is dependent on you or whom you are dependent on; and • Close friends.	Other relatives (e.g. uncles, aunts, nieces, nephews & their partners).

- 3.2 If you become aware of any action or involvement relating to **anyone** in the table then you should consider as soon as possible whether it requires to be declared or managed.
- 3.3 We recognise that you will not always be closely acquainted with or in regular contact with all of the people listed and we do not expect you to go to unreasonable lengths to identify actions or involvement that are covered by this policy.
- 3.4 Please note, we do expect you to be familiar with the actions of members of your household (Group 1) and of any other people listed in the table above with whom you are closely connected and you must take steps to identify, declare and manage these.

- 3.5 **You are not expected to be aware of the actions of people in groups 2 and 3 with whom you do not have a close connection.** We do not expect you to research into the employment, business interests and other activities of all persons with whom you are closely connected.
- 3.6 In relation to 3.2 – 3.5 above, when considering actions, you should do so from the point of view of a reasonable and objective observer and a common sense approach should be adopted at all times.

What You Need to Consider

- 3.7 The following are the relevant actions and involvement by those to whom you are closely connected should you become aware, we would expect you to notify us by making a declaration in the register:
- a) A significant interest in a company or supplier that we do business with (or are considering doing business with) or which is on our approved list. A significant interest means ownership (whole or part) or a substantial shareholding in a business that distributes profits, but does **not** include where an individual has shares in large companies such as banks, utility companies or national corporations, i.e. where owning shares would not give the individual any significant influence over the activities of that organisation;
 - b) Where the individual may benefit financially from a company we do business (or are considering doing business) with or is on our approved list;
 - c) Involvement in the management of any company or supplier that we do business (or are considering doing business) with or which is on our approved list;
 - d) Involvement in tendering for or the management of any contract for the provision of goods or services to us;
 - e) Application for employment with us;
 - f) Application to join our Board or any of its subsidiaries;
 - g) Application to be a tenant or service user of the organisation; or
 - h) If they are an existing tenant or service user of the organisation.

USE OF OUR CONTRACTORS AND SUPPLIERS

- 4.1 "Hebridean Housing Partnership has a well-earned reputation for integrity and honesty and is committed to acting with transparency, honesty and propriety and avoiding any reasonable public perception* of improper conduct. In order to help us maintain our excellent reputation, it is important that staff and Board Members do not misuse their position to gain benefits which would not be available to other members of the public."

Reasonable public perception is defined as:

"How does it look to a reasonable and objective member of the public who has knowledge of all the facts?"

- 4.2 At the same time we do not want to see staff and Board Members face unreasonable restrictions which put them at a disadvantage compared to other members of the public.
- 4.3 Where, in your personal/home life, you need a service from a contractor or supplier, if it causes no disadvantage or inconvenience to you to avoid using someone off our approved list, then we would ask that such use is avoided.
- 4.4 However, it is extremely important that where you wish to use one of our contractors or suppliers (as listed in Appendix B) you take the following steps to help prevent actual or perceived impropriety:
- a) Ensure the normal commercial rates are paid for this service and no preferential treatment, financial or otherwise, is received;
 - b) Make no reference to your role/position in the Partnership during any private negotiations, and do not respond to any attempt by a supplier/ contractor to engage with you on the subject;
 - c) Do not approach any suppliers or contractors through the Partnership, this includes the use of work email accounts;
 - d) Do not avail, or attempt to avail yourself of any preferential rates agreed by the Partnership, or draw on Partnership contracts or Framework agreements;

- e) Make a written declaration that you have not received any advantage or preferential treatment (financial or otherwise) from the contractor or supplier as a result of your connection with the Partnership: written quotes should be provided where these would normally be sought for the type of work in question, and in all cases receipts should be provided; and
 - f) Record the transaction in the Register of Payments and Benefits and keep the entry up to date.
- 4.4.1 You do not need to record any transactions with a value below £500 but should still act within the spirit of this policy and be able to defend your decision in the light of any complaint or allegation.
- 4.4.2 For transactions with a value between £500 and £5,000, where practical, you should discuss this in advance with the Chief Executive, Secretary or the Chair (as appropriate) and follow any guidance. You must record, in the register, your use of the contractor within 10 days of receiving the goods or service and receipts provided.
- 4.4.3 For any transactions in excess of £5,000, you must receive written approval from the Chief Executive, Secretary or Chair (as appropriate) before entering into any contract. In such cases, you may be required to provide evidence that you have not received any favourable terms as a result of your connection to us.
- 4.5 Appendix B lists the contractors and suppliers to whom this policy applies. We have excluded:
- a) suppliers of low value services such as sandwich shops & other high street stores;
 - b) national chains, utility companies, transport companies, banks and national telecoms providers etc.; and
 - c) contractors or suppliers used so rarely by us that no favour could realistically be gained.
- 4.6 This Policy also applies to situations where you wish to engage services such as factoring, maintenance services, small repairs and Care & Repair, normally provided to the general public by the Partnership or its subsidiary.
- 4.7 If there is any difficulty in agreeing how the requirements of Section 4 of this Policy should be applied, a staff member may appeal through the normal grievance procedure. In the case of Board Members, the Chair's decision will be final.

GRANTING A TENANCY

- 5.1 Being one of our people or being closely connected to one of our people should not prevent someone being allocated a tenancy if they are in housing need and the terms of our allocations policy are met. To ensure transparency and probity, consideration of the application/allocation should be carried out completely independently of the individual; their connection to the RSL must be explicitly identified and the allocation should be approved by a senior officer in accordance with our Scheme of Delegated Authority. The allocation should be registered within FIVE days of being made and reported to the next meeting of the Board, along with confirmation that the necessary management processes were followed.
- 5.2 This is outlined within the entitlements, payments and benefits table at Appendix A of this policy.

EQUALITIES MONITORING & DATA PROTECTION

- 6.1 In applying this policy, we will act fairly and consistently and will have due regard to our equalities duties, ensuring that no person is treated less favourably on the basis of a protected characteristic and that reasonable adjustments are considered where required.
- 6.2 We will also handle any personal data collected, used or shared in connection with this policy (including information recorded in the Register of Interests and related records) in accordance with UK GDPR and our internal data protection policies, ensuring that information is used only for legitimate purposes, kept accurate and secure, shared on a need-to-know basis and retained only for as long as necessary.

MONITORING AND REVIEW OF POLICY

- 7.1 Our Rules require the Board to set our policy on payments and benefits and keep it under review. This policy has been approved by our Board and is consistent with the requirements of our Codes of Conduct for Board Members and for Staff. These Codes have been confirmed by the Scottish Housing Regulator as meeting their regulatory requirements.
- 7.2 The Company Secretary will be responsible for monitoring compliance with this policy on a regular basis.

- 7.3 The Board will receive a report annually, which details:
- a) numbers of recorded declarations for use of suppliers at each level;
 - b) level of reputational risk arising from staff and Board Members usage of suppliers and contractors; and
 - c) compliance with, and effectiveness of, this policy.
- 7.4 This policy will be reviewed every 3-years or sooner if required by changes in legislation or organisational needs.
- 7.5 This policy was adopted by our Board on 23 June 2026. It will be reviewed not later than June 2029.

APPENDIX A – ENTITLEMENTS, PAYMENTS & BENEFITS

EXAMPLE	CAN THIS BE PERMITTED?	ACTION NECESSARY
HUMAN RESOURCES AND RECRUITMENT		
All entitlements arising from your contract of employment with us or one of our subsidiaries, including (but not restricted to): • Payment of salary to staff • access to car or travel loans or salary advances/sacrifices where specified in the employment contract; • pension and/or private health care provided as part of the remuneration package; • performance related pay or bonus awarded in accordance with contractual terms; • books and equipment in connection with employment or training in accordance with agreed policies and/or contractual terms • Reimbursement of professional fees • Access to discounts (or similar) for personal use/purchase of goods/services as part of employment terms/benefits	Yes	Any entitlement in the terms of your contract is always permitted without the need to record in the Register of Interests. There are Human Resource processes in place for this purpose.

EXAMPLE	CAN THIS BE PERMITTED?	ACTION NECESSARY
Payment to a member of the Board for their role as a Board Member, in accordance with the terms of their letter of appointment	No	Such payments will only be permitted if they are in accordance with the conditions set out in Section 67(3) of the Charities and Trustees Investment (Scotland) Act 2005 ¹ The payment must be recorded in the register of interests within five days of the appointment being confirmed and the register must be kept up to date.
All payments made in accordance with the terms of our expenses policy including: • payment of permitted out of pocket expenses • reimbursement of travel costs	Yes	Entitlements in connection with your role as one of our people are set out in our expenses policies are always permitted and do not need to be declared provided claims are made in accordance with our procedures.
Provision of a loan by the organisation to one of our people	No	This is not permitted unless in connection with the contractual terms of employment (e.g. a loan to support education or training costs). We cannot make any other loans to individuals.
Redundancy or Voluntary severance payment to an employee	Yes	We can make redundancy payments to an employee in line with terms of their contract Or

¹legislation.gov.uk (2005) Charities and Trustees Investment (Scotland) Act 2005 Section 67 (3)

EXAMPLE	CAN THIS BE PERMITTED?	ACTION NECESSARY
		We can make a voluntary severance payment (often referred to as a Settlement Agreement) to an employee which is outside the terms of their contract of employment provided: • It arises directly from a decision to terminate the employee's contract of employment • Payment is approved by the Board • That the total sum of the non-contractual payment and benefit does not exceed, in the opinion of our employment adviser, the total cost of a successful application by the employee to a Court or Tribunal (including the likely level of compensation that might be awarded by a court or tribunal and associated costs to the organisation to participate in the tribunal) • Payment does not exceed the equivalent of one year's salary for the employee • That this payment is instead of (rather than additional to) any redundancy entitlement
An offer of employment (temporary or permanent) to someone who is closely connected to a member of staff	Yes	This is permitted as long as: • There has been an open recruitment exercise in accordance with our policy that you have not played any part in and • You have no direct or indirect line management or supervision responsibility for the post and

EXAMPLE	CAN THIS BE PERMITTED?	ACTION NECESSARY
		• The offer of employment complies with our policy and is approved by Directors and • You record your connection to the successful applicant in the register within five days of their acceptance of the offer. • Since there can be no direct or indirect line management responsibility, someone who is closely connected to a Director/CEO cannot be appointed to any role
The offer of employment (temporary or permanent) to someone who is: • A current Board Member • Was previously a Board Member in the last 12 months • Is closely connected to a current Member of our Board	No	This cannot be permitted under our Rules. The Rules define a “close relative” as being: spouse, civil partner, cohabitee, parent, grandparent, child, stepchild, grandchild, brother or sister. This is because the Board is the employer and determines all policies, terms and conditions relating to our employment practices. Consequently, it is very difficult to avoid the risk of a perception that someone closely connected to one of our people may have been unfairly advantaged or that an employee of a Board member may be able to exert inappropriate influence. Equally, if someone who is, or has recently been a member of the Board, it is essential to ensure that it is not possible for there to be any risk of a perception that they have received favourable treatment and/or had access to privileged information about a post that they are subsequently recruited to.

EXAMPLE	CAN THIS BE PERMITTED?	ACTION NECESSARY
Nomination, election or co-option to the Board of someone who was, in the last twelve months, a member of staff	No	This cannot be permitted. This is because the Board is the employer and determines all policies, terms and conditions relating to our employment practices. Consequently, it is very difficult to avoid the risk of a perception that someone who has recently been an employee may be able to exert inappropriate influence.
Appointment of one of our staff members to the Board	No	This cannot be permitted in accordance with the Rules of the organisation.
Nominations to join the Board from people who are connected to a serving member.	Yes	This can be permitted in accordance with the Rules of the organisation.
Nomination, election or co-option to the Board of someone who is closely connected to an employee	No	This cannot be permitted. This is because the Board is the employer and determines all policies, terms and conditions relating to our employment practices. Consequently, it is very difficult to avoid the risk of a perception that someone closely connected to one of our people may be able to exert inappropriate influence. Nomination/application forms should require potential Board Members to identify anyone they are closely connected to: if a nominee is closely connected to a current employee, Rule 40.10.2 permits the Board to reject the nomination ² .

² 40.10 A nomination for election to the committee can be rejected by a decision by not fewer than three quarters of the committee members on one or more of the following grounds: ... 40.10.2 where a conflict of interest may exist which, even allowing for the disclosure of such an interest may adversely affect the work of the association

EXAMPLE	CAN THIS BE PERMITTED?	ACTION NECESSARY
OUR PEOPLE AS TENANTS OR SERVICE USERS		
The offer of a tenancy or lease in one of our, or any of our subsidiaries', properties to one of our people or to someone closely connected to them.	Yes	This is permitted as long as • our Policies and Procedures are followed and • Neither the applicant or anyone connected to the applicant is involved in any way or in any part of the allocation process and • The tenancy is recorded as an interest in the appropriate register within five days of the tenancy commencing and reported to the Board at its next meeting.
Where one of our people (or someone connected to one of our people) is a tenant and receives a repair, improvement or adaptation to their home Where one of our people is a tenant who is eligible to receive 'in-kind' support (e.g. fuel voucher, energy saving appliance) that is available to all tenants, this does not need to be individually registered/recorded as the tenancy has already been declared and registered	Yes	Repairs carried out in accordance with our policy do not need to be recorded. Adaptations must comply with our policy and be approved by Executive Team. The adaptation should be recorded in the Register of Interests within five days of approval. Improvements must be carried out as part of an approved programme and in accordance with our policy. The person affected should declare their interest if/when the programme is being discussed and the improvement recorded in the Register of Interests within five days of completion
Where one of our people (or someone connected to one of our people) is a tenant and receives payment of a	Payment of Decoration Allowances	Payment of decoration allowances or incentive/reward payments must be made in accordance with our policies and procedures and recorded in the register within five days of receipt.

EXAMPLE	CAN THIS BE PERMITTED?	ACTION NECESSARY
decoration allowance, tenant reward/incentive as part of an agreed scheme or prize.	permitted but not prizes or awards	Prizes or awards in competitions open to all tenants in the same community (e.g. garden competitions) should not be given to a staff member or someone closely connected to them.
TRAINING AND EVENTS		
Attendance at training events or seminars (e.g. SFHA Conferences) or openings/similar events hosted by other RSLs	Yes	There is no requirement to declare and record in the Register of Interests.
The organisation paying for accommodation in connection with attendance at relevant conferences or events that you are attending on behalf of or in connection with your role with us or our subsidiaries	Yes	Accommodation that is part of a conference or training package does not need to be recorded in the register, but attendance will be recorded on the relevant individual training plan. Residential conferences are important in ensuring that our people have the necessary skills, knowledge and experience to make an effective contribution to our activities.
Attendance by you at events to mark awards, achievements or other significant milestones relevant to our business and that do not form part of a sector conference e.g. SFHA Annual Conference	Yes (where total cost does not exceed £500)	The Board must approve attendance prior, and will only do so if: • The organisation or one of our people (because of their role with us) has been nominated for an award; or • attendance is in recognition of achievement of or in pursuit of appropriate business development; or • we can demonstrate that attendance or participation is directly related to furthering our aims and objectives.

EXAMPLE	CAN THIS BE PERMITTED?	ACTION NECESSARY
		Where we ask you to represent us at such an event, this should be recorded in the register along with any associated costs (including travel, accommodation and the costs of attendance at the event) within five days of attendance. The total cost should not exceed £500 per person and we will make all arrangements in advance. Where costs would exceed £500, we will not normally seek to be represented at such an event. A report will be presented to the Board in order that their specific approval is obtained in advance.
GIFTS AND HOSPITALITY		
Gifts received from tenants and external sources including prizes from our contractor or suppliers.	Yes (not exceeding a value of £70)	Small gifts (e.g. a box of chocolates, pens, folders, paperweights) and prizes from our contractors and suppliers can be accepted if: • the value does not exceed £70 • you do not receive more than three such gifts from the same source in a 12-month period • you record receipt of the gift in the register You should not normally accept other gifts and should decline any gifts with a value of more than £70 unless to do so would cause offence or otherwise damage our reputation. In these cases, you must: • Advise the donor that the gift will be donated to charity or will form part of our annual charity fund raising activities • Record the gift and the action taken in the register within five days

EXAMPLE	CAN THIS BE PERMITTED?	ACTION NECESSARY
		You should not regularly accept gifts from the same source and never more than three times from the same source within a 12-month period. This restriction is intended to protect our people from any suggestion of impropriety in how they conduct themselves when acting on our behalf. The total cumulative value of gifts received from the same source over the course of a year must never exceed £70. You should also record any offers that you decline and the reasons for this, in the register within five days.
Gifts given from us to one of our people or received by one of our people from external sources to mark special occasions.	Yes (not exceeding a value of £120)	Gifts from the organisation to our people can be permitted in cases where it is to mark a special occasion or significant event including: • Retirement • Leaving the organisation • Long service awards These must be recorded in the relevant register and the value of such gifts will not normally exceed £120 except where specifically allowed for in the terms and conditions of employment, or our own separate policy. Connected people who are not employees are responsible for ensuring any tax liability associated with a payment you are entitled to receive is met.

EXAMPLE	CAN THIS BE PERMITTED?	ACTION NECESSARY
		Please note, that this does not include collections by our people using their own personal funds to mark special occasions. These are always permitted with no requirement to declare. For staff, contractual terms may be in place that dictate the value of any gift upon retirement/long service.
Hospitality associated with our business and that of its partners	Yes (when not exceeding a value of £70)	Modest hospitality, such as a sandwich lunch or networking event, is permitted and does not need to be recorded All other hospitality up to a value of £70 is permitted but must be recorded in the register, along with an estimation of the value of hospitality received, within five days of attendance. Contributions to seasonal celebrations for staff and Board Members (e.g. Christmas) are permitted: it is for individual RSL's to set the terms of such contributions which, of course, must not exceed what is permitted by the model EPB Policy (£70 per person). RSL's policy of gifts & hospitality should cover this. You should not accept invitations with a value that is greater than £70, unless you have prior approval from the Chief Executive or Chair. The type of hospitality offered will also be taken into consideration, e.g. we will not normally accept invitations to sporting events, concerts, golf tournaments etc.

