

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 9 August 2023
at 6.00pm Hybrid Meeting - Office and Zoom Video Conference Call

PRESENT: Donna Bogdanovic
David Bond
Paul Cameron
Andrew Dougherty
Cathy Hanlan
Barbara Shearer
Bill Takhar
Caron Quinn
Clare Marshall
Christine Moore

APOLOGIES: Hailie Johnston
Lucy Stang

IN ATTENDANCE: John McMorrow, Chief Executive
Rich Murdoch, Head of Asset Management
Jane Burnett, Head of Housing
Dan Hughes, Communications and Corporate Services
Manager (minute)
Kirsten Dean, Head of Finance & Corporate Services
David Dewhurst, Head of Finance (Acting)

D BOGDANOVIC IN THE CHAIR

		Action Required
1a.	CHAIR'S OPENING REMARKS The Chair welcomed everyone to the meeting, extending an especially warm welcome to the Head of Finance and Corporate Services (redacted). She also explained that the Communications and Corporate Services Manager would be minuting the meeting.	

		Action Required
1b.	DECLARATIONS OF ANY OTHER BUSINESS <u>Noted</u> that there was no other competent business.	Note
1c.	DECLARATIONS OF INTEREST Declarations from Ironmills Directors and Tenant Representative were duly <u>noted</u> .	Note
1d.	APOLOGIES Apologies were received from Hailie Johnston and Lucy Stang.	Note
2	MINUTES OF PREVIOUS BOARD MEETING 14 JUNE 2023	
2.1	<u>Noted</u> that the Chair invited the Chief Executive to lead on the minutes on behalf of the Secretary.	Note
2.2	<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 David Bond and <u>seconded</u> by Paul Cameron.	Note Approve
3	MATTERS ARISING AND OUTSTANDING ISSUES	
3.1	<u>Noted</u> that the Chief Executive gave a brief update on a number of matters arising.	Note
3.2	Board <u>noted</u> that a trainer has now been identified for equalities training.	Note
3.3	<u>Noted</u> that the Head of Asset Management gave an update on the repairs service procurement process explaining that the reactive repairs contract would be (redacted commercially sensitive).	Note

		Action Required
3.4	Noted that a brief discussion took place about quality control (Melville has a number of measures in place) and the possibility of using a repairs contractor but managing the service inhouse. Head of AM replied that this would be very labour intensive and require additional staff.	Note
3.5	The Board noted the contents of this report.	Note
4	Development report	
4.1	Noted that the Chief Executive gave a brief update on development, in the absence of the Development Manager.	Note
4.2	Noted that the potential projects outlined are a wish list, and that not all will happen. It was also reported that others, including the Council, will examine more detail about potential projects for inclusion in the Strategic Housing Investment Plan.	Note
4.3	The Board noted the contents of this report.	Note
5	GOVERNANCE	
5.1	Noted that the Chief Executive reported:	Note
5.2	Notifiable events – noted no new notifiable events to report.	Note
5.3	Board Training – noted that diversity training has been provisionally booked (no date yet) and will cost (redacted). It will look at what additional work if any Melville needs to do and whether we need a separate Transgender policy.	Note
5.4	Noted that a brief discussion took place about the scope of the work and whether broader training was required. Training approved .	Note Approve
5.5	Risk register – noted that no new risks identified.	Note
5.6	Noted that mainly due to reduced competition, insurance costs have increased significantly (around 32%). Terrorism	Note

		Action Required
	removed from the policy due to minimal risk and also because in unlikely event of a terrorist attack, Melville could claim against other policies. There was a possible recent incident in (name redacted), Glasgow, but such incidents are few and far between.	
5.7	Noted that other options are being explored such as collective buying and/or self-insuring.	Note
5.8	Code of Conduct/Declaration of Interests - noted that the next annual review will be undertaken just prior to the AGM in September 2023.	Note
5.9	Noted that Code of Conduct and Declaration of Interest forms have been issued to Board members for returning prior to the AGM.	Note
5.10	Annual General Meeting – noted that the following Board members are due to step down at the AGM: <ul style="list-style-type: none"> ▪ Clare Marshall ▪ Bogdanovic Donna ▪ Dougherty Andrew ▪ Takhar Bill 	Note
5.11	Noted that all of the above members confirmed that they will be seeking re-election at the AGM.	Note
5.12	Noted that Lucy Stang has indicated that she too will be standing down at the AGM (redacted) and will not be seeking re-election.	Note
5.13	Noted that a discussion then took place on Board numbers (11 following resignation of Lucy Stang) and membership and also about conditions under which prospective Board members might be refused a place.	Note
5.14	Noted that we have been approached by two tenants who wish to be considered for election. Chief Executive to follow-up to make sure they meet the criteria and have been correctly nominated. Board asked that short bios of any potential new members be included in the AGM packs.	Note

