

HOME IN SCOTLAND

**Minutes of the Board meeting held on 23 August 2022 at
Apex Waterloo Place Hotel, 23-27 Waterloo Place, Edinburgh**

PRESENT

Susan Deacon	Chair (National Member)
Julia Cheung-Buchanan	Board Member (National Member)
Ron Bowes	Board Member (National Member)
Mary Finnegan	Board Member (National Member)
Gillian Campbell	Board Member (National Member)
Ian Campbell	Board Member (National Member)
Catherine Wood	Board Member (National Member)
Mark Henderson	Board Member (National Member/Parent Appointee)

IN ATTENDANCE

Austin Woods	Director of Legal – Note taker
Joe Cook (via Teams)	Executive Director – Building Safety [Item 2553]
Will Gardner	Executive Director of Development
Callum Forster	Head of Finance
Audrey Simpson	Director of Scotland
Charlotte Burnham	Head of Governance and Risk (incoming Company Secretary – observer)
Jonny Watson	Head of Maintenance – Planned and Cyclical [Item 2552]
Gavin MacKenzie	Incoming Board Member (National Member) – (observer)

2542 ADMINISTRATION: APOLOGIES FOR ABSENCE

Susan confirmed there were apologies from Helen Brindley.

2543 DECLARATIONS OF INTEREST

No additional amendments were required to the Declarations of Interest.

2544 ACTION POINTS

The Board reviewed and **NOTED** the Action Points.

2545 DRAFT MINUTES OF THE HOME IN SCOTLAND BOARD MEETING HELD ON 17 MAY 2022

The Board **APPROVED** as a true record the minutes of the Board meeting held on 17 May 2022.

2546 CHAIR'S REPORT

The Chair opened her report explaining the purpose of her report was (i) observations from Home Group Limited's Board which were relevant for this Board, and (ii) reflections on the progress of (a) the Scottish variant of the Home Group strategy, and (b) Audrey's formal appointment as the Director of Scotland.

Susan thanked Ian and Mary for their support in the recent Board Member recruitment process but it was unfortunate that the selected new Customer Board Member had now decided that they could not commit to the Board due to work commitment.

Major points from Home Group Limited's meetings in June and July included:

- Continued attention on the external environment and the associated financial impact this was causing
- Board effectiveness review showed a robust outcome and Susan would use some parts for consideration with this Board
- Approval of the 2022/3 reprofiled Group Business Plan
- Close out report on 2017-22 Group Strategy and consideration on how best to communicate this to customers and colleagues
- A focus on risk with a session before the Board meeting
- A substantial amount of discussion in respect of Building Safety, and Health and Safety
- A discussion on the Home Standard

Susan also noted that in addition to current Board Member attendance at Group Board meeting and Committees, Gavin would be joining the Audit Committee given his financial background.

Susan noted there were a couple of points outstanding which she would like to note, being (i) the Home Scotland Board Effectiveness review which will be done later this year, and (ii) that she would be scheduling 1:1 conversations with all of the Board Members over the coming months.

The Board **NOTED** the Chair's report.

2547 DIRECTOR'S REPORT

Audrey introduced the report, the Board received updates on various activities including:

- The void position was improving and we are ahead of target.
- Positive out-turn for new build and acquisition of RHSC in Edinburgh.
- The impact on cost of living and fuel poverty and the support that was being given to customers.
- A key discussion for the Board in November will be the rent review given the challenges customers and the business are facing.
- Rent arrears have increased and are not currently within target but action plans are in place.
- Work has started to scope 'care' in Scotland, – research to understand the Scottish context is required. This will be brought back to the Board when we have clarity about the landscape and potential opportunities.
- Audrey suggested she would like a 1:1 meeting with all Board Members and they all agreed to this.
- Update on the Operational Plan was provided and Audrey highlighted that an Audit of the AAS process would be carried out with recommendations forming a review of the process from the Director.

The following comments were made by the Board:

- As part of raising Home Scotland's profile (as previously discussed) thought should be given to how it can influence policy development given it is a busy area of political work at the moment in Scotland.
- The Board requested an update on 'Grow Our Own' as part of the regular Director's Report item.
- The Board expressed concern that almost half of Home Scotland customers were in arrears (this is usually reported in financial terms and not the amount of customers – both metrics to be reported in the future). This should be part of the November Rent Setting discussion. It was noted that some customers showing as in arrears was simply a timing point due to Home Group's financial reporting but the customers were not actually behind in rent payment. It was also confirmed that this trend on increasing arrears was the same at a Group and Sector level.
- A request for further education on the care sector generally, its application in Scotland and the products / services Home were considering providing and their associated viability in a Scottish setting.

- Board meeting schedule being developed to set out appropriate cycle of meetings and consideration to thematic events and consideration to be given to a monthly arrears tracker.

The Board **NOTED** the report.

2548 FINANCE AND PERFORMANCE REPORT

The Board received an update from Callum on the current financial performance of Home Scotland. Callum noted that rent arrears were a key point in the reporting but the figures do not fully reflect the challenges for the rest of this year and next year.

Current performances is ahead of budget but this is partly due to the planned maintenance programme being behind target (therefore showing a positive variance of c£300k) but this will be caught up and delivered by the end of the year (showing an outturn negative position of c£500k).

There is pressure on income for Home Scotland and one area impacting this is the delay in the handover of homes at the Meat Market.

The Board **NOTED** the report.

