



CATHCART & DISTRICT HOUSING ASSOCIATION **LTD**

MINUTES OF THE FULL COMMITTEE OF MANAGEMENT MEETING **HELD ON TUESDAY 18 MARCH 2025 AT 6.30 PM** **IN THE ASSOCIATION'S OFFICES** **AT 3-5 RHANNAN ROAD**

PRESENT:

Committee Member	Attended	Apologies
Alastair Penney (Chair)	✓	
Marion McMillan (Vice Chair)	✓	
Chris Carr (Treasurer)	✓	
Sue Harper	✓	
Bruce Strathearn	✓	
Trudi Tokarczyk	✓	
Gamal Haddou		✓
Patricia Crockett	✓	
Lesley Dunan	✓	
Stephen Grimsley	✓	
David Little (Co-optee)	✓	

Attendance 91%

IN ATTENDANCE:

Staff Member	Attended	Apologies
Christine Leitch	✓	
Lorraine Glasgow	✓	
Grahame Cairns	✓	
Emma Connelly	✓	
Jonathan Lee	✓	
Fettes McDonald (Zoom) (Items 1-2)	✓	

Item No.	Issue	Action By
1.0	Apologies, Declarations of Interest & Notifiable Events	
1.1	Apologies were received from GH.	
1.2	There were no declarations of interest.	
1.3	Christine updated the Committee that the notifiable event is now closed. She confirmed there are currently no outstanding notifiable events.	
2.0	Final Annual Budget 2025/26	
2.1	Fettes provided an overview of the final annual budget for 2025/26.	
2.1.1	<p>Budgeted Statement of Comprehensive Income</p> <p>He highlighted that the budget shows a turnover of £■■■■■ with operating costs amounting to ■■■■■, resulting in an operating surplus of £■■■■■.</p> <p>It is assumed that there is £■■■■■ on deposit at a rate of ■■■% which yields interest income of £■■■■■. Fettes mentioned that loan interest is based on the Bank of England's base rate of 4.5%, leading to loan charges of £■■■■■. He explained that the base rate is expected to reduce further, which could result in additional savings.</p>	

	<p>Fettes advised that the total comprehensive income for the year is similar to the 2024/25 budget, with a projected outturn of £[REDACTED]. The difference between the 2024/25 budget and projected outturn relates to the individual items detailed on page 3a.</p>	
2.1.2	<p>Budget Assumptions</p> <p>Fettes then summarised the main assumptions:</p> <ul style="list-style-type: none"> • Rent rise of [REDACTED]% • Two apartment rent rise of [REDACTED]% • Voids at [REDACTED]% • Bad debts at [REDACTED]% • Salary increase of [REDACTED]% plus increments • Planned maintenance costs of £[REDACTED] • Reactive maintenance costs of £[REDACTED] • Variable interest rates at [REDACTED]% pre-margin • No spend or grant on new build activity • Gross rent arrears at [REDACTED]%. 	
2.1.3	<p>Budgeted Income and Expenditure</p> <p>He also provided an overview of the budgeted income and expenditure. Grants released from deferred income relate to the HAG calculation. Management costs total £[REDACTED], primarily due to staff and overhead costs. This figure includes a [REDACTED]% salary increase and accounts for the rise in employer national insurance contributions. The costs for reactive maintenance, cyclical maintenance, and major repairs amount to £[REDACTED] over the 12-month period. The provision for bad debts is set at [REDACTED], representing [REDACTED]% of gross rental income.</p>	
2.1.4	<p>Budgeted Statement of Financial Position and Assumptions</p> <p>Fettes summarised the budgeted statement of financial position, highlighting that cash in the bank is sitting at £[REDACTED], while loans amount to £[REDACTED].</p> <p>He explained that on page 3a, note 1 outlines the various changes to the projected outturn for 2024/25. These figures are assisted by the gain on sale. Note 2 details the estimated component spend for the year, totalling £[REDACTED]. There are no costs or grants for new builds included due to uncertainties of likely progression. There will be a number of acquisitions by the end of March 2025.</p>	
2.1.5	<p>Cash Flow Statement to 31 March 2026</p> <p>Page 8 contains the cash flow statement to 31 March 2026 which provides an estimate of cash at the beginning of the year. Fettes highlighted a figure of £[REDACTED] in the income section, clarifying that this amount represents the money coming back for the acquisitions that are to settle before the end of March.</p>	
2.1.6	<p>Financial Performance Analysis and Covenant Analysis</p> <p>Fettes pointed out that staff costs and turnover on page 9 are comparable to our peers.</p> <p>He confirmed that there are no issues regarding compliance with loan covenants, and there is headroom of approximately £[REDACTED] in the interest cover covenant.</p>	
2.1.7	<p>Questions</p> <p>He concluded that there are no significant concerns and invited questions from the Committee.</p>	

