

**CORDALE HOUSING ASSOCIATION LTD**  
**MINUTES OF THE MANAGEMENT COMMITTEE MEETING**  
**HELD ON 16<sup>th</sup> FEBRUARY 2021 AT 3pm**  
**BY VIDEO CONFERENCE**

|                      |   |  |
|----------------------|---|--|
| <b>Present</b>       | Martin Walker (Chair)<br>Margaret McCallion<br>Veronica Hamilton<br>Lilian Peters<br>Graham Logan<br>Gary Wilson<br>Pauline Burke |  |
| <b>Apologies</b>     | Fiona Eadie and Jenna Noble   |  |
| <b>In Attendance</b> | Leigh Grubb<br>Andrew Kilpatrick<br>Garry Savage<br>Tim Calderbank<br>Kevin Nixon<br>Joanna Jakubiak<br>Carol-Ann Burns           | Director of Finance and Governance, Caledonia<br>Director of Assets, Caledonia<br>Director of Strategy & Innovation, Caledonia<br>Director of Customer Service, Caledonia<br>Regional Manager, Caledonia<br>Finance Officer, Caledonia<br>Governance Officer, Caledonia, Minutes |

The Chair sought approval for a proposal to co-opt two members to the Management Committee - Pauline Burke and Fiona Eadie. The Management Committee members discussed and approved the co-opted membership.

Pauline Burke joined the meeting.

**13/21 Apologies**

Apologies were received from Fiona Eadie and Jenna Noble.

**14/21 Declaration of Interest**

There were no declaration of interests.

**15/21 Draft Minutes of Management Committee held on 19<sup>th</sup> January 2021**

It was noted Joanna Jakubiak's name on attendance list of the minutes was omitted from January's meeting.

The minutes were proposed by Veronica Hamilton and seconded by Margaret McCallion.

**16/21 Matters Arising**

The members advised of the omission from the action list of the cash collected report requested at the previous meeting. The Governance Officer apologised for the error and this will be added to the February action list.

**17/21 Head of Frontline Services Report**

The Director of Customer Services presented the report on behalf of the Head of Front Line Services and provided the Management Committee with updates and information on issues with a significant operational or strategic importance to the Association. He apologised for the omission of the data on cash collected and provided assurance this information will be made available to members.

It was reported that Cordale had received a request for an uplift in the staff costs associated with the service provision by Carman Care at Waterside View, to be backdated to April 2020. This had been agreed and implemented earlier in the year by West Dunbartonshire Council. The uplift is in relation to the 3.3% increase applied to the Living Wage in Adult Social Care in 2020/21. The members **APPROVED** the uplift in staff costs.

The Head of Frontline Services is liaising with another potential member to join the Management Committee and it is anticipated he will be proposed for approval at April's meeting.

The members **REQUESTED** to see a copy of the new housing application form and requested that this is **NOTED** on the action list.

The members **APPROVED** the revised Group Complaints Handling Procedure which incorporates the updated the Scottish Public Services Ombudsman (SPSO) Model Complaints Handling Procedure (MCHP) for Registered Social Landlords (RSLs). Members noted that RSLs, including the Caledonia Group, have been working towards implementation of the revised MCHP by April 2021.

The members asked if there is any current legal action for evictions underway. The Director of Customer Services advised court actions for possession proceedings are subject to an extended notice period of 3 to 6 months following the introduction of emergency Government legislation during the Coronavirus lockdown period. The Regional Manager advised Cordale does not have any current ongoing evictions prior to the Coronavirus restrictions and staff are working on recovery actions.

The members discussed the 5 voids and **REQUESTED** a breakdown between property stock and Waterside View stock to inform members of void issues. The Regional Manager advised that the figures are not an indicator of stock out with timescale of allocation. It is recognised Waterside has allocation challenges and staff are working with partners to address.

The members again expressed surprise and disappointment at section 3.2 of not receiving the information regarding cash collection. The members stated it was not

a concern about the performance they had but rather they wanted to understand the reasons why cash collection was down. Members feel this information is not being communicated to them, and they need to be informed to identify issues and areas of tenant profiling to manage these issues. The members commented that the issues cannot solely be from housing benefit timing of payment and that reassurance to members is required to ensure this is being taken seriously. The Director of Customer Services advised staff are working hard to provide reassurance and confidence in cash collection and again apologised for not having the information present.

The Management Committee **DISCUSSED** the report, **APPROVED** the uplift in staff costs at Waterside View, **REQUESTED** to see a copy of the new housing application form, **APPROVED** the revised Group Complaints Handling Procedure, **REQUESTED** a breakdown of voids between core stock and Waterside View and **NOTED** the report.

## **18/21 Annual Rent Increase Consultation**

The Director of Customer Services provided an update to the Management Committee on the rent increase proposals for 2021/22 following consultation.

He advised feedback was slightly lower than last year possibly because last year's feedback provided options for rent proposals opposed to this year of a single option. The response rate was agreed to be acceptable, being more than 10% of the survey pool.

Members noted that the digital survey was user friendly and were of the view that this was the best the way forward, the Director of Customer Service agreed and advised this is mirrored within the group. Members noted that not all tenants have access to online services and to be mindful that paper copies are still required where requested.

