

MINUTES OF THE BOARD OF MANAGEMENT MEETING held on 27th May 2025
at Weetwood Hall Hotel & Conferencing Centre, Otley Road, Leeds.

Board Members Present:

Kim Brear (KB) Chair
Chris Simpson (CSi)
Steve Dungworth (SD)
Charlotte Green (CG)
David Royston (DR)
Steve Hepworth (SH)
Kirsty Spark (KS)
Innocent Moyo (IM)

Apologies: Naseer Ahmed (NA)

In attendance:

Matthew Walker (MW) Chief Executive
Jason Ridley (JR) Finance and IT Director
Mark Donnachie (MD) Assets and Development Director
Michelle Collins (MC) Customer Services Director
Megan Henderson (MH) Head of Corporate Services
Leigh Dunbar (LD) Customer Resolution Manager
Jane Gillard (JG) Head of Service Improvement
Rebecca Cook (RC) Head of Finance
Karen McAdam (KM) Executive Assistant – Minutes

Item	Title	Action
1.	<u>Conflicts of Interest</u> 25.001 No conflicts noted.	
2.	<u>Apologies</u> 25.002 Naseer Ahmed.	
3.	<u>Risk Review of Board Pack</u> 25.003 Prior meeting discussed abrupt changes made at government level, the risk of such changes was discussed at the Audit and Risk Committee. Paper presented at the board meeting for reflection. 25.004 The board discussed the PESTLE assessment and conducted a deep dive into key risk areas. DR highlighted the importance of organisational resilience and maintaining a skilled workforce, noting that the decision to retain the SHPS Defined Benefit scheme was a sound strategic choice. 25.005 DB addressed the growing significance of technology and digital transformation, with a particular focus on cybersecurity, emphasising the need to protect tenant data and systems, whilst also managing reputational risk. 25.006 KS raised the question of whether additional controls were needed, noting that the current documentation does not reflect the organisation's reliance on third-party providers for rapid response support. 25.007 SD highlighted the lessons learned during the COVID-19 pandemic and their relevance in responding to sudden government changes, emphasising their value as a guiding framework.	

<p>4.</p> <p>4.1</p> <p>4.2</p>	<p>25.008 Board confirmed that two strategic risks currently exceeding the Board's stated appetite for the relevant activities.</p> <p>Items for Decision</p> <p><u>Annual Building Safety Compliance Statement</u></p> <p>25.009 The new table format uses the same language as that used in Hydrogen to draw together all elements and provide oversight and governance.</p> <p>25.010 The Board requested that the level of detail currently held in Hydrogen be replicated within the table, including clearly defined roles and responsibilities for all eight controls, as well as assurances from both internal and external sources.</p> <p>25.011 The Board approved the Compliance Statement as assessed against the operation of the controls for the key areas of risk for Building Safety Services, subject to the above amendments.</p> <p><u>Complaint Handling Code: Self-assessment</u></p> <p>25.012 As part of the annual regulatory requirements, the self-assessment was completed and published with the complaints report with key learnings. The assessment was shared with the Customer Voice Panel, along with a summary showing how their feedback was incorporated.</p> <p>25.013 SD noted that whilst the Housing Ombudsman's self-assessment is detailed and thorough, it remains unclear how the organisation is performing overall, whether it is excelling or needs improvement.</p> <p>25.014 JG highlighted that meeting the Ombudsman's standards does not preclude further improvement. Colleagues contact every complainant for feedback, which has led to significant changes.</p> <p>25.015 LD reviewed the first year of the new complaints policy, highlighting early customer feedback collection and positive Ombudsman validation of handling quality. Mid-year, the focus shifted to action planning and cross-department collaboration. Complaint responses now include clear next steps. LD also led training and oversaw the re-designed Origin case management system, launching 3rd June, featuring a dedicated tray for tracking complaint actions. This ensures accountability, oversight, and visibility for the Customer Resolutions Team.</p> <p>25.016 SD enquired about the disparity between tenant expectations and what is realistically achievable, emphasising the gap between the organisation's capabilities and tenant perceptions.</p> <p>25.017 LD noted improvements in managing expectations, stating that most issues are achievable. However, resistance often arises in complex cases or where tenant charges are involved, particularly when there is a lack of understanding. LD stressed the importance of clear, honest communication about what can and cannot be delivered as well as the need for timely responses. Delayed communication can unintentionally raise tenant expectations due to perceived possibilities.</p> <p>25.018 MC has conducted benchmarking against peers and data indicates that the organisation is performing well relative to peers.</p> <p>25.019 SH commended the prompt responses to customer enquiries but noted the learning outcomes were vague and proposed future reviews should include a</p>	
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	<p>mechanism to revisit past learning outcomes and assess whether meaningful change has occurred. ACTION POINT.</p> <p>25.020 SH referenced recently published data from the South area, noting a disproportionately high number of complaints. He recommended further analysis to assess whether this imbalance is linked to property types, tenant demographics, the nature of repairs, or other underlying factors. ACTION POINT</p> <p>25.021 KS noted an increase in complaints related to contractor staff attitude and communication, suggesting exploring whether contractor performance could be improved through mechanisms such as KPIs, particularly to enhance customer relations and communication practices.</p> <p>25.022 MC reported that out of 1,500 monthly repairs, only 2% result in complaints, with key issues linked to contractor behaviour and missed appointments; in order to redress this, £20 compensation vouchers are now recharged to contractors along with an admin fee. Complaints training is being introduced to improve contractor awareness.</p> <p>25.023 LD recently attended a presentation by Gentoo and noted learnings taken from her attendance which are being used to enhance procedures within LF. SH emphasised improving tenant experiences during repairs, encouraging contractors to view them as engagement opportunities rather than mere transactions. A plan of action for the next 12 months was proposed, focusing on clear outcomes.</p> <p>25.024 The board agreed the response to the annual complaints and improvement report and reviewed and approved the self-assessment against the Housing Ombudsman Complaint Handling Code.</p>	<p>MC</p> <p>MC</p>
4.3	<p><u>Treasury Annual Plan & Board Resolution</u></p> <p>25.025 JR referenced the role of independent advisors in assessing funding needs, managing treasury risks, and ensuring cost-effective liquidity. The paper includes updates from the DTP report, highlighting strong progress on last year's recommendations and a shorter action list for the current year. Board members were thanked for approving a £20m loan, which has been completed, and a 2053 bond was capped last Thursday, helping meet the 6% funding target. This secures long-term, cost-effective funding for the Owlcoates scheme and planned maintenance.</p> <p>25.026 KS raised the BLEND facility, which JR noted that is was currently unlikely to proceed given the continued rise in gilt yields. Although the terms were favourable, there is no current need for the funds.</p> <p>25.027 JR advised board members that updates to signatories are required to release the security for Pepperhills.</p> <p>25.028 The Board approved the Treasury Annual Plan 2025/26 together with the resolution regarding authorised signatories for the Affordable Housing Finance PLC (AHF) Loan Facility.</p>	
4.4	<u>Commercially Sensitive.</u>	
4.5	<p><u>2025-26 Budget & Business Plan Update</u></p> <p>25.032 DR referenced the outstanding debt at the end of March, which stood at £28.4 million. The current iteration of the plan now reflects a zero balance, representing a</p>	

