CORDALE HOUSING ASSOCIATION LTD

MINUTES OF THE MANAGEMENT COMMITTEE MEETING
HELD ON TUESDAY 10 FEBRUARY 2026 6pm
BY VIDEO CONFERENCE AND IN CORDALE OFFICE

Present

Margaret McCallion (Chair)
Margaret McLay (Vice Chair)
Thomas Ewing
Douglas Fairley
Sheena Wain
Jag Shan
Michael Currie
Eric Farren (Teams)
John Dow (Teams)
Natalie McMillan (Teams)

Apologies

Veronica Hamilton

In Attendance	Barry Johnstone	Executive Director of People & Governance, Caledonia HA
	Ross Carlin	Executive Director of Finance, Caledonia HA
	Cameron Lyall	Finance Manager, Caledonia HA
	Kevin Nixon	Regional Manager, Caledonia HA
	Alec Drain	Asset Investment Team Leader, Caledonia HA
	Matt Lock	Head of Frontline Services, Caledonia HA (Teams)
	Gill Donoghue	Strategy & Improvement Manager, Caledonia HA (Teams)
	Finlay Ross	Assets Manager, Caledonia HA (Teams)

The Chair welcomed the new members to the meeting and staff and committee introduced themselves.

01.26 Apologies

Apologies were received from Veronica Hamilton.

02.26 Declaration of Interest

Thomas Ewing declared an interest in Item 6.26, Rent Increase Proposals and Consultation Outcome. It was agreed that Thomas could remain in the meeting whist item 6.26 was discussed as the rent increase proposal affected all tenants.

03.26 Draft Minutes of Cordale Management Committee Meeting held on Tuesday 9 December 2026

Committee members **AGREED** that the minutes were a true and accurate record of the meeting. **APPROVAL of** the minute was proposed by Douglas Fairley and seconded by Thomas Ewing.

04.26 **Matters Arising**

The Chair noted that the Committee would have found it helpful to have seen a copy of the rent increase leaflet before it was issued to tenants. The Head of Front Line Services (HoFS) acknowledged this and advised that this process would be followed next year.

The Management Committee **NOTED** the action points.

05.26 **Executive Director of People and Governance Update**

The Executive Director of People and Governance (EDoPG) presented the report and provided members with updates and information on significant strategic or operational matters that impacted the Association and the broader Caledonia Housing Group.

The EDoPG highlighted the key points to note from the report:

- Item 3 – Item 3: Progress implementing Governance Action Plan and revised review date, August 2026
- Item 4: Update on Scottish Government Budget 26/27
- Item 5: Development of National Housing Agency for Scotland
- Item 6: Update Scottish Parliamentary Election
- Item 7: Process to review Annual Return on the Charter, 25/26

<u>Cordale Governance Action Plan, 2025-26</u>

<u>Recruitment and Induction of New Members</u>

The EDoPG highlighted that the 4 new members attended an introductory session on 13 January 2026 and advised that Anne Culley and Derek Robertson had agreed with the Caledonia Board to step down from the Committee. Margaret McLay would continue to be the Caledonia representative and occupy the role of Vice Chair.

A further development session was planned for March 2026, focusing on governance responsibilities, regulatory requirements, and understanding the Group structure. Ongoing training opportunities would also continue to be shared with members.

The EDoPG highlighted the key activities, performance requirements and priorities detailed in the Governance Action Plan, 2025/26 as follows;

- Effective integration of new members and strong, sustainable governance.
- Continued learning and development of roles, responsibilities and Group governance.

- Increased attendance at Management Committee and strategy and development sessions, engagement and participation in Group Committees, working groups and events,
- Committee meetings with a clear focus on key business areas including finance, risk, performance, and asset management.

Regulatory Engagement

The appointment of three Caledonia Board members to Cordale in May 2025 was reported to the Scottish Housing Regulator (SHR) as a notifiable event. The SHR had been kept fully informed of progress strengthening Committee membership and governance which included sharing the independent Paul Hillard Consultancy report: *"Board Appraisal, Effectiveness and Governance Options* and the resulting Cordale Governance Action Plan.

