

# CLOCH HOUSING ASSOCIATION

## Minutes of the Board meeting held on Thursday 5 February 2026 at 6pm via MS Teams

Present: Kelly Ferns (Chair)  
Eleanor Robertson  
Nicola McLachlan  
Erin Kane  
Femi Okelade  
Karen Aitken

*K Ferns*

K Ferns (Apr 27, 2026 13:54:01 GMT+1)

27/04/2026

Apologies: Ken Robertson  
Clair Malpas  
David McIndoe

Attending: Alana Durnin, Chief Executive Officer (CEO)  
Robert Pollock, Director of Assets (DoA)  
Ewan Barr, Head of IT & Corporate Services (HITCS)  
Michael Monaghan, Director of Customer Services & Communities (DCSC)  
Megan Hughes, Finance Director (FD)  
David Quinn, Corporate Services Manager (CSM)  
Richard Fairley, Head of People & Culture (HPC)  
Shonaid Musgrove, Senior Corporate Services Officer (SCSO) – on minutes  
Olwyn Gaffney (SHARE Representative)

Item	Description
0.	Bitesize Training on Finance “The Budget in Practical Terms” took place prior to the meeting, delivered by the Finance Director.
1.	<b>Apologies &amp; Declarations of Interest</b>  Apologies had been received from K Robertson, C Malpas & D McIndoe.  There were no declarations of interest made.
2.	<b>Minutes of the Meeting held on 11 December 2025</b>  The Minutes of the meeting were approved as a true record on the motion of: -  <b>RESOLUTION</b> Proposed: N McLachlan Seconded: E Kane
2.1	<b>Minutes of the ARA Sub-Committee held on 27 November 2025</b>  The Minutes were noted and would be approved at the next ARA meeting.

3.	<p><b>Matters Arising &amp; Outstanding Actions</b></p> <p>The Chair noted that most of these had been closed off now but asked for an update on the outstanding matters.</p> <p>The CEO advised that the factoring issue will now be classified as a notifiable event, and this matter will be discussed further on in the meeting.</p> <p>A further notifiable event was also highlighted re: the Association’s external auditors, [REDACTED], now being part of the [REDACTED]. This matter was closed immediately by the Scottish Housing Regulator (SHR), following submission. [REDACTED] is carrying out a bitesize training session on the audit process at the February Audit, Risk and Assurance (ARA) Sub-Committee meeting, and will also explain the rationale and impact of the company structure change.</p> <p>The CEO stated that the new governance structure will continue to be monitored and was pleased that duplication within the papers had been minimised, thus reducing the paperwork Board had to read.</p>
----	---

**ITEMS FOR APPROVAL**

4.	<p><b>Rent Increase Decision</b></p> <p>The DCSC highlighted the key points within the report and advised that the report content should be reviewed alongside the budget and financial plan information.</p> <p>The Board was advised that tenants had been asked for their views on the proposed rent increase of 4.8% for 2026/27. This figure was based on the October 2025 RPI + 0.5% which was needed to keep the Association financially viable.</p> <p>The consultation had been a 2-phase process with a response rate of 19% at Phase 1 and 20% at Phase 2. This was a decreased response rate from the previous year and the DCSC advised that investigations will be made to try and increase the response rate for next year. In terms of the rent increase approval question put to tenants 50.7% approved the rent increase with 49.3% disagreeing. This was a 4% improvement on approval from the previous year.</p> <p>Tenants were given the opportunity to say more by having a ‘comments section’ within the survey. An analysis of the key concerns centred around affordability, repair works, property improvements. All tenants who made a comment were contacted to thank them for their contributions and to see if further information could be gained from what they had said / or to provide any follow up information to tenants. Key themes from the feedback will be anonymised when it is collated for the newsletter article.</p> <p>The DCSC advised that the SFHA rent affordability calculator was implemented to ascertain if the proposed rent increase was fair and affordable for households. If rental costs fall within a 25-35% range, (proportion of a person or household income spent on rent), then the Scottish Government deem these to be affordable. There were 9 different scenarios the DCSC tested within the calculator tool. The Association’s proposed rents were below the ratio range in 7 indicators and within the range (and at the lower spectrum) on the other 2 indicators. Therefore, broadly speaking, the rents being proposed were affordable.</p> <p>The Chair commented that the Customer Advisory Panel (CAP) input had been positive in this process too. A Board member suggested providing the output from the</p>
----	--

'affordability tool' when proposing the rent increase for consultation to Board for approval, (referencing the October meeting report). This would provide important context for the consultation decision. The member thought the table within the report was informative. A Board member enquired if the rental increase can be benchmarked against other associations. The DCSC replied that this exercise is carried out and based on the Glasgow & West of Scotland Forum (GWSF) survey, the average rental increase was noted as 5.3%, with Cloch comfortably below this figure.

