

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 15 June 2022
at 6.00 pm Hybrid Meeting - Office and Zoom Video Conference Call**

PRESENT:
Caron Quinn
Paul Cameron
Andrew Dougherty
Christine Moore
Barbara Shearer
Bill Takhar

IN ATTENDANCE:
John McMorrow, Chief Executive
Kirsten Dean, Head of Finance & Corporate Services
Rich Murdoch, Head of Asset Management
Jane Burnett, Housing Manager (Item 4)
Martin Sloan, Property Manager (Item 6)
Dan Hughes, Communications Manager (Survey Presentation)
Mary Monteith, PA to Chief Executive (Minute)

C QUINN IN THE CHAIR

	<p>The Chair welcomed Lorna Shaw, Research Resource, who presented the results of our recent Comprehensive Tenants Survey to the Board. A copy of the presentation has been uploaded into the VBR document library.</p> <p>Key points of the presentation were:</p> <ul style="list-style-type: none">▪ 320 telephone interviews carried out between 3 February and 3 March 2022▪ Interviews were spread across all stock▪ Overall Satisfaction has not changed significantly – 88% (89% in 2019). This is in line with the Scottish average.	<p>Action Required</p> <p>Note</p> <p>Note</p>
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<p>1a.</p>	<ul style="list-style-type: none"> ▪ Communication Preferences were Letter 59%, Newsletter 43%, Email 31% and Text message 22% - it was pointed out that text messages were not noted in 2019 and email has risen substantially. ▪ Keep tenants informed remained strong at 96% (Scottish average is 92%) ▪ Getting involved with the Association was reasonable with less proactive way (surveys, email and online consultation) being the preferred options. ▪ Opportunities to participate remained high at 98%. ▪ 88% were satisfied with contact during the pandemic. ▪ 88% 989% in (2019) said they were satisfied with quality of their home. ▪ Satisfaction with Repairs was slightly lower at 80% (83% in 2019). Biggest change in the comparison table presented was in time taken to start work at 79% (90% in 2019). ▪ Value for money increased from 79% in 2019 to 83% ▪ Contribution to management of neighbourhood decreased from 93% in 2019 to 90% <p><i>The chair thanked Lorna for the presentation and both Lorna and the Communications Manager left the meeting.</i></p> <p>CHAIR’S OPENING REMARKS</p> <p>The Chair welcomed all to the meeting, especially Rich Murdoch, who was attending his first Board meeting since his appointment as Head of Asset Management. It was noted that the Housing Manager and Property Manager were in attendance for Items 4 and 6 respectively.</p>	<p>Action Required</p> <p>Note</p>
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<p>1b.</p> <p>1c.</p> <p>1d.</p>	<p>DECLARATIONS OF ANY OTHER BUSINESS</p> <p><u>Noted</u> that there was no other competent business.</p> <p>DECLARATIONS OF INTEREST</p> <p><u>Noted</u> that declarations from Ironmills Directors and Tenants' Representative duly noted</p> <p>APOLOGIES</p> <p>Apologies were received from Hailie Johnston, David Bond, Clare Marshall, Cathy Hanlan, Lucy Stang and Donna Bogdanovic.</p>	<p>Action Required</p> <p>Note</p> <p>Note</p> <p>Note</p>
<p>2.</p> <p>2.1</p> <p>2.2</p>	<p>MINUTES OF PREVIOUS BOARD MEETING 18 MAY 2022</p> <p><u>Noted</u> that the Chair invited the Chief Executive to lead on the minutes on behalf of the Secretary.</p> <p><u>Noted</u> that Members agreed that these were a true and accurate minute of the above meeting. The minutes were <u>approved</u> by Paul Cameron and <u>seconded</u> by Caron Quinn.</p>	<p>Note</p> <p>Approve</p>
<p>3.</p> <p>3.1</p> <p>3.2</p> <p>3.3</p>	<p>MATTERS ARISING AND OUTSTANDING ISSUES</p> <p><u>Noted</u> that Chief Executive highlighted the following:</p> <ul style="list-style-type: none"> ▪ Procurement Policy Review – Meeting held, and comments/suggestions added to the policy presented for approval at this meeting. The Chief Executive noted his special thanks to Christine and Hailie for all their help with this. <p>The Board noted the contents of this report and approved the removal of the completed items.</p> <p>The Board approved the revised Procurement Policy</p>	<p>Note</p> <p>Noted</p> <p>Approve</p>