Governance Review

The Governance Action Plan was scheduled to be reviewed in March 2026, however, as the Committee was in a transitional phase it was proposed that the review would be rescheduled and would be conducted in August 2026, which would allow time for new member integration as well as progress in delivering the actions and performance indicators outlined in the improvement plan.

Following a query from a member, the EDoPG advised that effectiveness would be measured against the actions and performance indicators in the action plan, which included ensuring contribution from members on relevant strategic and business matters and improving attendance at meetings and events. The EDoPG also confirmed that appraisals were a key part of the action plan, they are delivered annually and would also help in 2026 measure the progress delivering the priorities in the plan.

The Committee agreed to reschedule the review to August, 2026.

The EDoPG added that, following the Caledonia Board meeting to be held on 12 February, and subject to the Caledonia Board being comfortable with the revised date, the SHR would be advised of the updated timetable.

Annual Return on the Charter (ARC)

The EDoPG advised that all Registered Social Landlords were required to submit an Annual Return on the Charter (ARC) to the SHR each year, reporting performance against the Charter standards and outcomes. The 2025/26 ARC was due by Friday 29 May 2026**.**

The EDoPG advised that an internal audit of the Group's ARC management and administration would take place in early May. As the Cordale Committee meeting on 5 May would fall before the ARC was finalised, it was proposed that the ARC review be considered either by a subcommittee or at a special Cordale meeting later in May.

Following a query from a member, the EDoPG confirmed that Cordale Housing Association was a separate legal entity and were required to submit an ARC return to the SHR based on Cordale's own stock and performance and added that, following consideration by the Cordale Management Committee, the Caledonia Chief Executive would sign and submit the Cordale ARC. If the SHR identified any issues with performance, they would refer these to Caledonia as the parent organisation in the Group structure.

The Chair added that it would be helpful for the Scottish Social Housing *Jargon Buster* document to be circulated to the new members. The Governance Officer would circulate the Jargon Buster.

The Management Committee **NOTED** the report and agreed dates would be circulated to agree a special Committee meeting in May to approve the Cordale ARC.

06.26 Rent Increase Proposals and Consultation Outcome

The HoFS presented the report and provided an update on the 2025/26 rent consultation. He advised that following consideration and approval at the December Committee meeting, tenants were consulted on proposed increase options of 5.0% or 6.0%, through a leaflet issued by email and post. Rent increase information was also publicised on social media, and all responses were included in a prize draw. 28 responses were received (5.2% response rate) with the majority (71%) favouring a 5.0% increase.

The HoFS advised that as a further measure to test rent affordability the Association used the SFHA affordability tool, which allowed users to calculate a number of affordability measures for a proposed rent increase. He explained the measures used and advised that rent was considered to be less affordable if a tenant was required to spend more than 25% of their income on rent.

It was also noted that forthcoming increases to the state pension and Universal Credit from April 2026 would support affordability, and that 62% of tenants currently received direct housing cost payments, which would be recalculated automatically following any increase.

The Management Committee discussed rent affordability, including rent affordability testing and possible alternative methods to consider in the future. Following lengthy discussions, the HoFS advised that he would review the Joseph Rowntree Foundation affordability method and report back to Committee on its potential applicability for Cordale.

The EDoPG acknowledged that rent setting was a challenging decision for the Committee and noted that the report highlighted that the Association had maintained below inflation rent increases over a number of years. He also commented that the determining factor in setting rents was maintaining viability and ensuring rents remained sufficient to meet Cordale's financial requirements. He was confident that from a regulatory perspective the Association had considered all due diligence in setting rents for the year ahead, a process which had included a detailed review of a draft Budget at the December meeting.

Following a query regarding tenant communication preferences, the HoFS advised that where email addresses were held, tenants were contacted by email unless they had expressed a preference to receive correspondence by post.

The Management Committee **CONSIDERED** and **APPROVED** the rent increase of 5% and service charge increases.

07.26 Group Business Plan 2026-2031

The EDoPG presented the draft Group Business Plan 2026–31, *"Shaping the Future,"* for discussion and approval. The Plan reflected the change to the vision, mission, and strategic priorities previously agreed by the Cordale and Caledonia governing bodies.

