

PARAGON HOUSING ASSOCIATION LIMITED
Minutes of Management Committee meeting held at
Invergrange House, Station Road, Grangemouth on
16 October 2019

Present: J Anderson
M Hesketh
L Hesketh
E McNie
M Richards
S Robertson
F Wallace

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

Angela Tonner from RSM was in attendance to cover agenda item 7a.

Standing Orders were suspended to deal with agenda item 7a first.

7. BUSINESS ITEMS

7a) Business Plan Update

Background was provided to the review of the business plan and consideration of forward treasury management strategy to ensure achieving business objectives, meeting loan covenants and considering how best to achieve this going forward.

RSM were appointed to carry out a review of the figures and assumptions in the plan and consider future treasury management issues.

Angela Tonner advised that she has been appointed to work through the 2015 plan and identify key changes in the plan compared to the 2019 plan.

The key findings are:

The Association is in a strong cash position at the current time however careful control is required particularly over a 3 year period in the plan to ensure ongoing covenant compliance with the RBS interest covenant.

The report looked at the impact of maintenance spend and catch up / delayed works and ongoing costs to maintenance

Budgeted management costs includes some aspirational costs which should be revisited. There have been changes to some underlying assumptions in the plan to reflect current conditions eg income for investment, additional statutory requirements.

It was noted that covenant reviewed annually. For the RBS interest covenants the operating surplus is as per accounts. Certain capital amounts can be deducted and offset.

Noted the new requirement for smoke/heat alarms and planned expenditure on roofing works all coming into to plan around the same plan period. The former works were not including in the 2015 version.

The Mid Year Financial Review is due to be approved in November Management accounts for 2nd quarter year due and will used as base document. Full review of income and expenditure will be done to end of year and variances and changes considered.

Noted that reactive maintenance costs are running over budget and are being reviewed. Some capital works to be reallocated and voids repairs costs are high.

Noted SHN benchmarking exercise underway and stock condition survey scheduled in 2019/20.

In the medium term it was noted that there is a £4m revolving credit facility due for drawdown 2020. There will be a requirement to carry out some scenario planning around this and look at future development plans before making a decision.

Noted the impact on owner occupiers of potential major works and the impact of front funding on the Association. There will be a requirement to ensure early notification and planning. A review of the factoring policy is required and this is linked

Note - L Hesketh joined the meeting.

The restrictions around the RBS interest cover covenant require further consideration. There may be an opportunity to seek to relax this around the fire alarm/smoke alarm expenditure. However a forward strategy is required to be developed on treasury management including consideration of the £4 million facility and the loan term period in 2025.

Note - Angela Tonner left the meeting.

GOVERNANCE / MINUTES ETC

1. APOLOGIES

A Black
E Campbell
R Murray
F Speirs

M Richards was welcomed to the meeting.

A Black has requested a special leave of absence for personal reasons.
Committee members approved.

2. COMPOSITION OF COMMITTEE

There have been enquiries from a couple of people interested in joining the management committee which will be followed up.

All 11 management committee members are fully elected.

The SHR portal has been updated to reflect management committee changes and the lenders will also be advised.

3. MANAGEMENT COMMITTEE CALENDAR

The draft calendar was issued based on previous years with meetings being held on the second Wednesday of every month excluding October and August meetings.

Members considered moving the November 2019 and January 2020 meeting to an evening with the proposed start time 5.30pm. ***Committee members agreed.*** Consideration will be given to restricting the business item for these meetings. The Chair will discuss with the Secretary.

4. ELECTION OF OFFICE BEARERS 2019/20

The Chair handed over to the Director for the next item.

There is no requirement for an election as there is only one nominee per post.

Chair: Flora Wallace

Nominated by: S Robertson
Seconded by: F Speirs

There being no other nominations Flora Wallace was duly elected.

Treasurer: Susan Robertson

Nominated by: F Wallace
Seconded by: F Speirs

There being no other nominations Susan Robertson was duly elected.

Secretary: Margaret Torrance (staff) – noted – only post that staff member can hold.

Nominated by: S Robertson
Seconded by: F Wallace

There being no other nominations Margaret Torrance was duly elected.

Vice Chair:

Michael Hesketh

Nominated by: S Robertson
Seconded by: F Wallace

June Anderson

Nominated by: S Robertson
Seconded by: F Wallace

There being no other nominations, Michael Hesketh and June Anderson were duly elected as Joint Vice Chair.

F Wallace took over as chair.

5. APPOINTMENT OF MEMBERS TO REPRESENTATIVE BODIES

Information was included in the papers on the representative bodies.

SFHA

F Wallace is the current representative. ***Committee members agreed for F Wallace to continue as SFHA representative member.***

EVH

F Wallace is the current representative member. ***Committee members agreed for F Wallace to continue as EVH representative member.***

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

Standing Orders

The Standing Orders have been updated to reflect the current rules and the office bearers job descriptions have been included.

