



May 2026 Minutes

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KHA BOARD MEETING

HELD ON MONDAY 18 MAY 2026

5.30 pm – 8.15 pm

IN PERSON MEETING AT SALTIRE CENTRE, GLENROTHES

PRESENT:

Linda Leslie (Chair)	David Redpath
Mark Easton	Guy Thomson
Brad Gilbert	Carol Watson
Loretta Mordi	Sinclair Young

**PRESENT VIA VIDEO
CONFERENCING:**

Blair Loudon

OBSERVERS:

Chris Martin
Sharon McIntyre

IN ATTENDANCE:

Tom Barclay – Group Chief Executive
Dan Blake – Group Director of Communities
Leigh Grubb – Group Director of Corporate Services
Calum Kippen – Governance & Communications Director
Michael Mayes – Finance Manager (*Agenda item 8 only*)
Lesley Proudfoot – PA to Group Chief Executive

APOLOGIES:

Julie McKinnon

Reference to abbreviated Job Titles in the Action Column:	BM - Board Members GCE - Group Chief Executive GDC - Group Director of Communities GDCCS - Group Director of Corporate Services GCD - Governance & Communications Director ET – Executive Team FM – Finance Manager PA – PA to Group Chief Executive
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The Chair welcomed everyone to this hybrid meeting of the Board of Management and thanked those who were able to attend from 5.00 pm for the informal gathering.

The Chair advised that we have two observers at the meeting today. Chris Martin and Sharon McIntyre have applied to join the KHA Board and observing this meeting on the final step in that application process.

The Chair advised the observers that they are here to observe the meeting and cannot get involved in any decisions at this stage, but they will be invited to ask any questions they have at agenda item 13 before they are invited to leave the meeting.

The Chair noted that once the observers have left, the current Board will review their application, and the Governance Team will follow up tomorrow with a decision and next steps.

The Chair confirmed that everyone was happy to proceed.

The Chair advised that earlier today we met with the Scottish Housing Regulator to review our Annual Assurance Statement process.

The Board noted that the meeting was very successful and that the slide deck prepared was well received. The Chair added that the discussion she and the Vice Chair held with their SHR colleagues following the formal session, without the Executive Team and Governance & Communications Director present, reaffirmed their understanding of the Annual Assurance Statement process.

The Board noted that assistance may be sought from the Governance & Communications Director to assist other RSL's with this process, i.e. to share templates.

The Chair thanked everyone who was involved with this visit.

The Board noted that, like previous hybrid meetings, Board members who have joined virtually are invited to ask any questions first, followed by Board members in the Boardroom, to ensure everyone is captured.

It was noted that Board Members had an opportunity to ask any questions ahead of the meeting and the responses are in Admincontrol and, as **Appendix 1** at the end of this minute.

		ACTION BY
1.	APOLOGIES Julie McKinnon.	
2.	DECLARATIONS OF INTEREST The Board noted that the standard declarations have been identified in the report. 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 Linda Leslie is a Board member of KSC. The Board noted that Loretta Mordi is a Board member of KI. The Board noted that Tom Barclay is a Board member of KI and KSC.	
3.	TO APPROVE THE MINUTES OF THE BOARD OF MANAGEMENT MEETING HELD ON 23 MARCH 2026 The Chair asked if there were any points of clarification in the draft minutes held on 23 March 2026. There were none. The minutes were approved by Carol Watson and Loretta Mordi.	
4.	MATTERS ARISING FROM THE MINUTES OF THE MEETING ON 23 MARCH 2026 The Board noted that all items are complete or included in the minutes.	

5. **TO RECEIVE THE MINUTES FROM COMMITTEE MEETINGS HELD SINCE THE LAST BOARD MEETING**

The Governance & Communications Director (GCD) was invited to present.

The Board noted that the Audit, Finance & Risk Committee met on 15 April 2026, and a summary of the meeting was provided in the paper.

The Board noted that the Customer Services Committee met on 28 April 2026, and a summary of the meeting was provided in the paper.

The Chairs of both meetings advised that they had no additional comments to make beyond what is already included in the report.

The Board **noted** the update.

6. **CHIEF EXECUTIVE REPORT**

The Group Chief Executive (GCE) was invited to present.

SECTION A: ITEMS FOR SPECIFIC APPROVAL

None.

SECTION B: HIGHLIGHTED ITEMS

2.2 - Holyrood Elections

Discussion took place around the political landscape and the current strategic financial headlines.

The Board noted that the Executive Team will keep them well informed in relation to long term business planning.

