hebridean housing partnership

ITEM NO 3.1.1

HEBRIDEAN HOUSING PARTNERSHIP

Board

Minutes of Meeting held in HHP Boardroom and remotely via Microsoft Teams on Tuesday, 23 June 2026 at 5.30pm

PRELIMINARY ITEM	
ATTENDANCE & APOLOGIES	
1	**Attendance & Apologies** Calum Mackay (Chair) Iain M Macleod Helen Mackenzie Colin Gilmour Norman Macdonald Iain Mackinnon Attendees via MS Teams Alison Maccorquodale Apologies received Christina Macneil Valerie Russell Duncan Macinnes Staff & Consultants in Attendance Dena Macleod (Chief Executive) Donald Macleod (Director of Finance & Corporate Services) John Maciver (Director of Operations) Iona France (Governance Officer) James Morrison (Finance Manager) Sawan Morrison (Development Manager) In attendance for Public Items Only Katrina Rowlands (Service Development Manager) Angus E MacNeil (Assets & Contracts Manager) Donalda Mackinnon (Lewis Area Manager) Attendees via MS Teams Michael Libby (Corporate Services Officer) The Chair welcomed Mr Iain Mackinnon to his first meeting of the Board and recommended Mr Mackinnon be appointed to the Development & Finance Committee and as a Director of Dachaigh Property Solutions. This was agreed by the Board. The Chair further advised that Items 9.1 to 9.4 were for information only and would be discussed only if Members had questions on the reports. Permission was requested for an additional item at 10.4 Scott Road, be added to the Agenda.
PRELIMINARY PROCEDURAL MATTERS	
2	**Declaration of Interest** **There were no declarations of interest.**
3.1.1	**Minute of Board Meeting 26 May 2026** **The minute of the Board meeting of 26 May 2026 was submitted and approved as a true and accurate record of the proceedings of the meeting.**
3.1.2	**Note of Tenant Board Panel 28 May 2026** The Service Development Manager confirmed the Tenant Board Panel were aware the note was a public document. **The note of the Tenant Board Panel meeting of 28 May 2026 was noted.**
3.2	**Action Sheet** **The Action Sheet was noted.**
4	**Date of Next Meeting** **It was agreed the date of the next meeting would be on 25 August 2026 and following the AGM on 26 August 2026. Both meetings will be in person.**
5	**Health & Safety** There was nothing to report.

ITEMS FOR DECISION	
6.1	**<u>Annual Report & Financial Statements to 31 March 2026</u>** The Director of Finance & Corporate Services (DF&CS) presented the annual financial statements for the year ending 31 March 2026, advising the accounts had been reviewed by the Development & Finance Committee the previous day. Our external auditor CT Audit confirmed to the Audit & Risk Committee the audit opinion was unqualified and that no adjustments were required. This confirmation was included in the Auditor's Annual Report presented to the Board for approval. The DF&CS also presented the annual financial statements for Dachaigh Property Solutions (DPS) for the year ending 31 March 2026, advising that the subsidiary accounts had been prepared on a non-trading basis, rather than as dormant accounts. The DPS accounts had also been reviewed by the Development & Finance Committee the previous day and had been approved by DPS earlier in the day. **The Board:** **a) approved the Annual Report and Financial Statements for the year ended 31 March; and** **b) noted the Dachaigh Property Solutions Accounts for the year ended 31 March 2026.**
6.2	**<u>Budgetary Performance for the Year Ended 31 March 2026</u>** The DF&CS presented the budgetary performance for the year ending 31 March 2026. This report had been scrutinised at Development & Finance Committee the previous day. The final operating surplus was £3.1 million, almost £800,000 higher than budget. Mr Macleod explained that the main contributing factors were pension-related net interest betterment and savings from unfilled vacancies. The report included consultancy spend, Board member expenses and attendance. Consultancy costs were lower than in previous years and were assessed as representing value for money. Board expenses remained within budget, partly due to the continued use of remote meetings. Mr Macleod confirmed that the adjusted operating surplus and gearing ratios were within the loan covenant limits. Board members discussed whether the surplus indicated that rents had been set higher than required. The DFCS advised that some of the items which resulted in an increased operating surplus would not have allowed us to set rents lower. It was also highlighted that any changes in operating surpluses are factored into the annual rent setting process where appropriate. **The Board:** **a) noted the performance against budget for the year ended 31 March 2026;** **b) noted the Financial Covenant for 2025/26 as at Appendix 2; and** **c) approved a recommendation to the AGM that £5,000 of the surplus be donated to local charities during 2026/27.**
6.3	**<u>SHR Returns</u>** The Loan Portfolio Return for 2025/2026 and Audited Financial Statements 2025/2026 submission, required by the Scottish Housing Regulator, were presented for consideration and approval. The Loan Portfolio Statement included updates on our covenant performance and secured asset percentages. **The Board approved for submission to the Scottish Housing Regulator:** **a) the Loan Portfolio Return for 2025/26 as at and** **b) the submission of the Audited Financial Statements 2025/26 as at Board Agenda Item 6.1 once the Regulator has opened the portal for submissions.**
6.4	**<u>Investment Framework Consultancy Procurement</u>** The Assets & Contracts Manager requested approval to tender for consultancy to support assessing the procurement and delivery options for investment works. It was agreed the procurement process should start from a 'blank sheet' to allow exploration of alternative approaches. Board Members emphasised the importance of engaging with tenants and the local supply chain and discussed the potential for contracts which support local employment and apprenticeships. **The Board approved the procurement of consultancy support to establish arrangements for Investment Programme delivery from April 2027.**