Service charges for the year will have contract only inflationary increases applied.

### **ACTION**

1. Housing/Property Service team to follow up on the tenants who made personal, financial, or repair-related comments.
2. Include the affordability tool information in the first rent consultation Board report, which seeks approval for the rent increase consultation percentage, (next due October 2026).
3. Include the affordability tool output and benchmarking details in the rent increase newsletter article.
4. Continue to provide ongoing updates on rent increase benchmarking comparisons with peer groups.

### **RESOLUTION**

The Board approved the 4.8% rental increase for 2026/27.

Proposed: N McLachlan

Seconded: F Okelade

## **5. 2026/27 Budget & Financial Plan – final draft**

The FD took the Board through the report highlighting the key points: -

- Surplus reduced; due to the carry forward from 2025/26 of non-capital major repair costs and changes to the spend profile of the net zero windows and doors contract. Despite the reduction in surplus there is no material impact to projected year-end cash balances, with the 31<sup>st</sup> of March 2027 closing cash expected to be £2.76m (£2.78m in First Draft Budget).
- Key assumptions used to prepare the budget and how they differ to those used in preparation of First Draft Budget. Inflation assumptions have reduced slightly following latest projections from our Treasury advisors following initiatives in Autumn Budget.
- Cash flow projections which demonstrate adherence to minimum recommended cash levels and treasury Golden Rules throughout the plan.
- Compliance with covenants throughout the plan.
- £578k (removal of non-capital major repairs) will be carried forward to 2026/27.
- Extension to the shared HR contract will be discussed later in the agenda. These figures have not been included into the final budget as this has still to be approved. If approved these will be additional costs to factor in. It will reduce the surplus but there will be no material difference to our cash status.

The Chair thanked the FD for a very detailed report and asked the Board if there were any questions. The Chair reiterated that the following points were being proposed for approval: -

- The final budget for 2026/27 (incl. consultancy and professional fees of £46,700.
- The updated financial plan.
- The updated 2025/26 mid-year review budget (incl. the net zero project costs and planned maintenance carried forward into 2026/27.
- The additional HR-contract costs, if approved.

**RESOLUTION**

The Board approved all the points noted above on the motion of: -

Approved: E Kane  
 Seconded: N McLachlan

**6. Former Tenant Write-Offs**

The Board had previously been circulated with the report on former tenant write-offs. The DCSC asked if there were any questions about the report.

**RESOLUTION**

The Board approved the write-off totalling £10,180.72 on the motion of: -

Approved: F Okelade  
 Seconded: K Aitken

**7. Former Tenant Rechargeable Repairs Write-Offs**

The FD advised that approval to write off former tenant rechargeable repairs to the sum of £40,672.14 was being sought. The Board was advised that a £30k provision had already been provided for within the budget, but that these former tenant recharges were already provided for in the in bad debt provision per the Association’s bad debt policy. The write off if approved would have no impact on the Statement of Comprehensive Income.

The Board was advised that the Association had been concentrating on the collection of rent arrears and therefore the pursuance of rechargeable repairs had slipped. The Association would be looking to review processes in Quarter 4 and focus on current tenant rechargeable repairs. Internal processes and stricter adherence to the Rent Arrears & Rechargeable Repairs policies will be scrutinised. Particular attention will be paid to recouping rechargeable repairs from current tenants as it is extremely difficult to get rechargeable repairs costs back from former tenants.

The Board noted the values being asked to approve and noted the comments made by the DCSC. A Board member queried whether the amount was excessive and could be absorbed or was it in line with other housing associations. The DCSC replied that the figure was representative when spread over a 3–4-year period. There was provision for the debts to be written off. A Board member suggesting letting tenants know of the impact of non-payment of rechargeable repairs on the Association’s financial business plan.

The DCSC stated that improvements in processes between the housing and property teams and the new housing system will help with identifying unpaid outstanding repair invoices.

**ACTION**

Housing, Finance and Property to liaise and improve processes to reduce the rechargeable repair debt via enhanced data visibility, increased tenant communication, and debt recovery activities.

