

**PARAGON HOUSING ASSOCIATION LIMITED**  
Minutes of Management Committee Budget Meeting  
Online Video Conference Meeting  
30 March 2022

Present: J Anderson  
E Campbell  
E McNie  
M Richards  
F Speirs  
F Wallace

Staff: M Torrance  
E Mathershaw  
W Baxter  
M Thompson  
K Urbanowicz  
M Binnie

**GOVERNANCE / MINUTES ETC**

**1. APOLOGIES**

K Menzies  
S Young  
R Murray (SLA)

**2. GOVERNANCE ITEMS**

In line with our Donations Policy it was noted a £25 donation was made to the Inchyra Park group for an Easter Event.

Decision register for noting anything approved in between meetings.

The new model rules have now been approved by the FCA. The new model rules will now be uploaded to OSCR and SHR portals.

**2a. Minutes of Previous Meeting 9 February 2022**

Noted agenda item 10b – spelling correction, fire not first.

There were no other amendments to the minutes.

Proposed: M Richards  
Seconded: E Campbell

***Minutes Approved.***

## **2b. Matters Arising**

Covered in agenda

## **3. BUSINESS ITEMS**

### **3a. Budget**

M Thompson provided commentary to the presentation.

Additional points discussed:

Noted legal advice sought re landscaping contract issue.

*Note – J Anderson joined the meeting.*

Talks are ongoing with lenders regarding covenant relaxation

Noted proposals to increase hours for HoME Project provided through Link Living which provides direct support to tenants. The number of hours proposed to increase from 16 to 32 hours per week. During the last 12 months the team have given intensive support to 18 tenants plus isolated drop-in support to a number of other tenants. This support has had a positive impact on tenancy sustainment and tenants rent accounts. The additional cost is reflected in the budget proposals.

Staffing – agreed last year to the appointment of a Repairs Quality Standards Officer for 18 months. Have included in the budget to extend the post until the end of next year due to issues with the contractor and for support for tender next year.

*Note – F Speirs joined the meeting.*

Training budget has been reduced but health and safety “ring fenced”

Budget provision included for consultancy for development work.

We have a quote for an online housing application and hope to progress this soon. The process and time take to process housing applications currently was discussed and how we see the process using an online application. This work would be classed as capital investment

5 BBOOMs allowed for in budget. This may increase if scheme extended to other area. This is capital and would not affect interest cover covenants.

W Baxter provided commentary to the Programme budget in the presentation (option 1).

The following areas were discussed below:

- Some of the work from year 1 and 2 is ongoing due to the impact of covid – noted committed works
- Electrical EICR – tender to be discussed. Change in legislation and the SHQS has changed checks from 10 years to 5 years. Noted this and additional items such as heat detectors were new requirements.
- Propose look at frameworks for upcoming works e.g. roofing/rendering, kitchens, sanitaryware, windows/fire doors etc as this gives flexibility to accelerate or de-escalate projects.
- Final year of JRW contract. Market is impacting on costs. QS had provided report as what JRW contractor requesting as uplift. This will be discussed.
- Gas contract – there was a 4.5% increase last year for 2 year period but the increase in costs for parts are also affecting costs therefore they are looking for a 5.5% uplift – this has been built into the budget.
- Idverde have advised they are looking at a possible increase due to rise in fuel costs - built in a buffer of 10% in budget.

Budget has a slight surplus but we need to be careful what we are spending and where we are spending it.

Discussion on heating sources and carbon neutral agenda.

Members are asked to note the information provided and approve budget.

***Committee members approved the 2022-23 budget.***

### **Pay Negotiations**

M Torrance advised that the EVH ballot is required to be returned. The offer is 4.1%. It was noted those members not present had emailed to agree to 4.1%.

Staff present declared and interest and left the meeting.

Committee members discussed the proposal.

***Committee members agree to 4.1% offer.***

Staff returned to the meeting.

F Wallace advised M Torrance to return the ballot to EVH in favour.

It was noted that there are concerns over increasing in costs and that monitoring required.

