



MINUTE OF THE BOARD MEETING

24 June 2020

Present: N Hicks (Chair); R Hutton (Vice-Chair)
A Clark; S Mills; A Scott; C Tait; M Trant
C Ironside (Secretary)

In attendance: C Hughes, A Hay, K Miller

Observers D Duff; G Kitchener; W McLeod (Association Members)

Apologies: S Brydon; F Roslewski

The Chair welcomed 3 Association members who were attending the meeting as observers.

Due to the current lockdown situation, this meeting was held 'virtually' with all Board members and staff present accessing the meeting remotely.

Prior to commencement of the meeting, N Hicks reiterated that in the current situation staff will not always be able to comply strictly with approved policies and procedures. Board members agreed that this was inevitable under current circumstances.

ACTION

1 Apologies for Absence

Apologies were received from S Brydon and F Roslewski

2 Declarations of Interest

N Hicks – Board member and treasurer of The Action Group, and member of SHAPS Pensions Employers Committee
R Hutton – Employee of Port of Leith Housing Association.
C Tait – tenant of Manor Estates Housing Association
S Mills – employee of Changeworks

3 Risk Management Issues / Health & Safety Issues / Notifiable Events

Outstanding Notifiable Event

Ref 1003264 - citation re court action, referred to insurer. No update.

4 Minutes of the Board meeting held on 27 May 2020

Members noted that the information referred to as appended to the minute was not included. It was agreed that the correct version of the minute be posted on BoardBookit and that members would email the Chair to confirm their approval or otherwise of the minute.

CH

5 Matters Arising

None

6 Board Actions

▪ Adult and Child Protection Policy

C Hughes confirmed that procedures have been developed. Housing Management staff have participated in initial training and this is now being rolled out to Property Services staff. The intention is to arrange further training and include contractors in this, however this may not be immediate.

▪ Board Training with ARCHIE Members

C Ironside confirmed that the most recent ARCHIE meeting had focused on recovery plans and there had been no opportunity to discuss training. There is a further meeting arranged on 20 July and it is hoped the matter can be discussed then, however this may be dependent on any further developments regarding the current pandemic. C Ironside confirmed that there is a willingness amongst ARCHIE members for joint training to take place.

7 Minutes of Sub Committee or Subsidiary Meetings

7(i) Audit Committee 17 June 2020

A Clark (Chair of Audit Committee) advised members that the main issue considered at the meeting was the statutory financial statement and that these had been approved by the Audit Committee.

Members had also reviewed the Management Letter from Scott Moncrieff, which noted how smoothly the virtual audit had been that the only points raised were minor. He further confirmed that only minor changes had been recommended in respect of the Letter or Representation.

K Miller confirmed that the external auditor is now part of a larger group and formal name is Scott Moncrieff Audit Services.

A Clark confirmed that the Audit Committee had also considered a report on Activity Analysis and supported the proposal to increase the management charge to MEAL.

7(ii) MEAL Board 18 June 2020

C Ironside advised that MEAL Board members had approved the accounts, Management Letter and Letter of Representation. Members had noted that the audit was clean and thanked staff for their work in achieving this.

MEAL Board members also had detailed discussion on the KPIs in light of the current situation and its impact on arrears and voids.

MEAL Board Members approved the proposed increase in the management charge. K Miller confirmed that this would result in a reduction of the amount of surplus that would be passed to MEHA, however the amount of £17,852 will be transferred as Gift Aid this year.

8 Matters for Approval / Decision

8(i) Five Year Financial Returns to SHR – Updated Guidance

K Miller advised members that the SHR has delayed the deadline for submission of the five-year financial return to enable organisations to update projections to take account of the current pandemic situation.

K Miller confirmed that the Association is proposing to revise the five-year plan, taking account of changes to loss of rental income due to voids; reduction in regular payments to contractors; bad debt provision in respect of non-payment by both tenants and owners; potential delay in planned maintenance works; bad debt provision for MEAL; furloughed staff, potential reductions in retirement housing service charges; office costs; and budgeted property sales.

K Miller confirmed that the scenarios previously presented to Board will still apply and that staff will be working to quantify exactly what the positive and negative impacts will be on the five-year projections.

SMT

In response to a member, K Miller agreed that the anticipated timescale for the recovery of the planned maintenance programme should be increased from 3 to 5 years (max).

KM

K Miller advised that a detailed report would be presented to the Board in August, following discussion with the Chair, Vice Chair and Chair of the Audit Committee.

KM

Following discussion, members approved the report.

8(ii) Audited Accounts

K Miller confirmed that the results of the audit, the audited accounts, letter of representation and the Audit Management report had been considered by the Audit Committee on 17 June 2020 and are presented here for approval by the full Board.

K Miller asked members to note that the Report of the Board includes a significant amount of information regarding the Association's achievements and that this requires to be signed by C Ironside. She further advised that the accounts also require to be approved by the Board, signed by the Chair and Vice Chair and subsequently submitted for signature by Scott Moncrieff.