The Plan was built around three strategic themes:

- Strengthening our services – improving tenant experience and delivering value for money.
- Building strategic partnerships with purpose – supporting growth, enhancing services, and adding community value through collaboration.
- Growing our impact and influence – increasing the organisation's ability to make a positive difference and strengthening its sector reputation.

Key priorities included digital transformation, people development through change, investment in homes, and maintaining reliable, responsive, and affordable services. Sections on tenant engagement, governance, and strong financial management were also included.

A high-level delivery plan was provided, with a monitoring framework to be developed once the Plan was approved. A self-assessment of how 'Shaping the Future' aligned with the Scottish Housing Regulator's Business Planning Guidance accompanied the paper.

The Committee was invited to provide feedback on the draft's style and narrative content.

The EDoPG added that an updated copy of the Business Pan would be provided to members following discussion / approval at the Caledonia Board meeting.

The Management Committee **APPROVED** the Business Plan *"Shaping the Future,"* 2026–31.

08.26 Budget for the Five-Year Period to 31 March 2031

The Executive Director of Finance (EDoF) presented the five-year projections and accompanying notes detailing the Association's plans for the five-year period to 31 March 2031 and advised that the proposed budget reflected the rental increase of 5% as consulted on with tenants and discussed at Item 6.26.

The EDoF highlighted the key changes from the budget presented at the December 2025 meeting.

The EDoF added that the results of the five-year projections showed that:

- The Association was in a position to meet all known and predicted financial commitments.
- The Association would continue to deliver a positive surplus in each of the five years.
- The Association's operating surplus would enable the continued significant investment in planned maintenance and major repairs, at a time where the Association's ability to invest had been constrained by high inflation and rising debt-servicing costs and convenient restrictions.

The EDoF added that the wider UK economic environment remained challenging and the Association would continue to scrutinise all expenditure carefully.

A member added that Association's would sometimes consider disposal of properties if they were no longer viable. The Regional Manager (RM) commented that Cordale's stock remained in high demand, and all properties were currently considered viable for continued investment. The Assets Investment Team Leader (AITL) added that stock viability was assessed at a Group-wide level in accordance with the Asset Management Strategy.

Following a query from a member, the EDoF advised that the digital transformation initiative was currently funded by Caledonia with Cordale seeing the benefits of this initiative.

A member raised a query about the increase in insurance premiums and whether certain areas of operation were considered high risk. The EDoF commented that given climate change and extreme weather events there were Group locations that Caledonia remained mindful of and required monitoring, however this was not currently a cause for concern. The AITL added that the recent insurance claims had been predominantly fire related and could not have been mitigated, and that there was no stock currently unlettable or presenting high risk that would increase premiums.

The Management Committee **APPROVED** the five year budget to 31 March 2031.

09.26 Tenant Engagement Strategy 2026-2031

The HoFS provided the Committee with an update on the development of the new Group Tenant Engagement Strategy 2026–31, which replaced the interim 2024–25 strategy previously approved by Committee. In developing the Strategy, the Association engaged with tenants and staff, including feedback from the recent

Tenant Survey. 22% of respondents to the tenant survey were from the West Dunbartonshire Local Authority Area.

The HoFS added that the Strategy aligned with the Group's *Shaping the Future* objectives and would be supported by an internal engagement framework and tenant communications plan. It would also address improvement actions identified within the Annual Assurance Improvement Plan 2025–26.

Design work was ongoing, including ensuring Cordale's role was clearly reflected, and Committee feedback was sought on both content and layout.

The HoFS highlighted the following :

- There was a legislative requirement to have a current Tenant Engagement Strategy. This was a new Strategy over a longer time period to ensure we were fulfilling our obligations.
- The Strategy was structured around four pillars: We Ask, We Inform, We Act, We Involve.
- The Strategy reinforced the Group's commitment to placing tenant voices at the centre of services and decision making.
- Engagement opportunities would be diverse and flexible, combining digital innovation with traditional face-to-face approaches.
- The Strategy aimed to strengthen relationships, improve services, and build confident, vibrant communities.
- A key focus was removing barriers to engagement through accessible communication, tailored approaches and localised initiatives.
- The framework was guided by principles of clarity, inclusivity and transparency.
- Effective tenant engagement benefits tenants, the Group, and wider communities by enhancing service quality and fostering collaboration.
- The Group was committed to continually improving and expanding engagement opportunities to ensure they remained accessible, inclusive and empowering.

