

# MINUTES OF THE JOINT GOVERNING BODIES BOARD MEETING OF CAIRN HA AND ANCHO

Held on Thursday 27 March 2025 at 2:00pm  
at 22 Hopetoun Street, Edinburgh and via Teams

Present:

Cairn HA

Angus Lamont (Chair)  
Lizzie Crawford (Vice-Chair)  
Neil Wood  
Laurence Casserly  
Nigel Chapman  
Andrew Clark  
Steven Travers

Ancho

Nigel Fortnum (Vice-Chair)  
Steven Travers  
Colin Love  
Lindsay Robertson  
Suzie Lyons  
Andrew Latta  
Laurence Casserly  
John Duncan

In Attendance:

Audrey Simpson, Chief Executive (CEO)  
Ken Tudhope, Director of Finance and Business Services (DFPS)  
Morag Boyter, Director of Business Services (DBS)  
Chris Milburn, Director of Customer Services (DCS)  
Carolyn Owens, Governance Services Manager (GSM) (*Minutes*)  
Catherine Bradley, Governance Administration Assistant (GAA)

	Item	Decision / Action
	<b>Board Members of CHA &amp; Ancho invited to all items.</b>	
<b>1</b>	<b>CHA BOARD</b>	
1.1.1	Board Members held a closed session with the CEO. Agenda item 2.1 was considered and the process discussed and approved.  <i>The CEO left the meeting, the GSM joined the meeting.</i>	Approved
1.1.2	<b>Board Members only session</b> Members discussed the day's Agenda, matters they wished to raise, and agreed to take Agenda items 11.1, 11.2, 14.1 and 5.6 first.  Apologies were <b>noted</b> from Bill Finlay, Ancho Chair. Nigel Fortnum would Chair for Ancho.	Noted
11.1	<b>Ancho Membership Review</b>  The GSM presented the report highlighting one shareholding membership application received and shareholding memberships cancelled in accordance with Ancho's Rules as detailed in Appendix 1.	

	At the proposal of Nigel Fortnum, seconded by Steven Travers, the shareholding membership application was <b>approved</b> , and the cancellations <b>noted</b> .	Approved Noted
11.2	<b>Ancho Board Member Approval</b>  At the proposal of Nigel Fortnum, seconded by Steven Travers, John Duncan was <b>approved</b> to fill a casual vacancy on the Ancho Board.	Approved
14.1	The appointment of John Duncan to the Ancho Board was proposed by Angus Lamont, seconded by Laurence Casserly and <b>approved</b> by the Cairn Board as group parent.	Approved
5.6	<b>Remuneration Committee Minutes – 18 March 2025 and approval of recommendations from the RC Chair (Confidential)</b>  <i>Separate Confidential Minutes</i>  <i>All Staff members joined the meeting</i>	
1.2	<b>Apologies</b>  Apologies were received from Donna Paton and Douglas Reid.	Noted
1.3	<b>Declarations of Interest</b>  Nigel Chapman and Steven Travers declared an interest as PCE Directors and Steven Travers as an Ancho Board member.	Noted
1.4.1	<b>CHA (JGB) Minutes – 30 January 2025</b>  Minutes of the Joint Governing Bodies' Meeting of Cairn HA and Ancho held on 30 January 2025 were proposed by Neil Wood, seconded by Angus Lamont and <b>approved</b> .	Approved
1.4.2	<b>CHA (JGB) Minutes (Confidential) – 30 January 2025</b>  Minutes of the Confidential Joint Governing Bodies' Meeting of Cairn HA and Ancho held on 30 January 2025 were proposed by Neil Wood, seconded by Angus Lamont and <b>approved</b> .	Approved
1.5	<b>Matters Arising</b>  There were none.	
1.6	<b>Action Tracker</b>  <u>Item 2</u> – Chair asked the DCS to share the report and presentation with the Chair prior to its presentation at the next meeting. <u>Item 12</u> – the DBS confirmed all actions due to close at end of March had been completed.	Action DCS
2	<b>CHA ITEMS FOR DECISION/APPROVAL</b>	
2.1	CEO Objectives (Confidential)	

