ACTION BY

MINUTE OF THE FOUR HUNDRED AND FIFTY SIXTH MANAGEMENT COMMITTEE MEETING OF LANARKSHIRE HOUSING ASSOCIATION LIMITED HELD IN THE ASSOCIATION'S OFFICE AT 191 BRANDON STREET MOTHERWELL, ON TUESDAY 8 SEPTEMBER 2026 AT 6.30PM

Present:	Liam Donnachie	Chairperson
	Linzi Brunton	Treasurer
	Gordon Anderson	
	Gerry McParland	

Attending:	Henry Coyle	Chief Executive (CE)
	Liz White	Housing Services Director (HSD)
	Janet Napthine	Finance & Corporate Services Director (FCSD)
	Deborah Stapleton	Corporate Services Manager (CSM)

Liam Donnachie welcomed Jennifer Spence from Azets Audit Services, along with prospective new Committee Members Alan Shaw, Craig Smith, Vikki Skelton and Cheryl Lochran, who were attending the meeting as Observers.

1. APOLOGIES

Apologies for absence were received from Barry Farrell, Paul Lennon, Laurie Boles, and Martin Ritchie.

2. DECLARATION OF INTERESTS

None recorded.

3. DRAFT FINANCIAL STATEMENTS

a) Draft Financial Statements for the Year Ended 31 March 2026

The FCSD provided a brief overview of the draft Financial Statements and highlighted the key matters arising from the Audit Findings Report.

Jennifer Spence then took Committee through the Financial Statements for the year ended 31 March 2026, providing a detailed explanation of the principal statements and key financial information:

- Report of the Management Committee
- Report of the Auditor on the Financial Statements
- Statement of Comprehensive Income, including Turnover and Surplus
- Income and Expenditure
- Statement of Financial Position
- Statement of Cash Flows

ACTION BY

Jennifer provided clarification on the key figures and movements within the Financial Statements and responded to questions raised by Committee members. It was reported that, overall, the Association remains in a strong and healthy financial position.

b) External Auditor Findings Report

Jennifer referred Committee to the Audit Findings Report, highlighting the main outcomes of the audit process and areas where improvements were required to further strengthen the financial control systems. She provided a summary of the report and outlined the following key matters identified:

- A significant deficiency in financial record keeping
- A deficiency in investment property valuation

Committee noted the Management Response in relation to each of these issues.

c) LHA Letter of Representation

Jennifer referred to the Letter of Representation, setting out the representations made in connection with the audit of the Financial Statements for the year ended 31 March 2026. It was agreed that the Letter of Representation be signed by the Secretary on behalf of the Management Committee. FCSD/Sec

As part of the finalisation of the audit process, Jennifer asked if the Committee was aware of any significant matters that had arisen since the end of March 2026 which could have a material impact on the figures contained within the Financial Statements.

Members confirmed that they were not aware of any matters that would adversely affect the Association or its Financial Statements.

Jennifer advised the Committee that she hoped to attend the Annual General Meeting on 16 September 2026 in person to present the Financial Statements to the membership.

The CE advised that, at the earlier meeting of the Audit & Assurance Sub-Committee, it had been agreed that, as part of good governance and effective oversight of the external audit process, a private session would be held with the external auditors without management present.

Jennifer confirmed that she was happy to facilitate the session and asked that she be advised of a proposed date. CE

The CE further advised that the session would be open to all members of the Management Committee who wished to attend.

The Chair thanked Jennifer for her clear and comprehensive presentation of the Financial Statements. Committee adopted the Financial Statements as presented, subject to the amendments highlighted in yellow being finalised. FCSD

ACTION BY

At this point, it was agreed that any confidential agenda items would be brought forward to enable the observers to leave the meeting only once, rather than requiring them to leave and rejoin at various points during the meeting.

The observers subsequently left the meeting at this point.

18. HUMAN RESOURCE ISSUES

Corporate Performance and Employee Bonus

The Chief Executive drew Committee's attention to the confidential report and ***Appendix 1***, and after consideration, Committee approved the Corporate Performance Assessments.

As the Corporate Performance had been assessed as 'Good' for the year 2025/26 an automatic payment of bonus would be awarded to those employees who meet the qualifying criteria. CE/FCSD

As this item had concluded, the observers then re-joined the meeting.

4. MINUTES

a) The Minute of the Four Hundred and Fifty-Fifth Management Committee Meeting held on 23 June 2026 was moved as a true record by Gordon Anderson and seconded by Linzi Brunton.

b) The Minute of the Housing Services Sub-Committee Meeting held on 1 September 2026 was moved as a true record by Gerry McParland and seconded by Linzi Brunton.

Business Arising

No issues were raised and all actions and recommendations were adopted.

5. MINUTE TRACKER

Committee noted the Minute Tracker, which provides ongoing updates on the progress and completion of actions arising from meetings. It was agreed that additional columns would be added to record the target date and actual completion date for each action. CSM

6. FINANCIAL PLANNING - QUARTERLEY MANAGEMENT ACCOUNTS FOR PERIOD ENDING 30 JUNE 2026

Committee was referred to the report and ***Appendix 1***, and the FCSD gave a brief overview of the key factors:

- Position for Q1 was an Operating Surplus higher than budgeted expectations for the year-to-date.