Members discussed the average rent and the difference between Cordale and the rest of the Group. The Director of Customer Services advised that consultants had been engaged last year to provide a report on the rent harmonisation options for the Group. The decision on the preferred harmonisation option had been deferred due to the prioritisation of responses to the Coronavirus pandemic, however this was included as a strategic priority in the Business Plan for 2021/22.

The Management Committee **CONSIDERED** the information contained in this report relating to the feedback received from tenants following consultation on the proposed increase. The information informed the Management Committee's decision on the Business Plan and Budget for 2021/22 and the Management Committee **APPROVED** the rent and service charge increase.

**Group Business Plan 2021-26**

The Director of Strategy & Innovation presented the Draft Group Business Plan 2021-26 for review and comment by Members prior to consideration for approval by the Caledonia Management Board at the meeting on 23 February 2021.

Following an overview of the plan provided by the Director of Strategy and Innovation, the Members asked for clarification on whether the plan was being presented for approval or for information. The Director of Strategy and Innovation advised that it was the responsibility of the Caledonia Management Board to formally approve the Plan given the Group status of the document; and reflecting this, the role of the Cordale Management Committee was to review and provide feedback on the plan.

A member raised concern over the length of the plan and the time provided for members to read over this to provide comments. The Director of Strategy & Innovation advised that the Business Plan was in the combined Group format agreed previously by the governing bodies that aimed to streamline the previous process of drafting separate business plans for the associations in the Group. He also acknowledged the plan was necessarily detailed to set out the Group's key strategic aims, satisfy different stakeholder groups and meet regulatory requirements.

Members discussed whether a separate business plan or other Cordale specific document should be drafted for the Association. The Director of Strategy and Innovation reminded members that there was a Cordale local priorities section incorporated within the Group Business Plan. He also advised that any change to the current approach is something that the Cordale and Caledonia Board members would need to discuss further to agree, and again would need to involve consideration of relevant stakeholder and regulatory requirements. A member suggested that the business planning process could be reviewed to ensure that the Cordale Management Committee are able to consider and agree the content of the Cordale section within the Group Business plan prior to this being finalised. It was agreed that this should be considered later in the year.

It was also noted that the future format and content of the Plan could be reviewed by the Governance Working Group (GWG) and the Executive Management Team (EMT). Also, the Director of Finance & Governance advised that he had discussed with the Head of Frontline Services, a number of areas where the Governance Working Group might contribute to issues identified in the committee's own improvement plan, including the format of papers and reports.

The Director of Strategy Innovation advised that he would advise the Caledonia Management Board on the views that members had expressed on the Group Business Plan; and also that he would be able to report any feedback received post meeting that any of the members wished to express on the Cordale local priorities section and / or the other sections in the document.

The Management Committee **CONSIDERED and DISCUSSED** the report. The Management Committee **REQUESTED** the format of the plan is revisited later on in the year.

20/21

### **Budget for the Five Year Period to 31<sup>st</sup> March 2026**

The Director of Finance & Governance presented the five year projections and accompanying notes detail the Association's plans for the five year period to 31<sup>st</sup> March 2026. This included stress testing and sensitivity analysis. The Director of Finance & Governance thanked members for feedback on the additional stress testing requested.

The Director of Finance & Governance reflected on comments received from the Committee on its first review of the draft budget at its meeting in January 2021. He noted that, in response to that feedback, more prudent assumptions had been adopted in the budget for both void levels and bad debt levels, which had reduced the year 1 budgeted operating surplus by £58,000. This had reduced the budgeted interest cover position to 130%, still well within lenders' covenant requirements.

The Director of Finance & Governance also advised that an additional £360,000 of planned maintenance investments in the first 2 years of the budget had been included to 'catch up' on projects carried forward from the 2020/21 programme. These investments are not possible without the support of our lenders as they would result in a breach of interest cover covenants in each of those years. Our lenders have however confirmed that they are willing to support our request for a covenant variation to exclude these investments from the interest cover calculation. This additional spend would remain contingent on the receipt of formal approval of these variations which are expected to be received before the end of the current financial year.

Members acknowledged the good work undertaken to defer the costs of major repairs in this way. Members asked with the potential delays, due to the pandemic and brevity, whether the Association is ready to issue tenders to deliver maintenance at an appropriate cost. The Director of Assets confirmed a proportion of the tenders are already procured and as and when other tenders are procured, members will be updated.

The Management Committee **APPROVED** the proposed draft budget.

Members **NOTED** that the proposed draft budget includes additional spend of £360,000 which is contingent on receipt of formal approval of our lenders to covenant variations.

21/21

### **Business Performance Report, Quarter 3 2020/21**

The Director of Strategy & Innovation presented a quarterly update on business performance as measured against identified organisational key performance indicators (KPI's) for 2020/21. Results were presented for the third quarter of the year, covering the period 1<sup>st</sup> October 2020 to 31<sup>st</sup> December 2020.

SI 1, 63% should be 47% for the quarter and 63% is the year end figure

C5 10, members asked for clarification, the Director of Customer Services advised this should read great than or equal to 95%

Management Committee **DISCUSSED** and **NOTED** the contents of the report.

**Development & Planned Maintenance Update**

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Meeting concluded at 16.20pm

**Date of Next Meeting**

20 April 2021

Signed (Chair):-----

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