

HOME GROUP SCOTLAND
MINUTES OF THE BOARD MEETING HELD ON 11 MARCH 2026
AT PURE OFFICES, EDINBURGH

Present:

Susan Deacon - Chair
Gavin McKenzie - Board Member
Jackie McIntosh - Board Member
June Wylie - Board Member
Andrew Wilmot - Board Member
Catherine Wood - Board Member
Emmanuel Asante - Board Member
Mark Henderson - Board Member [online]

In Attendance:

Austin Woods - General Counsel
Bryony Willett - Director for Scotland
Chris Hopkins - Head of Finance
Elsa Brailey - Head of Development and Delivery
Will Gardner - Executive Director of Development and Investments
Jeremy Kape - Interim Executive Director of Property and Asset
Ruth Corless - Governance Business Partner

2320 CHAIR'S WELCOME AND APOLOGIES

The Chair thanked Bryony, Elsa, Will and Jeremy for the valuable session on Strategic Development Asset and Development Priorities prior to the meeting. Catherine had proposed an additional discussion looking at high level ideas so as not to run out of time at Board. This proposal would be progressed by Bryony.

The Chair asked Bryony to consider collecting non-exec input when the development paper was being drafted. The Chair thanked all the people involved and noted the impactful discussion.

The Chair opened the business meeting at 10:45 a.m. and welcomed Mark Henderson. Apologies were received from Helen Meehan, Robyn Inglis and Grant Campbell.

2321 DECLARATIONS OF INTEREST

The updated declarations were noted. No further additions were presented.

2322 DRAFT MINUTES OF PREVIOUS HOME GROUP SCOTLAND BOARD MEETING

The minutes of the previous meeting were reviewed and agreed as a true record. No additions or amendments were proposed.

The Board **APPROVED** the minutes of 5 February 2026.

2323 ACTION POINTS

The action points were considered. In line with previous agreement any future actions which had now been added to the Programme of Business were marked as closed. One action remained open.

The Board **AGREED** with the closure of actions as presented.

Austin provided an update on the actions relating to meetings with Catherine and other Board Members. The timing of input for the rent consultation was discussed, and it was agreed that the rent consultation process for 2027/2028 should be

considered at the August 2026 meeting.

2324 BOARD, COMMITTEES AND GENERAL COUNSEL REPORT

Austin presented the General Counsel report and advised that the Board Effectiveness Plan would be reviewed and made more succinct. A number of actions had now been closed, and it was his intention to bring a summary to the next meeting.

Action: Austin Woods

The Board were advised of the recruitment campaigns in place and advised of the shortlisting numbers and interview dates. The roles were outlined and the involvement of new Board Members with the National and Regional Customer groups was explained. Catherine's input as a panel member on both sets of interviews was noted. The HGS Chair recruitment process was clarified and Aspen's input noted.

The Board discussed options if no appointments were made. The governance process for approval was confirmed as: approval by HGS Board, approval at Governance and People, approval at Home Board prior to appointment conclusion.

The Board considered the interest from Customers for the Board Member roles. Catherine acknowledged the interest and effort to achieve the applications. All candidates would add value to shape customer voice.

Bryony updated the Board on the Customer Engagement Lead role and future recruitment processes.

The Chair acknowledged the positive change in the recruitment process and asked that the demand on people's time was balanced to ensure longevity in role. The Chair thanked all involved in the recruitment process and assured the Board that succession planning and board development were regularly discussed at Home Board and Governance and People Committee.

The Chair acknowledged the undertaking of the risk workshop prior to this meeting and thanked all for their input. Susan summarised the outcomes and the ways in which risks needed consideration within the Scottish context.

Catherine asked about the Community Connector role and the changes that had recently taken place. Bryony explained the impact and changes that had contributed to the colleague's resignation. Ensuring future appointees were supported had been considered. The Board acknowledged the importance of this role and the Customer Engagement Lead.

2325 DIRECTOR OF SCOTLAND REPORT

Bryony highlighted Awaab's Law and the planned approach in Scotland. Questions were invited. Gavin sought assurance that expected areas of performance to adhere to Awaab's Law were covered by additional processes. Bryony explained that case management was the key change brought about by Awaab's Law. More face-to-face inspections and providing written updates to customers were the main changes for customers, which all impacted on colleague resources.

Bryony advised that Scotland specific reporting on adherence to Awaab's Law would be introduced into performance reporting for HGS from May.

Action: Bryony Willett

The Chair noted that the expectations and actions required by Awaab's Law had been clearly outlined. Home Group's approach of working to the higher of the two standards across Scotland and England was laudable. The implication of this was considered. Bryony confirmed that due consideration on how to apply the higher of the two

standards in a reasonable and practical way had been discussed at the internal Awaab's Law Stakeholder Group. Mark confirmed that a single system avoided confusion but, in this instance, there was a clear business case to follow the Scottish legislation.

