

Management Committee Meeting – 28th August 2024

Agenda Item 2.0

Minutes of Previous Meeting – 18th June 2024

From

Elaine Lister - Director

For Approval

Present:

Frances Cunningham
Robert McLeary
Gary Gow
Mary Ellen McKeown
Heather Ross

In Attendance:

Elaine Lister - Director

AGENDA ITEM 1.0 – APOLOGIES

Apologies were received from Karen McCartney, Natalie Kirk, Karen Kirk, James Ross

AGENDA ITEM 2.0 – DECLARATION OF INTEREST

No declarations of interest.

AGENDA ITEM 3.0 – NOTIFIABLE EVENTS

There have been no new Notifiable Events.

Frances advised members that the meeting was solely to consider the Business Plan for 2024/2025.

Elaine reminded members that the Plan covered a one-year period ending the outcomes from the comprehensive Stock Condition Survey that would then be used to update the planned maintenance programme and financial plans.

She also reminded members that a number of sections of the plans had already been considered and agreed at previous events such as the Planning Away Days, Sub-Committee meetings and previous meeting of the Management Committee. These included;

- Strategic Direction/Options Appraisal
- Updated Mission Statement
- Vision and Values
- Strategic Objectives
- Risk Register & Risk Management
- Financial Projections
- Assurances and Returns

AGENDA ITEM 4.0 – DRAFT BUSINESS PLAN 2024/2025

4.1 STRATEGIC DIRECTION

Elaine reminded members that an options appraisal would have been carried out prior to the retirement of the previous, long-standing Director and, at that time, the Committee had been very clear that it wished to remain as an independent landlord and housing services provider.

However, the strategic direction of the Association is central to its planning process and members had discussed a number related aspects on previous occasions.

Elaine summarised the options;

- Remain as an independent RSL
- Share services with one or more RSL
- Join a group structure with a parent RSL
- Merge with an another RSL via transfer of engagement

Members discussed the key issues that had to be considered in making a decision regarding the strategic direction;

➤ **Current & Future Risks to the Association**

Reference was made to the reviewed Risk Management Policy and the processes for identifying and managing the risks that were now in place.

Members agreed that the Committee had made difficult and prudent decisions in order to mitigate identified risks and, consequently, felt assured that any current and future risks were being properly managed and did not present any serious risk to the future viability of the Association.

➤ **Operating Environment**

Members noted that these had been reconsidered and updated at the Away Day and that a number of the challenges identified had, or were being, addressed such as;

- the low levels of communication and engagement with customers and inadequate understanding of tenant needs, priorities etc through the commission of specialist support
- void periods/relet time reduced
- a new succession planning policies and new members on the management committee
- planned training on equalities & diversity
- programme for developing/reviewing key policies
- comprehensive review of the rent setting processes and rent equalisation

Members felt that the Committee and staff had a good understanding of the environment that the Association was operating in and had the capacity, skills and knowledge to build on its strengths and address any challenges or threats.

➤ **Performance**

Members referred to the result from the past Tenants Satisfaction Surveys that indicated that the Association continue to achieve high levels of satisfaction with the services provided. It was acknowledged that there had been some decrease in satisfaction levels but that this was a trend across the sector over the past 3-4 years.

It was also noted that performance remained high and compared favourably to the Association's peer group and the national average in many of the key indicators.

➤ **Financial Assumptions & Projections**

Members stated that they were fully assured that the Association's financial projections were based on sound assumption, that the Association was in a good financial position and that it was able to meet all of its financial commitment in the medium and long term.

➤ **Strategic & Operational Objectives**

Members reviewed the strategic and operational objectives and agreed they were still relative and priorities for the Association.

The members further considered the options previously summarised by Elaine in light of the discussions and decisions made and were unanimous in their agreement that the Association should remain as an independent landlord.

4.2 ASSET MANAGEMENT

Members considered the draft priorities for each aspect of Asset Management within the context of the work that was currently being done to improve and update the Association's maintenance, procurement and tenant and residents' health and safety compliance and processes.

It was noted that work on many of the proposed priorities had already been started and would be completed within the period of the plan.

Members discussed the Factoring Service and acknowledged that this was an activity that required a comprehensive review in order to make it more efficient and effective, particularly around arrears collection. Members asked that tis be added to the list of operational priorities for factoring. Options for the carrying out the review were considered and it was agreed that the Association currently did not have the capacity or the skills and members asked that appropriate external support was investigated.