There was discussion on the duration of committee meetings. The rules do not set a time limit for meetings. It was suggested that meetings are set to 3 hours (15 minutes break not included in 3 hrs) after which if longer is required standing orders are suspended.

Members will consider appointing a communication officer going forward with the potential to liaise with Tenant Scrutiny Group.

Committee members agree to adopt the Standing Orders with above noted change to meeting duration.

Appointment to Sub Committee

Housing Management & Investment Sub Committee

Members of the sub committee will remain as it currently is with M Richards joining. Members are:

- S Robertson
- F Wallace
- M Hesketh
- J Anderson
- M Richards

F&GP Sub Committee

F Speirs to be approached about membership F&GP sub committee.

Members to remain as it currently is:

- F Wallace
- M Hesketh
- S Robertson
- E Campbell

Audit Sub Committee

A Black and Moira Calder to be approached about membership of the audit sub committee.

Members are:

- M Hesketh
- E Campbell
- S Robertson
- L Hesketh

Health & Safety Sub Committee

This is the only sub committee where staff and committee members count towards quorum as it is a workplace health and safety committee.

Members to remain as it currently is with M Richards joining:

- F Wallace
- S Robertson
- J Anderson
- M Richards
- M Torrance (staff)
- W Baxter (staff)
- L McGinty (staff)

Sub Committee Remits

The sub committee remits were noted and adopted.

Each sub committee are to review their remit and report back on any recommendations for adoption.

Attendance Register

Noted.

Members are reminded that if they are unable to attend 4 meetings in a row they must request a special leave of absence before the fourth meeting.

Membership Cancellations

In accordance with the Association's Rules there were 2 memberships considered for cancellation – both members had no forwarding address (details noted on membership paper).

There were a further 13 memberships considered for cancellation as per rule 11.1.2. All members have failed to attend or submit apologies for five or more AGM in a row (details noted on membership paper)

Membership cancellations approved.

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.

Total number of members – 162

Register of Interests

All committee members have been issued with an extract of their own record to check and advise if any changes or confirm correct.

Payments, Benefits & Entitlements

None

Code of Conduct

All committee members have been issued with the code of conduct acceptance form to sign and should return. This is an annual requirement to be re-signed in accordance with standing orders. New member has signed.

Notifiable Events

Updated SHR guidance has been issued to committee members for noting.

H&S Policy Statement

The policy statement is reviewed and readopted annually.

Committee members agreed to re-adopt the H&S policy.

6a) MINUTES OF PREVIOUS MEETING – 18 SEPTEMBER 2019

There were no amendments to the minutes.

Proposed: S Robertson

Seconded: J Anderson

Minutes Approved

6b) MATTERS ARISING

Item 3 – The 6 monthly inspection was recently carried out at the Plean complex. Further consultation is required with tenants to see if they use the common areas before any upgrade of the MECs system for the communal areas is agreed.

Alva – brief background information was provided for the purposes of new member. Further advice to be sought from solicitor regarding sale and purchase agreement terms.

7. BUSINESS ITEMS

7b) Internal Management Plan (IMP)

The Internal Management Plan has been updated from previous discussions. Some minor amendments required and the new format KPI report will be included if agreed.

The Internal Management Plan is due to be reviewed in April 2020. The plan was adopted.

7c) KPIs to September 2019

E Mathershaw explained the layout of the new KPI report.

The management team provided commentary to the KPI report.

Note - J Anderson left the meeting

7d) SHR – Assurance Statement

A workshop was recently held with committee members to review progress and evidence base.

An additional meeting will be required to be held next week to approve the final assurance statement to be submitted to the SHR.

8. FINANCE & GENERAL PURPOSES

8a) Finance & General Purpose

P Milne advised that the Association has recently received the SHAPS 30 September 2018 Valuation of the Defined Benefit Pension Scheme which includes the Final Salary Pension.

P Milne provided a verbal update to committee members on the valuation report.

Committee members discussed the implications of this valuation for the Association.

The Association is required to submit an Employer Form of Authority to SHAPS by the 31st January 2020 to advise of their intentions.

Consultation will be carried out with staff and a proposal will be brought to the management committee for consideration.

8b) FCA Return

This is an annual return which has to be submitted within 7 months of the year end.

P Milne explained the form to committee members.

Committee members approved the FCA return.

8c) Job Descriptions

The management team job descriptions should be periodically approved.

The Finance & Investment Manager and Housing Manager job descriptions had already been recently updated due to job vacancies.

The Director and Programme & Regeneration Manager job descriptions have to be updated and drafts have been circulated to members for consideration.

This item will be carried over to the next meeting.