		Action Required
5.15	Noted that Chief Executive reported he was considering trying something different with the AGM catering this year and was looking into possibility of fish and chips rather than the usual buffet. Board agreed it would be good to try something different.	Note
5.16	KPIs – noted nothing noteworthy to report in KPI outcomes for quarter 1 of 2023/24.	Note
5.17	Calendar of returns for 2023/24 – noted	Note
5.18	Staffing – noted that Board approval was requested for one change to the current structure of the Property Services team. (Item redacted). Board noted that it was good that Property section are looking to the future and approved the proposal.	Note Approved
5.19	4 Day Working Week Update – noted that feedback on the 4-day working week has been very positive from tenants and staff. 79% of the roughly 360 tenants who replied to the survey (nearly 20% of tenancies) supported making it permanent. Only 3% were against. A brief discussion took place on these very positive findings.	Note
5.20	Memberships – noted that since the last meeting two memberships have to be cancelled. We now have 46 live members.	Note
5.21	Note the contents of this report.	
6	SECRETARY’S REPORT – RULE 68	
6.1	Noted that members were advised that this report is presented at the last Board meeting prior to the AGM. It was confirmed that, as per Rule 68, we have complied with the rules relating to minutes, seal, and registers.	Note
6.2	The Board noted the contents of this report.	Note

		Action Required
7	ANNUAL REPORT OF THE AUDIT COMMITTEE	
7.1	Noted that the Chief Executive briefly explained to members that this report outlines the activities undertaken by the Audit Committee during the financial year to 31 March 2023.	Note
7.2	The Board noted the contents of this report.	Note
8	EXTERNAL AUDIT REPORT AND ANNUAL ACCOUNTS	
8.1	Noted that the Acting Head of Finance explained that the draft year end accounts were presented to the Board in May after which a number of adjustments were made as a result of the final audit by CT, our external auditors.	Note
8.2	Noted that the following change to the accounts was highlighted: <ul style="list-style-type: none"> ▪ A £3.037m downward evaluation of income for year due largely to pension asset not being recognised. 	Note
8.3	Noted that members were advised that Ewan Morrison of CT attended the July Audit Committee meeting to sign off the accounts	Note
8.4	Noted that a discussion took place on future audit work, and after consideration members requested the Audit Committee look at how this can be achieved.	Note
8.5	Noted that it was reported the Audit Committee recommended that the accounts, the Letter of Representation, and the Letter of support for IDL (stating that Melville will not demand repayments of any amounts due by IDL and will provide financial support as required for a period of 12 months from the date of the letter) be approved and signed by the Board at this meeting.	Note
8.6	The Board noted the contents of this report, approved the accounts, nominated members to sign and approved the submission of the accounts and annual return to the various Regulatory bodies.	Note Approved

		Action Required
9	MANAGEMENT ACCOUNTS FOR THE PERIOD ENDING 30 JUNE 2023	
9.1	Noted that the Acting Head of Finance gave an overview of our 3-month results to end of June 2023.	Note
9.2	Noted that he highlighted significant variances including <ul style="list-style-type: none"> ▪ Accelerated spend on planned maintenance in first quarter ▪ Underspend of £125k on retrofitting 	Note
9.3	Noted that, as things stand, we are on track to remain on budget for the year however he stressed that: <ul style="list-style-type: none"> ▪ Control will need to be exercised over programme expenditure for the remainder of the financial year to ensure the total programme expenditure remains within budget. ▪ Work is being undertaken to update forecasts in light of the amended repayment profile for the bank loan (terms redacted commercially sensitive). 	Note
9.4	Noted that Acting Head of Finance drew the Board's attention to a couple of minor errors in the Statement of Financial Position (page 9 of report). £449 for EWI Loans should be £355 and Loans outstanding should be £26,418 not £26,325.	Note
9.5	Noted that a brief discussion took place around the report, looking at the very fast start made on planned maintenance and also an explanation of the definition of property capitalisation. The Head of Asset Management explained that it's usual for planned maintenance programmes to begin quickly but ours would slow down significantly as the year goes on.	Note
9.6	The Board noted the contents of this report.	Note

