

PARAGON HOUSING ASSOCIATION LIMITED

Minutes of Management Committee meeting

Online Video Conference Meeting

19 January 2022

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

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

GOVERNANCE / MINUTES ETC

1. APOLOGIES

R Murray (SLA)
F Speirs
W Baxter (staff)

R Murray has requested a special leave of absence due to her health.
Committee members approved R Murray special leave of absence.

2. COMPOSITION OF COMMITTEE

S Robertson is standing down from the management committee due to her health but hopes to join again when her health improves.

3. MANAGEMENT COMMITTEE CALENDAR

No changes

4. GOVERNANCE ITEMS

Standing Orders will be updated once rule change finalised. Solicitor confirmed a full rule change therefore M Torrance will now progress this on FCA Portal.

Attendance Register – to note

Notifiable Events – change to target repair response times due to covid 19 impact on contractor.

Decision Register – to note register updated with most recent rule 55 resolution, the extension of the revolving credit facility with RBS.

4a. Minutes of Previous Meeting 8 December 2021

There were no amendments to the minutes.

Proposed: J Anderson

Seconded: S Young

Minutes Approved.

4b. Matters Arising

All covered in agenda.

5. BUSINESS ITEMS

5a. PHA Route Map Progress

An update was provided on results from tenant survey on priorities and services going forward and these results will be fed into the IMP.

Staff risk assessments will be updated on working from home and to identify issues around return to office.

Target repair response times were extended as a temporary measure due to staffing issues McGill faced due to covid 19. It was noted that there has been an improvement in satisfaction levels with repairs. A report will be brought to the next meeting on contractual arrangements as we are coming towards the end of the extension period and a decision will be required on a further extension for 1 year in line with contractual provisions. This will be an opportunity to review our approach to repairs and policy and tie in with new tender process. Our Repairs Quality Standard Officer is meeting daily with contractor to monitor workload and jobs.

5b. Rent Increase Paper 2022-23

M Thompson provided commentary to a presentation on the rent increase.

Very positive feedback has been received from Gillian Houston at Arneil Johnston who is undertaking the business plan review. A report on the final conclusions and recommendations should be received soon.

The options offered as consultation were discussed. These were 2.9%, 3.5% and 4.0%.

Tenant survey results:

Option 1, 2.9% increase - 82.3%

Option 2, 3.5% increase – 9.9%

Option 3, 4% - 1.9%

Other – 5.9%

A further 16 surveys have been received since the report was issued and 14 selected 2.9% and 2 selected 3.5%.

E Mathershaw provided a brief update on tenant priorities from the results on the email/phone and postal survey and on affordability from Arneil Johnston findings.

K Urbanowicz advised that Covid has had an impact on the investment programme the past 2 years and this continues. There has been an increase in costs and supply side issues. However long standing framework agreements in place have put us in better position. There are certain works that need to be done to meet legislation such as FCMD.

K Urbanowicz explained the investment programme options.

M Torrance explained the need for covenants compliance.

M Thompson demonstrated how each rent option impacts cash and how additional income is generated with each option. Investment programme options 2 & 3 are not an option financially.

Forward inflation assumptions on rent increase options and how these impact covenants had been modelled.

Risks were discussed as we are still in uncertain times with inflation, supply chain issues, deliverability, further covid disruption and tenants ability to pay.

It was noted that a 2.9% increase is viable. This was modelled taking account of year 1 inflation assumption over the standard business plan assumption and it does not make rents unaffordable.

There were questions from members on what the impact will be long term on the 30 year business plan if the lower rent increase option is applied. The 30 year business plan needs recast to take account of potential £4m drawdown and covenant relaxation discussions. A low rent increase this year will not make a major difference but we need to monitor covenant compliance.

Staff were commended for a very detailed report with strong information which gives confidence to go with 2.9%.

Committee members unanimously agreed to a 2.9% rent increase for 2022/23. The same increase was agreed for lock ups.

E Mathershaw advised on service charge proposals-

Bute Place/Craigleith Rd – previously agreed by committee to pass on previous 12 months expenditure. This has been zero therefore a 0% increase is proposed – ***agreed.***

Alva Pods – we pay Link factoring fees and they charge for 12 month period from 1 July – 30 June. Propose to keep service charge the same this year. We are waiting on Link to confirm if further payment due or not. If not the service charge will be reduced to reflect the actual payment. Propose to leave service charge the same and adjust if Link confirm in the next couple of weeks – ***agreed.***

Baillie Ct – service charges linked to factoring fee due to Link and there has been a significant increase. Last year there was a reduction to reflect the time period where no close or window cleaning was done. Recommend we approve straight pass on of costs – ***agreed.***

E Mathershaw suggested asking Arneil Johnston to review service charges along with rent harmonisation exercise - ***committee agree to this.***

Note - S Young left the meeting.

Heating Allowance – tenants currently receive £15 per week or part of if without heating or hot water for 24 hours or longer. Propose to increase this allowance to £20 per week or part week from 1st January 2022 given the recent high increases in energy costs. A full review of all tenant payments will be carried out at the budget review. ***Committee members agreed to increase the heating allowance to £20 per week or part week from 1st January 2022.***

6. FINANCE & GENERAL SUB COMMITTEE

6a. Finance & General Sub Committee

A date will be arrange for the next meeting where the management accounts will be presented.

6b. Finance Update

M Thompson advised that the finance department are currently working on the third quarter management accounts and provided an update on finance staff.

Energy support fund – the association did apply and was accepted onto the scheme that allows us to apply for vouchers on a tenant's behalf. A report on the number applied for will be added to the HM report.

7. HOUSING MANAGEMENT & INVESTMENT

7a. Housing Management & Investment

Draft minutes of last meeting held on 7th December had been circulated.

