

**BOARD
MINUTES (Non-confidential)**

MINUTES OF	:	Board of Management Meeting
TIME & DATE HELD	:	2nd December 2025
DATE APPROVED	:	10th February 2026
BOARD MEMBERS	:	Tracey Kernahan, Kieran Agnew, Elizabeth Battersby, Grace Barbour, Irene McGinnes, Lisa Miller, Brian Barclay, Hugh McIntosh, Eddie Robertson and Ross Ramsay
APOLOGIES	:	Gillian Johnston, Ania Ostrowska, Rae Connelly and Janice Saunders
STAFF PRESENT	:	Tony Teasdale (CEO), Kirsty Brown (DFCS) and Colette McKenna (DPS)
IN ATTENDANCE	:	None

1. Apologies

Apologies were as noted as above. (Post meeting note: Rae Connelly tried to join the meeting via Zoom and due to a technical issue was not seen for admission by those in attendance at the office premises).

Hugh McIntosh was welcomed to his first meeting since having been re-elected at the AGM.

2. Declarations of Interest

All tenant Board Members present (Ms Kernahan, Ms Barbour, Mr McIntosh and Ms Miller) declared an interest in relation to the discussion on Rent Setting at Agenda Item 9. In accordance with usual practice however it was agreed that this should not prevent them from taking part in the discussion or voting on the issue.

3. Minutes for Information

The draft minutes of the following meetings were **noted**:

- 3.1 East End Board meeting : 28.10.25
- 3.2 Upkeep Board meeting : 28.10.25
- 3.3 Audit & Corporate Committee meeting : 11.11.25

4. Minutes for Approval

The draft Minutes of the Board meeting held on 7th October 2025 were approved on a motion from Grace Barbour, seconded by Eddie Robertson.

- 4.1 Board Meeting - 07.10.25 (Confidential)
- 4.2 Board Meeting - 07.10.25 (Non-Confidential)

5. Matters Arising Schedule

Members noted the following matters arising from the 7th October 2025 Board meeting:

- Subsidiary Boards: Liz Pithie, an EEHDC tenant who was re-appointed to both the EEHDC and Upkeep Boards at the October meeting had since stepped down for personal reasons.

- Sustainability: The 2024-25 SRS return was submitted within the required timescale. On review of the salary position it was noted that in fact there is no gender pay gap at SHA, with the median salary for women and men being the same.
- Annual Performance Report: The format and content had been substantially enhanced and the Report was published on our website at the end of October and had since been hand delivered to all tenants.

6. Compliance and Safety Update

Members **noted** the content of the Compliance & Safety Update Report, and in particular:

- There had been no new Notifiable Events reported since the last meeting.
- All statutory returns and filings due since the last meeting date had been delivered in advance of the required submission dates: SHR Annual Assurance Statement, FCA Annual Return & Accounts Submission, ICO FOI Return & Management Accounts to RBS. Members also noted that the Annual Performance Report had been published prior to the 31st October requirement.
- There had been no significant Health and Safety incidents to report since the last meeting date.

7. Chief Executive Progress Report

Members noted the content of the report updating on significant issues and developments since the last meeting not covered elsewhere on the agenda. In particular:

Staffing Issues (Confidential): The following was noted:

- The 2026 salary uplift would be 5.1% in line with the EVH three-year deal negotiated earlier in the year.
- The vacant housing officer and community development officer posts had been filled.
- Due to staff sickness absence there would be some impact on workplans. In particular it would somewhat delay the rent consultation process that had been outlined in the report that had already been already issued for item 9.2. The priorities before Christmas would now be to:
 - Prepare/issue the winter newsletter with key information about what is planned.
 - Directly contact those tenants most affected by the most proposed changes to assess circumstances and link to advice services.
 - Speak to the tenants who have previously been allowed to opt out of estate caretaking services about the planned re-introduction of these.

The formal rent consultation itself would however now be launched after Christmas, with the consultation period to be extended to the 2nd February.

Christmas: Members noted the festive closure dates and that the office would also be closed on the afternoon of the 19th December for the Christmas party for staff and Board members across the Group.

