

CORDALE HOUSING ASSOCIATION LTD

DRAFT MINUTES OF THE MANAGEMENT COMMITTEE MEETING HELD ON TUESDAY 11 AUGUST 2026 6pm BY VIDEO CONFERENCE AND IN CORDALE OFFICE

Present	Margaret McCallion (Chair) Margaret McLay (Vice Chair) (Teams) Veronica Hamilton Michael Currie Eric Farren (Teams) Douglas Fairley (Teams) Sheena Wain (Teams)
Apologies	Jag Shan Thomas Ewing Natalie McMillan (Post Meeting)
Absent	John Dow
In Attendance	Barry Johnstone Executive Director of People & Governance, Caledonia HA Ross Carlin Executive Director of Finance, Caledonia HA Cameron Lyall Head of Finance, Caledonia HA Kevin Nixon Regional Manager, Caledonia HA Peter Broad Development Manager, Caledonia HA (Teams) Maura Elliott Governance Officer, Minutes

34.26 Apologies

Apologies were received from Jag Shan and Thomas Ewing.

35.26 Declaration of Interest

There were no Declarations of Interest.

36.26 Draft Minutes of Cordale Management Committee Meeting held on Tuesday 5 May 2026

The Executive Director of People & Governance (EDoPG) thanked the Chair and Natalie McMillan for representing Cordale at the Scottish Home Awards. Members were advised that, although Cordale was unsuccessful, Caledonia won Social Housing Development of the Year, Ballindean Road, Dundee, Regeneration Development of the Year, Bellsmyre, and Housing Association of the Year.

The Chair commented that it had been an excellent event and congratulated Caledonia on its success.

Committee members **AGREED** that the minutes were a true and accurate record of the meeting. **APPROVAL** of the minutes was proposed by Veronica Hamilton and seconded by Michael Currie.

37.26 Draft Minutes of Cordale Management Committee Meeting held on Tuesday 5 May 2026

Committee members **AGREED** that the minutes were a true and accurate record of the meeting. **APPROVAL** of the minutes was proposed by Margaret Mclay and seconded by Veronica Hamilton.

38.26 Matters Arising

The (EDoPG) advised that the Waterside View Review would be presented to the Committee in September, following completion of the ongoing tenant consultation process.

The Committee discussed the extent and methodology of consultation and engagement, and the importance of ensuring that all tenants were given the opportunity to participate and fully understand the proposals and any potential impact on future service provision.

The Chair expressed concern that not all tenants appeared to have received consultation information and sought reassurance that every tenant would be contacted individually.

The RM confirmed that additional one-to-one engagement was being undertaken to maximise participation and ensure tenants were fully informed.

The EDoPG advised that the focus was to undertake a comprehensive consultation programme and engage with as many tenants as possible. However, although every tenant would be contacted, it is unlikely that a 100% response rate would be achieved.

The Chair sought clarification regarding nominations at Waterside View.

The Regional Manager (RM) confirmed that Cordale operates a 50% nominations agreement with West Dunbartonshire Council and also receives referrals through the Common Housing Register and Section 5 homelessness arrangements. Applicants may be nominated by the Council or apply directly to Cordale, however, all allocations are assessed jointly with relevant partners to ensure applicants meet the criteria. The RM confirmed that while nominations may come from a number of sources, allocations remain subject to Cordale's agreement through the partnership arrangements.

The Committee noted the update and looked forward to receiving a detailed report in September

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

39.26 Executive Director of People and Governance Update

The 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:

- Outcomes from the Group Strategy Day
- Best Companies Survey, June 2026
- Damp and Mould – update on the commencement of new landlord duties, response timescales and compensation
- Update on Annual Assurance Statement Working Group

Group Strategy Event

The EDoPG highlighted the key outcomes from the Group Strategy Event, noting that member feedback would help shape future strategic planning, including asset management, treasury management and business planning. Veronica Hamilton (VH) commented positively on the event and site visits.

Best Companies Survey June 2026

The Committee noted the improved employee engagement, with a strong survey response rate of 80%. MMcL welcomed the results and recognised that, while organisational transformation can impact engagement levels, it was encouraging to see employees continuing to feel positive about their engagement with the organisation.

The Investigation and Commencement of Report (Scotland) Regulations 2026

The EDoPG presented an overview of the forthcoming legislation relating to damp and mould, referred to as Awaabs Law. Members were advised that specialist maintenance staff had completed accredited training and additional awareness training would be provided for frontline staff. Performance information on damp and mould cases would continue to be reported to the Committee within the Business Performance reporting framework.