	<i>Separate Confidential Minutes</i>	
2.2	<p><b>CHA Membership Review</b></p> <p>The GSM presented the report highlighting CHA shareholding membership cancellations in accordance with Cairn's Rules as detailed in Appendix 1 and the new shareholding membership certificates for former Ancho members transferring shares to Cairn at the date of Transfer of Engagements on 1 April 2025.</p> <p>The Membership Review was proposed by Angus Lamont, seconded by Lizzie Crawford and <b>approved</b>.</p>	Approved
3	<b>CHA UPDATES</b>	
3.1	None	
4	<b>CHA DECISIONS TAKEN UNDER DELEGATED AUTHORITY</b>	
4.1	None	
5	<b>CHA AND ANCHO JOINT BOARD MEETING</b>	
5.1	<p><b>Ancho Apologies</b></p> <p>Apologies were received from Bill Finlay. Members were advised that Fiona Callaghan had resigned on 7 March 2025.</p>	Noted
5.2	<p><b>Ancho Declarations of Interest</b></p> <p>Laurence Casserly declared an interest as a Cairn Board member.</p>	Noted
5.3	<p><b>PCE Minutes – 4 February 2025</b></p> <p>Minutes of the PCE Meeting held on 4 February 2025 were <b>noted</b>.</p>	Noted
5.4	<p><b>Audit &amp; Performance Committee Minutes - 27 February 2025</b></p> <p>Minutes of the Audit &amp; Performance Committee Meeting held on 27 February 2025 were <b>noted</b>. The A&amp;P Chair, Lizzie Crawford, highlighted that Suzie Lyons had joined the Committee, the new internal audit contract would commence shortly and a two-stage process would be used for the upcoming external audit tender, and provided an overview of the Minutes.</p>	Noted
5.5	<p><b>AMDC Meeting Minutes – 6 March 2025</b></p> <p>Minutes of the AMDC meeting held on 6 March 2025 were <b>noted</b>. The AMDC Chair, Nigel Chapman highlighted that John Duncan would join the Committee, there had been good progress on the stock condition survey and CAPEX budgeting would be used next year to address underspends due to contractor challenges, resources and structure. In response to a member's question the DBS advised an internal audit on acquisitions and disposals was underway and recommended actions would flow through to the AMDC, target dates would be set by the DPS at that point.</p>	Noted
5.6	<b>Remuneration Committee Minutes – 18 March 2025 and approval of recommendations from the RC Chair</b>	

	<i>Taken under Item 1.1.2</i>	
6	<b>GROUP ITEMS FOR DECISION/APPROVAL</b>	
6.1	<p><b>Final Budget 2025-2026 And Updated 30-Year Financial Projections</b></p> <p>The DFPS presented the report following on from the draft presented at the January meeting which represented the short term position on I&amp;E projections for the next 12 months. The long term impact of the 30 year projections to be presented in May would cover capital expenditure investment in properties based on initial results of the stock condition survey. He highlighted the projected surplus, that the planned maintenance spend included catch up works, and that any disconnect between component life and depreciation would need to be more accurately reflected in the depreciation policy.</p> <p>He provided an overview of the budget as detailed in the Appendix, highlighting the planned maintenance (PM) investment in the SOCI position, the interest cover extension to the covenant calculation, cashflow projections and underspends in PM which would use the as yet unused revolving credit facility of £10m. More significant capital repayments were due in yrs 7,8,9 but the organisation was not heavily geared so there was scope for further borrowing when required.</p> <p>In response to member's questions the DFPS advised the gearing ratio would be presented in May, the surplus was low but the PM spend was being managed closely and there would be further discussion on future spend at the May Board meeting.</p> <p>The DFPS referred to the increase in inflation, the GMB settlement, interest cover and the golden rules stated in the report. He suggested a separate session for the Board in future years to look at budget scenario planning and sensitivity analysis.</p> <p>In response to members' questions the DFPS advised that the tight surplus was set against cash of £6.2m which was scheduled to drop to £2.5m following capital expenditure so liquidity was not a concern while the revolving credit facility was available. The Treasury Management Policy would be presented in May and would include reference to the revolving credit facility going forward. The outcome of the stock condition survey would more accurately inform the PM spending plans.</p> <p>At the proposal of Angus Lamont, seconded by Neil Wood, the Budget for 2025-2026 and updated 30-year financial projections were <b>approved</b>.</p>	<p>Action DFPS</p> <p>Approved</p>
6.2	<p><b>Treasury Management Report</b></p> <p>The DFPS presented the report highlighting the fixed rate borrowing which provided budgeting certainty and that the Treasury Management Policy would be presented in May.</p> <p>In response to a member's question, the DFPS advised that the intercompany loan to Ancho would be netted off to zero at the date of Transfer of Engagements (ToE).</p>	

