

LEEDS FEDERATED HOUSING ASSOCIATION

MINUTES OF THE BOARD OF MANAGEMENT MEETING held on 31st March 2026

Present: Chris Simpson (CSi) (Chair)
Charlotte Green (CG)
David Royston (DR)
Helen Ball (HB)
Kirsty Spark (KS)
Naseer Ahmed (NA)
Stephen Hepworth (SH)

In attendance:

Matthew Walker (MW) Chief Executive
Jason Ridley (JR) Finance and IT Director
Mark Donnachie (MD) Assets and Development Director
Rebecca Cook (RC) Head of Finance
Catherine Nelson (CN) HR Business Partner
Frances Hancock (FH) HR Officer (Minutes)

0.1 Board discussion on summary PI reporting

25.216 MW introduced the summary Performance Indicator report for discussion. CG said that the Board have been wanting something different and it is worth a try to see if the Board gets what it needs, DR said it was an excellent paper, and the approach can evolve and be fluid to different issues and asked about a third-party benchmark or assurance. JR said this could be added to the brief that Leeds Federated have commissioned DTP for gap analysis and assurance framework with inspection in mind.

25.217 SH said that he wasn't at the strategy away day and so hasn't been through the whole process and asked how it linked with the Corporate Objectives, emphasising the importance of a clear golden thread, and suggesting we should focus on measures at Board level which contribute most to Corporate Plan objectives.

25.218 NA highlighted the need to ensure we tie this process to the Board Terms of Reference.

25.219 MW said that when producing measures to measure the health of an organisation and considering whether to use the most important or the broadest coverage, this report has taken the approach of broadest coverage. SH said it comes to where do the Board want to spend attention and time, in his view the Board should be focused on achieving the corporate plan.

25.220 KS said at her organisation they have decided on about 20 measures including core risks, corporate strategy pillars, mitigations for risk and drivers split into 3 tiers. If it was tiers there is something to drive it operationally and deep dive into tiggers where Board has strategic oversight.