6.5	<u>**Operations Report – Review of Allocations Quotas**</u> The Director of Operations advised there was no change to the proposed homeless allocations quotas for Stornoway. This included keeping the homeless allocation quota at 50%, providing 25 two-apartment properties per year for homeless applicants, and maintaining the remaining quotas at 15% for transfer applicants and 35% for other waiting list applicants. **The Board:** **a) agreed the quota of vacancies in Stornoway remain at 50% for homeless applicants and that the number of 2 apt properties being made available for homeless applicants in Stornoway be retained at 25 per annum; and** **b) agreed the quotas for allocation properties in Stornoway remain at 15% for transfer applicants and 35% for other waiting list applicants.**
6.6	<u>**Annual Review of Governance Documents**</u> The Governance Officer presented the annual review of the Standing Orders and Financial Regulations. The main changes to the Standing Orders included the addition of a Whistleblowing section, the integration of Dachaigh Property Solutions into the Standing Orders, inclusion of the Tenant Board Panel remit, and updates to officer delegations. These include delegation to the Chief Executive to approve allocations to connected persons in line with the revised Entitlements, Payments and Benefits guidance. The Financial Regulations have been aligned with the Procurement Policy approved in March 2026, and the Financial Authorities have been amended to reflect larger anticipated invoices for development projects. **The Board approved the:** **a) Standing Orders;** **b) Financial Regulations; and** **c) Financial Authorities.**
6.7	<u>**20th Anniversary**</u> The Chief Executive presented proposed plans to mark our 20th anniversary in September 2026. It was proposed the focus be on tenants and communities as well as the organisation. Board Members agreed the Tenant Board Panel should oversee the Community Fund award and there should be some flexibility in the grant amounts to allow for the enabling of larger projects if warranted. The Chair asked if the £20,000 would come from the surplus and the DF&CS confirmed there was a budget set aside for the purpose of the fund. It was further suggested the Community Champion awards should not be limited to 4 but capped at 10 awards. **The Board agreed:** **a) to create a Community Fund of £20,000 to benefit our tenants' communities;** **b) to run a Community Champion Award campaign with up to 10 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) staff to develop options for rebranding; and** **g) that full details of all options be presented to the Board in August for approval.**
6.8	<u>**Management Report to 31 May 2026**</u> The Finance Manager presented the Management Report and advised a more detailed report had been discussed at the Development & Finance Committee the previous day. The report sets out financial performance to 31 May 2026, together with the updated forecast for the year. Overall, we are in a strong financial position, with all loan covenant forecasts expected to be met. The main movements, with respect to debts in the period were largely timing related, including the May 2026 direct debit collection falling shortly after the reporting date. Some slippage in Investment and Development programmes was carried forward from 2025/26. Significant rephasing adjustments were made in the Development programme, particularly in relation to Melbost West, and Scott Road, resulting in reductions to both cost and grant in the 2026/27. Income performance remained positive and was supported by low void levels against target. Cost pressures were currently controlled, and all areas would be continually monitored as the year progresses. **The Board:** **a) approved the virement of £132,122 from Heating Grants to reserves, representing grant income associated with investment works carried forward and subsequently delivered in 2026/27;** **b) approved the virement of £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) approved the virement of £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) noted the Management Report at 31 May 2026 and revised forecast out turn to 31 March 2027 at Appendix 1; and** **e) noted the total debt owed to HHP at 31 May 2026 was £841,160 and current legal action on live arrears at Appendix 2.**
POLICIES & STRATEGIES	
7.1	**<u>Entitlements, Payments & Benefits Policy</u>** The Governance Officer presented the revised Entitlements, Payments & Benefits Policy. The Policy was updated following the publication of the revised SFHA model policy in January 2026 and reflected the Highlands & Islands variant. The most significant change was allocations to connected persons would now be approved by the Chief Executive and reported to the Board at the next meeting, rather than requiring advance Board approval. The revised Policy also strengthened conflict of interest management, clarified connected person provisions, updated gifts and hospitality thresholds, aligned procurement provisions with legal requirements. **The Board approved the revised Entitlements, Payments & Benefits Policy.**