4.	ANNUAL REVIEW OF ALLOCATIONS	Action Required
4.1	Noted that Housing Manger advised Members that we participate in a Common Housing Register (CHR) in both Midlothian and South Lanarkshire. She also pointed out that we manage our own transfer list.	Note
4.2	<p>Relets - The Board were advised of the relets from the last financial year – 146 (which included 42 new builds). The following were highlighted</p> <ul style="list-style-type: none"> ▪ 73 of these lets were to homeless applicants through the CHR. ▪ 31 were transfers which included 8 Management transfers. It was noted that we exceeded our 15% target for transfer (21%) due demand. ▪ CHR is growing but Midlothian council are currently carrying out a review of the list as this has not been done due to the pandemic. 	Note
4.3	<p>Refusals – The Housing Manager explained that whilst the number of refusals had increased this year, 92 compared to 53, we had also seen a rise in the number of lets. She also pointed out that these were mainly verbal refusals with only 4 written offers refused.</p> <p>It was also noted that the delays with Limekilns contributed to these figures, as people’s circumstances (securing another tenancy etc) during the delays.</p>	Note
4.4	Downsizing Incentive - Members were reminded that they had approved the removal of the downsizing incentive payment, but the Housing Manager explained that we had a number of larger properties under occupied, and these properties were in demand. It was requested that use of this payment or other measures be monitored and reviewed if necessary.	Note
4.5	Leased Properties – the number of properties leased to Midlothian Council have reduced as they drive to reduce the number of homeless people on the waiting list.	Note

	The leases to Redacted and Redacted continue to work well.	Action Required
4.6	Relet Times – it was reported that our relet time for the year was 13.4 days (target 15 days).	Note
4.7	Allocations Policy – noted that the reviewed Allocations Policy and Equalities Impact Assessment were included with this report.	Note
4.8	Noted that the Housing Manager was asked about a Choice Based Lettings system and explained that the Midlothian Council are carrying out a full review and we are being led by them.	Note
4.9	Noted that there was also a query on whether the CHR works for us, and it was noted that it does work in the main for us, but that was not to say that we could not look at this again in the future.	Note
	<i>The Chair thanked the Housing Manager for this update, and she left the meeting at 18.32 pm.</i>	Note
5.	PROPERTY MAINTENANCE REPORT YEAR TO 31 MARCH 2022	
5.1	Noted that the Head of Asset Management gave a brief overview of this report, highlighting the following:	Note
	<ul style="list-style-type: none"> ▪ Main challenges have been sourcing and retaining skilled workforce and sourcing materials. It was noted that we will continue to work with contractors on this. 	Note
	<ul style="list-style-type: none"> ▪ Non-emergency repairs were completed on average within 8 days (target is 13 days) 	Note
	<ul style="list-style-type: none"> ▪ Emergency repairs 2.6 hrs against our 2 hour target (again mainly as a result of the operative issues noted above). 	Note

	<ul style="list-style-type: none"> ▪ Tenant Surveys using PDAs to be re-introduced by contractors, but since April 2021 staff have called 518 tenants – 82% were satisfied or very satisfied, 8% didn't know and 10% were very dissatisfied or dissatisfied – mainly due to delays in work being carried out. 	Action Required
5.2	Noted that the Board were advised that following replacement of detectors in line with expiry dates, 100% of our properties were compliant with the new legislation for smoke and carbon monoxide detectors. It was noted that we will now begin to replace detectors which are out of date.	Note
5.3	Noted that the Head of Asset Management explained that there was a lot of duplication between this report and the Contractors' Performance report, and with Board approval he would like to merge both reports next year.	Note
5.4	The Board noted the contents of this report and approved the merging of the Annual Property Maintenance and Contractors' Performance Reports.	Note/ Approve
6.	REVIEW OF CONTRACTORS PERFORMANCE YEAR TO 31 MARCH 2022	
6.1	Noted that the Property Manager highlighted that as previously mentioned, our contractors are experiencing difficulties due to changes in workforce and retention of staff.	Note
6.2	Novus	
	Noted that it was reported that the number of completed work orders was 5051 an increase from the previous year of 288. It was reported that this was still 500/600 lower than pre-pandemic levels. Emergencies accounted for 740 of these (up 532 on the previous year).	Note
	Noted that Novus had been sending surveys out via text but reported a less than 10% returns rate. The Board were	Note