<p>25.221 CSi said that this is an opportunity to look at customer review, staffing and culture and other areas, it won't tell the whole story but will provide a pilot view of the temperature of the organisation. CSi said that he liked the corporate plan idea and talked about the presentation of the data and whether the corporate plan is flashing green, amber or red would be helpful to know. NA agreed with the suggestion to have a short summary at the end to flag other KPIs which need attention.</p> <p>25.222 The Board discussed that this was a good place to start with the understanding of growth and development overtime through testing and learning.</p> <p>25.223 The Board considered the approach outlined in the paper and determined it wishes to proceed with the approach suggested.</p> <p>0 25.224 Closed session to include Governance and Remuneration Minutes and those items to approve</p> <p>1 Conflicts of Interest 25.225 KS confirmed that she was no longer Company Secretary at Accent otherwise no new conflicts.</p> <p>2 Apologies 25.226 Innocent Moyo (IM) and Steve Dungworth (SD)</p> <p>3 Risk Review of Board Pack 25.227 JR introduced the Risk Review of Board Pack for discussion. JR said that Health and Safety risk is currently both operational and strategic, even though it would duplicate much of the content, it may be odd to not have this as a strategic risk and recommended retaining it as a Strategic risk.</p> <p>25.228 CSI asked on pg.4 if post holders could be used rather than first names moving forwards, JR said that he would check but expected that would be fine. Action: JR to see if possible to replace named individuals with post holders</p> <p>25.229 The Board discussed the emerging trends and that it is likely that the Association will experience high inflation and higher interest rates due to ongoing conflicts in Ukraine and Iran.</p> <p>25.230 KS asked when Leeds Federated will next procure energy. JR said the last time was around the time of the Ukraine invasion and was procured for several years, JR said he would take this away to check. Action: JR to confirm on position regarding energy contracts.</p> <p>25.231 The Board reviewed and approved the Strategic Risk Register and,</p> <p>1. Confirmed that the Cyber Attack risk currently exceeds the Board's stated risk appetite</p> <p>2. Approved the revised list of Strategic and Operational Risks as recommended by Audit & Risk Committee at its 20 January 2026 meeting</p> <p>3. Approved the new Strategic Risk #54 Ineffective use of Data</p>	<p>JR</p> <p>JR</p>
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<p>4. Approved the new Operational Risk #56 Artificial Intelligence Implementation & Ethical Governance</p> <p>4 Minutes</p> <p>4.1 25.232 Minutes of meeting held on 11 November 2025 were approved as a true record noting the following changes: Chris Simpson requested that his name be abbreviated consistently as CSi moving forwards, reference to CS in the previous minutes to be corrected. DJ requested that 5.2 paragraph two wording be changed from unfavourable to not a long-term sustainable position.</p> <p>5 Matters Arising</p> <p>5.1 25.233 Matters Arising were noted.</p> <p>5.2 Schedule of Key Matters 25.234 These were noted. CSi said that the Board was welcome to raise questions on this between meetings.</p> <p>6 Items for Decision</p> <p>6.1 <u>Year 2 Corporate Plan 2025-2030</u> 25.235 MW introduced the Year 2 Corporate Plan for discussion and said that nothing should come as a surprise for the Board based on year 1 and the strategic away day. Targets are mainly first quartile but not all. Where performance is currently above first quartile, the first quartile (lower) target is used.</p> <p>25.236 CSi said that Helping People Make a Home runs throughout these papers and it was a good place to start the meeting. KS thanked MW for the clarity regarding the targets, she said that bad debts are showing as a percentage of performance and a monetary figure, MW said this would be corrected. DR said with the completions to date on pg.56 it references a 24/25 forecast, MW said this would be corrected. Action: SMT Performance (Thrive) table to be checked before document is finalised.</p> <p>25.237 HB said that on pg56 there is reference to EPC targets. She said it is a moving marketplace, by 2030 there will be two ways of calculating EPC and Leeds Federated is aiming to comply with MEES. MD said that he would look at the wording around this. HB said that the Home Energy Model currently under consultation will look quite different with different elements to the EPC rather than just one score. MD suggested to keep the KPIs but change the wording and review annually. Action: MD to amend wording within Corporate Plan document to reflect MEES regulations</p> <p>25.238 SH said that the Evolve strategy has fewer measures compared with Thrive and Engage and if the Board don't know what is being measured to achieve it, then it would require some further thought. JR said that the social value measures would be a great fit for Evolve. MW said there are 13 separate measures for Evolve in the BSC, they just hadn't all been included in the Corporate Plan front end document.</p> <p>25.239 KS asked about the Head of Housing role, the post is currently vacant and so there are timescales there which require review as some have 31st March dates. JR said that it's a fluid situation where the Association does need to prioritise and these will be updated. MW</p>	<p>SMT</p> <p>MD</p>
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<p>said there was reference to a 30th Jan date, it hasn't completed yet but while determining a new date, the previous date has been kept in. KS encouraged the Association to be realistic when setting targets which was accepted.</p>	
<p>25.240 DR said that in terms of the KPI risks for IT, should there be a target on Cyber Risk training, it's such an important thing that Leeds Federated should be aiming for 100% compliance. JR said that this is measured and reported on and that he would have a look at this. JR said that miss-clicks are monitored and non-completions for training. DR said that he did like the approach of the new, existing and retired KPIs. Action: JR to clarify that both outstanding training courses and fake phishing clicks are tracked.</p>	<p>JR</p>
<p>25.241 SH said there is debate in the sector on how Association's measure Awaab's Law, there is a need to measure timeframes but if that is all that is reported, the figures will always be red due to arrangement made outside timescales that have been agreed with tenants. SH suggested introducing a measure for percentage compliance to cover situations that are still compliant due to tenant agreement but are not compliant with timescales. MD asked if this measure should replace or run alongside the current timescale reporting, DR said that more detail is better at this stage. KS said that her organisation is tracking both as it is experiencing lots of no access. SH said the additional measure recognises compliance with the law rather than just the timescale. MD to look into this. ACTION: MD to consider adding extra KPI to track legal compliance alongside existing HHSRS measures.</p>	<p>MD</p>
<p>25.242 CSI said that the Operational Plans on pg.80 are very helpful and asked if there is any way the projects could be sized as a glance, for example how does recharges compare with disposals in terms of the size of the project. JR said that he would look into this. Action: JR to review options to 'size' projects for Board information going forward</p>	<p>JR</p>
<p>25.243 The Board approved the following elements of the Corporate Plan 2025-2030 (Year 2 2026-2027):</p> <ul style="list-style-type: none"> • The Corporate Plan 2025-2030 (Year 2 – 2026-2027) • Strategies for 2026-2027 • The Balanced Scorecard 	
<p>6.2 <u>Rent Setting Policy</u> 25.244 RC introduced the Rent Setting Policy for discussion. RC said that due to timescales, customers have been notified of the CPI+1 increase. KS asked about the rent convergence next year and asked if the organisation would be consulting customers or looking for the maximum possible. RC said that there will be discussion with customers, but it will be more about information giving rather than consultation, KS said the amounts could be chunky with things going up. SH said that he would usually say that the organisation should consult but suggests not for this, it can be assumed to maximise while it is there as the option to do so may be withdrawn.</p> <p>25.245 DR mentioned the hardship fund can be reconsidered be run in parallel to this. CG said that the assumption is that customers are struggling but the hardship fund hasn't been utilised and rent arrears</p>	