ACTION BY

- Projected financial position for 2026/27, based on the existing assumptions is a forecast surplus is £773k, compared with a budgeted surplus of £273k.

- This is mainly due to £510k of cladding remediation costs being provided for in 2025/26 rather than 2026/27. The potential use of approximately £300k for other housing improvement works identified through the Stock Condition Survey would be discussed later in the meeting.

- Year-to-date expenditure on property costs amounted to £684k, £51k below budget. The main areas of underspend were Service Costs, Responsive Repairs, Cyclical Repairs and Planned Maintenance.

- Supplies and Services expenditure was currently overspent which was due to timing variances given this is an early stage in the year.

- Several questions were raised concerning variances; cyclic maintenance spend and a provision for the Cladding Remedial Works, and the FCSD provided clarification.

The FCSD then invited questions from members, following which a brief discussion took place regarding the report presented.

7. SHR - LOAN PORTFOLIO ANNUAL RETURN 2025/26

The CE referred Committee to the above return and advised that, as the Financial Statements had only been adopted earlier in the meeting, it had not been possible to present the completed AFS Return.

The AFS Return would instead be presented for consideration at the Special Management Committee Meeting scheduled to take place following the Annual General Meeting on 16 September 2026. This would allow sufficient time for the Return to be approved prior to the SHR submission deadline of 30 September 2026. FCSD

8. WATLING STREET, MOTHERWELL

Court of Session Proceedings

The CE provided a confidential verbal update on the current position. He also confirmed that the Scottish Housing Regulator had now closed the Notifiable Event relating to this matter and Committee noted the correspondence provided from the SHR confirming closure.

9. CLADDING

a) Cladding Update Report

The PSD referred Committee to the report and appendices, which provided an update on the Dalziel Street cladding remediation project. The project has progressed through design development and is now approaching procurement.

ACTION BY

Firntec has been appointed as Lead Consultant and has completed the Employer's Requirements. Tender documentation is currently being reviewed with the tender expected to be advertised during September.

A budget of £510,500 had been approved for the works and the anticipated remediation cost has been recognised as a Provision in the 2025/26 accounts, providing assurance that the works can be progressed independently of any future Scottish Government funding.

Committee noted that the Association continues to engage with the Scottish Government regarding potential grant funding, although timing and eligibility remains uncertain.

Committee was asked to consider the following three options:

- Option 1 - Proceed to Tender and Deliver Works
- Option 2 - Procure and Pause
- Option 3 - Pause Procurement Activity

After discussion, Committee agreed that Option 2 was the preferred option, with the PSD to progress accordingly, and agreed to consider a separate report on alternative Investment Programme options. PSD

b) Revised 2026/27 Investment Programme

Committee noted that, following recognition of the £510,500 Dalziel Street cladding remediation budget as a Provision, £300,000 could be reallocated in the approved 2026/27 budget to support additional investment in LHA's homes.

As Committee had agreed to proceed with Option 2 in the preceding report, it was agreed that a re-forecasted budget on the proposed investment programme be brought back to Committee for consideration. PSD/FSCD

10. COMPLAINTS

a) Monitoring Leaflet

Committee noted the Complaints Monitoring leaflet, which provided detail on complaints received in Q1. LHA conducts an analysis of the data to identify any service failures and uses these insights to drive performance improvements.

b) Complaint Tracker

Committee noted the Complaint Tracker, detailing current complaints for which action plans have been developed and are being monitored for progress and resolution.

11. POLICY REVIEW

The CE highlighted the following policies as due for review in September 2026:

- Communications Policy had been updated with minor changes to acceptable IT use and Cyber Security

ACTION BY

- Harassment at Work Policy has been updated with minor changes to reflect new legislation
- Payment of Expenses to Committee Members had been deferred until November 2026 for further evaluation
- The review of the Car Leasing Policy is deferred to November to allow sufficient time for suitable consultation
- The review of the Financial Controls Policy is deferred until November 2026
- The review of the Risk Management Policy had been deferred until November 2026 to take account of the outcomes of the July 2026 Strategic Away Day
- Fire Safety and Lift Safety Management Policies, remitted from the 1 September 2026 HSSC, were ratified

Committee approved the Policy Review Schedule and policies as presented.

12. LANDLORD REPORT 2025-26

The Chief Executive referred Committee to the Landlord Report for 2025-26 which was compiled using information provided by the Scottish Housing Regulator and detailed LHA's performance for 2025-26 against the standards and outcomes set out in the Scottish Social Housing Charter.

It was noted that the report would be distributed to all stakeholders and published on the Association's website prior to the end of October 2026. CE

13. QUARTER 1 PERFORMANCE UPDATE REPORT 2025-26

The HSD referred Committee to the report and ***Appendix 1*** and Committee noted that, following the decision taken at the June Management Committee, this report replaced the previous annual review of Key Performance Indicators (KPIs) and would be presented six-monthly in line with the Programme of Works.