MONITORING REPORTS	
8.1	**<u>Quarterly Treasury Report to 31 March 2026</u>** The DFCS presented the Quarterly Treasury Report for the final quarter for 2025/2026 and advised borrowing remained unchanged at £17 million, with £1.5 million on a variable rate and the remainder fixed. Cash balances at 31 March 2026 increased slightly, and all covenants were met. Significant movements in the final quarter related mainly to lower than forecast expenditure on development sites, including Scott Road, Grimsay, Gravir and Low Flyer. Expenditure in the Investment Programme was weighted towards year-end due to the timing of the Scottish Government decision on net zero funding. **The Board noted the:** **a) quarterly report on the Analysis of Investment and Borrowing;** **b) outstanding loans at 31 March 2026 of £17M; and** **c) cash balance at 31 March 2026 of £8.339M.**
8.2	**<u>Development Report</u>** The Development Manager provided an update on the Development Programme highlighting some changes since the report was written. The resumption application for Grimsay had been lodged, but planning approval was delayed due to pressures on planning service. A Licence to Occupy Carloway Care Unit was agreed with the Council so renovation works could proceed. The Scott Road development would be discussed in private as the last item on the agenda. Melbost West was now on site with good progress being made and a naming consultation for the development underway. **The Board noted the updated Development Plan.**
8.3	**<u>Investment Monitoring Report 2026/27</u>** The report provided an update on the 2026/27 Investment Programme. The progress on heating works would be subject to the outcome of the Scottish Government Housing Net Zero Fund grant application. The Assets & Contracts Manger provided an updated on the CX Planned maintenance system, which will manage the Investment Programme once fully developed. The outcome of the Scottish Government grant funding application for Aids & Adaptations was still awaited. As the programme was nearing full commitment, the position would be monitored and, if required, priorities would be reviewed with OT department. **The Board noted the update on:** **a) the 2025/2026 Investment Programme; and** **b) Aids and Adaptations and the waiting list.**

FOR INFORMATION ONLY	
9.1	**<u>Asset Management Annual Review</u>** The Chief Executive advised that the Information Only reports had been refreshed, were well presented, and told a clear, useful story and thanked Staff for their excellent work on the reports. **As there were no questions raised by Board Members the report was noted with no discussion.**
9.2	**<u>ESG Strategy Annual Review</u>** **As there were no questions raised by Board Members the report was noted with no discussion.**
9.3	**<u>Equalities, Diversity & Inclusion Annual Update</u>** **As there were no questions raised by Board Members the report was noted with no discussion.**
9.4	**<u>Operations Report to 31 March 2026</u>** **Allocations Report** The Area Manager confirmed property refusals were mainly due to applicants not wishing to move at that time or preferring another area. Applicant preferences are reviewed annually, and consideration will be given to using the Homeward newsletter to inform applicants of the need to update their circumstances. **Comments, Compliments & Complaints** Board Members welcomed the recording of complaint outcomes as learning points. **Estate Management & Anti-Social Behaviour** It was noted the main issues for estate management was overgrown gardens and fencing. The majority of overgrown gardens were resolved by the tenant after discussion. Fencing issues were addressed as part of planned maintenance; however, tenant expectations may exceed available resources. New build schemes were designed with open plan fronts and lower maintenance fences to the rear. **Repairs** As there were no questions raised by Board Members the report was noted with no discussion. **The Board noted the Operations Report to 31 March 2026.**
MEETING GOES INTO PRIVATE SESSION	

Chairperson Mr Calum Mackay

SIGNED ………………………………………………………

DATE ………………………………………………………