

PARAGON HOUSING ASSOCIATION LIMITED

Minutes of Management Committee meeting

Online Video Conference Meeting

17 August 2022

Present: J Anderson
E Campbell
E McNie
R Murray
M Richards
S Young

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

In Attendance: C Docherty (RSM)

Observer: B Lees
A Anderson

GOVERNANCE / MINUTES ETC

1. APOLOGIES

K Menzies
F Speirs
F Wallace

2. COMPOSITION OF COMMITTEE

No changes

B Lees and A Anderson were welcomed to the meeting as observers. Both are interested in joining the management committee.

C Docherty from RSM was welcomed to the meeting to present the annual accounts and audit findings report.

A motion to suspend Standing Orders was carried to allow item 5a to be taken out of order from the agenda.

5a. Annual Accounts 2021/22

C Docherty provided commentary to the audit findings report and review of the annual accounts..

The auditors have advised of an unmodified audit opinion and a clean audit report.

There are no items outstanding.

Risks identified at planning stage where issues require extra audit work were worked through. The audit team completed testing / made minor suggestions for improvements and control system very robust and appropriate segregation of duties in place

Going concern – noted management are committed to future projects, catch up from covid has been factored in to make sure forecast reasonable – satisfied level of cash held is more than sufficient over the next 12mths. Reviewed covenants – satisfied sufficient head room.

Recommendations on controls – none of them are significant and auditors have obtained management response. Each of these were discussed.

Fees had been agreed at outset.

The process was seen as proactive and open and there was transparent communication. The audit went according to timetable.

The report appendix notes any changes to financial statements.

There was discussion on the treatment of the pensions scheme – liability that sits in accounts. Actuaries doing benefit review – in English review they think there is an under accrual of some benefits – will probably be the same in Scotland. Disclosure that we expect in 2022 accounts to have the actual number for that. M Torrance advised we are currently looking at the future of the pension scheme.

Financial statements – disclosure at end of statement. If there were errors they would be in statement.

A representative from RSM will attend the AGM. Chris thanked the Paragon team for their work on the audit.

M Torrance thanked C Docherty and his team for all the work done during the audit.

Committee members approved the annual accounts 2021/22.

Note – C Docherty left the meeting.

3. MANAGEMENT COMMITTEE CALENDAR

No changes

No meeting in September unless urgent business needs dealt with. Will have a brief meeting before the AGM.

4. GOVERNANCE ITEMS

Membership Applications

There were four membership applications considered for approval (details noted on the membership paper).

The memberships were approved. The use of the seal was approved by the Management Committee.

Membership Cancellation

In accordance with the Association's Rules there were 2 memberships considered for cancellation (details noted on membership paper). Condolences were noted that both members were deceased.

Membership cancellation noted/approved.

Total number of members – 132

Registers Report – M Torrance advised that under the Association's Rule 68 – Registers, as secretary she must confirm in writing to the management committee that rules 62 - 67 have been followed before the AGM.

The committee were asked to note the report and agree registers have been kept in accordance with rules 62 – 67. ***The report was received.***

4a. Minutes of Previous Meeting 13 July 2022

There were no other amendments to the minutes.

Proposed: M Richards
Seconded: L McNie

Minutes Approved.

4b. Matters Arising

Covered in agenda

5. BUSINESS ITEMS

5b Risk Register 2022 Review / Fraud Risk Review 2022

M Torrance advised that the audit sub committee reviewed the risk register and there is not much change from the draft.

The audit sub committee were not able to review the fraud risk review and will review at their next meeting and bring to following Management Committee meeting. It was noted there is no requirement to have reviewed by a specific time.

M Torrance went through the risk review presentation with members and there was good discussion on the points noted.

5c PHA Route Map Progress

Staff continue to hybrid work from the office and from home.

We will review office opening hours with a view to opening the office full time from next month.

Need to look at a formal hybrid working policy going forward. Recent EVH guidance published.

5d. JRW Contract Update

W Baxter advised that as members are aware Everwarm has taken over the JRW contract. This was formally in place from 4th July.

To date things are progressing and going well. We have agreed rates material and uplift with contractor. As with the rest of the sector Everwarm are experiencing issues around resources/tradesman.

Feedback from tenants has been positive to date.

5e. Development Project Opportunity – Project Proposal

An overview was provided. Further information is awaited on some project details and senior staff will bring a paper to committee when all the information required is available.

5f. Management Committee Elections & Succession Planning

M Torrance advised this was discussed at the last meeting.

M Richards and F Speirs are the longest serving and will step down.

J Anderson, K Menzies, S Young and E Campbell are the next longest serving and one will need to step down – ***J Anderson agreed to step down.***

M Torrance will speak to A Anderson and B Lees re being elected and noted that interest received from one other person to follow up.

The Members AGM newsletter is being issued this week and will invite nominations.

5g. Internal Management Plan 2022/23 to 2024/25

M Torrance advised that we were due to hold the away days in 2020 but instead held online sessions with staff and committee.

M Torrance went through a presentation on the outcomes of the online sessions.

It was suggested under Sustainability Development that fuel poverty be pulled out of this section and made a particular focus by adding in measures to reduce fuel poverty in Regeneration and Investment section and add more to it under Housing Management. We need to strengthen some of things we are doing.

