

MINUTES OF THE BOARD MEETING HELD ON 25th AUG 2025 AT 6.30PM

This meeting was a hybrid meeting via Teams.

Present in office:

Karen McMillan, Chair
Sandra Loney, Member
Clare Hayes, Member
Elaine Templeton, Member
Emmanuel Dufegha, Member

Present via Teams:

Michelle Hart, Member
Damian Dempsey, Member

In Attendance in Office:

Fiona McTaggart, Chief Executive (CEO)
Lorna Colville, Director of Finance & IT (DoF&IT)
Craig Reid, Director of Assets & Development (DoA&D)
Sandra Marshall, Corporate Services Officer (CSO)

Guest

Steven Cunningham, Partner, Alexander Sloan.

1.0 APOLOGIES

Apologies received from Mairi Maclean and Ian Johnstone.

Board noted

2.0 MINUTES OF MEETING HELD ON 30.6.25

Minutes of meeting held on 30th June 2025 were agreed as a true reflection.
Proposed by Karen McMillan seconded by Elaine Templeton.

Board Approved.

3.1 MATTERS ARISING

None.

4.0 – ITEMS FOR APPROVAL

4.1 Annual Audit & Risk Committee Report

The Audit & Risk Committee met to review the annual monitoring of risk, internal and external audit activity, and fraud matters for 2024/25. The purpose was to finalise and recommend the wording for the Statement of Internal Financial Control to be included in the Association's Financial Statements for the year ending 31 March 2025.

The Committee had reviewed the year's risk management activities, internal audit findings and external audit outcomes, and confirmed there was sufficient assurance to recommend the Statement to the Board.

Risk Management

1. 15 Strategic Risks aligned to Business Plan monitored; 9 operational risks tracked.
2. 1 Risk downgraded; 2 risks upgraded (Communication, Regulatory Compliance).

Internal Audit

1. EVH Landlord H & S Audit – all actions complete.
2. Procurement Continuous Improvement Programme – actions added to Procurement Strategy Action Plan (25/26).
3. Quinn Internal Audit reappointed following tender for 3 years with the option to extend for a further 2 years ; Audit Needs Assessment completed but full report to be presented to the next A&RC meeting.

External Audit

1. No outstanding actions from 23/24 and none raised for 24/25.
2. Alexander Sloans reappointed as External Auditors for 5 years plus option to extend for a further 2 years commencing financial year 25/26; formal reappointment to take place at the AGM Sept 2025.

Statement of Internal Financial Control

1. Internal control framework reviewed; Committee confident Board can make statement in 2024/25 Financial Statements.

Action notes:

1. Continue to Implement Procurement Strategy Action Plan
2. Continue to Embed departmental risk management
3. Present Audit Needs Assessment and draft Internal Audit Plan to A&RC for approval
- 4 Finalise Financial Statements with agreed Statement
- 5 Reappoint Alexander Sloans at AGM

Decisions

1. Continue focus on Strategic Risks as well as monitoring high-risk operational issues.
2. Recommend Statement of Internal Financial Control to Board for inclusion in 2024/25 Financial Statements.

For redaction:

4.2 Financial Statements (Including on-line Accounts return and SHAPS annual return)

The Board received and reviewed the financial statements for the year ended 31 March 2025, reporting a surplus of £1,821,294. The Association remains financially viable, with net assets of £29,460,857 and healthy cash reserves. Key variances from management accounts arose from adjustments to depreciation/amortisation and the annual pension revaluation. The Board approved the financial statements, impairment checklist, and delegated authority for the statutory returns and covenant declarations to the finance staff. Steven Cunningham, Auditor, confirmed they were able to provide a clean audit report and, in their opinion, the financial statements give a true and fair view of the Association's affairs and have been properly prepared in accordance with legislation.

Discussion points:

1 Financial Performance – Surplus of £1,821,294; strong cash position of £9.81m.

2 Variance Analysis – Main differences from management accounts is due to finalised capital spend for year and resulting depreciation adjustments (+£189k) and pension revaluation (+£72k), no cash impact from either.

Loan Covenants – All financial covenants met; no breaches reported.

Audit Outcomes – Clean audit opinion; no control weaknesses identified.

Impairment Checklist – Completed and reviewed for accuracy of asset valuations.

Regulatory Compliance – Multiple statutory submissions required to SHR, SHAPS, FCA, OSCR, and lenders by specified deadlines.

Governance & Risk – Ongoing monitoring of financial viability, compliance with regulatory standards, and loan covenant obligations.

Decisions:-

Approved the wording of the Board of Management Statement on Internal Financial Control.

Approved the Financial Statements to 31 March 2025 and the Board Statements contained therein.

Approved the impairment checklist.

Noted as no recommendations in the Auditor's Summary Report, no further actions by

the Board required.

Approved submission of statutory and regulatory returns in line with delegated authority.

