

**PARAGON HOUSING ASSOCIATION LIMITED**

Minutes of Management Committee meeting

Zoom Meeting

29<sup>th</sup> July 2020

Present: J Anderson  
E Campbell  
M Hesketh  
K Menzies  
R Murray  
M Richards  
F Speirs  
F Wallace

Staff: M Torrance  
P Milne  
E Mathershaw  
W Baxter

Noted M Richards could see and hear all proceedings and contributing via chat facility.

**GOVERNANCE / MINUTES ETC**

**1. APOLOGIES**

S Robertson - SLA  
E McNie  
L Hesketh

**2. COMPOSITION OF COMMITTEE**

No changes

**3. MANAGEMENT COMMITTEE CALENDAR**

Noted impact due to Coronavirus.

**4. ATTENDANCE REGISTER, MEMBERSHIP APPLICATIONS, REGISTER OF INTERESTS, BENEFITS & ENTITLEMENTS CODE OF CONDUCT, NOTIFIABLE EVENTS**

Governance report considered.

**Membership Applications**

There was one membership application considered for approval (details noted on the membership paper).

***The membership was approved. The use of the seal was approved by the Management Committee.***

It was agreed to invite the new member to observe at the next meeting as he is interested in joining the Management Committee.

### **Membership Cancellations**

In accordance with the Association's Rules there were 4 memberships considered for cancellation (details noted on membership paper).

It was with the deepest regret that members noted that 2 of the Association's founding members had passed away. Helen Forrest and Jean Murray. Tributes were paid to both. There will be a section in the Annual Report on the outstanding contribution that both have made to the Association.

A further 2 memberships were cancelled due to No Response after moving home.

***Membership cancellations approved.***

*Total number of members – 159*

### **SHR Monthly Covid 19 Return**

These returns have been made on time. They are authorised by chief officer and do not require Management Committee approval but made available to committee for information. Noted a correction to projected rental income for April / May due to transposed figure. SHR aware of this. Correct figure for June is £6,113,320.

#### **4a) Minutes of Previous Meeting – 16<sup>th</sup> April 2020**

There were no amendments to the minutes.

Proposed: M. Hesketh

Seconded: F. Speirs

***Minutes Approved***

#### **4b) Matters Arising**

- Contractors' Payments – W Baxter gave an update on how repairs are being charged in line with contract rates for JRW during lockdown restrictions. Working through invoices for the period.

R Murray joined the meeting

- PPE Costs – W Baxter advised that there may need to be consideration of meeting PPE costs of contractors. Have already agreed with CTS and any claim will be considered carefully with VFM report from QS.
- Noted works taking longer due to safety measures being observed.
- Work on site being restored and M Richards confirmed he has received letter from contractor re investment works in his home.

## **5. BUSINESS ITEMS**

### **5a) Coronavirus Pandemic - Situation Update**

A presentation was made by the Management Team on the current situation including steps to safely restore services. A “route map” based on the key steps in the Scottish Government’s Route Map has been developed.

A letter to tenants on the current situation regarding repairs is being issued with a fuller newsletter to be issued next week. Copies will be circulated to members. Estimate 6 to 7 weeks to clear repairs backlog. W Baxter explained how repairs are being categorised and monitored. E Campbell commented that it is appreciated that tenants are being understanding.

W Baxter explained what is happening with the investment programme and the impact on timescales for works such as Heat Detectors/Carbon Monoxide detectors etc.

Contractors require to have approved RAMS (Risk Assessment Method Statements) in place before being allowed on site. These are being approved by CDM consultant.

E Mathershaw explained how HM services being restored and the RAMS approach is in place. Estate Management inspections should resume in next couple of weeks. She explained how we are trying to keep in contact with people.

In line with the most recent Scottish Government announcement the office will not reopen before mid September. Staff continue to work from home and this is working fairly effectively but things can take a bit longer. Members asked about what actions will be taken to protect staff and visitors. It was noted measures already in place such as hand sanitisers and planning a deep clean by specialist. J Anderson will pass on contact details of firm she is aware of who have done this type of work.

The response from staff has been excellent and members passed on their grateful thanks and praise. There are on-line sessions with staff to try and keep morale up and members are invited to join in the informal sessions.

## **5b) Approval of Annual Return on the Charter – ARC Approval**

A presentation was made using comparator data from previous years. Notes that some indicators may have been removed or changed. Each indicator was considered in turn.

Overall satisfaction – noted using Tenant Satisfaction data from last full survey 2 years ago so no change (this is in line with guidance). However in the comments it will be noted very positive trends being reported through feedback from reality checks.

The same approach has been used in relation to other core indicators such as opportunities to participate, keeping informed etc.

W Baxter took members through the SHQS and EESSH sections which have changed. Noted the impact of BBOOMs as have taken on some properties which require to be upgraded to meet the standards. Overall good progress being made.

Noted repairs performance. Fine in some parts however some areas subject to ongoing discussions with the contractor and the IA Repairs process review is being used as basis for action plan to drive improvement. Noted the Right First Time failures are mainly due to timescales. Note repair appointments no longer reported on.