SECTION C: RECURRING MATTERS

3.2 - Press Releases and Awards

The Board congratulated the Tenancy Support Services Team who won Housing Team of the Year at the SHARE housing awards.

The Board noted that Champion Homes have been named Housebuilder of the Year (Medium) at the prestigious Homes for Scotland Awards.

The GCE thanked the Board Members he had met so far for their time during recent one-to-one meetings.

The GCE gave the Board an update on the meeting he and the Chair had attended with Councillor David Ross, Councillor Judy Hamilton, Michael Enston and John Mills on 9 April 2026 at Fife House.

7. ANNUAL RETURN ON THE CHARTER

The Governance & Communications Director (GCD) was invited to present.

The GCD highlighted that the validation exercise was carried out earlier than normal this year, due to high demand for dates, therefore only data for Q1 – Q3 could be validated.

The Board noted that 27 ARC indicators were included in the process. One was fully validated, 10 were on-line for validation and 16 were partially validated. In comparison to 2025/26 only 15 indicators were included in the validation, 2 were fully validated, 8 were on-line for validation and 5 were partially validated.

The GCD advised that in comparison to 2024/25 this shows improved performance in **10** indicators, broadly the same in **10** indicators and performance reduced in **8** indicators.

The Board noted that there are 5 new indicators in 2025/26 that could not be compared to previous years.

Referring to Indicator 11 in Appendix C – Tenant and Resident Safety, the Board commented that the number of instances where statutory gas safety checks were not completed should be reduced to zero.

Discussion took place in relation to Appendix D, with the GDC advising that this was a literal comparison of year-on-year performance, however this required a more nuanced and contextual analysis of the figures in the report to better understand the underlying position. The GDC focused on several specific examples to illustrate the importance of triangulating data and reaffirmed the need for more sophisticated reporting to enable our people to have actionable insight and perform better in their roles. Further comparative analysis, especially on newly introduced indicators would be returned post SHR publication of sector data in August.

A discussion took place regarding the manipulation of manual data and the importance of automation. The GDCS noted this was the primary focus of the Enterprise Data project contained within the Delivery Plan. The Board noted that we need to ensure that the data is being analysed properly.

The CEO noted that he must be able to provide assurance to the Board on data resilience to sign off the Annual Return on the Charter. He confirmed that further discussions will take place with the Executive Team to determine what is required to address this effectively and committed to the ARC data being fully automated for next year's return.

The Board **approved** the submission of the return to the Scottish Housing Regulator, with **delegated authority** granted to the Chief Executive to make the submission.

The Board **noted** the findings of the Validation Report provided at **Appendix A**.

8. **MANAGEMENT ACCOUNTS AND TREASURY REPORT**

The Finance Manager (FM) was asked to join the meeting at this point and invited to present.

SECTION A: HIGHLIGHTED MATTERS

1.1 - Q4 Management Accounts

1.1.2 - Income

The FM talked through the **income** categories, highlighting £48.015m is £999k above the annual budget of £47.016m.

1.1.3 - Operating Surplus

The FM talked through the **operating expenditure** categories, highlighting £37.829m is £1.540m above the budgeted figure of £36.289m.

A Board member commented on the strong recovery of VAT following arising from our engagement with KPMG.

Discussion took place in relation to the overspend in legal costs and the suggestion of employing someone rather than outsourcing this service. The GDC committed to bringing back an analysis of legal expenses and key management information associated with our legal escalations to Customer Services Committee.

1.1.4 - Rent Arrears & Bad Debts

The FM explained that the **bad debt** expense for the year to date is £442k, including £175k rental bad debts written off, £108k provision for rental debts and £158.5k provision for sundry debts which mostly relates to rechargeable repairs.

It was noted that the total **rental bad debt** expense for 2025/26 is £283k which is £83k under budget.

The Board noted that **tenant arrears** decreased by £119k in the quarter, current tenants decreased by £105k and former tenants increased by £14k. The bad debt provision has decreased by £66k, primarily as a result of £97k worth of debt being written off during Quarter 4.

1.1.5 - Interest

The Board noted that **Receivable** is performing £62k better than budget.

The Board noted that **Payable** is showing a significant saving to budget of £929k.

1.1.6 - Covenant Compliance

The FM confirmed that **covenant compliance** was met for all lenders.

1.1.7 - Statement of Financial Position

The Board noted that the **Statement of Financial Position** shows healthy cash balances of £8.419m at the year end and net assets of £86.590m have increased by £1.733m in line with the surplus for the period.

