

**KINGSRIDGE CLEDDANS HOUSING ASSOCIATION
MANAGEMENT COMMITTEE MEETING
HELD ON 25th OCTOBER 2022 at 5.45pm
IN THE ASSOCIATION'S OFFICE**

Present: Elaine Shaw
John Barclay
Jane McDonald
Jane Atkins via Zoom
Kirsteen McLerie

In Attendance: Paul Immelman
Moyra McKenzie
Ikra Aziz

1. APOLOGIES

John Docherty, Arlene Martin, and Bobby Wards

2. DECLARATION OF INTEREST

No declaration of interest.

3. MINUTES OF PREVIOUS MEETING HELD 27th September 2022

The minutes of the previous meeting were approved on a proposal by Kirsteen McLerie, seconded by John Barclay.

4. MATTERS ARISING

Cash Balance Petty Cash list on previous minutes stated July instead of August.
Corrected by Elaine Shaw

5. CORRESPONDENCE

Paul advised MC correspondence had been received from the Scottish Government (SG) and separately from the Scottish Housing Regulator (SHR) regarding the SG's rent 'freeze' until 31st March 2023 announcement, also reported widely in the press.

The SG has placed a 'rent freeze' on both the Private Sector and the Social Housing sector rents until 31st March 2023. The position from 1st April 2023 is yet to be decided by Ministers. Ministers will inform Registered Social Landlords (RSL's) by 14th January 2023 whether there will be an extension of the legislation from 1st April 2023 or not. Most RSL's (including Kingsridge Cleddans) would normally consult it's tenants now for any possible rent increase from 1st April 2023. The SG and the SHR have advised rent consultations can still go ahead albeit further guidance will be produced by 14th January 2023 to advise on rent consultation proposals that can be considered for any rent increase from 1st April 2023.

Paul has put forward the proposal to defer the rent consultation until 14th January 2023 by which date the Association will be able to consult tenants on a meaningful proposal after receiving clarity from the SG.

Paul informed the MC of the timeframe for consultation being:-

- | | | |
|--------------------------------|---|-----------------|
| ➤ SG Guidance or legislation | - | 14 January 2023 |
| ➤ Consultation proposals to MC | - | 24 January 2023 |
| ➤ Proposal out to consultation | - | 27 January 2023 |

- Results of Consultation and recommendation to MC - 21 February 2023
- Rent letters to tenants - 24 February 2023

Paul advised the MC that sending out rent consultation letter to tenants without any knowledge of the decision by Ministers could result in confusion amongst tenants, especially if further consultation is required based on the advice/guidance from the SG on 14 January 2023.

Paul requested the MC approve the proposal to suspend the consultation exercise until further clarity has been received from the SG.

MC approved the proposal to defer the rent consultation until clarity is received from the SG.

6. CASH BALANCE AND PETTY CASH LIST SEPTEMBER 2022

The cheque and petty cash list for September 2022 was approved and signed by Elaine Shaw and John Barclay

7. MANAGEMENT ACCOUNTS Q2

Moyra presented the earlier distributed Management Accounts for the second quarter of 2022/23.

- Statement of Comprehensive Income
The budget surplus projection for Q2 was £143k, actual £183k, positive variance of + £40k.
 - Net Rents up £3k
 - Management costs down (£21k)
 - Repair costs down (£14k)
 - Stage 3 adaptations up £1k
 - Service charge costs up £8k
 - Bad debts down (£6k)
 - Net interest income Inchfad Place £3k
- Statement of Financial Position
 - Cash balance at period end £1.774m,
 - Loan balance £0
 - Pension deficit £0
 - Net assets £5.9m

No material concerns to any of the indicators to date Moyra advised that the Association's overall performance is good. However, prices are going up and maintenance could inflate to as much as 20%, more accurate figures to reflect this will be shown in quarter 3 report in January 2023.

8. HOUSING MANAGEMENT REPORT Q2 – SEPTEMBER 2022

Paul presented the Housing Management report for September 2022

8(i)a RENT/ARREARS

MONTH	SEPT 2022	%	SEPT 2021	%	VARIANCE
Balance B/F	25,254.37		28,228.50		(2,974.13)
Gross Rent Charge	100,569.09		96,490.74		4,078.35
Void Loss	(378.27)		(0.00)		(378.27)
Payments to Account	97,908.48		96,920.85		987.63
End of Period Balance	27,536.71		27,798.39		(261.68)
- Gross Arrears	41,492.97	3.44%	45,824.60	3.96%	(0.52%)
- Technical Arrears	(1,541.90)	0.13%	(3,707.22)	0.32%	(0.19%)
- Former Tenant Arrears	(3,957.93)	0.33%	(2,425.90)	0.21%	0.12%
- Current Tenant Arrears	35,993.14	2.98%	39,691.48	3.43%	(0.45%)

