



**DRAFT MINUTES OF THE MANAGEMENT COMMITTEE MEETING  
HELD ON WEDNESDAY 31 JULY 2024 at 6.30p.m.  
MEETING HELD IN THE COMMITTEE ROOM OF THE ASSOCIATION'S OFFICES**

**1. Sederunt**

<b>PRESENT:</b>	P. Waddell (Chairperson), D. Barnes, A. Cushingam, C. Cooper F. Lavery, C. Harvey, R. Hartness (Casual Appointment)
<b>IN ATTENDANCE:</b>	K. Mollins – Director, G. Kerr – F&CS Manager / Depute Director A. Nugent – Housing Manager A. Chelton – Temporary Corporate Services Officer P. Morrice Alexander Sloan Chartered Accountants
<b>Apologies:</b>	D. McNulty
<b>Leave of absence:</b>	None

**2. Meeting of the Management Committee**

**a) 26 June 2024**

**i) Minute**

The minutes of the Management Committee meeting on 26 June 2024 were approved by F. Lavery and seconded by A. Cushingam.

**ii) Matters Arising:**

**a) Page 3, Section 5 – Tenant Safety Compliance Report**

The Director presented a report on the progress of overdue EICR, which showed a good level of progress on completions, as well as the number of cases subject to formal action i.e. appointment letters and force access. He advised there were 2 abeyances for good reason

The Director advised the Regulator has signed off the notifiable event as they have assurance on our progress with overdue EICRs.

b) Page 7, Section 11 – Veranda Project

The Director presented the note of the Office Bearers' meeting on the procurement method and list of Architectural firms to be invited to tender for the contract. This was for Committee's information only

The Committee noted the content of the Office Bearers' meeting

There were no other matters arising.

**b) Master Tracker**

The Chairperson confirmed the Master Tracker has been deferred to August 2024. He provided the Committee with an update on the outstanding EICRs.

**3. Declaration of Interests and Notifiable Events**

There were no Committee or staff with a declaration of interest in relation to the business at the meeting

**4. Annual Accounts 2023-24**

P. Morrice presented his report and annual accounts 2023-24 and covered the following:

- The change from a Co-operative to a Charitable Housing Association.
- The review of business and future developments.
- Statement of the Management Committee responsibilities.
- A key requirement for the Association was to ensure there was a system of internal financial controls, which was in keeping with the expectation of the Scottish Housing Regulator and compliance with Regulatory Standards.
- The financial statements 'give a 'True and fair view' of the Association's affairs at 31 March 2024 and of the surplus at the year end.
- The Association is a going concern with no material uncertainties relating to its events or conditions.
- The Association has a clean audit report and meets set requirements .
- The following were highlighted from the accounts:
  - There was an increased operating surplus from £581k in 2022-23 to £932k in 2023-24;
  - The overall surplus in the year was £749k with the total comprehensive income being £619 due to losses in the defined benefit pension scheme;

- Net current assets had increased to £3.064m. This is a healthy position of having over £3m liquid funds readily available;
- Creditors reduced from £5,228m to £4,911m;
- £3,053m in cash in the bank.
- £10,075m net assets and this represent a healthy balance sheet.
- He referred to notes on the financial statements, which covered
  - The change to the legal status to a charitable housing association
  - Contingent liability, due to the on-going court case within the pension scheme, which could affect all members.

There were no comments or questions on the annual accounts.

P. Morrice presented the letter of representation to be issued from the Association to Alexander Sloan detailing the information they have received in relation to the Annual Audit.

P. Morrice presented the Audit Summary report, which covered:

- Audit Opinion – Has the audit work been carried out in accordance with International Standards of Auditing;
- Audit Independence and Ethics;
- Key Audit Issues, which identified risks highlighted at the Planning stage e.g. management override, revenue recognition and covenant compliance and there were no issues;
- Qualitative Aspects of Financial Statements;
- Adjustments to the Financial Statement – There were minor adjustments relating to the change in tax liability as a charitable housing association;
- Internal Controls - Current Control Weaknesses.

There was discussion on the 'current control weaknesses' in the report and G. Kerr detailed the Management's response on:

Current Control Weaknesses;

- Share Register, where through the audit there was £1 share they couldn't verify.

The F&CS Manager / Depute Director advised the Association was assessing this and would report to the Committee.

The Director advised the Committee of changes to share applications following the review of the fully mutual status and becoming a charitable housing association. He summarised the new procedure, storage and recording arrangements.

- During our testing the Association was unable to locate copies of some of the tenancy agreements requested.

The Housing Manager advised the Committee of the work that is on-going to reconcile the tenancy agreements and will update the Management Committee.