The Neighbourhood Management Indicator has now changed and this indicator showing an improvement in reality check figures.

Improvement performance also noted in relation to tenancy offer refusal and ASB.

There was discussion re Tenancy Sustainment and it was noted that this seems to be lower for internal transfers than nominations and this is being looked at.

W Baxter took members through the adaptations figures and explained the impact of not receiving budget allocation until June each year. There was discussion on this and the KPI reporting will be set up to show this.

Noted 100% of offers of tenancy resulted from homeless nominations but noted the conversion to tenancy rates. Discussions to take place with local authorities.

Arrears, legal actions and rents were considered. Figures had been checked by finance. Noted reduction in gross arrears. Positive performance on lets and void loss. Good performance on relet days and letting has resumed under current conditions which is very positive.

Contextual information around SHQS/ESSH considered. There was discussion around the impact of Coronavirus which had delayed some projects involved at the year end. W Baxter explained sources of data for energy efficiency measures. He identified the challenges around ESSH 2 and there was discussion on how measures could be taken to achieve this effectively etc use of PV when re-roofing. All properties to be in band “C” by 2020 (ESSH 1) and band “B” by 2032 (ESSH 2). R Murray asked about moving from gas to electric heating and W Baxter outlined how this might work with renewables. Noted the focus on carbon neutral measures.

The HM contextual data was discussed in detail including the average relet days and the improved performance was noted. M Torrance advised that the sickness rate figure is still be checked and may change. She will email the figure. The comments will be updated to reflect the discussions.

***The ARC was considered and approved for submission to SHR.***

Staff were thanked for their hard work on this.

Post Meeting Note: Submitted to SHR on 31<sup>st</sup> July 2020.

#### **5c) SHR Loan Portfolio Return**

P Milne took members through the details of the return. Requires submission by 31<sup>st</sup> July 2020. She explained the purpose of the return and went through each loan.

**GBSH** – all in line with facility agreement – no covenant issues. Lender has been issued with draft year end Management Accounts. Noted these are draft until audit completed.

**HEEPS Loan** – included in return on advice from SHR.

**RBS** – all compliant. There was discussion on potential impact going forward due to slow down on spend at year end due to Coronavirus.

**Scottish Government FCMD Loan** – interest free loan and included in return. Noted new stock valuation now received. This had been delayed due to Coronavirus impact.

***The Loan Portfolio Return was approved.***

Post Meeting Note: Submitted to SHR on 31<sup>st</sup> July 2020

**F Speirs left the meeting**

#### **5 d) Annual Business Plan Review**

P Milne took members through the key points of the Business Plan review. The return date was extended by lenders give the current Coronavirus situation and has been submitted and accepted as draft until Management Committee approval.

The methodology was discussed. Brixx modelling tool had been used. The plan shows positive cashflow and covenant compliance for the full term. The base figures used were the approved budget for 2020/21.

Additional expenditure and increase assumptions (e.g. bad debts / voids) for Coronavirus impact have been assumed to take account of additional stresses. There was discussion of the impact of this, Brexit and additional health and safety obligations. The Business Plan and budget will require to be kept under close review as things unfold given the level of uncertainties currently being experienced. Will attempt to separate out Coronavirus costs going forward.

Noted £0.8million increase in stock valuation and there was discussion on the impact on the balance sheet.

***The plan was approved and it was agreed that this requires to be kept under review.***

#### **5e) Development**

W Baxter and M Torrance gave an update on recent projects and potential new opportunities

- Officers require further discussion on Alva post contract matters including doors
- Final defects stage at Cadzow Ave, Bo'ness development - some outstanding issues
- A potential development opportunity was discussed. This is proposed to be in conjunction with Link on the same basis as previous. Members agree in principal for officers to pursue. Note no commitments will be made at this stage.

There was discussion on development in general and risks involved. W Baxter explained how benchmarking of costs will be used to look at projects at assessment stage and contractual measures that can be put in place through bonds/guarantees etc.

There was a short recess.

#### **5f) Tenant Participation Strategy**

E Mathershaw presented a paper and took members through the background. At this time the intention is to seek agreement from Management Committee to consult on a TPS of a shorter duration than usual given current constraints. Noted

Clacks Council not progressing this at the moment so this would be a stand alone version.

E Mathershaw explained that the initial document had been run past the Tenant Scrutiny Panel who agree with the principle but would like the document to be less wordy and easier to follow but not “dumbed down”. Had similar feedback from TIS.

There was discussion around the advantages and disadvantages of digital communication as given the current situation face to face contact is unlikely to take place. It was agreed to issue Digital Inclusion Survey with the newsletter. It may be possible to access some funding for this. It was recognised that we should try to maximise inclusion of under represented people and groups.

Although Clacks Council not progressing in partnership at the moment, E Mathershaw will make sure we keep them up to date with what is being done.

***It was agreed that the TSP Draft be taken forward for consultation.***

#### **6a) Finance & General Purposes**

Minutes of last meeting previously issued

#### **6b) Management Accounts Quarter 4 2019-20**

Noted submitted timeously to lenders.

