

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 14 May 2025
at 6.00 pm Hybrid Meeting - Office and Zoom Video Conference Call

PRESENT:

Donna Bogdanovic	John Dalley
Clare Marshall	Tom Mallatratt
Bill Takhar	Gayle Templeton
David Bond	Becca McLean
Cathy Hanlan	

IN ATTENDANCE:

Kirsten Dean, Depute Chief Executive
Rich Murdoch, Head of Asset Management
Jane Burnett, Head of Housing
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.	
	DECLARATIONS OF ANY OTHER BUSINESS	
1b.	<u>Noted</u> that there were no other items of competent business.	Note
1c.	DECLARATIONS OF INTEREST <u>Noted</u> that declarations from Ironmills Directors were duly noted. No new declarations.	Note

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1d.	APOLOGIES <u>Noted</u> that apologies were received from Caron Quinn and John McMorrow. Board member name redacted also has a leave of absence.	Note
2.	MINUTES OF PREVIOUS BOARD MEETING 12 MARCH 2025 2.1 <u>Noted</u> that the Chair invited the Depute CEO to lead on the minutes on behalf of the Secretary. 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 Donna Bogdanovic and <u>seconded</u> by Clare Marshall.	Note Note Approve
3.	MATTERS ARISING AND OUTSTANDING ISSUES 3.1 <u>Noted</u> that the Depute CEO led on this, highlighting two outstanding items: <ul style="list-style-type: none"> ▪ The Corporate plan summary has been issued with a few amendments suggested. The intention is to issue tailored questionnaires to each group (tenants, council, etc) for feedback. The summary will then be brought back to Board once responses have been received and the final version presented in October. ▪ Confirmation of money made on management fees for Mid-Market Rents. <ul style="list-style-type: none"> ○ Income to MHA of redacted – commercially sensitive ○ Amount redacted - profit overall 3.2 <u>Noted</u> that the Board asked to see the final version of the corporate strategy before it goes out for consultation. 3.3 The Board <u>noted</u> the contents of this report.	Note Note Note
4.	GOVERNANCE REPORT 4.1 <u>Noted</u> that the Depute CEO presented the governance report, highlighting the following: <ul style="list-style-type: none"> ▪ Corporate Strategy consultation plans. 	Note

	Agenda Item Details		Action Required
4.2	<ul style="list-style-type: none"> ▪ Two SARS and one request under FOISA received: <ul style="list-style-type: none"> ○ Responses have been sent for one SAR and the FOISA. The second SAR came through a third party who so far haven't responded to emails asking for a mandate from the former tenant. Until they do so the information (which is ready) can't be released. ▪ Planning is underway for an October away day covering sustainability and net zero with an additional session looking at performance (delivered by SHN). ▪ Currently considering consultants for 2025 Board appraisals. Tender will be issued following discussions with Chair. ▪ The outcome of the most recent audit Committee and minutes are now on BoardEffect. ▪ The new KPI report has now been published with no issues to report. ▪ Annual donations report shows that £9,600 was given out last year. Planning 30 donations this year. ▪ Board is asked to <u>note</u> that the Regulator has marked Melville as compliant after receiving Annual Assurance Statement in October. ▪ Board is also asked to <u>note</u> key points from briefing summary on Grenfell issued by the Regulator. ▪ Board are asked to approve a two year extension to the contract with solicitors and a one year extension for Arrears Recovery. ▪ Policies prepared but not issued tonight – Scheme of Delegated Authority, Equalities & Human Rights (plus action plan) will be placed for consultation. Business Continuity (links with SHR Grenfell Report). Board to <u>note</u> these will follow at a future meeting. <p><u>Noted</u> that a question was asked about the extension to legal contracts, particularly in relation to the differing lengths. Response redacted commercially sensitive.</p>		<p>Note</p> <p>Note</p> <p>Note</p> <p>Note</p>