<p>are at an all time low, it may be that customers are prioritising rent over other things but not many customers are complaining or going against the increases. HB asked about the availability of the hardship fund and the awareness of it with staff, MD said that it is used by the Financial Inclusion team and the Money Matters details are on the rent letters for customers to reach out.</p> <p>25.246 NA asked if this would come back in October with the new CPI figures, RC said that the one that comes to Board in November is based on the September CPI figures and so will be relevant to 2027/28.</p> <p>25.247 SH discussed affordable rent rebases on voids and if there is a void in the year, it needs to be recalculated in the year, RC said that she can look to put this in the policy, it is currently in the procedure document. SH said the rent standard is based on void so this may be something to have a look at. Action: RC to review and confirm approach to rent rebases on voids.</p> <p>25.248 The Board approved the Rent Setting Policy for 2026/27, specifically: - Increasing social and affordable rents by 4.8% (September CPI of 3.8% + 1%) where indicated</p>	<p>RC</p>
<p>6.3 <u>Budget and Business Plan</u></p> <p>24.249 RC introduced the Budget and Business Plan for discussion; it includes updated assumptions due to the conflict in Iran and the expectation that interest rates and inflation will increase with an extra £22.5 million into the business plan. RC said that while interest rates are sure to increase, the Association fixed rates last year and won't require new borrowing until 2029.</p> <p>25.250 DR said that if inflation rises, the Association may get income capped again for example if inflation goes to 10%, rent may be capped at 7%, it would be an easy measure for the Government to make while they are focused on the cost of living. JR said that this would be the scenario of peaked inflation. The Board discussed changes to interest rates, the scenario of CPI minus and inflation on material costs and the need to build caution and stress test thoroughly. KS asked if the disposal of 25 properties had been stress tested as these are currently below target, RC said this isn't something that is there at the moment and KS suggested that if this is something that is relied upon and out of the Association's control it is best to stress test. Action: RC to confirm that this will be reflected in future stress testing.</p> <p>25.251 CSi asked about the customer consultation and what that has resulted in. MD attended the October Customer Voices Panel to share details of the budget and business plan and ask for customers views on their priorities. This approach to share the outline plan was taken following customer feedback from the previous year, where customers were asked their opinion before any work on the plan had taken place. There was a mix in the room, some people wanted a focus on new homes and others a focus on existing homes, the conclusion was to focus on existing homes with any surplus to be spent on new homes. CSi said a 'You said, we did' to pull out some points in this area would be helpful.</p>	<p>RC</p>