<p>6.3</p>	<p>advised that we have a drive on to ensure that we have up to date contact information for all our tenants.</p> <p>Saltire</p> <p><u>Noted</u> that during the year two gas service anniversaries were missed, but we have reviewed and revised the processes to ensure full compliance.</p> <p><u>Noted</u> that 100 replacement systems were carried out during the year which included 10 where the replacements were done when the properties were empty. 18 properties which failed to meet SHQS/ESSH were replaced, 5 of which were non-gas.</p> <p><u>Noted</u> that the Members were advised that due to problems with parts for boilers, this year’s replacement programme has been delayed until August.</p>	<p>Action Required</p> <p>Note</p> <p>Note</p> <p>Note</p>
<p>6.4</p>	<p>DCL Joinery and Contractors</p> <p><u>Noted</u> that work on the kitchen contract is back on track following disruption due to the pandemic.</p> <p><u>Noted</u> that the Property Manager highlighted that the contract with DCL runs until March 2023 and noted there was an option to extend this. A further report will be brought to the Board to discuss.</p> <p><u>Noted</u> that DCL won a tender exercise to install 80 bathrooms, and this has been fully completed on time and within budget.</p>	<p>Note</p> <p>Note</p> <p>Note</p>
<p>6.5</p>	<p>Dunedin Canmore</p> <p><u>Noted</u> that this contract had experienced issues with supplies as well as staff absences due to covid-19. This has led to revision in the timetable, but tenants were informed.</p>	<p>Note</p>

6.6	<p>B & D Roofing</p> <p>The Property Manager acknowledged that this contractor has worked very well and as agreed with the Board when the extension was granted, we have continued to monitor costs and performance levels.</p>	<p>Action Required Note/ Approve</p>
6.7	<p>Noted that the chair asked about the reconciliation of the monthly fee that Novus had been paid during the pandemic. It was agreed that this information could be provided.</p>	<p>Note</p>
6.8	<p>Noted that a member asked why we were paying for PPE for Saltire and was advised that we took advice and that we paid for additional equipment (suits etc) to assure our tenants and allow them to provide access to their homes.</p>	<p>Note</p>
6.9	<p>Noted that following a brief discussion on contractors and timescales, Members were advised that procurement information will be presented to the Audit committee in July.</p> <p><i>The Chair thanked the Property Manager, and he left the meeting at 18.46.</i></p>	
7.	<p>GOVERNANCE</p>	
7.1	<p>Noted that the Chief Executive reported:</p>	<p>Note</p>
7.2	<p>Notifiable events – all closed and no new notifications, although if Board the IDL later in the meeting this would be a notifiable event.</p>	<p>Note</p>
7.3	<p>SPSO – Members were advised that the SPSO are looking at one complaint and have requested further information to determine whether this will be investigated.</p>	<p>Note</p>
7.4	<p>Board Training – List of proposed training sessions was presented for consideration:</p>	<p>Members to consider</p>
7.5	<ul style="list-style-type: none"> ▪ Stock Valuations ▪ Information Technology ▪ Understanding Strategy & the Implementation of Strategy ▪ Asset Management 	

	<ul style="list-style-type: none"> ▪ Building Resilience ▪ Health & Safety (how Board can be satisfied that responsibilities are being fulfilled effectively) 	Action Required
7.6	ARC Amendment – submission recalled, and amendment made to breakdown of lets. Return was resubmitted on 31 May 2022.	Note
7.7	Calendar of returns – all returns to date have been returned on time.	Note
7.8	Staffing – Report on Hybrid working will be presented to August meeting. Board was asked to approve the closing of the office from 3-5pm on Wednesdays to allow for staff training (either 1 to 1 or as a Group).	Note
7.9	Association Membership Drive – advised that membership drive had begun, and we were writing to individuals who had expressed an interest during the Tenant Satisfaction survey.	Note
7.10	Ironmills Development Ltd – Lease Renewal – Board approved the extension of this lease from 3 to 5 years and signing of the lease by the Chair.	Note
7.11	Policy Reviews – the revised Procurement and Allocations were presented earlier in the meeting and approved.	Note
7.12	Health and Safety – No health and safety issues were reported.	Note
7.13	Equalities – no new Equality and Human Rights issues had been identified.	Note
7.14	Annual Assurance Statement – update given to members	Note
7.15	The Board noted the contents of this report and:	
7.16	Noted notifiable event update.	Note
7.17	Noted SPSO Update.	Note
7.18	Noted update on training sessions.	Note

