

MINUTES OF THE CAIRN HA BOARD MEETING
held on Thursday 26 March 2026 at 2:00pm
via Teams

Present: Angus Lamont (Chair)
 Lizzie Crawford (Vice-Chair)
 Neil Wood
 Suzie Lyons
 Steven Travers
 Andrew Latto
 John Duncan
 Douglas Reid
 Nigel Fortnum

In Attendance: Karen Fitzsimons, Indigo House (KM) (Item 2.1)
 Nicola Thom, Indigo House (NT) (Item 2.1)
 Audrey Simpson, Chief Executive (CEO) (Teams)
 Chris Milburn, Director of Customer Services (DCS)
 Jo MacLennan, Director of People & Insights (DPI)
 Susan Wilson, Development and Regeneration Manager (DRM) (2.4)
 Shona Mitchell, Head of Public Affairs, Strategy and Comms(HPASC) (2.5)
 Lynn Smyth, Senior Finance Manager (SFM) (2.2)
 Carolyn Owens, Governance Services Manager (GSM) (Minutes)

	Item	Decision / Action
1	CHA BOARD	
1.1	Board Members only session At the suggestion of the Chair members agreed to take Item 1.7 first on the Agenda, and Item 3.2 after Item 2.3	Agreed
1.7 & 1.7.1	Remuneration Committee (Confidential) Minutes <i>See separate Confidential Minutes</i>	Noted
1.2	Apologies <i>CEO, DCS, DPI joined the meeting.</i> Apologies were received from Andrew Clark, Ken Tudhope and Meg Deasley. The Chair advised members of Donna Paton’s resignation and thanked her for her service.	Noted
1.3	Declarations of Interest A declaration of interest was noted for Steven Travers as a Director of PCE in relation to Item 2.3.	Noted
1.4	Previous Cairn HA Minutes	

1.4.1	Minutes of the Cairn HA Meeting held on the 04 February 2026 were proposed by Lizzie Crawford, seconded by Andrew Latto and approved	Approved
1.4.2	(Confidential) Cairn HA from the meeting held on 4 February 2026 were proposed by Suzie Lyons, seconded by John Duncan and approved .	Approved
1.5	<p>Audit & Performance Committee Minutes - 26 February 2026</p> <p>The Chair of the A&P gave a verbal update from the meeting highlighting audit findings and proposed future audit areas.</p> <p>Minutes of the Audit and Performance Committee held on the 26 February 2026 were noted.</p>	Noted
1.6	<p>AMDC Minutes – 5 March 2026</p> <p>The AMDC chair asked that the GSM arrange another visit for Board members to attend Aitken Court.</p> <p>Minutes of the AMDC meeting held on the 5 March 2026 were noted</p>	DPS/GSM Noted
1.7	<p>Remuneration Committee (Confidential) Minutes</p> <p><i>Taken after Item 1.1 – see separate Confidential Minutes</i></p>	
1.8	<p>PCE Minutes – 11 March 2026</p> <p>Minutes of the PCE meeting held on the 6 March 2026 were noted</p>	Noted
1.9	<p>Matters Arising</p> <p>There were none.</p>	
1.10	<p>Action Tracker</p> <p>The Action Tracker was noted.</p>	Noted
2.	ITEMS FOR DECISION/APPROVAL	
2.1	<p>Governance Report – Indigo House <i>Karen Fitzsimons and Nicola Thom joined the meeting</i></p> <p>The CEO introduced the governance review, highlighting the recent integration of Ancho into Cairn and the establishment of a short life working group supported by Indigo House, which conducted a SWOT analysis and developed proposals to support Cairn's future governance.</p> <p>NT summarised the Report including the proposed structure and key emerging themes, such as reducing duplication, clarifying committee remits, enhancing tenants' voice, and supporting Board and Committee learning, with a focus on strategic oversight and efficient decision-making.</p> <p>A member raised questions about training and the ability to adapt during implementation; NT and KF explained that an action plan is being developed</p>	

