



**Minutes of Berwickshire Housing Association Limited
Board of Directors
Tuesday, 22 September 2020 at 6.30 P.M.
Via Zoom Conference Call Facility**

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	Revised 20/21 Budget and 5 Year Financial Plans	Submit the FYFP to the Regulator	Finance Director	30/09/20
6	Development Strategy	Publish the Development Strategy with agreed amendments	Property Director	30/09/20
6	Development Strategy	Present Duns office upgrade to the Board	Property Director	16/02/21
6	Development Strategy	Include affordability figures in rent comparison table	Operations Director	30/09/20
7	Allia Compliance Certificate	Issue certificate to Allia	Finance Director	25/09/20
8	Policies for Renewal	Create summary and circulate the annual declaration of interest forms to Trustees	Resources Director	15/10/20
8	Policies for Renewal	Publish Codes of Conduct and complete annual declarations of interest process	Resources Director	31/10/20
9	Membership of the Committees, subsidiary boards and working groups	Call Paul Mathews	Chair	30/09/20
9	Membership of the Committees, subsidiary boards and working groups	Contact Company Secretary if interested in H&S representative role	Board Members	31/10/20
11	AOCB	BeFriend options appraisal report	Operations Director	17/11/2020



**Minutes of Berwickshire Housing Association Limited
Board of Directors
Tuesday, 22 September 2020, at 6.30 P.M.
Via Zoom Conference Call Facility**

Present:
 Jim McDevitt
 Scott Holmes
 Viv Cockburn
 Norrie MacPhail
 Paul Matthews
 Graeme MacLeod
 Susie McCosh
 Anne Rutherford
 Stephen Scott
 Hugh Carr

In Attendance:
 Helen Forsyth, Chief Executive
 John Bain, Resources Director
 Dan Blake, Operations Director
 Angela Taylor, Property Director
 Colin Turner, Minute Taker
 Michelle Meldrum, Chief Executive Designate

Item No.	Agenda Item	Minute	Action	Action By	Action to be completed by
		The Chief Executive chaired the meeting.			
1	Apologies	Apologies were received from Sam Hart, John Campbell and Lynn Gray.			
2	Declarations of Interest	Norrie MacPhail declared his interest in BHA Enterprise. Stephen Scott and Hugh Carr declared their interest in Item 10.			
3	Election of Office Bearers	The Chief Executive asked for nominations for the role of Chair. Graeme MacLeod proposed, and Susie McCosh seconded Jim McDevitt and the nomination was unanimously agreed. Jim McDevitt was duly elected Chair of BHA to serve until the next AGM.			

		<p>Taking the Chair, the Chair proposed that the two Vice-Chairs be appointed and asked for nominations. Anne Rutherford nominated, and Scott Holmes seconded, Viv Cockburn and Graeme Macleod. The nominations were unanimously agreed, and Viv Cockburn and Graeme MacLeod were duly appointed Vice-Chairs of BHA to serve until the next AGM.</p> <p>The Chair acknowledged that Scott Holmes had decided not to seek election as an Office Bearer this year and thanked Scott for his support in this role.</p>			
		<p>The Chair welcomed Michelle Meldrum, Chief Executive Designate and introduced Michelle to the Board.</p> <p>The Chair introduced Hugh Carr, one of BHA's newly elected Trustees, to the Board and attendees.</p>			
4	Minutes from Previous Meeting	<p>The minutes of the meeting of 18th August 2020, were accepted by the Board as a true record of the meeting.</p> <p>4.2 Matters Arising:</p> <p>4.2.1 Share Certificates had been issued.</p> <p>4.2.2 The annual accounts corrections had been completed and the accounts had been submitted to the Regulator, Financial Conduct Authority. Submission to the Office of the Scottish Charity Regulator was due by 31st December and would be completed during October.</p> <p>4.2.3 The Self Assurance statement to the Regulator was due by the end of November and the Board would approve this at its November meeting.</p> <p>4.2.4 The Board away day has been postponed until 2021 due to the COVID-19 restrictions.</p> <p>All other actions had been completed or would be dealt with this at this meeting.</p>			

