

ITEM 2

MELVILLE HOUSING ASSOCIATION LIMITED

Minute of the Board Meeting held on Wednesday 18 November 2020 at 5.00 pm via Zoom Video Conference Call

PRESENT: Caron Quinn
Glen Alexander
David Bond
Donna Bogdanovic
Paul Cameron
Andrew Dougherty
Hailie Johnston
Clare Marshall
Christine Moore
Barbara Shearer
Lucy Stang
Bill Takhar

IN ATTENDANCE: Andrew Noble, Chief Executive
Morag MacDonald, Chief Operating Officer
Nancy Booth, Head of Property Services
Kirsten Dean, Head of Finance & Corporate Services
Neil Edgar, Development Manager
John McMorrow, New Chief Executive (Observer)
Mary Monteith, PA to Chief Executive (Minute)

C QUINN IN THE CHAIR

1a.	CHAIR'S OPENING REMARKS The Chair welcomed all to this virtual meeting and advised that the Development Manager was in attendance for Item 3		Action Required Note
1b.	DECLARATIONS OF ANY OTHER BUSINESS <u>Noted</u> that there was no other business		Note

2.2	<p>Matters Arising</p> <p><u>Noted</u> that there were no matters arising.</p>		Note
3.1	<p>3. COVID-19 UPDATE</p> <p><u>Noted</u> that the Chief Operating Officer (COO) gave some background and highlighted the following:</p> <p>Latest Events on Economy</p> <ul style="list-style-type: none"> ▪ CIPD predicts that 1/3 of UK companies will be making redundancies this calendar year ▪ Brexit is still an unknown but the Bank of England forecasts based on a last minute trade deal ▪ Furlough Scheme has been extended to March 2021 ▪ Interest rates reduced to 0.1% to support businesses (lower borrowing costs) ▪ Bank of England has launched a £150bn stimulus package to soften the impact on the economy ▪ Closer to home, a reminder to the Board that UC claimants are currently receiving an extra £20 per week as part of the COVID-19 support measures but there are no plans currently to extend this beyond March 2021. <p>Latest Events Locally</p> <ul style="list-style-type: none"> ▪ Office is currently closed to staff as we have no Managers in Midlothian and tier restrictions on travel into and out of Midlothian. ▪ Midlothian is currently in Tier 3 and hopefully will move to Tier 2 with effect from 24 November <i>[post meeting note – Midlothian remained in tier 3]</i>. ▪ Our Routemap and guidance plans in place allows us to react quickly and move in and out of the various phases of lockdown and communicate same to staff and tenants ▪ No visits to tenants' homes at the moment although Midlothian based staff have been carrying out Estate work 		<p>Note</p> <p>Note</p> <p>Note</p>

	<ul style="list-style-type: none"> ▪ Minute removed or edited due to information relating to personal/confidential items or being commercially sensitive <p>Impact on Tenants</p> <ul style="list-style-type: none"> ▪ Anecdotally still tough for tenants ▪ As reported previously, a number of support groups available in the community ▪ Worried about the impact of pandemic on jobs ▪ Follow up calls to vulnerable tenants continuing <p>Arrears</p> <ul style="list-style-type: none"> ▪ Arrears are holding strong – and are better than anticipated due to back dating of Universal Credit payments and the number of direct payments we have in place. This appears to be the case sector wide. ▪ Housemark have now revised their forecast position on arrears from a predicted 42% increase (comparing December 20 to March 20) to a 20% increase (comparing March 21 to March 20 arrears position). 		Action Required
			Note
3.2	Minute removed or edited due to information relating to personal/confidential items or being commercially sensitive		Note
3.3	Minute removed or edited due to information relating to personal/confidential items or being commercially sensitive		Note
3.4	Minute removed or edited due to information relating to personal/confidential items or being commercially sensitive		Note
3.5	Minute removed or edited due to information relating to personal/confidential items or being commercially sensitive		Note

