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	<p align="center">Minutes of Berwickshire Housing Association Limited Board of Directors Tuesday, 28 November 2023, at 17:30 Hybrid meeting – in person and via video conference</p>	
PRESENT	IN ATTENDANCE	
<p>In person Jim McDevitt (Chair) Viv Cockburn Elspeth Robertson Karen Featherstone (<i>joined at 17.58</i>)</p>	<p>In person Michelle Meldrum (MM), Chief Executive (CE) Dan Blake (DB), Executive Director – Customer Experience (EDCE) Richard Hukin (RH) Executive Director – Business Support (EDBS) Nikki Allman, Executive Assistant (Minute Taker)</p>	
<p>Via Teams Jordan Manning Claire McMillan Hugh Carr (<i>joined at 17.45</i>) John Urwin John Campbell Anneka Gill (<i>joined 17.38</i>)</p>	<p>Via Teams Joanna Voisey (JV) Head of Assets and Sustainability (HOAS)</p>	
PARA		ACTION
	1. Apologies for Absence	Noting
1	Carolyn Wood, Paul Matthews, and Brian Devlin	
	2. Declarations of Interest	Noting
2	John Campbell declared his interest in BHA Enterprise.	
	3. Minutes of meetings held on the 26th of September 2023 and Matters Arising	Approval
3	Proposed by Viv Cockburn and seconded by John Urwin the Board approved the minutes of the meeting of the 26th of September 2023 as a true record of the meeting.	
4	<p><u>Matters Arising</u> It was reported that all actions which were due for completion by this meeting had been completed.</p> <p>The Vice Chair noted on item 6 - the minutes require amendment to reflect firstly the approval of the Chair of the Board, Jim McDevitt to serve until the next AGM. [1]</p>	Executive Assistant
	4. Options Appraisal – Applin Cross, Coldingham	Approval
5	<p>The options appraisal paper was presented to the Board outlining the two current options available for consideration for the block of four flats. The paper recommends option 2, to disinvest from the property and demolish.</p> <p>The Board discussed the options presented highlighting some key areas for further consideration.</p>	

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Following a question from the Board seeking clarification on why would BHA build on the land when the soil is problematic? The HOAS advised it would be difficult to build on the site owing to the ground conditions and it is anticipated the piling would prove costly, should BHA explore redevelopment as an option. However, the site is in an extremely attractive spot within Coldingham and demand for homes is strong. Further exploration of this option would be required to ascertain whether it was a feasible future option or not and the outcome of that would depend on a number of factors at the time of consideration.

(Anneka Gill joined the meeting 17.38)

Advising the Board of the costs related to retaining the homes, Langmuir & Hay (Quantity Surveyors) have provided a cost report for the properties to have a 30-year lifespan. This would be an approximate **Section 33 (1)(b) commercial interest and the economy**. It is further advised these costs are already subject to a 9.7% uplift and allows for a 20% contingency, indicating a risk to additional costs upon works commencing. The costs do not include works that would need to be carried out to bring the properties up to a lettable standard.

The Board asked would BHA be able to sell the land to a private developer? The HOAS explained at this stage there has been no exploration into an open market sale via a land agent, although a private land sale could be an option, should the Board choose to take this option.

The Board sought confirmation if BHA have any borrowing or security against the properties, the EDBS confirmed none of the properties are currently included for this purpose.

The EDCE clarified the household profile and circumstances of existing residents including any specific vulnerabilities. The EDCE advised that the private landlord has served notice on their tenant, who has in turn applied to BHA for a home through our choice-based lettings system.

(Hugh Carr joined the meeting at 17.45)

Members presented additional questions relating to the current safety of the properties and enquired whether there any immediate concerns relating to having to decant tenants. The HOAS provided assurance that this question had been asked of the Structural Engineer and it had been confirmed that there were no immediate concerns of this nature, however, it was noted that the building is displaying signs of distress, and a temporary solution has been put in place to prop some lintels until a decision is made about the longer-term solution. Whilst there were no immediate concerns the decision on our next steps cannot be delayed for too long, on the advice of the engineer.