A member queried training timescales and the EDoPG confirmed that key staff had already completed accredited training.

Following a query from a member, the EDoPG confirmed that staff would provide guidance and support to tenants where issues were caused by lifestyle or condensation factors, alongside carrying out any necessary repairs.

A member asked whether tenants would be informed about Awaab's Law and the new service standards. The EDoPG confirmed that information would be communicated through tenant newsletters and other channels to raise awareness of both the new requirements and tenants' rights.

Annual Assurance Statement

The EDoPG advised that the first Annual Assurance Working Group meeting had taken place and identified strong compliance with only minor improvement actions required. The next steps were to undertake tenant consultation, and a draft improvement plan and Annual Assurance Statement would be presented to the next working group meeting prior to being submitted to the Cordale and Caledonia governing bodies for approval.

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

40.26 Cordale Governance Effectiveness Review

This report is confidential as it is commercially sensitive and publication would harm commercial interests.

41.26 Annual Governance Report

The EDoPG presented the report and provided an overview of what had taken place in the past financial year regarding the following:

- Policies, Procedures and Registers
- Governance Calendar
- Management Committee Appraisals
- Nine-Year Rule
- Caledonia and Cordale Service Level Agreement
- Committee Recruitment
- Annual General Meeting (AGM) arrangements
- General Governance Monitoring Information

The EDoPG highlighted that the annual appraisal process had identified training needs around AI and Treasury Management. He also added that Margaret McCallion and Veronica Hamilton were members with more than nine-year service and the annual appraisal process concluded both continued to make a positive and effective contribution to the Committee.

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

42.26 Audited Financial Statements and Audit Findings for the Year Ended 31 March 2026

The Head of Finance (HoF) presented the Annual Financial Statements for the year ended 31 March 2026 and the External Audit Findings Report which had previously been considered by the Group Audit and Risk Management Committee. The HoF

highlighted the auditor's positive opinion and that only one minor control recommendation had been identified relating to the periodic revaluation of investment properties, which management would address as part of normal practice. The HoF advised that there were no material issues identified with positive feedback received from the external auditors regarding the quality of the accounts and financial controls.

The HoF further advised that, while Cordale remained in a stable financial position, the surplus for the year of was the lowest reported in the last five years and added that given the challenging operating environment, it remained important to maintain sufficient reserves to provide resilience against future risks and unforeseen financial pressures.

A member sought clarification on the accounting treatment of deferred capital grants. The HoF explained that these balances primarily related to accounting adjustments rather than immediate cash liabilities and provided further detail on the treatment of grant funding within the Financial Statements. Following a further query from a member, the HoF confirmed that grants were released over the useful life of the assets, typically 50 years, in line with the Association's depreciation policy. Following further discussion, the HoF clarified that the capital grants referred to within the accounts related to HAG funding received for development projects.

The Management Committee **APPROVED** the Annual Financial Statements for 2025/26 and **AUTHORISED** the Chair to sign the Letter of Representation and **ENDORSED** its contents.

43.26 Planned & Cyclical Investment Update

The RM presented the report and provided an update on the following:

- Planned & Cyclical Investment Programme (2026/27)
- Reactive Repairs & Void Works Framework Contract
- Waterside View Conservatory Project

The RM advised that both planned investment and cyclical maintenance programmes remained on track and within budget and advised that new reactive repairs and void contractors had been appointed, with early feedback indicating improved service delivery and performance.

The RM also discussed the ongoing bin pull-out service costs at Main Street. The Chair raised concerns regarding the scale of the annual cost and the potential loss of parking spaces if bin storage areas were relocated. Members requested further information on the service charge option, including the impact on tenants. The EDoPG confirmed that further analysis of all available options, costs and implications would be presented to a future meeting.

The Committee **NOTED** the report and **APPROVED** the proposed delivery approach for the Waterside View Conservatory Project and **APPROVED** the development of a detailed options appraisal and business case to identify a preferred long-term

solution for the bin pull out service, with recommendations to be reported back to the Committee.

44.26 Group AI Policy

The Executive Director of Finance (EDoF) presented the Group AI Policy to members and highlighted that the policy had been subject to detailed scrutiny and approval by both the Audit & Risk Management Committee and the Caledonia Board. Members were advised that the Policy established a governance framework for the responsible and controlled use of AI across the Group, supporting digital transformation, improved efficiency and potential cost savings.

Members asked how staff were responding to AI and whether they were being given opportunities to engage with the technology.

The EDoF advised that staff have varying levels of experience and confidence with AI and that a phased approach was being adopted and added that a training programme had been piloted and that a tailored three-month training programme was being rolled out across the organisation to support staff in the effective and responsible use of AI.