<p>25.252 DR noted that from year 6, the central heating will be removed. RC said that the Association have previously had a central heating line but in reality, is merged with boiler costs, beyond year 6 Leeds Federated will be looking at non gas boilers and the transition to net zero. DR said the base case doesn't have a net zero spend, JR said it does have some, £750k per year from Yr 5 2030-31 due to 10-year settlement which allowed a contribution to net zero. This has reduced from the £850k per year we had in at the mid-year forecast.</p> <p>25.253 KS said that it is clear that the Association is in an increasing challenging space, and the Board need to know as the year progresses there will be some decisions and mitigations which are time bound and how quick the organisation can activate them. JR said the resilience plan includes the effective timing of each mitigation, and this reviewed annually by LT.</p> <p>25.254 The Board discussed retrofit and net zero and Leeds Federated's definition of what this means for its homes. HB discussed at her organisation, the definition of net zero for their homes and how do each of the homes meet this was their starting point which included the points of moderately insulated homes, no gas boiler and PV. This was then costed for each property with the aim to achieve this by 2050 for example boilers have an average span of 15 years, so they are aiming to not install new gas boilers by 2035, so it won't be a boiler swap at this point but a full heating system swap. If the organisation intends to build up to this from 2030, this needs to start being acted on very soon. SH said that the Government may well have a number of changes over the years but having that plan provides clarity to what Savills are being asked to do. HB said that the Government's Warm Homes plan may also change the direction too. MD to take this away as an action. ACTION: MD to consider How Leeds Federated can create an interim Net Zero definition to drive works from 2030-2050</p> <p>25.255 Board considered and approved the 2026/27 budget, 30-year business plan, and stress testing report, specifically noting the Operating Margin of 15.4% in Yr 1 of the plan, approved the full list of Assumptions provided in Appendices 1 & 2 and approved the 2026/27, 2027/28 and 2028/29 Capital Maintenance Budget.</p> <p>6.4 <u>Finance Policy 2026-27</u> 25.256 RC introduced the Finance Policy 2026-27 for discussion. RC said Leeds Federated have a more accurate phased budget. There is an operating margin of 15.4% budgeted for 2026/27 and looking at half a percent higher in the specific month.</p> <p>25.257 Board considered and approved the Finance Policy 2026/27, specifically the reduction of the Overall Operating Margin target from 16% to 15%, the reduction in EBITDA-MRI from 60% to 55%, and the continued application of all other 2025/26 parameters for the 2026/27 financial year as set out in the Executive summary and associated table.</p> <p>6.5 <u>Board and Committee Terms of Reference</u> 25.258 MW introduced the Board Terms of Reference for discussion. NA suggested the core committee should be named under the Board terms of</p>	<p>MD</p>
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<p>reference list. MW confirmed that any changes to committees needed Board approval per the Board Terms of Reference. He noted that DTP had not raised that issue in their recent Governance Review, which included a review of the Terms of Reference, but agreed to raise it with them as part of additional work we are engaging them to complete shortly. Action: JR will ask DTP to confirm whether Board ToR should name each committee where reference made to committees.</p> <p>25.259 The Board reviewed and approved the Terms of Reference for the Board and Committees.</p> <p>6.6 <u>Annual Policy Approval</u> 25.260 MW introduced the annual policy approval for discussion. This paper outlines what gets approved when and where and suggested approval changes as part of the Governance structure. DR said that in the introduction it discusses policies being overdue for review and approval and if this is catch up, MW said that some policies are overdue, but the intent is for this not to happen.</p> <p>25.261 The Board noted the policy list, considered and approved the delegations outlined.</p> <p>6.7 <u>Development Policy</u> 25.262 MD introduced the Development Policy for discussion. MD said that the papers detail the standard assumptions and pulls together the development summit and maintains the focus on low rise family homes in the Leeds City Region which are mainly Section 106 homes rather than land led schemes. MD said that Leeds Federated is still seeing good first tranche sales.</p> <p>25.263 CSi said that the Development Summit was a great way for Board to get a briefing and asked if this is something that could be done more regularly. MD said that he would look at options for this including check ins on a more regular basis.</p> <p>25.264 SH asked about contractor terms including cash and deposit terms and if there is a standard approach with contractors or is the approach done scheme by scheme as if there are standard expectations, the unusual could be flagged. MD said at the moment the contractor terms are scheme by scheme and with Section 106 homes, Leeds Federated is wanting to be a good partner but also to ensure we achieve good value for money.</p> <p>25.265 The Board approved the Development Policy 2026-30 and supporting appendices.</p> <p>6.8 <u>Probity Policy</u> 25.266 MW introduced the probity policy for discussion which has been updated following recommendations from the DTP Governance Review. NA said that conflicts of interest should be made in real time rather than annually. MW noted that this is a standard agenda item at each Board meeting.</p> <p>25.267 The Board reviewed and approved the Probity Policy</p>	<p>JR</p>
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6.9

Pepper Hills Options

25.268 MD introduced the Pepper Hills Options report for discussion. MD said that the Board had previously approved the rehoming of all residents from the scheme and there are now only 2 customers living at Pepper Hills, Board had also previously approved the demolition of the site which will take place once the last 2 customers are rehomed. This paper sets out the two options of either redeveloping the site or selling the site, Georgina Nijjar (Head of Development) has said that the site is complex in terms of redevelopment and so it is recommended that the site be sold and the money reinvested elsewhere.