	<p>significant improvement. However, concerns were noted regarding reduced capital funding, prompting a request for clarification. RC explained that less funding is being drawn beyond the RCF expiry and cash utilisation has decreased, primarily due to revisions in the capital expenditure forecast.</p> <p>25.033 DR addressed the plan's submission and requested the inclusion of the AHGS price and net proceeds in the FFR submission. ACTION POINT</p> <p>25.034 Board approved:</p> <ul style="list-style-type: none"> • the 2025/26 budget and 30 year business plan • 2025/26 and 2026/27 planned capital maintenance budget 	JR
4.6	<p><u>Probity Policy</u></p> <p>25.035 The Board approved the policy.</p>	
4.7	<p><u>Pre-post AGM Report</u></p> <p>25.036 The paper is to ensure clarity of role for the Board between the September AGM and October 2025 meeting and to ensure the appropriate business is transacted by the Board following the AGM as set down in the Rules of the Association and Terms of Reference of the Board of Management.</p> <p>25.037 The recommendation is with the standing down of the current chair of the Board, an interview and selection process has taken place with members of the board on the interview panel. The existing chairs for sub-committees will continue with the addition of a new chair for the Governance and Remuneration Committee.</p> <p>25.038 Board Members:</p> <ul style="list-style-type: none"> • Elected a Chair of the Board • Elected Chairs of Customer Experience, Audit and Risk and Governance and Remuneration Committees • Noted that the formal Post AGM Business and committee membership will be agreed in due course 	
5.1	<p><u>Performance</u></p> <p><u>Performance Update</u></p> <p>25.039 MD reported that operational KPIs are performing well at year-end. However, there are some concerns regarding declines in specific Tenant Satisfaction Measures, particularly perception related indicators.</p> <p>25.040 MC provided an update on complaints and highlighted the disparity between perception-based and transactional TSMs. A peer group analysis of published TSM data was conducted, showing that out of six landlords who have released results, we rank within the top four. This benchmarking provided the Board with reassurance regarding both current performance and the robustness of long-term planning.</p> <p>25.041 KS raised whether the service charge review had impacted TSM outcomes. MC confirmed that there had been a decline linked to this and noted that trends are being monitored to inform improvement actions.</p> <p>25.042 Board:</p> <ul style="list-style-type: none"> • Noted the overall assessment of performance • Noted the assessment of adverse performance results on the probability or impact relating to one or more strategic risks 	