**RESOLUTION**

Approval to write-off the former tenant rechargeable repairs totalling £40,672.14 was granted.

Proposed: E Kane  
Seconded: K Aitken

**8. Factoring Admin Fee 2026/27**

The Board had previously been circulated with a report on the proposed increase to the factoring admin fee for 2026/27.

The FD advised that the cost of providing a factoring service should not be subsidised by rental income from tenants. An increase of 11% was being proposed as it was estimated that to provide the service would cost about £32.6k. The key factor for the increase has been driven by the increase to salary costs based on the EVH increase and higher IT costs related to the new management information system.

The FD stated that the new system will see improvements to processing time in the years to come, reducing the amount of staff time required to implement the service, which should stabilise the fees in the future.

**RESOLUTION**

The Board approved the motion to increase the factoring admin fee by 11% for the year 2026/27.

Proposed: E Robertson  
Seconded: K Aitken

**9. Extension to Shared HR Services**

The CEO spoke to the report that had been circulated to the Board prior to the meeting. The 3-way shared HR services contract has been well received by the 3 housing associations. The model in place works well and is highly valued by all 3 organisations. Considering recent recruitment drives and new CEO appointments, it was felt that this service should be extended to 31/3/2027 to provide a level of stability and support for the associations.

The Board were advised there has been sector interest in the shared services approach with Cloch being asked to present at various conferences over the past year. The GWSF are also visiting Cloch in March 2026 to find out more about the model for a case study on partnership working / sharing services.

The CEO advised that the extension would ensure the delivery of the managers' development programme and People & Wellbeing strategies within Cloch. In terms of value for money, it was reflected that the HoPC support for the recent CEO recruitment had meant there was no requirement for an external recruitment consultancy service, saving the Association approx. £10k in recruitment costs.

	<p><b>ACTION</b> The FD to update the 2026/27 budget to include the additional costs for the extension to the HR-contract.</p> <p><b>RESOLUTION</b> The Board approved the proposal to extend the HR-Services Contract from 6 September 2026 to 31 March 2027 and for the 2026/27 budget to be updated to reflect this.</p> <p>Proposed: E Kane Seconded: F Okelade</p>
	<p>The HoPC joined the meeting at this point in the proceedings (6.45pm).</p>
<p><b>10.</b></p>	<p><b>EVH Variation to Terms &amp; Conditions</b></p> <p>The Board had been circulated with a copy of a report prepared by the HoPC which advised that Employers in Voluntary Housing (EVH) together with the Joint Negotiating Committee (JNC) have introduced a series of ‘approved variations’ to terms and conditions that allows full EVH members to adopt these should they wish to.</p> <p>Having discussed the 3 options with the Leadership Team (LT) it was decided that only 1 option was being considered. This was the variation on extending the period of “bereavement leave for parents/carers following the loss of a child under 18” to up to 4 weeks paid leave; up from 2 weeks paid leave. A 4-week consultation period will take place with staff.</p> <p><b>RESOLUTION</b> The Board approved the recommendation to increase the bereavement leave period as noted above.</p> <p>Proposed: N McLachlan Seconded: K Aitken</p>
<p><b>11.</b></p>	<p><b>Gas Contract</b></p> <p>The DoA stated that they were not usually attracted to utilising frameworks for this type of contract but in this case, it was value for money. The proposal was to award the gas contract to contractors James Frew. The contract would be for an initial period of 2-years with the option to extend annually for a further 3-year period.</p> <p><b>RESOLUTION</b> The Board approved the contract on the motion of: -</p> <p>Proposed: N McLachlan Seconded: F Okelade</p>
	<p><b>POLICIES FOR REVIEW/NEW</b></p>
<p><b>12.</b></p>	<p><b>People Strategy</b></p> <p>The HoPC advised that this strategy has intentionally taken longer to bring to the Board, noting the transition within Cloch’s LT structure, supported by the focus on building strong foundations and providing stability. It was deemed prudent to proceed with an interim strategy at the present time as a new Business Plan (BP) is due next</p>