2549 REGULATORY COMPLIANCE REPORT 2022 / ANNUAL ASSURANCE STATEMENT

Audrey gave a presentation to the Board to provide assurance of continued compliance with the regulatory standard (see presentation in the Reading Room).

The Board specifically referenced the Fire Risk Assessments and their associated follow-on action but noted they would be picked up in the Health and Safety Report later on the agenda.

The Board **DISCUSSED** the Report and **APPROVED** the draft Annual Assurance Statement.

2550 ANNUAL REPORT AND FINANCIAL STATEMENTS

Callum presented to the Board the Annual Report on Financial Statements noting that this has been audited by Deloitte which was expected to issue an unmodified opinion (a 'clean' opinion).

The Board **APPROVED** the Annual Report and Financial Statements.

2551 INVESTMENT AND DIVESTMENT

Will introduced the report and took the Board through a presentation (see reading room for a copy of the presentation).

Points noted in Will's presentation included:

- Key to the discussion was the strategic aims of considering 'the right homes in the right places' and the 'home standard'.
- Work was underway to further understand the communities that Home Scotland works within.
- A discussion was held as to how the strategy could apply to Dumfries and Galloway and Dundee. Discussion had been held at Board previously about Dumfries and Galloway and since this time there had been developments in the sector where other RSLs were operating at scale and with a track record of improving the support provided to customers in this locality.
- Dundee was discussed providing an understanding to the type of housing across the 1,900 homes in this area. This included seven tenement blocks which attracted a high level of anti-social behaviour due, predominantly, to their design and the nomination rights the council has (housing customers with the same vulnerabilities within the same housing). Three ex-supported housing schemes were noted where their design had been created for a different type of customer but are now being utilised as general needs housing – this type of housing would be challenging to remodel due to small size of existing flats and presence of communal areas.

The Board discussed the presentation and report and comments included:

- To further understand Home Standard as this develops so they can better understand divestment/investment options
- While the report focused on divestment, it would be important to also consider options for investment and possible acquisition at future meetings of the Board.
- The Board enquired if it was possible to have a joined up strategic meeting with the Council to discuss issues with nomination rights they have, our view of where we need to divest and where we will invest with their support.
- Is it possible to use some of the ex-supported housing for the 'care' provision that Home Scotland was considering in the future?

- The Board enquired why some of the communal areas on the presentation provided were in such poor condition. Will agreed to provide a further update.
- How does Home Scotland emphasise 'community' in its housing and can this be done with the support of partnerships.

The Board **DISCUSSED** the Report paper and **APPROVED** the next steps in the report.

2552 MAINTENANCE REVIEW

Jonny introduced the report and noted that there continued to be staff retention issues in the maintenance area and that performance was not where they wanted this to be. However, there were actions in place to ensure the planned programme would be caught up by the end of the financial year.

One of the main issues being experienced was in respect of customer communications, the scheduling of works to be carried out and appointments not being kept by contractors which has led to a common theme in the recent complaints from customers. Novus has been put on a Performance Improvement Plan due to the issues noted.

The Board **NOTED** the report and requested that a further report regarding the 'deep dive' into maintenance be presented in early 2023.

2553 HEALTH AND SAFETY PERFORMANCE

Joe joined the meeting via Teams.

Joe noted that the FRA programme was on track to be fully caught up by the end of September.

Ian (as Home Scotland representative on the Group's Health and Safety Governance Committee) noted the Safety Cultural Programme that was being developed and how compliance had been very good across the Group (noting the challenges with MPS stepping away from a large contract in the South East).

Joe noted that follow-on actions from FRAs were causing challenges across the Group but more work and analysis on this would be shared with the Board.

Joe noted that a new risk based approach was being proposed for the High Risk Buildings Programme and a paper on this would be presented to the Health and Safety Governance Committee to recommend to Home Group Limited Board for approval.

The Board requested that once the schedule of works for the High Risk Buildings Programme had been developed that a report be brought back to the Board.

The Board **NOTED** the update.

2554 COMPLAINTS REPORT FOR Q1 2022

Audrey updated the Board on complaints and set out the improvements being made.

The Board **NOTED** the update.

2555 DEVELOPMENT AND ASSET UPDATE

Will provided a full update to the Board on his report.

Points noted by the Board included:

- Concerns with some of the delays and the impact this will have on income
- Questions about Holmlea Scheme. Will noted that there had been 4 consultations with customers about the works that would be required. Negotiations continue with the contractor about the share of costs it will accept for the remediation works .
- Confirmation that an update on proposals for the remediation be provided and submitted to the Board for approval thereafter.

The Board **DISCUSSED** and **NOTED** the report.

2556 COMPANY SECRETARY'S ANNUAL REPORT

Austin presented the Report noting that Rules 62 to 67 have been followed in all material respects and requested this to be recorded in the minutes of the meeting.

The Board **NOTED** the report.

2557 SAFEGUARDING

Audrey presented the report to the Board.

The Board **NOTED** the report.

2558 CROSS SUBSIDY MODEL UPDATE

Susan requested that the paper was reviewed outside of the Board meeting. Charlotte and Will to set up a Teams meeting for the Board to discuss.

2559 ANY OTHER BUSINESS

The Board recorded its thanks to Julia for her support as a Board Member along with Russ and Sharon for all their hard work over the past years in supporting the Board.

2560 DATE OF NEXT MEETING

Tuesday 23 August 2022, including the AGM and first meeting after the AGM.

Signed Date