EXAMPLE	CAN THIS BE PERMITTED?	ACTION NECESSARY
		In this case, the reason for acceptance must also be included in the register and countersigned by the Chief Executive.
Our people seeking donations from our contractors/suppliers when fundraising for charity	Yes	This is permitted provided: • Approval is gained from Chief Executive prior to making any approach • Any donations received are recorded in the register We recognise our social responsibility and promote charity fundraising by the organisation and our people. We have a separate policy that sets out our approach to supporting other charities.

EXAMPLE	CAN THIS BE PERMITTED?	ACTION NECESSARY
PROCURING GOODS/SERVICES		
Sale of our interest (whole or part) in a property to someone affected by this policy via LIFT, HomeBuy; Help to Buy or other LCHO scheme	Yes	This is permitted, as long as: • Our policy and procedures are followed • Neither the prospective purchaser or anyone connected to them is involved in any way or in any part of the allocation process • The sale is approved by the Board • It is declared and recorded in the register within five days of the missives being concluded confirming the process followed.
The organisation entering into a contract with an organisation where one of our people, or someone closely connected to them, has significant control and the contract is within the scope of public procurement legislation.	It must be permitted where excluding the contractor/service provider would put the organisation in breach of its obligations under applicable procurement legislation.	This must be permitted where: • (1) the contract is subject to applicable procurement legislation (including the Public Contracts (S) Regulations 2015 and the Procurement Reform (Scotland) Act 2014); and • (2) the contract has been procured in accordance with that legislation and the contractor/service provider has not been excluded and has been selected as the preferred bidder. In particular it will be necessary to ensure that any potential conflict of interest is managed during the procurement process in order to avoid any distortion of competition and ensure equal treatment of contractors. This may be achieved by the following:

EXAMPLE	CAN THIS BE PERMITTED?	ACTION NECESSARY
		• The person connected to the contractor has played no part in the development of the terms of the procurement exercise or the contract prior to it being advertised. • The person connected to the contractor is not involved in any part of the procurement process (including specification of the contract requirements) or decision to award the contract. If the above steps are taken, then it is unlikely to be lawful to exclude the contractor. If those steps cannot be complied with then it may be both permitted and necessary to exclude the contractor, but only if there is no other means short of exclusion to remedy the conflict of interest. The appointment of a connected contractor must be reported to the Board and recorded in the relevant Register(s) along with details of the process followed. Once the contract has been awarded in accordance with the relevant procurement legislation, the organisation must manage the contract in accordance with the Scottish Housing Regulator's Standards of Governance and Financial Management, particularly Regulatory Standard 5.4: <i>Governing body members and staff declare and manage openly and</i>

EXAMPLE	CAN THIS BE PERMITTED?	ACTION NECESSARY
		<i>appropriately any conflicts of interest and ensure they do not benefit improperly from their position.</i>
The organisation entering into a contract with a contractor or service provider where one of our people, or someone closely connected to them, has significant control, and the contract is not within the scope of public procurement legislation	Only in specific and limited circumstances	We could only consider this where: • There is no reasonable alternative (e.g. because of geography or the specialist nature of the goods/services) AND • The person affected by this policy is not involved in any part of the procurement process or decision • The appointment is approved by the Board which is satisfied that the appointment is reasonable in the circumstances In such rare circumstances, the appointment must be recorded in the register along with details of the process followed.
The purchase of land or other assets from anyone who is, or has been in the last twelve months, one of our people or who is closely connected to one of our people	No (in almost all cases)	This cannot be permitted in almost all cases. The only exception would be if you were referred to us under the Scottish Government's Mortgage to Rent scheme, where this would be permitted provided: • Our policy and procedures are followed • The prospective seller plays no part in the decision to purchase the property or the processing of the transaction by the organisation

EXAMPLE	CAN THIS BE PERMITTED?	ACTION NECESSARY
		It is declared and recorded in the register within five days upon conclusion
The purchase of goods/services from our suppliers/contractors by one of our people	Yes – if no other reasonable alternative exists	This should be avoided where it is reasonable to do so but otherwise is permitted if the procedure in Section 4 is followed
The purchase of goods/services (such as factoring and small repairs) from the Partnership or our Subsidiary.	Yes	This is permitted where the services are available to the general public and provided the procedure in Section 4 is followed
Use of Care & Repair services provided by the Partnership or our Subsidiary	Yes	This is permitted where the services are provided on the same terms as they would be to any other member of the public and they are recorded in the register.



Contractor	Trade
AB Electronics	Security Systems
ACES	Electrical Services
ACS	Asbestos Health & Safety
Alex Murray (Construction) Ltd	House Builder
ALT	Procurement
BCA Group	Roofing/Roughcasting/Externals
Calmax Construction Ltd	House Builder
Campbell Construction Services	Fire/Asbestos Safety
CNES	Grounds Maintenance
David's Garden Machinery	Grounds Maintenance
DJ MacLennan	Maintenance & Cleaning Services
Lewis Builders	House Builder
Lewis & Harris Grounds Maintenance	Garden Assistance
Macinnes Bros	House Builder
M Maciver Consultancy	Engineer
Neil Mackay & Co	House Builder
OCS Ltd	Repairs & Maintenance
O'Mac Construction	House Builder
Tighean Innse Gall	Energy Advice/Heating Grant
Torrance Partnership	Surveyor

INTERPRETATIONS & ABBREVIATIONS

The following interpretations and abbreviations are used in this policy:

Word	Interpretation
<i>HHP or Partnership</i>	Hebridean Housing Partnership
<i>Board</i>	Means the Board of the Hebridean Housing Partnership
<i>Board Members</i>	All members of the Board including Co-opted Members
<i>Chairperson</i>	An individual who presides over a meeting of the Board or Committee.
<i>Code of Conduct</i>	The set of rules outlining the conduct, proper practices, and responsibilities of Board and Committee members and staff.
<i>Company Secretary</i>	The individual whose responsibility it is to ensure that HHP and its Board obey company law and financial regulation. .
<i>Internal Audit</i>	The independent and objective monitoring and analysis of HHP's business operations
<i>OSCR</i>	Office of the Scottish Charity Regulator
<i>Register of Interests</i>	A register in which interests declared by Board Members and staff are recorded
<i>SHR</i>	Scottish Housing Regulator
<i>HILG</i>	Highlands & Islands Liaison Group

Se



HHP is a registered society under the Co-operative and Community Benefit Societies Act 2014, Registered Number: 2644R(S), Registered Office: Creed Court, Gleann Seileach Business Park, Willowglen Road, Stornoway, Isle of Lewis HS1 2QP. It is a charity registered in Scotland, Charity Number: SC035767, registered as Registered Social Landlord with the Scottish Housing Regulator, Registration Number: 359 and registered as a Property Factor, Registration Number PF000183

Email: info@hebrideanhousing.co.uk

Web: www.hebrideanhousing.co.uk

Phone :0300 123 0773

QUARTERLY TREASURY REPORT TO 31 MARCH 2026

Board 23 June 2026

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 2025/26.

Summary

- 2.1 The quarterly Analysis of Investment and Borrowing report required by the Treasury Management Policy is at Appendix 1.
- 2.2 Our funder approved the transition to new financial covenants in November 2025. The revised covenant was met for 2025/26.

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 2026 of £17M; and**
 - c) **cash balance at 31 March 2026 of £8.339M.**

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

Report Details

Fourth Quarter Treasury Update

- 5.1 The fourth quarter of the year saw £4.429M expenditure, of which £0.629M related to new build.
- 5.2 The income for the fourth quarter was £5.050M and comprised Rental Income (66%), Government Grants including new build (27%), bank interest (1%), Sale of Assets (3%) and Other Income (3%).
- 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 2026 increased quarter on quarter by £0.298M to £8.339M.
- 5.6 All covenants were complied with for 2025/26.

6.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	This report deals entirely with the cash resources utilised over the fourth quarter of 2025/26.
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 December, 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.

31MAR26

ANALYSIS OF INVESTMENTS AND BORROWINGS

INVESTMENTS

	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Average
DEPOSIT ACCOUNTS	£000's	£000's	£000's	£000's	£000's	£000's
Royal Bank	7,750	7,250	7,250	4,250	5,250	6,250
CWS	0	0	0	0	0	0
BOS	36	39	43	46	46	42
Santander	93	94	94	95	95	94
Total Deposit	7,880	7,384	7,387	4,391	5,391	6,387

CURRENT ACCOUNTS

General Account	249	337	301	1,773	755	959
Standing Order	291	326	363	404	675	361
Direct Debit	298	750	750	750	750	671
Office/Cash	389	731	750	708	750	635
Property Factoring	8	10	13	15	18	13
Total current	1,235	2,154	2,177	3,650	2,948	2,639
Total	9,115	9,538	9,564	8,041	8,339	9,026

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 £2.948M. 7 deposit accounts held with the 4 banks shown above total £5.391M.

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 3.73% at 31 March 2026.

The Base Rate at the end of March was 3.75%. The Bank of England (BOE), have voiced caution on rising inflation and the prospect of further rate reductions this year.

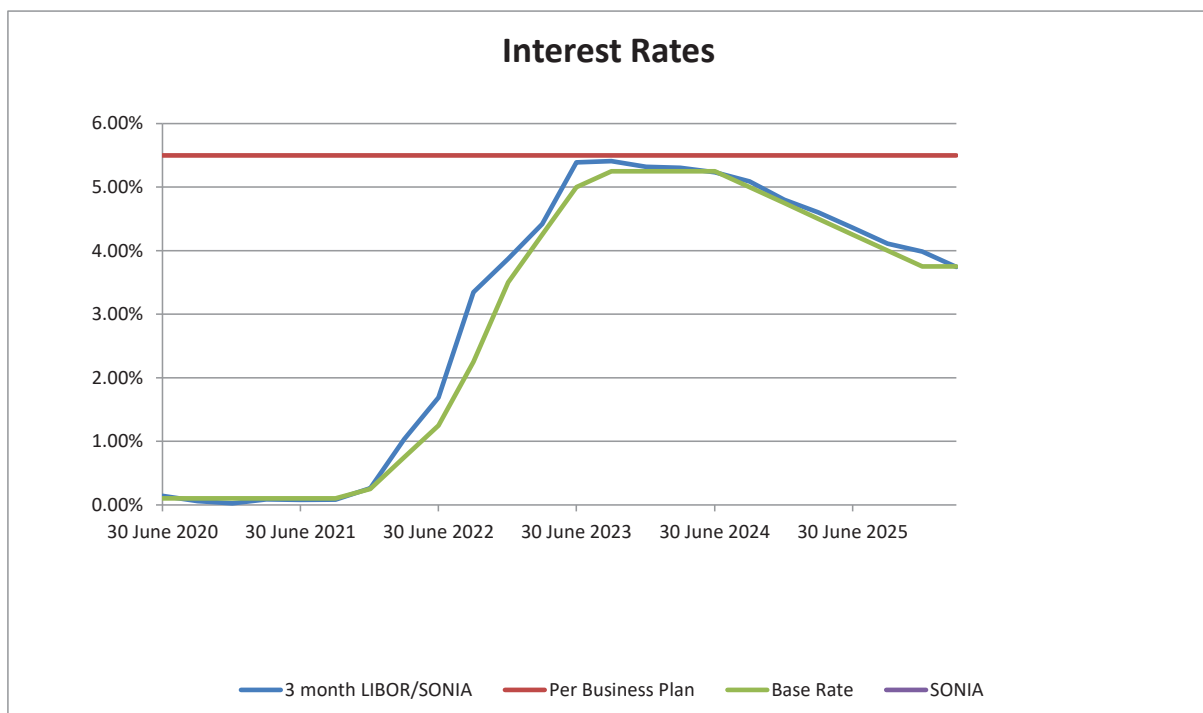
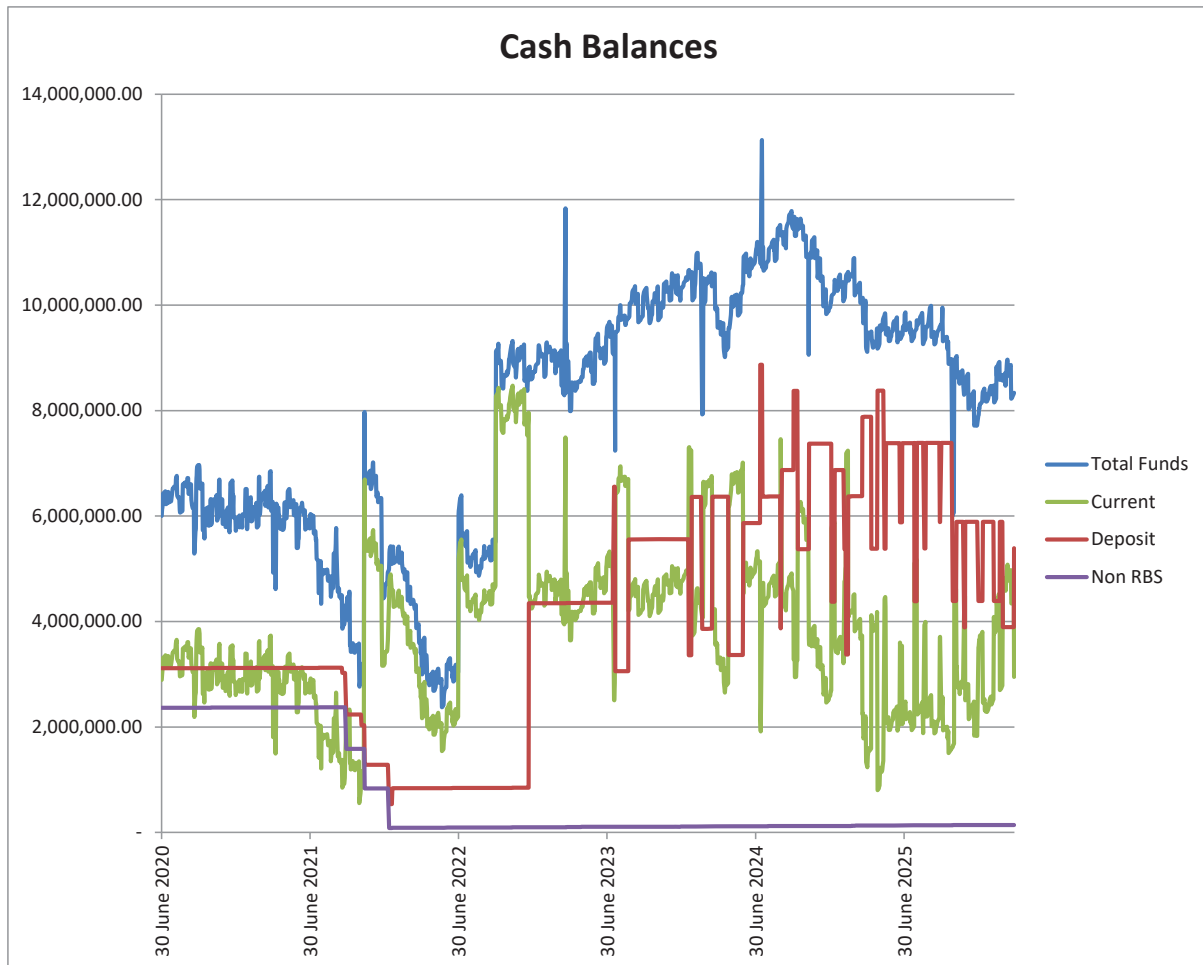
Borrowings	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Average
	£000's	£000's	£000's	£000's	£000's	£000's
Facilities arranged	25,000	25,000	25,000	25,000	25,000	25,000
Loans outstanding	17,000	17,000	17,000	17,000	17,000	17,000
Variable/Fixed analysis-amounts						
Variable amount	1,500	1,500	1,500	1,500	1,500	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

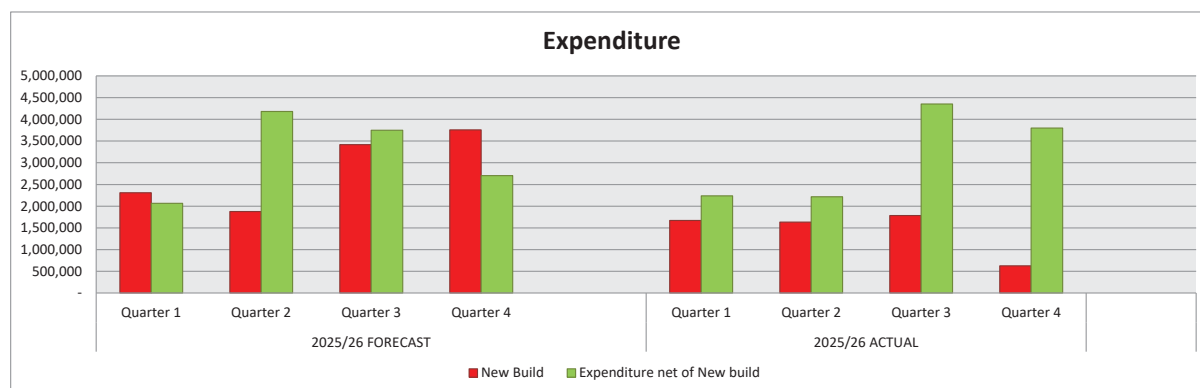
Amount £000's	Interest	Type	Annual Cost
15,500.00	3.61%	Fixed	559,059
1,500.00	6.34%	Variable	95,071
17,000.00			654,130
Average cost of funds			3.85%

Anticipated level of borrowing over next 5 years

Year	2025/26 Est	AFS Forecast	Variance
	£m	£m	£m
2025/26	17.000	17.000	-
2026/27	17.000	17.000	-
2027/28	17.000	17.000	-
2028/29	17.000	17.000	-
2029/30	17.000	17.000	-

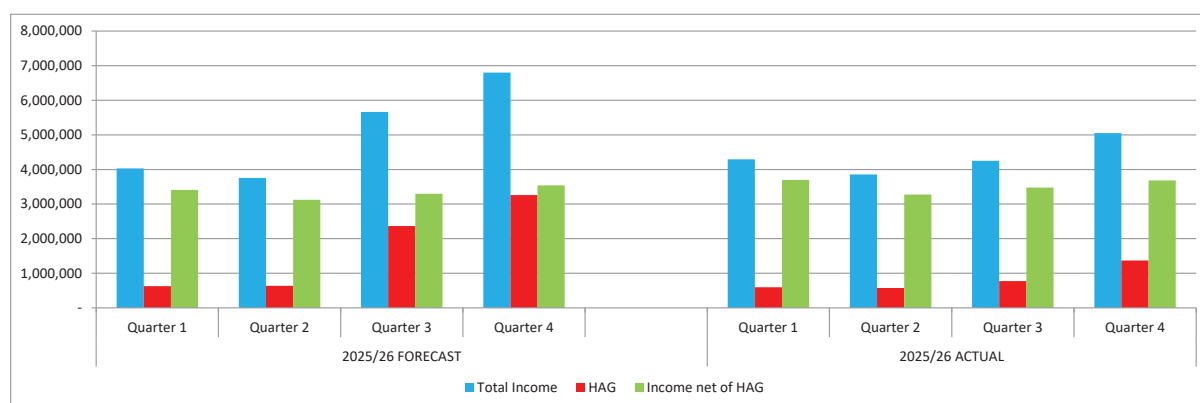


EXPENDITURE



Overall, the expenditure for the fourth quarter (Q4) of 2025/26 is £2.029M lower compared to forecast. New build expenditure is £3.128M below forecast due to delays on site start at Scott Road, Grimsay, Gravir and Low Flyer. Expenditure net of new build is £1.099M above forecast mainly due to the programming of investment works towards the second half of the year, following delays in the decision from Scottish Government on the Net Zero Heat Funding.