	<p>from April 2027. The interim strategy supports the present situation as opposed to future planning that the BP for next year may yield. It was therefore a plan for bedding-in as opposed to over-promising.</p> <p>The key points were: -</p> <ul style="list-style-type: none"> <li>➤ Continuing with the managerial upskilling programme.</li> <li>➤ Continue with wellbeing: support for our people (especially our young people).</li> <li>➤ Sensing the pressure points for the LT/Managers reflecting on the new management information system project and impact (&amp; keeping them stabilised).</li> <li>➤ Keeping the strategy to be relatable.</li> </ul> <p><b>RESOLUTION</b></p> <p>The Board approved the interim People Strategy for 2026/27.</p> <p>Proposed: K Aitken Seconded: E Robertson</p>
<p><b>13.</b></p>	<p><b>Artificial Intelligence (AI) - operational</b></p> <p>The HITCS advised that this policy was operational, however had decided that it would be beneficial for the Board to see it in the first instance, as a new policy and one that may impact them. It was reflected that AI is now part of our daily lives and placing control around it was important. The policy has been devised by the Scottish Federation of Housing Associations (SFHA) with input from its members, including the HITCS.</p> <p>The Board noted the contents of the policy.</p> <p><b>ACTION</b></p> <p>The HITCS to deliver a training session for the Board on the topic of AI based around the new policy.</p>
<p><b>14.</b></p>	<p><b>Entitlements, Payments &amp; Benefits</b></p> <p>The SCSO advised the Board that this policy was not due for review until 2027 but following a very recent update by the SFHA it had been brought forward. The key changes to the policy include wording changes to eradicate areas of dubiety and provide a more cohesive and clearer picture of what is permitted and what is not.</p> <p><b>RESOLUTION</b></p> <p>The Board approved the review of the policy.</p> <p>Proposed: E Kane Seconded: N McLachlan</p>
<p><b>15.</b></p>	<p><b>Notifiable Events</b> (incl. Annual Report for noting)</p> <p>The CEO advised the Board of the Notifiable Events policy review together with a breakdown of the events that had been reported to the SHR over the past year.</p> <p>The Board noted the contents of the report and approved the policy review.</p> <p><b>RESOLUTION</b></p>

Proposed: K Aitken  
Seconded: F Okelade

## ITEMS FOR NOTING

As the meeting was ahead of schedule it was agreed to take item 17 next then return to item 16 when the [REDACTED] representative was due to join the meeting.

### 16. Board Appraisals

[REDACTED] joined the meeting at 7.15pm to present this report.

The representative thanked the Board for appointing their organisation to carry out the Board appraisals. The appraisal process was reflected on, including attending a previous Board meeting to observe interactions, issuing the surveys, and having the 1-2-1 meetings with the individual Board members. The results from the process were as follows: -

- ✓ There is a good mix of Board members who have been members for differing lengths of time.
- ✓ Great knowledge of Cloch, especially from longer-term Board members.
- ✓ Structured inductions are in place with good feedback about this received.
- ✓ Motivations for being on the Board (community payback, protect tenants, etc).
- ✓ Highlights included seeing young people succeeding and being part of decision making.
- ✓ Key values being followed (be kind/better/positive/responsible).
- ✓ How the Board stay effective (reading papers, attending training/events, information received from staff, website, already working in the sector).
- ✓ Future office bearers (2 indicated they would be interested) – they were asked to make themselves known to the Board/LT to take this forward.
- ✓ Stepping down from the Board within the next couple of years (1 said yes, 3 were unsure) – stressed that numbers should not fall below 7 as this would become a notifiable event. Board should let LT know as soon as possible if they are intending to step down so that a recruitment drive can be implemented.

Only 2 recommendations were being suggested: -

1. That the Board and LT discuss succession planning (including ways to address diversity).
2. General recommendation on learning and development to continue (e.g. utilise the [REDACTED] e-learning platform)

[REDACTED] left the meeting at this point 7.36pm.

The CEO asked the Chair if the CSM could share the Learning & Development plan that had been devised. The Chair gave approval. The Board noted the topics contained within the L&D plan that would form the basis of the future training plan.

The CEO highlighted that the e-learning module was an excellent training tool. Further “lunch ‘n’ learn” induction sessions with the CEO/CSM could be arranged; this had proven to be extremely useful/successful last year.

The outcome of the Board appraisals were pleasing and evidenced the strength, impact, and commitment from Board.