The report provided benchmarking against Scotland's Housing Network's Medium Urban Peer Group and Scottish Average, where available, together with performance against LHA's five strategic objectives.

Committee noted the Quarter 1 performance information and agreed that trend information would be incorporated as the performance year progressed. Committee noted the report and confirmed its satisfaction with the format for future reporting.

14. ANNUAL ASSURANCE COMPLIANCE

The CE confirmed that the Self-Assurance Toolkit and Evidence Bank would continue to provide the underpinning evidence base for the 2026 Annual Assurance Framework Report.

The Audit & Assurance Sub-Committee had met earlier in the evening to support the finalisation of the Annual Assurance Statement, ahead of its submission to the Management Committee in October 2026. CE

ACTION BY

15. A.G.M - 16 SEPTEMBER 2026 NOMINATIONS REPORT

Committee noted the report confirming that in accordance with Rule 40.2, no nominations had been received by the deadline date of 26 August 2026 for the vacant positions on the Management Committee.

16. SHARED OWNERSHIP AQUSITION

Committee considered a report from the PSD seeking approval to acquire the remaining 25% Shared Ownership interest in 10 Stirling Street, Motherwell.

Committee noted the significant local housing demand, the estimated total investment, including acquisition and improvement costs, and the alignment of the proposal with LHA's Strategic Plan and Acquisition Policy.

Committee approved in principle the acquisition and associated investment works, noting that the final purchase price will be determined by an independent valuation. The PSD was authorised to serve the necessary Counternotice, and the CE and relevant Office Bearers were authorised to execute the required documentation. PSD

17. MEMBERSHIP & COMMITTEE ISSUES

a) Strategic Away Day Feedback Report

Committee was referred to the feedback report on the Strategic Away Day held in July 2026. Committee noted the key issues discussed, including LHA's strategic direction, governance, finance and risk management, the 2025/26 Report Card and the Strategic Plan 2026–2031.

Committee noted the update on the Watling Street litigation and discussed future growth opportunities. It was agreed that LHA should remain open to new development, with actions to develop a Growth Strategy, review the Acquisition Policy, and recover legal costs relating to Watling Street.

Committee noted the report and agreed the identified actions and timescales.

b) Committee Recruitment Update

The CE provided a verbal update on potential new Committee members. It is hoped that tonight's observers would wish to proceed with membership of the Association and, subject to the appropriate process, be considered for appointment to the Management Committee to fill casual vacancies.

As the Meeting had reached two hours at this point, 8.30pm, Committee unanimously agreed to a motion to suspend Standing Orders for Fifteen Minutes to allow the business to continue.

ACTION BY

19. PROCUREMENT

IT Support Services

Committee considered the report on IT Support Services and noted the positive performance of Lugo over the five-year contract period, including support for key IT projects and the ongoing HomeMaster implementation.

Committee noted the importance of maintaining continuity of IT support during HomeMaster implementation and transition from ActiveH. It was agreed in principle, subject to agreement with Lugo and consideration of the requirement for a VEAT (Voluntary Ex-Ante Transparency) notice, to extend the current contract.

Committee also noted that a new tender exercise for IT Support Services would be undertaken in early 2027. FCSD

20. HOUSING MANAGEMENT SYSTEM UPGRADE PROGRESS REPORT

Committee noted the HomeMaster implementation progress report, including completion of core system training, ongoing testing and the additional data upload to support the data transfer from ActiveH. Concerns raised regarding the robustness of testing and completeness of data have resulted in a revised project plan.

Committee noted that the original go-live date of 1 October 2026 has been revised, with the new go-live date agreed for the week commencing 7 December 2026. Committee also noted the additional project cost of £5,280 plus VAT.

21. CORRESPONDENCE

Committee Members confirmed that they had received all recent correspondence uploaded to the Resource Section on the OneAdvanced portal for their information.

- **Notifiable Events**

  Committee noted correspondence from the SHR confirming the closure of the Watling Street, Motherwell Notifiable Event.

22. ANY OTHER COMPETENT BUSINESS

No business arising.

23. DATES OF NEXT MEETINGS

Committee noted the forthcoming meeting dates and agreed to postpone the Corporate Governance & Finance Sub-Committee until the Governance Review had taken place. Matters will be referred to the AASC or Management Committee as appropriate. It was also agreed that the AASC be brought forward accordingly.

Committee then noted the dates and times of the undernoted meetings:

ACTION BY

Management Committee	27.10.26	- 6.15pm
Audit & Assurance Sub-Committee	17.11.26	- 5.15pm
Housing Services Sub-Committee	17.11.26	- 6.15pm
Management Committee	24.11.26	- 6.15pm

24. VOTE OF THANKS

The meeting closed at 8.45pm with a Vote of Thanks to the Chair.

Chairperson Signature: _____ Date: _____