HOME IN SCOTLAND
MINUTES OF BOARD MEETING OF HOME IN SCOTLAND BOARD
HELD ON 10 SEPTEMBER 2024 AT THE SCOTSMAN HOTEL, EDINBURGH

PRESENT

Susan Deacon	Chair
Robyn Inglis	Board Member
Kellie Macleod	Board Member (online)
Grant Campbell	Board Member
Catherine Wood	Board Member
June Wylie	Board Member
Helen Meehan	Board Member/ Chief Finance Officer
Gillian Campbell	Board Member

APOLOGIES

Gavin MacKenzie	Board Member
Mark Henderson	Board Member/ Chief Executive Officer
Emmanuel Asante	Board Member

IN ATTENDANCE

Bryony Willett	Director of Scotland
Austin Woods	Company Secretary
Will Gardner	Executive Director of Asset and Development
Paul Walker*	Executive Director of Repairs and Maintenance [Item 2681]
Ruth Corless	Governance Business Partner

*Attended online

2672 CHAIR'S WELCOME AND APOLOGIES

The Chair welcomed all Board Members and opened the meeting at 10:00 a.m.

The Chair **NOTED** the first meeting of Austin Woods as Interim Company Secretary and Bryony Willett as Director for Scotland.

It was **NOTED** that apologies were received from Mark Henderson, Emmanuel Asante and Gavin MacKenzie.

2673 DECLARATIONS OF INTEREST

The Chair advised Board Members of updates to Declarations of Interest. Catherine Wood reported a change of employment to Lovell Strategic Land, and Susan Deacon reported now being Chair of Lothian Buses. All records were confirmed as updated.

Board Members **NOTED** the changes to the Declarations of Interest.

2674 DRAFT MINUTES OF PREVIOUS HOME IN SCOTLAND BOARD MEETING HELD 25 JULY 2024

The Board **APPROVED** the Board minutes of 25 July 2024 as a true record.

2675 ACTION POINTS

ACTION 2667 SUBLETTING was confirmed as completed having been provided with an update by Bryony. There were some cases of subletting, but without going into every property this would be difficult to fully report on. A comprehensive response to the situation was being taken.

ACTION 2667 COMMUNITY ENGAGEMENT The Customer Involvement Strategy had originally been planned for presentation to the Board in September, however given the appointment of a Director for Customer Experience and the overall Home Group and Home in Scotland strategy, is being reviewed and discussions on this continued. The overall Customer Involvement Strategy would be presented at a future Home in Scotland Board. **Ongoing. Agenda November 2024**

June noted the cost-of-living case studies from the Annual Assurance Statement and requested further discussion. The Board agreed to schedule a Rent Setting discussion for November that includes full cost to tenant (service charges and rents). **Action: Agenda November 2024**

Bryony agreed to share further case studies of benefits received from the Cost-Of-Living Fund. **Action: Bryony Willett**

ACTION 2665 was confirmed as on-going. Will Gardner would bring forward a JV scheme example for approval. **Action: Present at a future meeting Will Gardner**

The Chair sought opportunity to review the action points and confirm these with the Director and Governance Business Partner. **Action: Susan Deacon / Bryony Willett / Ruth Corless**

2676 BOARD, COMMITTEE UPDATES, COMPANY SECRETARY REPORT

The Company Secretary report was presented. Members were advised of the update to the Governance Framework which included changes to the Executive Team and Senior Management Team. The Governance Committee had been renamed to Governance and People Committee and would consider culture, people strategy and governance within the group. Austin explained the delegation arrangements for this Committee and assured the Board of Home Group Board Members' full oversight.

The changes to Home Group Repairs Partnership Board were reported and the contract change arrangements with Breyer explained. It is anticipated that repairs and maintenance for this part of the business would be brought in-house.

An update for Scotland Board Member recruitment was shared. A Recruitment Committee would be convened to progress suitable candidates ahead of the next Board meeting.
Action: Austin Woods/ Susan Deacon / Bryony Willett

Austin updated the Board on advice from TC Young regarding Robyn Inglis's appointment and confirmed that Robyn's appointment to the Board in April 2023 had been a direct appointment by a Home Group Action Committee.

This had been confirmed prior to today's meeting given the appointment was outside of an AGM. Austin advised that all procedures had been followed and the Board was fully compliant in these appointments. An action Committee had taken place to reconfirm the matter and to ratify the decision if there was any gaps in the evidential trail. The Chair thanked the Company Secretary for confirming all was in order and invited Members to participate in the planned Recruitment Panels for current Board candidates.

The Chair took the opportunity to thank Kellie Macleod for her contribution to the Board and all Members wished her well in her new endeavours. The Chair thanked Gillian Campell for agreeing to remain in on the Board for a further six months during the recruitment of new skilled members.
Action: Ruth Corless

Catherine advised the Company Secretary of an expired Disclosure Document received some months ago. Ruth Corless agreed to follow this up after the meeting.
Action: Ruth Corless

Catherine enquired about a recent High Court challenge reported in the media affecting Home Group in England. Austin confirmed that ISG, a contractor employed to develop a block of flats in High Street Watford, had brought a claim but this was in hand, shared an update with Members. The adjudication process was explained, and how they were timed out on this and therefore have brought a High Court Action instead. Board Members could be provided with more detail if they required it.

