

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 12 June 2024
at 6.00 pm Hybrid Meeting - Office and Zoom Video Conference Call

PRESENT:

Donna Bogdanovic	Christine Moore
David Bond	Caron Quinn
Paul Cameron	Bill Takhar
John Dalley	Gayle Templeton
Tom Mallatratt	Brian Wilkie
Rebecca McLean	

IN ATTENDANCE: John McMorrow, Chief Executive
Kirsten Dean, Depute Chief Executive
Rich Murdoch, Head of Asset Management
Dan Hughes, Communications & Corporate Services Manager
(minute)

D BOGDANOVIC IN THE CHAIR

	Agenda Item Details	Action Required
1a.	CHAIR'S OPENING REMARKS The Chair welcomed everyone to the meeting and explained that, as agreed in advance, the meeting would begin with a discussion of the confidential item previously scheduled for later in the meeting.	Information
13.	CONFIDENTIAL ITEM <u>Noted</u> that this confidential discussion has been minuted separately. C Moore left the meeting at this agenda item at 19:15.	Note
1b.	DECLARATIONS OF ANY OTHER BUSINESS <u>Noted</u> that there was no other competent business.	Note

	Agenda Item Details	Action Required
1c.	DECLARATIONS OF INTEREST Declarations from Ironmills Directors and the Tenant Representative were <u>noted</u> .	Note
1d.	APOLOGIES Apologies were received from Cathy Hanlan and Clare Marshall.	Note
2.	MINUTES OF PREVIOUS BOARD MEETING 15 MAY 2024	
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	It was agreed that these were a true and accurate minute of the previous meeting. The minutes were <u>approved</u> by Donna Bogdanovic and <u>seconded</u> by David Bond.	Approve
2.3	<u>Noted</u> confidential minutes approved earlier in meeting.	Note
3.	MATTERS ARISING AND OUTSTANDING ISSUES	
3.1	<u>Noted</u> that the Chief Executive highlighted the removal of completed items from matters arising.	Note
3.2	<u>Noted</u> update on proposed (name redacted) membership, Board were asked for approval of decision not to progress at present on the grounds of cost.	Note
3.3	<u>Noted</u> aged debtors query from previous minute reported.	Note
3.4	The Board <u>noted</u> the contents of this report and <u>approved</u> not progressing (name redacted) membership.	Note/ Approve
4.	IT STRATEGY	
4.1	<u>Noted</u> that the Chief Executive explained that he was seeking approval for a 12 month extension to the (name redacted) contract taking it to 31 January 2026.	Note

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4.2	The Board <u>noted</u> the contents of this report and <u>approved</u> extension of ICT support services for one year.	Note/ Approve
5.	GOVERNANCE	
5.1	<u>Noted</u> that the Chief Executive reported on the following items as circulated in the Governance Report:	Note
5.2	Notifiable events – no new notifiable events.	Note
5.3	FOI/SAR/GDPR – <u>noted</u> that there has been one new subject access request, made the day the papers were issued.	Note
5.4	Board development and training – <u>noted</u> that we are awaiting the return of several skills matrix questionnaires. A reminder email will be sent and all Board members who haven't yet done so and all were encouraged to return them by the requested date as these are an important tool for establishing training requirements.	Note
5.5	Calendar of returns – Board <u>noted</u> the returns made to date and returns due over the next three months.	Note
5.6	<u>Note</u> staffing update. <ul style="list-style-type: none"> ▪ Staff survey issued along with summary of outcomes, discussed earlier in the meeting. ▪ Note update to Staff Handbook due to current legislation changes (paternity, carer's flexible working). ▪ Consideration needed as to how we add 4-day week into staff contracts. 	Note
5.7	<u>Noted</u> that there was a brief discussion over when the current pay negotiations become a notifiable event. Consensus was that this would only be the case should there be a threat of industrial action affecting service delivery.	Note