P Milne explained The Management Accounts in detail.

The Management Accounts were Approved.

## 6c) Valuation Report

As noted at 5d) the valuation report has been received and submitted to GBSH.

Pamela provided a technical explanation of the term Depn which is Depreciation in response to a question from R Murray and the impact of depreciation was discussed.

## 6d) Pensions

As discussed previously a working group will be established. ***It was agreed that the F&GP Sub Committee meet to draw up brief and plan for consultation.***

## 7. HOUSING MANAGEMENT & INVESTMENT

### 7a) Housing Management & Investment

Steps are being taken to hold a meeting in August.

### 7b) Arrears/Voids/Repairs

E Mathershaw presented the report.

**Repairs** - it was noted that restricted service due to Coronavirus situation and the actions being taken as regards the backlog.

**Arrears** – noted increase in arrears and increase in UC claims. The increase is in the region of £5k and given the issues this is not unexpected.

The breakdown of cases was considered with increasing concerns regarding the ability of those to pay with arrears over £1k. Noted the impact of legislative provision around seeking repossession and no legal actions instructed recently. Tenancy Management Team working hard to maintain contact with tenants in difficult circumstances.

**VOIDS** – noted that properties have been let during lockdown and necessary safety precautions followed. Very positive progress. Priority to homeless and planning return to general letting in near future. Members asked that thanks be passed to all staff involved as this is an achievement in the current situation.

### 7c) Eviction Reports

None

### 7d) Programme Report



W Baxter took members through the P&R report. The impact of Coronavirus was noted at year end and ongoing. Has slowed down EESSH progress. There was discussion on meeting target date of December 2020 and programme will require review. Noted EESSH 2 and again highlighted that may wish to look about timing of roofing to consider PV installation to help achieve EESSH 2 in 2032.

He is awaiting a response from the contractor re FD30 fire doors.

Floor covering due Balfour Ct 2020/21.

Noted BBOOM acquisitions and works being undertaken in 2 properties to get ready for let. One other should be acquired next 2 to 3 weeks and a further 1 possible. Noted £35k grant level as notified by Falkirk Council during Covid period.

Gas Servicing – great performance by CTS. No failures at year end.

Medical Adaptations - budget confirmation only received in June. **Agreed** to continue to use administration fee to fund adaptations. Will look at KPI to show impact of announcement of budget.

Report included letter from Scottish Housing Minister of 2<sup>nd</sup> July 2020 regarding dates for compliance with standards including 5 year electrical testing regime. There was discussion on cost implications – likely to in region on £160 per unit based on current inspection rates. W Baxter explained how he intended to create records on QL system in line with gas reporting to keep track and report. Noted some leeway with targets given Coronavirus impact.

W Baxter will continue to provide regular updates.

## **8. COST PLANS / TENDER APPROVALS**

There was a discussion on taking a negotiated approach to Gas Boiler / Sanitaryware replacement. There will be a tender report for approval. This was **agreed**.

## **9. AUDIT COMMITTEE**

### **9a) Audit Committee**

Note minutes issued for 29<sup>th</sup> April 2020 & 4<sup>th</sup> June 2020.

### **9b) External Audit**

Audit Committee are progressing well with tender and will have recommendation for appointment at August meeting.

Noted progress and almost completed. Now manager and partner review stage. No major issues raised at this stage. Discussed challenges in doing remote audit but these have been resolved. Members thanked RSM and staff for the work done.

**9c) Internal Audit Programme**

Draft Follow Up Report had been received and responded to. Awaiting final signed off version.

**10. HEALTH & SAFETY**

**10a) Health & Safety Committee**

The last meeting was held on Thursday 5<sup>th</sup> March 2020. The minutes were tabled.

An update was provided on the work being done on the Coronavirus risk assessments and Method Statements. There was discussion on the measures being taken in relation to vulnerable staff.

**11 ANY OTHER BUSINESS**

**11 a) SHR** - issued draft guidance on approach to regulation given current situation - agreed F&GP develop response and input from other members welcome. J Anderson advised of consultation with Regional Networks.

J Anderson left the meeting

**11b) AGM** – the challenges around holding an AGM were discussed and it was noted guidance issued and M Torrance had shared some initial thoughts by email. It was agreed that the F&GP sub committee should meet before next Management Committee meeting and agree AGM arrangements

**11c) Training** - Discussion on training for members to be held at August meeting.

**11d) Web Site** – noted that current web host had given 1 month’s notice of termination of service. A temporary solution has been put in place pending tender. The Tenant Scrutiny Panel had been looking at requirements. Need to ensure timescales met as current solution time limited. Agreed to use “Go Card” for web site payment.

**11e) Newsletter** – in production – due out early August.

**11f) Cyber Essentials** – successfully obtained – now awaiting outcome of Cyber Essentials Plus review.

**17. DATE OF NEXT MEETING**

The next meeting is due to be held on Wednesday 19<sup>th</sup> August 2020 at 1.30pm. External auditor will be in attendance re accounts.

<b>Signed: Chairperson</b>	
<b>Date:</b>	