

Please note – these Minutes have been edited to remove any commercially sensitive or confidential discussions

ITEM 2

MELVILLE HOUSING ASSOCIATION LIMITED

Minute of the Board Meeting held on
Wednesday 20 November 2019
at 6.00pm in Board Room, Corn Exchange, Dalkeith

PRESENT: David Bond
Glen Alexander (via conference call)
Donna Bogdanovic
Paul Cameron
Andrew Dougherty
Sean Gillespie
Clare Marshall
Barbara Shearer
Bill Takhar

IN ATTENDANCE: Andrew Noble, Chief Executive
Morag MacDonald, Chief Operating Officer
Mary Monteith, PA to Chief Executive (Minute)

D BOND IN THE CHAIR

Election of Officer Bearers

Action Required

The Chief Executive welcomed all to meeting and advised that as this was the first meeting following the Annual General Meeting members needed to elect office bearers.

The current position was outlined and members were asked for proposals.

Chair: Caron Quinn – proposed by Donna Bogdanovic seconded by David Bond. Caron duly elected.

Vice Chair: David Bond – proposed by Bill Takhar seconded by Glen Alexander. David duly elected.

	Secretary: Barbara Shearer - proposed Sean Gillespie seconded by Bill Takhar. Barbara duly elected.	Action Required
	The Chief Executive then handed the meeting over to the Vice Chair.	
1a.	CHAIR'S OPENING REMARKS	
	In the absence of the Chair, the Vice-Chair thanked members and welcomed all to the meeting.	Note
1b.	DECLARATIONS OF ANY OTHER BUSINESS	
	<u>Noted</u> that there was one item of other business to be taken at the end of the meeting – Staffing Update.	Note
1c.	DECLARATIONS OF INTEREST	
	<u>Noted</u> that the Chief Executive and Chief Operating Officer declared that they sit on the Board of Directors for Ironmills Developments Ltd. The Secretary of the Board serves as a Tenant Representative. The Chief Executive also noted that he will be presenting a report on the Pensions Discretions Policy Statement later in the meeting and declared an interest as a staff member.	Note
1d.	APOLOGIES	
	Apologies were received from Caron Quinn.	
2.	MINUTES OF PREVIOUS BOARD MEETING 7 AUGUST 2019 AND MATTERS ARISING	
2.1	<u>Noted</u> that the Board agreed that these were a true and accurate minute of the meeting held on 7 August 2019. The minutes were <u>approved</u> by Clare Marshall and <u>seconded</u> by Bill Takhar.	Approve
	Matters Arising	
2.2	<u>Noted</u> that there were no matters arising.	Note

MINUTES OF THE MEETING OF 28 OCTOBER 2019

**Action
Required**

Noted that the Board agreed that these were a true and accurate minute of the meeting held via conference call on 28 October 2019 to approve the signing and submission of the Annual Assurance Statement. The minutes were **approved** by Sean Gillespie and **seconded** by Clare Marshall.

3. GOVERNANCE REPORT

Noted that the Vice Chair took members through the Governance report and the following were highlighted and noted:

Note

Notifiable Events - There are no notifiable events and members were not aware of any that should be raised

Complaints - There are no complaints with the SPSO

Board Recruitment – the Board discussed Board membership - we currently have 10 out of a possibly 15 members – it was noted that some IT/Digital, legal and development expertise would be useful. It was agreed that we could advertise in Voice and on website for tenants who may be interested in joining the Board. An advert would also be placed in SFHA daily publication. It was commented that it would be good to see a young person join also. The Chief Executive also agreed to make contact with the previously interested parties.

CE to action

Board Training – The Vice Chair noted that three of the attendees had provided feedback from the recent SFHA Finance Conference which had been uploaded to VBR. He then highlighted a few sessions he'd attended:

- The Dementia Bus – a very useful session which gave an insight of what it's like to be diagnosed with Dementia.
- Post Office from the Office – overview of running a post office from the offices of a Housing Association.

**Action
Required**

- Skip and Scrap – skips provided for tenants to deposit any unwanted items, a relatively low cost option to prevent dumping of larger household items etc – a service we have provided in a few instances in the past.
- School Games – going into schools giving an insight to homelessness and how to avoid/help with anti-social behaviour.

Board Attendance – improvement needed as currently 69% YTD against a target of 75%.

Board Development – agreed that it would be useful to keep the summary of actions from this year’s meetings as an Appendix to the Governance Report to review progress on these items.

CE to action

Board Away Days – held on 8 and 9 November those in attendance agreed that it was a good, useful event. It was commented that the Finance session was particularly good. The Chair had noted that it would be useful to schedule a strategic planning meeting for February to work on the Corporate Strategy.

