



**Minutes of Berwickshire Housing Association Limited
Board of Directors
Tuesday, 19 January 2021 at 5.45 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	Rent Increase Proposal	Increase the Association's rent and service charges by 2.5%	Operations Director	06/04/2021
6	2021/22 Budget and five-year financial forecast.	Provide update to Board on outcome of Lottery Funding application.	Operations Director	26/01/2021
7	Authorised signatories	Issue signed mandate to Lenders	Finance Director	31/01/2021
8	Land Acquisition	Proceed with purchase of land as agreed	Property Director	18/05/2021
12	Governance Report	Recommend to BHA Enterprise the appointment of John Campbell to join their Board.	Resources Director	29/01/2021
12	Governance Report	Remove members from register as per the report.	Resources Director	12/02/2021



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Present:

Jim McDevitt - Chair
Viv Cockburn – Vice Chair
Graeme MacLeod – Vice Chair
Norrie MacPhail
Paul Matthews
Scott Holmes
Anne Rutherford
Stephen Scott
Hugh Carr
John Campbell

In Attendance:

Michelle Meldrum, Chief Executive
John Bain, Resources Director
Dan Blake, Operations Director
Angela Taylor, Property Director
Eleanor Rooke, Finance Director
Colin Turner, Minute Taker

Item No.	Agenda Item	Minute	Action	Action By	Action to be completed by
2	Apologies	Apologies were received from Sam Hart.			
3	Declarations of Interest	Norrie MacPhail declared his interest in BHA Enterprise.			
4	Minutes from Previous Meeting	The Minutes of the meeting of 17 th November 2020 were approved as a true record of the meeting. The Board unanimously approved the minutes of the meeting. Matters Arising: It was reported that all actions from the previous meeting had either been completed, were on track or would be dealt with at this meeting.			
5	Rent Increase Proposal	The Operations Director reported that the proposal had been to the Audit and Finance Committee and was being	Increase the Association's rent	Operations Director	06/04/2021

		<p>presented to the Board with the Audit and Finance Committee's recommendation to approve it. It had been considered in line with the budget being presented in the next agenda item. After summarising their report, the Operations Director invited questions from the Board.</p> <p>Following questions, the Operations Director clarified the following points:</p> <ol style="list-style-type: none"> 1. The comparison tables were presented for information only to provide a sense of what the sectors position is on proposed increases from other RSLs, it was made clear that these were not yet approved by the RSL Boards. 2. In order to achieve a fuller picture of any trends in rent increases, a comparison of the past ten years data would be more insightful, but difficult to obtain. 3. Any below inflation increase would have a negative impact on the Association's financial forecasts in the future and rent increases must be considered as more than "just for this year". <p>The Board chose to make its final decision on the proposed rent increase after Item 6 – 2021/22 Budget and five-year financial forecast. This was approved following the presentation of the budgetary report at 2.5% from 5th April 2021.</p>	and service charges by 2.5%		
6	2021/22 Budget and five-year financial forecast.	The Finance Director reported that the proposal had been scrutinised by the Audit and Finance Committee in October 2020 and very little had been changed since then with the exception of some minor additions and removal of detail by the Committee. The new lockdown restrictions had delayed significantly the planned works scheduled to be complete by the 31 st March 2021. The Finance Director proposed that an additional report considering	Provide update to Board on outcome of Lottery Funding application.	Operations Director	26/01/2021

		<p>the carry over of the planned maintenance spend, be presented for approval at the Board meeting on 23rd March 2021.</p> <p>The Finance Director clarified that:</p> <ol style="list-style-type: none"> 1. The longer-term business plan will be updated as information from the stock condition survey begins to come in and the Board and Leadership Team discussions around strategic direction and delivery model are agreed. It was anticipated that a more robust and realistic model would be available from 2022/23 onwards. The long-term debt strategy would be determined as part of this process. 2. The budget includes an assumption of receipt of funding for a three-year extension of the Befriend project but the outcome of this would not be known until the week commencing 25th January 2021. 3. RBS was being supportive during the pandemic and understood the effect this is having on covenants. The relationship with RBS remained good and there was no immediate concerns of penalties being levied for any breach of covenants. <p>The Board agreed that the proposed staff pay increase of 0.5% was reasonable. Without any definitive benchmarks in the sector, it was noted that RSL members of Employers in Voluntary Housing (“EVH”) were proposing a salary increase of between 1 and 1.5%.</p> <p>The Befriend Options appraisal paper had been to Audit and Finance Committee prior to the Board meeting in November. At this meeting discussion had taken place around all options, with a favouring towards seeking</p>			
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		<p>continued grant aid and support via Lottery Funding (Option 2). The Audit and Finance Committee had discussed the option to utilise Seton Care legacy funding, should the Lottery bid be unsuccessful, to extend the project beyond May 2021 for a further year to carry out a review of alternative sustainability of the project through partnership working approaches. An update will be provided to the Board within the February CEO update, following the Lottery Funding application decision. Option 2 was approved at Board.</p> <p>The Board resolved that:</p> <ol style="list-style-type: none"> 1. The budget as presented for 2021/22 was approved and noted that a further report detailing the plans and impact of carrying forward planned maintenance spend would be presented at its meeting in March 2021. 2. That the association's rents are increased by 2.5% from April 2021. 3. The Board approved the recommendation to include budgetary provision within the Business plan for Option 2 (subject to Lottery Funding Grant being awarded) of the Befriend Options Appraisal paper. 			
7	Authorised signatories	The Board approved the mandated officers of both RBS and Nationwide facilities and delegated authority to the Chair to sign the mandates.	Issue signed mandate to Lenders	Finance Director	31/01/2021
8	Land Acquisition	Satisfied that the demand for more homes supported the proposal, the Board approved the acquisition of the Springfield Phase 3 site in Duns subject to negotiations with the vendor and receipt of housing association grant ("HAG") from the Scottish Government.	Proceed with purchase of land as agreed	Property Director	18/05/2021

9	Garage Site Disposal Update	The Board noted the update on disposal of garage sites.			
10	[REDACTED]	[REDACTED]			
11	Chief Executive's Report	<p>The Board received the Chief Executive's and noted in particular:</p> <ol style="list-style-type: none"> 1. The changes in the Domestic Abuse Bill and how they might affect BHA and its tenants. 2. Once the procurement process is completed, the survey data analysed and high-level costs produced we will use data and financial projections to inform our property investment needs and the future longer-term financial plan. 			
12	Governance Report	<p>The Resources Director introduced their report and invited questions.</p> <ol style="list-style-type: none"> 1. The Board approved the nomination of John Campbell to join the BHA Enterprise Board. 2. The Board approved the schedule of meetings for the coming year. 3. The Board approved the membership report. 	<p>Recommend to BHA Enterprise the appointment of John Campbell to join their Board.</p> <p>Remove members from register as per the report.</p>	<p>Resources Director</p> <p>Resources Director</p>	<p>29/01/2021</p> <p>12/02/2021</p>
13	BHA Committee Minutes	The Board homologated the decisions made by the Operations Committee on 24th November 2020.			

14	AOCB	<p>1. The Property Director reported that the contractor tender had not yet been issued but was being developed.</p> <p>2. The Chair asked all Board members to use Decision Time to report attendance or apologies.</p>			
15	Date of next meeting	<p>The next Board meeting is scheduled for Tuesday 16th February 2021 at 5.45pm.</p> <p>For note: Board Strategy Session 1 - Tuesday 9th February at 5.30pm</p>			
	Meeting closed	The meeting closed at 7.01pm			