

Confidential Strategic Board meeting Minutes

Date	11/08/2026
Time	15:30 - 18:15
Location	Online via Teams
Chair	Brian Fisher
Explanation	Present: Mr Brian Fisher – Chair Mr Brian Gallacher – Vice-Chair 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 Mr David Reynolds – Co-opted 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) Resident Voices

Scrutiny Report – Repairs and Maintenance

Presenter: Resident VOICES

Resident VOICES presented their scrutiny report on routine repairs carried out by Fife Housing Group (FHG). The report outlined the reasons for undertaking the scrutiny exercise, summarised the findings, and set out a number of recommendations for consideration.

A Board member noted a significant gap between tenant satisfaction for repairs, and the right first time figures, and asked if there was any reason for this. Resident VOICES explained that although a text message is sent following each repair, feedback is not always received, which might explain this difference. It is hoped that with the new implementation of the Housing Management System, more accurate information will be received.

The Board discussed the implementation of the Housing Management System and, although there is no specific date of completion, the DoFGA advised that it is anticipated to be the end of June 2027.

Resident VOICES also highlighted that as housing stock gets older, there is a greater need for repairs. The number of working days for non-emergency repairs has increased from 43,000 in 2023/24, to 77000 in 2024/25, this is, therefore, resulting in longer time to repair times, and costing more to FHG.

The DoH thanked Resident VOICES for an excellent report and commended the new format. The DoH asked if there was other data that the Resident VOICES would like to see, and they confirmed that they would consider this and report back.

The Chair confirmed that the Business Leadership Team (BLT) will give an update on the recommendations to Resident VOICES in January 2027, with a further update following the implementation of the new housing management system.

Action: BLT to provide feedback to Resident VOICES on their recommendations in January 2027, and following the implementation of the new housing system.

Resident VOICES left the meeting at this point.

1 Procedural

1.1 Welcome and apologies

Presenter: Chair

The Chair welcomed everyone to the meeting and noted that no apologies were received from Ricky McAulay.

1.2 Declaration of Interest

Presenter: Chair

There were no declarations of interest.

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

Property Sustainability

There is no further update, and a report will be provided once guidance is received from the Scottish Government.

AI Report

Due to the implementation of the new Housing Management System, there is limited capacity to move this forward. The CEO is currently looking into AI awareness sessions for the BLT.

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

This is a substantive item on the agenda. This action can now be closed.

The remaining action items are not due to be completed until December 2026 and are currently in process.

2 Chair Update

2.1 Chair's report

Presenter: Chair

The Chair presented the update report the Board and highlighted the following:

Slack

There has been increased use of Slack, and the Chair encouraged Board members to continue using the platform to communicate outside Board meetings.

ID Requirements

Allpay, our online payment provider, require two pieces of identification from Board members as part of their due diligence. The Chair asked that this be forwarded to the PAGO as soon as possible.

Standing Orders and Financial Rules (SOFR)

The SOFR has been issued to Board members via Slack for review, comment and approval. Given the size of the document, additional time has been provided to allow members to undertake a thorough review. The Chair requested that all approvals be received by 31 August 2026, to allow the SOFR to be homologated at the Board meeting in September 2026.

Board Development Plan and e-Learning

The Board Development Plan has been updated to reflect updates to the 2025/26 objectives, including items that have been completed. New objectives for 2026/27 have been added, and updates will be provided at each Board meeting.

Following Board approval to cease using Share for e-Learning, the Chair confirmed all Board members have now been enrolled on Astute, which is the same e-Learning platform used by FHG colleagues. Nine courses have been identified, and the Chair proposed that these be mandatory for all Board members. There would be no requirement to repeat the modules annually unless there were significant changes to FHG processes or relevant legislation.

Agreed: The Board approved the nine compulsory e-Learning modules.

Board Recruitment

The Chair thanked Board members for circulating the recent LinkedIn post seeking new Board members, and confirmed that a successful interview had taken place on 10 August 2026. The new member will join the AGM and Board meeting on 15 September 2026 as an observer, with a view to co-opting to the Board at the meeting in December 2026. A further interview is currently being coordinated.

Annual Assurance

An Annual Assurance session is scheduled for 18 August 2026, and the Chair reminded Board members that this was their opportunity to ensure they are comfortable with the level of assurance to sign the statement at the meeting in September 2026. The Chair asked that the PAGO issue the draft statement to the Board ahead of the meeting.

