



Minutes of a board meeting of Castle Rock Edinvar Housing Association Limited t/as Places for People Scotland ("PfPS" / "CRE") (the "Board") held at 4pm on Wednesday 5 November 2025 at 1-2 St Andrew Square, Edinburgh, EH2 2BD and via Microsoft Teams

Present: Moira Sibbald (MS) (Chair)
Janet Hamblin (JH)
Ryan Blair (RB)
Michael McLaughlin (MM)
Kevin Mcleod (KM)
Euan Campbell (EC)
Bryan Sherriff (BS)
Andrew Winstanley (AW, Group CFO)
Kelly Brown (KB, MD PfPS)

In Attendance: Abbie Robinson (AR, Assistant Company Secretary)
Jon Durham (JD, Head of Finance Business Partnering)
Rachel Crownshaw (RC, Group MD of Communities)
Ciara Toland (CT, Head of Communities Scotland)
Nairn Davidson (ND, Director of Regulation)
Julia Everett (JE, Regulation Business Partner)
Thomas Fountain (TF, Director of Asset Knowledge)
Tim Fuller (TFu, Director of Investments)¹
Michael Rohan (MR, Head of Responsive Repairs)
Racheal Deeming² (RD, Senior Environment Sustainability Manager)
Steve Ashton³ (SA, Chief Partnerships Officer)
Lynn Stewart (Scottish Housing Regulator representative)
Marjory Smith (Scottish Housing Regulator representative)
Joseph Quinn (Scottish Housing Regulator representative)

Actions

1. APOLOGIES

Apologies for absence had been received from Pamela Scott.

2. DECLARATION OF INTERESTS

¹ Attended for item 7.2 only.

² Attended for item 5.2 only.

³ Attended for item 5.1 only.

There were no new interests to declare.

3. APPOINTMENT OF CHAIR & WELCOME

3.1 Pursuant to Rule 59.5 in CRE's Rules and as this was the first scheduled Board meeting following the Annual General Meeting ("AGM") held on 30 September 2025, the Board resolved that MS be appointed as chairperson following her election at the AGM.

3.2 MS welcomed everyone to the meeting including the three representatives from the Scottish Housing Regulator ("SHR") who had been invited to observe the meeting.

4. MINUTES AND ACTIONS

4.1 The minutes from the meeting held on 20 August 2025 were **APPROVED**.

4.1.1 The redacted minutes from the meeting held on 20 August 2025 were **APPROVED**.

4.2 The Board noted the meeting notes from the Board's strategy session held on 1 October 2025.

4.3 The Actions List outlining updates on actions from previous meetings was reviewed. It was agreed that all proposed closed actions could be removed from the Actions List.

4.4 Feedback from Audit & Risk Committee meeting held since previous meeting (verbal update)

EC provided a verbal update, highlighting that assurance on cyber risk management was received in light of recent cyber-attacks on major organisations, and the risks specific to Scotland were reviewed in addition to the Group-wide risks as part of the CRO's reports.

4.5 Minutes of the Group board meetings and NCG meetings held since the previous meeting

It was noted that the minutes of the previous Group board meetings and National Customer Group meetings were available to view on Board Intelligence.

AW provided a verbal update on the recent Group board meetings, where discussions had focused on the challenges in the external environment, expectations within the business plan, and preparedness for Awaab's Law. The Group board had also approved two proposed

mergers with Elim Housing Association and South Yorkshire Housing Association.

SA joined the meeting.

5. STRATEGY

5.1 Growth – Mergers & Integrations (verbal update)

SA provided a verbal update at item 5.1. It was reported that the sector had seen a significant reduction in registered providers of social housing. This provided an opportunity for the Group to leverage its skills and resources to merge with other housing associations to develop and grow the social housing sector. Mergers and integrations were a core part of the Group's growth strategy. However, there was less merger activity among registered providers in Scotland which may be due to difficulties encountered in previous proposed mergers.

5.1.1

5.1.2 The Board agreed that future merger opportunities would require a Board-level discussion to understand potential benefits and costs. **It was agreed that a paper outlining the proposed approach and parameters for mergers would be presented at the next quarterly Board meeting to agree on what mergers would be appropriate and worthwhile.** SA

5.1.3 JH suggested that housing associations where the chair and non-executive directors were due to retire soon would present good opportunities for potential mergers. SA confirmed that the Group took this into account when conducting horizon scanning across the sector to look for merger opportunities.

RD joined the meeting.

5.2 ESG Update

The Board noted the ESG Update report at item 5.2.

5.2.1 RD reported that the Group's ESG Strategy had been published on 20 December 2024, shortly after the previous update was presented to the Board in November 2024. The strategy continued to be embedded and it included targets which would be assessed and reported against each year as part of annual ESG reporting. Responsibility for delivery of ESG targets was mainly assigned to individual business areas, with the ESG team

serving as the reporting and assurance function to complement financial reporting with relevant, accurate and informative non-financial reporting.