After discussion, members;

- Approved the proposed operational priorities for the asset management activities

- Instructed that a review of the factoring processes and systems be added to the priorities in the plan
- Instructed the Director to identify appropriate external support to carry out a comprehensive review of the factoring processes and systems

4.3 TENANCY & NEIGHBOURHOOD MANAGEMENT

Members considered the draft priorities for each aspect of tenancy & neighbourhood management.

Elaine referred proposed priorities under the section on rent setting and affordability and explained that the current rent setting methodology was not as clear and transparent as it should be. Additionally, as previously reported, the rents for the Association's smaller properties were well below peer group and national averages whilst the rent of the larger properties were substantially higher.

It was noted that it was proposed that a review of the methodology and equalisation should be started within the period of the business plan as it was unlikely that the process would be complete due to the change in Housing manager and other competing priorities.

Members discussed the impact of the cost of living crisis on tenants but noted that the Association had continued to perform well in the collection of rents and the management of arrears. However, they reiterated that supporting tenants to maximise their income and sustain their tenancy should remain a key focus. Elaine advised that this might be progressed more as the Association developed meaningful engagement with tenants.

Members approved the proposed priorities for tenancy and neighbourhood management.

4.4 CUSTOMER ENGAGEMENT & COMMUNICATION

Elaine explained that the Association had no meaningful systems for engaging with customers and getting their feedback. This was a gap in the Association's ability to fully comply with the regulatory requirements and had been noted as a priority in the last few Annual Assurance Statements. She also noted that this activity was becoming a focus for the Regulator and further requirements would emerge as part of the review of the Regulatory Standards.

It was noted that developing effective and meaningful engagement was difficult, especially when there was no historical base to work from. Members reiterated the need to get specialist support in order to get the Association to a place where it was complying with regulatory requirements.

After further discussion members approved the proposed priorities for Customer Engagement and Communications.

4.5 IT & COMMUNICATIONS

Elaine advised members that the current systems used by the Association, SDM, had become quite expensive since the company had been bought over and, additionally, was getting a bit out-of-date. A number of Associations had either moved away from SDM or were considering doing so. However, moving to a new system was both extremely time consuming and could be expensive and she therefore did not feel this was something the Association should undertake at this time. The priority for the period was, therefore, to start to look at the potential options but noted that this may require the association to get external specialist advice and support.

Members discussed the importance of having modern IT systems and utilising technology such as social media platforms for engaging with customers. It was recognised that there were a number of potential benefits to having effective and efficient systems in terms of better use of staff time and better outcomes for both the organisation and customers.

However members also recognised that there was a cost implication and stressed that any purchases, reviews etc had to be effectively planned and budgeted for.

Members approved the proposed priorities for IT & Communications.

4.6 VAUE FOR MONEY

Elaine advised the Regulator required that the Association demonstrated that it was delivering value for money for service users, particularly tenants. Achieving this was linked to the Association's performance as well as ensuring that it delivered all of its services in as an efficient and effective way as possible.

She noted that a draft Value for Money Policy & Strategy was due to be considered at the next Management Committee Meeting and that work was currently being done on developing a Procurement Policy and Strategy.

Members discussed a number of decisions that had been made recently that had supported costs savings within the organisation in areas such as staffing, procuring contracts and reviewing the planned maintenance programme.

Members stressed that, in the current economic climate, it was essential that the Association demonstrated to tenants that it was being as financially prudent as possible.

Members approved the proposed priorities for delivering Value for Money

4.7 PERFORMANCE TARGETS

Elaine explained that some of the proposed targets were based on past performance but that there were a number of new measures

Members discussed the need to get more assurance about the performance of the Association in key areas as well as ensuring that the desired outcomes in policies and strategies were being achieved. They therefore recognised that, as well as the key indicators, targets had to be set other core activities that performance could be measured. It was also recognised that a number of policies contained targets for service delivery and that the Committee required to monitor if these were being achieved.

Committee approved the proposed targets but noted that these would need to be kept under review to ensure that they were driving improvements in performance and service delivery.

5.0 ANY OTHER BUSINESS

There were no other matters of business

The meeting closed at 7.40pm