INCOME



Total Income for the fourth quarter of 2025/26 is £1.749M lower than the original forecast mainly due to a reduction in HAG received as a result of slippage in our development programme.

DEVELOPMENT REPORT

Board 23 June 2026

Report by Director of Operations

Purpose of Report

- 1.1 To provide a progress update on our 5-Year Development Plan (2025-30).

Summary

- 2.1 Good progress is being made on the Development Plan for 2025-30 with 37% of planned houses completed and 15% on site, with work ongoing to progress future projects.
- 2.2 Blackwater (named An Allt Dubh) has been completed with the final handover by Calmax Construction Limited in May 2026.
- 2.3 The second phase Rathad Na Ceardaich, Barra was also completed in April by Macinnes Bros.
- 2.4 Harris Distillery has lodged a judicial review against the Planning consent issued by the Comhairle. Procurement of the enabling works for Scott Road, Tarbert has been placed on hold until this process is completed.
- 2.5 OMAC has started construction work of 73 homes at Melbost West (Ph 1 & 2). Discussions are ongoing with SSEN and Scottish Government regarding costs and funding agreements.
- 2.6 Soil sampling surveys for Grimsay were carried out and we await the determination of the planning application. There continues to be delay in North Uist Estate submitting a resumption application and pressure on the Planning Service is also causing delay.
- 2.7 The acquisition of Carloway Care unit is being concluded. A formal written grant offer is awaited but an offer has been issued on the Scottish Government IT system.
- 2.8 A tender is being prepared for lochdar, South Uist (5 homes) and Low Flyer (4 homes) for issue in June 2026.

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 note the updated Development Plan.**

APPENDIX 1: New Build Updates
Background Papers: Development Risk Threshold
Writer of Report: Sawan Morrison

Tel: 0300 123 0773

5.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	The initial budget for development in 2026/27 was at £15.97M of expenditure, £10.2M Scottish Government (SG) Grant and £4.7M of SSEN funding resulting in a private finance requirement of £1.07M. The management accounts provide an overview of the forecasted out-turn and any required virements on the development program. The Melbost West Project is not anticipated to draw down any Scottish Government Grant this year as all works undertaken will be with respect to the SSEN funded units. £4.7M is forecasted to be drawn down this year.
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. Waiting list demand at present is broadly at the same level. The HNDA report suggested 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 • impact of regulatory and legislative changes on service delivery with a residual risk rating of 10 (medium); • construction process issues such as delayed or cancelled work with a residual risk rating of 9 (medium); and • rent affordability with a residual risk rating of 9 (medium); • housing component technology failure with a residual risk rating of 6 (low);

COMPLIANCE CHECKLIST	
	• Failure to adapt to changing demographics and reducing population with a residual risk rating of 6 (low); and • infrastructure failure with a residual risk rating of 4 (low); There are specific risks with the Melbost site regarding timescales, the SSEN housing requirements and electricity network constraints on infrastructure capacity.
ESG	Our new build plan considers ESG implications at every point in the process. It does so through detailed planning feedback being 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	The official opening of Leverburgh, Blackwater and Barra are being arranged for the Summer following discussions with CNES and SG. Melbost West will have a name consultation which requires public consultation.

New Build Plan Updates

APPENDIX 1

Development Performance – 5 Year Development Plan 2025-2030 (Updated October 2025)

	RENT	NSSE	HWEC	TOTAL	% of Plan	Comments
Completed 2025/26	37	0	0	37	24%	12 homes at Leverburgh. 25 homes at Blackwater.
Completed 2026/27	20	0	0	20	13%	6 homes at Barra. 14 homes at Blackwater.
On Site	23	0	0	23	15%	-
Planned for 2026-30	63	0	10	73	48%	-
	143	0	10	153		

Table 1.2 - 5 Year Development Plan Summary

Type	Area	Location	Total Units	Stage	2025/26	2026/27	2027/28	2028/29	2029/30
RENT	Stornoway	Blackwater	39	Final phase completed 26/27	25	14			
RENT	Harris	South Harris - Leverburgh	12	Final phase completed in October 2025.	12				
RENT	Barra	Cleat Road- Phase 2	6	Completed May 2026		6			
RENT	Rural Lewis	Rural Lewis- Gravir	4	Tender has not received any bids.		4			
RENT	Rural Lewis	Carloway Care Unit	1	Licence to occupy being progressed with CNES to allow contractor on site.		1			
RENT	Stornoway	Melbost West	23	Contractor on site			23		
RENT	Harris	Scott Road	24	Site on hold until outcome of Judicial review concluded			24		
RENT	Uist	North Uist - Grimsay	8	Final surveys completed - awaiting planning decision & NUE to lodge resumption			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 lochar Tender			4		
RENT	Uist	South Uist	6	lochar being progressed to Tender			6		
RENT	Rural Lewis	Cross Skigersta Road	8	Negotiations ongoing with contractor.			8		
RENT	Rural Lewis	Point (Knock)	4	Full feasibility study received.				4	
HWEC	Barra	Barra HWEC	10	Initial Assessment					10
		Total Units	153		37	29	73	4	10

Table 1.3 Legacy Housing Projects

Area	Location	Total Units	Stage
Stornoway	Melbost West	50	This site is currently under construction. We are progressing discharge of conditions precedent to the funding agreement. We will provide 50 homes to SSEN for worker accommodation
Stornoway	50 Macaulay Road	1	We have received re-tendered costs that we are trying to secure funding from SSEN to progress.

2026/27 INVESTMENT PROGRAMME

Board 23 June 2026

Report by Director of Operations

Purpose of Report

- 1.1 To provide an update on the 2026/27 Investment Programme.

Summary

2026/27 Investment Programme

- 2.1 The 2026/27 Investment Programme was approved by the Board on 17 November 2025.
- 2.2 Procurement is scheduled for completion by June 2026. Progress on heating works are subject to the outcome of our Scottish Government Housing Net Zero Fund grant application.

Cx Planned Maintenance Implementation

- 3.1 The CX Planned Maintenance module is live and is being deployed in conjunction with the investment programme mobilisation. Programme, budget and procurement data is being entered and reporting developed and verified.

Aids and Adaptations 2026/27

- 4.1 An application for Scottish Government grant funding has been submitted and the outcome is awaited. An interim budget of £120K has been approved by the Board to support ongoing commitments. The current position is summarised in Appendix 2.

Compliance

- 5.1 The competence issues relating to this report are at section 10.1 of the report.

Recommendations

- 6.1 **It is recommended that the Board note the update on:**
- a) the 2026/2027 Investment Programme at Appendix 1; and**
 - b) Aids and Adaptations and the waiting list at Appendix 2.**

APPENDIX 1: Investment Programme update by Lot

APPENDIX 2: Occupational Therapy Referrals

Background Papers: Risk Register

Writer of Report: Angus MacNeil

Tel: 0300 123 0773

Report Details

2026/2027 Investment Programme - progress

- 7.1 Porch works at Cearn Easaidh and Cearn Ronaidh, carried forward from 2025/26, are being incorporated into the currently awarded window contracts and are in the process of being programmed.
- 7.2 Roofing works carried forward from 2025/26 at St Brendan Road, Kersavagh, and Dunrossil Place have been delayed since December 2025 continue to be delayed due to challenges in securing affordable insurance cover for work involving asbestos cement slates. The contractor is actively engaging with insurance brokers and sub-contractors to identify a solution.
- 7.3 The remainder of the Investment Programme is progressing through the survey and programming stages as shown at appendix 1 with all outstanding tendering activity scheduled for completion by the end of June 2026.

Cx Planned Maintenance Development

- 8.1 The CX Planned Maintenance module is now live and is being fully implemented in conjunction with the investment programme mobilisation. Process maps are being tested alongside the mobilisation. Programme details, budgets and contract award information have been loaded. Contractor progress information including survey costs, compensation events, completions and final costs will then be loaded.
- 8.2 All works will be tracked at asset level, ensuring that planned, actual and invoiced costs are aligned with delivery activity. Once works are completed, asset update functionality will enable us to update Asset Component data timeously.
- 8.3 Financial Reporting and Forecasting functionality is being implemented, which provides a comprehensive view of Budgets (from Financial Ledger) compared against planned costs from CX at a scheme level. Board reporting will be produced directly from CX once this initial mobilization phase is completed.
- 8.4 This will enable consistent, data-driven oversight of budgets and spending and improved financial control and forecast reliability throughout the year.

Aids and Adaptations position

- 9.1 The current position on General Adaptations is detailed in Appendix 2. To date, there has been no decision for award of a Scottish Government grant. An interim budget of £120K has been approved by the Board to support ongoing referrals.
- 9.2 We currently have eighteen referrals in progress, with an estimated total value of £38K, eleven further at quotation stage, with a combined estimate of £98K.
- 9.3 The make up of referrals are:

Category	Referrals
Wet rooms/ level access shower	11
Grab rails/ handrails	8
Stairlift	2
Steps	1
Access ramp	1
Miscellaneous e.g. lever taps	5
Over bath shower	1

10.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	The cash planning limit for Investment budget for 2026/27 is £5.711M. The programme was approved on 18 November 2025. An interim budget for Aids and Adaptations for £0.12M has been approved to allow works to progress until the Scottish Government give a grant decision. A grant application of £0.285M has been submitted to the Net Zero fund for the 2026/27 programme with a support rate of 60% for air source heating systems.
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. Our contract with OCS provides some resilience in service delivery and enables resources to be aligned with maintenance requirements based on historic knowledge. However, there is increased competition for a decreasing skilled labour pool. Supply Chain challenges are 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. - The delay in decision being received on net zero funding has presented a potential risk to programme completion.

ESG	There is an ESG impact arising from the consideration of this report. • Social ○ Building Safety and Quality - maintaining Scottish Housing Quality Standard ○ Resident Voice - evaluate satisfaction. ○ Placemaking – sustainability embedded into contract. • Environmental ○ Climate Change - reducing waste, sustainability, recycling, local materials. ○ Resource Management - regularly review standard specifications having regard to the environmental impact of individual products and materials. • Governance ○ Supply Chain Management – maximize 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-work and satisfaction surveys conducted on completion. The Green Book publication has been distributed to all tenancies identifying the works by Ward/ Street/ Works/ Years

Works		Lot	Contractor	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27
Lewis & Harris	Windows & Doors	1	Alex Murray (Construction) Ltd												
	Windows & Doors	1B	Alex Murray (Construction) Ltd												
	Windows & Doors	1C	Alex Murray (Construction) Ltd												
	Heating - Gas	2A	TBC												
	Heating	2B	TBC												
	Bathroom/showers	3	OCS Technical Services Ltd												
	Kitchens	4	Alex Murray (Construction) Ltd												
	Roofing	5	Alex Murray (Construction) Ltd												
	Electrical	6	TBC												
Uist & Barra	Environmental	7	Alex Murray (Construction) Ltd												
	OT	8	Alex Murray (Construction) Ltd												
	Windows & Doors	9	OCS Technical Services Ltd												
	Heating	10	TBC												
	Bathroom/showers	11	OCS Technical Services Ltd												
	Kitchens	12	OCS Technical Services Ltd												
	Roofing	13A	BCA Group												
	Environmental	15	OCS Technical Services Ltd												
	OT	16	OCS Technical Services Ltd												

*2025/26 Carry forward - Cearn Easaidh/ Ronaith

*2025/26 Carry forward - Tigheann Allt Na Broige

*2025/26 Carry forward - St Brendan Road/ Kersavagh/ Dunrossil Place



Tender to be issued/ return



Tenders being evaluated



Work on site



Work awarded awaiting end date of programme to be confirmed

APPENDIX 2

Occupational Therapy Referrals Update	2026/27
Number of Properties	27
Number of Referrals received (some properties have more than one referral)	29
Number of tasks on Referrals received (a referral can have multiple tasks)	41
Number of Referrals completed	0
Number of Referral tasks completed	0
Number of Referral tasks awaiting issue/ completion	11
Total Estimate of Referrals received	£0.098M
Budget – Adaptations and Adaptations	£0.12M
Expenditure to 31 May 2026	£0.02M
Remaining spend for works committed	£0.10M

ASSET MANAGEMENT STRATEGY 2024-2029 ANNUAL REVIEW

Board 23 June 2026

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 provided at Appendix 1. Overall, progress remains broadly on track. Several actions are ongoing and form part of the annual programme of work and procurement.
- 2.2 The Cx Housing Planned Maintenance module is now live and is being used in the mobilisation of the Investment programme for 2026/27. Asset Management data has been loaded, and development is ongoing with regard to dynamic asset updating and forward investment planning.
- 2.3 Following Board approval in May solar panels are now being installed in eligible properties through the UK Government ECO4 funding scheme. Eligible properties are those which have EPC scores of D or below. This will be built into investment plans following our next stock condition survey.

Competence

- 3.1 The legal, financial or other constraints to the recommendations in this report are contained in paragraph 6.1.

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 2024-2029

Writer of Report: Angus MacNeil

Tel: 0300 123 0773

Report Details

Asset Management Strategy 2024-2029

- 5.1 There is a clear expectation from the Scottish Housing Regulator that RSLs will have a robust strategy for managing their housing stock and other assets.
- 5.2 Audits of Gas Safety and Landlord Health and Safety were conducted in 2024. Further audits will be carried out in 2026.
- 5.3 The Scottish Government has not formally announced the outcome of the review of the Energy Efficiency Standard for Social Housing (ESSH) or its alignment with Scotland's Net Zero targets. At present, the timescales for announcements remain unknown.
- 5.4 The Cx Housing Planned Maintenance module is now live and is being used in the mobilisation of the investment programme for 2026/27. This will provide integrated financial and project progress reporting at an asset level. Asset Management data has been loaded, and development is ongoing with regard to dynamic asset updating and forward investment planning.
- 5.5 We have begun installation of solar panels in homes with EPC ratings of Band D or below through Government ECO4 funding. This will be reflected in long term investment plans following the next stock condition survey in 2028,

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 2026. 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. The Asset Management Strategy is a Regulatory requirement.
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 is 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	The Asset Management Strategy is a key component of our ESG strategy and actions in both are consistent and complementary.
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 2027 Annually	Abeyances being addressed as opportunities arise. 11 Solid fuel systems were replaced in 25/26 and 1 is currently planned. 21 systems will remain and these are being followed up on a regular basis. The outcome of the Scottish Government review of Net Zero targets is still awaited. Opportunities offered to owners to participate in works when possible but take up is limited.
2	Potential to consolidate stock	Asset & Contract Manager	March 2027	One shared ownership property was disposed during the year. Work will be carried out to explore policy options and the financial implications for consolidating ownership in flatted blocks through either disposal or purchase.

PROCUREMENT				
3	Determine procurement routes for • investment programme • repairs and maintenance post 2027	Asset & Contract Manager	Nov 2026	Consultancy support being procured to explore options for investment programme delivery after framework expires in March 2027. Recommendations to be reported to Board in November 2026.

				Board agreed in March 2026 to exercise the final 2-year extension of the Repair and Maintenance contract with OCS. The contract will therefore expire in March 2029.
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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 2027	A bid for Social Housing Net Zero Heat Fund was successful in 2025/26 enabling the replacement of 110 storage heating, 2 infrared and 8 solid fuel systems. 2 new bids have been submitted to the fund in May 2026. One for 10 air source replacements and one for 32 THTC and 1 solid fuel systems. HHP has been installing air source heat pumps, in line with Scottish Government net zero aspirations, since 2010. We are now at the point of having 91% of our off-gas properties with heat pumps installed. We are also now beginning to replace those first installed heat pumps as they reach their lifespan,
5	Monitor new and emerging solutions to improve energy efficiency	Investment Manager	Annually	There is increasing interest in battery storage combined with solar panels and energy suppliers are beginning to partner with RSLs to develop this technology. This will be explored further.

			December 2026	The Board agreed in May 2026 to install solar panels on a pilot basis on up to 500 properties through the ECO4 scheme. The works will be funded by OVO and be carried out prior to end of November 2026.
6	Heating system replacement on former refusals at Voids	Investment Manager	Annually	Heating systems replaced at voids or immediately thereafter in consultation with new tenant and timing subject to contractor availability.
7	Dampness and Condensation	Investment Manager	October 2026	Inspection and monitoring of identified cases and regular reporting in place. Reports updated to align with ARC requirements External training undertaken by officers. Training also undertaken on Cx system recording of cases. The Investigation and Commencement of Repair (Scotland) Regulations (Awaabs law) come into force 6 October 2026, Details of regulations still awaited.

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. No land disposals were carried out during the year.
9	Survey unadopted roads and footpaths and assess maintenance needs, cost implications and shared ownership responsibilities.	Asset & Contract Manager	November 2026	Unadopted Infrastructure surveys have still to be progressed. Some data will be collected via Stock Condition Survey but further resources may be required. Surveys will cover • Roads • Footpaths • Kerbing • Drains/ covers • Parking • Lighting
10	Review effectiveness and specification of grounds maintenance arrangements with CNES	Asset & Contract Manager	Complete	CnES retendered works and contract awarded to 2030. Works split into geographical lots and awarded to several contractors. Ongoing monitoring and liaison arrangements in place.

