

ATRIUM HOMES

Minutes of Meeting of the Board held on Tuesday 24 February 2026

At 6:00 p.m. via Zoom

Present: Alistair Reid, Carolyn Hope, Ken Tudhope, Julie Templeton, Maureen Gimby, Dominic O'Donnell, Alan White, Craig Leitch, Ron Sharpe, Jon Hopkins, Joshua Hopkins, Martin Gilbertson

Attending: Joyce McCroskie (Director of Housing & Community Services, DoHCS), Barry Lees (Director of Property Services, DoPS), Shannon Watson (Chief Executive, CX)

Chair: Alistair Reid

The Chair opened the meeting asking everyone to confirm that they had read and understood the papers which had been circulated via DropBox the week prior to the meeting.

The Chair confirmed that the meeting was quorate.

Confirmed

Item	
1	Apologies
	No Apologies were received for the meeting.
2	Declarations of Interest
	Staff declared an interest in item 15. No other declarations of interest in business to be discussed were noted.
3	Minutes of Meeting on 27 January 2026
	The minutes of the meeting of the Board held on 27 January 2026 were reviewed and approved as an accurate record of the meeting. <i>Approved for publication</i>
4	Matters Arising
	a) Board noted the items which remained in progress and the updates provided. In particular, Board noted that an additional meeting would require to be arranged for mid-March to enable Board to review the initial findings of the consultant supporting the Target Operating Model Review process. Board approved the closure of the items which had been completed. <i>Noted</i>
	b) Board noted that Atrium is up to date with all compliance requirements. <i>Noted</i>
5	Draft Budgets for 2026/27 and Business Plan Update
	CX spoke to the paper which detailed the changes to the draft budgets originally considered by Board at their meeting in November 2025. Where costs were known or could reasonably be estimated to change in 2026/27, these amounts had been updated and a table of the key changes made to the February 2026 draft of the budgets was included in the paper. The updated draft budgets were considered by

	<p>the Finance, Audit & Staffing Sub-Committee (FASSC) earlier in the month and the minutes of that meeting were included at Item 6.a.</p> <p>CX noted that FASSC had considered a number of scenarios on the longer term projections and that Atrium has sufficient reserves to manage the impacts of most external factors which might change in the short / medium-term. A scenario on CPI only increases to rent was included in those considered, and because costs continue to rise at levels above CPI, this scenario would not be financially sustainable for the long term.</p> <p>CX confirmed that the final budgets and sensitivity analysis will be presented to the meeting in March 2026.</p> <p>With regards to the 2021-26 Business Strategy, CX noted that the largest ongoing project was the Home Fit For 21st Century Living standard work programme. Phase 5A is expected to be complete by the end of March 2026, and so phase 5B will be the final phase of improvements to Atrium’s stock transfer properties. Phase 5B includes the Atholl Steel properties which Atrium owns and CX confirmed that a report has been commissioned to establish whether the properties remain structurally sound before investment is made to improve the interior components.</p> <p>CX also confirmed that work was starting to consider the priorities for upgrades to Atrium’s properties which had been built by it over the last 15-20 years, as part of the comprehensive asset strategy work needed.</p> <p>Finally, CX noted that the 2026-31 corporate strategy for the Atrium Group has been drafted and will be distributed to Board members ahead of the meeting at the end of March 2026. CX encouraged Board to revert with questions or comments ahead of that meeting so that the strategy would be able to be finalised at the March meeting.</p> <p>CX further confirmed that the Target Operating Model review which had been proposed as an action to support the new strategy had been brought forward due to DoPS’s departure in March.</p> <p>Board noted the updates provided.</p> <p style="text-align: right;"><i>Noted</i></p>
6	<p>Finance, Audit & Staffing Report</p> <p>a) Board considered the minutes of the FASSC meeting on 16 February 2026. A Committee member noted that the External Auditor attended the start of the meeting and presented his plan for the audit for the year ending 31 March 2026.</p> <p>Committee confirmed that they approved the plan for the audit of Atrium Homes’ accounts and confirmed that the dates proposed were achievable for the auditor and staff.</p> <p>A Committee member noted the discussion which took place with regards to the tender for External Audit, Accountancy and Tax Services which was required as the current external auditor’s contract would expire after the audit for 2025/26 was completed.</p>