Agreed Chair, Elaine Templeton and Company Secretary would sign the all the Documentation as required.

Action Points

Chair & One Board Members and Secretary– Sign Financial Statements via DocuSign.

Chair & One Board Member – Sign Letter of Representation.

Director of Finance & IT – Submit Annual Online Audited Financial Statements Return to SHR by 30 September 2025, including required attachments.

Finance Manager to Submit:

- SHAPS annual financial viability return (when available)
- FCA return by 31 October 2025
- OSCR return by 31 December 2025
- Covenant Declaration to Clydesdale Bank and RBS by 30 September 2025.

For redaction:

Steven Cunningham left the meeting at 18.47

4.3. New KPI's for 25-26

KPI new targets set for 25.26.

Discussion points:

Complaints – CEO is looking to check the number of complaints being logged. Cx system doesn't help, as it can take up to 20 mins to log a complaint, by which time the complaint could be resolved.

Sickness – already higher than usual as we have had 2 long term sick cases.

Finance – expecting increased spend on Orchard Street and Planned Maintenance

HM – all achievable targets

Asset Management – just a few tweaks to the targets.

Action Notes:

CEO confirmed that there will be training on complaints

Decisions

Board approved the new KPI figures / targets

For redaction:

4.4 Development Report Update

Head of Assets and Development provided update.

Discussion points:

1.1 Orchard Street – Progress and Cost Position

- Works progressing in line with revised programme; improved site management following appointment of new manager.
- Final three vacant flats purchased, achieving full ownership of all residential units.
- Two commercial units remain – Threadex agreed to contribute to common costs; Kennedy's Public House pending agreement (Council to underwrite costs).
- Rear elevation stonework in poor condition – render option being explored for cost savings (planning permission required).
- Historical human remains discovered; confirmed as non-criminal and pre-dating tenement – minimal disruption.
- Projected net overspend £350k after contingency; causes include unforeseen works, inflation, and scope changes.
- Scottish Government will fund additional flat purchases and may consider extra grant for remaining overspend subject to evidence and Council confirmation.

1.2 Foxbar – Feasibility Funding

- External funding from Scottish Government for up to RIBA Stage 2 feasibility uncertain and slow.
- £300k available internally following decision not to pursue net zero demonstrator. Discussion took place regarding costs of study, but board agreed it would only get dearer.
- Stage 2 feasibility to provide site capacity analysis, cost plan, and delivery options before go/no-go decision.
- Proceeding now maintains momentum and aligns with strategic goals.

1.3 Houston Site

- Tenure reverted to social rent; ongoing discussions with Council, SG, and Miller Homes to identify viable delivery model.

1.4 Johnstone Site

- 35-flat acquisition opportunity under review; developer discussions ongoing after previous RSLs declined site.
- Sanctuary's withdrawal due to purchase model disagreement clarified; viability discussions remain constructive. Update is that this site looks like it will be used for commercial purposes rather than flats. Opportunity unlikely to pursued.

1.5 123 Neilston Road

- Awaiting Council confirmation on SHIP inclusion; engagement ongoing. Update that Neilston Road is unlikely to be included in the SHIP, we are extremely disappointed and have set up meetings with the Council to discuss in more detail as the draft consultation is now out for comment.

1.6 ROTS Programme

- Approx. £200k expected for 2025/26 to acquire up to five properties.
- One property at Hollows Avenue already purchased; further acquisitions in progress.
- Priority is consolidation of existing stock to improve asset management.

Action Notes:

1. Complete and submit consultant's report & Renfrewshire Council confirmation for Orchard Street overspend grant application via HARP
2. Finalise rear elevation render vs. stone repair costings and submit for planning approval if render chosen
3. Proceed with £300k Foxbar Stage 2 feasibility (site surveys, concept design, outline cost plan, planning engagement note)
4. Continue discussions on Houston site delivery options with partners
5. Identify and progress priority acquisitions under ROTS funding, focusing on stock consolidation.
7. Ongoing discussion with Council and elected members about PHA's pipeline sites being included with in the SHIP – ie. 123 Neilston Road.

Decisions Made

- Board Approved £300k front-funding for Foxbar Stage 2 feasibility.
- Endorse continued engagement and targeted acquisitions under the ROTS programme.
- Note Orchard Street's revised programme, cost position, and grant funding approach.

For redaction: Confidentiality

4.5 Management Team Remit

CEO clarified the remit of the Management Team. The Management Team provides corporate and strategic leadership for Paisley Housing Association, supporting the CEO and Board in governance, regulatory compliance, and delivery of the Association's objectives. It meets monthly to oversee operations, performance, budgets, risk management, staff development, and new business opportunities. Membership includes the CEO, Directors, and key managers, with interim appointments participating as required. The team acts in an advisory capacity to the CEO, with no additional delegated authority. The remit is reviewed every three years, with proposed changes reported to the Board.