	<p>Members thanked the DFPS for the clear reports.</p> <p>The Treasury Management Report was <b>noted</b>.</p>	Noted
6.3	<p><b>Appointment of new Internal Auditors</b></p> <p>The DBS provided a verbal update on the internal audit tender process and transition to the new provider WBG who would attend the next Audit &amp; Performance Committee meeting in May.</p> <p>The report was <b>noted</b>.</p>	Noted
6.4	<p><b>Group Succession Planning</b></p> <p>The GSM presented succession plans for the Cairn and Ancho Boards following the ToE as detailed in the report, highlighting the process for electing Ancho Board members onto the Cairn Board at the AGM. In response to a member's question the GSM confirmed that the legal advice was to continue with the joint governing bodies board arrangements until deregistration.</p> <p>The Group succession plan was proposed by Suzie Lyons, seconded by Nigel Chapman and <b>approved</b>.</p>	Approved
6.5	<p><b>Board Recruitment Policy review</b></p> <p>The GSM presented changes to the Policy which incorporated recommendations from the recent HR and Recruitment internal audit, updates to the SFHA guidance and other minor changes as detailed in the report.</p> <p>The Board Recruitment Policy was proposed by Lizzie Crawford, seconded by Neil Wood and <b>approved</b>.</p>	Approved
7	<b>GROUP UPDATES</b>	
7.1	<p><b>CEO's Report</b></p> <p>The CEO presented her update report and highlighted a new emerging risk related to welfare benefit reforms, in particular the personal independence payments (PIP) or Adult Disability Payments in Scotland, and the potential for a reduction in block grants allocated to the Scottish Government for the funding of benefits. A member referred to a press article he had seen referring to impacts on the organisation's ability to recover arrears. The CEO advised the situation would need to be monitored closely as many tenants could be impacted, so we would need to consider how to help and support tenants, how to understand tenants' circumstances and individual situations, and also how to campaign more widely on this. The Chair highlighted affordability for tenants who were paying more income in tax due to fiscal drag and other cost of living pressures.</p>	

	<p>The CEO highlighted that the Customer Services team had been nominated for a SHARE award, the Development Day would focus on governance following on from the ToE, this year's SHR Engagement Plan would be published early in April and would include the Riverbank risk and monitoring of Pentland and Ancho transfer commitments. A new net zero fund, Checkpoint 10, had been opened so the Asset Team would be submitting applications. The DFPS had attended a meeting with the Scottish Government to lobby for MMR exemptions on rent controls under the new Housing Bill. The CEO confirmed that an additional return to the SHR on voids had been submitted in relation to empty homes and the housing crisis.</p> <p>The Chair recognised the work of the Income Management and Welfare Advice Teams in supporting tenants. The report was <b>noted</b>.</p>	Noted
7.2	<p><b>Ancho ToE Project Plan</b></p> <p>The CEO presented the report and confirmed all was on track for the ToE on 1 April 2025, the FCA would confirm nearer the day and system integrations were well underway. She highlighted a celebratory event in Irvine on 3 April and invited members to attend. The report was <b>noted</b>.</p>	Noted
7.3	<p><b>Development &amp; Asset Management Update</b></p> <p>The CEO highlighted the approach to reviewing the Development Strategy, the changes and challenges on asset management since it was last approved, and suggested a separate strategic discussion to feed into the new Development Strategy later in the year. In response to members' questions: it was confirmed the session would include information on grants and an overview of the development appraisal process and budgetary implications; the smaller number of nine properties being developed this year was based on capacity, the current regeneration focus and other developments anticipated to come through the pipeline this year. Members discussed risk appetite and balance and the Scottish Government grant available.</p> <p>The report was <b>noted</b>. <i>Members took a 5 minute comfort break</i></p>	<p>Action CEO/DPS</p> <p>Noted</p>
7.4	<p><b>Business Plan Project Update Report</b></p> <p>The DBS presented the six-monthly update advising a more comprehensive review would take place later this year following the Development Day, a structured project management framework was in place for each Project Plan and these were progressing within timescales. In response to a member's question on the status of projects, the DBS offered to provide an overview of 'Project Central'.</p> <p>The report was <b>noted</b>.</p>	<p>Action DBS</p> <p>Noted</p>
7.5	<p><b>Assurance Action Plan Update</b></p>	

