

MINUTES OF THE CAIRN HA BOARD MEETING
Held on 11 December 2025 at 2:00pm
via Teams

Present: Angus Lamont (Chair)
 Lizzie Crawford (Vice-Chair)
 Neil Wood
 Laurence Casserly
 Donna Paton
 Suzie Lyons
 John Duncan
 Andrew Latto

In Attendance: Ken Tudhope, Director of Finance, IT and Risk (DFITR)
 Meg Deasley, Director of Property Services (DPS)
 Chris Milburn, Director of Customer Services (DCS)
 Carolyn Owens, Governance Services Manager (GSM) (Minutes)

	Item	Decision / Action
1	CHA BOARD	
1.1.1	Board Members only session Members discussed the day's Agenda, highlighted any issues they wished to address during the meeting. <i>All staff members joined the meeting.</i>	
1.2	Apologies Apologies were received from Steven Travers, Douglas Reid, Nigel Fortnum, Jo MacLennan and Audrey Simpson.	Noted
1.3	Declarations of interest None.	
1.4	CHA Minutes and (Confidential) Minutes – 22 October 2025 The Minutes and (Confidential) Minutes of the meeting held on 22 October 2025 were proposed by John Duncan, seconded by Lizzie Crawford and approved .	Approved
1.5	Strategy Day Minutes – 23 October 2025 Minutes of the Strategy Day held on 23 October 2025 were proposed by Lizzie Crawford, seconded by John Duncan and approved .	Approved
1.6	Audit & Performance Committee – 10 November 2025 Minutes of the Audit & Performance Committee meeting held on 10 November 20205 were noted . The A&P Chair provided an overview.	Noted
1.7	PCE Minutes – 27 November 2025	

	Minutes from the PCE meeting held on the 27 th of November were noted . The DPS provided an overview.	Noted
1.8	AMDC Minutes – 28 November 2025 Minutes from the AMDC meeting held on the 28 th of November were noted . The AMDC Chair provided an overview.	Noted
1.9	Matters Arising A Member raised questions about tenant communications regarding rent increases. The DCS explained the two-phase consultation process: an initial notification letter with an electronic feedback form and a telephone survey of 150 tenants, with results to be reported to the Board in February. The Vice-Chair and a Member emphasised the importance of the letter's tone and content, and DCS agreed to circulate the letter for review. A Member enquired about the PESTLE analysis referenced in the strategy minutes. The DPS described the engaged discussion during the session, explaining that key factors identified would inform strategic priorities and objectives, with a draft strategy to be brought to the AMDC and subsequently to the Board in the spring.	Action - DCS
1.10	Action Tracker The Action Tracker was noted	Noted
2.	ITEMS FOR DECISION/APPROVAL	
2.1	Allia Loan The DFITR outlined the use of an existing facility with the Scottish Government's charitable bond, explaining that the new borrowing would fund two schemes—one approved and on-site, the other under assessment. He clarified that the facility allows for fixed-rate, fixed-term borrowing, with annual interest payments now preferred for budgeting purposes. A Member queried whether each tranche under the £10 million facility had separate terms. The DFITR confirmed that each loan is independent, with no non-utilisation fees, and that the first loan was £4.4 million and the current one £3 million, leaving capacity for further borrowing if funding is available. A Member sought assurance regarding headroom for new build developments and the impact of potential delays on rental income. The DFITR explained that projections include buffers for lead-in times, referencing recent experience with the Lambhill development, and stated that the exposure for the current scheme is small but larger schemes would require stress testing. The Chair confirmed Board approval for the £3,000,000 borrowing and delegated authority to the Deputy Chief Executive to authorise the agreement, with Andrew Latto proposing and Lizzie Crawford seconding.	Approved
2.2	Independent Living Review <i>See separate Confidential Minutes</i>	