Housing Investment Update: Progress was noted as follows:

- Nine properties had been acquired on the open market to date with another three under consideration.
- The Operations Committee had recently agreed to proceed with the redevelopment of the ground floor commercial unit at 632 Shettleston Road to create three new homes for social rent.

- There were ongoing delays with the feasibility study for the Old Shettleston Road / Former Telephone Exchange development.
- The Operations Committee had given in-principle approval for part of the Former Telephone Exchange site development to be for units with care/support, as requested by the Health and Social Care Partnership(HSCP). And for early demolition of the existing building.
- The 15 home de-carbonisation project was progressing well.

Caretaking Services: Changes had been agreed to the caretaking service specification and staffing capacity within Upkeep increased. Staff throughout the Group had been reminded of the importance of securing improved service delivery. New tenant feedback arrangements had been introduced. Residents would be advised of the changes in the winter newsletter and housing staff would continue to monitor progress with the roll out.

Shettleston Community Centre: Engagement was ongoing with Shettleston Area Partnership regarding potential NIIF funding, and the physical condition survey was well underway with the report expected before Christmas. An update would be provided at the Strategy Day on 17th January, and should the project still look viable at this point then proposals would be prepared for the Area Partnership meeting at the end of January.

Shaping Shettleston: The Locality Plan had now been finalised and approved by the Council. Regard had been had to the comments submitted by the Association on the earlier draft. However, Members also noted the sad recent passing of Gerry Baldwin, Chief Executive of FUSE, who had led the Shaping Shettleston process.

Communications: Improving our approach to external communications remained a priority and this would receive much more focus in the coming months, including in relation to the Association's 50th anniversary and the Tenant Satisfaction Survey (which was now likely to be carried out in April/May). Attention was drawn to the budget paper which proposed changes to the ICT team that would enable more input from the ICTBM into our ongoing communications and in particular to the development of a more structured and proactive approach to social media.

Sustainability: Following the recent SRS submission work was ongoing to look at how we can embed sustainability into our work. Staff travel to work options were under consideration including the Cycle to Work Scheme, encouragement to use public transport and salary sacrifice for electric car purchase. Proposals would be developed for consideration by the Audit and Corporate Committee.

Local and National Housing Issues: Attention was drawn to recent press coverage regarding issues being experienced by Thenue Housing Association, one of the largest social housing landlords and developers in the East End. The CEO, as a member of GWSF's support panel, had recently joined the Board of Thenue to help support the organisation and in particular to help support its ongoing development as a community led organisation.

Shettleston Community Growing Project (SCGP): The CEO also tabled an update regarding the Growing Project and advised that he had now taken up the Association's place on the Board.

8. Finance

8.1 Management Accounts - Quarter 2 (to end of Sept)

The DFCS provided an overview of the results for the period to 30th September 2025. The Board noted the surplus position of £1,571k compared to a budgeted surplus position of £794k. It was recognised that £112k of the positive variance was due to the gift aid payment from Upkeep, received in quarter 2 of the 2025/26 year. The main points to note were:

- Overall net rent and service charge income was £11k higher than the budget expectation with favourable and unfavourable variances over gross rents, service charge income and void loss.
- The favourable operating costs position was discussed and the DFCS confirmed that the majority of expenditure categories were reporting a favourable surplus position. In particular the spend on both planned and reactive repairs was significantly less than budget for the period to date. It was expected that this trend would reverse, at least in part, over the winter months when reactive spend tends to increase. Also the depreciation charge was less than budget due to there being fewer component renewals completed over the period than the budget had expected, however it was noted that the full budgeted spend was expected before the year end.
- Interest received was noted as being £26k higher than the budget assumed. The Association was continuing to take advantage of higher deposit rates.
- The closing cash position at the 30th September 2025 was £3,596k, a decrease of £126k from the March 2025 position. The DFCS confirmed that the decrease was expected and the balance at September was higher than the budget had assumed due to the less than anticipated management, maintenance and capital repairs costs in the period.
- Long term borrowing remained at £41,600k at 30th September 2025. Members noted that loan finance of £3,400k was available for drawdown in future years. Loan interest costs were slightly less than budget as interest rates had started to fall below the budget assumption. The DFCS noted that two further rate cuts were expected before the financial year end.
- All lender loan covenants were met and the main key performance indicators (KPIs) were showing no cause for concern.