	<p>The Treasury Management report was considered by FASSC and Atrium continues to meet its lenders' covenants.</p> <p>FASSC had considered the updated draft budgets which are included at item 5 for this meeting. In particular, future costs such as likely changes to the cost of borrowing and maintenance were considered. A Committee member had asked about the fact that the plan currently showed borrowings drawn down in tranches when required by expenditure, and CX confirmed that Atrium's borrowing facilities and future requirements would be the subject of a detailed review in the coming year when the corporate strategy for 2026-31 has been approved.</p> <p>FASSC had been presented with an updated strategic risk register which had been reorganised to reflect the eight overarching risks which Atrium requires to monitor, a reduction from the 22 risks previously included in the register. FASSC had agreed this revised approach to monitoring of strategic risks and recommended it to Board.</p> <p>Finally, FASSC had considered the annual pay award for 2026/27 at some length after staff had left the meeting, and the recommendations to Board are included at item 15 for this meeting.</p> <p style="text-align: right;"><i>Noted</i></p> <p>b) Board considered the management accounts for the nine months to December 2025 which were presented to the meeting along with the financial forecasts for the year ending 31 March 2026. Board noted that the results for the nine months reported were better than budgeted.</p> <p>A Committee member noted that the management accounts represented a strong financial result. While the works on the Homes Fit For 21st Century Living Standards (HFF) had started slowly in the first six months, it was expected that the full number of homes programmed would be improved before March 2026.</p> <p>Board approved the performance reports for the period.</p> <p style="text-align: right;"><i>Approved</i></p>
7	Housing & Community Services Report
	<p>a) A committee member noted that this had again been a quarter of excellent performance by the team. Particularly in light of some staff absences in the quarter. Staff were commended on the team's continuing strong performance.</p> <p>Board discussed the post which is nearing the end of its two year fixed term and the fact that it will not be renewed after that date. This had been a pilot to test a different way of engaging with tenants, and management confirmed to Board that the lessons learned from this pilot would be incorporated into the review of the operating model underway.</p> <p>A Board member noted that the average value of debts written off in the quarter had increased. DoHCS noted that some balances are higher than experienced historically due to tenants' benefits being changed. It was also noted that the courts are delaying many eviction cases with cases sisted multiple times to give tenants an opportunity to address the arrears before they are evicted. DoHCS</p>

	<p>confirmed that where tenants were evicted due to their arrears, these debts generally total between £6 and 8k at the point that they become former tenant debt and so a small number of large balances can result in a higher average balance being written off.</p> <p style="text-align: right;"><i>Noted</i></p> <p>b) Board noted the positive performance reported in the quarterly performance summary to 31 December 2025.</p> <p style="text-align: right;"><i>Noted</i></p>
8	Property Services Report
	<p>a) A committee member spoke to the minutes of the meeting, noting that the EWI works have progressed more slowly than intended due to the inclement weather experienced. The hard deadline for the drawdown of the grant funding of 31 March 2026 is however being relaxed to enable Atrium to benefit from the maximum grant funding available for the works.</p> <p>A committee member noted that a change to a maintenance policy had been mooted at the meeting.</p> <p><i>CX subsequently confirmed to the convenor of the meeting that this change would not be implemented at this time, rather being considered within the wider context of the comprehensive asset strategy work which is due to take place.</i></p> <p style="text-align: right;"><i>Noted</i></p> <p>b) Board noted the positive performance reported in the quarterly performance summary to 31 December 2025.</p> <p style="text-align: right;"><i>Noted</i></p>
9	Reactive and Void Repairs Contract
	<p>Board considered the paper outlining the procurement exercise which had been undertaken by staff in conjunction with two fellow Ayrshire social landlords. A Board member noted that the hourly rates negotiated for the new contract would represent improved Value for Money for Atrium, but asked what the risk would be if one of the three landlords withdrew from the contract. Board discussed the mitigating actions which might be considered should this event occur.</p> <p>A Board member asked if there would be any costs connected to terminating the contract with the new contractor and DoPS confirmed that this contract was due to end on 31 March 2026 so there would be no cost implications to terminating it.</p> <p>A Board member asked management about the potential risk of reliance on one main contractor, should they fail, as this might have a serious impact on Atrium being able to continue delivering a reactive repairs service to its tenants. Board agreed that this would always be a risk and so management should continue to carry out regular credit checks on the contractor in question, as these might act as an early warning of any increased risk of failure.</p> <p>Board approved management finalising the contract terms with the new contractor, and giving notice to the outgoing contractor.</p> <p style="text-align: right;"><i>Approved</i></p>