KPI – the Board reviewed the indicators outwith their targets and asked about the rise in Neighbour disputes. It was acknowledged that there had been a spike in the Summer, but this has fallen again. It was also pointed that we are encouraging tenants to report any anti-social behaviour.

Association Membership – Members approved the application for Association Membership received.

Policy Reviews:

Freedom of Information (FOI) and Environmental Information (EIR)

Following a discussion on this policy, the Chief Executive advised that work is continuing to populate our website

with documentation expected to be available. Members were advised that our Communications Manager would be the point of contact for any FOI requests we receive. We would also seek advice for our legal advisers as necessary.

**Action
Required**

Governance Policies

GOV 005 Risk Management Policy and GOV 007 Board Member Expenses – have very minor changes.

GOV 008 Entitlements, Payments and Benefits – more detailed changes as a section has been added to the policy on severance/settlement agreements.

GOV 015 Serious Complaint Against Chief Executive – this is a new policy and members discussed its content. There was a query about para 5.2 and the Chief Executive clarified why the full Board may not have the full details of any complaint. It was agreed that it would be made clear that an independent/objective note taker could be appointed to take notes of any meetings held.

The Board **noted** the contents of this report, **approved** the application for memberships of the Association, **approved** the FOI and EIR policies, **approved** the Risk Management, Board Expenses, Entitlements, Payments and Benefits policies and the approved the new policy GOV 015 Serious Compliant against the Chief Executive

**Note/
Approve**

4. PENSIONS – EMPLOYER DISCRETIONS POLICY STATEMENT

4.1 **Minute removed or edited due to information relating to personal/confidential items or being commercially sensitive**

Note

5. IT UPGRADES – DERSKTOP HARDWARE AND FINANCE SOFTWARE

5.1 **Noted** that members were advised that this report was self explanatory and security issues with the existing hardware were highlighted. It was pointed out that although our IGEL terminals all look the same we had some that were

Note

	<p>purchased at different time (around 9 years ago) and were different versions of the equipment (versions 4 and 5). The oldest ones (version 4) are not compatible with the level of security provided by the new remote desktop environment. The Chief Executive explained that this has resulted in our IT consultants having to lower the security to accommodate these older IGELS.</p>	<p>Action Required</p>
<p>5.2</p>	<p><u>Noted</u> that the Board were asked to approve the replacement of all of the IGEL terminals with a small form desktop PC.</p>	<p>Note</p>
<p>5.3</p>	<p><u>Noted</u> that it was queried why this had not been picked up earlier and noted in the budget. The Chief Executive replied that the testing they were doing all the way through on the IGEL Terminals while on-site was all good, but when initial user acceptance testing was started our Finance Officer couldn't get on the new system from his terminal and it was found that the terminals they had been testing on were slightly newer than the one the Finance Officer was using.</p> <p>It was noted that they look identical and behave in an identical way on our current system, but they were bought in batches around 6-9 months apart. The oldest batch are the ones which are not compatible with the latest security settings. It is acknowledged that this was annoying that this had not been picked up before, but it does give us the opportunity to get all staff onto the same equipment which makes ongoing management simpler, and we would have been looking to replace our desktop hardware in the next couple of years.</p>	<p>Note</p>
<p>5.4</p>	<p><u>Noted</u> that the upgrading of our current accounting software – Sun Accounts (Version 5) was discussed and it was noted that after an evaluation of other systems, none could match Sun for integration with our current systems. It was pointed out to members that due to the significant changes from our current version, this would be a replacement rather than a standard upgrade.</p>	<p>Note</p>
<p>5.5</p>	<p>The Board noted the contents of this Report and approved the replacement of the current desktop IT equipment and</p>	<p>Note/ Approve</p>

	upgrade of our accounting software. The Board also approved the recommended capital budget for this project.	Action Required
6.	MANAGEMENT ACCOUNTS TO 30 SEPTEMBER 2019	
6.1	Noted that the Management Accounts to 31 March 2019 were presented and discussed by the Board in detail and the contents of the report were noted.	Note
7.	FORECAST FOR THE PERIOD TO 31 MARCH 2020	
7.1	Noted that the Chief Operating Officer took members to the appendix for this report which highlighted the changes and assumptions made. The report also outlined results to date against the budget assumptions.	Note
7.2	Noted that members were advised that if the forecast is approved, Management Accounts will be prepared compared to the forecast rather than the budget for the remainder of the financial year.	Note
7.3	The Board noted the contents of this report and agreed the forecast.	Note / Approve
8.	BAD DEBT AND CREDIT WRITE-OFFS	
8.1	Noted that the Chief Operating Officer advised that all of the debts being written off had been previously provided for within the management accounts.	Note
8.2	Noted that clarification was given with regards to the table which had lost some detail when the Boardpack was prepared.	Note
8.3	Noted that members discussed this report and acknowledged the reasons for writing these sums off and approved their write-off.	Note/ Approve