	<ul style="list-style-type: none"> • Approved the conclusion that existing or proposed actions for improvement are adequate and that the scoring and control frameworks for highlighted risks do not require review at the present time, based on these performance results 	
5.2	<p><u>Financial Performance Review</u></p> <p>25.043 The latest results report an operating margin of 16.5% and a total comprehensive income of £3.1 million, exceeding the forecast by £680K. This outperformance is primarily driven by revised pension assumptions, property valuations, and surplus from first tranche sales.</p> <p>25.044 DR noted that the underlying operating margin stands at 12.3%, which is below the forecasted 13.4%. While first tranche sales have helped boost the overall margin, concerns were raised about the sustainability of these sales and the lower underlying margin. DR questioned whether this represents a downward trend compared to the previous year, and whether further consideration is needed regarding the underlying performance. MC confirmed that the budget paper contains historical comparisons.</p> <p>25.045 KS highlighted two major cost pressures this year: maintenance on void properties and depreciation. KS queried whether the increased void costs are due to recurring issues, the condition of returned properties, or rising costs. MD advised there is no area where we are seeing much higher spending voids, but we are spending more per void than in previous years.</p> <p>25.046 Board</p> <ul style="list-style-type: none"> • Noted overall assessment of financial performance to P12 (pending final update following calculation of SHPS movement) • Noted the Development / Capital and Treasury updates for Q4 	
5.3	<p><u>Review of 2021-2026 Corporate Plan</u></p> <p>25.047 Board reviewed performance against the 2021-25 Corporate Plan and consider the broad questions:</p> <ul style="list-style-type: none"> • Did we achieve what we set out to achieve? • Are there any lessons from the past 4 years we should incorporate into future planning? <p>25.048 The Board expressed the usefulness of the contents included.</p>	
6.1	<p><u>To note</u></p> <p><u>CEX Report</u></p> <p>25.049 MW referenced his visit to Ongo Homes, noting an excellent day and thanked SH for facilitating. CSi acknowledged the valuable networking efforts led by MW, noting the significant benefit to the association.</p> <p>25.050 CSi referenced appendix 3, regulatory funding and return status, whereby the statistical data return is 4 days away and would like to see narrative added, MW agreed to add context in the body of the paper along the lines of all returns are due imminently, which will provide board assurance.</p> <p>25.051 Board noted the report.</p>	
6.2	<p><u>Annual HR Report</u></p> <p>25.052 Year on year sickness absence has decreased from 14.5 days per employee to 11. While the figure remains high, the downward trend is</p>	

	<p>encouraging. KS highlighted that 25% of staff have been referred to Occupational Health. In response, MH confirmed that referrals serve both to support employees in staying at work and to facilitate their return, with a focus on stress risk assessments and implementing reasonable adjustments.</p> <p>25.053 Discussions also covered mental health, particularly with men less likely to seek support. MH outlined the availability of trained Mental Health First Aiders across the organisation in all departments.</p> <p>25.054 KB highlighted the broader uptake of support services among employees aged 25–30, emphasising the importance of targeted support for younger staff.</p> <p>25.055 Board members are invited to the next quarterly lunch on 17th July, with the morning session 10-12.30 open to all staff and the afternoon session 1.30-4 dedicated to managers.</p> <p>25.056 Board noted the contents of the report and confirmed that this gave them adequate information to support the completion of Q1.13 of the Board Effectiveness Survey.</p>	
6.3	<p><u>Annual Assessment against the Regulatory Standards & NHF Code of Governance</u></p> <p>25.057 It was reconfirmed that Leadership have carried out a full review of the Regulatory Standards NHF Code of Governance held within Hydrogen with links to each document to demonstrate compliance. ACTION POINT: A sample of the self assessment on Hydrogen is to be reviewed and discussed at the Audit & Risk Committee in July. All Board members are welcome to attend.</p> <p>25.058 Board noted compliance with the RSH's regulatory standards and noted compliance with the NHF Code of Governance to confirm compliance with the standards.</p> <p>25.059 Members of the board discussed the timings of their own regulatory standard assessments highlighting that this can be done at different times during the year. ACTION POINT – JR to prepare an approach for providing on going assurance to the board on compliance with the regulatory standards for 2025-26.</p>	JR
6.4	<p><u>DTP Risk Session November 2024</u></p> <p>25.060 Board noted the report for information.</p>	
6.5	<p><u>Rationalisation of Properties by Disposal 2024/2025</u></p> <p>25.061 Board noted the disposals that had taken place in financial year 2024/25 under the advance authority previously granted.</p>	
7.	Board Minutes for Approval	
7.1	25.062 Minutes of the Board meeting held on 25th March 2025 were approved.	
8.	<p><u>Matters Arising</u></p> <p>25.063 Matters arising were reviewed and noted.</p>	
9.	Minutes for Information	
9.1	<p><u>Draft Audit & Risk Committee Draft minutes 4th March 2025</u></p> <p>25.064 The minutes were noted.</p>	
9.2	<u>Closed session Minutes of Board on 25th March 2025 (circulated separately)</u>	

	25.065 The minutes were approved.	
9.3	<u>Draft Health & Safety Committee Minutes 28th April 2025</u> 25.066 KS raised the topic of the loan worker, working in the office until 9pm. MH noted the member of staff has been advised that the office closes at 7pm and reminded about the loan working policy.	
10.	<u>Any Other Business</u> 25.067 There was no further business.	
11.	<u>Date of next meeting</u> Board Meeting 12 th August 2025, 5pm. Weetwood Hall.	