7.19	Noted Staff update and Approved 3-5pm closure for staff training on Wednesdays.	Action Required Note/ Approve
7.20	Noted calendar of returns for 22/23 returns to date.	Note
7.21	Noted update on Association Membership Drive	Approve
7.22	Noted and Approved signing of updated lease between Ironmills and Melville.	Note
7.23	Noted Annual Assurance Statement Action Plan update.	Note
8.	TREASURY MANAGEMENT FOR YEAR ENDING 30 MARCH 2021	
8.1	Noted that the Head of Finance and Corporate Services highlighted that this report detailed how we have complied with our Treasury Management Policy and lending conditions throughout the year. It also gave an update on our Free Standing Derivatives.	Note
8.2	Noted that the Treasury Management Policy reviewed last year, and the Board were advised that our treasury management specialists, ATFS have confirmed that there are no legislative changes required.	Note
8.3	Noted that our last full review of our loans was done in 2015 and it is now time to look at these again. Board was asked to give their approval for ATFS to review our portfolio and make any recommendations for our future funding strategy.	Approve
8.4	Noted that the annual Loan Portfolio Return was presented for approval and authorisation for submission to the Scottish Housing Regulator.	Approve
8.5	Noted that Members were given details on our Loan Portfolio Return and advised of the changes: <ul style="list-style-type: none"> ▪ update on the loan amounts outstanding to reflect in year loan repayments 	Note Note

	<ul style="list-style-type: none"> updated loan covenant information to reflect amounts calculated as at 31 March 2022. 	Action Required
8.6	The Board noted the contents of this Report	Note
8.7	Certified and approved the contents of the Loan Portfolio Return and its submission to the Regulator.	KD to action
8.8	Approved engaging ATFS to carry out full review of our loan portfolio.	KD to action
9.	KPI PERFORMANCE MEASURES 2021/2022	
9.1	Noted that the Chief Executive explained that there were no significant changes to the KPIs currently reported on.	Note
9.2	<p>Noted that the following proposed targets were highlighted:</p> <ul style="list-style-type: none"> Customer Satisfaction – 90% Board Attendance – 80% Audit Committee Attendance – 70% Arrears – 2.75% (anticipated rise in arrears due to cost of living increases) FT Debt – 0.50% Average Relet times – 12 days Void Rent Loss – 0.20% (as budget assumption) 97% for repairs appointments made and met Average time to complete non-emergency repairs – 10 days Gas Services completed within 12 months – 100% Complaints responded to within timescale – 100% New Target for SPSO complaints 	Note
9.3	Noted that the stock figures will increase with new build units.	Note
9.4	The Board noted the contents of this report and approved the KPI Measures for 2022/2023.	Note/ Approve

<p>10.</p> <p>10.1</p> <p>10.2</p>	<p>REGISTERS</p> <p>All Registers</p> <p><u>Noted</u> that there no entries in any of the following Registers:</p> <ul style="list-style-type: none"> ▪ Entitlement, Payments and Benefits ▪ Declaration of Interests ▪ Bribery & Corruption ▪ Fraud ▪ Seal <p><u>Noted</u> that the Chair signed the Registers at the end of the meeting and Members were reminded that these registers are available for review at any time.</p>	<p>Action Required</p> <p>Note</p> <p>Note</p>
<p>11.0</p> <p>11.1</p>	<p>ANY OTHER COMPETENT BUSINESS</p> <p><u>Noted</u> that there was no other competent business to be raised.</p>	<p>Note</p>
<p>12.0</p> <p>12.1</p> <p>12.2</p>	<p>DATE OF NEXT MEETING</p> <p><u>Noted</u> that the next scheduled meeting of the Board is Wednesday 10 August at 6pm and that this will be a hybrid meeting.</p> <p>Meeting was closed at 19.05</p>	<p>Note</p> <p>Note</p>