



MINUTES OF MANAGEMENT COMMITTEE MEETING – 19 FEBRUARY 2019

IN ATTENDANCE

Committee Members:

Martin Walker, Vice Chair
Aileen Overend
Lilian Peters
Veronica Hamilton

Staff:

Barry Johnstone, Area Director
Ron Hunter, Finance Director
Kevin Nixon, Area Housing Manager
Alec Drain, Area Maintenance Manager
Maura Elliott, Executive Officer (minutes)

Apologies:

Margaret McCallion, Chair
Graham Logan
Patricia Morris
Gary Wilson

Absent:

None

BUSINESS ITEM	ISSUE	DISCUSSIONS AND DECISIONS
Apologies		Apologies were received from Margaret McCallion, Patricia Morris, Graham Logan and Gary Wilson.
Declaration of interests		None.

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Non Confidential Minutes of Management Committee held on 22nd January 2019		The minutes were proposed as a correct record by Aileen Overend and seconded by Veronica Hamilton.
Matter Arising		There were no matters arising.
Rent Increase Proposal and Consultation		<p>The Area Housing Manager presented the report requesting that the Management Committee approve a 2.4% rent increase for the rental period 2018/19 with effect from 1st April 2019.</p> <p>The Area Housing Manager advised the Management Committee that 35 responses were received from the consultation, with 70% stating the proposed rent increase was reasonable and 73% stating the proposed rent increase was affordable.</p> <p>The Management Committee APPROVED the 2.4% rent and service charge increase with effect from 1st April 2019.</p>
Business Plan 2019-2024		<p>The Area Director presented the Group Business Plan to the Management Committee. He advised the members that following the strategy event held in November, it was agreed that we would develop a single combined Business Plan for the Group's three Associations. Although presented as a Group document, the format mirrors that used over recent years at each of the Associations in the Group.</p> <p>The Management Committee APPROVED the Group Business Plan 2019-24 and commented that the Plan meets the aspirations of the Association and the wider Group.</p>
Budget for 5 year period, 2019-2024		<p>The Finance Director detailed the five year budget covering the period 1st April 2019 to 31st March 2024. The Finance Director advised the budget projections at this stage are based on the existing staffing and overhead structure at Cordale HA. The Customer 1st programme will change the staffing and overhead structure in that it is expected that in future all staff will be employed by Caledonia HA and apportioned appropriately throughout the Group, despite reformatting the projections existing viability will be maintained.</p> <p>The Management Committee discussed in detail the costs associated with the new statutory fire regulations and how this would affect the planned maintenance expenditure.</p> <p>Following a query from the Management Committee, the Area Maintenance Manager confirmed assisted door opening adaptations were covered through Stage 3 referrals. The Management Committee also discussed the maintenance expenditure across the five years and the significant dip in expenditure in year 2021/22. The Management Committee were advised that the budget reflects the component cycles and the possibility to front load these projects would be looked at to smooth</p>

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		<p>expenditure. The Finance Director explained that sensitivity analysis had been applied to the Association thirty year projections under the following scenarios:</p> <ol style="list-style-type: none"> 1. Voids and bad debts increased by 2% each year 2. Mortgage interest rates increased by 2% 3. Both of the above scenarios occurring 4. Maintenance expenditure increasing by 5% <p>However, the Association has set realistic base assumptions in which it currently operates and in each scenarios there is a lead in period of four to five years in which corrective action would be taken.</p> <p>The Budget for the period 2019-2024 was APPROVED by the Management Committee.</p> <p>The Finance Director advised the budget would be presented to the Caledonia Board for final approval.</p>
<p>Business Plan for 2018-2023, Quarter Update</p>		<p>The Area Director provided the Management Committee with an overview of progress in relation to the implementation of objectives contained within quarter 3 of the Business Plan 2018/19.</p> <p>The Area Director advised that we had planned to be operating from the new office in January, this has now been delayed and the Management Committee will be kept up to date with progress. An open day to celebrate the new office will be held on 22nd March 2019.</p> <p>The Management Committee NOTED the Business Plan update.</p>
<p>Business Performance Report, Quarter Update</p>		<p>The Area Housing Manager presented the Key performance Indicators (KPI's) for the third quarter of the year, covering the period 1 October 2018 – 31 December 2018 to the Management Committee. The Area Housing Manager advised that there are 10 areas below target and explained that Indicator 41 – Gross Rent Arrears has been on target for some time, but due to the Christmas period there has been a spike in rent arrears and staff are working hard to address this. By the end of January the figure was 4.01% and it is expected to meet the target by end of February.</p> <p>The Management Committee discussed universal credit and the effect on gross arrears.</p> <p>The Management Committee NOTED the report.</p>
<p>AOCB</p>		<p>The Area Director advised that we have now advertised for new co-opted members and we have</p>

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		<p>received reasonable interest. We plan to carry out interviews over the coming weeks and report back to the Management Committee for approval.</p> <p>The Area Housing Manager advised we have advertised for the Garden Co-ordinator role for the Community Integration Project and hope to make an appointment soon. The Management Committee will be kept updated with progress.</p> <p>The Management Committee acknowledged The Area Director's new post in the Customer 1st Programme and wished him all the best for the future.</p>
Date of Next Meeting		21 April 2019