The Governance Framework updates were **APPROVED** by the Board.

2677 DIRECTOR'S REPORT

The Director shared her report with Board Members.

The Director advised Board Members of the need to retrospectively approve the Local Lettings Initiative. A Board Member sought confirmation that the internal process had been addressed and was assured that tightening up on roles was complete and the policy would be implemented going forward. The Company Secretary confirmed that the gap in reporting for granting leases was now covered by the Local Lettings Initiative and the framework presented would only require further approvals from the Board and notification to the Scottish Housing Regulator if Home in Scotland wanted to grant additional leases.

Bryony advised the Board of the increase proposed by Novus for contract continuation. The £450K increase requested would be fully understood and explained to the Board once their proposal had been verified. Any threat of withdrawal would have significant impact on customers and service provision, however any increase in annual contract costs would only be accepted after detailed scrutiny. Board Members discussed the extent of the increase and the national performance of Novus. Helen confirmed this increase was being seen across all regions with different contractors. Assurance was given that price checks for labour and materials would be made in any renegotiation of the contract. The proposal had been returned to Novus seeking evidence for the price uplift. The Board considered the

impact on customers and were advised that there was a risk of increase in service charges fees. However, the majority of services delivered by Novus did not impact service charges. However, the overall viability needed to be considered. Board Members were reminded that the option of a DLO had been discussed as an option last meeting. and it was agreed that any decision would be postponed for twelve months. The Board acknowledged the concern for customers around any impact on service charges. Despite careful consideration of rent increases every year, the vulnerability of customers remained and all agreed that Service Charges needed to be considered carefully.

Helen acknowledged that an increase in Services Charges was likely, given cleaning, ground maintenance, gardening and insurance costs increasing. Costs were being reviewed at the moment. Service charges and rents would be brought back to Board in November for consideration in the coming year.
Action: Helen Meehan/ Bryony Willett

The Chair was assured that the organisation was actively addressing issues around Service Charges, whilst ensuring a robust repairs service was in place. The new Director for Repairs and Maintenance was feeding into a nationwide strategy for the future of contractor vs DLO provision. The new Head of Maintenance for Scotland was feeding into this review.

Grant noted that 20 properties had been set aside for refugees and asked if there were other opportunities to support this work. Bryony explained the funding from the Scottish Government and the time frames involved. Consideration would be given to other opportunities from Home In Scotland. Grant suggested that work with Fairway be considered.
Action: Bryony Willett

The Chair noted the continuous improvement in reporting and the assurance of Regulatory compliance.

The Board **APPROVED** the Local Lettings Initiative – Leased Properties.

2678 DIRECTOR'S PRESENTATION

Bryony provided Board Members with a summary of the Programme for Government as it could impact Home in Scotland. Key highlights were: the housing emergency, the Cladding Remediation Act, possible ongoing rent controls.

Will highlighted the uncertainty in the market and the lack of clarity in additional money for Local Authorities that may apply. No clear statement had yet been made. Work within the sector had actively sought to influence the Bill amendments and Gillian provided a brief update on the consultation around the Heat in Buildings proposals at the start of the year, which had focussed on the private sector. Social housing standards had been aligned to market standards, but the content of the Bill was now unclear and there was some contention around efficiency standards and costs needing to be met by homeowners.

Given the lack of clarity the Board sought to gain assurance in future meetings and welcomed an understanding of the current context. The work

of Home Group Regional Directors was discussed, and the flexibility of developing services based around need in regions was evident.

Bryony confirmed the strong KPI performance from Home in Scotland historically and opportunities for asset investment that currently existed. With key appointments now having been made, the region could now develop further. The current opportunities were outlined.

The Chair confirmed that the plans for Board 2025 were progressing, and site visits would be scheduled. Brand identity and the promotion of Home Group was discussed. The Chair agreed to share the Programme of Business plans prior to the next meeting. Board Members encouraged the sharing of Home Group's extensive good news and sector contribution, which they said, needed to be brought to the attention of the Scottish Government.
Action: Ruth

June asked that Board Induction, highlighted in the Board Effectiveness Action Plan, be considered as part of 2025 plans. A meeting to progress this would be scheduled.
Action: Bryony Willet/ June Wylie/ Ruth Corless

2679 PERFORMANCE REPORTING AND ASSURANCE

In presenting the KPI report, Bryony confirmed that mid-market rent arrears were improving. Evictions were explained and the impact of high debt on customers and Home in Scotland were noted.

The KPI Performance Report was **NOTED** by the Board.

2680 COMPLAINTS PERFORMANCE

Bryony noted that lessons were being learned from the complaints being dealt with. Board Members welcomed the use of case studies in the reports.

The Complaints Performance Report was **NOTED** by the Board.

