**The Minutes of Ruchazie Housing Association Management Committee**

**Meeting held on Thursday 1st December 2022 at 6pm, at Ruchazie Housing Association, 24 Avondale Street, Glasgow / via Zoom**

**Present:**

Michelle Caldwell Chair In person

Hugh Holland Vice Chair In person

Ann Macdonald Secretary In person
Tommy McGuigan Via Zoom

David McKenzie Via Zoom

Katrina Phillips Via Zoom

David Khan Via Zoom

Robina Rigley Via Zoom

Charlie McLellan Via Zoom (from item 6)

**In Attendance:**
Janice Shields Director

Stacy Shaw Senior Housing & Corporate Services Officer

Moira Smith Finance Officer

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| 1. | **Register & Declaration of Interest** | None |
|  | **Apologies**  | G BellP Uti |
|  | **Minutes of Meeting held on 27th October 2022**  | No matters arisingProposed – A MacDonaldSeconded – R Rigley |
| 2. | **Minutes Audit & Risk Committee**  | No matters arisingProposed – A MacDonaldSeconded – R Rigley |
| 3. | **Policy review*** **Equality & Diversity Policy**
* **Donations Policy**
* **Adaptations Policy**
* **Standing Orders/Delegated Authority**
 | **To allow for full discussion of item 4 on the agenda, Rent Consultation process, Committee collectively agreed to amend the running order of the agenda to facilitate full discussion.** JS referred to the policies for review, circulated prior to the meeting.All four policies were collectively approved by Committee.  |
|  4. | **Directors Report** | JS presented the report which was previously circulated.2.2 – Maintenance, Committee collectively approved the programme and reassignment of funds from planned/cyclical maintenance to complete the programme. 2.3 Risk, Proposal noted by Committee.2.5 – Holiday and Winter Emergency Arrangements, collectively approved by Committee.Committee noted the remainder of the report.JS advised that an article had been included in the winter newsletter providing advice on condensation. A Committee member asked if we have looked at previous repairs where condensation has been mentioned by the tenant. JS advised that the Property Services Officer is looking through these types of repairs and we are currently analysing this information. The Property Services Officer is also looking through the Ombudsman report from England. The Committee member advised that they were comforted by our approach. Another Committee member asked if we are gaining access for annual visits. JS advised that there has been some disruption this year due to staff changes, however we gain access when carrying out EICR’s, Gas Safety Visits, and family members of tenants assist with gaining access where the tenant is unavailable. JS also advised that the Property Services Officer is offering advice on condensation to tenants during visits and showing them how to manage this. |
| 5. | **Treasury Management Report** | MS presented the report which was previously circulated.Committee noted the report. |
| 6.  | **Draft Budget** | MS presented the report circulated prior to the meeting and advised that the budget ensures covenant compliance throughout. MS also asked Committee to note the following points;* Appendix 2 , based on assumption of inflation 8.2%, exception for office heating and light as we are awaiting figures for utilities
* Insurance premiums are volatile, with potential increases of 20-25% in premiums next year
* Staff costs, based on salary increase of 5.25%, which is a slight uplift, however this is offset by the previous staff cost savings
* Reactive maintenance, Committee to note that this budget includes close lighting and the costs for this may more than double
* Interest payable on loans, forecast from Bank of England, may rise to 5.25%
* Rent increase, 8.2% increase ensures that we keep loan compliance, and enables us to deliver on the 30 year projection on component replacement
* Budget is based on 7% rent increase in its current state, which equates to a drop of £11k in income, compared to 8.2%, which over 30 years is a £342k drop in income
* Years 18 & 19, heavy component replacement costs
* 5 % rent cap would place us in a more severe cash and covenants position

MS invited comments.Committee member stated that this was a really sound analysis and options and that 7% increase seems appropriate. Another Committee member advised that the message we give out to tenants is key, and that 8.2% increase is justified, but doesn’t think that we will be allowed to go any higher than 5%. This may mean publications like newsletters may have to stop and be online to cut costs. A further Committee member added that as a tenant, they don’t want any rise, however understands that if rents don’t increase, we may be unable to carry out repairs, and that viability of the organisation is important and they would accept 5% or 7%.Committee member stated that there is a choice to be made – if we cut costs, we provide less services, and if too high, and people can’t pay, arrears will increase, therefore 5% may be better if it means less arrears. Another Committee member advised that as a tenant, they were hoping for 5% and that 8.2% will be too high for our tenants, anything between 5%-7% would be acceptable. A further Committee member stated that we have a responsibility to tell tenants how it is, and that we should stick to our principles. A further Committee member advised they support 5% and 7% and continue our financial support to our tenants, and they are now worried about the future of small community based Housing Associations, as rent caps put them at risk.JS advised that in terms of further financial support to our tenants, we have also bid for £27.5k funding to distribute between our community anchors.  |
| 7. | **Rent Consultation Process** | JS presented the report circulated prior to the meeting and asked Committee to note the flowing;* Even with a rent increase at 7%, this still meets the requirements of affordability in line with the SFHA affordability toolkit.
* JS will add information to the rent increase consultation publication to include details of the support we have provided to the community over the last 2 years

JS invited comments.A Committee member stated that we should be more transparent and show tenants what a 6% increase would look like, to show what we would have to give up. Another Committee member advised that they thought that we should not show a 6% increase as this would likely be chosen and this option would not be financially viable. A further Committee member advised they would only present 1 option. JS advised that she would add information about what efficiencies would need to be made if lower that 7% increase was applied. MS also advised that we need to be mindful how lenders feel as well. JS advised that consultation will go out to tenant’s week commencing 12th December 2022 for return by 16th January 2022, with feedback ready by the end of January, with further invitations for tenants to come to the office to discuss further.Committee collectively approved to consult on 7% and 8.2%  |
| 8. | **Correspondence** | Letter from SHRLetter from EVHGWSF updateGlasgow City, Health & Social Care Partnership – Social Care Housing Investment Priorities 2022-2027These will be uploaded to Committee Portal. |
| 9. | **AOB** | Committee collectively approved a Christmas lunch for staff paid for by Committee.  |
| 10. | **Date of next meeting** | Thursday 26th January 2022 at 6.00pm. |

**Meeting Closed**

I certify that the foregoing minute has been approved as a true and accurate reflection of the meeting held on Thursday 1st December 2022.

**Date Signed \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Chairperson**