

## Confidential Strategic Board meeting Minutes

<b>Date</b>	24/03/2026
<b>Time</b>	15:30 - 18:05
<b>Location</b>	Zoom
<b>Chair</b>	Brian Fisher
<b>Explanation</b>	Present: Mr Brian Fisher - Chair Mr Stephen Clark - Board Member Mr Rhodri Davies - Board Member Mr Stephen Lynas - Board Member Mrs Juliet Hamilton Lee - Board Member Mr Andrew Wilson - Board Member Ms Kathy Gourlay - Board Member Ms Jayne Currie - Board Member In attendance: Mrs Nicki Donaldson - Chief Executive Officer (CEO) Mr Derek Banks - Director of Finance, Governance and Assets (DoFGA), Company Secretary Mrs Beverley Graham - Director of Housing (DoH) Mrs Caroline O'Donnell - Director of Operations (DoO) Mrs Christine Dolan - PA and Governance Officer (PAGO) Mr David Reynolds - Observing

### **Cost of Living - 3.30pm**

Presenter: Colleague Consultation Group

Keiran Crooks (KC) and Nicola Doran (ND) presented the report prepared by the Colleague Consultation Group regarding the Cost of Living increase for 2026/27.

A Board member asked if benchmarking was against the Fife local authority area, or if it was extended nationally. KC confirmed that they used Scottish Housing News and benchmarked against other Registered Social Landlords (RSL). Salaries were also compared to those who sought self-employment.

A Board member asked if comparisons had been made against other sectors, for example, a customer service role similar to that of the Operation Advisors. ND explained they focused on RSLs.

The Board asked if additional benefits provided by Fife Housing Group (FHG) were considered, and ND confirmed that they benchmarked against adverts that had similar conditions.

ND and KC noted that the responses received were varied, with some colleagues providing a lot of information, while others only gave a few brief sentences. A Board member enquired about the 44% response rate and asked if KC and ND had any thoughts as to why this was not higher. ND explained that this is higher than in previous years, and an effort was made via email and Slack to encourage colleagues to get involved.

A Board member suggested using a tool such as Survey Monkey next year to allow colleagues to leave feedback anonymously.

*Rhodri Davies joined the meeting at 3.47pm.*

The Chair thanked the CCG for attending and for the work that they had put into their report.

*Keiran Crooks and Nicola Doran left the meeting at 3.48pm.*

*Kathy Gourlay joined the meeting at 3.59pm.*

*David Reynolds joined the meeting at 4pm.*

## **1 Procedural**

### **1.1 Welcome and apologies**

Presenter: Chair

The Chair welcomed everyone to the meeting. Apologies were received from Ron Eldridge and Ricky McAulay.

David Reynolds has also joined the meeting as an observer.

### **1.2 Declaration of Interest**

Presenter: Chair

The Business Leadership Team (BLT) declared an interest in the Budget 2026/27 report in terms of the Cost of Living award, and it was agreed that they would leave the meeting during the discussion. The PAGO will remain in the meeting to record the minutes.

### 1.3 **Minute of the previous meeting**

Presenter: Chair

**Agreed: The minutes of the previous meeting were approved.**

### 1.4 **Matters arising**

Presenter: Chair

There were no matters arising not already on the agenda.

### 1.5 **Action points**

Presenter: CEO

#### 1241 - Benchmarking Working Group

This action is still within target and will be progressed during 2026 by the Colleague and Governance Committee (CGC).

The Chair reminded the Board that this is independent to the Cost of Living exercise.

#### 1452 - Permanent Establishment of Income Maximisation Officer (IMO) and Tenancy Support Officer (TSO)

A report will be submitted to the Board in August 2026, which will provide a full year of data.

The Chair reminded the Board that funding was previously approved for a further year for the IMO post.

#### 1242 – Property Sustainability

The Board discussed this during the Board Strategy Day on 12 March 2026.

The CEO advised that they attended a meeting with the Scottish Housing Regulator (SHR) on 17 March 2026, who confirmed that an update on ESSH would be provided by the autumn of 2026.

#### 1461 – Strategic Funding Options

This is a substantive item on the agenda.

