

Statements

I am confident that my co-op will have a positive bank balance in 30 years time

I am confident that my co-op will have a positive bank balance in 30 years time and I could show you why I am confident

My co-op has a 30 year planned maintenance plan that says when major components in our homes will be replaced and how much they will cost

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Statements

My co-op has a 30 year finance plan that says how much we expect to come in and go out over the next 30 years

My co-op has discussed rent, general and build cost inflation and interest rates in relation to our 30 year finance plan

We aren't worried about finance issues – we leave all that to our staff or service provider

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What's our major income?

- **rent** (& service charge) – currently fixed by Government for Registered Provider co-ops. This may change?

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What's our major expenditure?

- **paying off lending** – largely fixed
- **staff or service provider** – largely fixed
- **insurance** – largely fixed
- **maintaining our homes**
- day to day response repairs
- planned repairs

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Do we need ...

A long term planned maintenance programme?

The case for:

- identifying when major components of your home will be replaced
- and projecting how much they will cost
- knowing that you have the money to do them
- telling your members when they will happen
- some big cost items hit 40 to 60 years after build (eg. rewire, roofs, drives, guttering)

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Do we need ...

A long term planned maintenance programme?

The case against:

- members will tell us when things need replacing
- we aren't going to get economies of scale because of our small numbers of homes, so we can do everything as day to day repairs
- we have so much money that we will always have the money to do the things we need to do
- how do people agree major works programmes?

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Do we need ...

A long term finance plan?

The case for:

- some certainty you have the money you need
- understanding the effects that external forces will have on the finances of your co-op (eg. 1% rent cut)
- understanding the effects that the co-op's decisions have on the finances of your co-op
- needed for lenders?

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Do we need ...

A long term finance plan?

The case against:

- we have so much money – we won't need to worry about the future
- we won't be around then
- who knows what may happen in the future?
- we can always borrow if we need to

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