ACCOUNT BANDING	SEPTEMBER 2022	VALUE £'S
Prepaid	123	(£ 13,313.07)
< £ 499.99	52	£ 13,519.38
£ 500 – 999.99	19	£ 12,849.33
£ 1,000 – 1999.99	9	£ 11,166.33
> £ 2,000	0	0.00
Former Tenant	6	£ 3,957.93
Current Tenant Arrears	121	£ 37,535.04
TOTAL ARREARS CASES	127	£ 41,492.97
No. Tenants >= 3 Months	7	
% Tenants >= 3 Months	2.4%	

¹Casework >= £500.00 reported at 7(i)b

²Court Action Cases reported at 7(i)c

Paul informed the MC that current tenant arrears have decreased by 0.45% however this figure could change due to the cost of living increasing and the likelihood of a recession.

Paul confirmed there has been no eviction actions. Actions can only be taken if tenant is in arrears of £2250+ or has a serious anti-social case until at least 31st March 2023. KCHA currently do not have any tenants in arrears of more than £2000 and no anti-social cases.

Elaine commented that the Association has a good understanding of the tenants. Tenants feel they come and discuss their problems.

Paul emphasised that KCHA is a community-based association that takes pride in engaging and listening to their tenants.

8(ii)a VOIDS & ALLOCATIONS

	No. Void	No Offers	No. Lets	Rent Loss
Q1 (April, May & June)	4	2	2	£ 640.45
Q2 (July, August & September)	1	2	2	£ 476.41
TOTAL	5	4	4	£ 1,116.86

8(ii)b Applicants re-housed to 30.09.22

	Re-let Target	No. of Re-lets to 30.09.22	% of Re-lets to 30.09.22
Direct W/List	25%	1	25%
Internal Transfer	15%	0	0
Section 5	60%	2	50%
GCC Nom's e.g. Supported Accom.		1	25%
TOTAL		4	100%

8(ii)c Applications on list @ 30.09.22

8(iii) Anti-social complaints @ 30.09.22

CATEGORY 'A'	CATEGORY 'B'	CATEGORY 'C'	TOTAL
0	0	0	0

Paul Advised there currently 0 anti-social complaints however the association is waiting to hear from police regarding 1 possible serious anti-social case.

8(iv) Estate Management

Direct W/L	Int. Transfer	Section 5	Others	TOTAL Applications on List @ 31.07.22	No. Applications Rec'd in Month	No. Applications Cancelled in Month	No. Applications Suspended
161	9	1	0	171	32	(0)	1

	CLOSES	B/COURTS	BINS	GARDENS	MISC	TOTAL
INSPECTED	0	0	0	0	0	0
ACTION – SPOKEN TO TENANT(S)	4	4	4	0	0	0
ACTION - LETTER TO TENANT(S)	0	0	0	0	0	0

9. MAINTENANCE CONTRACTORS PERFORMANCE REPORT – Q2

Paul presented the Maintenance Contractors report for September 2022

Paul advised on each of the contractors' performance for :

- Number of repairs carried out
- Average time for emergency repairs
- Average time for non-emergency repairs
- Completed right first time
- Incomplete first time
- % right 1st time

- Qualifying Repairs - 1 Day
- Qualifying Repairs - 7 Days
- Call outs
- Adaptions
- Voids

Paul informed MC that there was only 1 Job not completed right first time.

Elaine questioned the Job line as it is unlike the association to have any right first-time jobs not completed first time.

Paul explained this Job line was supposed to be dealt with by city building however on this occasion they failed to attend the call on the day the job line was sent. They then attended the following day.

10. GAS SAFETY MANAGEMENT REPORT – Q2

Paul presented the Gas Safety Report for Q2, noting that all gas safety visits have been completed on time.

GAS SAFETY MANAGEMENT REPORT - Q2					
Month	No. Service Visits	Completed	Not completed	Sub-total	% Completed
July	88	88	0	88	100%
August	52	52	0	52	100%
September	52	52	0	52	100%
TOTAL	192	192	0	192	100%
CUMULATIVE Q1 & Q2	269	269	0	269	100%

MC noted the satisfactory performance.