Discussion points:
Remit of the Management team v Executive Team v Board

Decisions:
Board approved the Management Team Remit

For redaction:

4.6 Cx Evaluation report

The Director of Finance & IT presented the internal evaluation of the current Housing Management System (CX) and the requirement to replace the Finance Management System (Castleton Financials), which is reaching end of life.

The review assessed the systems' ability to support operational delivery, regulatory compliance, and tenant engagement, and considered sector best practice, future-proofing, and tenant expectations.

Key Findings:

- **CX Limitations:** Usability issues, unresolved bugs, limited reporting, basic customer portal, difficulties implementing modules (e.g., Allocations), poor support.
- **Finance System:** Castleton Financials ending; replacement required in 2026.
- **Benchmarking:** Peers demonstrate stronger performance in repairs reporting arrears tracking, and communication using alternative systems.
- **Market Review:** Homemaster and Rubixx identified as leading cloud-based alternatives with integrated finance modules, improved portals, regulatory compliance features, and ability to purchase via frameworks (avoiding lengthy tender).
- **Financial Considerations:** Homemaster projected at £46,126, Rubixx at £38,775 plus implementation cost.; CX is cheaper annually but requires additional finance system and has capital server costs, annually equivalent it is the most expensive.
- **Risks:** Continuing with CX risks operational inefficiencies and dissatisfaction; moving to new system requires change management.

Discussion points:
Operational Risks: persistent inefficiencies and staff dissatisfaction with Cx: long delays in resolving core module issues. Repair reporting problematic.
Regulatory Compliance: CX's weaknesses hinders ARC reporting
Tenant Service Impact: Poor portal usability limits tenant self service

Transition Risks: Managing staff adoption: monitoring Homemaster post-acquisition by Aaeron.

Factoring Functionality: Dedicated factoring system review paused pending evaluation of Homemaster's module

Market Confidence: Homemaster's emerging as Scottish RSL market leader, Rubixx also positively rated but less established.

Breakage Costs: Potential liability under Cx contract; negotiations to minimise/avoid

Action Notes:

1. Notify Civica of intention to seek alternatives and end maintenance contract in 2026.
2. Cease further Cx development (accept short term operational limitations)
3. Commence negotiations with Homemaster – arrange full demonstration (1.5 days) negotiate price and progress to contract signing if satisfactory.
4. Prepare Implementation Project Action Plan – Director of Financial & IT with Leadership Team, IT & Homemaster.
5. Monthly Board Updates on Implementation progress.
6. Report back to Board on any confirmed contract breakage costs before payment.
7. Develop governance, oversight, stakeholder engagement, and risk mitigation strategy for system transition.
8. Issue staff communication on 26th August regarding Board decision.

Decisions made.

Board approved going ahead with the demonstration with Homemaster and should this be all good, Board give delegated authority to Director of Finance & IT to go ahead with the purchase of Homemaster system. Board approved recommendations.

For redaction:

4.7 Equality & Diversity Strategy

CEO outlined the Equality & Diversity strategy, confirming far more needing done with our action plan.

Discussion points:

1.Equality & Diversity Vision and Purpose: The Association reaffirmed its commitment to fostering a safe, inclusive, and thriving community. Discussion emphasised embedding equality and diversity in all its service delivery, governance

and employment practices. Aim to achieve excellence, not just compliance.

2.Legislative Compliance: reviewed alignment with Equality Act 2019, Housing (Scotland) Act 2010, Human Rights Act 1998 & Scotland act 1998

3.Key Strategy Objectives: Customer-focused services – better data collection on tenant demographics. Leadership commitment – embedding equality principals at all levels. Inclusive engagement – accessible consultation methods. Accessible services – removing barriers and improving digital access. Diverse workforce – inclusive recruitment and progression pathways.

4.Current Gaps & Challenges: Action Plan tasks currently Not Started. Lack of tenant profiling data limits service tailoring. Accessibility assessments not yet undertaken. Need for dedicated EDI training.

5. Monitoring & Accountability: Equality & Diversity Working Group to monitor and report quarterly. Need for measurable outcomes and performance indicators.

Action Notes:

Action Plan back to Board every 6 months

Training to be provided for all staff.

Decisions made.

Board approved the Equality & Diversity Strategy

For redaction:

4.8 Secretary Report

CSO confirmed that all aspects of the Secretary report have been complied with. The main change is having the signage on the building now.

Decisions

Board approved the Secretary Report

Board noted full compliance with Rules 62 -67

For redaction:

4.9 – Policies due for renewal

Policies (Dress Code, Lone Working, Principal Officer Remuneration, Recruitment & Selection, Unacceptable Actions) all reviewed and approved.

Discussion points:

There were very little changes in any of the policies. Recruitment & Selection is EVH Model Policy. Unacceptable Actions now has an appeal process.