8d) Equalities Report

M Torrance provided commentary to the annual equalities report.

Committee members noted the report.

8e) F&GP Performance Reports

M Torrance provided commentary to the complaints, absence and establishment reports.

Committee members noted the report.

9. HOUSING MANAGEMENT & INVESTMENT

9a) Housing Management & Investment

Next meeting due to be held in November.

9b) Arrears/Voids/Repairs

Figures covered as part of KPI report.

9c) Eviction Reports

The eviction reports for case numbers 18460, 18801 and 18817 were tabled at the meeting.

After consideration committee members approved eviction report case numbers 18460, 18801 and 18817.

9d) Programme Report

W Baxter provided commentary to the report and progress on projects was noted.

10. COST PLANS / TENDER APPROVALS

None

11. AUDIT COMMITTEE

11a) Audit Committee

Minutes previously considered.

11b) Internal Audit

The Risk Management and Contingency Plan internal audit is being carried out next week.

11c) Fraud Risk Review

The audit sub committee reviewed the fraud risk review at their meeting on 7th August and comments for consideration are highlighted in red.

One of the changes are for two staff to open the mail.

Staff are advised annually of fraud risks.

Agreed additional layer of scrutiny on Director's expenses – an extra check will be carried out by the Treasurer.

11d) Risk Report

The quarterly risk report clearly show what the risks are and an action plan to show we are doing to mitigate the risk.

11e) Contingency Plan Update

The contact details for contractors and the Disaster recovery information have been checked and updated in the contingency plane.

We need to review how the contingency plan is tested and will look at this after the risk & contingency audit is done.

12. HEALTH & SAFETY

12a) Health & Safety Committee

The H&S sub committee met on 10th October.

M Richards attended as an observer.

12b) Health Working Lives

We are due to be assessed to maintain the Silver award and will be working towards the gold award.

Recently held a Tea and Talk event in aid of the Mental Health Foundation and thanks was given to those who donated.

13. REGULATORY ISSUES

Already covered

14. POLICY ISSUES

14a) Entitlements, Payments & Benefits Policy

There are no changes to this policy.

SFHA advice sought.

Committee member re-adopted the Entitlements, Payments & Benefits Policy.

14b) Freedom of Information – FOI Scheme of Publications

The Freedom of Information policy will require to be adopted before the end of the month.

The Scheme of Publications is currently being updated however most items are covered in the draft

The Association is required to submit a notification form to the commissioner.

Training for staff on Freedom of Information is being arranged.

14c) Refusing Nominations Policy

There are no changes to this policy which is due for review.

Committee members re-adopted the policy.

14d) Smoking Policy Review

There are no changes to this policy which is due for review.

Committee members re-adopted the policy.

14e) Abandoned House Policy

There are minor changes made to the policy which are legislative changes to reflect recent changes to the Housing (Scotland) Act 2014 and to make specific reference to the Scottish Secure Tenancies (Abandoned Property) Order 2002.

Committee members approve the policy.

14f) Estates Management Policy

The Estate Management Policy was due for review in January 2019. Meantime an Estate Management Strategy was approved covering the period April 2018 – March 2020.

It is proposed to develop a further strategy from April 2020. To bring the Estate Management Policy in line with the strategy it's proposed to review alongside the development of the strategy with a view to bring both to management committee in March 2020. ***Committee members agreed to this.***

14g) Tenant Participation Strategy

The current Tenant Participation Strategy is out of date for reasons noted on the report and discussed.

The Association is working with Clackmannanshire Council on a joint Tenant Participation Strategy.

Meantime the Association has successfully completed the Next steps programme with TIS and we are currently implementing an action plan.

Committee members agree to continuing to work with Clackmannanshire Council on the strategy and suggest putting a deadline for this to be done.

15. STRATEGY/RESEARCH

15a) Strategy, Policy & Research Developments Update

16. TRAINING / INFORMATION / ADVICE

16a) Annual Appraisal Report & Training Plans

M Torrance explained the report and suggested members take away and priorities can be agreed at the induction/stock tour day.

16b) Committee Induction / Stock Tour

The annual stock tour and induction will be arranged. Suggested areas to visit on the stock tour were Stirling, Plean, Alva and Bo'ness.

16c) Conference & Training Schedule

F Wallace to be booked onto the SFHA Chairs Conference being held in January 2020.

17. ANY OTHER BUSINESS

Public Holidays 2020/21 – It was noted that there is the option to change the first May day public holiday to 4 days later to the Friday to coincide with the 75th anniversary of VE Day. ***Committee members agreed to this change and approved the public holidays.***

A reminder there will be Fraud training held on 21st November which committee members can attend.

18. DATE OF NEXT MEETING

The next meeting is due to be held on Wednesday 13 November 2019 at 5.30pm.

Signed:	
Chairperson	
Date:	

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