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	November 2026 ⁷	Modelling tool to continue development during implementation of Cx Planned maintenance. The target date has been extended to allow implementation to be completed. CX will give a real-time update on all compliance, responsive and investment works which can interlink with SHQS and EEESH reporting to give a 360 view on asset management.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) STRATEGY ANNUAL REVIEW

Board 23 June 2026

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. The majority of action points were met and going forward evidence will be collated against each action to ensure 100% completion where possible.
- 2.3 Our measurement against the Sustainable Reporting Standard for Social Housing is attached at Appendix 2. We were able to respond positively to 36 out of 41 criteria. We had no information available for greenhouse gas emissions, food risk, over-heating; pollutant and waste management.
- 2.4 Our Action plan for 2026/27 is at Appendix 3 with actions targeted for completion by 31 March 2027.

Competence

- 3.1 The compliance issues relating to this report are at section 13.1 of the report.

Recommendations

- 4.1 **It is recommended that the Board note the:**
- a) **ESG annual review at Appendix 1;**
 - b) **measurement of performance at Appendix 2; and**
 - c) **ESG action plans for 2026/27 at Appendix 3.**

APPENDIX 1: ESG Annual Review 2025/26

APPENDIX 2: ESG SRS 2025/26

APPENDIX 3: ESG Action Plans 2026/27

Background Papers: None

Writer of Report: Peter O'Donnell

Tel: 0300 123 0773

Report Details

ESG Changes

- 9.1 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.
- 9.2 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.
- 9.3 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.
- 9.4 The latest date for implementation is 2027. The SHNZS was paused for a number of reasons including:
- Revision of the Heat in Buildings Bill
 - Reconsideration of Private Rented Sector (PRS) proposals
 - Impact of Housing emergency
 - Need to understand UK Government intentions
 - Uncertainty on timelines for Home Energy Modelling (HEM) for new style EPC

ESG Overall Performance

- 10.1 A summary of our ESG performance during 2025/26 is shown below and is also more fully captured in the ESG annual review document at Appendix 1:
- 31% of tenants signed up to Tenant portal
 - over £1m received in funding for heat pump installations
 - 54 former heating refusals received new heating in 2025/26
 - 99% of off-gas stock have clean heating systems
 - 16% reduction in carbon mileage claims
 - 55% increase in EV mileage
 - Officers attended drop-ins and tenant meetings
 - Tenant events in Stornoway, Uist and Barra
 - Allt na Broighe Multi Use Games Area (MUGA) restored through community benefit
 - Silver Aspect Level 1 (Sustainability) now achieved on new builds

ESG Measurement

- 11.1 We have not signed up to the Sustainable Reporting Standard for Social Housing, but it remains an example of best practice and will be used as a measurement tool to demonstrate our progress.
- 11.2 A summary of our SRS measurement is attached at Appendix 2.

ESG Action Plans

- 12.1 Annual ESG Action plans are prepared by each section to show our business-wide commitment to the Strategy. They should align with ESG themes or the SRS measurements.
- 12.2 Action plans for 2026/27 are attached at Appendix 3.

13.1 Compliance Checklist

COMPLIANCE CHECKLIST	
Financial	There are no specific financial implications arising from ESG Strategy. All ESG actions need 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 26 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 organisation. • 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.
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 continue to be implemented and monitored. It will be shared with Tenant Panel and made available on our website.



Hebridean Housing Partnership

ESG STRATEGY REVIEW

2025/26



Environmental



Social



Governance



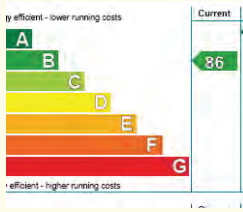
OUR ESG APPROACH

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 2025/26 highlights

37 energy efficient new homes built	120 new heat pumps installed	99.9% of homes at Band D or above	54 former refusals accepted ASHP	No complaints upheld by 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	HHP staff raise £1000 to local charities
				

Environment

Solar Panels



After Board approval in May 2026, tenants will now be receiving solar panels in properties that are currently in Bands D to E for energy efficiency. The UK Governments ECO4 scheme has opened the door for social housing tenants to receive the full benefits of solar electricity.

The solar panels will generate free electricity for tenants to use. The scheme will also allow tenants to claim further benefits through the Smart Export Guarantee tariff which is a scheme that allows tenants to earn money for excess renewable electricity that they export back into the electricity grid.

Rathad na Ceardaich



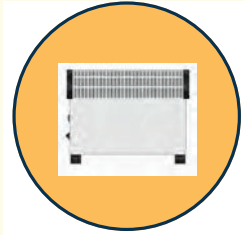
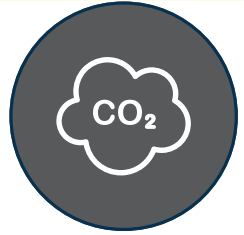
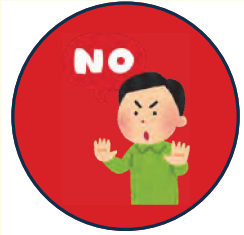
With the second phase of our new build development in Barra nearing completion we have been able to examine the first phase running costs in detail to measure the effectiveness of the construction.

House type	Annual Heating/HW	Annual all Electric (incl. H/HW)	EPC
2 bedrooms	£356 (£7 per week)	£1,218 (£23 per week)	B (88)
3 bedrooms	£685 (£13 per week)	£1,868 (£36 per week)	B (88)

Net Zero

The Scottish Government’s new Net Zero standard has still not been published citing delays with new EPC standard, issues with UK wide intentions and the reconsideration of Private Rented Sector (PRS) proposals.

With no clear guidance we will continue to install air source heat pumps in off-gas areas to meet the clean heating systems target. We are well on target to meet Net Zero targets in this respect as 99% of our off-gas stock have clean heating systems and 91% have air source.

Off-gas Stock	Heat Pumps	Electric heating	Other heating	Refusals
				
2016	1837	155	24	119

Electric Vehicles




2024/25	33,688	14,000
2025/26	28,394	21,626
Difference	-5,294 (16%)	+7,626 (+55%)

Last year we reported that the EV cars covered over 14,000 miles with both cars and that we would be analysing the mileage over the coming year. The table above shows that we are now seeing a reduction in carbon mileage and a substantial increase in EV usage.

Social

Allt na Broighe MUGA



In April 2024, we were approached by the Maryhill and Marybank Community Association to visit the MUGA (multi use games area) at Allt na Broighe to see if we could work together to try and get it back into use after it had deteriorated over the years becoming unusable within the community. The MUGA was overgrown with weeds and gorse branches were sticking through the cage fencing, making it unsafe as a play area. The entrance was also neglected and barely visible through the bushes and weeds. A lot of work was required to bring this area back to its former glory.

Using Community benefit through the repairs and maintenance contract, we were able to get OCS involved. Initially we removed and cut back the gorse then reinstated the entrance by removing weeds, bushes and missing lock-block. Once this was complete, the community association arranged for new goal posts and basketball hoops with the assistance of community grant from HHP. Finally OCS repaired the floodlighting to make it useable throughout the year.



The whole project showed what could be achieved using Community benefit within the wider community. Maryhill and Marybank Community Association were delighted with the finished project and huge credit must go to OCS who provided that little bit of extra time and effort.

Mould and Damp



We are waiting on the Scottish Government to implement new regulations to protect tenants from damp and mould, primarily through Awaab's Law, which mandates timely investigations and repairs by landlords. It is expected that any significant damp and mould risk will need to be investigated **within 10 working days** and remediated **within a further 5 working days**.

We submitted our first return to the Scottish Housing Regulator as shown below.

Issue	No. of cases	Total working days to resolve	Average time to resolve
Condensation	26	404	15.5
Structural	4	81	20.25
Other	9	137	15.22

Emergency Fuel Vouchers

Fuel poverty cannot be completely eradicated by new heating or increase in insulation standards. Households come up against many barriers that force them into fuel poverty which can result in using less and less heating or even self-disconnection. We have to be there for them, to help them as best we can and signpost them to areas of support.

Each year we also look for suitable funding to help tenants financially. In April 2025 we received £20,360 from the Islands Costs Crisis Emergency Fund to help 200 tenants with £100 financial assistance towards energy costs. We then received the same amount again in December 2025.

Charity Presentations



Just before Christmas, HHP staff (above) nominated 3 charities to receive £500 cheques. Cheques were handed out to Macmillan Cancer Support, Alzheimer's Scotland and MND Scotland.

Earlier that month the Board presented £1,000 cheques to representatives from CRY (Andrew Macleod Memorial Fund), Crossroads (Lewis & Harris), Volunteer Centre Western Isles, and Western Isles Association for Mental Health.

The cheque presentation to Tasga Uibhist by Board Member Alison MacCorquodale took place on 20 November 2025.



Governance



Business Plan

As part of our Business Plan we ensure the sustainability of our workforce by investing in young people. We have signed the Developing Young Workers Pledge which is a commitment from employers to support Scotland's young people to succeed in the world of work. As an employers and partners, we play a vital role in creating opportunities for young people as they prepare for and take their first steps into the world of work.

Policies



During the year we updated these policies to support the health and wellbeing of staff and tenants:

- | | |
|---|--|
| <ul style="list-style-type: none">● Procurement● Debt Management● Risk Management● Estate Management● Development | <ul style="list-style-type: none">● Asbestos● Office fire Safety● Neonatal Care Leave● Lift Safety● Wellbeing Strategy |
|---|--|

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 	• Increase air source heat pumps in our off-gas stock to 93% • Decrease the environmental impact of our new build developments • Produce and implement a Carbon Management Plan
Social 	• Continue to support placemaking through Community Benefit • Seek funding to support those struggling with energy bills • Increase tenant sign up to Tenant Portal
Governance 	• Annual review of 30 year Business Plan • Keep rents affordable • Support local economy
Property Services	• Submit 2 bids to Social Housing Net Zero fund • 100% gas safety and electrical safety • Install solar panels using ECO4 funding
Customer Services	• Attendance at tenant/resident meetings. • Seek funding to support those struggling with energy bills • Hold tenant events with partners to increase attendance
Housing Services	• Housing Officers attending drop-ins • Signpost vulnerable tenants to relevant agencies • Work collaboratively with agencies involved in anti-social behaviour
Corporate Services	• Continue to monitor EV provision to reduce carbon mileage • Increase the number of paperless invoices from creditors • Provide financial information to the RBS Carbon tracker tool
Governance	• Commit to embed sustainable practices in all aspects of business • Raise Board awareness of energy efficiency • Annually evaluate the diversity of our Board



Hebridean Housing Partnership

2025/26

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)	<table><tr><td colspan="2">LHA</td></tr><tr><td>0</td><td>£87.45</td></tr><tr><td>1</td><td>£109.32</td></tr><tr><td>2</td><td>£136.93</td></tr><tr><td>3</td><td>£159.95</td></tr><tr><td>4</td><td>£195.62</td></tr><tr><td colspan="2">Variance to LHA</td></tr><tr><td>1 Shared</td><td>-£7.57</td></tr><tr><td>1</td><td>£17.27</td></tr><tr><td>2</td><td>£34.29</td></tr><tr><td>3</td><td>£50.72</td></tr><tr><td>4</td><td>£73.13</td></tr><tr><td colspan="2">Privat Rental Sector Scottish Stats</td></tr><tr><td>1</td><td>£135.23</td></tr><tr><td>2</td><td>£167.77</td></tr><tr><td>3</td><td>£209.54</td></tr><tr><td>4</td><td>£267.92</td></tr><tr><td colspan="2">Variance to PRS Scottish Stats</td></tr><tr><td>1</td><td>£43.18</td></tr><tr><td>2</td><td>£65.13</td></tr><tr><td>3</td><td>£100.31</td></tr><tr><td>4</td><td>£145.43</td></tr></table>	LHA		0	£87.45	1	£109.32	2	£136.93	3	£159.95	4	£195.62	Variance to LHA		1 Shared	-£7.57	1	£17.27	2	£34.29	3	£50.72	4	£73.13	Privat Rental Sector Scottish Stats		1	£135.23	2	£167.77	3	£209.54	4	£267.92	Variance to PRS Scottish Stats		1	£43.18	2	£65.13	3	£100.31	4	£145.43
LHA																																															
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Affordability and Security	C2	Share, and number, of existing homes (owned and managed) completed before the last financial year allocated to:	General Needs: 2403 HWEC: 50 Managed: 2																																												
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: 37																																												
Affordability and Security	C4	How is the housing provider trying to reduce the effect of fuel poverty on its residents?	98% compliant with EESSH and on track to meet Net Zero standards There is a renewable heating system installed in 91% of off-gas properties There is a clean heating system installed in 99% 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?	92.54% 12 properties have an unsatisfactory DEICR which is reflected as fails in SHQS 11 and 45 All 12 are currently being addressed through our 2026/27 DEICR works programme
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 Tenant Board Panel
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%
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?	December 2025: Received £20,360 from the Islands Costs Crisis Emergency Fund to help 200 tenants with £100 financial assistance towards energy costs.

Theme	Criteria	Description	Performance
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 - 0.33% B - 12.92% C - 63.92% D - 22.71% E - 0.12%
Climate Change	C15	Distribution of EPC ratings of new homes (completed 2024/25)	B (81-1; 82-8; 83-11; 84-17)
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 120 new air source heat pumps 54 former heating refusals received new heating in 2025/26
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
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 2026 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: 7 Women: 3 Disability: 1 Age: Ranging from 48 to 73 years of age

Board and Trustees	C32	What % of the board and management team have turned over in the last two years?	Board: 20% 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.	2
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?	2 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

Theme	Criteria	Description	Performance
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.
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?	3.36%
Staff Wellbeing	C44	What is the CEO:median-worker pay ratio?	Ratio 2.75:1
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. Wellbeing Strategy in place
Staff Wellbeing	C46	What is the average number of sick days (both long and short term) taken per employee?	Short-term: 3.2 days Long-term: 5.0 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 2026
Supply Chain	C48	How is Environmental impact considered when procuring goods and services?	Framework contracts have sustainability as part scoring

ESG STRATEGY SECTION ACTION PLANS 2026/27

Environmental	Social	Governance
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CUSTOMER SERVICES

THEME	TYPE	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 2027	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 2027	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 2027/28.	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 2027	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	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 2027	Service Development Manager

THEME	TYPE	CRITERIA	MEASUREMENT	TARGET	Date due	Officer Responsible
		housing practice within the Provider?				
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 2027	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 200+ tenants with support	31 March 2027	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 have been rolled out across various areas	Hold 15 drop ins throughout year	31 March 2027	Tenant Engagement Officer
T4	Resident Support	Provide examples or case studies of where the Housing Provider has engaged in placemaking or place-shaping activities	Attendance at tenant/resident meetings.	Officers to attend resident meetings	31 March 2027	Tenant Engagement Officer
T4	Resident Support	Provide examples or case studies of where the Housing Provider has engaged in placemaking or place-shaping activities	Tenant Events with partners.	Attend community events held by our partners to ensure HHP representation and allow tenants access to HHP at same time as other partners.	31 March 2027	Tenant Engagement Officer

REPAIRS

THEME	TYPE	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 2027	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 2027	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 2027	Investment Manager
T5	Placema king	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	Postponed	Postponed
T6	Climate Change	We will ensure sustainability is embedded within all contract documentation	Forms part of Repairs framework scoring	In place (review)	31 March 2027	Asset and Contracts Manager
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

THEME	TYPE	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
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 2027	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 2027	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 2027	Asset and Contracts Manager

INVESTMENT

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
T2	Building Safety and Quality	What % of buildings have meet EESSH?	Measured through ARC	100% (excl. abeyances/ exemptions)	31 March 2027	Investment Manager
T2	Building Safety and Quality	What % of homes meet the SHQS standard	Measured through ARC	100% abeyances/ exemptions)	31 March 2027	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 2027	Investment Manager
T4	Resident Support	We will provide tenants with guides on how to use their technology efficiently	Number of ASHP guide issued	100%	31 March 2027	Investment Manager
		We will provide tenants with guides on health and safety	Number of guides issues	100%		
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	Number of air source heat pumps installed	27 (new) 10 (replace)	31 March 2027	Investment Manager
			Number of other electric heating systems installed	6 (Quantum)		
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	Postponed until Scottish Net Zero standard introduced	Postponed	Investment Manager

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
T6	Climate Change	We will ensure sustainability is embedded within all contract documentation	Forms part of investment framework scoring	Annual review/Contract Renewal	31 March 2027	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	Annual review/Contract Renewal	31 March 2027	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 2027	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 35%	Annual review	31 March 2027	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 2027	Governance Officer
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 2027	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 2027	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 2027	Governance Officer
T10	Board and Trustees	We will annually evaluate the diversity of our Board	Collect equalities data from Board Members on an annual basis.	100%	31 March 2027	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) = 5,959.2 kgCO ₂ New Uist Office: To be evaluated	Annual review Evaluation	March 2027 December 2026	Corporate Resources Manager
T6	Climate Change	We will monitor our current electric vehicle provision.	Reduction in carbon miles claimed by staff members	30% Reduction from 2024/25	31 March 2027	Corporate Resources Manager
T8	Resource Management	Modernise our means of service delivery through the introduction of mobile working	ICT and Digital Transformation Strategies	CX Mobile enabled to allow remote surveys/etc	31 March 2027	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 2027	Corporate Resources Manager
T8	Resource Management	Increase the number of paperless invoices from creditors	Contact all creditors who send paper invoices and request that they send them electronically	7% increase in total electronic invoices received	31 March 2027	Finance Manager

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
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 2027	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 2027	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 2027	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 2027	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 2027	Area Managers
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 2027	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 2027	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 <u>self-service</u> to the majority of our services	Introduction and advertisement of the tenant portal	Increase sign-up to 35%	31 March 2027	Area Managers
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 2027	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 2027	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 ASHP running cost Household running cost EV usage	Report by March 2027	31 March 2027	Development Manager
T3	Resident Voice	We will also engage with our tenants through an end of defect survey to evaluate satisfaction with our new build homes.	Qualitative End of Defect survey to capture their lived experience.	50% returns	31 March 2027	Development Manager/Service Development Manager
T5	Placemaking	Ensure placemaking at the heart of all new build developments through proactive engagement	Percentage of new build sites with proactive planning engagement.	100%	31 March 2027	Development Manager

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
		with planning department.				
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 2027	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 2027	Development Manager
T6	Climate Change	In terms of sustainability, all new builds will achieve the specific level of sustainability in the following aspects: • Bronze • Bronze Active • Silver aspect level 1 (as defined by the Scottish Building Standards.)	Percentage of new build achieving Silver Aspect Level 1	100%	31 March 2027	Development Manager
T7	Ecology	We will take a more sustainable approach to grounds maintenance and introduce biodiversity and other green and blue infrastructure that is sympathetic to the local environment, where possible.	Percentage of new build schemes that provide blue and green infrastructure.	100%	31 March 2027	Development Manager

THEME	TYPE of CRITERIA	CRITERIA	MEASUREMENT	TARGET	Date Due	Officer Responsible
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 2027	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 2027	Development Manager/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	Keep register of consultants and sub-contractors.	Annual review	31 March 2027	Development Manager/Investment Manager/Asset and Contracts Manager



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Equalities, Diversity & Inclusion Update

2026/27





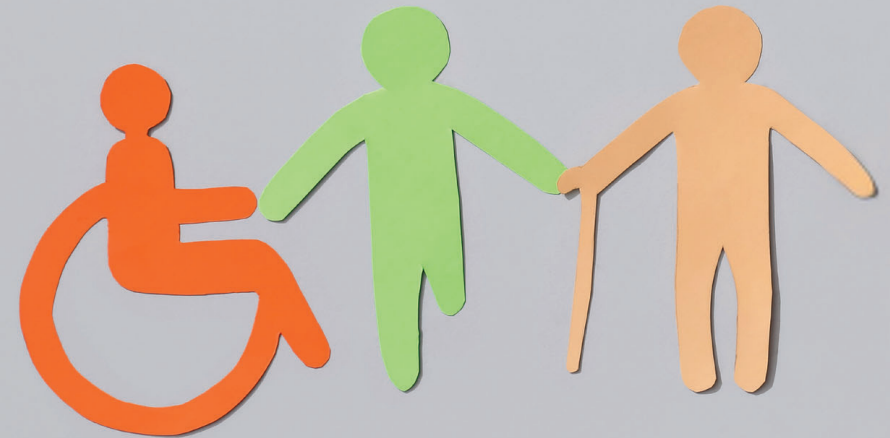
Since our last report in June 2025 we have strengthened our approach to Equality, Diversity and Inclusion by embedding equalities into policy development, improving data collection, and promoting more inclusive services and engagement.