	<p>CC asked how CDHA compares against other similar-sized RSLs in relation to overheads as a percentage of turnover. Fettes advised that the SHR does not publish such data, so there is no specific statistic for this. He mentioned that a few of his RSL clients are sitting at █%, with some exceeding █% or more. Fettes expressed that considering the size of the organisation, there are no alarming issues.</p> <p>The Final Annual Budget for 2025/26 was proposed for proposal by SH and seconded by MM.</p> <p><i>Fettes McDonald left the meeting at 6.45 pm.</i></p>	
3.0	Minutes of the Full Committee of Management Meeting 18 February 2025	
3.1	The minutes of the Management Committee meeting held on 18 th February 2025 were proposed for approval by CC and seconded by SG.	
4.0	Matters Arising	
4.1	Christine referred to item 5.7 regarding the new van. She advised that she visited █ with the estates team and has placed an order for the █. This is a similar size to the current van.	
4.2	<p>Follow Up Actions Report</p> <p>Emma confirmed there were no follow up actions arising from the previous meeting.</p>	
5.0	Minutes of the Finance & Audit Sub Committee Meeting 25 February 2025	
5.1	The minutes of the Finance & Audit Sub Committee meeting held on 25 th February 2025 were proposed for approval by SH and seconded by CC.	
6.0	Matters Arising	
6.1	There were no matters arising.	
6.2	<p>Follow Up Actions Report</p> <p>Emma summarised the key points and actions from the last meeting, noting the following:</p> <p>3.7 █</p> <p>Andy has confirmed that both █ and the █ are Category 'B' listed buildings. This will have an impact on the costs of repair and improvement.</p>	
7.0	Finance	
7.1	<p>Finance Report</p> <p>Lorraine provided an overview of the finance report and covered the bank reconciliation, transfers, and regular payments.</p> <p>She detailed that £█ was paid to █ for the █, and we received the HAG.</p> <p>Lorraine noted that a few tenant refunds were issued. Although there were no mortgage payments reflected in the report, this is due to the timing of February.</p> <p>Lorraine reported that a deposit of £█ matured in █ and has not been reinvested. This will be used to fund the █, and we will receive HAG to cover some of the costs.</p> <p>LD asked about the stair lighting invoice. Lorraine explained that we pay █ annually for stair lighting. She detailed that the Association covers half of the cost, and the other half is recharged to owners.</p>	