Action Notes:

All Policies approved by the Board.

For redaction:

5.0 ITEMS FOR DISCUSSION

5.1 Tenant Safety Scorecard

DoA & D updated Board with details of the tenant scorecard.

Discussion points:

1. High Compliance Areas: Asbestos, Gas, Electrical< Smoke Detection, Damp& Mould – showing strong adherence to regulatory / legal requirements.

2. Areas requiring attention: Lifts and Lifting Equipment – Inspection pending. Fire safety – programme impacted by operational factors: recover plan in place. Water Hygiene: one property due to remedial works

3. RAAC Assessment: Domestic properties all clear. Assurance House remedial work, tender going out.

Action Notes:

Board noted the Tenant Safety Report.

For redaction:

5.2 Self Assessment of Assurance

The report informs the Board of preparations for the Association's Annual Assurance Statement for 2025, to be uploaded to SHR's portal by 31st October 2025. The draft statement is presented for comment at this meeting, with final approval at the October Board meeting. Looking at involving Board members to look at evidence in different areas and then they can recommend to the other Board members to approve the Statement.

Discussion points:

1.Preparation and Evidence: Introduction of new SFHa Toolkit evidence base. Creation of EMT and Board action Plans for continuous improvement. Engagement with SFHA, GWSF, FLAIR, EMT and SMT. Review of organisational culture to ensure VFM and continuous improvement. Updates on ARC, Tenant Satisfaction Surveys, Tenant Safety KPI's, auditd, Board appraisals, tenant profiling and other engagement activities.

2.Consultation with Tenants: Limited response to 'getting involved' advert in Oct 24 annual report. Customer Engagement Calendar included in Summer 2025 Newsletter. Plans to work with TIS to create a Resident Voice Panel for 2025/26. Door-to-door tenant profiling exercise to promote engagement.

3.Assurance and Compliance: SHR Annual Assurance visit 2023 highlighted good practice and commitment to continuous improvement. No areas of material non compliance identified. Ongoing improvement areas- Tenant Safety, Equalities & Human Rights, Tenant Engagement.

4.Areas for Ongoing Improvement: Tenant Safety – continue to affiliate with specialist consultant. Equalities & Human Rights – implement new strategy and action plan, gather enhanced tenant data via profiling.

5. Board Input & Risk Management: All Directors and Managers contributed to evidence gathering and reporting. Risks managed via Board-approved Risk Management Strategy and Audit Sub-Committee oversight. Assurance Statement Working Group to monitor ongoing improvements.

Action Notes:

Board noted report and to confirm whether any further assurance is required.

Board members to submit any suggested changes or improvements to draft Assurance Statement by 8th Sept 2025.

Areas for ongoing improvement will be reported with the SFHA Evidence Toolkit and action Plan at the October meeting.

For redaction:

6.0 ITEMS FOR INFORMATION

6.1 Policies approved by Board

CEO confirmed this report shows updated information about policies which have been reviewed.

Discussion points:

Action Notes:
Board noted report

For redaction:

6.2 Management Accounts Q1

The quarterly management accounts provide an assessment of financial performance against the budget. The report highlights significant variances and projects the financial position to the end of the financial year. The Board was asked to note the contents.

Discussion points:
Variances noted .
Stable financial performance
Cash flow position ensures continued liquidity.
Continued loan covenant compliance

Action Notes:
Management accounts to be circulate to relevant lender and the external auditors

Decision :
Board reviewed & noted report

For redaction:

6.3 Health and Safety Report Q1

CEO.updated the Board with details of the Health & Safety Report.

Discussion points:
Quarterly report presented to the Board for noting.
Report evidences compliance with SHR Standard 4 on governance and risk management.
Fire regulations changed – so we need to replace some fire doors.
Training ongoing

Decisions
1. Board noted that all current H & S obligations are being met and performance criteria satisfied.
2. Board supported the training programme for staff, Board members and

Management Team

For redaction:

7.0 AOCB

1. Resignation of new Board member Colin Pyke
2. Cultural talk update – CEO provided information about archetypes and confirmed there will be no appraisals completed this year. Kirsty will provide a report to the Board in October.
3. Info re Community Development (sent out with paperwork). Brief discussion.
4. AGM reminder on 4th November. Confirmed most board members can attend.
5. Training reminder for 22nd Sept – Scrutiny. Karen & Sandra cannot attend.
6. Cancelled H & S briefing before the Oct meeting and will be re- scheduled in Feb 26
7. Damaged Flat from fire– Police still have keys. All tenants back in expect ground and top floor.

Action Notes:

Board noted all AOCB Items

For redaction:

8.0 Date of Next Meeting

Date of next meeting will be Monday 4th Sept 2025. Short meeting after AGM

Meeting ended at 20.40pm