W Baxter advised committee of the PEAT – Home analytics software – we have signed up to use which is being provided by the Scottish Government.

Committee are asked if they agree with the content and that it reflects the direction of the organisation. M Torrance will update with above suggestion before final approval.

Committee agree to adopt in principle and will bring final version to sign off.

6. FINANCE & GENERAL SUB COMMITTEE

6a. Finance & General Sub Committee

The next meeting is to be confirmed.

The minutes of the last meeting were previously issued.

M Torrance advised that we have employed the services of EVH to run the recruitment process for the Finance & Investment Manager. Plan to interview in first couple of weeks in November.

6d. Management Accounts 2022/23 Q1

M Thompson advised that the reports have been uploaded and provided brief commentary to the report.

All covenants are complied with.

The management accounts were sent to our lenders within the required covenant timeframe.

There were no questions.

Committee members approve the management accounts.

7. HOUSING MANAGEMENT & INVESTMENT

7a. Housing Management & Investment

The draft minutes of the last meeting held on 12th August were uploaded.

7b. Arrears / Voids / Repairs

E Mathershaw advised that the report was discussed in detail at the HM&I sub committee meeting, therefore would not go over in detail.

Arrears are in line with projections. Increase as cost of living crisis worsens. Currently consulting on arrears prevention and management policy.

Void relet times - working to implement an informal but stringent target of getting as many voids let before the end of September. Once caught up with backlog will be back to under target. Switching contractors has had an impact on the voids. Discussion on voids and arrears.

M Richards noted it was good to have representatives from the new contractor present at the last Tenant Scrutiny meeting and positive discussion was had with them.

7c. Eviction Reports

There were none for consideration.

7d. Programme Report

W Baxter advised that the report was discussed in detail at the HM&I sub committee meeting, therefore he would not go into detail.

W Baxter provided a brief summary of current contracts as per the report.

Gas servicing – no failures – on target

HAG Medical Adaptation – Budget £69k, estimated requests £41k.

Insurance Claims – no change from last time.

8 COST PLAN / TENDER APPROVALS

None

9. AUDIT COMMITTEE

9a. Audit Committee

The audit sub committee meeting was held on 16th August.

The Internal Auditor was present.

The Governance internal audit report was graded good.

The IT & Network internal audit report has no priority 1 recommendations and has 3 priority 2 recommendations. This included setting up Geofencing which has been done since the audit we need evidence for the audit to show this. We are in the process of setting up two factor authentication and we will need to review admin permissions. Others are P3 recommendations

Annual report for external auditor – no concerns raised in internal audits carried out this year.

Discussed this years' audits to be carried out.

9b. Internal Audit

Covered above

10. HEALTH & SAFETY

10a. H&S Workplace Committee

The minutes of the previous meeting were uploaded.

We have split the traditional workplace committee and stock sub committee.

Currently putting together a schedule of reports for stock committee.

10b. STEPS Group Update

Continue to meet and support staff in terms of wellbeing.

Ongoing support with wellbeing consultant.

Staff absence rate 0.08% for Q1.

10c. H&S Stock Sub Committee

Will discuss EICR under agenda item 11a.

Legionella surveys are due this year around Oct/Nov.

H&S handbook progressing well.

11. REGULATORY ISSUES

11a. ARC Return – Data Correction

W Baxter advised that he has received conflicting information on EICR between various networks and the SHR.

A number of properties were reported in abeyance in the ARC return due to covid issues that contractor was face with. W Baxter raised reporting of thus this with two reps from the SHR and got feedback to say they should be failures and not abeyances. ARC data correction submitted.

Annual assurance statement and an approach has been made to SFHA how this should be dealt with as part of assurance statement if not completed. SFHA have asked SHR for clarification.

12. POLICY ISSUES

12a. Policy Monitor

Noted.

12b. Sale of Land Policy

W Baxter advised this policy has been produced to ensure transparency in place when dealing with land sales. We have been doing land sales and followed guidance but have not had a published policy in place. The policy had been discussed at last meeting and subsequent advice obtained from the Association's solicitor. Noted register of land sales in place.

Committee members approved the Sale of Land policy.

12c. Procurement Policy

W Baxter advised that we have a robust policy in place and that the changes are to reflect Brexit to ensure we are aligned with procurement guidance to

do with levels of contracts and where we advertise them. The changes have been highlighted in the policy.

Committee members approved the Procurement policy.

12d. BBOOM Policy

M Torrance advised the change is to update the tolerance level from above or below DV valuation and also an exceptional circumstances level to have a 15% tolerance level.

Committee members approved the BBOOM policy.

13. STRATEGY, POLICY & RESEARCH DEVELOPMENTS

13a. Grangemouth Housing Masterplan

There have been no recent meetings held.

13b. Clackmannanshire Wellbeing Economy Anchor Partnership

There have been no recent meetings held.

14. TRAINING / INFORMATION / ADVICE

14a. Annual Appraisal Report & Training Plans

Committee appraisals ongoing.

14b. Conference & Training Schedule

To note

15. ANY OTHER BUSINESS

None

16. DATE OF NEXT MEETING

The next meeting will be held on Wednesday 21st September 2022 as part of the AGM.

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| Signed: Chairperson | |
| Date: | |