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6	The Board, given the costs and information provided, agreed that further analysis should be presented including more financial analysis on all options.	
7	RESOLVED that the Board: a) The Board agreed to postpone any decision until the February 2024 Board meeting, for the HOAS to provide further costings and market analysis. [2]	HOAS
5. Due Diligence Requirements		Approval
8	The Chair presented the report following feedback received from Board Members, which has been used to assist in tailoring the scope of the proposed due diligence checklists relating to financial, legal and property matters.	
9	The Board complimented both the CE & Vice Chair on the exemplary compilation of the report given this is a critical part of BHA's decision making process relating to the strategic partnership.	
10	RESOLVED that the Board: a) Approved the scope of the due diligence should the partnership discussions proceed to the next stage. b) Delegated approval to the Project Board (The Chair, Vice Chair, Chair of the Operations Committee, Chair of the Risk & Assurance Committee) to agree which providers would be approached following initial discussions undertaken by the CE and Vice Chair and approval of the parties to be invited to tender by the Project Board. [3]	CE/EDBS
6. Chief Executives Report		Noting

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<p>11</p>	<p>The CE presented the report and invited questions.</p> <p>A Board member stressed their concerns given the continued delays with Adston from both parties' solicitors, given there is no clear noteworthy progress in the last 12-month period. The EDBS continues to pursue BTO to secure some progress with an aim to start works. [4]</p> <p><i>(Karen Featherstone joined at 17.58)</i></p> <p>The Vice-Chair questioned as a charity, currently facing financial challenges is the current decision not to apply for losses and damages (LADS) with Springfield for the rent loss of Section 33 (1)(b) commercial interest and the economy the best option, given that they may have insurance to cover these costs, having been transferred the risk from BHA. [5]</p> <p>The CE responded that this is a very unfortunate and uncontrollable situation with a well-established and highly recommended developer with the rationale being proportionate, with Springfield already burdening the cost for the alternative installation of the sprinkler system.</p> <p>Having established a firm partnership with Springfield alongside a comprehensive contingency plan for the timely installation of the sprinklers, the thinking behind the decision was based upon Springfield successfully implementing their contingency plan within the agreed timescales, which is currently on track. However, should this timeframe lapse, or BHA have any other cause for concern, the Executive Team would review the position and update the Board.</p> <p>In addition, The HOAS suggested it was unlikely that their insurance would cover these losses.</p>	<p>EDBS</p> <p>CE</p>
<p>12</p>	<p>Following further clarification from a Board Member on how the risk can be mitigated in future new developments for reductions in water pressure, during, upon completion or even in the future following new development construction.</p> <p>The CE advised this is a valid point and is a risk and suggested additional control and guidance is required from Scottish Government.</p>	
<p>13</p>	<p>The HOAS confirmed to the Board that a service regime will be in place for the new sprinkler system installations.</p>	
<p>14</p>	<p>The HOAS advised that there continues to be no major concerns with works progressing on the non-traditional properties requiring investigation with disruptive surveys.</p>	
<p>15</p>	<p>RESOLVED that the Board:</p> <p>a) Noted the Chief Executives Report</p>	

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	7. Edgar Road – Current Position and Next Steps	Discussion and Direction
16	<p>The CE presented the Board with an update on the current position at Edgar Road and the proposal from Gordon and Westruther Community Council (GWCC), supported by South of Scotland Community Housing (SOSCH) relating to community ownership. Following a recent meeting, the CE advised that SOSCH were not aware of the full extent of the issues with the homes, and they have been provided with the full engineer’s structural reports.</p> <p>SOSCH are currently carrying out a demand analysis and they agreed to share their findings once the analysis was concluded.</p> <p>The CE concluded that BHA’s main priority in the coming months will be on the health & safety of the site. The empty homes have undergone a comprehensive onsite dynamic health and safety risk assessment, resulting in necessary measures to enclose and secure the surrounding areas of the vacant homes. Furthermore, weekly inspections are carried out by BHA’s Asset Team to uphold the site’s safety and prevent any unauthorised access.</p>	
17	The Board reviewed and discussed the proposal from GWCC and will await any further progress.	
18	<p>RESOLVED that the Board:</p> <p>a) Noted the Chief Executives Report</p>	
	8. Q2 Reports	Information and noting
19	<p>Delivery Plan (Q2)</p> <p>The CE presented report advising the deferred objectives had been updated given the ongoing strategic partnership discussions, these objectives are not high risk and invited feedback and discussion. The overall suite of objectives will be reviewed for the 2024-25 year.</p> <p>The Vice-Chair sought assurance on the progress on Cyber Essentials Plus. The EDBS advised work is progressing with some elements being accelerated.</p>	
20	<p>RESOLVED that the Board:</p> <p>a) Noted the Delivery Report</p>	
21	<p>Finance Report (Q2)</p> <p>The EDBS presented report and invited discussion.</p> <p>The Vice-Chair queried the Net Zero Grant Heating works funds being listed as capitalised but is also listed within the income. The EDBS advised that he is currently looking to clarify this matter with the auditors and will report back. [6]</p>	EDBS
22	Confirmation was sought on how realistic it is to spend the capital works budget by the year end The HOAS advised that the programme	