This presentation summarises the key actions taken, progress made and future actions

What we've done so far...

Strengthening Equalities in key policies

- Introduced dedicated equalities sections aligned with the Equality Act 2010 and Public Sector Equality Duty e.g Asbestos Policy & Damp & Mould Policy
- Ensured policies recognise vulnerable groups (e.g. disabled tenants, older people, those with health conditions)
- Embedded commitments to fair, dignified and inclusive service delivery
- Strengthened focus on accessible communication, including alternative formats





What we've done so far...

Communication

- **Ensured that all communications are accessible and easy to understand**
- **Documents are available in alternative formats on request**
- **Use of Audio-Frequency Induction Loop System (AFILS) in Stornoway office to help hearing aid users hear clearly without background noise.**

Tenant & Community Inclusion

- **Tenant Drop-ins in different localities, taking account of accessibility requirements.**
- **Continued engagement with Young Islanders Network.**
- **Participated in pilot scheme with Penumbra, offering additional support to Tenants with mental health needs.**



Future Plans

Communication

- Ensure any rebranding initiatives, including our website, incorporates accessibility requirements
- Strengthen EDI commitments in relevant policies

Tenant & Community Inclusion

- Consider further training for adult learners similar to digital inclusivity training
- Continued engagement with Young Islanders Network

Wellbeing in Action

- Wellbeing Strategy Action Plan to be implemented
- 20th anniversary celebrations to include EDI considerations
- AGM Charity donations to organisations that promote both physical and mental wellbeing
- 4 accredited Mental Health First Aiders appointed to promote positive mental wellbeing within the work place





Data

- Ensure our rebranded application form and online applications include equalities questions for tenants and potential tenants
- Ensure that customer satisfaction surveys are carried out that allow for a review of findings by disabilities
- Continue the use of the Tenant Portal to reach a wider audience for consultations etc



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Promote a culture
that respects and
promotes equality,
diversity and inclusion
within the workplace



OPERATIONS REPORT TO 31 MARCH 2026

Board 23 June 2026

Report by Director of Operations

Purpose of Report

- 1.1 To update the Board on Allocations, Complaints, Repairs Service and Anti-Social Behaviour & Estate Management for 2025/26.

Summary

- 2.1 The Allocations Report shows that the level of demand has remained stable over the year. 215 properties were let during the year.
- 2.2 Complaints Performance shows that 60 complaints were received from 1 October 2025 – 31 March 2026 which is 3 higher than the 57 received in the same period last year. 100% were responded to within target. 104 compliments were received during the period mainly related to the support and assistance provided by staff.
- 2.3 There were 10 new complaints of anti-social behaviour during the year. The majority of these were relatively minor and overall levels continue to be low.
- 2.4 Repairs and Maintenance Contractor Performance for the period 1 October 2025– 31 March 2026 has been assessed as satisfactory. Operationally, OCS has provided a good service and this is reflected in the Service Review.

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 note:**
- a) **the Allocations Report 2025/26 at Appendix 1;**
 - b) **the Complaints Report 2025/26 at Appendix 2;**
 - c) **the Repairs Service Review 2025/26 at Appendix 3; and**
 - d) **the Anti Social Behaviour & Estate Management Report 2025/26 at Appendix 4;**

APPENDIX 1:	Allocations Report 2025/26
APPENDIX 2:	Complaints Report 2025/26
APPENDIX 3:	Repairs Service Review 2025/26
APPENDIX 4:	Anti Social Behaviour & Estate Management Report 2025/26
Background Papers:	Allocations Policy
Writer of Report:	John Maciver

Tel: 0300 123 0773

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 12 (medium). Repeated failures to meet SPSO Complaints response timescales could result in both 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

2025/26



ALLOCATIONS REPORT 2025/26

This report covers the Housing List, Re-Lets, New lets and point of service satisfaction for the period 1 April 2025 to 31 March 2026.

The report also covers the recommended approval for Homeless allocation quotas.

The Housing and Allocations team have had a very positive year in 2025/26. We have seen new build completions in further phases at An Allt Dubh, Stornoway and Leana an t-Sruith, Leverburgh totalling 37 new properties. Both have been very well received by the tenants and wider community.

Satisfaction levels at point of service are very good with. Satisfaction with the lettings process at 100%. We are below target with the decoration of the property but tenants receive decoration allowances to mitigate this.

The total number on the waiting list has decreased but demand for properties by area remains fairly consistent with more than half of all applicants seeking accommodation in Stornoway.

ALLOCATIONS REPORT

2025/26

OUR YEAR AT A GLANCE

415

WAITING LIST

215

HOMES ALLOCATED

423

APPLICATIONS RECEIVED

37

NEW BUILDS ALLOCATED

95%

SATISFACTION WITH PROPERTY

5

KEYWORKERS HOUSED

177

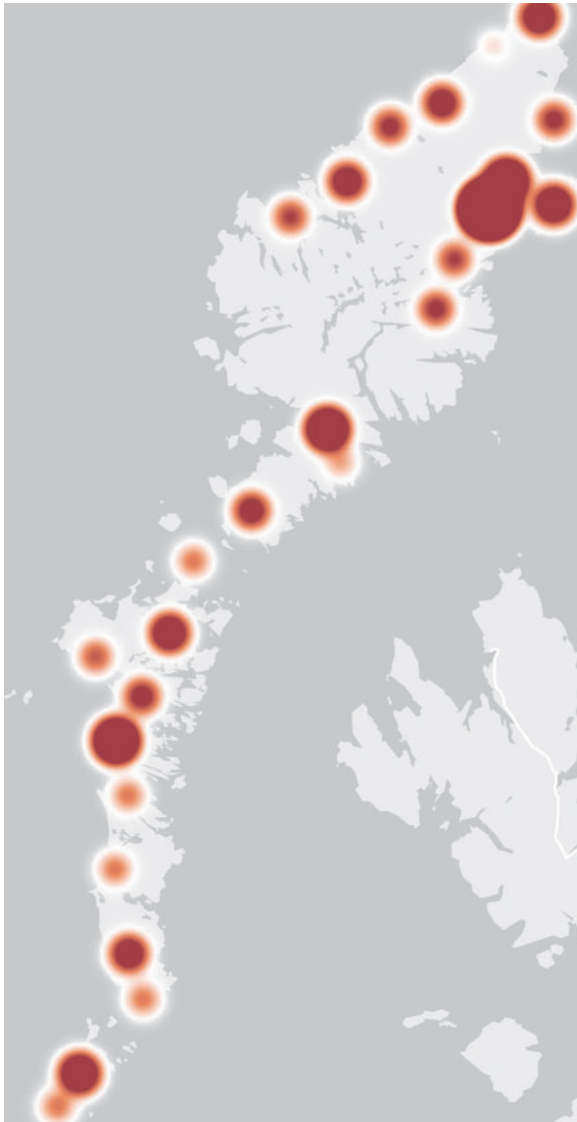
REVIEWS NOT RETURNED

194

TERMINATIONS

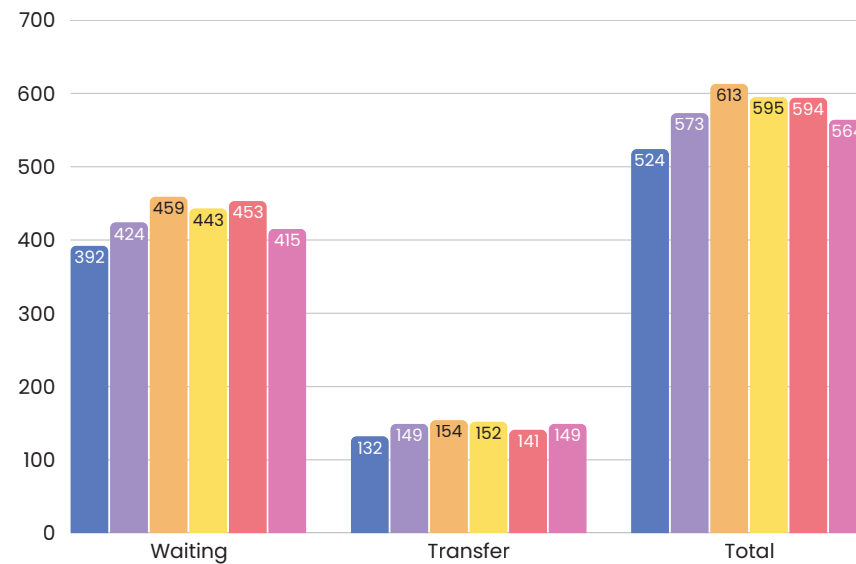
57

HOMELESS ALLOCATIONS



HOUSING LIST

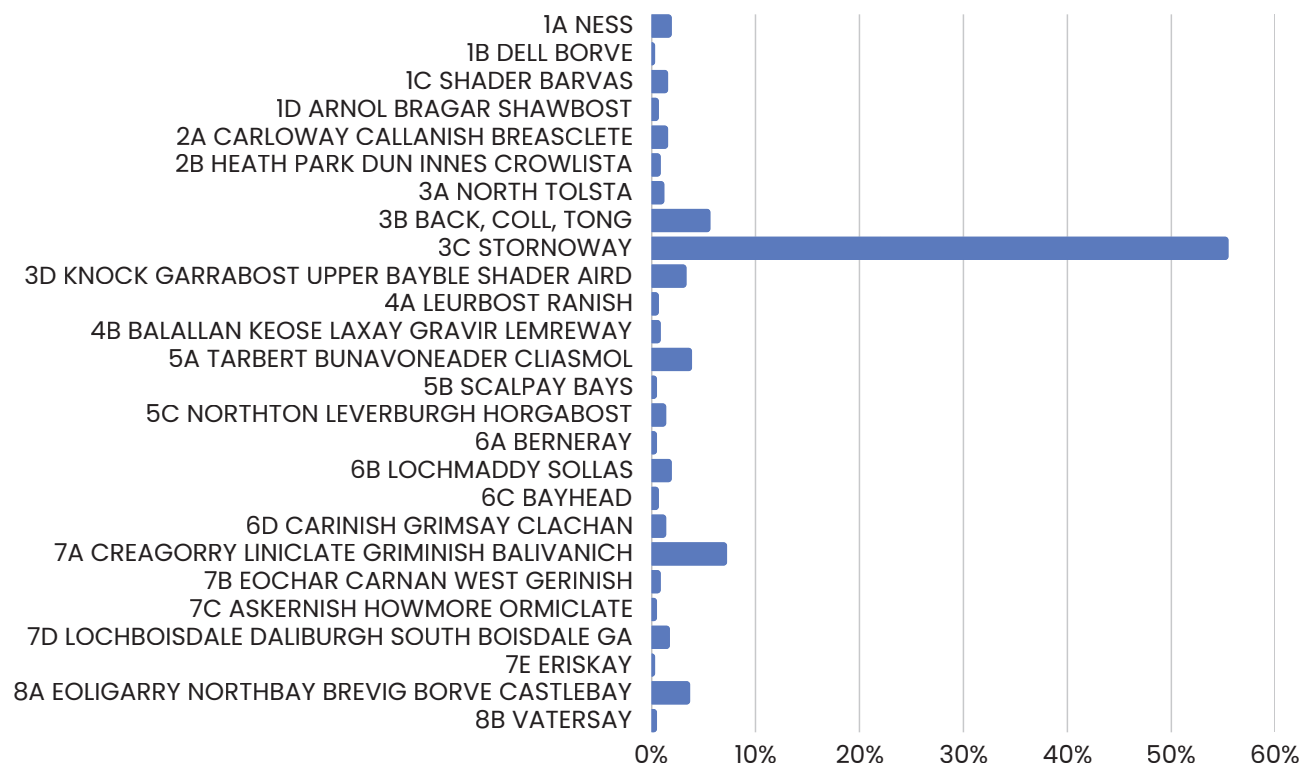
The table below shows the number of applicants on the waiting list over the last 6 years. The figure excludes suspended and deferred applications.



There are 415 applicants on the waiting list (9% drop on last year) and 149 on the transfer list (6% increase on last year).

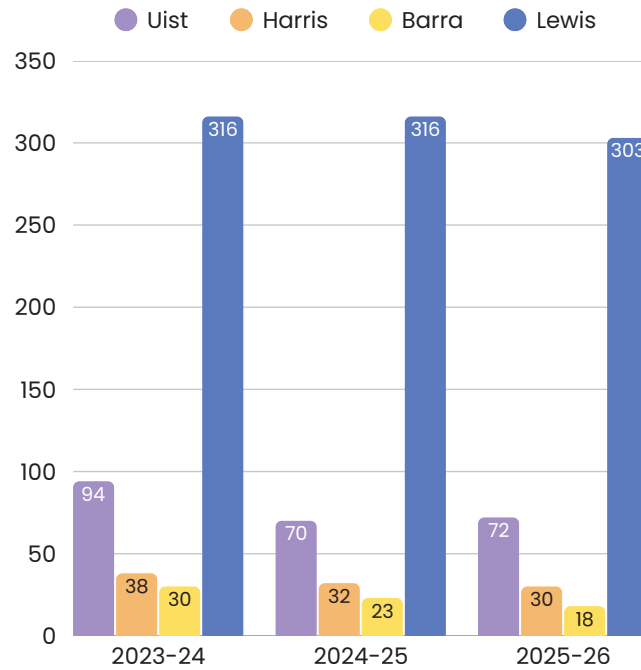
% of Demand by Area of First Choice

The chart shows that the largest demand by considerable distance is for the Stornoway area with 55.5% of applicants recording this as their first preference. The next largest areas of demand are Creagorry/Linaclete/Griminish with 7.3%, followed by Back/Tong at 5.7%.

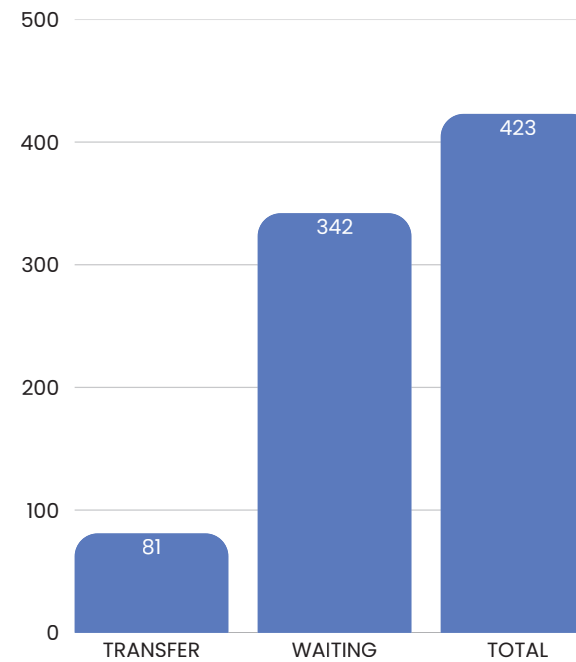


HOUSING APPLICATIONS

Waiting List by Area

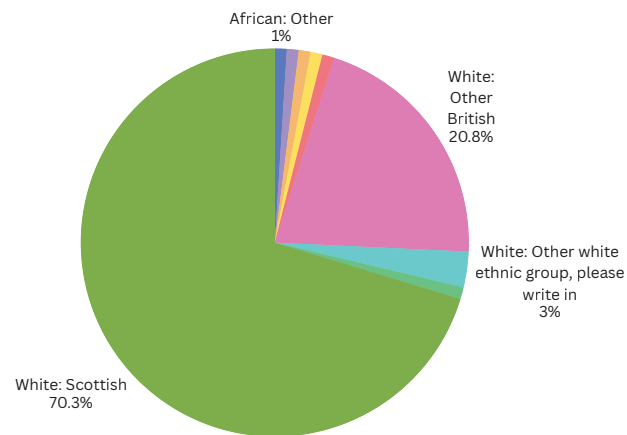


Applications received 2025/26



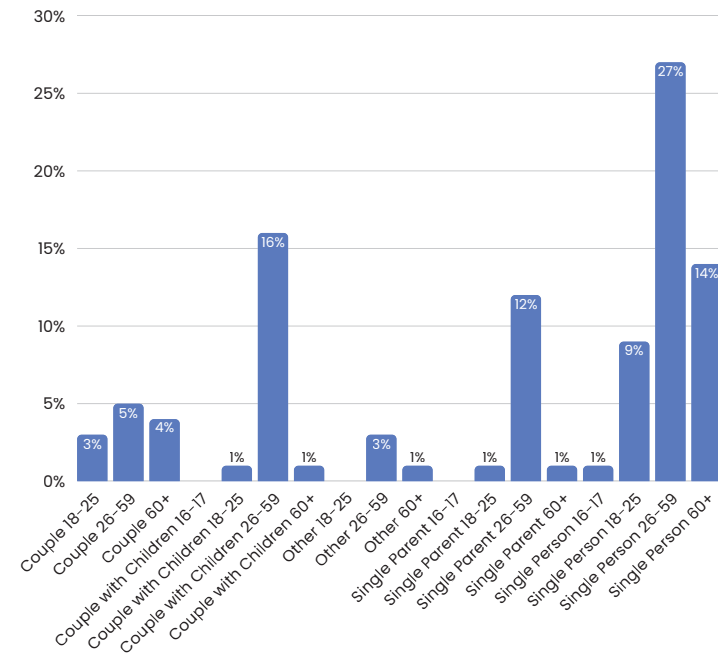
APPLICANT PROFILES

Ethnic Origin



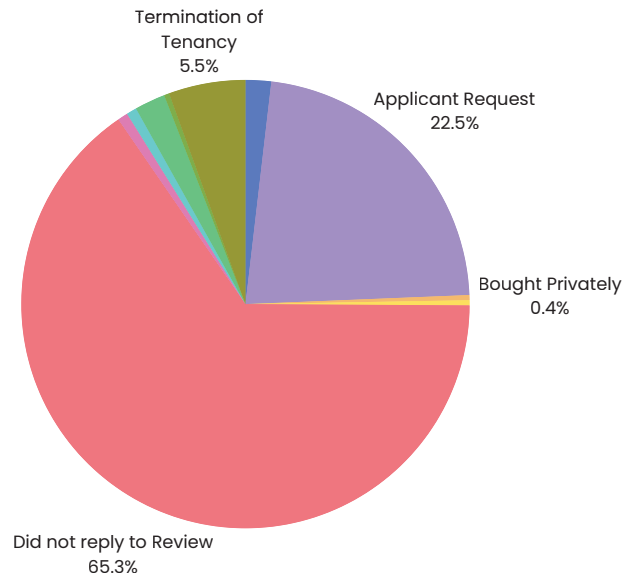
The waiting list is predominantly white applicants with White Scottish and White Other British forming 91% of the list. There are 5% other white ethnic groups. Other ethnicity groups represent 4% of the waiting list.