5	Revised 20/21 Budget and 5 Year Financial Plans	<p>The Finance Director introduced the report and referred to the context based on the additional reviews required by the Regulator considering the impact of the COVID-19 pandemic. It was explained that the plan had to be frozen at a point in time to enable submission and that the plan would continue to be reviewed actively as the situation changes.</p> <p>It was recommended that the plan be approved for submission following Item 6 [Development Strategy].</p> <p>Graeme MacLeod queried the planned maintenance assumptions and the Finance Director explained that these were significantly higher than two years ago and previous years before that, as a higher level of investment in properties was needed to meet and maintain standards.</p> <p>The Property Director reported that the two contracts for compliance with ESSH have restarted, and, assuming no further negative impacts with COVID-19, the contractors are confident that they will be substantively completed by 31 March 2021, access issues may reduce numbers. This meets the Housing Minister’s requirement for a robust delivery plan showing intent for compliance beyond the regulatory December 2020 date.</p> <p>Viv Cockburn noted the deterioration in the financial position and understood that the Audit and Finance Committee would look in detail at this with relevant feed in from the Leadership Team.</p> <p>Scott Holmes noted, and the Finance Director confirmed that the lower rent increases being proposed, to reflect tenant hardship during the COVID-19 pandemic would</p>	Submit the FYFP to the Regulator	Finance Director	30/09/20
---	--	--	----------------------------------	------------------	----------

		<p>lead to a shortfall in income. This shortfall would be bridged with existing cash and/or additional borrowing.</p> <p>Following the discussions at Item 6, The Board approved the five-year financial plan for submission to the Regulator.</p>			
6	Development Strategy	<p>The Property Director introduced the report noting that it also included a proposal for the exploration of a site for a new office, with no commitment to relocate, and the outcome of the exploration to be brought back to the Board.</p> <p>The office is part of Business Transformation and it had been agreed to postpone progressing this strand; however, there is an opportunity to explore SBCs planning views regarding one site for the possibility of a new office, to allow the next stage of the office options to be progressed. To prevent delay in the overall design development of the site, this exploration proposal was included in the report.</p> <p>The Board noted that the programme of sites was indicative and subject to change; e.g. since the report was written, the local authority had made changes to its own strategy and the old Eyemouth High School site was now in abeyance.</p> <p>The strategy proposed approximately 50 new units per year for the next five years and also set out the strategy for land banking.</p> <p>The demand for social housing in Berwickshire is evidenced by SBC's Local Housing Strategy. BHA also commissions independent local housing needs assessments and also analyses our own assessments of</p>	<p>Publish the Development Strategy with agreed amendments</p> <p>Present Duns office upgrade to the Board</p> <p>Include affordability figures in rent comparison table</p>	<p>Property Director</p> <p>Property Director</p> <p>Operations Director</p>	<p>30/09/20</p> <p>16/02/21</p> <p>30/09/20</p>

		<p>demand patterns e.g. average of 25-30 bids per property advertised for our recent homes.</p> <p>The Board was directed to the Executive Summary of the “Impact of Social Housing” report further evidencing the need for and wider impact for communities of social housing in Scotland.</p> <p>It was confirmed that the levels of Housing Association Grant (“HAG”) may change in future and any strategy would be revised based on these changes.</p> <p>The Property Director sought the Board’s in principle approval of the strategy and further sought the Board’s consent to investigate the possibility of change of use of a site currently zoned for housing only to mixed use. This is to allow exploration of new office provision as an option for the future office. If SBC Planners advise that this change of use will not be accepted there will be no further action taken.</p> <p>The Board accepted the strategy in principle but Trustees did not agree unanimously that the option to explore the site for a new office should form part of the strategy as no options appraisal had been presented and there were commercial and reputational implications which could put the Association at risk. With the site in question not falling into the indicative plan for a site start until later in 2023/24, it was felt there was enough time now to initiate a full paper on the Duns office to include: costs to repair, alternative sites, alternative uses for Duns site to include cost/ sale price etc as appropriate.</p> <p>With the Board opinion split on whether to include the potential to explore the site for a new office provision within this strategy, the Chair called a vote to consider the</p>			
--	--	--	--	--	--

		<p>counter proposal made to remove this proposal from the strategy.</p> <p>With four votes in favour of the revised proposal and six against the revised proposal was withdrawn, the Development Strategy was then approved as presented.</p> <p>The Leadership Team noted the concerns expressed about a future office and these will be addressed with the arrival of the new Chief Executive.</p> <p>Discussion continued on the Five-Year Financial plan.</p> <p>Responding to an enquiry about the Silver and Gold standards for new build and upgrade of existing stock, the Property Director advised that this will be addressed in the new Asset Management Strategy.</p> <p>It was proposed that an additional row be added to the rent comparison table that would help better compare the affordability of our homes against our own average rents as well as comparing them to the Private Rented sector averages. This was accepted.</p> <p>The Finance Director confirmed that the financial model included capital repayments on borrowing, but it was possible that further funding would be required to repay balance of capital and release encumbrment on properties.</p> <p>Viv Cockburn suggested that in the wider context, a lot of what was being proposed was subject to change as national policies developed and next year's elections could change the levels of funding available.</p>			
--	--	---	--	--	--