7.2	<p>Factoring Arrears Report</p> <p>Lorraine summarised the factoring arrears report, noting that the balance at the end of February was £[REDACTED].</p> <p>She confirmed that there are currently no cases with [REDACTED], but this may change next month once the next set of accounts is produced. Lorraine then provided an update on the serious arrears cases.</p>	
8.0	<p>Factoring Charges from 1st April 2025</p>	
8.1	<p>The Committee agreed on increasing the Management Fee by [REDACTED] %.</p> <p>Lorraine confirmed that the [REDACTED] fee will stay the same as the new contractor has accepted the existing terms.</p> <p>She detailed that after calculations, the cost for backcourt cleaning would need to rise from £[REDACTED] to £[REDACTED] per year due to an increase in material costs, agency fees and higher national insurance contributions.</p> <p>Lorraine noted that the bulk uplift charge would increase by £[REDACTED]. CC asked if this was a flat rate and if it had always been the case. Lorraine confirmed it has been on the factors bills for the past three years. Christine explained that most housing associations implemented a bulk uplift service in place when GCC stopped providing a free service. Many people mistakenly believed this service was covered by council tax, however, this was not the case. She then informed the Committee that the [REDACTED]. A notice regarding this issue has been posted on our website and Facebook page. Christine noted that this situation affects most housing associations.</p> <p>SH pointed out that not everyone uses Facebook, and MM suggested sending out a letter to communicate this information. Jonathan mentioned that a resolution may be reached early next week and [REDACTED] covered our main route today as a courtesy. Grahame added that Grant intended to send a text message today to inform tenants about the bulk uplift service, and PC confirmed that she received such a text.</p> <p>Lorraine reported that we do not have the insurance renewal costs yet. She advised that the reinstatement surveys have been carried out, providing assurance that each block will be adequately insured. This will allow for more insurance companies to tender which could lead to more competitive prices, as only one company tendered last year.</p> <p>The Management Committee approved the new factoring charges.</p>	
9.0	<p>Directors Report</p>	
9.1	<p>Regulatory</p> <p>Christine confirmed that there are no engagement issues with the SHR. She reiterated that the notifiable event lodged in [REDACTED] has now been closed as all necessary information has been provided.</p> <p>She informed the Committee that she has received a draft copy of the engagement plan which shows us as compliant. However, because we have an active development programme, the SHR has requested a report by October detailing the status of our development plan. This will be included as an additional return in the engagement plan.</p>	

9.2	Governance Christine expressed that the Employment Law training was very well received and provided a comprehensive overview of the subject.	
9.3	Staffing <i>Section redacted due to confidential information.</i>	
9.4	Development <i>Section redacted due to commercial sensitivity.</i>	
9.5	SHR Compliance Christine explained that we have received a letter from the SHR stating that they will be taking a closer look at compliance. They want to see this specifically mentioned in the annual assurance statement, and it should be added as a headline issue. We have asked [REDACTED] to carry out an audit, while Jonathan is organising a Health and Safety Audit through [REDACTED].	
9.6	New Van Christine reiterated that she and the estate team visited [REDACTED] to select a van, and they decided on the [REDACTED].	
9.7	Wage Negotiation <i>Section redacted due to confidential information.</i>	
10.0	Rent Arrears Performance Report	
10.1	Grahame reported an increase in the arrears compared to the previous month, attributing the lower rent collection to February's shorter duration. He noted that void rental loss stands at [REDACTED]%. Grahame mentioned that former tenant arrears have decreased due to write-offs from the previous year coming off the report. He clarified that it takes a year for the write-offs to be removed.	
11.0	Policy Review	
11.1	Before the undernoted policy was approved, an overview was given.	
11.1.1	Lone Working Policy Christine advised that [REDACTED] has updated the Lone Working Policy. BS enquired whether staff carry personal alarms, to which Christine [REDACTED] [REDACTED] [REDACTED] [REDACTED]. Christine added that warnings can be added to a tenant's account and include notes such as [REDACTED] etc. The Committee then raised the topic of body cameras. The Lone Working Policy was approved by the Management Committee.	
12.0	A.O.C.B	
12.1	Rent Arrears Write Offs Grahame noted that a write-off of £[REDACTED] was missed from last month's report. Therefore, the total amount to be written off is £[REDACTED].	

13.0	Date of Next Meeting	
13.1	<p>The next Management Committee meeting will be held on 15th April 2025 at 6.30 pm.</p> <p>There being no further business, the meeting closed at 7.30 pm.</p>	