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4.3	<u>Noted</u> that the Board requested further clarity over the corporate strategy summary. Members said they would like to see a simplified more accessible version without some of the unnecessary charts and using plainer English.	Note
4.4	<u>Noted</u> that a discussion took place around promoting the launch of the 30 donations to celebrate Melville's 30 th anniversary. A series of events and PR opportunities will be used to promote the celebrations, and that the budget for donations needs to be approved at the AGM.	Note
4.5	The Board <u>noted</u> the contents of this report and <u>approved</u> the extension to legal and arrears recovery contracts.	Note/ approve
5.	MANAGEMENT ACCOUNTS	
5.1	<p><u>Noted</u> that the Depute CEO presented the full year results to 31 March. She highlighted the following:</p> <ul style="list-style-type: none"> ▪ No write off this quarter due to small value and change to Rubixx reporting. ▪ Approval needed for housing stock and office carrying value. ▪ Opportunity for members to review and provide feedback on the draft financial statements. ▪ That results have not yet been adjusted for pensions as still awaiting year-end report. ▪ End of year pre-FRS102 surplus of £redacted which is £redacted ahead of forecast. <ul style="list-style-type: none"> ○ Total income is £redacted ahead of forecast due to bad debt (both rental and non-rental) performance, extra adaption grant income, other grant income but offset by less rechargeable repairs income. ○ Programmed Expenditure was £redacted under forecast once adjusted for CAPEX. Head of Asset Management will present year end Property report at the next meeting. ○ Within overheads, £redacted underspend due to: <ul style="list-style-type: none"> ▪ Tenant participation – sustainability activities, website work postponed. 	Note

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	<ul style="list-style-type: none"> ▪ Employment – apprentice forecasted but not recruited. ▪ IT – mainly consultancy for Rubixx due to delay in go-live and Cyber Essentials Plus Accreditation (Kick). ▪ Legal and consultancy – EWI consultancy. ▪ Melville remains in a strong position in terms of cash and covenants. ▪ Each quarter, under FRS102, we restate liability based on market valuations provided by RBS and recognise any change in value in the statement of comprehensive income. During the year, the SWAP liability value decreased by £redacted resulting in a positive adjustment. This is an accounting adjustment only and has no cash impact. ▪ Following the completion of the Oakwood Edge development, the SOCI for the £redacted grant has also been adjusted. ▪ As in previous years, a review of stock carrying value has been conducted, concluding that our carrying values are reasonable. ▪ IDL reports a full year operating surplus of £redacted compared to a forecasted surplus of £redacted. Positive variances arose on bad debts and voids. The IDL Board agreed that this £redacted will be covenanted to MHA and this is recorded in these results and those of IDL. <p><u>Draft Financial Statements</u></p>	
5.2	<p><u>Noted</u> that on the draft financial statements, the Depute CEO highlighted the following:</p> <ul style="list-style-type: none"> ▪ Slight delay to draft financial statements due to final account for Name redacted. Will be ready by Tuesday 20 May. ▪ Request for members to review and respond with any queries, focusing primarily on the Board narratives) by Friday 30 May. 	Note

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	<ul style="list-style-type: none"> ▪ C&T will be starting two weeks of audit fieldwork on Monday (19 May). ▪ As we have not yet received the final pension report for the year from Lothian Pension Fund, all areas in the stats impacted by this are highlighted. These will be updated once we have the figures. 	
5.3	<u>Noted</u> that a question was asked about the recruitment of an apprentice. The Board were assured that this is still something Melville is committed to however the timing up till now hadn't been right.	Note
5.4	<u>Noted</u> that there was a query about Rubixx and whether there were any unforeseen issues give that it had been mentioned a few times. It was explained to members that there had been extra cost due to complexity of data loading however this was now resolved. Reassurance was given that it was an excellent system and a big improvement on the previous one with far greater potential for future development (only in phase 1 currently).	Note
5.5	<u>Noted</u> that a brief discussion took place on Swaps, terms of loans and interest rates, focusing on the complexities and the vagaries of a system that looks at movements over 30 years. There was also a suggestion that it would be helpful to look at the housing market in Midlothian over the past 12 months in order to help with valuation process.	Note KD Action
5.6	John Dalley volunteered to look at the accounts while the Board <u>noted</u> the contents of the report and <u>approved</u> the carrying values.	Note/ approve
6.	FIVE YEAR FINANCIAL PROJECTIONS	
6.1	<u>Noted</u> that the Depute CEO gave the update on the five year financial projections (FYFP) to 2030, explaining that: <ul style="list-style-type: none"> ▪ These need to be submitted to SHR by end of May. ▪ The key assumptions remain the same as those presented to the Board in January but the potential additional units at name redacted have been 	Note

