



**Minutes of Berwickshire Housing Association Limited
Trustee Meeting
Tuesday, 19 May 2020 at 6.30 P.M.
via Zoom Video Conference Call**

Summary of Key Decisions and Actions

| Item No. | Subject | Action to be taken | Action to be taken by | Date Action to be taken by |
|-----------------|-----------------------------------|--|--|-----------------------------------|
| 5 | Target Setting – BHA BEST | Introduce new targets to BEST | Operations Director | 31/05/20 |
| 5 | Target Setting – BHA BEST | Review Targets | Operations Director | 30/11/20 |
| 5 | Target Setting – BHA BEST | Update and define all outstanding targets | Property Director | 21/7/2020 |
| 6 | Chief Executive’s Report | Monitor cash flow and development costs and update Board on changes at June meeting | Finance Director/ Property Director | 23/06/20 |
| 9 | Quarter 4 write off report | Ensure the year to date write offs against budget are included in the report – alongside comparative stats from previous years | Operations Director | 30/06/20 |
| 10 | Policies for Renewal | Extend deadline for Payments and Benefit policy | Resources Director | 18/08/20 |
| 12 | Risk Report | Update risks to categorise as ‘Major Incidents’ | Chief Executive | 31/05/20 |
| 13 | Governance Report | Ensure new model rules are adopted by AGM 2020 | Resources Director | 14/09/20 |
| 14 | Update from Convener | Arrange new trustee induction | Chief Executive | 15/06/20 |
| 16 | AOCB | Get funding application approved and then submit | Operations Director | 31/05/20 |
| 16 | AOCB | Arrange the ARC data validation exercise | Operations Director | 15/06/20 |



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Present:

Jim McDevitt (Convener)
Viv Cockburn (Vice-Convener)
Scott Holmes (Vice-Convener)
Anne Rutherford
Graeme MacLeod
Susie McCosh
Paul Matthews
Norrie McPhail

In Attendance:

Helen Forsyth, Chief Executive
John Bain, Resources Director
Eleanor Rooke, Finance Director
Dan Blake, Operations Director
Colin Turner, Minute Taker

| Item No. | Agenda Item | Minute | Action | Action By | Action to be completed by |
|----------|-------------------------------------|---|--------|-----------|---------------------------|
| 1 | Apologies | Sean Dickson, Lynn Gray | | | |
| 2 | Declarations of Interest | Norrie MacPhail declared his interest in BHA Enterprise. | | | |
| 3 | Minutes of previous meetings | <p>The Board approved the minutes of the following meetings as a true record to be signed by The Convener at a relevant time:</p> <p>3.1 BHA Board meeting 31 March 2020 3.2 Written Resolution 9 April 2020 3.3 BHA Board meeting 16 April 2020</p> <p>Matters arising:</p> <p>3.1.1 Facilitated working groups from tenant satisfaction survey not yet convened due to COVID 19 restrictions. 3.1.2 Chief Executive’s Recruitment – covered in Item 14</p> | | | |

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| | | 3.1.3 Board appraisals - six have been completed with remaining two scheduled | | | |
| 4 | Review of the Business plan due to COVID 19 | <p>The Chief Executive invited questions on the amendments proposed to the business plan due to the COVID 19 pandemic noting that the Active H upgrade was progressing as planned and was not being delayed due to COVID 19 constraints.</p> <p>Energy Efficiency Standard for Social Housing (ESSH) – It was confirmed that it was unlikely that the sector could complete the works required to meet ESSH by the deadline of 31 December 2020 due to the inability to carry out these works due to the COVID 19 restrictions. The Scottish Housing Regulator (SHR) has already confirmed delays for other returns that were due and it was likely that a similar delay would be required for ESSH.</p> <p>The Board noted the changes being made to the Business Plan</p> | | | |
| 5 | Target Setting – BHA BEST | <p>The Operations Director reported that the Operations Committee had reviewed the process of target setting at its meeting and noted the requirement to exercise caution in light of Covid-19 impacts as we emerge and re-commence all services. Board approved the targets set on the basis that they would be reviewed in November 2020.</p> <p>The Board queried the decline in performance on Value for Money (Inds). The Operations Director explained that this survey had been answered by nearly three times more respondents than the last two years and this was likely to explain the decline in satisfaction rather than the actual trend.</p> <p>The gross rent arrears figure had been calculated in</p> | <p>Introduce new targets to BEST</p> <p>Review Targets</p> | <p>Operations Director</p> <p>Operations Director</p> | <p>31/05/20</p> <p>30/11/20</p> |

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| | | <p>accordance with the SHR technical guidance and this is a compliant figure including FT arrears and reinstated write offs from previous performance year. The Operations Director has spoken to BHA's regulation officer and alerted them to the fact that there was an error in the calculation of previous returns.</p> <p>It was noted that void times are too long. This is the focus of scrutiny by the BEST group resulting in work being done to improve the operational management of our voids process. Voids processing features early within the process mapping BT programme strand.</p> <p>The targets that are marked as still to be confirmed are being reviewed currently and will be provided within next report to Board.</p> <p>The Board approved the new targets that had been set acknowledging that they would be reviewed in November 2020.</p> | Update and define all outstanding targets | Property Director | 21/7/2020 |
| 6 | Chief Executive's Report | <p>The Chief Executive reported that the focus of work has changed due to COVID 19 with more work being done with other agencies and around social isolation and tenancy support. The lottery funded BeFriend project has been interviewed by ITV and has special mention from its funders as excellent practice.</p> <p>The key projects forming Business Transformation were summarised. It was clarified that the digital service being introduced would not replace traditional contact methods but would enhance them.</p> <p>The Chief Executive reported that four staff groups were now working on returning to work during the current pandemic and how this might be achieved. The first reports are due to be submitted to the Leadership Team</p> | Monitor cash flow and development costs and update Board on changes at June meeting | Finance Director/ Property Director | 23/06/20 |