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5.8	Annual Assurance Statement – <u>Noted</u> the update to the action plan included in the report, which previously included revisions to toolkit for 2024.	Note
5.9	Policy Reviews – Board <u>noted</u> the following policy activity: <ul style="list-style-type: none"> ▪ Estate management policy currently out for tenant consultation ▪ Additional work to be done on sustainability policy before finished version submitted for Board approval 	Note
5.10	<u>Noted</u> that a brief discussion took place about sustainability and future Board papers, with a suggestion that sustainability might be considered as an additional item at the end of every paper (in the same way as equalities etc). Whilst there was general agreement that this was a good idea it was also suggested that it would be beneficial to look for a more efficient way of doing this, otherwise it was just making reports longer for little purpose.	Note
5.11	The Board <u>noted</u> the contents of this report.	Note
6.	YEAR END HOUSING REPORT	
6.1	<u>Noted</u> that on behalf of the Head of Housing, the Chief Executive presented the Annual Housing Report that was circulated with the agenda, passing on special thanks to Dan for his help for work on the graphics and case studies and to Iain Ross for the figures.	Note
6.2	<u>Noted</u> a brief discussion took place around the increase in abandonments and possible explanations. It was agreed that cost of living has undoubtedly had an impact.	Note
6.3	The Chair thanked everyone involved for an excellent report which was <u>noted</u> by the Board.	Note
7.	YEAR END PROPERTY REPORT	
7.1	<u>Noted</u> that the Head of Asset Management presented the Annual Property report.	Note

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7.2	<p>Noted that he began by explaining that there is a mistake (at point 2.3.1) where ‘underspend’ should say ‘overspend’. He then went through the report highlighting several areas including:</p> <ul style="list-style-type: none"> ▪ The falling standard of properties returned, but that, after discussion, an incentive scheme was not considered a good way of tackling this ▪ 100% success with gas servicing ▪ Issues with void relet times, which we’re working with (contractor name redacted) to improve ▪ Missed emergency and right first time repairs targets ▪ 97.5% of stock electrically tested 	Note
7.3	<p>Noted that a discussion took place surrounding asbestos and the threat it poses in Melville properties. Board was reassured that while Melville doesn’t proactively remove asbestos from properties, it takes the issue seriously and holds an asbestos register.</p>	Note
7.4	<p>The Chair thanked everyone involved for their hard work in producing these excellent results which were noted by the Board.</p>	Note
8.	<p>TREASURY MANAGEMENT POLICY AND REPORT FOR YEAR ENDING 31 MARCH 2024 AND SHR RETURN</p>	
8.1	<p>Noted that the Head of Finance presented the Treasury Management report outlining how we’ve complied with our Treasury Management policy and also with the loan conditions set by our lenders, (lender names redacted).</p>	Note
8.2	<p>Noted that the Treasury Management policy (included as Appendix 1) was due for update this year and is one that must be presented to the Board for approval as it forms part of the group of Governance policies which require formal review.</p>	Note
8.3	<p>Noted that the policy sets out how systems are put in place to ensure that Melville has access to resources needed to operate the business whilst ensuring VFM with limited risk.</p>	Note

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8.4	<p>Noted that there have not been any changes to the key principles or objectives included within the policy, but it has been fully reviewed by our treasury advisors, (name redacted), and updated for any legislative or guidance changes and any internal staff changes also.</p>	Note
8.5	<p>Noted that section 3 of the report details how the policy has been followed during the past year and confirms:</p> <ul style="list-style-type: none"> ▪ Borrowing only come from financial institutions with good credit ratings in (lenders names redacted) ▪ Cash resources are managed effectively with both short and long term cash flow forecasts and minimum cash balances 	Note
8.6	<p>Noted that following discussions with (name redacted) regarding a full loan portfolio review an invitation has been extended to (name redacted) to attend the Board Away Day in November to discuss what they do for Melville, review the existing portfolio, and start the process of looking at future loan options.</p>	Note
8.7	<p>Noted that Section 4 details compliance with loan covenants throughout the year.</p>	Note
8.8	<p>Noted that the final section of the report relates to the Loan Portfolio Return which we submit annually to the SHR detailing our borrowings.</p> <ul style="list-style-type: none"> ▪ A copy is noted at Appendix 2 which notes covenants, loans and the relevant interest rates. ▪ The only changes since last year are updates based on loan balances following repayments in the year and updating the year end covenants calculations. ▪ The return will be updated with the new stock valuations when they arrive by the end of the month. 	Note
8.9	<p>Noted that, after review, (name redacted) were happy with the Treasury Report.</p>	Note