Colleague and Governance Committee

The Colleague and Governance Committee will reconvene on 16 September 2026, and Mr Eldridge has agreed to take on the convenor role.

Mr Eldridge added that there will most likely be a requirement for financial support for benchmarking and for changes to employment, however, more details will become available as the Committee moves forward.

FHG Events

The Chair encouraged Board members to get involved in FHG events where possible. Information is regularly updated on Slack, or they can contact the PAGO for more information.

Membership

The Chair proposed that delegated authority be granted to the DoFGA to approve membership applications from 12 August 2026 until the AGM on 15 September 2026, particularly in light of the ongoing Board recruitment process.

Agreed: The Board approved delegated authority to the DoFGA to approve membership applications from 12 August 2026 until the AGM on 15 September 2026.

3 For Approval

3.1 FHA Financial Statements/Letter of Representation

Presenter: DoFGA

The DoFGA presented the Annual Accounts and Letter of Representation and noted that these are draft accounts up to 31 March 2026. This was presented at the Audit and Risk Committee meeting on 4 August 2026, who recommended that the Board approve the draft accounts subject to an amendment to be made to the Committee attendance records.

Overall, the Management Letter shows no recommendations or adjustments, which is an excellent position to be in.

The Financial Statements show that overall performance has increased by £800k, and that the cash balance is up significantly. The DoFGA reminded the Committee that this cash balance will be required for new developments and the repayment of loans.

A Board member advised that, during the Audit and Risk Committee meeting, Wbg had agreed to amend the wording relating to 'material misstatement' within the bad debt provision. The DoFGA confirmed that the agreed amendment had now been made.

Agreed: The Board noted and approved the contents of the Annual Accounts and Letter for Representation.

3.2 Company Secretary Annual Compliance

Presenter: Company Secretary

The Company Secretary advised that the report is to assure the Board of Management that Rule 68 has been met with reference to Rules 62 to 67 having been followed.

Agreed: The Board approved that in terms of Rule 68, the requirements of Rules 62 to 67 have been properly adhered to by the Company Secretary and noted that

- a) There are no entries in the Fraud Register;**
- b) There are no entries in the Payments and Benefits Register and the Chair is required to sign the annual declaration to this effect; and**
- c) There are no entries in the Gifts and Hospitality Register.**

3.3 Rent Increase Options

Presenter: DoH and DoFGA

The rent increase options for 2027/28 are being presented earlier this year to support planning for the tenant rent consultation process.

The DoH explained that, while there is currently no indication of the level of rent increases being considered by other Associations, this information will be included in the final rent increase paper in February 2027.

A timeline has been included to outline the consultation process. It is expected that all proposals will be considered by Resident VOICES prior to the consultation being issued to tenants.

While customer satisfaction did dip slightly last year, all FHG rents are benchmarked, and we use the Scottish Housing Regulator (SHR) affordability test. The DoH reminded the Board that Fife Housing Association (FHA) have, over the past few years, had lower rent increases than our peers, particularly for our larger properties. Across the Scottish landscape, FHG had one of the lowest rent increases for 2026/27.

The DoFGA further explained that, while the Board had previously agreed to increase the Business Plan assumption for the 2027/28 rent increase to ■■■%, current projections indicate that a minimum increase of ■■■% will now be required to meet the Business Plan. This includes increased spending for reactive repairs, as well as damp and mould expenditure at the current levels, but does not include the proposed temporary changes to expenditure levels to provide more headroom for the loan interest covenant.

A Board member asked whether an emergency contingency was in place. The DoFGA explained that, in most circumstances, emergency costs would be covered by insurance, however, cash reserves are available should they be required.

A Board member asked if the phased approach was to ensure a pre-determined cash balance by 2031, and if we increased the rent by a higher amount next year, it might not be necessary in subsequent years, and the DoFGA agreed, however, phasing was introduced to reduce impact in any one year.

The Board discussed the options, and a Board member sought confirmation that the Income Maximisation Officer (IMO) and Tenancy Support Officer (TSO) roles had been included within the assumptions. The DoFGA confirmed that these roles had been included.

The DoH also explained that tenants are provided with a leaflet alongside the consultation, illustrating how the Association's rental income is allocated under each percentage rent increase option.