11. ABSENCE MANAGEMENT REPORT – Q2

Paul presented the Absence Management Report Q2

Paul advised there is no cause for concern as we are well within target.

MC have noted this and were happy with figures.

	APRIL	MAY	JUNE	Q1	JULY	AUGUST	SEPT.	Q2	ANNUAL TO DATE
SICK DAYS	0	0	3.5	3.5	1	0	1	2	
WORKDAYS	76	84	88	248	76	115	115	306	
% OF WORKDAYS	0%	0%	4%		1.3%	0%	0.9%	0.6%	
CUMULATIVE SICK				3.5				2	5.5
CUMULATIVE DAYS				248				306	554
CUMULATIVE %				1.41%				0.6%	1%

12. KITCHEN RENEWAL CONTRACT – CLEDDANS COURT UPDATE

Paul informed MC that letters were sent to all tenants on Friday 21 October 2022

Access will be required to each property week commencing Monday 14 November 2022. All tenants will make their choices of worktop, door fronts, handles and linoleum. The contract will start week commencing 9 January 2022, completion by 31 March 2022.

Paul advised he had a discussion with Duncan Campbell to confirm that City Building will contact all tenants to arrange home appointments rather than tenants calling into the office.

Elaine asked how long the kitchen fitting would take. Paul confirmed it should be 3 days.

MC noted the updated position on the Kitchen Renewal contract.

13. WINDOW & DOOR REPLACEMENT LADYLOAN 1 & INCHFAD 4

Paul informed MC that going ahead with both contracts for Ladyloan 1 and Inchfad 4 would now be ill-advised.

The budget provision for Ladyloan 1 was £170k with a future (2023/24) budget estimate of £209k for Inchfad 4, giving a combined estimated budget sum of £379k. However, the tender total was much more than expected.

The lowest tender bid came from CR Smith with a combined total of **£691,301.30** ranging to the highest bid price of **£866,003.76** both prices excluding VAT (currently at 20%). Adding VAT to the bids produces a range from **£829,561.56 to £1,039,204.50**, this represents an increase over the combined budget of **218.9%** to **274.2%**.

Paul has asked Duncan from Campbell Martin Associates Ltd to go back to the two lowest bidders to seek a price for the completion of one of the contracts. From a business point of view it would be unwise to proceed with both Ladyloan 1 and Inchfad 4 at the same time due to the price hikes.

Paul advised that the Association must seek value for money in all that it does and that it is especially true given the current macro-economic conditions and the tender returns.

Paul proposed three options;

- Option 1 - Commit to both contracts
- Option 2 - Commit to proceeding with one contract
- Option 3 - Delay both contracts.

Option 1 -Paul advised the MC from a business finance point of view and from a value for money perspective Option 1 is clearly not advisable in the current circumstances. Additionally the condition of the windows of one of the contract areas is good and could withstand a further 4 years before replacement. The other area windows are unfortunately in a very poor state and would be required to be replaced without much delay.

Option 2 -Paul advised that the condition of the windows in one of the areas is such that replacement is needed without further delay. This contract was

originally due for completion during 2019/20, however this was firstly postponed due to COVID-19 and latterly to be added to the other area with a view to achieving some cost savings.

Option 3 – Paul advised against this option purely on the basis that the window replacement within one area has already been deferred for 3 years and the windows and external doors continue to deteriorate. The windows and doors in this area have outlived their expected life cycle.

Paul presented MC with the budget implications of recent price hikes in labour and materials 2022-2050 showing that the total loss from the 30-year budget on average is projected to be £1,494,551.52 for window and kitchen contracts. The increase in percentage costs within the next 5 years (2022-2027) is projected to be 50.58%.

Paul advised that there is possibility that costs may reduce or steady. However, this is something that cannot be predicted. There are many factors such as recession, the aftermath of covid and Brexit.

Following discussion, the MC agreed to select *Option 2* and to progress with the contract for Ladyloan 1 window replacement and further agreed to defer replacement of Inchfad 4 until 2024/25 at the earliest, being dependant on a more favourable economic climate.