25.269 KS asked if the funds would be ringfenced to be reinvested into new homes. MW said that the organisation doesn't consider selling assets and building new properties as a direct relationship, how much is built is how much the organisation can afford to build but there is not a golden rule. 25.270 HB said she appreciated the images as she has not personally seen the site and the Board discussed the recent paper which included a video, JR said that the new format for papers would go live from 1st April.

25.271 The Board considered options for both disposal and development of the cleared site by Leeds Federated. The Board approved the recommended option of disposal of the cleared site on the open market.

6.10

Introduction to Mandatory Grounds for Possession

25.272 MD introduced the Mandatory Grounds for Possession Policy for discussion and said that the policy has been developed to provide clarity and consistency on mandatory grounds. CSi said the policy removes judge's discretion, so the Association needs to be clear that it is wearing this power correctly. CSi said that it is approved at Head of Service level and if the Board is happy with this level of seniority. MW said that where it is approved by a Head of Service and appealed, the appeal would go to the Director and noted that legal advice would be taken as part of the process.

25.273 CG said with regards to the policy it includes key points for customers and key points for colleagues and if customers are reaching for this, they will want to know what applies to them straight away so it would be helpful to bring this to the front.

25.274 CSi suggested to track mandatory grounds for the first year and then review, this can be included in the arrears paper which goes to Customer Experience Committee and can be then kept monitored.

25.275 The Board approved the use of the Mandatory grounds for Possession Policy to be used when considering using mandatory grounds in the serving of Notice Seeking Possession or applying to court for possession under one of these grounds.

25.276 The Board noted that Leeds Federated will be incorporating the relevant clause on the use of mandatory grounds for possession in all relevant policies as they are next due as laid out in the paper.

6.11

Transparency and Accountability Policy

25.277 MD introduced the Transparency and Accountability policy for discussion. MD said the policy has been updated to include a section to report on action use highlighted in yellow on the paper. CSi said that influence should also be part of the policy to reflect the Transparency, Influence and Accountability (TIA) standard and should be used consistently.

25.278 The Board reviewed and approved the Transparency and Accountability Policy subject to the above change

7 Performance

7.1 Performance Update

25.279 MD introduced the Performance Update for discussion which details at the end of Q3 of 99 measures; 66 KPIs were on or exceeding target, 17 measures were amber and 14 were red. CSi said that this report had also been scrutinised at Customer Experience Committee.

25.280 KS asked about the delay at the Blue Hill Farm development and if there was any specific reason for this that the Board should be aware of, MD said there has been a significant delay with planning that is being worked through. KS said that there are positive metrics in HR but also some challenges in completing performance management discussions and the completion of mandatory learning, is this across the board or certain areas of the business. MD said that it is an improving situation and there is lots of work going on in HR, mandatory learning can be a time issue for some teams but must remain a priority. SH asked about visibility of completions across the organisation for managers so that managers can view each other's teams not just their own, this could help drive up completions as no manager would want to be bottom, MW said this is something that can be looked at.

25.281 The Board

- **noted the overall assessment of the performance**
- **noted assessment of adverse performance results on the probability or impact relating to one or more strategic risks**
- **approved the conclusion that existing or proposed actions for improvement were adequate and that the scoring and control frameworks for highlighted risks do not require review at the present time, based on these performance results.**

7.2 Financial Performance Update

25.282 RC introduced the Financial Performance Update for discussion. DR asked about the results of first tranche sales and if the Association had over budgeted or if the market had softened. RC said this figure has been influenced by Sugar Hill which is one of the land-led developments as there are more initial costs coming through such as staffing.