9.	PROPERTY MAINTENANCE REPORT TO 30 SEPTEMBER 2019	Action Required
9.1	<p><u>Noted</u> that the Chief Executive, in the absence of the Property and Allocations Manager, presented this report on the Property programmes and highlighted that there were a number positives in the report:</p> <ul style="list-style-type: none"> ▪ Reactive repairs performance is improving in all categories ▪ 10 empty homes cost over £3,000 to repair ▪ The kitchen and bathroom programmes are on schedule, with the heating and roofing programmes almost complete ▪ We have had to replace an additional 9 heating systems, as parts for the boilers were obsolete and anticipate further systems may require renewal over the winter months. ▪ 49 older heating systems do not meet EESSH but accelerating their replacement will allow these properties to meet EESSH. ▪ Spend on detectors and asbestos testing/ removal is over that budgeted for, due to the additional amounts of detectors required to be fitted and the removal of ceilings containing asbestos material. ▪ All 1,342 gas services visits were completed within time. 	Note
9.2	<p><u>Noted</u> that the Board were advised that our Bathroom contract which is due to end in March 2020, has gone really well, has met all criteria stated in the tender document and has very high levels of satisfaction with our tenants. When this contract was tendered there was an option to extend the contract for a further 5 years subject to satisfactory performance. The Board were asked to approve the extension of this contract for a further 5 years. When this was queried it was confirmed that this clause was included in the original tender document.</p>	Note
9.3	<p><u>Noted</u> that one member asked if we were confident that we can meet the timescales for the smoke and carbon monoxide detector replacements. The Chief Executive</p>	Note

	Action Required
<p>9.4 The Board discussed the recommendations in this report and approved the following:</p> <ul style="list-style-type: none"> ▪ Acceleration of the heating upgrade programme (from future years) in order to replace 70 older boilers, including 49 boilers which do not meet EESSH, requiring accelerated budget from future years ▪ Additional budget for the detector programme to ensure we meet legislation by February 2021 ▪ Additional budget for asbestos testing and removal in ceilings where detectors require to be fitted and asbestos removal costs associated with the roofing contract. ▪ Extension of the bathroom contract for a further 5 years 	Approve
<p>10. ENERGY EFFICIENCY STANDARD FOR SOCIAL HOUSING (EESSH) PROGRESS REPORT</p>	
<p>10.1 <u>Noted</u> that the Chief Executive gave members an update on where we were with regards to meeting the EESSH standard, pointing out that on 1 September 2019 94% of our properties meet the standard.</p>	Note
<p>10.2 <u>Noted</u> that a breakdown of the 122 properties that currently fail was presented to the Board. It was noted that the approval given to accelerate programmes in the previous report will help us reduce this number and meet this standard.</p>	Note
<p>10.3 <u>Noted</u> that the heating systems in Forth was discussed. It was noted that there was no gas in the village and whilst we have installed Air Source Heating Systems in 24 properties, 20 properties currently do not meet the EESSH standard. It</p>	Note

	was pointed out to members that we are not at a stage of accelerating this programme to include these properties as this would be to the detriment of other tenants who have boilers who are far older than the ones in these properties.	Action Required
10.4	<u>Noted</u> that the Board noted the contents of this Report.	Note
11.	DEVELOPMENT REPORT – COMMERCIAL IN CONFIDENCE	
11.1	Minute removed or edited due to information relating to personal/confidential items or being commercially sensitive	Noted
12.	REGISTERS	
12.1	<u>Noted</u> that there were the following entries the Registers since the last meeting: <ul style="list-style-type: none"> ▪ two entries in the Entitlements, Payments and Benefits Register ▪ seven entries in the Declaration of Interests ▪ one entry in the Seal Register 	Note
12.2	<u>Noted</u> that there no entries in any of the other Registers.	Note
12.3	<u>Noted</u> that all Registers were available for review and were signed by the Secretary at the end of the meeting.	Note
13.	ANY OTHER COMPETENT BUSINESS	
13.1	<u>Noted</u> that there was one item of other competent business This is a private item and has been minuted separately.	Note
14.	DATE OF NEXT MEETING	
14.1	<u>Noted</u> that the next scheduled meeting of the Board is Wednesday 11 December and the Chair has asked if this meeting could start at the earlier time of 5.00 pm.	Note
14.2	<u>Noted</u> that whilst it could be difficult for all members to attend at this time, the Board approved this change of time.	Note