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	<p>reduced from 16 to 8 following (ongoing) discussions with name redacted.</p> <ul style="list-style-type: none"> This has impacted the loan requirements going forward increasing 30 year cash by £redacted. 	
6.2	<u>Noted</u> that there was a brief discussion on how grant funding figures were presented, however there was no agreement on this.	Note
6.3	Board <u>noted</u> the contents of the report and <u>approved</u> the figures for submitting to the SHR.	Note/ Approve
7.	2024/25 ARC Submission	
7.1	<u>Noted</u> that the Depute CEO presented the ARC report, explaining that the Board are asked to note the contents of the report and approve Melville's ARC figures for submission.	Note
7.2	<u>Noted</u> that there was one point raised for Board to consider. Repairs satisfaction can be measured in one of two ways. The figure from the recently completed tenant satisfaction survey is 80.83% (in ARC) whereas figure provided by contractors is 96.3%. Board were asked which figure they would rather see submitted. The Board discussed before concluding that they were happy to delegate the decision to the SMT.	Note
7.3	<u>Noted</u> that a brief discussion took place around Rubixx and the ARC. Staff agreed that there had been some impact following its introduction but that it hadn't been too disruptive.	Note
7.4	The Board <u>noted</u> the contents of this report, congratulated staff on a good set of figures and <u>approved</u> the 2024/25 ARC submission.	Note/ Approve
8.	ANNUAL HEALTH AND SAFETY REPORT	
8.1	<u>Noted</u> that the Head of Asset Management presented the annual health and safety report, highlighting the following:	Note

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	<ul style="list-style-type: none"> ▪ All void and properties on planned maintenance schedule are currently surveyed for asbestos. A review of asbestos management is scheduled for August. ▪ No incidents reported at recently completed Oak Place project. ▪ Damp and mould management is a continued priority with an increasing focus at UK and Scottish government level and new ARC measurements introduced. To meet these new standards, MHA is using Rubixx to record all cases, preparing for the first Charter submission in April 2026. ▪ 100% compliance on Electrical Installation Condition Reports (EICR). Also now have in place a maintenance programme to ensure ongoing adherence. ▪ 100% gas safety compliance for the third consecutive year. ▪ All of the above demonstrates an ongoing commitment to the safety of tenants, staff and contractors. 	
8.2	<p><u>Noted</u> that a discussion took place about lock ups and garages in relation to asbestos, overall maintenance and upkeep and general role. The Board were assured that any garage asbestos Melville is made aware of would be labelled and that contractors would survey ahead of any repairs however it was agreed that this would be looked at as part of the review later in the year, as well as any budget implications. It was also agreed that the future of lock ups and garage plots be looked at again, including possible alternative uses to reduce risk and enhance areas.</p>	Note
8.3	<p><u>Noted</u> that a question was asked about recording pollution incidents, such as the environmental impact of fuel spills. Head of Asset Management said that this should be covered under COSHH, however would raise with contractors and consider including in monthly reports.</p>	Note
8.4	<p><u>Noted</u> that the issue of training was raised. All Property Officers are trained but it was suggested Board members</p>	Note

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8.5	could benefit from high level health and safety training. Head of Asset Management said he'd look into this. Board <u>noted</u> the contents of the report.		Note
9.	REGISTERS		
9.1	<u>Noted</u> that the only new entry in any of the registers was a cake from Mobyssoft for arrears performance.		Note
10.	AOCB		
10.1	There was no other competent business discussed at the meeting. All Staff left the meeting at this point.		Information
11.	(CONFIDENTIAL ITEM) ANNUAL PAY REVIEW This item was minuted separately.		
12.	DATE OF NEXT MEETING		
12.1	<u>Noted</u> that the next scheduled meeting of the Board is Wednesday 11 June 2025 at 6pm and that this will be a hybrid meeting.		Note
13.3	Meeting closed at 19.30		Note

Minutes Approved By:

Signature:

11 June 2025