7b. Arrears / Voids / Repairs

E Mathershaw provided commentary to the report.

There has been a significant increase in rent arrears to the end of December but we usually see an increase at this time of year and this was not unexpected.

As per previous approval the first eviction since the pandemic has been arranged.

Relets – to the end of December 77 properties have been let, 10 to section 5 referrals and all section 5 referrals received has resulted in offer and tenancy.

Three properties (2 Falkirk, 1 Clacks) passed to local authorities for refugee housing.. The Home Office is covering rent.

Relet days – coming down every quarter so positive trend.

Alternative contractors had been used for void works but had not resulted in any great benefit.

ASB – 54 cases year to date.

Mutual exchange – 17 requests, 12 agreed.

Alteration to Property Requests – relatively low in number.

7c. Eviction Reports

There were none for consideration.

7d. ASB APP

CCTV – pilot with ASB app – E Mathershaw in discussion with app developer about GDPR regulations. Continue to get good reports from other organisations that have used it. Those identified as potential users of

app were all given work mobile number they could text as a pilot– only 1 did.

7e. Programme Report

K Urbanowicz provided commentary to the report.

Projects rolled over from previous year – framework agreements in place.

Electrical, FCMD – reported previously that 1st February is target date to be compliant. We are working this week and next with remaining properties. There has been a lot of work with contractors and staff to get numbers down. 53 properties that require EICR or FCMD. Tenants have received various newsletters, letters etc. Feedback from some tenant was that the letter sent was too strong. Therefore we have listened and adapted our communication. We are on track to have all properties complete with the exception of a communal system linked to fire alarm panel and there is a policy in place with this. Specialist consultants are involved.

Central heating – underspend in the sanitaryware contract due to existing medical adaptations has allowed for central heating in 30+ properties Denny which were already in Business plan for this year.

Painterwork / Planned Maintenance – on site and progressing well

Covid – some contractors reporting self-isolation and material supply being an issue.

Development – slow progress with buy backs. Funding for 5 only took 2 on – down to market property selling quickly and overvalued.

M Torrance advised of potential negotiations with Link on potential development site in Bo'ness.

8. COST PLAN / TENDER APPROVALS

None

9. AUDIT COMMITTEE

9a. Audit Committee

9b. Internal Audit

The following audits will be carried out before the year end.

- IT
- Business Planning and Fraud
- Gas
- Governance

Cyber security – work is ongoing to obtain our cyber essentials accreditation.

External Audit – the draft timetable has been received.

10. HEALTH & SAFETY

10a. Health & Safety Update

The next meeting is due to be held on 8th February. This will require to be rearranged due to member availability

10b. Stock Health & Safety Sub Committee - Remit

A lot of work has been done by the H&S sub committee members to develop a remit for this sub committee.

It was noted that SHR has very recently issued a survey to provide more information on how landlords gain assurance on H&S relating to housing stock so the new sub is a very positive move to support a robust framework.

Committee members agree to adopt the remit and set up the sub committee. Staff members will be in attendance as required regarding the various aspects of the remit.

M Richards, F Wallace, E Campbell and J Anderson agreed to be members of the Stock H&S sub committee.

Note - S Young re-joined the meeting.

10c. Healthy Working Lives

No update

11. REGULATORY ISSUES

11a. SHR Recruitment Tenant Advisors

For information if anyone interested and details will be posted on social media.

12. POLICY ISSUES

12a. Policy Monitor

To note

12b. Equalities Policy

The policy has been published for consultation.

Data Collection – required to collect data as part of regulatory regime but need to decide how do we collect data. It is on a consensual basis if subjects fill in form or choose not to and consent is being provided as lawful basis of processing the data. Consent will be our lawful basis for holding data. There will be security procedures in place for the management of the data and a collection programme is being established.

Equalities Action plan is the next step in the project e.g. accessibility audit for website and premises.

Equalities training will be carried out for committee and staff.

Committee members approved the Equalities policy.

12c. Review of Tenant Verification Policy

The policy has been reviewed to include changes to the policy due to covid.

The policy outlines the principles and processes to verify people in tenancies are the people in tenancy. Home visits are automatic normal practice now and this has had an impact on the CHAT visits being carried out to tenant homes. Noted make more use of phone calls.

Committee members approve the Tenancy Verification Policy.

13. STRATEGY, POLICY & RESEARCH DEVELOPMENTS

13a. Grangemouth Housing Masterplan

E Mathershaw attended the Stakeholders meeting. Falkirk Council achieved the Growth Deal for Grangemouth and now require to launch an action plan by the 22nd February. Falkirk Council will not launch this themselves and are looking for stakeholders to assist. There is no further information on this at this time and the next meeting will be in two weeks.

Note - L McNie left the meeting.

13b. Clackmannanshire Wellbeing Economy Anchor Partnership

Meeting was cancelled – next meeting tomorrow – will feedback.

14. TRAINING / INFORMATION / ADVICE

14a. Annual Appraisal Report & Training Plans

A summary on the outcome of the appraisals was circulated to members. Members were asked to think about any other sessions we could run collectively for committee.

Some committee members have already attended SHARE's Business Planning session as identified via the process.

Possible in-house sessions discussed – business planning and equalities training were identified as topics.

Appraisals will be carried out in June this year as per Committee Calendar

14b. Committee Induction / Stock Tour

Possible dates will be circulated.

14c. Conference & Training Schedule

To note

15. ANY OTHER BUSINESS

None

16. DATE OF NEXT MEETING

The next meeting will be held on Wednesday 9th February 2022 at 6.00pm. Apologies from K Menzies who will be attending her graduation and congratulations were offered by all.

Signed: Chairperson	
Date:	