

MINUTE OF THE MANAGEMENT COMMITTEE MEETING HELD ON TUESDAY, 12 SEPTEMBER 2023 AT 7PM

PRESENT

Mr A Scott (Chair)
Mrs M Hutchison
Mr J O'Donnell
Ms G O'Hara
Mrs J Donachy
Mr N Halls
Mr A Young
Mrs R Tinney
Mrs C McGuire
Ms G Hay
Mrs M Smith
Mrs E Conwell

IN ATTENDANCE

Mr P Martin (CEO)
Mrs L Sichi (Deputy CEO)
Mr G Kerr (Finance/IT Manager)
Mr J McBride (Azet Auditors)

1a. APOLOGIES FOR ABSENCE

1a.1 Apologies were tendered for Mrs A Jenkins, Mrs M Anderson, and Councillor A Casey.

1b. DECLARATIONS OF INTEREST

1b.1 There were none.

1c. RELEVANT BUSINESS ITEMS TO BE ADDED TO AGENDA

1c.1 There were none.

1d. PRESENTATION OF ANNUAL ACCOUNTS

1d.1 Mr James McBride, Audit Partner from Azets, was welcomed to the meeting and invited to present the above to the MC.

1d.2 In accordance with MHA's financial regulations and following Good Practice, the three staff members left the meeting at this point to allow the Auditor to speak to the MC without a staff presence. Following this, the staff members returned to the meeting and the Auditor proceeded with the presentation of MHA's Group Accounts.

1d.3 MILNBANK COMMUNITY ENTERPRISES (MCE)

1d.3.1 The Auditor explained that both the turnover and surplus for the financial year 2023/23 was small due to the limited activity undertaken by MCE. There was no gift aid as tax was due on the surplus made. In terms of MCE as a going concern, a Letter of Representation from MHA confirming its ongoing support to MCE was presented.

1d.3.2 The above was proposed by Mrs R Tinney, seconded by Mr H Halls, and unanimously approved by the MC.

1d.3.3 There followed a brief discussion regarding the most appropriate formation of the MCE going forward and the Members noted that BTO solicitors as currently reviewing the MHA Group Structure

1d.4 MILNBANK PROPERTY SERVICES (MPS)

1d.4.1 The Auditor advised that the format of the above is the same as last year. MPS's turnover increased for 2022/23 and a small surplus of £10,469 was generated which will be gift aided back to MHA. The MC briefly discussed the planned changes in delivering the factoring service going forward (e.g., quarterly invoicing, change the fixed factoring service). In terms of MPS as a going concern, a Letter of Representation from MHA confirming its ongoing support to MPS was presented.

1d.4.2 The above was proposed by Mrs R Tinney, seconded by Mrs M Smith, and unanimously approved by the MC.

1d.5 MILNBANK HOUSING ASSOCIATION

1d.5.1 The main part of the auditor's presentation focused on the annual accounts for MHA. It was explained that, as the MC anticipated, there was a deficit for the financial year 2022/23. The Auditor confirmed that the financial statements are unqualified as they are confident that MHA remains a going concern due to the measures and controls that the MC have put in place and forecasts for the next 12 months.

- Housing stock not in the core operating area will be considered for disposal, to improve cash reserves & improve operational focus of MHA.
- SHAPS DB pension scheme closed to future accrual with existing members transferred to the SHAPS DC scheme from 01.09.23.

The Auditor further commented that the above positive steps greatly assist in addressing the financial performance of MHA to start generating healthy surpluses in the short and medium term and sustain MHA's future financial sustainability.

1d.5.3 Finally, the Auditor commented on the post year end performance which has been strong with a healthy surplus generated. This is a significant improvement in the expected budgeted deficit for quarter 1 of 2023/24. It is now hoped that a surplus will be generated in the next two financial years rather than the budgeted deficits.

1d.5.4 Moving to the Audit Findings Letter, the Auditor confirmed this is an unqualified audit report with no significant issues identified. The Auditor advised that the finance staff should look at reviewing the bad debt provision.

