LEEDS FEDERATED HOUSING ASSOCIATION

MINUTES OF THE BOARD OF MANAGEMENT MEETING held on 2nd June 2026

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

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
Megan Henderson (MH) Head of Corporate Services and minutes.
Narinder Singh (NS) Menzies. Closed session only.

0	**26.001Closed Session – Internal Audit Report**	
1	**Conflicts of Interest** 26.002 CG raised conflict in relation to item 6.6	
2	**Apologies** 26.003 There were no apologies.	
3	**Risk Review of Board Pack** 26.004 MD outlined the proposed reduction in risk score as a result of having recruited the talent and acquisition role which gives greater control and assurance in relation to recruiting the right skills. 26.005 CSi supported the inclusion of the heat map as a good visual indication of how mitigations can move risks. CSi asked what actions would be taken if mitigations didn't move a risk out of red. JR confirmed that either new or reviewed controls would be considered or the risk appetite would be brought back to Board to reconsider. **26.006 The Board reviewed and approved the strategic and operational risks noting that the Strategic Cyber risk exceeds the Board's risk appetite** **26.007 Board reviewed and approved the change in risk score for Risk 50 Competition for Resources from 6 to 4.**	
4	**Minutes**	
4.1	26.008 Minutes of meeting held on 31 March 2026 were approved as an accurate record.	

5 Matters Arising 5.1 26.009 Matters Arising were noted 5.2 26.010 Schedule of Key Matters was noted. **6 Items for Decision** 6.1 <u>Annual Building Safety Compliance Statement</u> 26.011 MD referenced the change in approach to the review which incorporated both previous and forward considerations. 26.012 DR suggested to include the ACS Legal Review and CSi recommended including the auditors. SD recommended recording details about the systems used to maintain the controls. 26.013 NA asked about management records in relation to operational controls and the inclusion of a policy list. MD outlined the reference to inspections and the policies listed. 26.014 IM asked if our homes were free of cladding and asbestos? MD confirmed that we had no cladding and asbestos is managed with a full compliment of surveys and supporting database which reactive contractors can access and undertake risk assessments. 26.015 CSi suggested that job titles are referenced in relation to use of specialists or competent people in relation to Statutory Safety **ACTION. Name roles against compliance programmes to give clarity on responsibility.**	 **MD**
26.016 The Board approved the Annual Building Safety Compliance Statement 2026, confirming that the Association has appropriate arrangements in place to manage building safety risks and meets all relevant statutory and regulatory requirements and that no material non compliance has been identified. 6.2 <u>Pre Post AGM</u> 26.017 MW confirmed the report was brought previously where there was a considered change in Chair / Committee to ensure clarity of responsibility between AGM and first meeting. MW confirmed there are no proposed changes this year but the process has been retained in the interest of continuity. **26.018 The Board:** • **Elected Chris Simpson as Chair of the Board** • **Elected Steve Dungworth as Chair of Customer Experience Committee, David Royston as Chair of Audit and Risk Committee, Kirsty Spark as Chair of Governance and Remuneration Committee** • **Noted that the formal Post AGM Business and Committee membership will be agreed in due course.** 6.3 <u>Treasury Annual Plan</u> 26.019 JR outlined the process and support from DTP in relation to treasury risks noting only a few actions were required this year.	

	Consideration will be given to funding towards the end of the year alongside options for extensions to current arrangements. 26.020 KS said this was a really sensible report. 26.021 DR confirmed the information from DTP was helpful and noted the organisation as well placed for excess and unincumbered security. DR asked about the quality of the unincumbered security. **ACTION: JR to respond**. 26.022 SH confirmed he was happy with content but would like to see the funding timescale in the covering report so this is clearer. It was noted that the information is available in other reports. **ACTION To include funding information in the cover paper.** **26.023 Board reviewed and approved the Treasury Annual Plan for 2026/27**	JR JR/RC
6.4	Commercially sensitive item.	
6.5	<u>2026-27 Budget and Business Plan Update</u> 26.034 RC summarised the key changes since March budget based on DTP financial assumptions and confirmed the approach to de-risk the plan moving the sale of Pepper Hills to the second year of the plan. 26.035 KS advised that she understood the prudence but noted the deteriorated headroom against the covenant in the immediate years and asked if this had been stress tested or what mitigations were in place. RC confirmed that the information had been reviewed at LT to ensure clarity on worst case scenarios to ensure a break even point. RC reminded Board about the identified levers discussed in March and JR reminded about the list of mitigations which will be brought to August Board with up to date numbers and timescales. **ACTION: to stress test updated budget position in relation to reduced headroom and provide clarity on potential mitigations. Stress tested information will be shared with DR, KS and CSi to provide assurance that the proposed changes are manageable.** It was agreed that the ongoing focus for Board would be to monitor performance against covenants and to have clarity around additional actions that may be required. 26.036 DR queried the negative impact of development sales on the operating margin. RC confirmed this is due to our own build scheme (Owlcotes) that has a slight negative position which may improve with updated valuations closer to the time. **ACTION explore the potential to minimize the impact of the scheme and phase delivery to improve financial position.** **26.037 The Board** • **Considered and approved the updated 2026/27 budget and business plan which will form the basis of the FFR submission** • **Considered and approved the 2026/27, 2027/28 and 2028/29 planned capital maintenance budget**	RC RC/JR

- **Delegated authority to Finance colleagues to make expenditure and balance sheet categorisation changes to the final FFR submission**
- **Approved the reduction in the EBITDA-MRI Finance Parameter to 38% in line with the updated 26/27 budgeted outturn**

6.6 Board Member Status

26.038 CG stepped out of the room.
26.039 MW confirmed that GRC had discussed the matter and the proposed approach in relation to membership and shareholding.