		Paul Matthews queried the assumptions made on income against the potential cost of development of new sites and queried if contingencies were included. The Finance Director confirmed that the plans were only based on the next five years and the sites that were in the plans may or may not come on stream and this was a risk that always exists in development.			
7	Allia Compliance Certificate	The Finance Director sought the Board's approval of the compliance certificate. The Board approved the Allia Compliance Certificate. <i>19:55 Susie McCosh left the meeting at this point</i>	Issue certificate to Allia	Finance Director	25/09/20
8	Policies for Renewal	Viv Cockburn noted that the restrictions of benefits on Trustees was not clear in this policy and asked that a covering letter or summary be pulled together clarifying all of the restrictions on entitlements, pay and benefits encumbered by Trustees. The Company Secretary undertook to circulate this with the annual declarations of interest. The Board approved the Codes of Conduct for both Governing Body Members and Staff.	Create summary and circulate the annual declaration of interest forms to Trustees	Resources Director	15/10/20
			Publish Codes of Conduct and complete annual declarations of interest process	Resources Director	31/10/20
9	Membership of the Committees, subsidiary boards and working groups	Following discussion with the Board, the Company Secretary confirmed membership of the committees as follows: <u>Audit and Finance Committee</u> Scott Holmes, Viv Cockburn, Graeme MacLeod, Hugh Carr and Paul Matthews	Call Paul Mathews	Chair	30/09/20

		<p>Paul Matthews indicated that if the Board was happy for him to do so he would stand down from the Audit and Finance Committee. The Chair will discuss this with Paul out with the meeting.</p> <p><u>Operations Committee</u></p> <p>Anne Rutherford, Lynn Gray, Susie McCosh, John Campbell, Stephen Scott and Norrie McPhail</p> <p><u>BHA Enterprise Board</u></p> <p>The Company Secretary confirmed the membership of the BHA Enterprise Board as follows:</p> <p>Richard Atkins, Independent member Jamie Davidson, Independent member Andrew Brough, Independent member Norrie MacPhail, BHA Representative member</p> <p>BHA representative on BCR Board</p> <p>Viv Cockburn</p> <p><u>Working Groups</u></p> <p>Board representation on the Business Transformation Programme Board was confirmed as follows:</p> <p>Graeme MacLeod Paul Mathews</p> <p>Board representation on the contractor dispute working group membership was confirmed as follows:</p> <p>Anne Rutherford</p>			
--	--	--	--	--	--

		<p>Jim McDevitt</p> <p>The Board Health and Safety representative had been vacant, and any interested members are to notify the Company Secretary.</p>	Contact Company Secretary if interested in H&S representative role	Board	31/10/20
10	Governance	<p><i>Stephen Scott and Hugh Carr took no part in item 10.2</i></p> <p>10.1 The Board approved the Membership report</p> <p>10.2 The Board homologated the use of the Association's Seal</p>			
9	Subsidiary Board Minutes	<p>The Board noted the minutes of the following subsidiary Board meetings:</p> <p>9.1 BHA Enterprise – 6 August 2020</p> <p>9.2 BCR Windfarm Partnership – 6 August 2020</p>			
11	AOCB	<ol style="list-style-type: none"> 1. Norrie MacPhail – Advised that the BHA Enterprise Board were developing a paper for the BHA Board to propose BHA Enterprise's future in BHA's future plans with a particular emphasis on potential income generation. 2. The Operations Director reported that an options appraisal for the future of the BeFriend project would be brought to the Board in November 2020 ahead of budget considerations in January 2021. 3. The Operations Director noted that the recently funded Digital Lending library was now beginning to lend devices and it had been recognised as an achievement at a national scale at the SFHA Social Housing Resilience Group, who report into the Scottish Government Ministerial Steering Committee on Covid recovery. 	BeFriend options appraisal report	Operations Director	17/11/2020

		4. The Chair led a heartfelt vote of thanks to Helen Forsyth for her time, energy and dedication as Chief Executive and wished her well in the future.			
12	Date of next meeting	Tuesday 17 th November 2020			
	Meeting closed	The meeting closed at 20:15			