A Board member asked whether consideration could be given to establishing a support fund for tenants if the higher rent increase was agreed. The DoH confirmed that, while a support fund has not previously formed part of the rent increase decision-making process, an existing support fund is available to tenants, with referrals made by the IMO and TSO. The DoH also confirmed that referrals can be made for food and energy vouchers.

The Chair summarised the Board conversation, and the DoH and DoFGA explained the impact on rental income for the different options.

Agreed: The Board noted the need for a consultation process with tenants, and approved the rent consultation timetable. The Board discussed the rent increase options and approved the following:



Additionally, the Board authorised the BLT to perform a review of rent for the pharmacy and implement any agreed increase.

3.4 IMO/TSO Resource

Presenter: DoH

The DoH reminded Board members that approval had been granted by the Board in December 2025 to extend the IMO and TSO roles for a fixed period until May 2027. Further Government funding for the IMO role was received in April 2026, however, it is understood that this funding will not be extended beyond March 2027.

The TSO role has now been in place for one year, therefore, there is more comprehensive data available to provide statistics to the Board for consideration.

The DoH explained that the proposal is to make both roles permanent from April 2027, due to exceptional performance and tenant financial gains. While the TSO is difficult to quantify, the support is invaluable to vulnerable tenants. So far, the TSO has supported 94 tenancies and has reduced the

no access rates for EICR surveys by building trust with the tenants, who will provide access for these to be completed. There has also been a reduction in the number of red RAG (Red, Amber, Green) visits, as the TSO has been working with tenants to reduce the impact of hoarding and other issues. Feedback from tenants has been very good, and the DoH encouraged Board members to read the case studies provided.

The DoH advised that new legislation called Ask and Act will be introduced from October 2026. This will place requirements on public sector workers, including Housing Associations, to ask appropriate questions where they have concerns about a tenant. Colleagues are currently undertaking relevant training in preparation for the new requirements, and the TSO role will be fundamental in supporting this work.

The DoH explained that the combined cost is included in the Business Plan this year, although alternative funding streams will always be considered in the first instance. The DoFGA confirmed that as the costs are included in this year's Business Plan assumptions, and this is the base for future calculations, no further changes would be required.

The Board commended the work undertaken through both roles and discussed whether any further support could be provided to tenants. The DoH explained that the scope for additional support would be dependent on available resources. The Board agreed that further consideration should be given, in due course, to what additional support could look like.

Agreed: The Board noted the performance of the IMO and TSO and approved the funding and permanent establishment of the roles within FHG's permanent organisational structure.

3.5 Strategic Risk

Presenter: DoFGA

The DoFGA presented the Strategic Risk Register and noted that there are no changes recommended to the scores. Red text has been included throughout the report to highlight relevant changes, particularly around reactive and void maintenance.

As this item had recently been considered by the Audit and Risk Committee, the Committee Convenor provided an overview of the discussion and confirmed that no concerns had been identified.

Agreed: The Board approved the Strategic Risk Register.

3.6 Loan Interest Covenant

Presenter: DoFGA

The DoFGA explained that the purpose of the report was to provide assurance to lenders that FHG will continue to meet its loan covenant requirements. The Board approved the initial 2026/27 budget in January 2026, at which point the loan covenant was projected at █%, taking account of the carry-forward expenditure associated with the British Iron and Steel Federation (BISF) property refurbishment programme. Following approval of the cost of living increases and additional resources in March 2026, the projected covenant reduced to █%.

The DoFGA advised that this provides approximately £ █

To increase the level of headroom, the DoFGA proposed a number of temporary reductions to the planned programme for the year. It was confirmed that the scope of the relevant contracts has not yet been agreed, allowing flexibility to make these adjustments.

The DoFGA stressed that none of the proposed reductions relates to works required to meet regulatory obligations and assured the Board that FHG is currently compliant and will remain compliant.

A Board member noted the proposed reduction in expenditure on asbestos removal and asked how much would now be spent. The DoFGA confirmed that expenditure would be approximately half of the amount originally planned.

The DoFGA assured the Board that this would not present any immediate risk to tenants or colleagues, as the asbestos concerned is located at a high level where there is no routine exposure. It is primarily found within soffits and fascias, which are planned to be replaced with PVC over the coming years.

A Board member asked if there would be a time saving for colleagues by reducing the planned programme, and the DoFGA explained that the work would have been undertaken by contractors.

A Board member noted a positive position against budget within the Management Accounts for the first quarter, and the DoFGA confirmed that this is a period one update against annual target, but as we progress throughout the year, and spend more money, this will come down naturally.