	<p>The GSM presented the six-monthly update on progress with the 2024 Assurance Action Plan. Following further progress and updates now logged by the teams the Sponsors would meet again over the coming months to analyse and review the evidence bank in order to gain assurance on compliance prior to submitting the 2025 Assurance Statement. Lizzie Crawford, Vice-Chair and Board Sponsor, added that the sponsors had scrutinised the evidence last year and highlighted that it would be helpful to recruit an additional Board Sponsor to cover holidays, Lindsay Robertson, Board Sponsor, also added that it had been a manageable process. Members were asked to contact the GSM if they wished to be a Board Sponsor.</p> <p>The report was <b>noted</b>.</p>	<p>Action All</p> <p>Noted</p>
7.6	<p><b>Risk Register and new risks to add</b></p> <p>The DBS would update strategic risk 3 relating to the welfare benefit forms.</p>	Action DBS
7.7	<p><b>Items for Audit &amp; Performance Committee consideration</b></p> <p>There were none. The A&amp;P Chair raised that the Committee Agenda was full and capacity/volume of items for the Committee should be reviewed going forward.</p>	
7.8	<p><b>Pentland Transfer – Progress Update</b></p> <p>The DCS presented the restructured version of the report to focus on the four promises of rents, property investment, local services and community benefits, and clarity on performance against them. He confirmed that all promises were on track and options to develop some land to use as a community hub and office were being considered. In response to a member's questions the DCS advised that 3.6 was the accurate representation of the work and the CEO advised that previous challenges in procuring contractors was resolved.</p> <p>The report was <b>noted</b>.</p>	Noted
8	<b>GROUP GOVERNANCE, REGULATION &amp; CORPORATE</b>	
8.1	<p><b>Chairpersons' Update Reports</b></p> <p>The Chair provided a verbal update on activities since the last meeting including attending the SFHA Governing Body Members Conference and regular meeting with the CEO and Executive Team.</p>	Noted
8.2	<p><b>Governance &amp; Regulation Update</b></p> <p>The GSM presented the report and highlighted upcoming training events over the next few months, that a new Corporate Officer had been recruited to fill a maternity cover post and a briefing on changes to Charity Law would be organised at a later date. It was noted that the staff COL increase of 2.7% approved at the January meeting was endorsed by the Chair and Vice-Chair following GMB negotiations.</p>	



	The report was <b>noted</b> .	Noted
9	<b>GROUP DECISIONS TAKEN UNDER DELEGATED AUTHORITY</b>	
9.1	Policy Updates – None  <i>The Ancho Vice-Chair chaired from this point on</i>	
10	<b>ANCHO BOARD</b>	
10.1.1	<b>Ancho (JGB) Minutes – 30 January 2025</b>  Minutes of the Joint Governing Bodies' Meeting of Cairn HA and Ancho held on 30 January 2025 were proposed by Suzie Lyons, seconded by Steven Travers and <b>approved</b> .	Approved
10.1.2	<b>Ancho (JGB) Minutes (Confidential) – 30 January 2025</b>  Minutes of the Confidential Joint Governing Bodies' Meeting of Cairn HA and Ancho held on 30 January 2025 were proposed by Suzie Lyons, seconded by Steven Travers and <b>approved</b> .	Approved
10.2	<b>Matters Arising</b>  None	
10.3	<b>Action Tracker</b>  Noted	Noted
11	<b>ANCHO ITEMS FOR DECISION/APPROVAL</b>	
11.1	<b>Membership Review and Shareholding Membership Applications</b> <i>Taken under item 1.1.2</i>	
11.2	<b>New Board Member Approval</b> <i>Taken under item 1.1.2</i>	
12	<b>ANCHO UPDATES</b>	
12.1	<b>Operational Update</b>  The DCS presented the report, confirming to members that the KANDO project funding was until March 2026 and there would be engagement with the Scottish Government to discuss funding beyond that date.  The report was <b>noted</b> .	Noted
12.2	<b>Asset Management &amp; Riverbank Update</b>  The CEO provided an update on the Riverbank advising that the planning application was approved in late January and a submission had been made to SEPA for a licence. The procurement process would commence at the end of March, giant hogweed suppression works would be completed by Ayrshire Rivers Trust in mid-April and an otter survey completed in mid-May, so it was anticipated to be on site mid-June to October.  Additional cost analysis with specialist consultants had been completed around work required which was expected to be accurate. In response to a member's question on the risk approach, managing costs of the tender	



	and overall cost control plans, the CEO advised that the DPS would have the level of detail for management of the contract and would report on this at the next meeting.  The report was <b>noted</b> .	Action DPS  Noted
13	<b>ANCHO DECISIONS TAKEN UNDER DELEGATED AUTHORITY</b>	
	None.  <i>The Cairn Chairperson chaired from this point on</i>	
14	<b>AOCB</b>	
14.1	<b>CHA approval of new Ancho Board member</b> <i>Taken under 1.1.2</i>	
15	<b>DATE OF NEXT MEETING</b>	
	JGB Board Meeting – 28 May 2025 JGB Development Day – 29 May 2025	

The meeting ended at 4.35pm