Household Composition

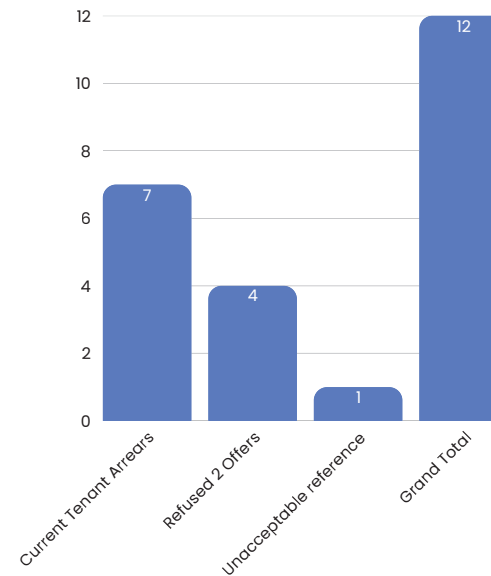


ALLOCATIONS REPORT

Reasons for Cancellation

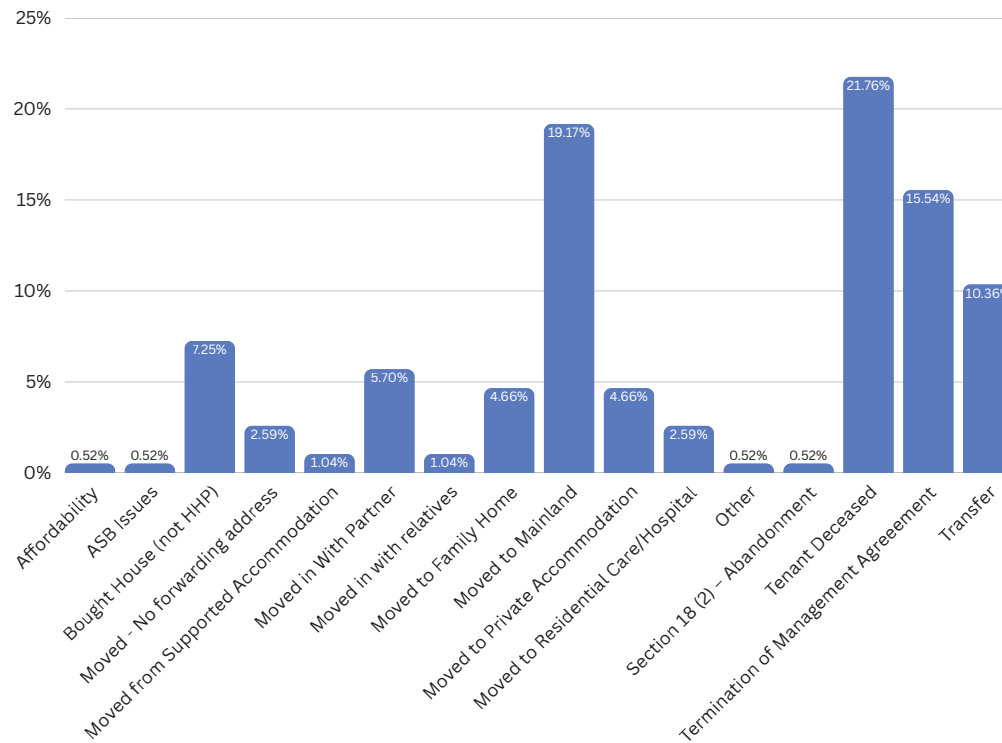


Reasons for Suspension



During the year 271 applications were cancelled, 177 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.

Reasons for termination



Top Reasons

21.76%
tenant deceased

15.54%
termination of
managment
agreement

10.36%
Transfer

7.25%
Bought a house

19.17%
Moved to the mainland



LETTINGS AND NEW BUILD

In total 178 properties were re-let during 2025/26. There were 16 relets to transfer applicants, 95 to the waiting list, 46 to homeless applicants and 21 social work referrals.

37 lets in the year 2025/26 were made to new build properties

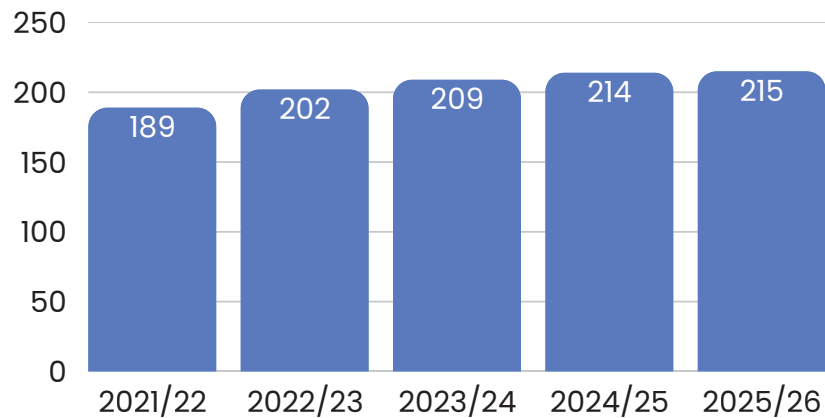
16
transfer

95
waiting

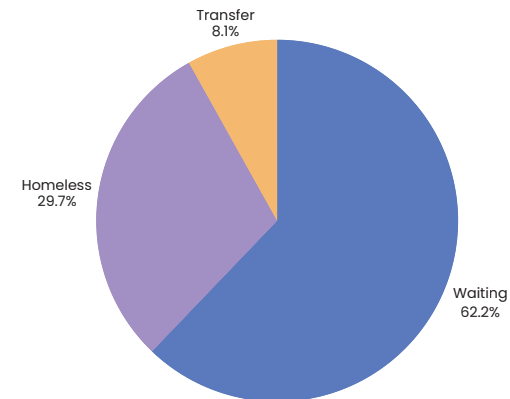
46
homeless
referrals

21
social work
referrals

Number of relets by year

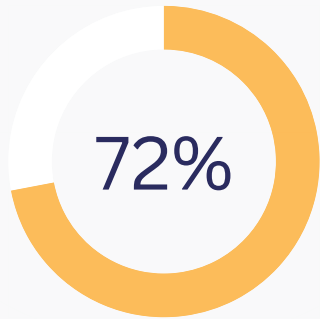


New build allocations 2025/26



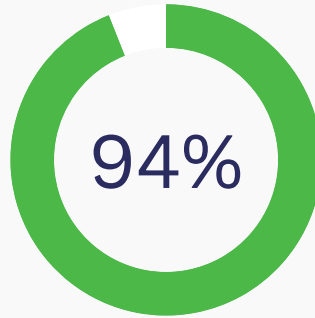
Point of service satisfaction levels 2025/26

The charts below show the annual satisfaction levels measured at point of service.



**Standard of Decoration (New
Tenant Questionnaire)**

TARGET 100%



**Standard of Property (New
Tenant Questionnaire)**

TARGET 85%



**Lettings Process (New
Tenant Questionnaire)**

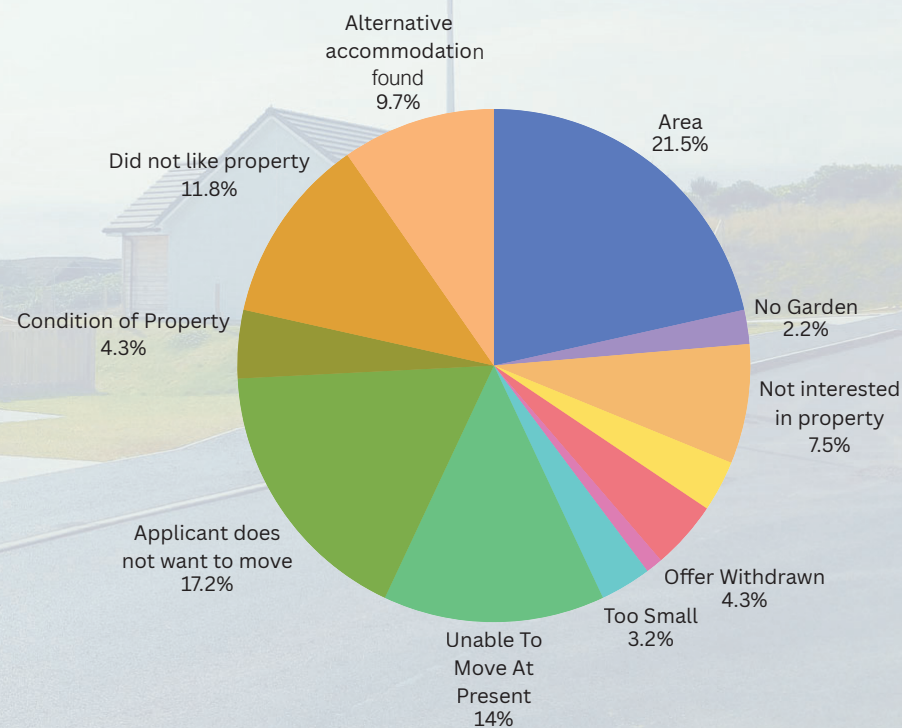
TARGET 100%



OFFERS AND REFUSALS

23% of offers were refused in 2025/26

The main reasons are the area and the applicant does not want to move, indicating a change of mind from the applicant, rather than an issue with the property.



Keyworker Applications

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.

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 HVEC.

2025/26

3

ALLOCATED
LEWIS & HARRIS

4

KEYWORKER
APPLICATIONS
RECEIVED

2

ALLOOCATED
UIST & BARRA



Homeless Allocations

51.7%

excluding new builds

**50% Target
for homeless
allocations**

Stornoway lets

39.6%

**35% target for
waiting list
allocations**

Stornoway lets

8.6%

**15% Target
for transfer
allocations**

Stornoway lets

Homeless allocations

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.

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



Complaints Performance

1 October 2025 – 31 March 2026

COMPLAINTS PERFORMANCE

- 1.1 The report is based on the performance indicators provided by the Scottish Public Services Ombudsman (SPSO).
- 1.2 The categories and outcomes of complaints received from 1 October 2025 to 31 March 2026 are in section 2. The number of complaints completed in the period was 60, which is 3 higher than the 57 received in the same 6-month period last year.
- 1.3 We responded to 100% of complaints within target timescales, with two open at the end of the period. We had no late responses. Repair and recharge issues remain the most frequent complaints, with an increase in the number of complaints about Investment works.
- 1.4 33% of cases were upheld and 9% were partially upheld during the period. The highest percentage of upheld (or partially upheld) complaints falls in Reactive repairs and Investment Works. This continues to be monitored and actioned as appropriate, for example monitoring patterns, amending processes and addressing issues with relevant staff if mistakes are repeated.
- 1.5 Two complainants raised their complaint with the Ombudsman. After an initial investigation the SPSO decided not to take either complaint forward.
- 1.7 Eleven MSP/MP enquiries were received during the period as shown in Table 8.
- 1.8 Learning from complaints is important and details of any learning is recorded on our system. Table 9 shows the actions to be taken from learning during this period. Table 10 shows an update on actions from the previous 6 monthly period.
- 1.9 The Operations Management Team continue to review complaint handling best practice during monthly meetings. Complaints learning is published on our website quarterly when available, to show actions taken as a result of our complaints process and our internal discussions.
- 1.10 Complaints regarding our repairs service are still a large proportion of our complaints but as stated in previous reports this represents a very small number of our overall repairs completed. For the period of 1 October 2025 to 31 March 2026 complaints represent 0.84% of completed reactive repairs. Repairs satisfaction also remains very high.
- 1.11 We received 104 compliments in the period 1 October 2025 – 31 March 2026. Table 11 shows the breakdown of compliments.

DAMP & MOULD CASES

- 3.1 In the period 1 October 2025 – 31 March 2026, Table 5 shows that we had one complaint regarding how we addressed Damp & Mould.
- 3.2 During the same period, we had 75 reported cases of damp & mould that were raised as Clerk of Works Inspections.

Table 1: Damp & Mould Inspections and outcomes

Outcome of Inspection	Number
No Works Required	19
Works Required	48
No access	8
Grand Total	75

- 3.3 Work raised was varied and included minor sealant repairs, anti-mould paint being applied, extractor fans being replaced/installed and roof repairs. In all cases, appropriate advice and assistance is provided by the Clerk of Works. The average cost of reactive works orders raised during the period is £681.77. There were 10 works orders raised with a cost of over £1k.
- 3.4 Where no work is required, the tenant is provided with advice and assistance during the inspection and there is a written follow-up to close the case. The ARC report does not include cases where the problem is identified as something other than damp or where the outcome is advice only.

TENANT COMPLAINTS

Complaints made by Tenants, Applicants and Other Service Users.

Period: 1 October 2025 – 31 March 2026

- 2.1 The following tables provide a breakdown of the complaints, our response performance and outcomes.

Table 2: The total number of complaints received.

The sum of the number of complaints received at Stage 1 (this includes escalated complaints as they were first received at Stage 1), and the number of complaints received directly at Stage 2.

Frontline		Escalated		Investigation		Total
35	56%	7	7%	18	37%	60

Table 3: The number and percentage of complaints at each stage that were closed in full within the set timescales of five and 20 working days.

The number of complaints closed, including those carried forward from the previous period.

	Frontline		Escalated		Investigation		Total	
Late	0	0%	0	0%	0	0%	0	0%
On Time	35	100%	7	100%	22	100%	64	100%

Table 4: The average time in working days for a full response to complaints at each stage.

The average (mean) time in working days to respond at stage 1, stage 2 and after escalation.

Frontline	Escalated	Investigation
3.4	12.71	13.6

Table 5: The outcome of complaints at each stage

The number of complaints upheld, partially upheld, not upheld and resolved at stage 1, stage 2 and after escalation as % of all complaints closed at stage 1, stage 2 and after escalation.

	Frontline		Escalated		Investigation		Total	
Not Upheld	18	51%	5	71%	7	48%	30	47%
Upheld	10	29%	2	29%	9	19%	21	33%
Partially Upheld	1	3%	0	N/A	5	33%	6	9%
Resolved	6	17%	0	N/A	1	N/A	7	11%
Total	35	100%	7	100%	22	100%	64	100%

SPSO Complaints

2.2 During the period 1 October 2025 to 31 March 2026, two complainants went to the SPSO. No complaints were taken forward by the SPSO after the preliminary enquiries.