The Board approved the Draft Management Accounts to 30th September 2025.

8.2 First draft Budget for 2026/27

Members noted the contents of the report and the draft budget workings. The DFCS confirmed that all budget holders had been involved in preparing the draft figures; as such it did capture all known costs for the year ahead, however some cost estimates were required as we were still 4 months away from the start of the new financial year.

The DFCS advised that the draft budget, with the assumptions detailed, worked with a rent increase of 4.6%. However, it was noted that there was little headroom available if the minimum cash on hand target of £1,000k was to be achieved at all times. The year end cash on hand balance was expected to be £1,067k.

Members noted that the draft budget and updated assumptions had been input into the 30-year business plan projection workings to assess the impact. One key consideration was that there was now additional spend on component renewals in the business plan period of £6,300k, with £2,100k of this falling in the first 5 years. £2,000k of smoothing of the component renewal spend was required. £1,000k in both 2032 and 2034 being pushed back to years 2035 and 2036. Additional loan finance of £1,000k was also required to ensure sufficient working capital. Although the business plan worked with these adjustments in terms of covenant compliance and achieving the £1,000k minimum cash on hand target, there was less cash available in 8 of the first 14 years of the 30-year plan when compared to the previous business plan update.

The DFCS advised that a rent increase of 5.1% (October CPI plus 1.5%) was also modelled. This provided a better result; £1,000k (rather than £2,000k) of component renewal spend was required to be deferred from year 2032 to 2036 and £1,000k of additional loan finance was still required, however the cash on hand figure in each of the 30 years of the plan period was more comfortable.

A Member queried if the rent inflation assumption for the 5.1% model had been adjusted in the other years of the plan, it was previously inflation plus 1% for the first 12 years – was it now inflation plus 1.5% for the same period? The DFCS confirmed that the 5.1% model had only increased the assumption to inflation for 1.5% for the 2026/27 year, with the remaining years being inflation plus 1%.

There was a discussion on the minimum cash on hand target and Members noted that the value of the £1,000k minimum balance was eroding over time, and that it would be wise to revisit this threshold at the Annual Treasury Management Review in June 2026.

Members noted that the final budget would be presented to the March 2026 Management Board for approval. It would capture the outcome of the rent consultation and any required updates to the budget figures as more up to date information on costs is received.

The Board approved the draft budget for the 2026/27 year.

9. Rent Setting

9.1 Review of Rent and Service Charge Structure

Members noted the content of the report. This provided a reminder of : the historic background to the current patterns of rents across the stock; the initial tenant consultation in August; and the six objectives for the rent restructure that had then been agreed, as follows:

- a single, harmonised rent structure to be applied to all properties.
- continue to reflect key property differentials but simpler and easier to understand.
- ensure that future rental income is maintained as per the Business Plan.
- minimise disruptiveness by ensuring that new rent levels do not vary significantly from those that have been applied since 2015 (now covering over half of all tenants).
- continue to ensure rent affordability and comparability with other social landlords' rents.
- provide advice and support to those most affected and phase significant increases over a reasonable period of time.
- to enable this, also phase any significant deductions.

The report set out proposals for a revised rent structure, and how these objectives would be addressed through this. This included information about the typical rents that would apply going forward and the extent to which tenants would be impacted by the restructure. It was noted that this structure was very close to the one that had been given initial consideration in September.

The report had asked the Board to carefully consider, and feedback on, the differentials that were proposed in relation to different property characteristics. In the meeting the CEO presented, as an option, a slight variation on the structure that had been contained within the report. This provided for a bigger differential between properties with their own main door (houses and cottage flats) and tenement and other flats, along with a small (1%) reduction in the previously proposed base rents for each apartment size.

The Board were then provided with information about:

- the typical rents that would apply to each of the main property types under the original and amended proposals.
- The number of homes in each property type, by apartment size, and the average rents that would apply to each under the latest proposals.