#### 1462 – Interest Rates

The DoFGA provided the following information via email, and this action can now be closed.

#### 1378 – AI Report

Due to a long term absence in the ICT team, this report will be delayed.

## 2 Chair Update

### 2.1 Chair's report

Presenter: Chair

The Chair presented their written update and highlighted the recent meeting with the Chair of Kingdom Housing Association regarding the Affordable Housing Programme. The CEO will provide more information during the CEO report.

The Chair advised that due to personal reasons, Chris Gray has tendered his resignation from the Board, which took effect from 28 January 2026.

The Board discussed the renewal of Share for training, which includes mandatory e-learning modules. While it was acknowledged that the courses are useful, the programme is not currently being utilised effectively to provide good value for money. The Board discussed using the same e-learning modules as FHG colleagues.

**Agreed: The Board agreed to cancel the Share membership and complete mandatory e-learning modules through the same platform as FHG colleagues.**

## 3 For Approval

### 3.1 Budget 2026/27

Presenter: DoFGA

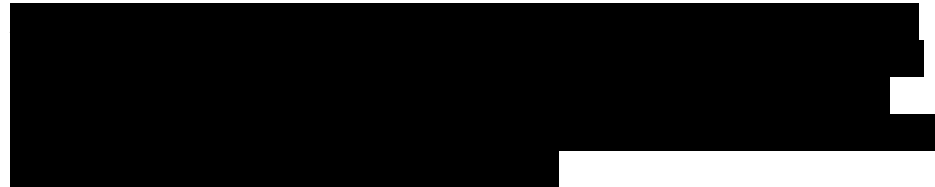
The DoFGA presented the Draft Budget for 2026/27 and thanked the Board for their questions submitted via Slack in advance.

*The CEO, DoFGA, DoO and DoH left the meeting at 4.18pm.*

### **Confidential Item – Cost of Living**

The Board unanimously agreed that the 2.5% projected in the Business Plan felt low considering current international affairs and the effect this is likely to have on inflation. Additionally, all agreed that the lowest figure put forward by the CCG, at 4.5%, was too high and would cause the organisation long-term financial pressure.

The Board considered increases between 2.5% - 4.5%, while taking into consideration the benefits package provided and comparisons to other sectors and organisations.



**Agreed: The Board unanimously agreed on a 3.5% cost of living increase for all colleagues, to include car allowances.**

*The CEO, DoFGA, DoO and DoH rejoined the meeting at 4.39pm.*

*The Board covered agenda item 3.5 - Compliance Officer at this point.*

The DoFGA reminded the Board that the draft budget was originally approved in January 2026, however, to allow for up-to-date figures, the budget has been updated.

The DoFGA summarised the operational changes to the budget. Following approval of a 3.5% cost of living increase for colleagues, 1% higher than forecast in the Business Plan, and the implementation of the Compliance Officer post, the DoFGA will update the budget accordingly.

The Board discussed and agreed that, starting with the rent consultation exercise for 2027/28, the potential rent increases to be consulted on should take into consideration the potential Cost of Living increases, expected changes in maintenance cost, any potential changes to colleague numbers or any other potential budgetary impact.

The DoFGA gave the Board an update on the procurement of a new Housing Management System. There is no system that can do everything, however, it has been narrowed down to either Homemaster or Rubixx. Both systems are primarily housing systems, with finance bolted on.

The current system contracts end in March 2027, therefore, there is an urgent need to begin the implementation process as soon as possible.

A Board member asked about the ongoing costs for the system, and if this is within the same boundary as the current system. The DoFGA confirmed that the annual costs are similar, however, there will be additional implementation costs.

A Board member asked if any site visits had taken place, other than the sales presentations. The DoFGA confirmed that there have been several demonstrations, with different suppliers, and site visits took place with them all. Additionally, there has been contact with a minimum of three users of the systems to assist in narrowing down the software being considered and to get real-time feedback on effectiveness.

The DoFGA explained that there are risks with both of the proposed systems and that there is currently a 50/50 split in preference between the Operational Leadership Team (OLT). The BLT will discuss in more detail at their Away Day on 25 March 2026.