Number of Complaints by Call Type

Table 6: Number of complaints by category

Category	Frontline	Escalated	Investigation	Total
Allocations	2	1	1	4
Damp & Mould	2		1	3
Factoring	2			2
Investment	8	1	2	11
Other			1	1
Property Condition			1	1
Reactive repair	13	2	10	25
Recharge	5	2	4	11
Rent	1			1
Repairs - Planned	1			1
Service Provision	1	1		2
Staff Member			2	2
Grand Total	35	7	22	64

Chart 1: Complaints by Category and Classification

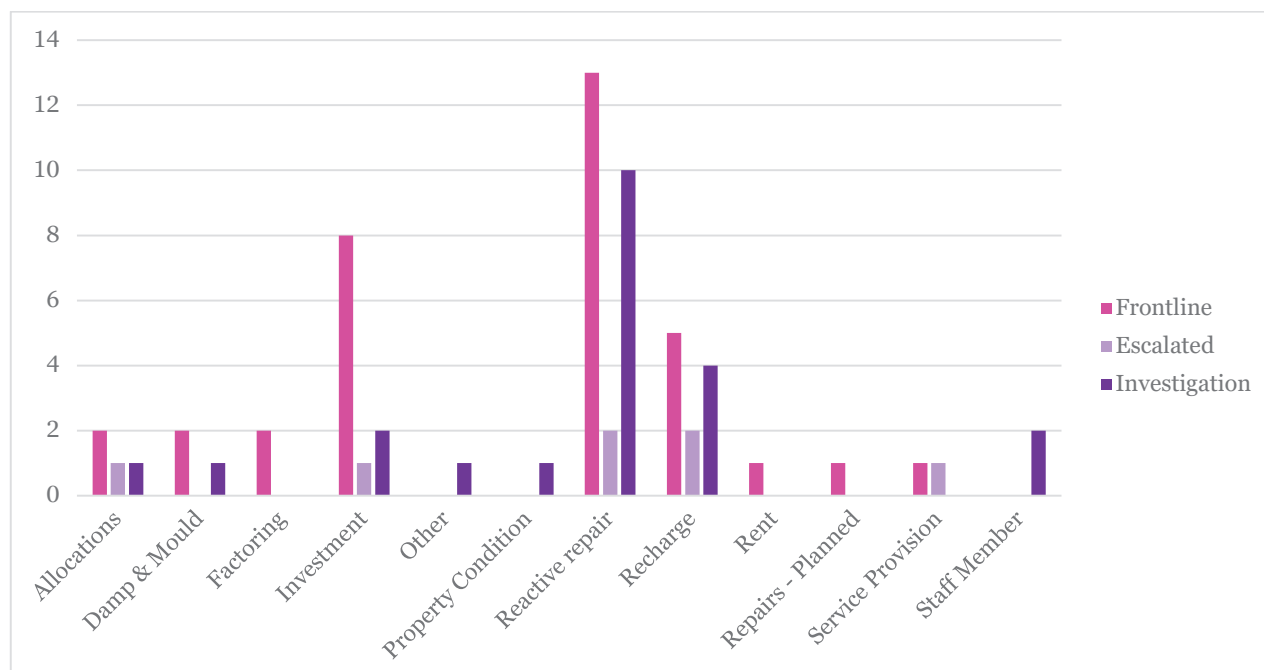
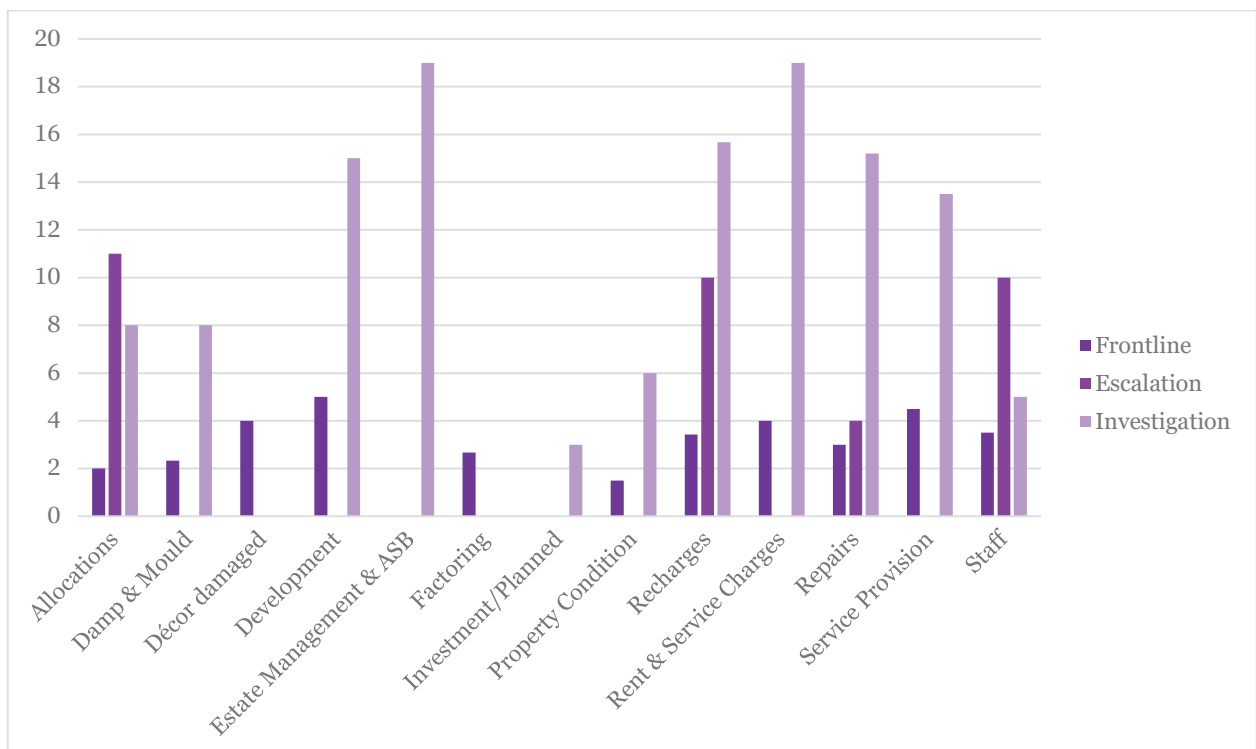


Table 7: Average number of working days to respond to tenant complaints

Category	Frontline	Escalated	Investigation	Overall Average
Allocations	4.5	20.0	9.0	9.5
Damp & Mould	2.5		5.0	3.3
Factoring	4.5			4.5
Investment	4.0	14.0	8.5	5.7
Other			20.0	20.0
Property Condition			19.0	19.0
Reactive repair	2.8	9.0	13.0	7.4
Recharge	4.2	14.5	14.3	9.7
Rent	4.0			4.0
Repairs - Planned	1.0			1.0
Service Provision	2.0	8.0		5.0
Staff Member			18.5	18.5
Grand Total	3.4	12.7	13.4	7.8

Chart 2: Average days to respond by category

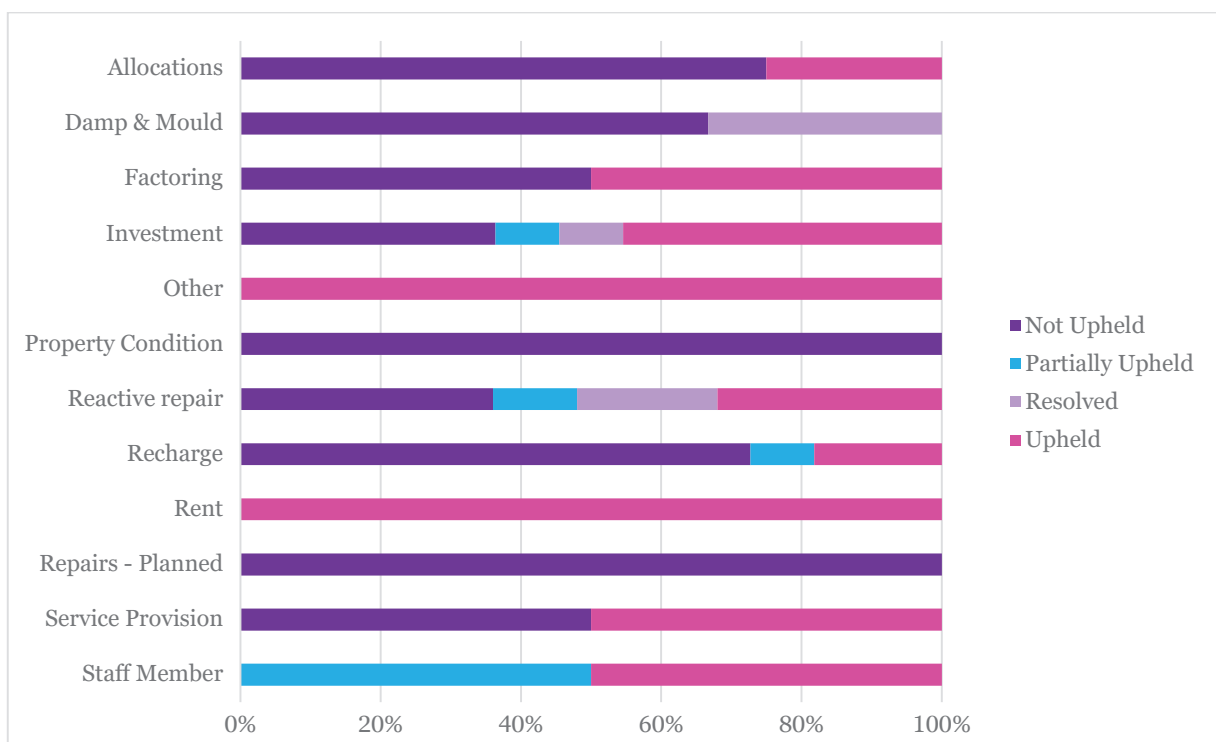


Complaint Decisions

Table 8: Outcome of complaints by complaint category

Category	Not Upheld	Partially Upheld	Resolved	Upheld	Total
Allocations	3			1	4
Damp & Mould	2		1		3
Factoring	1			1	2
Investment	4	1	1	5	11
Other				1	1
Property Condition	1				1
Reactive repair	9	3	5	8	25
Recharge	8	1		2	11
Rent				1	1
Repairs - Planned	1				1
Service Provision	1			1	2
Staff Member		1		1	2
Grand Total	30	6	7	21	64

Chart 3: Category and outcome



MSP & MP ENQUIRIES

Table 9: Enquiry Summary

Category of Enquiry	Number of Enquiries	Average days to respond
Allocations	1	11
Damp & Mould	1	19
General Advice	1	10
Investment	2	11
Other	3	10
Recharge	2	15
Tenancy	1	14
Grand Total	11	12

Chart 4: MP/MSP Enquiries and average time to complete

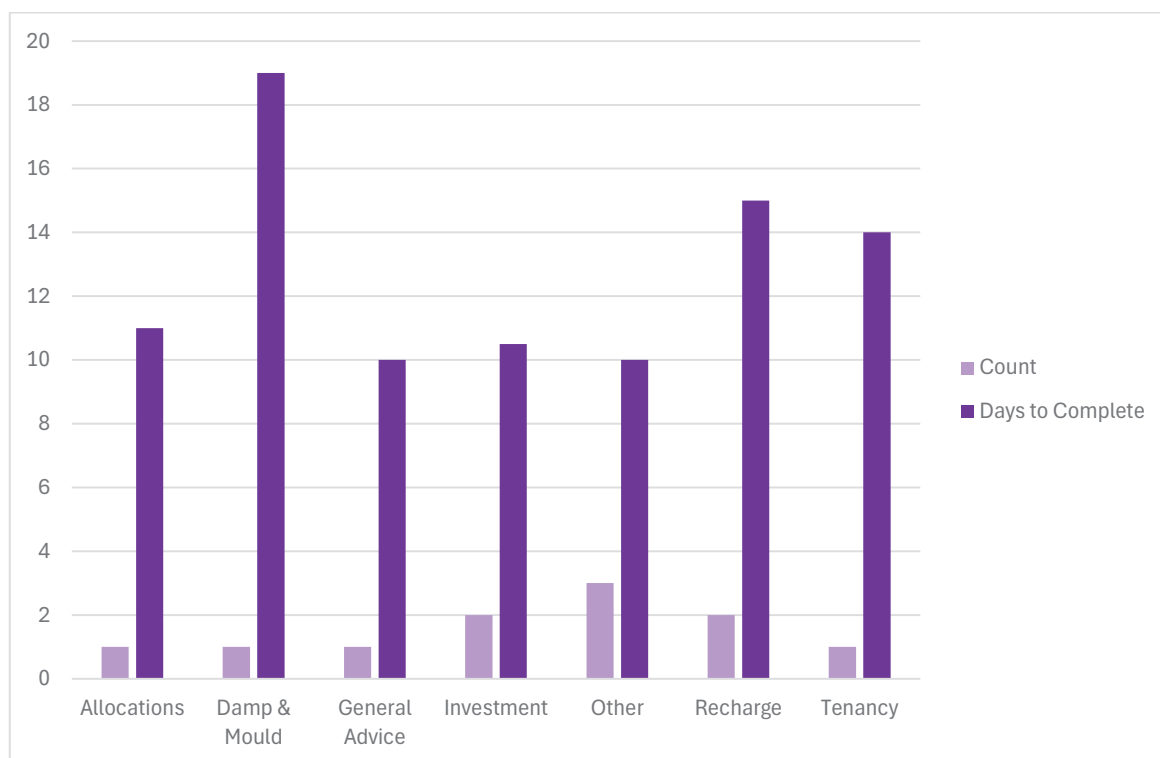


Table 10: Complaint Learning and action points 1 October 2025 – 31 March 2026

Case Study	What Happened?	What did we do?	What did we learn?	Officer Responsible	Deadline
1	Complainant was suffering from ASB caused by her neighbour. HHP took legal action but there were delays due to an administrative error caused by our solicitor.	Apologised to the complainant and ensured that the legal action was progressing as expected.	Issue with our solicitor to be reviewed and actions taken as necessary	Executive Team	28 February 2026
2	Tenant requested permission to carry out alterations ahead of Investment works to kitchen. Tenant believed that we would 'make good' any issues caused by these works. Tenant was not advised to submit his request in writing.	Apologised for failing to follow process and offered to make good the outstanding issues caused by the minor alteration.	Ensure alterations procedure is always followed and requests are submitted and approved in writing detailing all responsibilities.	Investment Manager	28 February 2026
3	We did not follow up on repair works following a temporary roof repair.	Apologised to the tenant and raised the required works orders.	Ensure that all work is followed up and/or a decision communicated to the tenant and noted on CX.	Investment Manager	28 February 2026
4	Tenant had issue with the contractor behaviour during Investment Works.	Investigated the complaint with the contractor and apologised for areas where we felt service	Investment Works letter to be amended to tighten access arrangements.	Investment Manager	30 June 2026

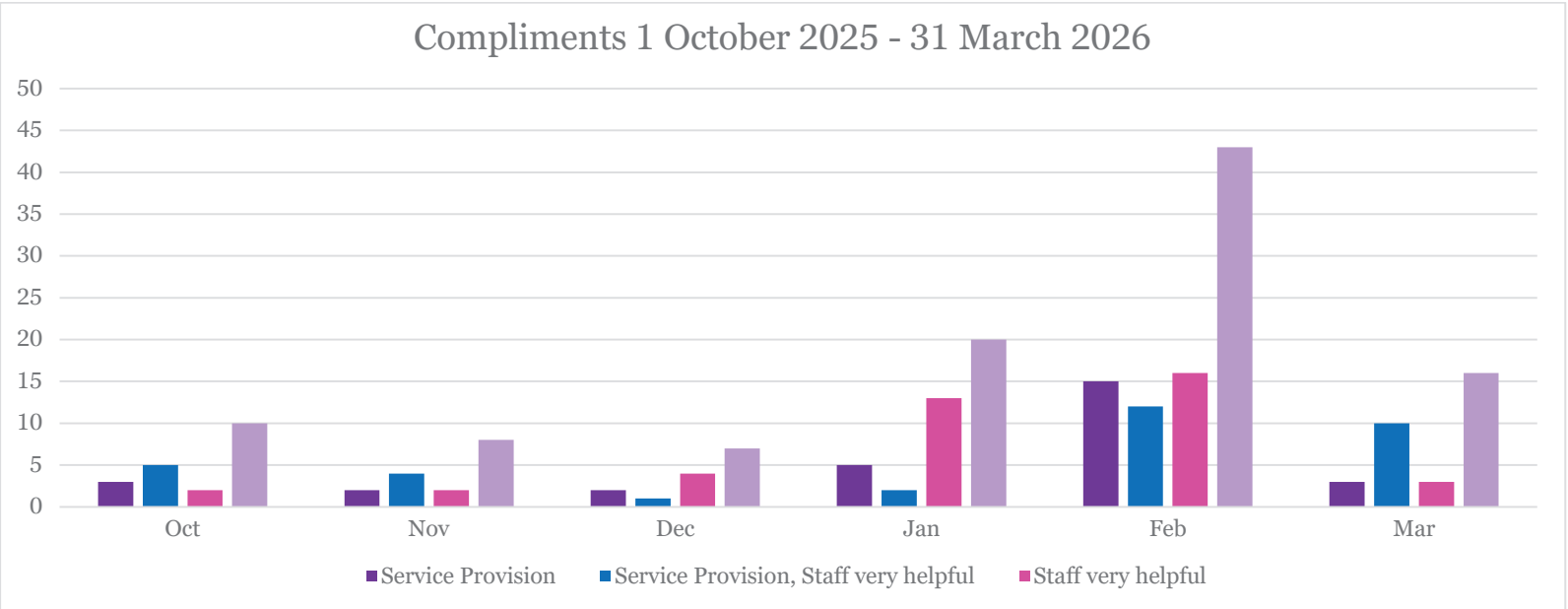
Case Study	What Happened?	What did we do?	What did we learn?	Officer Responsible	Deadline
		provision was lower than should be expected.			
5	Two complaints regarding Investment Work contractors, their communication regarding work timescales, delays and scaffolding.	Investigated the complaints with the works contractor and arranged for work to be completed quickly and communications to be improved.	Increase monitoring and contract control over sub-contractors particularly where mainland contractors involved.	Investment Manager	30 June 2026
6	Issue with multiple repairs to ASHP that was at the end of life and tenant was without heating & hot water for extended periods of time.	Arranged for a full ASHP replacement and apologised for the delays.	Seek to bring forward planned Investment Works when major repairs are identified in the last year of life.	Investment Manager	30 June 2026
7	Tenant complained about the behaviour of the reactive repairs contractor when called Out of Hours and they were reluctant to attend.	Apologised to the tenant and arranged for immediate works to be carried out.	Instructed the reactive repairs contractor to hold Toolbox Talks with the engineers to remind of their responsibility.	Asset & Contracts Manager	31 May 2026

Table 11: Update on Complaint Learning and action points 1 April 2025 – 30 September 2025

Case Study	What Happened?	What did we do?	What did we learn?	Officer Responsible	Update
1	Tenant queried an invoice for septic tanks. The work had not been carried out.	Apology made to the owner and invoice credited.	Additional evidence of work required from contractors and improved monitoring in place.	Asset & Contracts Manager	Checks in place with the contractor
2	Tenant was recharged a high amount for a replacement communal key fob due to location and travel time.	On analysis of the cost, we reduced the invoice and apologised for not providing a quote in advance.	Ensure tenants are given an estimate for works being carried out on occupied properties and consideration to be given to the area uplifts on recharges.	Operations Managers	Discussion taking place with tenants prior to work being carried out wherever possible.
3	Tenant wanted to know when roof was being fixed	Works was already issued on PPM as agreed with tenant	Additional communication to be issued where work is more intrusive.	Investment Manager	Additional communications now in place
4	Works did not start on time.	Contractor apologised for not notifying tenant	Tighten monitoring to ensure contractors are meeting their tenant liaison responsibilities as part of the contract.	Investment Manager	Monitoring now in place

Table 12: Compliments

Month	Service Provision	Service Provision & Staff Very Helpful	Staff Very Helpful	Total
October 2025	3	5	2	10
November 2025	2	4	2	8
December 2025	2	1	4	7
January 2026	5	2	13	20
February 2026	15	12	16	43
March 2026	3	10	3	16
Total	30	34	40	104



Service Review-OCS Contract

Period

6 months from 1st October 2025 to 31st Mar 2026

Year 6

Service Manager

Assessment by: A MacNeil

AREA	Targets	Green	Amber	Red	Overall
Quality	6	5	1		
Cost	4	2	2		
Time	4	4	0		
Health & Safety	4	4	0		
Continous Improvement	4	2	2		
	22	17	5		

77% 23%

Overall Performance

Performance is assessed as **SATISFACTORY** . The services on contract are delivering well.