1.1.8 - End of Year Statutory Financial Statements

The Board noted that the year-end statutory financial statements are in the process of being drafted and statutory accounts will be presented at the August Board meeting.

Discussion took place on intercompany debt and the FM confirmed that lease charges are ordinarily settled quarterly.

The Board **noted** Q4 management accounts to 31 March 2026.

SECTION B: RECURRING ITEMS

2.1.2 - Front Funding

The Board **noted** the Treasury Management report as at 31 March 2026

2.2 - Subsidiary Management Accounts

The Board **noted** the update.

The Finance Manager left the meeting at this point.

9. CORPORATE SERVICES REPORT

The Group Director of Corporate Services (GDCS) was invited to present.

SECTION A: ITEMS FOR SPECIFIC APPROVAL

1.1 - Annual Board Appraisal Process

The GDCS noted that the links in admincontrol did not work, however assured Board Members that the process is the same as last year.

The Board noted that these documents would be issued on the 19th of May 2026 for completion by 5 June 2026.

- Individual Assessment Questionnaire
- Collective Assessment Questionnaire
- Feedback on the Chair
- Anonymous 360 Feedback Questionnaire

1.2 - Risk Management Framework

A detailed discussion took place regarding the risk management framework, noting the significant shift from 15 risks to 6.

A Board member commented that the big area to consider is the Group v's Subsidiary v's Parent; are the risks for the whole group; are KHA being asked to set risks for the subsidiaries and if so, do we simply impose these on the subsidiaries.

It was noted that Board members need to feel comfortable about the decision being made and understand what their expectations are.

A Board member suggested that a focussed strategy session would achieve this, if time allowed.

The following was agreed;

1. Between now and the next Board meeting (August), a survey to be issued to all Board Members, looking for written feedback, key themes, and topics of importance.
2. Confirm the slide deck from RSM was circulated to all Board members.
3. Present some diary options.
4. Organise specialist support to attend the focussed strategy session to assist with decision making.

1.3 - RBS Social Loan Funding

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COMMERCIALY SENSITIVE INFORMATION**

**1.4 - Scottish Housing Regulator Five-Year Financial Projections &
Loan Portfolio Returns**

The GDCS advised that the Loan Portfolio return is due to be submitted by 31st May 2026 and the Five-Year Financial Projections Return by 30th June 2026. The Loan Portfolio return is based on Treasury Management reporting, and the FYFP return is drawn heavily from the approved five-year budget figures.

A Board member referred to page 7 of the Five-Year Financial Projections (FYFP) 2025–2026 (Appendix F) and queried whether the gearing figure of 235.6% was correct. The GDCS advised that the figure is generated automatically by the return but agreed to verify the calculation ahead of submission.

Subject to the above being verified, the Board **approved** the submission of the FYFP return and **approved** the submission of the Loan Portfolio return.

Post Meeting Note:

Email sent to the Board on 19 May 2026 from Leigh Grubb, Group Director of Corporate Services;

In response to a question from GT at last night's board meeting, I have reviewed the gearing data included within the FYFP Return and would confirm that:

- These particular data fields are not manually input by Management but are instead calculated by logic embedded within the return.
- The data item, and the comparator to the national median, are broadly consistent with the levels reported in the 2024-2025 version of the return (excerpts below for assurance).
- I have manually recalculated the 'Year 1' gearing figure using the regulator's published formula and confirmed its accuracy (that calculation is essentially net debt / total capital and reserves).
- The regulator's gearing calculation differs significantly from the two methods typically used by our lenders, and included within our own financial reporting:

- Either the lender includes deferred capital grants within the capital and reserves denominator **or**
- More commonly, the denominator is 'Total cost of housing assets'
- It's difficult to comment on the national median number without access to all of the underlying data, though this number would likely be skewed downwards by those RSLs without an active development and treasury programme
- Based on my review, I am confident that the data input to the return and we will proceed with its submission per last night's approval.

2.1 - Delegated Authority, Reserved Powers, Disposals and Board Electronic Decisions

The Board **noted** the delegated approvals since the last update.

2.12 - Infrastructure & Security

The GDCS highlighted the report, which was presented to the Audit, Finance & Risk Committee noting the substantial progress made over the last 12 months to enhance the stability and security of our digital infrastructure.

2.16 - Employee Engagement

The GDCS reported that, following the Staff Conference held on 29 April, three trades operatives have come forward to join 'Kingdom Voice'.

The Board noted that this group has previously been challenging to engage, making the development of an Assets voice a particularly positive outcome.

2.19 - HMRC Appeal Process

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COMMERCIAL SENSITIVE INFORMATION**

The KHA Board **noted** the updates in Section B.