<p>4.</p> <p>4.1</p>	<p>BUILDING BACK BETTER AND GREENER -PRIVATE PAPER</p> <p>Minute removed or edited due to information relating to personal/confidential items or being commercially sensitive</p> <p>The Board noted the contents of this update.</p>		<p>Action Required</p> <p>Note</p>
<p>5.</p> <p>5.1</p>	<p>DEVELOPMENT UPDATE</p> <p>Minute removed or edited due to information relating to personal/confidential items or being commercially sensitive</p> <p>The Board noted the contents of this report</p> <p><i>The Development Manager left the meeting at this point</i></p>		<p>Note</p>
<p>6.</p> <p>6.1</p> <p>6.2</p> <p>6.3</p>	<p>GOVERNANCE REPORT</p> <p><u>Noted</u> that the Chair took members through the Governance Report and highlighted the following:</p> <p>Notifiable Events</p> <p>We have three ongoing notifiable events:</p> <ul style="list-style-type: none"> ▪ Limekilns – update given on 11 November, further update to be provided once new contractor starts on site. ▪ COVID-19 – monthly returns continue to be submitted and no further information has been requested. ▪ Chief Executive Retirement – Regulator advised on the appointment of new Chief Executive, no further information required, and notifiable event closed. <p>Freedom of Information Requests</p> <ul style="list-style-type: none"> ▪ One request received, response timescales were met and there have been no matter arising from this request. 		<p>Note</p> <p>Note</p> <p>Note</p>

		Action Required
6.4	<p>Board Training</p> <ul style="list-style-type: none"> ▪ Members reminded to put requests for any training to PA who will discuss with the Chair. 	Note
6.5	<p>KPI</p> <ul style="list-style-type: none"> ▪ KPI's not meeting target were COVID-19 related i.e. gas servicing, average re-let times. ▪ Arrears are below target at 2.85% 	Note
6.6	<p>Board Development Meetings</p> <ul style="list-style-type: none"> ▪ Summary report will be presented to the December meeting. 	Note
6.7	<p>Board Away Days</p> <ul style="list-style-type: none"> ▪ No plans for this year, may be able to get something arranged (subject to COVID) when the new Chief Executive is in post. 	Note
6.8	<p>Rule Change</p> <ul style="list-style-type: none"> ▪ Rules approved by FCA and now notifying Regulator and OSCR. Copies will then be sent out to all Association Members. 	Note
6.9	<p>Cancellation of Board Memberships</p> <ul style="list-style-type: none"> ▪ The cancellation of three Association Memberships was approved. 	Note
6.10	<p>Schedule of Board Meetings for 2021</p> <ul style="list-style-type: none"> ▪ Members approved the Schedule. This will be saved into the VBR document library and electronic diary appointments will be sent out. 	Note

		Action Required
	Eviction Process during COVID-19	
6.11	Minute removed or edited due to information relating to personal/confidential items or being commercially sensitive	Ratify
6.12	The Board noted the contents of this report.	Note
7.	ANNUAL ASURANCE STATEMENT	
7.1	<u>Noted</u> that the Chief Executive acknowledged that a lot of information had been circulated to members and it was pointed out that we'd received a very positive, strong assurance rating, with 14 examples of good practice and zero recommendations from the recent internal audit which had reviewed both this and last year's Assurance Statement.	Note
7.2	<u>Noted</u> he noted that he had not received any feedback from members, which he took to mean that that members were reassured about the Governance arrangements in place in Melville.	Note
7.3	<u>Noted</u> that the Chair commented that she was comfortable with the Governance framework in place and had no concerns.	Note
7.4	<u>Noted</u> that another member pointed out that the vast majority of the information had already been presented to the Board and was assured by this. It was also suggested that perhaps the information could be stored in one place to allow members to view it.	Note
7.5	<u>Noted</u> that the new Chief Executive was invited to comment, and he noted that from the information presented, he could not see any reason for the Board not to be assured.	Note
7.6	<u>Noted</u> that with regards to further work on equalities, members were advised that we are awaiting further guidance from the Regulator.	Note