F Wallace thanked staff for all their hard work on the budget.

It was noted we had received our SHR engagement plan letter and our regulatory status is compliant.

An internal audit has recently taken place on governance including preparation of the AAS. Report awaited but no priority issues raised in feedback.

**3b. Bad Debts Write Off**

E Mathershaw provided commentary to the report.

The amount proposed for write off is £34,751.23.

E Mathershaw provided detail as per the report of the breakdown of this figure and the corresponding credit write off.

***Committee members agreed to write off figure of £34,751.23***

**4. POLICIES**

**4a. Freedom of Information**

This is a standard policy our Data Protection Officer has updated to reflect UK GDPR.

***Committee members agree to re-adopt the policy.***

**4b. Environmental Information Regulations**

This is a standard policy due to review. There are no changes required and DPO had reviewed.

***Committee members agree to re-adopt the policy.***

**4c. Data Subjects Rights Procedure**

Our Data Protection Officer has proposed to replace the Subjects Access Request policy with a Data Subjects Rights Procedure.

***Committee members noted and approved.***

**4d. Fraud, Bribery & Money Laundering Policy,**

The fraud internal audit report was circulated.

The policy had been due for review but we waited for the audit to be carried out to include any recommendations.

As recommended the policy has been updated to be more explicit on money laundering.

The policy is based on guidance from the Financial Reporting Council's guidance.

***Committee members agreed to adopt the policy.***

**4e. Sale of Land Policy**

Agenda item to be carried forward to next meeting.

**4f. Personal Safety Policy**

This is a standard EVH policy which has been updated to reflect Paragon operations.

Most staff recently attended personal safety training.

We are currently looking into available apps for personal safety and procedures require to be updated.

***Committee members agree to adopt the policy.***

**5. ANY OTHER BUSINESS**

**5a. JRW 1 Year Extension Paper**

W Baxter provided commentary to the report.

In February 2022 committee approved for the contract to be extended for a further and final year with the terms of the extension to be brought to this meeting.

The terms of the extension were discussed.

It is recommended that the offer proposed by McGill for the final year (2022/23) of the 5 year contract is approved by Committee, with authority delegated to P&R Manager on fixing of the start date and any further reduction on the rates. The final rate outcomes will be reported at the next meeting.

***Committee members agree to the recommendation.***

**5b. EICR Tender**

W Baxter provided commentary to the tender report.

Following changes to legislation electrical inspections must be carried out every 5 years now instead of every 10 years.

A consultant will carry out an audit on a 10% sample of inspections carried out for the purposes of quality assurance.

The recommendation is to appoint Valley Group Ltd for the 5 year term of the EICR works for the amount noted on the tender report.

***Committee members agree to appoint Valley Group Ltd.***

#### **5c. Framework Electrical Works**

W Baxter provided commentary to the tender report.

The framework agreement was extended in February 2021 to 31 March 2022 due to the impact of covid. All three contractors on the framework were asked to confirm if they wish to remain on the framework and only one contract responded.

In 57 flat properties in Denny there is a requirement for false ceilings to be included due to nature of wiring. A few samples have already been completed.

Included in the works is Balfour Court renewal of the communal fire alarm system with individual properties having own alarms. A report will be presented at future meeting before any works progress here.

The recommendation is to appoint GD Chalmers for Year 6 works through the framework extension route.

***Committee members agree to appoint GD Chalmers and approve year 6 of the electrical framework.***

#### **5d. Framework Painterwork**

W Baxter provided commentary to the tender report.

Bell Group community benefit engagement open to suggestions

The recommendation is to appoint Bell Decorating Group for year 6 of the painter work – extended framework due to impact of covid.

***Committee members agree to appoint Bell Decorating Group.***

#### **6. DATE OF NEXT MEETING**

The next formal meeting is due to be held on 8<sup>th</sup> June 2022.

The F&GP sub committee will meet in May for the ARC and financial return approval.

A strategic meeting is usually held in April and this will be covered with the committee stock tour and induction taking place later in the week.

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