

Minute of Management Committee Meeting held on Monday 6 November 2023 at 5pm at the Office

Provanhall Housing Association Limited



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Members Present	Linda Cameron	(Chairperson)
	Christine Morris	(Secretary)
	Elizabeth McEwan	(Committee Member)
	Deborah Anderson	(Committee Member)
	Tracy Coutts	(Committee Member)
	James McGuire	(Committee Member)
Staff	Alan Hume	(Director)
	Mark Quigley	(Technical Services Manager)
	Stephen Baxter	(Housing Services Manager)
	Heather Elder	(Corporate Services Assistant - Minute Taker)

2 Apologies

Received from	Margaret Stewart	(Committee Member)
	Clarice Spaine	(Committee Member)
	Ayodeji Olorunsogo	(Committee Member)

3 Registrations of Interest

3.1 None

4 Annual Rent Review 2024/25

4.1 The Director advised that as per the report issued to MC at last weeks meeting, we are seeking agreement in principle from the MC on the increase they wish to put forward for the rent increase for 2024/25.

4.2 The Director referred to the information he had also emailed to MC on 03/11/23 containing additional information collated by Technical Services Manager regarding cost increase comparison.

4.3 The Director went over all of the information that has been provided to MC. Aggregated average Repair costs have increased by up to 59% over the last four years. We have increased the rent by 13.3%. That is a shortfall of 59 - 13.3 = 45.7%.

4.4 The highest individual component increase was seen in new gas heating boilers of 70%

4.5 This excludes other costs we face as a business for example circa 58% increase to insure the business operations and properties which came in

January this year, Computer Software by 50% and expected wage costs in excess of the 5% rent increase for this financial year.

- 4.6 Anecdotally, many RSLs have made deep cuts in non-core services not specified in the tenancy agreement. For example; estate management, charitable contributions, money advice and non-essential upgrades to property components.
- 4.7 Business Insurance was up by 58% this year. Next year some management costs might be up significantly and staff wages could be up by 5-7%.
- 4.8 The Director advised we might consider reducing our bad debt provision from 8% to 4 % in the next budget.
- 4.9 The Director advised that overall, a rent increase of 5% or above would be required in order to maintain the current service level. Anything below that, and cuts to some of the existing services would likely be required.
- 4.10 The Chair suggested that we have an open day to allow tenants to come in and speak to staff about the increase. That way we can answer any questions they have and fully explain all of the cost pressures the business is facing.
- 4.11 The Housing Services Manager (TSM) advised he attended a Conference recently where the Regulator was present. The Regulator said they think many RSL will be looking at a rent increase of at least inflation.
- 4.12 A committee member also stated that customer expectations have also vastly increased. They asked if the rent increased by 5%, would there be risk to current services. The Director said it would more likely result in some component replacement delays, so items such as kitchen replacement might need to be pushed back.
- 4.13 TSM discussed the window replacement program which is currently due to be over the next four years and potential grant funding for upgrading to triple glazing which he will pursue separately
- 4.14 It was agreed that we would consult residents on two increase figures. The Director asked each MC member to give the two figures they would propose for the rent increase. They were as follows:
 - Two votes for a 5% increase
 - Six votes for a 5.5% increase
 - Four votes for a 6% increase

In accordance with the votes, the two rent increase figures we will consult residents on are 5.5% & 6%. A detailed series of projections to the Annual and 5-yearly business plan will be provided to MC

- 4.15 It was also agreed that we would look to hold an open day from 12pm to 6pm during the consultation period to allow residents to come in and ask questions. The Director will take this forward.

4.16 The HSM and Director will pull together everything and look to begin the tenant consultation soon.

5 Date of Next Meeting

5.1 Next Management Committee Meeting is scheduled for Monday 27 November 2023 at 5pm.

There being no further business the meeting was brought to a close at 5:48pm.

A handwritten signature in black ink, appearing to read "A. James".

Signed by (Chairperson)

Date 27 November 2023