Rule 36 of KHA Rules states that Meetings must not last longer than two hours unless at least two-thirds of the Members present agree after the end of that time to continue the meeting.

*The Chair sought approval from the Board here at 7.20 pm to continue the meeting should it exceed two hours. All members **agreed** they were happy to continue.*

10. **COMMUNITIES REPORT**

The Group Director of Communities (GDC) was invited to present.

SECTION A: ITEMS FOR SPECIFIC APPROVAL

1.1 - Debt Write Off

The GDC advised that £34,641.36 has been assessed as unrecoverable debt.

The Board **approved** the write-off of accounts totalling £34,641.86.

SECTION B: HIGHLIGHTED ITEMS FOR NOTING

2.1 - Quality & Compliance - Data and System Integration (DP Project)

The GDC advised that manual data entry has been removed for Gas, EICR, Legionella and Lifts, and other areas (Damp & Mould and Asbestos). It was highlighted that Fire Safety requires changes to external evidence formats to enable automation, this is on target to complete by end of June 2026.

The Board noted that Stage 2, which will be to introduce automated system checks through integration, is in planning, with a target solution developed by June 2026.

2.2 - Energy Solutions Business Case (DP project) update

The GDC advised that an Energy Solutions Business Case will be presented to the Board, early in quarter 2.

SECTION D: SUBSIDIARY UPDATES

4.2.1 - Interim Director of Support & Care (Introduction)

The Board noted the appointment of Tricia Donnelly as Interim Director of Support & Care, effective from 4 May, following the departure of Paul White from the organisation.

4.2.2 - MINUTE REMOVED AS IT CONTAINS CONFIDENTIAL OR COMMERCIALY SENSITIVE INFORMATION

11. PERFORMANCE REPORT

The Governance & Communications Director (GCD) was invited to present.

The GDC explained that this report shows a summary of the agreed 9 KHA KPIs with management comments for any showing as amber or red.

The Board noted that of the nine indicators, 3 are rated green, 3 amber, and 3 red.

The GDC was invited to provide an update on the following indicators;

Customer Satisfaction with you New Home (Relet) (%)

The GDC noted that Q1 satisfaction impacted overall levels which improved across Q3 & Q4. Fit for the Future optimisation has brought a specialist repairs role to the Hub, which will free up Asset Operative Team Leaders from planning to focus on quality and line management. The Board noted that further improvements through structural and process improvements will also lead to more clearly defined roles and standards. As is and to be, journey mapping has included customer perspective to ensure that enhancements place the customer at the heart of the service we provide.

Customer Satisfaction with Repairs Service (%)

The GDC noted that overall satisfaction has increased from 81.7%. There is a gap in satisfaction compared to the Repairs Service Survey on Total Mobile. This was queried with Knowledge Partnership, and they advised that due to the wider environmental considerations in replying to annual surveys they do normally see a gap between these transactional surveys and the annual survey.

The Board noted that the GDC will report these to the Customer Services Committee regularly.

The Board **noted** the update.

12. **DELIVERY PLAN REPORT**

The Governance & Communications Director (GCD) was invited to present.

The GDC highlighted that this report reflects the quarterly position.

The Board noted that **10** projects have been completed, with **4** projects still having outstanding milestones.

The Board noted the Performance Improvement update where customer arrears are reducing. However, satisfaction indicators, right first-time, sickness absence and void times have increased.

Board Members **noted** the final Year 2 Delivery Plan update.

13. **ANY OTHER BUSINESS**

The Chair asked the observers if they had any questions to ask. No questions were received from Sharon or Chris.

Sharon and Chris were invited to leave the meeting at this point, and the Chair thanked them for attending the meeting and advised that the Governance Team will follow up tomorrow.

1.1 - KHA Membership

The KHA Board **approved** the Memberships of;

- Shona Blainey
- Chris Martin
- Allan Jackson

The Board noted that after approval, Membership will sit at **77**.

1.2 - Kingdom Group Board Appointments

The KHA Board;

- **Co-opted** Sharon McIntyre to the KHA Board of Management in compliance with Rule 42
- **Co-opted** Chris Martin to the KHA Board of Management in compliance with Rule 42.
- **Appointed** Shona Blainey to the KSC Board of Directors.

The Board noted that Allan Jackson was unable to attend tonight's meeting as an observer as he had been ill with the flu.

14. CONFIDENTIAL ITEM

Minute held separately.

15. DATE OF NEXT MEETING

8 June 2026 - short meeting following the Project Tour

Meeting closed at 8.15 pm