	<p>to address training needs, ongoing review, and support, including the use of technology and regular feedback loops.</p> <p>The new governance structure, Standing Orders, and Committees' Terms of Rwere proposed by Suzie Lyons, seconded by John Duncan and approved, noting the timeline for implementation by the AGM in September and a review after one year.</p> <p><i>Karen and Nicola left the meeting</i></p>	<p>Approved</p>
<p>2.2</p>	<p>Final Budget 2026-2027 and updated 30-year financial projections</p> <p><i>The SFM joined the meeting</i></p> <p>The SFM gave an update reporting that the organisation had received £103,000 in grant funding for the KANDO project, which was not included in the original budget, increasing the projected surplus from £158,000 to £261,000.</p> <p>The SFM explained that payroll increases were adjusted to 3.6% following Union negotiations, with departmental needs reviewed and some new posts added, while IT and professional fees were reduced or reclassified to reflect current priorities. Members queried the realism of inflation assumptions and the rationale for payroll increases; the SFM confirmed that sensitivity analysis, including inflation and interest rates, would be presented in the 30-year plan, and clarified that payroll variances were due to timing and vacant posts.</p> <p>A member asked about increased IT spending; the SFM and CEO clarified that while IT costs are higher than last year, savings were made compared to earlier projections, and future efficiencies are expected from the HomeMaster system once data cleansing is complete.</p> <p>The Final Budget 2026-2027 and updated 30-year financial projections, including a 3.6% staff COL increase from 1 April 2026, were proposed by Angus Lamont, seconded by Lizzie Crawford and Approved.</p>	<p>Approved</p>
<p>2.3</p>	<p>Ancho Garage Transfer (cost model to finalise lease charge)</p> <p>The SFM presented the report proposing the charge for the leases of garage rent rate. She highlighted the net loss to Cairn is factored into the budget assumptions.</p> <p>The cost model to finalise the lease charge of the Ancho Garage Transfer to PCE from 1 April 2026 was proposed by Nigel Fortnum, seconded by Neil Wood and Approved.</p> <p><i>Item 3.2 was taken next on the Agenda</i></p>	<p>Approved</p>
<p>3.2</p>	<p>Q3 Management Accounts</p> <p>The SFM presented the Q3 Management Accounts highlighting the surplus, SOFP, cash reserves, income, and repairs.</p>	

	<p>The Chair queried the repairs costs and asked if this is due to volume or individual costs, the SFM advised that she would respond with the detail. The CEO reported that the DPS had been tasked with preparing an analysis of repairs costs, including trends, categories, and comparisons to previous years, to identify controllable factors and inform future planning.</p> <p>A member asked about the breakdown of planned maintenance costs and queried the variance in budget between this report and the AMDC report. He also asked for clarity on asset committed expenditure, particularly in areas where the committed expenditure is so much higher than the actual expenditure, eg; kitchens.</p> <p>The SFM agreed to investigate and report back on discrepancies between capital expenditure figures in the finance and asset management reports.</p> <p>The Q3 Management Accounts were noted. <i>The SFM left the meeting</i></p>	<p>Action SFM</p> <p>Action SFM</p> <p>Noted</p>
<p>2.4</p> <p>2.4.1</p> <p>2.4.2</p> <p>2.4.3</p>	<p>Asset Management and Development Report <i>The DRM joined the meeting</i></p> <p>Development Strategy</p> <p>The DRM outlined the revised development strategy, targeting delivery of up to 500 homes by 2029-30, focusing on core areas, stakeholder relationships, and ensuring project viability, with updates to Scottish Government grant benchmarks incorporated.</p> <p>The Development Strategy was proposed by Steven Travers, seconded by John Duncan and Approved.</p> <p>Nairn Development Project</p> <p>The DRM provided verbal background information on the Nairn Development Project in support of the written report. The DRM gave assurance in response to a member's query relating to the high number of one bedroom social rent properties included in the project, advising that Highland Council have a shortage of one bedroom properties in the area.</p> <p><i>[Redacted]</i></p> <p>The Delnies project for 48 units (33 social rent, 15 mid-market rent), with was proposed by Neil Wood, seconded by Nigel Fortnum and approved.</p> <p>Elgin Development Project</p> <p>The DRM reported that the Elgin project, a joint development with Robertson Property, Moray Council, and Moray College, secured Scottish Government tender approval and significant external funding, with Board approval granted in principle pending completion of legal agreements.</p> <p><i>[Redacted]</i></p> <p>The Elgin Development was proposed in principle by Lizzie Crawford, seconded by Andrew Latto and Approved.</p>	<p>Approved</p> <p>Approved</p> <p>Approved</p>

	<i>The DRM left the meeting.</i>	
2.5	<p>Annual Business Plan Review <i>The HPASC joined the meeting.</i></p> <p>The HPASC provided the review of the current Business Plan and outlined a structured, Board-led process for developing the 2027–2030 Business Plan, emphasising stakeholder engagement, alignment with budget cycles, and a focus on outcomes.</p> <p>The proposed process includes multiple phases: laying foundations, evidence gathering, (aligned with the tenant satisfaction survey), strategic direction setting, drafting, and iterative feedback, with key Board involvement in May and October. The HPASC and CEO emphasised strong Board ownership, meaningful engagement with tenants, staff, and partners, and the integration of vision, values, and culture into the new plan, with two strategy days planned for deeper involvement.</p> <p>A member and DPI raised the importance of aligning the Business Plan with Budget setting and the CEO confirmed that both processes would be closely coordinated, ensuring deliverability and clear links between strategic priorities and resource allocation.</p> <p>The Annual Business Plan was proposed by Lizzie Crawford, seconded by Andrew Latto and approved.</p> <p><i>The HPASC left the meeting.</i></p>	Approved
2.6	<p>Lease Policy</p> <p>The DCS presented the revised Lease Policy. In response to a member’s query the DCS provided the value of all current Leases .</p> <p>The updated Lease Policy was proposed by Neil Wood, seconded by John Duncan and approved.</p>	Approved
2.7	<p>Entitlements, Payments and Benefits (EPB) Policy Review</p> <p>The GSM presented the revised EPB Policy and highlighted key changes and alignments with other Cairn Policies.</p> <p>The revised EPB policy was proposed by Lizzie Crawford, seconded by Nigel Fortnum and approved.</p>	Approved
2.8	<p>Flexi-Time Policy</p> <p>The DPI presented the revised Flexi-time Policy. A member requested a copy of the tracked changes version of the policy revision. It was agreed this would be circulated to the full Board for their awareness and going forward all policy alterations would be submitted with tracked changes and included with the Board packs’ Appendices. [Post meeting note: approved via email]</p>	Action DPI
2.9	Q3 Performance & Target Setting	