The CEO estimated that:

- Overall the final, the amended revised proposals would result in just over half of tenants seeing a rent reduction (and just under half an increase) when the full harmonised rents were applied.
- For tenancies that had started after April 2015, around 2/3 would see a reduction, and for tenancies that started before 2015, 2/3 would see an increase. (information was noted about the level of increases/reductions that would apply).
- There were however significant groups of longer-standing tenancies that would benefit from harmonisation e.g. 1950's flats in Greenfield and some houses and cottage flats in Springboig (where rents were historically high).
- However, ex-GHA tenants living in inter-war tenement flats and some long-standing SHA tenants in tenements, would see the largest increases.
- 66% of all those seeing an increase appear to be in receipt of HB/Universal credit.

The CEO highlighted the following issues:

- The proposals would generate slightly more revenue per year than at present (around 1% of total rental income).
- This provided some room for movement following tenant consultation should other issues be highlighted for change in the structure or anything has been overlooked in terms of individual property characteristics. The final proposals, post-consultation, would bring things back into balance in terms of financial impact.

It was noted that other potential items had been considered for change within the revised structure but not actioned at this point, including:

- the proposed standard 20% add-on for post 2005 new build homes.
- whether it would be possible to recognise that some flats have poor storage space.

There may be potential to give these further consideration after the consultation.

The Board also noted that, in accordance with previous decisions, a number of changes were being made to service charges:

- The numbers receiving estate caretaking services had been checked and a standard charge would now be applied to all. The charge itself had not increased despite the improvements intended for the estate caretaking service. It was hoped that tenants would soon see clear evidence of this soon.
- Where individuals had previously been allowed to opt-out of the service it was planned to very shortly advise them that the service would be made standard once again throughout the close, with everyone required to pay.
- The common landscaping charge would be removed from the minority of tenants who were previously required to pay this.

- For the purposes of the rent model, the remaining ex-GHA tenant rents would be broken down into net rent and service charges for the first time.
- At the Edrom Path former Sheltered Housing development the level of service charges for common heating were proposed to be increased (to reflect actual costs) and a close cleaning service charge applied for the first time. This would offset at least part of the reduction in the net rent element that would arise from the harmonisation process.

There was discussion about how the phasing of increases and deductions might apply as we progress towards harmonisation and the following was agreed in-principle for year one:

Total harmonisation uplift required at 2025	Number of tenants	Maximum phasing increase from 1.4.26 (on top of this year's annual % uplift: see item 9.2).
Up to £20	703	£5
£20 - £40	324	£10
£40 - £80	173	£15
£80 plus	78	£20
Total	1278	

The Board delegated authority to the Office Bearers to consider and agree the final arrangements for phasing of increases and deductions. This to be done before Christmas to enable consultation proposals to be issued early in the new year.

There was also discussion about how information, advice and support would be offered to those tenants likely to be most affected by the proposed change (i.e. those currently paying the lowest rents). It was noted that a support campaign was being developed and it was agreed that these tenants be treated as a priority in the coming months by the housing officers and advice staff in the coming period.

The complexity of the proposals was highlighted in discussion and Members asked that consultation be as clear and concise as possible.

The Board discussed the proposed restructure proposals. Following questions there was unanimous agreement that tenants be consulted on these proposals as part of the wider annual rent consultation.

9.2 Annual Rent Review

The Board noted the content of the report.

Regard was had to information concerning increases in the Association's business costs over the last year but Members also noted that many tenants' incomes had not increased in line with these and a reminder was given of tenant feedback received in recent years on rent issues.

The Board noted the financial implications of the following potential increases that were being considered, as set out within the budget paper (item 8.2):

- 4.6% (CPI plus 1%, at October, as per the current Business Plan).
- 5.1% (CPI plus 1.5%).

The DFCS advised that 4.6% was the minimum that should be proposed but it was noted that this would likely require investment in our homes in future years to be deferred.

That would also be the case with a 5.1% increase but to a lesser extent.

The Board reviewed information comparing SHA's rents with those of other providers, including the updated SHN analysis that had been commissioned in September.