		Action Required
10	BAD DEBT WRITE-OFF	
10.1	Noted that the Acting Head of Finance advised that he was seeking Board approval to write-off 10 bad debt cases for a total of (total redacted) that had been previously accounted. In addition, he was seeking a credit write-off for 7 cases totalling (total redacted).	Note
10.2	Noted that a discussion took place surrounding the efforts made to recover the money. The Head of Asset Management pointed out that it was in the interests of the debt collection agency to recover as much of the money as possible as these companies typically worked partly on commission.	Note
10.3	Noted that Chief Executive mentioned that he was considering recommending a more radical look at the policy on debts, seeing how different service levels (while maintaining basic standards) might be introduced depending on debt and engagement levels.	Note
10.4	Noted that a discussion took place about the relatively high write-off figure this quarter and also whether this was a growing trend. Acting Head of Finance said that there was no indication the problem was increasing.	Note
10.5	Noted that Board requested an aged debtors listing.	Action
10.6	The Board noted the contents of this report and approved the write-off of bad debts.	Note Approve
11	AUDIT COMMITTEE MINUTES – 26 APRIL 2023	
11.1	Noted that the Chair of the Audit Committee presented the Minute, approved at the Audit Committee meeting held on 26 April, to the Board for noting.	Note
12	ANNUAL ASSURANCE STATEMENT	
12.1	Noted that the Chief Executive explained that the approach of the SHR seems to have changed this year. Despite previous	Note

		Action Required
	assurances to the contrary, the SHR is now specifically telling landlords how to complete the statement, at least in part, stressing the importance of equality and tenant safety.	
12.2	Noted that the full Annual Assurance evidence report can be found on VBR and that this will be considered at our next meeting.	Note
12.3	The Board noted the contents of this Report.	Note
13	POLICY REVIEWS	
13.1	Noted that the Head of Housing gave a brief overview of the proposed changes to the Allocations policy, pointing out an error in section 4.2 in the covering report where it mentions cancelling applications.	Note
13.2	Noted that the Head of Asset Management briefly talked about the new Asbestos and Damp and mould policies which have been drawn up with peer group and also reflecting best practice.	Note
13.3	Noted that a discussion took place about the two Property policies, asking how we communicate to tenants (primarily through Voice newsletter and website) and about actions when there's no access. Head of Assets said that we follow usual no access procedure but will force access if necessary.	Note
13.4	Noted that Head of Asset was asked about the extent of the damp problem in Melville properties. He replied that there was no reason to think it was significant, given ongoing stock survey work, and that when mould was identified it was almost always caused by condensation not damp. These issues were usually identified by tenants themselves but sometimes by Melville staff or contractors. When identified, the use of new monitoring equipment is a big step forward however we'll need to work closely with tenants to provide support and education.	Note

		Action Required
13.5	The Board <u>noted</u> the contents of this report and <u>approved</u> the policies subject to discussed changes.	Note Approved
14	REGISTERS	
14.1	<u>Noted</u> that since the Registers were last presented to the Board the following entries have been made: Gifts and Hospitality – one item added to the register Declarations of Interest – None Entitlements, Payments, and Benefits – None Seal Register - None	Note
14.2	<u>Noted</u> that there were no new entries in the following registers: <ul style="list-style-type: none"> ▪ Bribery & Corruption ▪ Fraud 	Note
14.3	<u>Noted</u> that the Secretary will arrange to sign the Registers and Members were reminded that these registers are available for review at any time.	Note
15	ANY OTHER COMPETENT BUSINESS	
15.1	<u>Noted</u> that there was no other competent business raised.	Note
16	DATE OF NEXT MEETING	
16.1	<u>Noted</u> that the next scheduled (hybrid) meeting of the Board is Wednesday 11 October 2023 at 6pm.	Note
16.2	Meeting was closed at 19.45.	