5.2.2 MS asked if there were any differences in Scotland compared with England. RD reported that the ESG requirements in Scotland were more advanced than the rest of the UK in many areas. This was demonstrated in the statistics on page 2 of the report; for example, homes in Scotland had a higher proportion of Energy Performance Certificate A and B ratings than the Group's average home.

5.2.3 KM asked what assurance was obtained on the non-financial targets. RD reported that assurance had previously been sought from an external expert. However, assurance would be conducted internally going forwards, reflecting the maturity of ESG reporting within the Group.

RD left the meeting.

6. ANNUAL REVIEW OF RENT / SERVICE CHARGE POLICY

6.1 The Board noted the Annual Review of PfPS Rent / Service Charge Policy report at item 6.

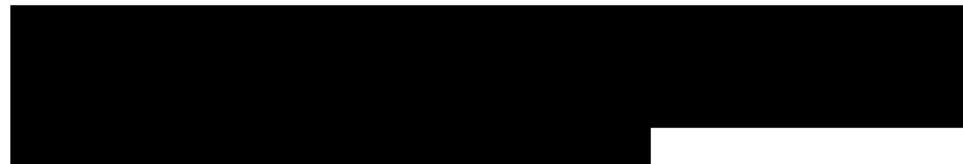
6.2 JD presented the report, highlighting that approval was being sought from the Board to:

- i) consult with customers on a rent increase up to 4.8% (September CPI Plus 1%) for the 2026/27 rent increases subject to affordability tests
- ii) continue with the previously agreed approach for service charges and move to a full recovery of service charges by 26/27
- iii) where the increases exceed the 30% affordability threshold, PfPs would review on a scheme-by-scheme basis

(collectively, referred to as the "Proposal")

6.3 The Board was reminded that, in November 2024, the Rent and Service Charge Policy was amended by removing the points-based system and introducing an approach where service charges reflected the actual cost of services received. A CPI + 1% rent increase was applied in April 2025, in line with Scottish affordability guidance (30% of household income on rent and service charges). These changes were driven by rising service costs impacting the business plan and the need to align policies with the wider Group. Following a detailed review, the Board approved in November 2024 replacing the subjective rent points system with a transparent formula-based calculation similar to the English model, adapted for Scottish data. This change did not affect current tenants but applied to new-build handovers and, where appropriate, relets. JD offered to brief the new non-executive directors who were not on the Board in November 2024 on these changes outside of the meeting.

6.4



6.5 It was confirmed that the hardship fund would continue to be available for customers. Despite low take-up of the hardship fund, the Customer account team continued to promote the hardship fund to customers.

6.6 Based on the Proposal and using the affordability calculator, as of September 2025, overall affordability remained below the 30% target (see appendix 2). Management was currently working through the service charge budgets and therefore were not yet clear on the expected increase of charges. Management had therefore allowed for 3 scenarios showing service charges increase by 5%, 10% and 15%; in each of these scenarios the average affordability in total remained below 30%. There are four Local Authorities where affordability was marginally higher. A full table of affordability was attached at appendix 2. Overall, on average, PfPS were comfortably below the 30% affordability.

6.7 Where customer charges exceeded the 30% affordability test, PfPS would review these on a scheme-by-scheme basis. The four Local Authorities affected were Aberdeen City, East Lothian, Falkirk and Midlothian. One of the main drivers for these Local Authorities exceeding the affordability test was the high number of services provided to our retirement schemes. In these examples the customers would be receiving a higher level of service, and it may not be unreasonable to breach the 30% affordability test. KB confirmed that customers were being contacted to ensure service charges remained appropriate and affordable for customers; for example, if a customer was being charged for a bi-monthly cleaning service it may be appropriate to reduce the service to monthly to meet their needs and remain affordable. Engagement with customers would take place to ensure the charges remained affordable and appropriate to meet customer's needs.

6.8 Comparisons with other landlords were discussed. JH noted that some housing providers offered 'extra care', which was not provided by PfPS, making direct comparisons difficult. RC clarified that the inclusion of care elements in rent and service charges depended on whether communal areas were involved, with individual care provided separately. JD confirmed that comparator registered providers had been chosen due to their similar size and he took an action to consider whether appropriate comparators were being used.

6.9 The Board APPROVED the Proposal, as outlined at minute 6.2 and in the report. Following the customer consultation on the Proposal, the Board would consider the outcome of the consultation and approve the rent

increases at an additional meeting scheduled to take place on 8 January 2026.

7.

CURRENT PERFORMANCE ON THIS YEAR'S ACTIVITIES

7.1 Directors Report

The Board noted the Directors' Update report at item 7.1.