	<p><b>ACTION</b> The CSM/CEO to progress the proposed training and succession planning for the Board.</p>
<p><b>17.</b></p>	<p><b>Financial Plan Stress Testing</b></p> <p>The FD confirmed that the scenario testing areas linked to key risks identified within the Risk Register and how each risk could impact the Association’s finances and, if it did, what could the Association do within the financial plan to mitigate this. This exercise demonstrated the Association’s resilience across multiple adverse scenarios that included inflation/interest rates/major repair cost increases. Under the stress testing conditions all lender covenants were met. However, the FD stressed that the Association cannot afford to become complacent and will continue to monitor scenario testing closely and frequently.</p> <p>The Chair commented that the paper had been extremely interesting looking at how different scenarios could materialise and what would be put into place should the risk arise. Another Board member concurred and was particularly keen to know about the impact of damp/mould compliance. The FD replied that this is an area of focus just now for the Association in relation to ‘Awaab’s Law.’ The DoA advised this law will come into place in Scotland in October 2026. The Association must maintain its properties to the Scottish Housing Quality Standards (SHQS). The DoA gave the Board a breakdown of compliance timescales for damp/mould and the main causes of this (e.g. humidity/moisture caused by drying washings inside, showers, kitchens, and over-crowding). A Board member asked if damp/mould had been looked at within the recent stock condition survey. The DoA replied it had and there hadn’t been many properties affected by it.</p> <p>The Board noted the report.</p>
<p><b>18.</b></p>	<p><b>Board Away Day</b></p> <p>The CEO advised that a link to the agenda for the day had been provided. The first session would focus on what strategy actually is/ what it looks like, and the second part would of the day would be about the plans for the process/how to implement it. The aim is to have a framework for the incoming CEO to take forward for the next year involving the Board, LT, staff, customers, and other key stakeholders.</p>
<p><b>19.</b></p>	<p><b>Management Information System – verbal update</b></p> <p>The HITCS advised that the system ‘go live’ date has been postponed to 1 June 2026. The report stated that much of the configuration has been completed but that the testing process is behind schedule. The testing that has taken place to-date has flagged up some issues that need to be resolved (i.e. some things were not working to requirements). Also, the data migration has been a bit more complicated than expected.</p> <p>Risk considerations were discussed about proceeding with the ‘going live’ for the initial date of March and it was deemed prudent to postpone this until June 2026. Staff will continue to work on the project in the meantime, and the aim will be to build up confidence in using the system over the period. The HITCS asked the Board if they</p>

	<p>would give approval for the continuation of Wednesday morning closures to the public to allow staff the time to progress the project.</p> <p><b>RESOLUTION</b>  The Board gave approval for the continuation of Wednesday morning office closure until June. However, if the project was completed before June, then the office will re-open to the public at this stage.</p> <p>Proposed: E Kane  Secoded: K Aitken</p>
<b>STANDARD AGENDA ITEMS</b>	
20.	<p><b>Health &amp; Safety</b></p> <p>The SCSO advised that the updates for the H&amp;S Manual had been received in January. The annual report will be presented to the February ARA Sub-Committee meeting.</p>
21.	<p><b>GDPR</b></p> <p>Data Protection had been audited for the first time by our internal auditors TiAA this week. Hopefully, their report will be received in time for it to be presented to the February ARA Sub-Committee meeting.</p>
22.	<p><b>AOCB &amp; Reflections</b> - feedback can be sent to Chair if preferred</p> <p>The Chair proposed to suspend the Standing Orders for a few minutes if the meeting happens to go beyond the 8pm time. The Board approved this.</p>
22.1	<p><u>Memberships</u></p> <p><b>RESOLUTION</b>  The Board approved the 2 applications for membership that had been received.</p> <p>Proposed: K Aitken  Secoded: E Kane</p>
22.2	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>

	<p>[REDACTED]</p> <p>[REDACTED]</p>
22.3	<p><u>New Director of Assets</u></p> <p>The Board was advised that the contract had been signed and the new postholder was [REDACTED]. The postholder would be starting in the role in May. They come with a vast amount of knowledge, skills, and experience from within the sector.</p>
22.4	<p><u>Inverclyde Chairs Network</u></p> <p>The Chair intimated they had attended this event and had been impressed with how many different voluntary organisations were operating within the Inverclyde area. The session had been enlightening and interesting.</p> <p><b>ACTION</b> The Chair will forward the presentation to the Corporate team to upload onto the Board portal.</p>
	<p><b>The meeting closed at 8.10pm</b></p>
23.	<p><b>Date of Next Meeting – 26 March 2026</b></p>
	<p><b>DEFERRED ITEMS - Policies</b></p>
	<p>Financial Regulations</p>
	<p>Flexi &amp; TOIL</p>
	<p>Adaptations</p>