N Hicks reminded members that although documents are signed by individuals, this is on behalf of all members of the Board and as trustees they have a collective responsibility for the matters being approved.

K Miller outlined that the surplus of £1.5 million will be reserved for future investment in the Association's properties through the planned maintenance programme. She highlighted that the notes on pages 12 and 13 confirm the Association's financial position.

K Miller drew members' attention to Appendix 2, which is the letter to the Auditor confirming that nothing has occurred that has not previously been divulged to them; and to Appendix 3 which is the report from the Auditor confirming that they have nothing material to raise in respect of the accounts.

N Hicks commented that, in view of how well the virtual audit had gone, it should be suggested to the Auditor that this should be the approach in future years.

Following discussion, members approved the Audited Accounts, proposed by Andrew Clark and seconded by R Hutton.

N Hicks congratulated K Miller on the conduct of the audit and expressed thanks to all staff involved.

8(iii) Regulatory Standards 5, 6 and 7

C Hughes introduced the report that had been circulated previously, asking members to note that it is likely that the SHR will not require the annual assurance statement to be submitted in October, due to the current pandemic situation.

In response to a question from a member regarding the equalities section in Standard 5, C Hughes confirmed that this section applies to all standards. She advised members that the SHR is due to publish guidance on their expectations regarding equalities issues, however there is no indication as to when this will be available.

C Ironside confirmed that the Equalities Policy is due to be reviewed by March 2021, in accordance with the agreed policy review programme.

Members approved the reviews of Regulatory Standards 5, 6 and 7. They agreed that a detailed review of Standards 1 and 6 should be carried out during 2020/21 and that this should be considered at an Away Day.

CH/CI

8(iv) AGM Arrangements

C Ironside introduced the report and advised members that while current rules do not permit the holding of a virtual AGM, these are likely to be superseded by legislation currently in progress. Members were being asked to consider whether to proceed with a virtual AGM on the original date of 9 September, or to seek to hold a physical meeting later in September.

Following discussion, Board members agreed that a letter be issued to all members seeking their views on this issue.

CI

N Hicks advised members that S Brydon has intimated that she will be resigning from the Board at the AGM.

N Hicks advised members that one-third of members are required to retire on the occasion of the AGM, however they can stand for re-election if they wish to. The members who are to retire are those who have the longest service since they were last elected.

N Hicks confirmed that following 9 years' service, C Tait will be retiring from the Board and will not be seeking re-election. In accordance with SHR regulations, members have to retire after 9 years unless they seek approval from the Board to continue. He further confirmed that both he and R Hutton would also be retiring at the AGM and both would be seeking re-election.

N Hicks confirmed that he would be standing down as Chair.

8(v) Model Rules

C Ironside introduced the report that had been circulated previously, highlighting that for Association members to approve the Rules a Special General Meeting would require to be held. It is proposed that this should be held immediately after the AGM.

In response to a suggestion that members' approval to the rule changes should be sought by writing to them, C Hughes confirmed that it is a requirement that a meeting be held.

Board members agreed to recommend approval of the new Model Rules to the Association's membership at a Special General Meeting, including recommendation that the 3 optional changes should not be adopted.

8(vi) SHR Financial Return – Loan Portfolio

K Miller confirmed that this return has to be submitted to SHR on an annual basis, the deadline for submission being end July 2020.

Members approved the return, proposed by A Clark and seconded by A Scott.

9 Matters for Information

9(i) SMT Report

Members noted the report.

10 Any Other Competent Business

i) Request for Leave of Absence

C Ironside advised members that F Roslewski had requested special leave of absence until around September, noting that if he does not attend the August meeting he will have missed 4 meetings in a row. Following discussion, C Ironside agreed to contact him again to confirm that he had been granted special leave of absence up until the AGM

ii) Voids and Allocations

A Hay and C Hughes outlined the position regarding voids and allocations, noting that the current situation has had a significant impact on both void repairs and allocations. The void rent loss to end May amounts to £8,608.

A Hay confirmed that work on voids is now being carried out, with a number now complete and passed to Housing Management for allocation. C Hughes confirmed that staff will be carrying out sign-ups in the next few days and that advertising of properties is due to commence shortly.

C Ironside confirmed that a detailed report on this issue and arrears would be submitted to Board in August.

Members noted the position.

Those attending as observers left the meeting, prior to consideration of the next item.

iii) Potential Board Members

Following discussion, it was agreed that if those members who had attended the meeting were still interested in joining the Board, they should seek nomination for election at the AGM.

C Ironside confirmed that the Association would shortly be advertising for Board members. Following concerns raised regarding the proportion of male

members of the Board, it was agreed that we would be mindful of the mix when looking for new Board members.

11 Date and time of next meeting: Wednesday 26 August 2020 at 5.30 p.m.

The meeting closed at 6.55 p.m.