Following a query from a member regarding arrangements in place to monitor AI usage and its effectiveness, the EDoF confirmed that an AI register was in place and that approved systems were monitored by the IT team. Usage would be tracked to ensure benefits were realised while managing any associated risks and future costs.

A member queried whether AI was contributing to an increase in complaints received by the organisation. The EDoPG advised that while some complaints appeared to have been generated or enhanced using AI tools, AI was not having a material impact on complaint volumes, however AI was potentially contributing to the complexity of complaints. The increase in complaints was consistent with wider trends being experienced across the housing sector.

Members **NOTED** the AI Policy and the governance arrangements established following approval by the Audit & Risk Management Committee and the Caledonia Management Board.

45.26 Quarterly Business Performance Reporting, Quarter 1 Update, 2026/27

45.26.1 Business Performance 2026-27 – Quarter 1 Update

The EDoF presented the Business Performance Quarter 1 Update report, which covered the first quarter of the year. Four 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. Areas of underperformance included non-emergency repairs, refusal rates, re-let times and void loss. The re-let and void loss performance was largely attributed to increased stock turnover linked to new build activity, areas of stock which experienced demand issues with high refusal levels.

Improved performance was noted in staff sickness absence.

The report also provided members with an update on progress over quarter 1 with the strategic priority actions identified within the Business Plan for 2026-31.

Members discussed high refusal rates, void loss and relet times. The RM explained that refusal rates continued to be driven by increased applicant numbers through the Common Housing Register, with some applicants refusing properties once offered. Void loss and re-let performance had been affected by difficulties letting certain properties, particularly at Waterside View and some properties in Main Street, although work was ongoing to identify suitable applicants.

The Chair queried whether void loss was solely attributable to Waterside View and highlighted properties that had remained vacant for extended periods. The RM confirmed that a small number of properties in Main Street had also contributed to performance issues and explained some of the challenges experienced in re-letting these homes.

Following a query from a member in relation to disposing of difficult to let properties, the EDoF advised that asset disposal considerations would form part of the wider Asset Management Strategy Review.

Members welcomed the appointment of the new repairs contractors and noted the expectation that performance in relation to reactive repairs and voids would improve as the new arrangements become established.

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

45.26.2 Management Accounts to 30 June 2026

The HoF provided an update on the management accounts detailing Cordale's financial activity for the period ended 30 June 2026.

The HoF highlighted an increase in surplus due to increased income and operating expenditure rising slower in Q1 than income. Trends indicate that costs would increase in subsequent quarters and move close to budgeted levels. Consequently, the operating environment remained challenging despite the favourable year to date position. He confirmed that all lender covenants were met and golden rules had been monitored.

The HoF reported that the results reflected a period of transition between outgoing and incoming maintenance contractors with the aim that the new contractor arrangements would improve performance and reduce budget pressures going forward. Members were advised that financial capacity and performance would continue to be closely monitored and challenged throughout the year.

The HoF further noted that finance staff were actively exploring opportunities to improve efficiency and review treasury management arrangements to identify potential savings and strengthen the Association's financial position.

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

46.26 Development Progress Update

The Development Manager (DM) advised that the paper was for information and provided an update on Dalquhurn future phases and Dalquhurn Lade.

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

47.26 Rule 68 Report

Rule 68 states that “At the last Management Committee meeting before the annual general meeting, the Secretary must confirm in writing to the Management Committee that Rules 62 to 67 have been followed or, if they have not been followed, the reasons for this. The Secretary’s confirmation or report must be recorded in the minutes of the Committee meeting”.

The purpose of this report is to provide confirmation to the Management Committee that these Rules had been followed.

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

48.26 Annual Report of the Group Audit & Risk Management Committee

The Management Committee **NOTED** the report.

49.26 Chief Executive’s Report to the Caledonia Management Board – Thursday 14 May 2026

The Management Committee **NOTED** the report.

50.26 Draft Minutes of the Group Health, Safety & Wellbeing Committee Meeting - Thursday 30 April 2026

The Management Committee **NOTED** the draft minutes.

51.26 Draft Minutes of the Audit & Risk Management Committee Meeting & Strategic Risk Map – Wednesday 1 July 2026

The Management Committee **NOTED** the draft minutes.

52.26 Any Other Competent Business

There was no other competent business

Date & Time of Next Meeting:

Annual General Meeting – 6pm, Tuesday 22 September 2026

Management Committee Meeting – immediately following AGM, Tuesday 22 September 2026

The meeting ended at 19.55

Signed (Chair): -----

Date: _____