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| | | <p>by 1st June 2020.</p> <p>Paul Matthews queried the statement that contractors would have no grounds to claim for additional costs when returning to work. The Board acknowledged that this was not a feasible way forward as contractors would be working more slowly with social distancing and hygiene requirements combined with the sourcing of materials being an issue.</p> <p>Norrie MacPhail queried the contract clause that would indemnify BHA from loss of rent due to delays as this seemed unfair and not able to be legitimately challenged and would not be prudent to pursue a claim. There is a risk in the event of BHA being subject of a claim for additional costs from a contractor and Scottish Government does not put in place back to back funding to support this. There is also a risk of contractors failing financially.</p> <p>The Finance Director will maintain and monitor cash flow and base any forecasts on more concrete information as it becomes available.</p> <p>It was noted that in some ways the business transformation changes have been aided by COVID 19 pandemic as staff have had to make changes to working practices quickly.</p> <p>The Board noted the report and looked forward to an update at its June meeting.</p> | | | |
| 7 | Quarterly Monitoring Statement | <p>The Finance Director invited questions on the Quarter 4 management accounts.</p> <p>It was also reported that the pension liability calculation had resulted in £1.1m positive movement from the prior</p> | | | |

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| 12 | Risk Report | <p>The Chief Executive reported that following a discussion with Viv Cockburn, the risks that had been identified relating to BREXIT were also relevant to COVID 19 and should be generalised to relate to major incidents.</p> <p>The Board noted the Risk Report.</p> | Update risks to categorise as 'Major Incidents' | Chief Executive | 31/05/20 |
| 13 | Governance Update | <p>It was reported that the Stage 2 complaint had now been concluded and the SPSO had not found BHA's response to be lacking in anyway.</p> <p>The Board reluctantly accepted Sean Dickson's resignation from the Board. The Convener led the Board and Leadership Team in a vote of thanks to Sean for all of his time and commitment whilst on the Board.</p> <p>New model rules – The Resources Director reported that the rules were due for review to align them with the SFHA model rules. The object relating to nursery care and after school provision was discussed and the additional process and tight timescales involved in amending the objects with OSCR. Charitable objects exist as a 'permission' to undertake activities but there is no obligation to carry out those activities.</p> <p>The Board agreed that the new model rules should be adopted with the current objects as they stand but with a review to take place in 12 months time to adjust the objects to reflect the association's activities.</p> <p>The term "Board of Trustees" was to remain in the revised rules.</p> <p>The term "Convener" and "Vice-Convener" were to be replaced with "Chair" and "Vice-Chair".</p> <p>The Board agreed by a majority vote of five to three that</p> | Ensure new model rules are adopted by AGM 2020 | Resources Director | 14/09/20 |

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| | | <p>the number of Board members remains at fifteen.</p> <p>Board remuneration – Whilst possible, no more than 50% of a charitable board can be remunerated. There was no appetite amongst the Board to introduce remuneration in the new rules.</p> <p>The Board approved that the rules of BHA be amended as directed, to adopt the new SFHA model rules</p> | | | |
| 14 | Update from Convener | <p>The Convener reported that Campbell Tickell had been appointed to run the recruitment of the Chief Executive post.</p> <p>Board Away Day – It was agreed that the away day will remain on a weekday.</p> <p>Furlough – The Board delegated authority to the Convener and Vice Conveners group to make decisions on extensions and terms of furlough to the next Board meeting on 23rd June</p> <p>New Board members – The Board felt that given the slow release of lockdown it was sensible to induct the new Trustees via video conference.</p> <p>Jim, Graeme, Anne and Viv volunteered to assist or be buddies and the Chief Executive undertook to get this arranged.</p> | Arrange new trustee induction | Chief Executive | 15/06/20 |
| 15 | Minutes from BHA Committees | <p>The Board homologated the decisions taken at the following Committee meetings:</p> <ol style="list-style-type: none"> 1. Operations Committee - 21 April 2020 2. Audit and Finance Committee – 28 April 2020 | | | |
| 16 | AOCB | 16.1 – The Operations Director reported that Scottish | Get funding | Operations | 31/05/20 |

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| | | <p>Government funding was available to assist with community based support and it was proposed that BHA make a claim for funding to augment the financial inclusion team and also to enable more tenants to be digitally connected. In addition BHA would use funding to bolster support to locally established partners and to advance supports to mental wellbeing across Berwickshire. There was no requirement to match fund and the Leadership Team were confident that management of the additional resource could be accommodated within the existing structure.</p> <p>Final approval would be sought from the Convener group and subject to BHA not breaching state aid allowances.</p> <p>The Board approved the application to be made within these parameters and delegated authority to the Conveners group to approve the final application.</p> <p>16.2 – ARC submission – The Board delegated authority to Norrie MacPhail to represent it on the ARC data validation exercise.</p> | <p>application approved and then submit</p> <p>Arrange the ARC data validation exercise</p> | <p>Director</p> <p>Operations Director</p> | <p>15/06/20</p> |
| 17 | Date of the next meeting | The next meeting will be held on 23 rd June 2020 at 6.30pm | | | |
| 18 | Meeting closed | The meeting ended at 20.16 | | | |