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8.10	<u>Noted</u> that a discussion took place around Swap arrangements, loans, and interest rates. Head of Finance to respond to one query following the meeting.	Note Action
8.11	The Board <u>noted</u> the contents of the report, approved the updated Treasury Management Policy, and approved the LPR for submission to the SHR before the end of June.	Note/ Approve
9.	KPI PERFORMANCE MEASURES 2024/2025	
9.1	<u>Noted</u> that the Chief Executive explained that there were no significant changes to the current KPIs.	Note
9.2	<u>Noted</u> that Board requested that the following staffing metrics be added: <ol style="list-style-type: none"> 1. Percentage staff turnover 2. Percentage staff sickness 3. Number of days staff sickness 	Note
9.3	The Board noted the contents of this report and approved the KPI measures for 2024/2025, subject to agreed amendments.	Note/ Approve
10.	DEVELOPMENT UPDATE REPORT	
10.1	The Head of Asset Management presented the Development Progress report which was circulated with the agenda. Board <u>noted</u> that <ul style="list-style-type: none"> ▪ Pentland Phases 1 and 2 are now at final account stage ▪ Oak Place first handovers have now taken place. (Note redacted – commercially sensitive) ▪ No progress on Newbattle High School site (with Midlothian Council planning since Nov 2022) due to resource issues at MLC 	Note
10.2	<u>Noted</u> that a discussion took place around the opportunity to purchase eleven additional properties from (redacted). While it was agreed this is a fantastic opportunity, it can only be taken forward with suitable grant funding. The	Note

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10.3	<p>purchase won't proceed without a cast-iron guarantee from the Scottish Government and Board also need to bear in mind that the offer could be withdrawn by the developer at any time.</p> <p>Noted questions asked included:</p> <ul style="list-style-type: none"> ▪ Will Board get to see appraisal model? – yes ▪ What about energy efficiency ratings? Likely to be B ▪ Will Board get to visit the site? - yes 	Note
10.4	<p>Noted that a discussion took place around a site visit and stock tour. The Chair requested that the stock tour be revisited and opened up to all Board members with a provisional date sometime in August and to include a visit to the Oak Place site.</p>	Note
10.5	<p>Board noted the development update report.</p>	Note
10a	<p>CONFIDENTIAL REPORT – REDACTED</p> <p>Noted that this confidential report has been minuted separately.</p>	Note
11.	<p>REGISTERS</p>	
11.1	<p>Noted that since the registers were last presented to the Board the following entries have been made:</p> <p>Declarations of Interest – One – staff member taking part in Intel Trust charity golf event.</p> <p>Entitlements, Payments, and Benefits – None</p> <p>Seal Register - None</p>	Note
11.2	<p>Noted that there were no new entries in the following registers:</p> <ul style="list-style-type: none"> ▪ Bribery & Corruption ▪ Fraud 	Note

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11.3	Noted that the Secretary will arrange to sign the registers and members were reminded that these registers are available for review at any time as published on VBR.	Note
12.0	ANY OTHER COMPETENT BUSINESS	
12.1	Noted that one item of other competent business was raised, about the possibility of a collaboration with Built Environment Smarter Transformation (BE-ST).	Note
13.0	DATE OF NEXT MEETING	
13.1	Noted that the next scheduled (hybrid) meeting of the Board is Wednesday 7 August 2024 at 6pm.	Note
13.2	Meeting closed at 20.30	

Minutes Approved By:

Signature: _____

7 August 2024