



KINGDOM

Housing Association

February 2026 Minutes

If you need this publication in larger print, audio, Braille, or in another language, please get in touch and we will be happy to help.



HAPPY TO TRANSLATE

KHA BOARD MEETING

HELD ON MONDAY 02 FEBRUARY 2026

1630 - 1730

**IN PERSON MEETING AT CARNEGIE CONFERENCE CENTRE, DUNFERMLINE CITY
CAMPUS**

PRESENT: Linda Leslie Mark Easton
Guy Thomson Loretta Mordi
Brad Gilbert Carol Watson
Blair Louden
David Redpath

**PRESENT VIA VIDEO
CONFERENCING:** None

IN ATTENDANCE: Tom Barclay – Group Chief Executive
Leigh Grubb – Group Director of Corporate Services
Dan Blake – Group Director of Communities
Calum Kippen – Governance & Communications Director
James Hudson – Asset Management Director
Gillian Maton – Corporate Governance Manager

APOLOGIES: Julie McKinnon
Sinclair Young
Ian Crocker

Reference to abbreviated Job Titles in the Action Column:	BM - Board Members GCE - Group Chief Executive GDofC - Group Director of Communities GDofCS - Group Director of Corporate Services GCD - Governance & Communications Director AMD – Asset Management Director FD - Finance Director CGM – Corporate Governance Manager
---	---

The Chair thanked everyone for staying on after the strategy session.

**ACTION
BY**

1. APOLOGIES

Julie McKinnon, Sinclair Young, Ian Crocker

2. DECLARATIONS OF INTEREST

The Chair highlighted that Board Members may have an association or working relationship with other organisations that work in partnership with Kingdom and whilst this may not be a direct conflict of interest, the relationship should be declared as a standard declaration. It was noted that if Board members are in doubt about what to declare, speak to the Chief Executive or Governance and Communications Director.

The Board **noted** that Loretta Mordi is a Board member of KI and a sharing owner. It was agreed that Loretta could remain at the meeting in line with SHR guidance while this item is being presented.

3. ANNUAL RENT INCREASE

The Group Director of Communities (GDC) was invited to present and answered questions throughout.

He advised that the customer consultation on the rent increase received a relatively low response (629), perhaps partly as a result of a shortened consultation window and showed 79% in favour of a lower increase of 4.3% (vs 4.8%). However, the GDC went on to explain how further analysis shows that an increase of 4.8% achieves the best balance between affordability and our commitment to sustainable investment in customer's homes and the delivery of great services. It would allow;

- £2.1 million of additional planned investment in existing customer homes, 40% increase on 2025/26 spend and a clear message of our focus on improving quality, efficiency and cost of running our homes through strategic and sustained investment.
- An additional 0.5% from 4.3% to 4.8% adds a further £9million over the next 30-year plan into major investment in our homes.
- £100K retained to continue the targeted and preventative work we deliver to support those in most need across our communities
- Continuing to maintain a resilient and sustainable financial platform which supports future growth and development

He presented a slide showing LHA rates for each local authority, tracked against our rent increase of 4.8% which showed that all new rents would remain comfortably below LHA rates.

A 4.8% increase also sits below the increases that a number of our peers are considering. It is thought, at this point, that Fife council will announce a 5.5% rent increase.

It was confirmed that the Scottish Housing Regulator (SHR) doesn't place any obligation on RSLs to implement the most popular option, and that it is for the Board to consider this input within its broader decision-making process around budget and rent setting.

Board Members challenged why we provided 4.3% as an option for our customers and the GDofCS explained that further analysis was carried out after those options went out, and that we will ensure our corporate planning cycle and budget preparation processes are better aligned for next year. The GDofC did explained that 4.3% could still work, but it would come with conditions and caveats around service delivery.

The GCE affirmed that it is essential that there is an alignment in the financial mechanisms involved in strategic decision making and we do not want to be coming forward with this staggered approach again.

The GCD committed to working with our communications team to ensure clear messaging around the rent increase and ensuring that value for money is consistently communicated throughout the year.

A Board Member asked if we apply the same consultation to MMR and Shared Owners and the GDC responded by saying that we do not currently, as we are not legally required to, but that we are working with Arneil Johnston to complete a rent review, and their views will be sought and included.

The Board **approved** the below;

Social Rent

All KHA social rent properties receiving an increase in rent of 4.8% is applied on 1 April 2026. Service charges will be calculated based on budgeted costs for 2026/27 and apportioned across all customers in receipt of services.

Lease Costs to Kingdom Initiatives

Charges applied to all properties leased to KI for MMR be increased by 4.8% from 1 April 2026.

Other KHA Rents & Charges including Shared Ownership Occupancy charges:

An increase of 4.8% is applied to all other KHA rents, occupancy charges rents and lease costs on 1 April 2026.

4. VERTICAL INTEGRATION – STAIR CLEANING

The Asset Management Director (AMD) was invited to present.

The AMD explained that our stair cleaning contracts expire on 31st March 2026 and this proposal is for stair cleaning to come in-house from 1st April 2026. This is a tight timeframe as there are TUPE implications but there is mitigation in place to ensure service continuity through use of a procurement framework if required.

Data and financial analysis indicate that the vertical integration of stair cleaning, would produce a £71,000 customer saving in the first year with further savings in future years.

Board members challenged the assumptions for future year projections and in particular that the 2% inflation applied to costs as being too light. The GDofCS acknowledged that the assumption was challenging, that it had been based on our longer-term inflation assumption, and that there was some evidence of opportunities to achieve efficiency gains. The Board member noted that the assumption had the effect of improving forecast savings in future years and that they would be content to approve the proposals on the assumption that the £71,000 saving (which will be passed on to customers) would be maintained as a minimum.

The Board **agreed** to proceed with the vertical integration of stair cleaning services as per the business case provided.

5. CONFIDENTIAL ITEM

Held separately.

6. ANY OTHER URGENT BUSINESS

None

7. DATE OF NEXT MEETING

23rd February 2026 at 5.30pm