

**PARAGON HOUSING ASSOCIATION LIMITED**  
Minutes of Management Committee meeting  
Online Video Conference Meeting  
18 August 2021

Present: E Campbell  
M Hesketh  
E McNie  
K Menzies  
M Richards  
F Wallace  
S Young

Staff: M Torrance  
P Milne  
E Mathershaw  
W Baxter  
M Binnie

Thomas Bright from RSM was in attendance to cover agenda item5a.

**GOVERNANCE / MINUTES ETC**

**1. APOLOGIES**

J Anderson  
R Murray  
S Robertson (SLA)  
F Speirs

**2. COMPOSITION OF COMMITTEE**

No changes

**3. MANAGEMENT COMMITTEE CALENDAR**

No changes but will review time of future meetings.

**4. GOVERNANCE ITEMS**

**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.

It was noted that there are minutes to be signed which have not been done due to the meetings being held virtually. All minutes will be signed 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.***

**Notifiable Events** – M Torrance notified committee members of an issue which came to the attention of the Association following a contractor attending a property to carry out the annual gas service. The full circumstances are currently being investigated however appear to be related to actions of third unauthorised party. It was noted the system was made safe by our contractor. This has been reported to the SHR as a notifiable event and to the HSE under RIDDOR.

*Standing orders suspended - agreed*

## **5. BUSINESS ITEMS**

### **5a. Annual Accounts 2020/21**

Thomas Bright advised that the audit findings report was presented to the audit sub committee. The audit report was a clean and unqualified report. Thomas thanked all staff involved in the audit.

Thomas advised there was more focus in the audit on presenting the going concern assumption and no issues were found with this based on cash position and with covenant compliance.

Covid 19 has had an operational impact on the association.

The pension liability fluctuated last year. This is a non-cash movement and does not impact the organisation.

P Milne and M Torrance both thanked Thomas and all other staff involved in the audit.

On behalf of the management committee, F Wallace thanked all staff from RSM and Paragon for all their hard work on the audit.

***Committee members approved the Annual Accounts for 2020/21.***

*Note - L McNie joined the meeting. Thomas Bright of RSM left the meeting.*

### **4a. Minutes of Previous Meeting 14 July 2021**

There were no amendments to the minutes.

Proposed: S Young  
Seconded: M Hesketh

***Minutes Approved.***

#### **4b. Matters Arising**

It was noted that minutes of recent sub committee meetings were uploaded for committee for info.

### **5. BUSINESS ITEMS**

#### **5b. Management Accounts Q1 2021/22**

There was discussion on the agency and telecoms budget being over budget. The increase in agency costs was due to having agency staff covering post and this is offset by vacancies. The increase in the telecom budget is due to staff working from home and requiring work mobile phones.

There are savings being made in some areas due to the office being closed.

The covenants are compliant.

It was noted the management account for Q1 were submitted to the lenders on the due date of 14<sup>th</sup> August.

Stock condition survey – we await the final report but have had an interim update from the surveyors and there were no issues of concerns raised. The final report should be received by the end of the month.

There was discussion on how the results of the stock condition survey are checked. W Baxter advised that in house a number of stock condition surveys are carried out throughout the year so the results are checked against this and the staff involved have an excellent knowledge of the stock.

M Torrance provided committee with an update on the interim solution to cover the Finance manager post. Updating the business plan and covenant compliance negotiation are urgent keys tasks which will need covered and she is approaching consultants who may be able to carry out this work on our behalf. We will then need look at how we can deliver the rest of finance manager work.

M Torrance advised that she has received the cost from EVH to carry out the recruitment of the permanent Finance Manager post. A value form money exercise has been carried out. M Torrance will send the information to committee members. F Wallace declared an interest as EVH Treasurer.

#### **5c. Model Rules Adoption**

M Torrance advised that the model rules were discussed at the last meeting and have now been updated to the latest version without the optional rules considered in the paper.

M Torrance has asked our Solicitor to prepare formal words for the adoption of the rules at the SGM. ***Committee members agree to adopt the model rules.***

**5d. Risk Register 2021 Review and Fraud Risk Review 2021**

M Torrance advised that the audit sub committee reviewed the above and both have been amended to reflect the comments from the meeting.

M Torrance provided commentary to the presentation on the area reviewed.

SFHA Internal Audit Guidance - will review in detail at the next audit meeting, however initial consideration shows that Association practices in line with the guidance and this was reflected in the views of IA.

Committee agreed the risk review recommendations.

The fraud risk review has been updated to add in cyber security and the increased risk of one person opening the mail instead of two due to the office being closed was recognised.

**5e. Model Code of Conduct Management Committee / Staff and Entitlements, Payments and Benefits Policy**

**Model Code of Conduct Management Committee / Staff**

This was discussed at the last meeting and has been updated to include reference to Paragon. ***Committee members agree to adopt.***

**Entitlements, Payments and Benefits Policy**

This was discussed at the last meeting and has been updated to include reference to Paragon and to include the contractors that we expect staff to get permission for before using. ***Committee members agree to adopt.***

**5f. SHR Loan Portfolio Return**

P Milne advised that the format of the return has changed therefore more work was required to input the information into the return.

The return is due by the end of August.

***Committee members approved the return.***

**ANY OTHER BUSINESS**

It was noted that the Association has not been approached from any of the local authorities regarding housing Afghan refugees at this time.

Valuations - due to carry out for both lenders, GBSH and RBS. A full valuation is due for RBS and a desktop valuation for GBSH. P Milne

proposes to use JLL and advised that costs are the same as previous.  
***Committee members agree to the spend.***

**6 DATE OF NEXT MEETING**

There will be no meeting in September unless there is urgent business.  
The AGM will be held on Wednesday 15<sup>th</sup> September.

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