A Board member asked where the systems would be backed up. Homemaster would be local, and this would allow more control. There is uncertainty about the exact location of Rubixx, however, it is not outside the UK. The Board discussed the risk of data storage in Europe, and being cautious about this.

The DoFGA was asked if there would be discounts for bolting on additional modules, and he explained that business needs would not currently require any further modules. Rubixx has currently confirmed that a 5% increase would be incurred next year, while Homemaster has not yet advised. The Board encouraged the DoFGA to put in provisions around increases in the contract.

The DoFGA advised the Board that AI would be included, and that this is a new development not yet rolled out to Housing Associations.

The cost for implementation and running over a 5 year contract would be approximately £1.4million, and the new annual recurring costs would be approximately £128K, an additional £30K on current running costs.

The Business Plan will be updated accordingly for all changes discussed: Cost of Living, operational changes, Compliance Officer and new system.

**Agreed: The Board approved the budget for the new system implementation.**

**Agreed: The Board approved the draft budget for 2026/27.**

### 3.2

#### **Strategic Funding Options**

Presenter: CEO

The CEO presented the report prepared in conjunction with the DoFGA and reminded the Board about the background of the cessation payment from Fife Council.

The BLT have previously discussed different options for spending the remaining £700K, after the board allocated £500k to be invested for tenant support, and it was agreed that lock-ups require major repairs and investment.

In 2017, a report was completed regarding the condition of the lock-ups, and a further appraisal was completed recently.

While £700K will not cover all of the costs, the BLT would target investment in lock-ups where FHG had majority ownership. The CEO cautioned the Board that if there is continued disinvestment in this area, there is likely to be further deterioration.

The Board discussed the possibility of increasing the rental cost once the improvements were made, however, agreed that, given the lack of investment over the years, this would be unfair and may be met with some resistance.

A Board member suggested demolishing some plots and putting small houses in their place. The CEO confirmed that the DoFGA has been working with Edinburgh City Council on a similar project, however, out of the six sites provided, none were viable due to site conditions.

The Board asked the DoFGA about the best rate of interest available for the £500k that has been reserved for tenants. The DoFGA confirmed the best available rate is 3.67% managed by Argyle, which is a 90-day access account. The Board requested a written report from the DoFGA regarding the interest rates available, with the condition that if there were exceptional circumstances that require more financial support for tenants, the Board can consider using the capital, rather than just the interest.

**Agreed: The Board discussed and agreed that the BLT will have delegated authority to sell the lock-up sites in future, and that the Board would decide where the income should be allocated.**

**Agreed: The Board discussed and approved the allocation of the remainder of the Fife Council Pension cessation payment to the upgrade of lockups as identified.**

### 3.3 **Group Income Protection**

Presenter: DoO

Following the presentation regarding Group Income Protection (GIP) in August 2025, the DoO presented the updated report.

GIP operates alongside existing policies for a determined period of time. Previously, FHG had been informed that GIP would continue to run until the person reaches retirement, however, clarification has now been received to confirm that a defined endpoint can be determined.

Under the current arrangement, the absence of a defined endpoint has effectively prevented progression of long-term absence cases through established internal processes, including occupational health review, capability assessment and, where appropriate, lawful termination of employment. This creates operational and financial risk as substantive posts remain contractually occupied for extended periods despite a limited prospect of return, requiring ongoing temporary and agency cover to maintain service delivery.

A Board member asked what the impact would be of any changes to colleagues currently off on long-term sick, and the DoO confirmed there will be no impact. One colleague, who has been off for 15 months, has recently returned to work.

**Agreed: The Board discussed and approved the implementation of a two-year defined end limit to GIP.**

### 3.4 **Colleague Handbook**

Presenter: DoO

The DoO presented the updated Colleague Handbook and explained the importance of the Board reviewing these changes annually, as it lays out the terms and conditions of employment for all colleagues.

Due to changes in legislation, as highlighted within the report, there have been several changes to the handbook.

The DoO noted that the CCG are involved in updating the handbook, which is a good opportunity to gain colleagues' views and feedback.