The Management Committee raised the following queries or questions in relation to the annual audit

- A Committee expressed concern about the management of the share register and felt this was a historical matter. The F&CS Manager confirmed this was a isolated issue in 2023-24 at the beginning of the new financial year in April 2023.
- A Committee member asked about the impact of missing tenancy agreement. The Committee was advised we would complete the reconciliation exercise and take legal opinion on any missing tenancy agreements.
- The Committee discussed and agreed the management response to current control weakness and noted the improvements made to past control weaknesses.

The Director spoke about the significant improvement in the governance and financial management, which underpins a very positive audit and healthy financial position.

K. Mollins, A. Nugent, G. Kerr and A. Chelton left the meeting

The Management Committee had a private discussion with the External Auditor in relation to the annual accounts and year end audit.

The Committee approved the Annual Accounts and Letter of Representation and delegated signing to the Chairperson, P. Waddell, Chairperson of Audit & Finance Sub-Committee- A. Cushingam; and Secretary, K. Mollins, as required.

P. Morrice will issue the Annual Accounts and Letter of Representation for signing.

The approved Annual Accounts to March 2024 will be presented to the members at the AGM in September 2024.

P. Morrice left the meeting

K. Mollins, A. Nugent, G. Kerr and A. Chelton re-joined the meeting.

## 5. Re-Appointment of the External Auditor

The Director advised the Committee that the External Audit contract was procured in 2023 and Alexander Sloan were appointed for the period 2023-2026 with an option of a further 2 year extension to 2028. This would be reviewed annually, and the Management Committee would make a recommendation to the shareholders at the AGM.

The Management Committee confirmed they were agreeable to the re-appointment of Alexander Sloan for the Audit 2024-25, which would inform a recommendation to the shareholders at the AGM on 2 September 2024.

## 6. Decree Report – Tenant Reference 001225

The Housing Manager presented his report on a decree awarded against tenant number – 001225 due to non-payment of rent and highlighted the following:

- The decree was awarded by the Sheriff Court on 10 July 2024
- The background to the arrears action.
- The Association's compliance with the Pre-Action requirements RSLs must undertake before issuing a notice of proceedings to recover the tenancy.
- The legal action against the tenant
- The balance of the rent monies due and associated recoverable court expenses.
- The options to enforce the Decree as outlined in section 6 of the report.
- The recommendation to enforce the Decree.

The Management Committee raised the following queries or questions in relation to the Decree.

- The Committee discussed the options in report taking into account the level of arrears, household composition and the tenants failure to engage, despite extensive efforts by the housing team.
- The Committee discussed the options and the arrangements to enforce the decree.

The Committee's decision was option 2, where the tenant will be given 4 weeks to pay the full balance on the rent account and recoverable legal expenses within 4 weeks of the meeting (28 August 2024), otherwise the eviction will be scheduled for Thursday 29<sup>th</sup> August 2024.



## 7. Membership Report

The Corporate Services Officer presented his report and sought Committee approval for the following memberships applications.

NAME	ADDRESS
Jenna Stevenson	Redacted

The Committee approved the membership applications in the report.

## 8. Share Capital 2024.

The Corporate Services Officer presented a report to Committee with amendments to the Share Capital as outlined in the Rules.

Section 3 of the report outlined members who would be removed from the membership as they had left the area as outlined in Rule 11, or were deceased as per Rule 16

Section 4 of the report confirmed that there were 692 live members and as a result 30 members required to be in attendance at the AGM as per Rule 24.1

The Committee approved the Share Capital report and noted the number of members for the quorum at the AGM.

## 9. Correspondence

There was no correspondence

## 10. Confidential Reports

There was no confidential business.

## 11. Any Other Business

### a) Committee Mini-Conference

The Corporate Services Officer gave an update on arrangements for the Committee mini-conference event, where February 2025 was more suitable for members. The Director confirmed this would enable more time for the event to be organised.



**b) Livery Design for Trade / Estates Team Vehicles**

The Director circulated the designs for the livery for the vehicles and following scoring by Committee and staff, the joint highest scoring options were , A & C. The Director will arrange for each option to be costed and will engage with Committee to seek a final decision.

**12. Date of Next Meeting**

- Management Committee - Wednesday 28 August 2024 at 6.30pm to be held in the Committee room in the Association's Office
- Monday 2 September 2024 at 7.00pm to be held in the Committee room in the Association's office (Election of Office Bearers)
- Audit & Finance Sub-Committee - Monday 12<sup>th</sup> August 2024 at 6.30p.m. to be held in the Committee room in the Association's Office

Chairpersons Signature: \_\_\_\_\_

Date: \_\_\_\_\_