Agreed: The Board discussed the Loan Interest Covenant report and:

- **Approved the proposed reductions to the 2026/27 planned maintenance;**
- **Noted changes in the increased estimated interest cover covenant headroom; and**

- **Agreed that the proposed reductions are reviewed through the regular budget monitoring process, with any opportunity to reinstate deferred expenditure brought back to the Board where the financial position allows.**

4 For Update

4.1 CEO Report

Presenter: CEO

The CEO explained that strategic meetings have declined over the summer, however, they are recommencing over the next few weeks.

Through the Fife Housing Association Alliance, £200k has been allocated for acquisitions, and the DoH has started the process of looking into suitable properties.

The Board discussed the newly appointed Prime Minister and the potential impacts on the housing sector.

A Board member confirmed they had completed the self-guided stock tour of the west of Fife villages and gave positive feedback. The Chair encouraged all Board members to take part.

Agreed: The Board noted the CEO update.

4.2 Management Accounts

Presenter: DoFGA

The DoFGA presented the Management Accounts to 30 June 2026 and noted that there was nothing to highlight, and as this was the first quarter of the financial year, it is too early to notice any trends.

There has been a significant overspend on damp and mould, and the DoFGA reminded Board members that there may be further spikes in expenditure due to Awaabs Law, which comes into force in October 2026.

Agreed: The Board discussed and note the Management Accounts to 30 June 2026.

4.3 Performance Dashboard

Presenter: DoH

The DoH presented the Performance Dashboard to 30 June 2026 and highlighted a few exceptions to the average time to relet, which is, in part,

due to significant major component replacements and extensive repairs to some void properties. There were a number of refusals for properties in low demand areas.

Tenancy and sustainment is within 10% of the target, and the DoH reminded the Board that this is for allocations from the previous year. There is no pattern emerging for those who did not sustain their tenancy, and the DoH is comfortable that there are no concerns.

A Board member suggested that properties in hard-to-let areas could be reported separately within the dashboard. The DoH explained that the Regulator requires the figures to be reported collectively and therefore they cannot be split, however, the DoH confirmed that supporting commentary will continue to be provided to give appropriate context.

A Board member asked if the Asset Management Strategy will address what actions will be taken for properties in low-demand areas, and the DoFGA confirmed that it will.

A Board member asked whether a target had been set for damp and mould cases. The DoH explained that there is currently no target, noting that, ideally, there would be no cases. This is the first year that the SHR has requested performance information in relation to damp and mould, and it is anticipated that further guidance on targets may be issued. The DoH therefore advised that she would be reluctant to set an internal target until this guidance is received.

The Board member challenged this position, suggesting that an internal target would still be beneficial in demonstrating that FHG is meeting the needs of tenants. The DoO reminded the Board that Awaab's Law comes into force in October 2026 and noted that this may influence the SHR's future performance requirements in relation to damp and mould.

The DoO also highlighted that, with the introduction of the new Damp and Mould Building Surveyor post, the impact on performance is not yet known. This may result in a reduction in cases through earlier intervention or an initial increase in identified cases and associated costs as previously unidentified issues are uncovered. The DoO advised that it is still too early to determine what the data will show and, for this reason, agreed that it would not be appropriate to set an internal target at this stage.

Agreed: The Board discussed and noted the contents of the Performance Dashboard.

Ms Gourlay left the meeting at 16:51hrs.

4.4 Argyle Consulting Annual Report including Legal & General Performance

Presenter: CEO and DoFGA

The CEO introduced the report and advised that FHG has now completed three full years under the Legal & General contribution scheme. Argyle Consulting administers the scheme on behalf of the Association and provides an annual report on its performance.

The cover report provided context on the operation of the scheme, including the employer contribution structure, which operates on a 2:1 basis up to a maximum contribution of 17%. The scheme also includes Group Income Protection (GIP) and Death in Service benefits. The CEO noted that there had been some challenging GIP cases in practice, however, these issues have now been resolved.

Colleagues are also entitled to an annual pension review, which is generally undertaken around May each year. These reviews have proved popular, with a significant number of colleagues taking up the opportunity. Positive feedback has also been received from Argyle Consulting regarding colleague engagement with the scheme.