3	UPDATES	
3.1	<p>CEO's Report</p> <p>The DFITR introduced the CEO report, compiled by the communications team, to keep the Board informed of operational matters, recent activities, and forward-looking risks. He noted the introduction of a horizon scanning report and ongoing compliance work, including an external consultant's review on damp, mould and condensation, with findings to be presented in February.</p> <p>The report was noted.</p>	Noted
3.2	<p>Q2 Management Accounts and forecast</p> <p>The DFITR explained that the Q2 accounts were affected by the acquisition of Ancho, which added £15 million to the bottom line, and by higher-than-expected depreciation due to a new fixed asset register. He clarified that these were non-cash items and did not affect covenants, and that overall financial performance was positive.</p> <p>The DFITR reported overspending on reactive maintenance, particularly void repairs, as part of efforts to reduce void loss. He attributed some delays in financial analysis to the absence of a management accountant, with a new hire starting in January to improve reporting and variance explanations.</p> <p>A Member questioned the increase in arrears and the adequacy of income collection efforts. The DFITR and DCS explained that some of the reported increase was due to timing differences in accounting for payments, and committed to monthly reconciliations between management accounts and KPI reports. The DCS described the introduction of the 'rent checker' software and restructuring of income management to further improve arrears performance.</p> <p>A Member requested more detailed reporting on the age and composition of arrears, including the separation of housing benefit-related debt. The DCS acknowledged the feedback and indicated that future KPI packs would include this information.</p> <p>The report was noted.</p>	Action DCS
3.3	<p>Asset Management & Development Update</p> <p>The DPS described ongoing negotiations with <i>redacted</i> for the Findrassie development, focusing on securing a funding agreement that offers <i>redacted</i>, which is favourable compared to typical Scottish Government grant levels. The Board will be asked to approve the agreement once terms are finalised.</p> <p>The DPS explained that the <i>redacted</i> funding replaces government grants and that the rent model for the PCE-leased units is a hybrid, based on affordable rent levels with provisions for dilapidations and eventual conversion to social rent at the end of the lease term, as required by planning.</p> <p>A Member asked about increasing the development envelope for future growth. The DPS & DFRIT agreed to explore what would be required for the organisation to scale up to 1,000 units over five years, including investment and resource implications.</p>	Action DPS & DFRIT

	<p>A Member queried whether the team could manage the projected increase in units. The DPS responded that the organisation uses a core team supplemented by external development agency services, particularly in the North, and is confident in their capacity based on current financial assessments.</p> <p>The DPS highlighted positive stakeholder engagement in Caithness, with potential for new projects supported by partners. Early discussions include bringing void properties back into use and infrastructure works, with further updates to be provided as specific opportunities develop.</p> <p>The report was noted.</p>	Noted
3.4	<p>Transfer of Ancho Garages to PCE</p> <p>The DFITR presented a proposal to transfer the income-generating Ancho garages from Cairn to PCE via a lease arrangement, explaining the rationale, financial implications, and next steps, with Board approval to proceed.</p> <p>The DFITR explained that transferring the garages to PCE via a lease, rather than an outright purchase, is preferable due to current borrowing costs and PCE's limited trading history. This approach mitigates HMRC risks related to non-core income and aligns with group practices.</p> <p>The DFITR estimated the garages generate around £20,000 annual profit, which would strengthen PCE's position. He will return to the Board in February with a detailed cost model to finalise the lease charge, with the Board approving the initial proposal.</p> <p>The lease of the former Ancho garages to PCE from 1 April 2026, with the charge to be agreed as part of the forthcoming budget approval process was proposed by Neil Wood, Seconded by Donna Paton, and approved by the Board.</p>	Action DFITR Approved
4	GOVERNANCE, REGULATION & CORPORATE	
4.1	<p>Chairperson's Update Report</p> <p>The Chair updated the Board on the Governance Review, advising that a recent meeting in Glasgow was worthwhile, recommendations expected in early 2026. He advised that there will be an opportunity in February for the Board to input.</p> <p>The report was noted.</p>	Noted
4.2	<p>Governance & Regulation Update</p> <p>The GSM noted vacancies on the PCE Board following recent resignations and outlined plans to recruit new Directors, potentially externally, to address skills gaps and anticipated increases in Board size. The Vice-Chair recommended commencing recruitment promptly, and the Chair agreed to develop proposals for the February meeting.</p> <p>The GSM updated the Board on the progress of Ancho's deregistration, submission of statutory returns, and the scheduling of Board meetings for the coming year, requesting members to notify any conflicts.</p>	Action Chair/GSM

	The report was noted .	Noted
5	DECISIONS TAKEN UNDER DELEGATED AUTHORITY	
5.1	Policy Reviews – Lift Policy The DPS confirmed that the lift management policy was reviewed and updated as part of the landlord compliance review, with approval granted under delegated authority and the Board notified accordingly.	
6	AOCB	
6.1	There was no other business	
7.	DATE OF NEXT MEETING	
	Cairn HA Board – 4 February 2026	

The meeting finished at 3.23pm