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	<p>does remain behind the forecasted cashflow however, the kitchen and bathroom tender is progressing.</p> <p>The HOAS assured the Board that the programme and budget will be monitored at forecast 3, in line with previous reporting on delivering the works towards the end of the financial year.</p>	
23	<p>RESOLVED that the Board:</p> <p>a) Noted the Finance Report</p>	
24	<p>Treasury Report (Q2)</p> <p>The EDBS presented the report advising there had been no significant treasury events since the last Board report and invited questions.</p> <p>The Board noted the rising costs in insurance, affecting the sector in general. The EDBS advised that the insurance renewal is due in April 2024 and rates are expected to increase further in the next financial year, which does raise concern.</p>	
25	<p>RESOLVED that the Board:</p> <p>a) Noted the Treasury Report</p>	
26	<p>Governance Report (Q2)</p> <p>The EDBS presented the report and advised on item 10 which required homologation by the Board.</p> <p>The EDBS reported to the Board that a new Salary Sacrifice Scheme for EV (Electric Vehicle) vehicles has been introduced to BHA colleagues through Pike and Bambridge. Some of the vehicles are leased through Lex Leasing whose requirements are, given the Chair and Vice Chair are named on the mutual register, a signatory is required, along with evidence that the Association has Standing Orders in place, as agreed by Board.</p> <p>The Board are therefore advised that the Chair has signed the document to provide delegated authority to the EDBS as Company Secretary.</p>	
27	<p>Following the cyber-attack on the 15th of November, The EDBS updated the Board on the responses from the Information Commissioners Office (ICO) and the Scottish Housing Regulator (SHR) that no enforcement action is to take place and the notifiable event is now closed.</p>	
28	<p>RESOLVED that the Board:</p> <p>a) Homologated item 10 – Signed Document for Lex Leasing and use of the company seal for the new Board member share certificates.</p>	
29	<p>Customer Report (Q2)</p> <p>The EDCE updated the Board on the conclusion of the rent consultation and a paper will be presented to the January Board meeting.</p>	

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	<p>The Board sought assurance in relation to the drop in performance across key areas of customer satisfaction and felt this was an issue when reporting information to key stakeholders. The EDCE advised the reduction is due to a change in methodology to capture customer satisfaction, specifically ARC (Annual Return on the Charter) using CX Feedback, which was launched in Q2. The previous method used was via telephone and it is widely accepted that satisfaction is lower when using the digital method compared to telephone.</p> <p>A member raised a query about the timeliness of surveys following a completed repair. The EDCE responded that the survey exclusively targets customers through SMS Text messages only within one week of the repair being completed.</p> <p>It was also highlighted that a high volume of the responses falls within the “neither/nor” category, which also would provide an explanation to the downward trend.</p> <p>The EDCE is confident that the performance will improve by the year end reporting, although it is anticipated the figures will not reach the same percentages as last year. It should be noted that a key element of the surveys is to be able to analyse emerging themes from customers and target specific issues or households. This feedback is being used to support service improvements.</p> <p>The EDCE noted the Boards concern and will continue to monitor performance and explore benchmarking with Housemark and other respected RSL’s using the same methodology. Should a downward trend continue, there could be the opportunity to revisit and carry out a telephone-based survey and face to face surveys alongside the digital method.</p>	
30	<p>RESOLVED that the Board: a) Noted the Customer Report</p>	
31	<p>Repairs & Asset Report (Q2) The HOAS presented the report updating the Board on the outstanding gas fail, which has now been scheduled for the 4th of December alongside all other outstanding works for this address.</p> <p>The Board were also updated on the Kitchen and Bathroom tender which has been returned with three submissions. The tenders are currently being reviewed and will require board approval out with of the board meeting cycle by written resolution. [7]</p>	HOAS
32	<p>The HOAS responded to questions relating to the Consilium contract which is due at the end of August 2024. A discussion paper will be presented to the Operations Committee outlining the options for proceeding.</p>	
33	<p>Following a request from the Board an updated Compliance Action Plan should be distributed onto Decision Time for reference. [8]</p>	HOAS
34	<p>RESOLVED that the Board:</p>	