2681 HEALTH AND SAFETY PERFORMANCE

Paul Walker joined online to present the Health and Safety Performance Report and advised the following:

- A RIDDOR reportable incident had occurred with four colleagues from a new build contractor injured. The Health and Safety Executive's report was expected.
- Fire Risk Assessment follow on works were in progress, with 30 high risk or overdue actions now being addressed. All Fire Risk Assessments were reported as complete.
- Fire safety mitigations were confirmed for Salamander Court. Paul confirmed that full remediation actions to complete the work needed on this site were in place.

The planned Health and Safety deep dive was discussed. Following the changes in the organisation, a Board session on Health and Safety would be delivered by Bryony and Paul.

Action: Bryony Willett/ Paul Walker

The Board **NOTED** the Health and Safety Performance Report.

2682 DEVELOPMENT PERFORMANCE REPORT

Will Gardner shared the Development Performance Report. Grant uncertainty remained the biggest concern. Loan funding from Allia had been used in Edinburgh to bridge availability of Local Authority funding. This approach was expected to increase good will and enhance working relationships, ensuring overall delivery schedules were met.

The Board **NOTED** the Development Performance Report.

2683 ASSET PERFORMANCE REPORT

Will Gardner advised the Board of stock condition surveys taking place. An internal team was in place with Home Group surveyors being used. There had been some absence issues, which was reflected in the completion figures, but action had been taken to address this and catch up with survey completions. Internal and external resource was being used for this to get back on the scheduled delivery rate.

Gillian asked for clarity on tolerable standards and clearer reporting to the Board. Will agreed to ensure track and movement was presented in future reports and advised that some challenges to fails in assessment of tolerable standards were happening. Technical teams were being resent in some cases to assess and understand issues.
Action: Will Gardner

The Board **NOTED** the Asset Performance Report.

2684 FINANCE PERFORMANCE REPORT

Helen Meehan confirmed that Home in Scotland's financial position was good and significantly ahead of budget. This was due to operational savings, particularly staff costs, under allocation of the Cost-of-Living Fund. Borrowing costs were confirmed as less than expected, contributing to the positive outturn.

Gavin asked if the changes to the Group-wide Financial Golden Rules had any implications for Home in Scotland. Helen confirmed these rules applied across Home Group and were refreshed each year. There was no impact on Scotland.

The Credit Rating outcome for Home Group was noted and commended. Helen explained the S&P report and the A- rating received. A 'stable outlook' had been noted. A summary report could be shared with the Board. The report noted that Home Group had good liquidity, had turned around poorly performing parts of the group and improved maintenance. If maintenance costs increased, there would be a concern. The Board noted the positive reporting in the press and congratulated the team involved.

Robyn queried the impact of the Novus contractual increase request and its impact on this rating. Helen advised that the scale of the cost increase

would not impact the group-wide rating, although significant for Home in Scotland.
Action: Helen Meehan – Credit Rating report

2685 ANNUAL FINANCIAL STATEMENTS

Helen reported that the Annual Financial Statements were broadly in line with management accounts in period 12. There had been two small adjustments in depreciation, which meant that the position was £0.5Million better.

The audit had been completed and report statements had not been amended. No policy changes were made.

The Chair confirmed that no issues had been raised by Gavin in his absence.

The Board **APPROVED** the Annual Financial Statements and the Letter of Representation.

2686 ANNUAL ASSURANCE STATEMENT 2024

Austin Woods presented the Annual Assurance Report and confirmed that all was in accordance with the Regulatory requirements and good practice. Home in Scotland complied with all expectations. It was proposed that Lynsey Beckett, who undertook Home in Scotland's self-assessment against the Regulatory Framework, be more involved over the next year and present sections of the self-assessment to Board Members.

The Governance Effectiveness Action Plan was considered. Austin confirmed that the Company Secretary and Director for Scotland would consider ways to assure Board throughout the year. This was supported by the Board and the timelines and updates welcomed. Areas for improvement and a Communication Plan were requested.

Austin confirmed the assurance would be flagged and linked to the framework to bring about further improvements across the year.

The Assurance Statement was considered and **APPROVED** by the Board.

The Board **APPROVED** the Governance Effectiveness Action Plan.

2687 PROGRAMME OF BUSINESS

Ruth Corless confirmed plans were in place to set the programme for 2025 and work with the Director for Scotland had begun. This would be circulated as soon as possible.

2688 AOB

Robyn proposed that Models for Repairs be included at a future meeting. Ruth confirmed this would be added to the Programme of Business.
Action: Ruth Corless

The Chair proposed that a 09:30 a.m. start be considered for in person

meetings to give opportunity for robust discussion.

Bryony confirmed that attendance at meetings would also be reviewed as part of the Programme of Business.

2689 DATE OF NEXT MEETING

The next meeting was confirmed as online via MS Teams on 24 October 2024. There being no other business the meeting closed at 12:00 p.m.

Signed ……. Date ……
Chair

Susan Deacon
21 NOV 2024 - 21:43:58 GMT