An updated copy of the Strategy would be shared with members when this was available.

A member raised a query regarding the tenant participation budget. The HoFS confirmed the budget allocation for the year ahead and noted the wider budget constraints discussed earlier in the meeting.

The members held a detailed discussion on tenant engagement, including how to encourage participation from all tenant groups and the range of platforms available. The HoFS commented that the new engagement tool would enhance the ability to analyse tenant responses. He added that additional engagement options would be explored and acknowledged tenant engagement was essential to all aspects of the Association's work.

The Management Committee **NOTED** the report.

10.26 Quarterly Business Performance Reporting, Quarter 3

10.26.1 Business Performance 2025-26 – Quarter 3 Update

The Strategy and Improvement Manager (SIM) presented the Business Performance Quarter 3 Update report, which covered the third quarter of the year. Six of the quarterly Key Performance Indicators (KPIs), out of twenty were below target. The reasons for this and the actions being taken to mitigate were outlined in the report and the appendix.

The report also provided members with an update on progress over quarter 3 with the strategic priority actions identified within the Business Plan for 2025-30 and an update on the Annual Assurance Improvement Plan actions to the end of quarter 3 was also provided in the report.

The SIM highlighted the positive progress with indicator AE 13, Average length of time taken to resolve cases of damp and mould.

Following discussion, the Chair requested that additional information on tenancy offers refused be included in the report. The SIM advised that this information was recorded and would be included going forward.

The Committee discussed indicator AE-11, Average Relet Times, and whether exit interviews were carried out and repairs noted at this stage. The AITL highlighted the ongoing issues the Association was experiencing with the contractor and added that regular compliance meetings were held. He outlined the arrangements in place and advised that the retendering of the repairs contract, due to be complete in April 2026, was focussed on improving results.

The HoFS added that to date, there had been 40 relets compared with 21 relets for the whole of the previous year. This was a direct consuequence of the new build at Dalquhurn.

The Management Committee members **NOTED** the contents of the report.

10.26.2 <u>Management Accounts to 31 December 2025</u>

The Finance Manager (FM) provided an update on the management accounts detailing Cordale's financial activity for the period ended 31 December 2025.

The FM highlighted the importance of monitoring budgets closely to avoid overspend and ensure annual covenant compliance.

The Management Committee **NOTED** the attached accounts and explanatory report

11.26 **Planned Maintenance Programme Report**

The AITL advised that the paper was for information and advised that the Association was actively progressing the portfolio for next year's projects to ensure work could commence from early April 2026.

The Management Committee **NOTED** the contents of the report.

12.26 **Development Progress Update**

The AITL advised that the paper was for information and added that an update on Dalquhurn Lade would be presented to the Development Committee at the end of February.

The Management Committee **NOTED** the contents of the report.

13.26 **Chief Executive's Report to the Caledonia Management Board – Tuesday 16 December 2025**

The Management Committee **NOTED** the report.

14.26 **Any Other Competent Business**

The HoFS advised that following discussion in relation to rent affordability at Item 6.26, Rent Increase and Consultation Outcome, earlier on the agenda, he had taken the opportunity to review the Joseph Rowntree affordability measures and also the average income levels in West Dunbartonshire and confirmed that rents fell within affordability levels. He further advised that even when using national minimum wage levels to assess affordability, our homes were within affordability levels.

Date & Time of Next Meeting:

Group Development Committee - 6pm, Thursday 26 February 2026
Group Audit & Risk Management Committee Meeting – 6pm, Thursday 12 March 2026
Group Development Committee Meeting – 6pm, Thursday 30 April 2026
Management Committee Meeting - 6pm, Tuesday 5 May 2026

The meeting ended at 20.05

Signed (Chair): ---

Date: ____