7.1.1 KB presented the report, highlighting three key areas:

- Community safety – there were ongoing concerns to safety in the Hays area and other communities, particularly around bonfire night. The team had engaged with stakeholders and liaised with police and fire services to help keep communities safe.
- Customer engagement – PfPS aimed to see every customer at least annually and a plan was being devised to meet this aim.
- Performance – customer engagement was an important part of performance for PfPS, particularly given the reputational challenges experienced over the past 18 months. Membership of the Scottish Customer Group was being bolstered, with three former members onboarded again and further recruitment efforts ongoing to reach 8-10 members. The Scottish Customer Group would have direct contact with the Chair and the terms of reference had been approved by the Chair. The Board agreed that the views of the customer group should be considered in strategic decision-making. Efforts were being made to ensure the customer group was truly diverse, with representation from a wide range of backgrounds, perspectives, and communities.

7.1.2 Engagement continued regarding district heating sites with MPs and residents, alongside collaboration with RMG and Touchstone. An action plan was being progressed with RMG and Touchstone, with quarterly meetings scheduled at each site and individual action plans developed for each location.

TFu joined the meeting.

7.2 Operational Performance Report

The Board noted the Operational Performance report at item 7.2.

7.2.1 KB presented the report, highlighting that rent arrears had increased since the start of the calendar year but had dropped slightly this quarter. The increase in rent arrears was attributed to the departure of a manager and colleague absenteeism. Colleagues from the regions were to be utilised to assist with high-level cases.

7.2.2 Temporary moves was a new indicator in the Operational Performance Report. Major incidents such as fires and storms necessitated temporary moves for customers. RC advised that the key metric was the reduction in the time customers were out of their homes, and efforts were being made to return customers to their homes as soon as possible. Providing temporary accommodation where homes were unsuitable was recognised as a responsibility, and the aim was to minimise the duration of displacement. The Board agreed that it would be useful to review the temporary moves and the steps taken to improve the situation at its next quarterly Board meeting. KB

7.2.3 JH highlighted the value of comparing operational metrics with peer organisations on a regular basis. KB agreed that some metrics, such as repairs, would be suitable for comparison, while others might not be directly comparable.

7.2.4 The metric of 'anti-social behaviour non-urgent cases responded to in target' was trending downwards. This metric was being monitored closely and the reason behind the lower performance was being investigated.

7.2.5 MS raised concern about staff absences having increased. KB reported that this would be monitored closely and, if high levels persisted into the next quarter, a deeper review would be undertaken. It was noted that the results from the annual colleague survey would be shared with the Board at its next quarterly meeting.

7.3 Assets & Investments Update (including update on the disposals programme)
The Board noted the Assets & Investments report at item 7.3.

7.3.1 TF presented the report, highlighting that as access to homes was increasing a greater number of issues were being identified. This was viewed positively, as it enabled the team to address these issues proactively. Awaab's Law had recently come into effect in England, and during its first week, the Group was broadly meeting its key performance indicators.

7.3.2 The Scottish Housing Quality Standard compliance stood at 85%. To ensure ongoing compliance with regulatory standards, increased focus would be required following the Scottish Government's announcement to amend the Housing (Scotland) Bill to incorporate Awaab's Law. Although the legislation was still progressing through Parliament, the Group had proactively committed to implementing the associated process changes from October.

glazing was replaced regularly. Damp and mould repairs were also being addressed.

7.4.3 It was reported that over 90% of emergency repairs were attended by internal teams, though there was a need to improve turnaround times for contracted work. RB enquired into the accountability of external contractors and whether the repairs complaints were related to external contractors or internally carried out work. MR confirmed that the majority of complaints related to internally scheduled repairs. The team was engaging with contractors to ensure accountability and timely reporting on case progress.

7.5 Financial performance report

The Board noted the Financial Performance Report at item 7.5.

7.5.1 JD presented the report, highlighting that operational performance remained strong and was expected to continue throughout the year. Sales were slightly behind budget, but the forecast indicated that performance was expected to return to budget by year end.

8. GOVERNANCE

8.1 Regulatory Engagement Report

The Board noted the Regulatory Engagement Report at item 8.1.

ND presented the report, which provided an overview of recent engagement with the SHR. In June, a review of the annual assurance statement was conducted with the SHR, during which examples of best practice were shared and incorporated into this year's statement. There were three open notifiable events, as detailed in the report, and regular meetings with the SHR continued.

8.2 Standing Items Report

The Board noted the Standing Items Report at item 8.2.

AR presented the report, highlighting that the only change to note was that the notifiable events to the SHR had moved from the Standing Items Report to the Regulatory Engagement Report.

9. ANY OTHER BUSINESS

MS reported that the chair of the Group board would be retiring in September 2026 and a successor would be appointed before his retirement.

10. DATES OF NEXT MEETINGS

10.1 *Rent approval meeting – 8 January 2026*

10.2 *Next quarterly Board meeting – 4 February 2026*

DRAFT