14. TENANT SATISFACTION SURVEY REPORT 2022

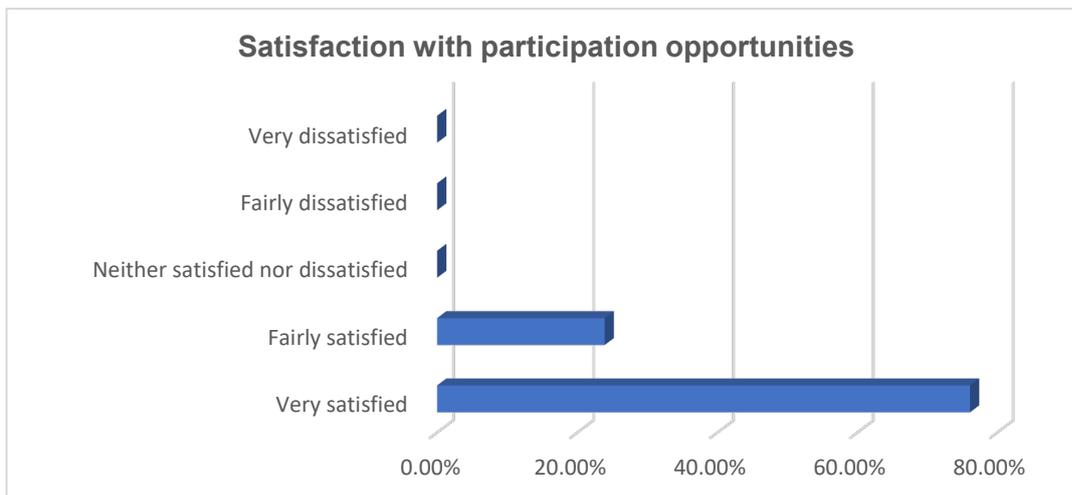
Paul presented the Tenant Satisfaction survey report 2022

Scottish Housing Regulator indicators				
	Aug-19	Aug-22	August 2019/2022 Change	Scottish Average RSL's ARC 2021/22
<i>Base</i>	160	165		
<i>Overall how satisfied are you with the services provided by Kingsridge Cleddans Housing Association/ (% very/fairly satisfied)</i>	97%	98%		88%
<i>How good or poor do you think KCHA is at keeping you informed about its services and decisions (% very good/good)</i>	96%	99%		91%
<i>How satisfied or dissatisfied are you with the opportunities given to you to participate in KCHA's decision making processes? (% very/fairly satisfied)</i>	100%	100%		87%
<i>Overall, how satisfied, or dissatisfied are you with the quality of your home? (% very/ fairly satisfied)</i>	97%	96%		85%
<i>Thinking about the last time you had repairs or maintenance carried out, how satisfied or dissatisfied were you with the repairs and maintenance service? (% very / fairly satisfied)</i>	98%	98%		88%
Of those reporting a repair in last 12 months				
<i>To wat extent does your rent represent good value for money? (% very good value / good value)</i>	98%	99%		83%
<i>How satisfied are you with KCHA's contribution t the management of the neighbourhood you live in? (% very / fairly satisfied)</i>	97%	98%		85%

Paul advised overall tenants seem to be happy. The figures are very promising. Tenants are Satisfied with the opportunities given however they do not want to engage or participate further in decision making process.

Over half of tenants **(56%) were aware** of the opportunities provided to them to take part in the Association’s decision-making activities, with awareness levels being highest regarding regular customer satisfaction surveys (52%) and becoming a member of KCHA and attending the **AGM (20%)**.

88% of respondents said they were not interested in becoming involved in any of these ways and where tenants expressed an interest this was largely by taking part in regular customer satisfaction surveys (11%).



All respondents were either very or fairly satisfied with the opportunities provided to them **(100%)**.

Elaine commented that she feels tenants are being honest. They are happy with the service provided and hence may not have any suggestions for improvement or growth. Tenants are happy and are aware that KCHA complete all their repairs on time, maintain homes in great condition and provide a high quality level of service.

15. GOVERNANCE ACTION PLAN OCTOBER 2022

MC have confirmed that all reports and actions were complete or given outcomes. MC approved the Governance Action plan October 2022

16. A.O.C.B

16.1 Paul presented MC with a schedule for training for MC.

Elaine questioned where the training sessions will be held. John and Elaine both agreed that Cernach would be the best place for training sessions to be held. Elaine suggested that the training session on the 21st August

should be moved to the October as it could clash with AGMs for other Associations.

- 16.2** Paul advised two contractors have asked to be added to KCHAs approved contractors list. A fencing and cleaning service. They will added but it is doubtful they will be used often.
- 16.3** Paul announced the appointed Data Protection Officer will be Trish Knight. Trish will be asked to attend the next Committee meeting via Zoom for 30 minutes to discuss GDPR, Strategy and Policy planning.

17. DATE OF NEXT MEETING

The next meeting will be an Operation Meeting to be held on **Tuesday 29th November 2022** at **5.45pm** within the Association's offices and via Zoom[®].