25.283 MD said that Sugar Hill has average 33% first tranche sales for shared ownership. HB said that Leeds Federated may have overestimated the share that people are buying and that is what has happened at her own organisation. MD said that the policy is first come first served, there is lots of interest and people wanting to buy higher tranches, but the team need to follow the policy. MD said that sales continue at Sugar Hill, and that the team will closely monitor sales

	<p>performance related to first tranche sales on the upcoming schemes at Owlcotes and Blue Hill Farm.</p> <p>25.284 The Board noted the overall assessment of financial performance to P6.</p> <p>25.285 The Board noted the Development/ Capital and Treasury updates for Q3</p> <p>8 To Note</p> <p>8.1 <u>CEX Report</u> 25.286 MW introduced the CEX Report for discussion. The Board discussed upcoming local elections and the rise of new political parties, the risk of political change including possible challenges of engaging with the newer parties. Leeds City Council is our main local authority, but only a third of the seats are up for election so overall control will not change.</p> <p>25.287 The Board noted the CEX Report.</p> <p>8.2 <u>Annual EDI Report to Board</u> 25.288 MW introduced the annual EDI report for discussion. MW said that there is a lot going on with EDI and the EDI policy was approved last year and ties back to what the organisation is trying to achieve. CSi said that there is a lot of information here and wondered if it would benefit discussion with HDN for benchmarking and help shape where the organisation is heading. Leeds Federated is quite a representative organisation in terms of staff and Board, but this could be used to see where recruitment should go in the future and to partner for HDN would help with some more direction. CSi said that he would be happy to share information with MH regarding his organisation's EDI work.</p> <p>25.289 The Board noted the Annual EDI report</p> <p>8.3 <u>Approach to RSH Self-Assessment</u> 25.290 JR introduced the progress update on RSH Self-Assessment process for discussion. JR said that Leeds Federated have appointed DTP as part of the assurance framework and gap analysis for assurance across the business and how this information is provided to Board. The timeframe for this should be 3-4 months and then any actions can be actioned before the anticipated Q4 inspection.</p> <p>25.291 The Board noted progress on the RSH Self-Assessment Approach</p> <p>8.4 <u>Tenant Satisfaction Measure Benchmarking Report</u> 25.292 MD introduced the Tenant Satisfaction Measure Benchmarking Report for discussion. SH said that the actions taken since submitting the TSM results such as evening and weekend appointments were really positive to see. DR said that the tables were helpful, but it would be good to see a graph to see trends and the direction of travel such as a combined bar chart and line chart. ACTION: MC to review graph design alongside data team</p>	<p>MC</p>
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25.293 The Board noted the Tenant Satisfaction Measures Benchmarking Report

8.5 Neighbourhood approach and Placeshaping impact Report

25.294 MD introduced the Neighbourhood approach and Placeshaping impact Report for discussion and said the approach has been made stronger with the introduction of the Social Value Lead position 6 months ago. The Board discussed the positive things that are shown in the report and case studies showing good work going on the Neighbourhoods and how the condensing of the number of Neighbourhood Plans has been a positive move providing clarity on how Leeds Federated is making an impact in the different areas.

25.295 HB said there are great stories included in the report and what would add further value would be to try and measure the success in order to hopefully drive further investment. JR said that this is on Georgie's radar (Social Value Lead) and she has much experience in this area and linking it to value for money.

25.296 The Board noted the Neighbourhood approach and Placeshaping impact Report.

9 Minutes for Information

9.1 Draft LFPS Minutes 11 November 2025

25.297 These were noted

9.2 Draft Customer Experience Committee minutes 3 February 2026

25.298 These were noted

9.3 Audit and Risk Committee minutes 20 January 2026

25.299 These were noted

9.4 Board Strategic Away Day Notes 16/17 January 2026

25.300 These were noted

9.5 Draft Health and Safety Committee minutes 5 February 2026

25.301 These were noted

9.6 Draft Governance and Remuneration minutes 3 March 2026 – Issued separately

25.302 These were noted

10 Any Other Business

10.1 Stock Tour 23rd April and October 2026

25.303 MD said that on the 23rd of April there would be a stock tour of Leeds Federated homes for Board Members including some new builds and schemes for disposal. A coach has been booked at 9.30am from Arthington House. CSI asked if there would be parking available, MD confirmed that Board Members could park at Arthington House. SH asked about the planned duration and MD said that the stock tour would start at 9.30am and return at 1.30pm.

25.304 The Board confirmed there was no other business.

11 Date of next meeting

11.1 Board Meeting: 2 nd June 2026, 5pm at Weetwood Hall	
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