

MOLENDINAR PARK HOUSING ASSOCIATION LTD
Minute of the Meeting of the Management Committee
held remotely and in MPHA Offices
on Tuesday 20th June 2023, 6.30pm

Present:

F Sheeran Chairperson
C McKinlay Vice-Chairperson
C Boyle Committee Member

C Meighan Committee Member
M O'Donnell Committee Member
A Scott Committee Member
N Thumath Committee Member
A Wood Committee Member
M Johnston Committee Member

In Attendance: Staff

Julie Smillie Director
Scott Rae Asset Manager
Susan Paton Corporate Services Officer
(Minutes)
FMD Finance Agent
Beth Anderson Finance Officer

The meeting is quorate.

1. Welcome, Apologies and Declaration of Interest

The Chair welcomed Committee to the meeting. There were no declarations of interest. S Moore has put in apologies.

2. Adoption of Minutes of Meeting held on 16th May 2023.

The minute of the meeting held on the 16th May 2023 was proposed as a true record by A Scott and seconded by M O'Donnell.

3. Matters Arising from Minute of 16th May 2023.

None.

4. Applications for Membership

The Management Committee approved two membership applications from tenants.

5. Use of Seal

None.

6. Risk Management

No new risks identified. The Chair reiterated that it is everyone's responsibility to consider and bring identified risks to Management Committee.

7. Committee Digest

The Corporate Services Officer presented the paper to Committee. The Committee noted the training opportunities available. The Corporate Services Officer will circulate more information on the speakers at the SHARE annual conference flyer by email. The Committee noted the content of the SHR's guidance information on minute taking. The Corporate Services Officer will

note the recommendations and bring it back to Committee any suggestions. The Committee noted the information on the SHR Consultation on Future of Social Housing Regulation.

8. SHR Notifiable Events

There have been no notifiable events this month.

9. Committee Annual Review Feedback Report from Linda Ewart

The Chairperson referred to the report. The Chairperson noted that the Committee is made up of highly skilled individuals with a breadth of knowledge. The skillset and training requirements on committee vary but the Chair asked all committee to focus on individual training needs going forward and take personal responsibility for their learning. The Chair suggested that the Association does a skills audit and document the skills that are present on the management committee. The Director noted that whilst there are housing professionals on the management committee it's important to remember that the role of committee is to be strategic and not operational. The Director asked that Committee remember to keep up to date with emails and respond to these when necessary, to remember that the flow of communication between staff and committee is good but we need to continue to work to make sure that challenge.

The Committee discussed each recommendation fully. Corporate Services Officer will now bring together the recommendations from the feedback report to Committee to create an action plan. This will be brought to the next Committee meeting.

10. Quarter 4 Accounts

The Finance Officer reported on the Accounts for Quarter 4. She reported that income figures were in line with the budget. There were fewer voids than expected therefore this shows a positive income variance. Fewer stage 3 medical adaptations were carried out than expected. In terms of expenditure there was a higher spend on reactive repairs than budgeted; this can be attributed to bulk uplifts, void works and additional garden and slabbing works. There was a positive variance in cyclical maintenance as the budgeted painterworks project had not commenced yet. Against the major repairs budget there was a £5000 difference due to French doors requiring to be fitted in one property. The Finance Officer reported that there was higher service costs due to the the Drakemire Warden Call System costs which were carried over from the 21/22 budget due to contractor issues.

Central management spending items including staffing, which was higher due to an overlap of new staff and staff existing as well as a cost of living payment to all staff between January and March 2023. Postage was higher due to an increase in sending out tenant information. General expenses were higher than budget due to a staff job advert and business planning day.

The expenditure for the Radio Clyde Cash4Kids money and the SFHA Fuel Grant of 65k was posted here as expenditure but this is offset by income.

Legal & Professional Fees overspend due to fee for building warrant and governance (Consultant) for Committee/Staff Away Day. There was also an increase in consultancy costs over the year.

The Finance Officer explained the statement of financial position that was presented in the papers. The Tangible Fixed Assets were down due to increase in depreciation charges being greater than component additions. The Net Pension Liability figure pertains to the past service deficit now £nil as past service debt payments have now ceased.

The Committee were assured by the Finance Officer that all covenants complied with.

The benchmarking and Key Performance information showed that across peer groups the Association's Reactive repairs were higher per unit due to higher spend and Cyclical and Major Repairs were lower due to underspend.

The Quarter 4 Accounts were approved by Committee.

11. Finance Report – General Update

The Finance Agent gave the Committee a general update on the pertinent issues affecting the Associations finance.