	<p>The DPI summarised the Q3 KPI pack, noting improvements in reporting and the introduction of monthly highlight reports, with the DCS addressing questions about call centre performance and assurance that agents are not rushing calls.</p> <p>Board members considered the proposed target setting and debated the use of average days for voids as a KPI, with suggestions of alternative or supplementary measures to better reflect operational realities and compliance requirements.</p> <p>The Board approved to implement the majority of new KPIs and targets, while a small number of measures such as voids and SHQS would be further reviewed and refined in consultation with relevant Directors.</p>	Approved
3	CHA UPDATES	
3.1	<p>CEO Report</p> <p>The CEO briefed the Board on external risks for the sector, including the impact of upcoming elections and Middle East conflicts, and described efforts to engage with new MSPs and address poverty in rural communities.</p> <p>The CEO explained that a working group is preparing materials to inform new MSPs about the sector's challenges, particularly in rural and remote areas, and is coordinating with the HPASC and other RSLs.</p> <p>The CEO highlighted the need to monitor economic risks and the impact of global instability on tenants, especially regarding energy costs and poverty, and described ongoing engagement with the Robertson Trust and Highland Island Council on these issues.</p> <p>The CEO flagged a new emerging risk relating to a shortfall for grant claims [<i>redacted</i>]. Further information would be provided once the impact was understood.</p> <p>The report was noted.</p>	Noted
3.2	<p>Q3 Management Accounts</p> <p><i>Taken after item 2.3</i></p>	
3.3	<p>Compliance Update</p> <p>The CEO reported that contracts for asbestos surveys and fire risk assessments had been awarded, highlighting the number of asbestos surveys and fire risk assessments completed and immediate actions taken on any high-risk findings such as removal of stored wood in common lofts as detailed in the report.</p> <p>In response to a member's question, the CEO outlined ongoing efforts to clarify expectations, enhance skills, and drive behavioural change across the organisation to address any compliance challenges.</p> <p>The CEO confirmed that the Board will continue to receive regular updates on compliance progress, with deep dives at the Asset Management and</p>	

	<p>Development Committee, and that the organisation is prioritising these actions at pace.</p> <p>The report was noted.</p>	Noted
3.4	<p>Business Plan Projects Update</p> <p>The DPI provided a verbal update in support of her written report. The report was noted.</p>	Noted
3.5	<p>People Strategy</p> <p>The DPI presented an update on the People Strategy, highlighting progress in relation to organisational restructuring, leadership development, and integration of transferred staff. The DPI noted the challenges of cultural change and the need for ongoing support and the appropriate pace of change. She also identified future focus areas including: wellbeing, formal accreditation and succession planning.</p> <p>In response to a member's question, the DPI explained that managing change is never a linear process. Strong leadership from the Executive and Senior Leadership Teams is paramount to this success. This includes identifying areas of concern, supporting staff through the transition, and highlighting opportunities for personal and organisational growth.</p> <p>The report was noted.</p>	Noted
4	GROUP GOVERNANCE, REGULATION & CORPORATE	
4.1	<p>Chairpersons' Update Reports</p> <p>The Chair provided Board Members with an update on his office bearer activities since the last meeting.</p>	Noted
4.2	<p>Governance & Regulation Update</p> <p>The GSM updated members on the recruitment process for new Cairn HA and PCE Board members. The CEO suggested using a preview advert to generate interest, and confirmed that office bearers will review the final pack before publication. The report was noted.</p>	Noted
5	GROUP DECISIONS TAKEN UNDER DELEGATED AUTHORITY	
5.1	None	
6	AOCB	
6.1	None	
7	DATE OF NEXT MEETING	
	<p>Cairn HA Board – 27 May 2026</p> <p>Board Strategy Day – 28 May 2026</p>	

The meeting ended at 4:50pm