1d.5.5 Following the above presentation, the Auditor invited any questions from the MC. The questions were around seeking assurance that the measures that have been put in place, and those that are further planned, are enough. The Auditor confirmed that if the improvements continue, MHA should start to generate profits going forward.

1d.5.6 There being no further questions, the MC were asked if there are any further issues that have occurred since the audit was undertaken. The MC unanimously confirmed nothing has occurred.

1d.5.7 The MHA annual accounts 2022/23 and the Audit Finding letter were proposed by Mr A Young, seconded by Mrs J Donachy and unanimously agreed by the MC. The Letter of Representation was unanimously approved by the MC, and it was duly signed.

The Chair thanked the Auditor who subsequently left the meeting at this point.

2. ADOPTION OF MINUTES – 08 AUGUST 2023

2.1 The above was proposed for approval by Mr N Halls, seconded by Mrs R Tinney and unanimously agreed by the MC.

3. MATTERS ARISING FROM MEETING – 08 AUGUST 2023

3.1 There were none.

4. USE OF SEAL

4.1 The above was approved by Mrs M Hutchison, seconded by A Young, and unanimously approved by the MC.

5. GOVERNANCE ISSUES

5a. CEO'S REPORT

5a.1 The CEO referred to the previously distributed report which covered an update on the staffing and operational matters, performance and financial update referring to the Audit Management Letter outlining the positive direction going forward, SHR update, digital transformation and CFN.

5a.2 The MC also noted the update on the first-floor office refurbishment, the cost saving made to date by removing the Sannox Gardens office and the proposal to review the community hall refurbishment.

The above report was unanimously approved by the MC.

An extension of time was proposed by Mrs M Hutchison, seconded by Mrs J Donachy, unanimously agreed by the MC.

5b. SHR LANDLORD REPORT

5d.1 The MC noted the above report, with particular attention to MHA's performance. The Scottish average rent figures will be reviewed against MHA rents with the MC being advised of the outcome.

5c. DAMPNESS & MOULD POLICY

5c.1 The above new policy was discussed by the MC as part of the work on tenants' safety. Following a brief discussion, the above policy was approved for adoption by Mr J O'Donnell, seconded by Mrs R Tinney and unanimously approved by the MC.

5d. NOTE OF AUDIT & RISK SUB-COMMITTEE MEETING

5d.1 The note of the meeting held on 16.08.23 was review and subsequently unanimously approved by the MC.

5e. NOTE OF GOVERNANCE SUB-COMMITTEE MEETING

5e.1 The note of the Governance Sub-Committee Meeting held on 16.08.23 was review and subsequently unanimously approved by the MC.

5f. TEAM BUILDING AWAY DAY NOTES

5f.1 As part of developing MHA's People Strategy, the feedback notes from the Staff/Committee Team Building Day on 25.08.23 were presented to the MC. It was agreed that this should be fed back to the staff and the Governance Sub-Committee to provide responses and an action plan.

5g. NOTE OF RENT SCRUTINY COMMITTEE SESSION

5g.1 The note of the Committee Briefing Session on the Rent Strategy, held on 29.08.23, was reviewed and subsequently unanimously approved by the MC.

5h. Committee Meeting Schedule 2023

5i. GWSF Update

5j. SHR Compliance Update

5k. GDPR, FOI, NE, Complaints & Compliments

The above items (5h-5k) were noted by the MC.

6. A.O.C.B

6a. In response to a query, the CEO confirmed that he would visit the landscape areas within the Haghill and Great Eastern areas.

- 6b. The MHA Letter of Support to the MCE for the financial year 2023/24 was noted by the MC and signed by the Chair.
- 6c. Following a brief discussion, it was agreed to close the office for the three days between Christmas and New Year in December 2023. This is on the basis that staff use two days annual leave with MHA awarding one day. The MC was assured that the usual emergency cover will be put in place.

7. DATE OF NEXT MEETING:

Tuesday, 10 October 2023 at 7.00pm.



Chair

10.10.23