10	Policy Reviews
	<p>Board considered the seven policy documents which had been reviewed and refreshed at the three sub-committee meetings in February 2026. CX noted that a Board member had emailed them ahead of the Board meeting to make some recommendations for strengthening of the two ICT policies which had been reviewed at FASSC. CX confirmed that, since these did not fundamentally change the content of the policies, the changes would be incorporated into the updated documents before they were shared with staff.</p> <p>Board endorsed the seven policy documents which had been approved by the sub-committees, subject to the recommended changes to the two ICT policies being implemented.</p> <p style="text-align: right;"><i>Endorsed</i></p>
11	Risk Management - revised Strategic Risks
	<p>Board considered the revised strategic risk register which had been included in the papers for the meeting. Board discussed the rationale behind the changes to reduce the 22 risks previously being monitored to eight overarching risks. Board confirmed that they were satisfied, based on the mapping of the 22 risks into the eight that no key risks were missing from the revised register.</p> <p>A Board member raised a concern about the risk of not being able to comply with the Net Zero targets being included with the other Asset Management Risks. Board discussed the delays in publishing of standards and the fact that no clear solution which would be sustainable for Atrium or its tenants for the replacement of gas central heating had yet been identified. As a result, the financial impact on Atrium cannot yet be reasonably estimated.</p> <p>It was agreed therefore that the risk around meeting Net Zero targets should be monitored separately as an emerging risk.</p> <p>CX confirmed that the risks scores would now be reviewed for the eight strategic and one emerging risks, and that Board's risk appetite would be quantified with them early in the new financial year.</p> <p>Board considered the risks on the revised register and agreed that there were no new emerging risks requiring to be added to the register.</p> <p style="text-align: right;"><i>Endorsed</i></p>
12	Health & Safety (standing item)
	<p>DoPS confirmed that there were no new matters to report to the meeting.</p> <p style="text-align: right;"><i>Noted</i></p>
13	Any Other Competent Business
	<p>No additional matters for discussion were noted.</p>
14	Date of Next Meetings
	<p>Wednesday 18 March 2026 at 6:00 p.m. - via Zoom - Target Operating Model Review meeting with Board and consultant</p> <p>Tuesday 31 March 2026 at 6:00 p.m. - via Zoom</p>
<p>Staff present left the meeting at 6:52 p.m.</p>	

15	Annual Pay Award 2026/27
	<p>Board considered the detailed information which had been provided to them for consideration, which included FASSC's recommendation on an award which would be affordable for Atrium. Board discussed the recommendation at length and approved the pay award recommended by FASSC.</p> <p>Board also approved the allowances for additional duties which are paid to staff being increased by the same rate with effect from 1 April 2026.</p> <p style="text-align: right;"><i>Approved</i></p>
	The meeting closed at 7:10 p.m.

Chair:

Date: 31 March 2026