After discussion the Board approved the proposal to consult tenants on an overall 5.1% increase in rents and service charges in 2025/26. It was noted that individual tenants would be advised of the specific % increase that be applied to them, also having regard to the harmonisation phasing (up or down) that would apply to their property.

10. Governance Issues

Members noted the content of the report.

Following further consultation with Board Members the **memberships of the sub-Committees for the coming year were approved** as follows:

- *Audit and Corporate Committee:* Rae Connelly (Chair); Grace Barbour; Brian Barclay; Elizabeth Battersby; Irene McGinnes and Lisa Miller.
- *Operations Committee:* Elizabeth Battersby (Chair); Kieran Agnew; Grace Barbour; Gillian Johnston; Tracey Kernahan; Irene McGinnes; Ania Ostrowska; Ross Ramsay; Eddie Roberston and Janice Saunders (currently leave of absence).

The Board considered the proposed revised report format, with an expanded Business Implications section at the end aimed at enhancing the Board's ongoing assurance review by providing more explicit information about how the content of the report and any decisions sought specifically relate to relevant Standards /charter outcomes. Members said that they felt this would be helpful and **approved the proposed change to the report format.**

Members noted the Board currently has a total of 14 members. There are currently still 3 out of the 15 spaces for community members vacant and also one for one of the three designated spaces reserved for co-optees who do not have to live within the area. These co-optee slots have been used in the past to recruit folk who have specific professional skills felt to be useful to enhance overall Board capacity.

Members were reminded of the agreed current targeting criteria for Board recruitment:

- Finance, IT/digital and other relevant areas of knowledge/experience.
- More Association tenants.
- Further balancing the mix on the Board in terms of community representativeness (age and ethnic mix).

Following recent consultation with the Office Bearers it was proposed that the following skills should now be targeted to seek to fill the vacant co-optee space: social media, marketing and community development. **The Board agreed this and that an open recruitment process be undertaken in the new year.**

The Board also noted the update on training activity and agreed to a number of training events for the new year, in accordance with the agreed training plan.

11. Health & Safety Policy Review

The Management Board **approved** the following Health & Safety polices and agreed to the use of electronic signatures for signing:

- Health & Safety Control Manual
- Landlords Safety Manual

12. Quarterly Performance Report

12.1 Delivery Plan Update and Action Plan

The Management Board **noted** the content of the report and progress made with the Annual Delivery Plan. Around 30% of action plan items were fully complete at this stage, with nearly 50% of the others having been substantially progressed. That left just under 20% still waiting to be gotten underway.

The CEO highlighted that the important Home Master project wasn't anticipated at the start of the Plan year and had diverted some staff time that would have otherwise been spent on progressing other Delivery Plan items. Other particular challenges had included the level of staff absence and amount of recruitment that was necessary in the CCS team earlier in the year.

At this stage however he remained optimistic that most unactioned items will be delivered by the year end, including all of the "High" priority items.

In the background "normal business" had continued to be successfully delivered and key performance targets met.

13. Membership Applications

The Board noted the content of the report and **approved the following applications for shareholding membership** of the Association:

- **Mr William Milligan**, Edrom Path
- **Mrs Jane Milligan**, Edrom Path
- **Mr Alexander Kernahan**, Shettleston Rd
- **Miss Aimee Bell**, Cullen Street
- **Mr Mohammed Yahia**, Kenmore Street
- **Mr Robert Harrison**, Edrom Path
- **Ms Linda Cahoon**, Shettleston Road
- **Miss Allana Paton**, Cockenzie Street
- **Mr Colin Knox**, Hollowglen Road
- **Mr James Fitzsimmons**, Shettleston Road.

14. Any Other Business

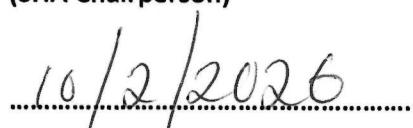
There was none.

Minute prepared by Tony Teasdale (CEO) and Kirsty Brown (DFCS)

SIGNED:


(SHA Chairperson)

DATE:


10/2/2026