7.7	The Board noted the contents of this Report and approved the Assurance Statement for signing by the Chair and uploading to SHR Portal.	Action Required Note/ Approve
8.	MANAGEMENT ACCOUNTS FOR THE PERIOD ENDING 30 SEPTEMBER 2020	
8.1	Noted that the Management Accounts to 30 September 2020 were presented and discussed by the Board in detail and the contents of the report were noted.	Note
8.2	The Board noted the position as detailed in this report	Note
9.	FORECAST FOR THE PERIOD TO 31 MARCH 2020	
9.1	Noted that the Head of Finance and Corporate Services 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
9.2	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
9.3	The Board noted the contents of this Report and agreed the forecast.	Note/ Approve
10.	BAD DEBT AND CREDIT WRITE-OFFS	
10.1	Noted that the Head of Finance and Corporate Services advised that all of the debts being written off had been previously provided for within the management accounts.	Note
10.2	Noted that members acknowledged the reasons for writing these sums off and approved their write-off.	Note/ Approve

<p>11.</p> <p>11.1</p> <p>11.2</p> <p>11.3</p>	<p>BANK MANDATE CHANGE</p> <p><u>Noted</u> that members were advised by the Head of Finance and Corporate Services that she was seeking approval from the Board for the following changes to the Bank Mandate:</p> <ul style="list-style-type: none"> ▪ Remove previous Head of Finance & Corporate Services as an authorised signatory ▪ Add new Head of Finance & Corporate Services as an authorised signatory <p><u>Noted</u> that it was also highlighted that the mandate will also require to be updated again in January with the change of Chief Executive.</p> <p>The Board noted the contents of this report and approved the changes to the Bank Mandate.</p>	<p>Action Required</p> <p>Note</p> <p>Note</p> <p>Note/ Approve</p>
<p>12.</p> <p>12.1</p> <p>12.2</p>	<p>PROPERTY MAINTENANCE REPORT TO 30 SEPTEMBER 2020</p> <p>Minute removed or edited due to information relating to personal/confidential items or being commercially sensitive</p> <p>The Board noted the contents of this report</p>	<p>Note</p> <p>Note</p>
<p>13.</p> <p>13.1</p> <p>13.2</p>	<p>ENERGY EFFICIENCY STANDARD FOR SOCIAL HOUSING (ESSH) PROGRESS REPORT</p> <p><u>Noted</u> that the Head of Property Services gave members an update on where we were with regards to meeting the ESSH standard, pointing out that on 1 September 2020, 96% of our properties meet the standard.</p> <p><u>Noted</u> that a breakdown of the 88 properties that currently fail was presented to the Board. It was noted that 49 were refusals (which can be recorded as abeyances) for heating upgrades etc and that we would do these upgrades should the property become empty. It was also pointed out that 14 of these properties are in the planned heating replacement</p>	<p>Note</p> <p>Note</p>

	programme for this year and its hoped that a further 15 can be brought forward.		Action Required
13.3	Noted 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, 10 properties currently do not meet the EESSH standard. Member were advised that we have secured 50% funding to assist with replacing heating systems, but this runs out in March 2021. The Head of Property recommended that we go ahead and replace the oldest systems (aged 15 & 9) now whilst grant funding is available.		Note
13.4	Noted that with regards to EESSH 2 (to be achieved by 2032) members were advised that currently 18% of our stock meet Band B and it was noted that retrofitting of older properties will need to be undertaken at considerable costs.		Note
13.5	Noted that one member asked if we were able to check the Sap ratings - it was confirmed that we check EPC ratings when any improvement work is done. It was noted that we have three EPC assessors within the Property Team.		Note
13.6	Noted that the Board noted the contents of this Report.		
14.	NATIONAL HOUSING PROJECT		
14.1	Minute removed or edited due to information relating to personal/confidential items or being commercially sensitive		Note
14.2	The Board agreed that they would be in favour of this but that it would be reviewed each year.		Agree
15.	REGISTERS		
15.1	Noted that no new entries in any of the Registers, and these will be presented for signing when circumstances allow.		Note

16.	ANY OTHER COMPETENT BUSINESS		Action Required
16.1	<u>Noted</u> that the Chair congratulated Board Member, Lucy Stang on her recent marriage.		Note
17.0	DATE OF NEXT MEETING		
17.1	<u>Noted</u> that the next scheduled meeting of the Board is Wednesday 16 December at 5pm (via Zoom).		Note