Costs pressures on budgets are continuing to be the main pressure. Repairs Target costs and void costs are the main concern and are undergoing checks and reviews to minimise costs.

The longer term commitments of the OCS Group to the contract and services are becoming clearer and more stable.

Appendix 4



hebridean housing
partnership

ESTATE MANAGEMENT REPORT

2025/26



ANTI-SOCIAL BEHAVIOUR

The number of ASB complaints received in 2025/26 reduced to 10 compared to 15 reported in the previous year and remains at a low level. There are 2 cases which remain unsolved as they are going through enforcement action via a court process.

The majority of cases were reported in 2025 with one being reported in January 2026.

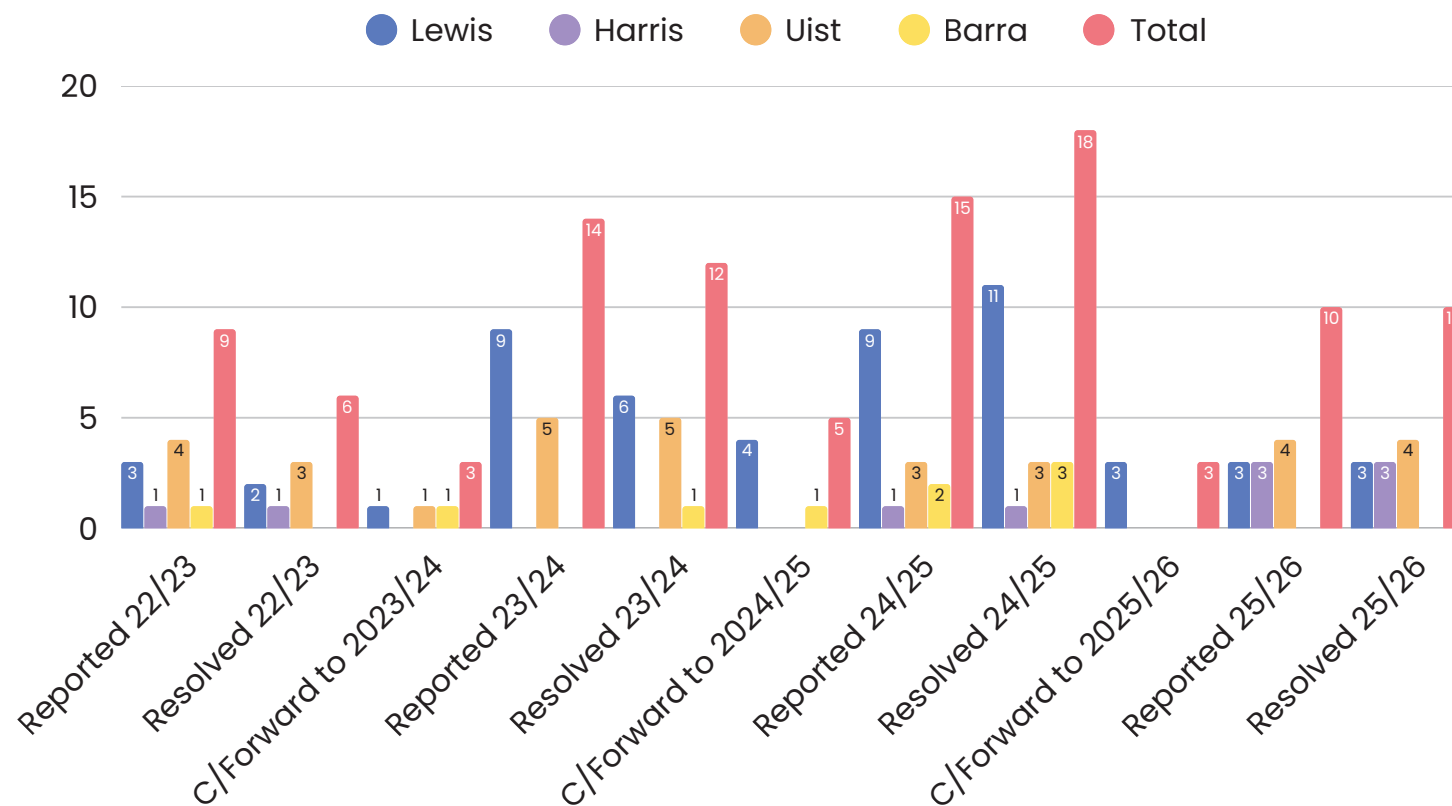
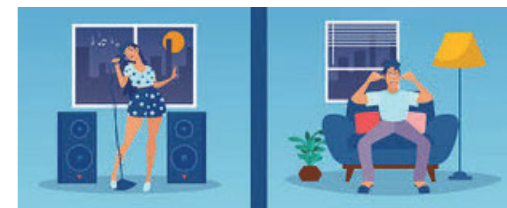
Anti-Social Behaviour Cases 2025/26	Reported	Resolved: within 3 months	Resolved: over 3 months	Open Cases
Lewis	3	2	0	1
Harris	3	2	1	0
Uist	4	4	0	0
Barra	0	0	0	0
Total	10	8	1	1



NUMBER OF ANTI-SOCIAL BEHAVIOUR CASES

Year	Cases	Lewis	Harris	Uist	Barra	Total
2022/23	Reported	3	1	4	1	9
	Resolved	2	1	3	0	6
2023/24	C/Forward to 2023/24	1	0	1	1	3
	Reported	9	0	5	0	14
	Resolved	6	0	5	1	12
2024/25	C/Forward to 2024/25	4	0	0	1	5
	Reported	9	1	3	2	15
	Resolved	11	1	3	3	18
2025/26	C/Forward to 2025/26	3	0	0	0	3
	Reported	3	3	4	0	10
	Resolved	3	3	4	0	10

NUMBER OF ANTI-SOCIAL BEHAVIOUR CASES

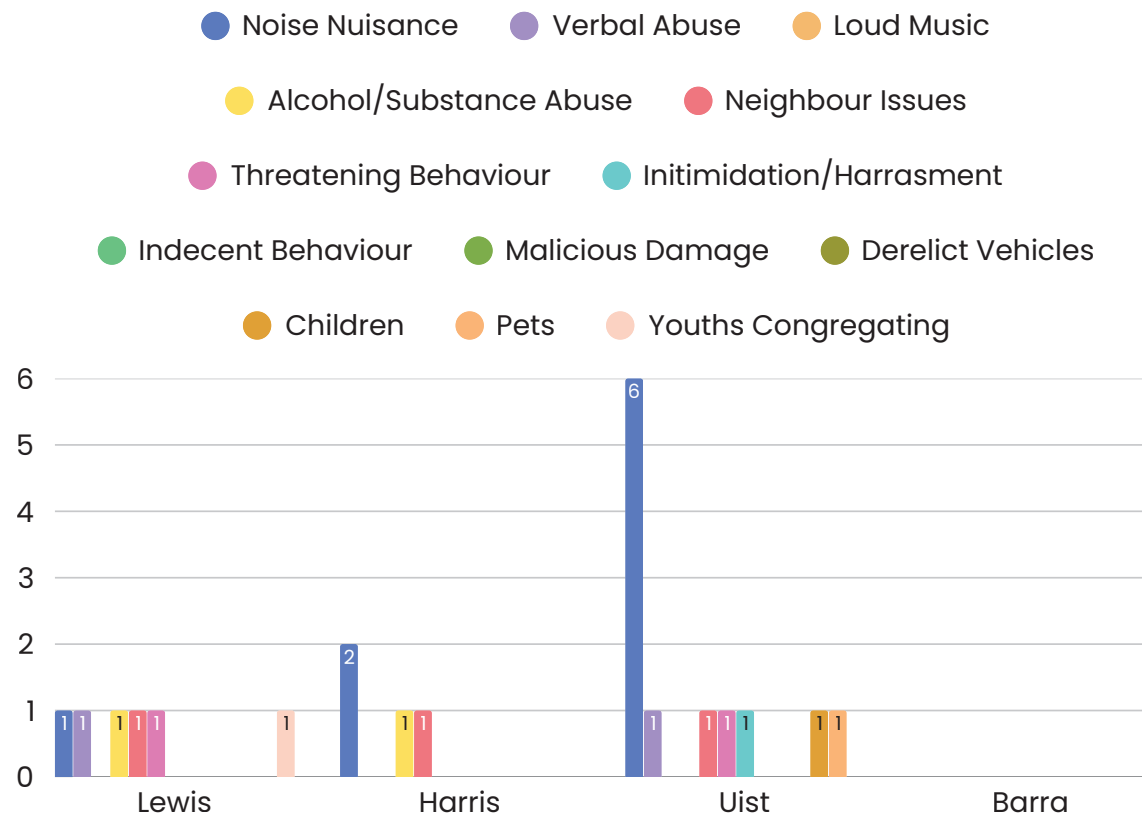


CATEGORISATION OF ANTI-SOCIAL COMPLAINTS

The majority of ASB cases related to noise with issues involving loud music, and verbal abuse.

Cases reported 2025/26	Lewis	Harris	Uist	Barra	Total
Noise Nuisance	1	2	6	0	9
Verbal Abuse	1	0	1	0	2
Loud Music	0	0	0	0	0
Alcohol/Substance Abuse	1	1	0	0	2
Neighbour Issues	1	1	1	0	3
Threatening Behaviour	1	0	1	0	2
Intimidation/Harrasment	0	0	1	0	1
Indecent Behaviour	0	0	0	0	0
Malicious Damage	0	0	0	0	0
Derelict Vehicles	0	0	0	0	0
Children	0	0	1	0	1
Pets	0	0	1	0	1
Youths Congregating	1	0	0	0	1
Totals	6	4	12	0	22

CATEGORISATION OF ANTI-SOCIAL COMPLAINTS



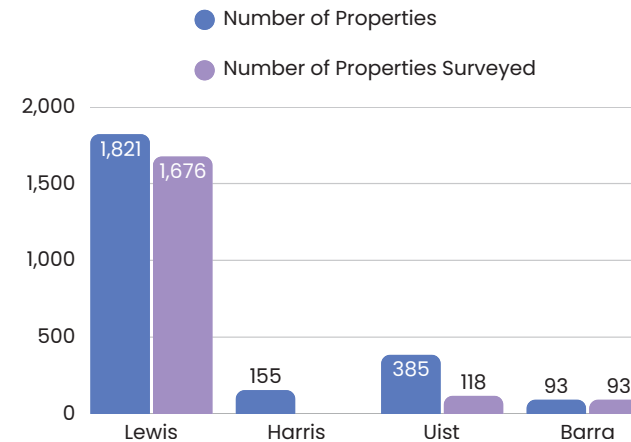
Estate Inspections

Area	Lewis	Harris	Uist	Barra	Total
Number of Estates	163	23	58	15	259
Number of Estates surveyed	137	0	18	15	170
% of Estate Surveys Completed	84%	0%	31%	100%	66%
Number of Properties	1821	155	385	93	2454
Number of Properties Surveyed	1676	0	18	93	1887
% of Property Surveys Completed	92%	0%	31%	100%	77%

Estate inspections

The number of inspections carried out in 2025/26 was lower than the previous year. This was due to long-term illness which is ongoing. Areas that were not inspected in 2025/26 will be prioritised in 2026/27.

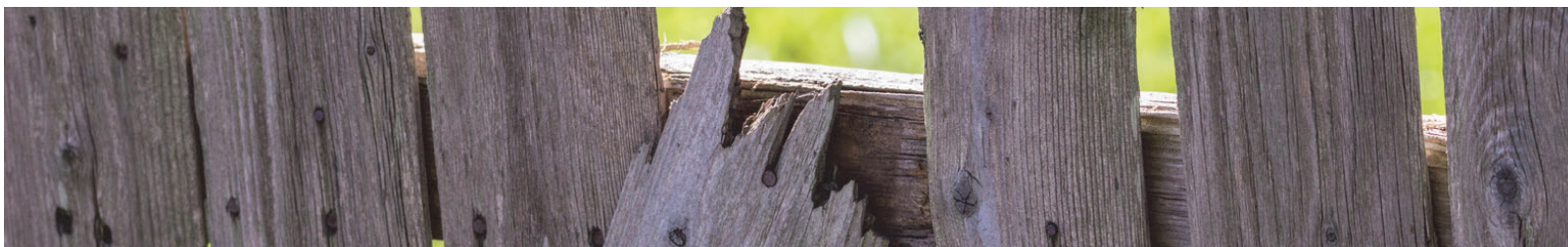
Figures for Harris and Uist have been corrected from those reported in November following a review of supporting evidence.



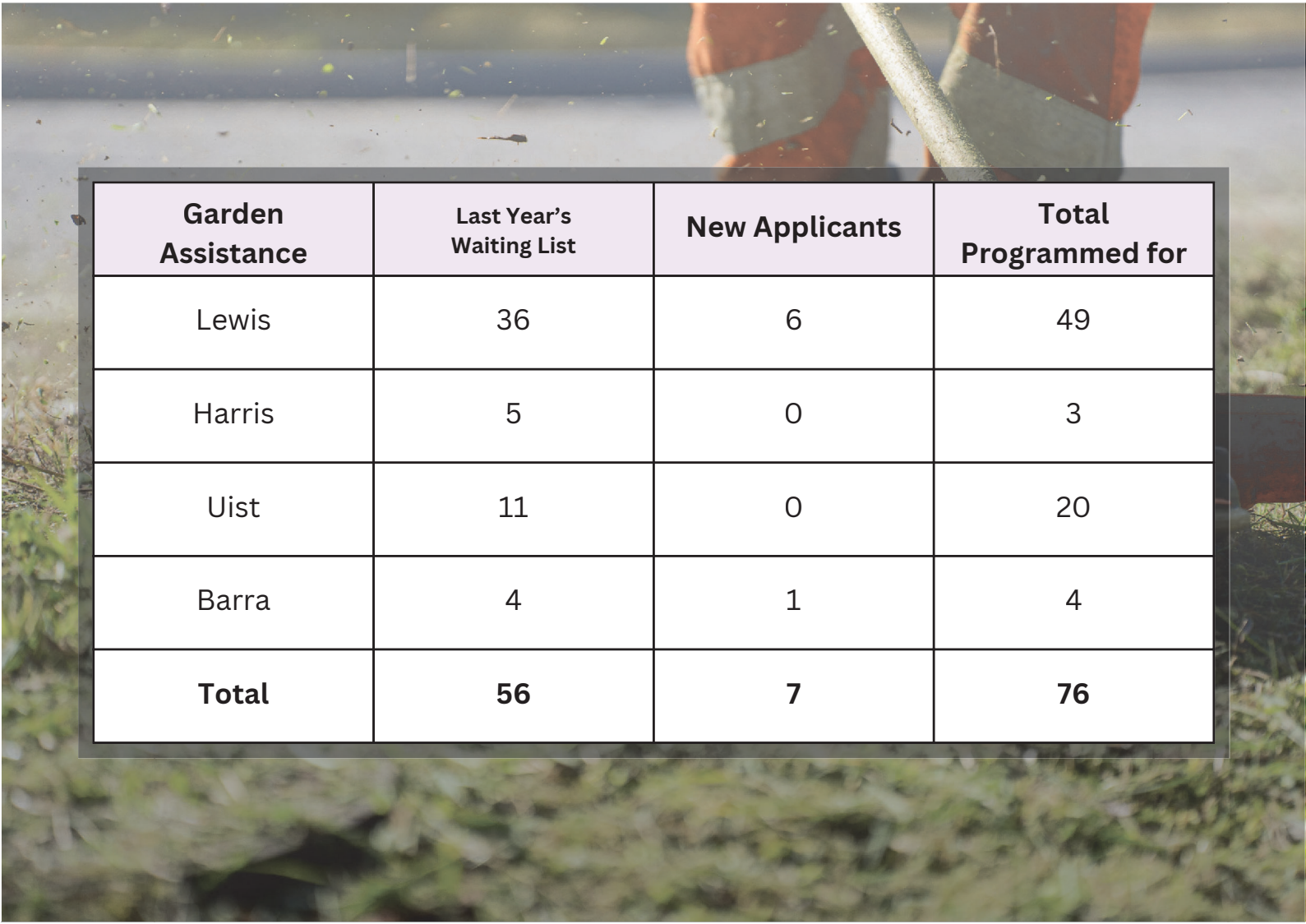
Most of the problems found during inspections related to overgrown gardens and fencing. Those who did not maintain their gardens received a letter with officers monitoring thereafter to ensure work was carried out. The handyman repaired minor fencing and gate issues, and other works were recorded for inclusion in planned maintenance programmes where possible. Issues relating to blocked gutters will also be picked up during the gutter cleaning planned maintenance work.



ISSUES REPORTED	Lewis	Harris	Uist	Barra	Total
Overgrown garden areas	20	0	8	3	31
Fencing issues	10	0	8	17	35
Gates	5	0	0	2	7
Blocked Gutters	3	0	2	0	5
Derelict vehicles	4	0	0	1	5
Roughcast	1	0	0	0	1
Foothpath/Slabs	11	0	1	0	12
Common/Communal Areas	0	0	0	0	0
Signage	0	0	0	0	0
Total	54	0	19	23	96



ISSUES RESOLVED	TENANT	HANDYMAN	PLANNED MAINTENANCE/ REPAIR	OTHER	Total
Overgrown garden areas	21	0	0	0	21
Fencing issues	0	3	1	0	4
Gates	0	4	0	0	4
Blocked Gutters	0	0	5	0	5
Derelict vehicles	2	0	0	0	2
Roughcast	0	0	0	0	0
Foothpath/Slabs	0	0	0	0	0
Common/Communal Areas	0	0	0	0	0
Signage	0	0	0	0	0
Total	23	7	6	0	36



Garden Assistance	Last Year's Waiting List	New Applicants	Total Programmed for
Lewis	36	6	49
Harris	5	0	3
Uist	11	0	20
Barra	4	1	4
Total	56	7	76