The report highlighted that the value of the pension scheme has grown to over £3 million during the three-year period, comprising both employer and colleague contributions. There are currently 89 active members, with average contributions of approximately £90,000 per month. Argyle Consulting was particularly complimentary about the number of colleagues who had completed beneficiary nomination forms.

A Board member noted the ageing demographic of the workforce, particularly the number of colleagues aged over 50 who may be approaching retirement, and asked whether succession planning was being considered. The CEO confirmed that this is being actively considered.

A Board member asked whether pension contributions are made through salary sacrifice, which was confirmed.

A Board member asked whether Argyle Consulting is tied to Legal & General or whether other providers are considered. The DoFGA confirmed that Argyle Consulting considers the wider market and relevant options before making its recommendations.

A Board member raised the importance of ensuring that pension contributions through salary sacrifice do not result in any colleagues falling below National Minimum Wage requirements. The CEO confirmed that no colleagues are currently at risk of this.

The CEO concluded by noting that the pension scheme appears to be a positive benefit in attracting new colleagues to the Association.

Agreed: The Board discussed and noted the Argyle Consulting Annual Report.

4.5 Audit and Risk Committee Update (verbal update)

Presenter: Convenor of the Audit and Risk Committee

The Audit and Risk Committee met on 4 August 2026 and was joined by Scott Gillon from Wgb who presented the Annual Accounts and the Report to Management, and Cameron Boyd from TIAA who presented the findings of the Tenancy and Sustainment Internal Audit. Both reports were extremely positive, with no recommendations or adjustments.

The Health and Safety Annual Report was delivered to the Committee, which showed a positive position, and the Convenor noted the layout of the report made it easy to follow and understand.

The Convenor suggested that an additional column be included within the Strategic Board agenda to identify where a paper has previously been considered and approved by a Committee. This would enable the relevant Committee Convenor to provide a brief update to the Board and could help streamline discussions and make more effective use of Board time. This was agreed by Board members.

Agreed: The Board noted the Audit and Risk Committee update.

4.6 Memberships and Retirement

Presenter: PAGO

The PAGO presented the report and advised that under the terms of Rule 39.1, the members who are due to retire are Mr Brian Fisher, Mrs Juliet-Hamilton Lee, Mr Stephen Lynas and Mr Stephen Clark. Mr Stephen Clark has reached 14 years of service on the Board of Management and has confirmed that he will not be seeking re-election.

Shareholding membership applications

It is FHG's Policy for all membership applications to be considered by the Board of Management. The Rules of the Association also dictate the criteria for membership. A Membership form was received from the following applicants:

[REDACTED]

The PAGO advised that further applications are likely to be received prior to the AGM and confirmed that the Company Secretary will have delegated authority to approve these membership applications up to the AGM.

Agreed: The Board approved the membership application and noted the contents of the report.

4.7 Governance

Presenter: PAGO

Board Appraisals, Board Development, and e-Learning

Board appraisals were completed in March and April 2026, following which the Board Development Plan has been updated. The Board also agreed to discontinue SHARE membership, and Board approval has now been granted for nine compulsory courses via Astute.

Recruitment

Recruitment is currently underway for two Board members, and the Chair advised one appointment has been made, with a further interview taking place in due course.

AGM Re-elections

Mr Brian Fisher has indicated his willingness to continue as Chair, and Mr Brian Gallacher has indicated his willingness to continue as Vice-Chair.

Mr David Reynolds is currently co-opted to the Board and will be seeking election to the Board at the AGM.

FOI

The PAGO provided an overview of the Freedom of Information (FOI) requests received during 2025/26, confirming that 15 requests had been received and that all were responded to within the required timescales.

Agreed: The Board noted the contents of the Governance report.

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 Q1

Agreed: The Board noted the Operational Workplans for Q1.

5.2 Minutes for Noting

Yourplace Board minutes.

Agreed: The Board noted the Yourplace Board minutes from May 2026.

5.3 For Homologation

Audit and Risk Committee Minutes

Agreed: The Audit and Risk Committee Minutes from May 2026 were homologated.

6 Other

6.1 AOCB

The Chair asked about the progress of the Housing Management System implementation, and asked that a short “plan on a page” be shared with Board at each meeting under the “for noting” section.

Action: Quarterly updates to be provided to Board on the Housing Management System implementation.

6.2 Date of next meeting

AGM: 15 September 2026 at 5pm

Board Meeting: 15 September 2026 at 6pm

Rosyth Parish Church