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	a) Noted the Repairs and Assets Report	
35	<p>Write Off Report (Q2) The EDCE presented the report providing information on the former and current debts and sought approval from the Board for the write off one value of Section 33 (1)(b) commercial interest and the economy. The write off for Q2 is unusually high due to the two larger rechargeable write offs.</p> <p>It does highlight the continued importance of the Customer Connect visits by Neighbourhood Managers to be entering homes on a more frequent basis to check on any alterations made by customers.</p>	
36	Following a suggestion from the Board to inform Credit Reference Agencies to flag up any future request to obtain credit. The EDCE confirmed that under the Data Retention Schedule details are kept on our files for a period of six year and should individuals attempt to re-apply for social housing within the region, this would be flagged by the Association.	
37	<p>RESOLVED that the Board:</p> <ul style="list-style-type: none"> a) Noted the write off report Section 33 (1)(b) commercial interest and the economy c) Approved write off for the remainder of all the values as provided in Appendix 1. 	
	9. Tender Acceptances	Noting
38	<p>The HOAS provided a verbal update on the Warmworks contract following conversations with Scottish Government.</p> <p>The contract with Warmworks was to supply & fit 131 Air Source Heat Pumps to our properties. This has been challenging due to a lack of uptake from customers. Therefore, a change proposal was submitted to Scottish Government and subsequently despite early reservations this has been approved to proceed by Scottish Government. The HOAS clarified that the budgets would remain unaltered, but the project will be re-shaped using solar PV and battery technology to a reduced number of homes. [9] a Briefing Note will be circulated post Board for information.</p>	HOAS
39	<p>RESOLVED that the Board:</p> <ul style="list-style-type: none"> a) Noted the verbal update on the Warmworks contract. b) Noted the Written Resolution for the tender approval for the Window & Door replacement program 2023 to CR Smith. 	
	10. Policies for Renewal	
40	There were no policies for renewal	
	11. Subsidiary Board Meetings	Noting
41	<p>The Board noted the following:</p> <ul style="list-style-type: none"> a) BCR Partnership Board Meeting (26th October 2023) b) BHA Enterprise Meeting (26th October 2023) 	
	12. BHA Committee Meetings	Homologation
42	The Board homologated the following:	

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	a) Risk & Assurance Committee Meeting (17 th October 2023) b) Operations Committee Meeting (31 st October 2023)	
	13. Any other Competent Business	
43	The Chair of the Risk & Assurance Committee clarified the attendance of the BHA Chair to the Committee meetings. It was agreed that the BHA Chair would only attend upon invitation by the Committee and was confident with the minutes are circulated and any issues can be addressed with the Chair of the committee.	
	Date of next meeting 23rd January 2023 at 17:30	
The meeting closed at 19.17		
Signed:	(Chair)	Date:

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BHA BOARD ACTION LOG

Item	DETAILS	RESPONSIBILITY	TARGET COMPLETION	STATUS
23/05/23-02	Item 11 – Health and Safety Relaunch: Additional information requested to be included in Board report template and review the Risk and Assurance template to ensure this aligns.	HOAS	26/09/23, 28/11/23	Completed
23/05/23-05	Item 16 – Annual Report of the Chair of Risk and Assurance: Committee report written by the chair would be presented annually in May and will be added to the governance calendar and agenda.	EDBS	06/02/24	Completed
23/05/23-07	Item 18 – Policies for review: Internal audit review of financial regulations would be considered for the programme next year to ensure key aspects of the regulations are included.	EDBS	Apr-24	In progress
19/09/23-04	Item 5 – BHA Board Succession Plan and Skills Report: Data within the skills report to be anonymised in future.	EDBS	Aug-24	In Progress
28/11/23-01	Item 3 – Minutes of meeting held on 26th September: Amend wording in item 6	EA	IMMEDIATE	Completed
28/11/23-02	Item 4 – Options Appraisal – Applin Cross, Coldingham : Provide further report with detailed costings and market analysis for all options	HOAS	Feb-2024	In Progress
28/11/23-03	Item 5 – Due Diligence Requirements: Progress and draft priority list of suitable organisations to approach for initial discussions to take place.	CE/EDBS	Jan-24	Not applicable
28/11/23-04	Item 6 – Chief Executives Report: Pursue BTO to gain some progress on current situation with Adston.	EDBS	Jan-24	In Progress - BTO continue to chase Womble Bond Dickinson for a response to email back in December which outlined costs for Bryan Laird as had been requested. We await further instructions
28/11/23-05	Item 6 – Chief Executives Report: Establish Insurance claim opportunities from Springfield Development	CE	Jan-24	Completed - Emma Garry confirmed they are not insured for this purpose (rent loss due to delays)

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Item	DETAILS	RESPONSIBILITY	TARGET COMPLETION	STATUS
28/11/23-06	Item 8 – Finance Report: Clarify Net Zero Fund allocation with auditors	EDBS	Jan-24	Completed - This should be treated as a capital grant and amortised over the life of the assets
28/11/23-07	Item 8 – Repairs & Asset Report: Circulate written resolution to the Board for the approval of the Kitchen & Bathroom tender.	HOAS	Dec-23	In progress
28/11/23-08	Item 8 – Repairs & Asset Report: Provide updated Compliance Report and upload onto Decision Time.	HOAS	Jan-24	Completed
28/11/23-09	Item 9 – Tender Acceptances: Circulate briefing note update on Warmworks contract (not for approval)	HOAS	Dec-23	Completed
	Action completion overdue			
	Action ongoing and date not due			
	Action complete			