**Agreed: The Board discussed and approved the changes to the Colleague Handbook.**

### 3.5

#### **Compliance Officer**

Presenter: DoFGA

*This item was covered as part of agenda item 3.1 – Budget 2026/27.*

The DoFGA presented the report on the Compliance Officer post.

Compliance has been a significant area of interest over 2025/26, particularly due to the SHR's interest in EICRs. The SHR has recently advised that they will be looking for enhancements on the data provided on properties, although there is uncertainty on what this will cover. It is likely to be around tenant health and safety.

A recent audit on tenant safety brought out a number of points, and it has been noted in the past that data quality and adherence to processes has been poor.

Creating a Compliance Officer post would ensure that data is correctly input into the system to provide relevant, useful, and properly maintained information. This, in turn, will create a bigger picture around compliance issues, including damp and mould, EICRs, asbestos, and legionella. In addition, FHG will have a solid audit trail to support our activities and to demonstrate that we have acted reasonably if we are ever investigated, and to prove we are fulfilling our legal and regulatory requirements.

A Board member asked if this would be a permanent or fixed term position, and the DoFGA explained that there had previously been a trial period for this post, and it was found to be effective, therefore, the proposal is for the post to be permanent. There is potential for the post to be filled internally.

A Board member asked if the post has been benchmarked against other organisations. The DoFGA confirmed that it has been, and was found to be in line, and has been graded as an officer role, due to the level of responsibility.

The DoFGA was asked who the post would report to, and this would be to the Asset Manager, with additional reporting to the DoFGA and the other BLT members.

The Board asked if this would result in additional compliance reporting to the Board, and the DoFGA explained that the proposed new Housing Management systems provide a compliance dashboard, but ultimately, it is up to the discretion of the Board to decide how often they would like to see this information. The Board discussed the possibility of this being reported through the Audit and Risk Committee in the first instance.

**Agreed: The Board approved the implementation of the Compliance Officer post.**

#### **4 For Update**

##### **4.1 CEO Report**

Presenter: CEO

The CEO presented the quarterly update and highlighted her recent meeting with the Fife Housing Association Alliance. The main focus of the conversation was on the allocation of funds from the Affordable Housing Programme. A further update will be provided to the Board in due course.

The CEO also recently met with the Urban Landlords Committee, where it was confirmed that the Scottish Government will be releasing more information regarding EESSH by the Autumn of 2026. During this meeting, the SHR also discussed the new housing agency that will be rolled out, as well as damp and mould policy.

The Chair and the CEO recently received a letter from the SHR regarding the Annual Assurance Statement, and the requirement to provide specific guidance on data on homes, and compliance with the Scottish Government's minimum site standards for Gypsy/Traveller sites. The PAGO will forward the letter to all Board members.

**Agreed: The Board noted the CEO update.**

##### **4.2 Management Accounts**

Presenter: DoFGA

The DoFGA presented the Management Accounts for period 10, and noted that void maintenance is currently underspent by £40k. This is still slightly above 2024/25 but an improvement on the start of 2025/26.

Damp and mould continue to be an ongoing issue, and there is an overspend of £12k.

The DoFGA invited questions from the Board, and none were received.

**Agreed: The Board noted the contents of the Management Accounts.**

#### 4.3 Performance Dashboard

Presenter: DoH

The DoH presented the Performance Dashboard and reminded the Board that the dashboard will be presented in a different format from April 2026.

There were no exceptions, and nothing significant to report. The DoH invited questions, and none were received.

**Agreed: The Board noted the contents of the Performance Dashboard.**

*Jayne Currie left the meeting at 6.04pm.*

#### 5 For Noting

*It was assumed that these papers had been read in advance, and they were not, therefore, outlined at the meeting.*

#### 5.1 Operational Workplans Q4

**Agreed: The Board noted the Operational Workplans for Q4.**

#### 5.2 For Homologation

Property Purchase - Newton Crescent, Rosyth

**Agreed: The property purchase of Newton Crescent, Rosyth, was homologated.**

#### 6 Other

**6.1 AOCB**

The Chair reminded Board members that all agendas and papers will be presented via Slack from May 2026.

**6.2 Date of next meeting**

Tuesday 26 May 2026 @ 3pm  
Carnegie Conference and Events Centre, Dunfermline