Interest rates on loans are going up and the Bank of England base rate has recently went up another 0.25%. The Finance Agent assured Committee that The Association had fixed a large proportion (58%) of its Nationwide Building Society loans last September at 4.57% therefore this has given a good level of protection from rising UK BASE/SONIA rates.

The Finance Agent further assured Committee that Scenario testing on our long-term forecasts show that the Association can withstand some degree of further rising increases on the remainder of variable linked loans. There is also the option of using some surplus cash to repay some of these loans early. The Committee noted that the Finance Agent will continue to monitor this as part of treasury management.

The Finance Agent reported to committee that the Pensions Trust will no longer effecting changes to the CARE defined benefit structure with effect from 1 April 2024 that they consulted on last year.

The Finance Agent explained that The external audit is due for tender every 5 years (Finance Regulations recommendation). This summer will mark 6 years since when such an exercise was carried out. The Association normally appoints the external auditor at the AGM for the next year end's audit. The Finance Agent proposed that we extend the external auditor (AZETS) for another year - after last year's extension - after which the position can be reviewed.

The Committee noted the content of the report and agreed to extend the contract to Azets. The quote for next year's auditing services still has to come in. The Committee agreed to allow Staff and Office Bearers authority to agree to extend the contract assuming the cost quoted is acceptable.

12. Five Year Financial Projections – Submission to SHR (For Information)

The Committee noted the submission to the SHR of the Five Year Financial Projections.

13. SHAPS Pension Scheme Report (The Pensions Trust)

The Committee noted the report. The Finance Agent explained that The Net Pension Liability has adversely moved from (£5,000) as at 31 March 2022 to (£90,000) as at 31 March 2023. TPT have advised that this is mainly due to a fall both in assets and liabilities due to volatile market conditions emanating from the mini Budget in September 2022. These accounting changes will be reflected in the 31 March 2023 Financial Statements. This is currently an accounting change and has no immediate bearing on cash. Any changes to the contributions for the past service deficit should normally take place after the next September 2024 triennial valuation which has a different methodology. The Committee noted the information contained in the report. The Finance Agent will keep Committee updated on further information when it is available from the Pensions Trust.

14. Procurement Policy – Amended

The asset manager explained that as a result of the internal audit for Procurement, one of the recommendations was to highlight in the Procurement Policy that the Management Committee will be notified as a matter of course when the Services Sub-committee has approved expenditure within the scheme of financial delegation.

This currently happens as the sub-committee papers get taken to the Management Committee meetings but we require it to be written into the policy.

The Committee approved the amended Procurement Policy.

15. Painterwork Tender Report

The Asset Manager explained that the tender was advertised on PCS and closed on the 5th June 2023. The tender opening was carried out on the 6th June 2023 and there were 3 submissions for the contract. Atkinson Partnership completed a tender evaluation report and recommended that JS McColl (Painting Contractors) Ltd is selected as the preferred Painterwork 2023 Contractor. This is based on the tender to paint all properties once over a 5-year period.

The Committee agreed to instruct JS McColl (Painting Contractors) Ltd to carry out the painter work contract.

16.30th Anniversary Working Group – Action Plan Update

The Corporate Services Officer reported on the progress against the 30th Anniversary Action Plan. The Vice Chair reported that a new logo was going to be designed by college students in the new academic term.

17.FOI Monitoring Quarterly Report

The Committee noted the content of the Freedom of Information quarterly monitoring report.

18.Procurement Internal Audit Report

The committee noted the good result from the procurement internal audit and staff are working through the recommendations in the report. The Director said that the recent internal audit reports were encouraging and that our practices were improving with recommendations. The Corporate Services Officer will bring an internal audit action plan back to management committee to review progress against recommendations.

19.Director’s Report

The Committee noted the contents of the report.
The Director reported that MPHA had collaborated with Hawthorn Housing Co-operative and Cadder Housing Association on an application to SFHA to get fuel advice and support for tenants. It would be funded for 1 year and the Director will report back to committee with the outcome of the application.

The Director updated Committee on the ongoing investigation into the Moore Street heating system. All properties that were surveyed during the investigation into suitability of the system had removed at least one storage heater. Tenants were also not forthcoming with helping the surveyors with additional information. There has been no more contact from living rent. The Asset Manager is awaiting the completed report from Hulley and Kirkwood.

20.AOCB

A Scott reminded Committee of the upcoming GWSF AGM. He also reported that he was planning to stand for election again for GWSF.

21.Date and Time of Next Meeting –Tuesday 15th August 2023 at 6.30pm

Meeting Close 8.29pm

Signed.....

Dated