26.040 The Board agreed to appoint Charlotte Green as Co-Optee following the sale of her house with a view to reappointment to full Board membership at the AGM in September 2026.

26.041 CG rejoined the meeting.

7 Performance

7.1 Performance Update

26.042 MC outlined the pilot view approach that had been presented as proposed at the strategic away day. MC referenced the new KPI's as approved in March Board and the RAG status.

26.043 SH said it was a good report with the exception reporting on the reds. SH asked if there was a red element for colleagues to consider inclusion of any action that could bring the KPI back into target. SH commented that he didn't think Damp and Mould should be the main 'assets' view.

26.044 SD agree with in theory of the pilot view and commented that overall it was a good report but didn't think the right measures had been reported. SD said he would like to see more about repairs, contact centre and quality of home including EPC.

26.045 KS suggested some additional thinking around getting the right H&S metric. CAT1 hazards? KS asked about the sprinkler work which was referenced in the report. It was confirmed that this work was now booked in for 11 June following legal support.

26.046 DR confirmed this was a good starting point, a bit too wordy. DR liked the format and content with clear prompt focus to red KPI's so there is clarity where to focus effort.

26.047 IM asked about refusals on the grounds of affordability and how this was being monitored. MC confirmed the KPI previously was in relation to customers refusing us. Leeds Federated are now refusing more and this is being tracked with additional support offered to individuals to maximise income even if those refused are not a customer. MC confirmed that individuals were accepting the support, referrals are made and individuals signposted for support. Broader concerns about the level of refusals was raised. MC confirmed this was being discussed at WYCA noting the number of people coming through are in employment and couldn't afford to stay in homelessness accommodation.

	26.048 Action: Chairs group to discuss the content of the Pilot View. **26.049 The Board noted the overall assessment of the performance The Board noted assessment of adverse performance results on the probability or impact relating to one or more strategic risks** **26.050 The Board approved 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.**	**MW/CSi**
7.2	<u>Financial Performance Update</u> 26.051 RC confirmed additional interest receivable of £14k further to the figures provided but that this won't impact year end position of 15.3%. Pre impairment review gave a figure of 15.9%. Board noted that the impairment was in relation to Trentham Street. DR asked if we needed to add further prudency to the sale of an untypical building. It was confirmed that the lower of two prices estimated was currently being used. 26.052 It was confirmed that we could amend assumptions in relation to pensions but with the ongoing uncertainty about potential liabilities with ongoing court case, SHPS assumptions have been retained as they more closely align with our approach. 26.053 KS queried the Sugar Hill sales cost exceed budget but showed a loss overall. It was confirmed that this was in relation to the LFPS margin. 26.054 SH noted the overspend on windows, doors, kitchens. It was confirmed that increased costs have been factored into the new business plan. 26.055 DR commented that forecasting development is hard and usually slower than anticipated. JR confirmed that development assumptions had already been changed to reflect a longer sales period. 26.056 HB queried the insulation underspend. MD confirmed this was a delay with WYCA so has been deferred to 26/27. Contractors are ready to go. **26.057 The Board reviewed and noted the year end Management Accounts pack.**	
7.3	<u>Review of the 2026-26 Corporate Plan</u> 26.058 MW report to bring together information seen over the course of the year. 26.059 SH questioned whether the operational activity plans were the real drivers behind the Corporate Plan and suggested reconsidering what we really think is shifting the dial when we review next year. 26.060 CSi asked for more Community Based Approach / Placeshaping examples to be included in the report. It was noted that detail around this had been provided in March.	

26.061 CSi referred to unplanned issues in the year and said ideally these should be set out and more of the customer voice would be beneficial in the conclusions.

26.062 HB said she would have liked to see more of the customer voice in the report also.

26.063 Board considered the report and explored lessons we might incorporate into future planning.

8 To Note

8.1 CEX Report

26.064 CSi commented how well networked MW is and that the Board should not take this for granted.

26.065 NA asked about the recruitment for tenant board member and suggested taking more of an approach directly with colleagues. MW confirmed that there is work planned over the summer to encourage tenants to apply.

26.066 The Board noted the CEX Report.

8.2 Annual HR Report

26.067 MH advised the report was prepared to provide general oversight of HR and culture over the previous year in response to elements of the Code of Governance that the Board need have oversight of. Board received confirmation on the number of key people metrics including grievances, disciplinaries and absences and whether these had increased or decreased from previous years. Benchmarked information will be included in future reports where possible.

26.068 SH asked about IIP. It was confirmed that the full assessment would be taking place in October 2026.

26.069 KS asked about leavers as a result of dismissal. Future reports will include information about dismissal numbers.

26.070 The Board noted the Annual HR Report

8.3 Commercially sensitive item.

8.4 Rationalisation of Properties by disposal 2025/26

26.076 The Board noted the disposals that have taken place in financial year 2025/26 under the advance authority previously granted.

9 Minutes for Information

9.1 Draft Audit and Risk Committee minutes 3 March 2026

26.077 These were noted

9.2 Closed session Minutes of Board on 31 March 2026 (circulated)

26.078 These were noted

9.3 Draft Health and Safety Committee Minutes 29 April 2026

	26.079 These were noted **26.080 ACTION: Chairs meeting to consider whether there should be a written summary from the Chairs with the minutes.**	
10	**Any Other Business**	
10.1	26.081 MC advised that as part of the current audit on KPI's a questionnaire would be issued to Board. This will likely be on MSForms and has a deadline for completion of 12 June.	
11	**Date of next meeting**	
11.1	Board Meeting: 11 August 2026	