Bryony noted the Holyrood Elections and political parties' focus on housing issues. There was cross party consensus that housing needed to be a priority across all tenures and there was a desire to build more homes of every type. Nuances within this were noted, and land shortages as a result of NPF4 highlighted by some parties. More capital investment in new housing for Scotland could be expected. Catherine supported the comments having attended a recent networking event. The impact of the shortage of land could not be underestimated in the longer term. It would take decades to resolve the issue.

The Board **NOTED** the Director's Report.

2326 DEVELOPMENT SCHEMES PIPELINE

Will Gardner joined the meeting to present the pipeline report. The board were informed that prudent grant assumptions had been used to feed into the 5-year business plan.

Gavin queried the off-balance sheet funding and sought more detail for the Board to understand this when the information was available. Will confirmed that the market was currently being tested and early discussions would be brought back to the Board.

The Board **NOTED** the Development Schemes Pipeline.

2327 2026/2027 PLANNED MAINTENANCE PROGRAMME

Jeremy Kape joined the meeting and explained the planned programme. Budget capital and revenue headlines were shared from the report. The budget would fund improving energy performance of homes. Key priorities would be a greater understanding of repairs priorities and local needs, meeting housing quality standards and improved energy efficiency. The work stream was explained and the budget allocation and outcomes detailed. A quarterly report to the Board will be presented.

The programme had the potential for impacting many customers and would use the existing contract with Novus and future tendered contractors.

June asked what plan was in place to capture feedback from customers that the Board could use in rent setting examples. Measuring customer satisfaction was an ongoing process. Priorities would be agreed and rules set for standards. Customer engagement needed to happen to determine this. The Board would receive any feedback. Input would be determined nationally and regionally.

June asked if the Director was confident that Novus would deliver on time and in budget. Bryony confirmed that Novus had a good track record in performing in planned maintenance delivery over the last 18 months. Gavin welcomed the assurance that Novus, as lead contractor, had a strong network and supply chain. Bryony confirmed this would ensure the quality of the work as this was a standard component replacement programme.

Gavin asked if the stock condition reports had enabled this plan to be put together. Jeremy confirmed that the stock condition data was tested against local knowledge. Repairs data would be moderated against information already in place. Gavin asked about the capital and revenue split for the energy efficiency projects. Chris advised that SORP procedures would be applied. There had been recent changes, and the new approach had been adopted. Most component replacement items were capitalized.

Revenue rules would apply for enabling and ancillary works. The benefits and risks of capitalization were briefly discussed.

Jackie asked if there was confidence in being awarded the grant for in Kellaholm that would be bid for. Bryony said she was not confident that the full bid would be awarded but conversations with the Scottish Government would continue to determine how the bid could be successful. Options were available such as reducing the number of units of work and the scale of plans if the bid was not successful. The value of the effort was questioned and Bryony confirmed that whilst the grant could not be guaranteed, the investment in the homes would still deliver a positive return over thirty years even without grant. Budget allocation was needed now. Amended plans could be revisited by the Board, but timing at this point required approval for the programme.

The Board **NOTED** the report.

The Board **APPROVED** the proposed planned maintenance programme.

2328 HGS OPERATIONAL DELIVERY PLAN AND KEY PERFORMANCE INDICATORS

The Chair noted the report on the delivery plan and KPI measures which would allow Board challenge and scrutiny. Bryony noted an inaccuracy in the MMR target in the Operational delivery plan and target setting paper. It was in relation to void loss and the figure in the main paper was confirmed as correct.

Bryony highlighted a reduction in Lettable Homes Becoming Vacant (turnover). Wider factors were impacting performance and there was increasing pressure in social stock across the UK.

Jackie queried the emergency repair time and asked whether six hours could be reconsidered, as this seemed high. Bryony advised that HGS geographical spread impacted this figure and that this was contractual and would be reviewed in any future contractual changes.

The Board queried the Rent-collected figure. This included debt owed and therefore was over 100%. June noted that the target had been changed. Bryony confirmed a review of rent arrears and tenancy sustainment had taken place. Quarterly targets had been established as part of this.

The Board **APPROVED** the Operational Delivery Plan.

The Board **APPROVED** the strategic KPI targets.

2329 DRAFT BUDGET 2026/2027

Chris was in attendance and outlined the budget. There was a robust process in place and colleagues across Home Group (HG) and HGS were involved in setting the budget. The delivery pipeline had been included in the proposals and investment in existing properties. Efficiencies and cost savings had been made and had been updated in the plan.

The Chair noted a good, solid improvement, and Chris confirmed the economic assumptions were in line with those agreed at Home Group Scotland Board in February. External factors were monitored and stress testing took place to influence financial forecasts. The Board noted the cumulative compound risk that was considered, which meant that HGS had the ability to withstand multiple changes.

The board considered some of the budget details. Chris advised that the permanent-colleague total had risen. An annual pay rise had been applied, and current vacancies had been assumed to be filled.

Bryony reminded the Board of the review of Housing Manager salaries to ensure retention. The Group recharge rationale had not changed and remained a function of the cost increases.

The Chair proposed that Chris provide the Board with an explanation of what sits under some of the budgeted group's recharge components. This would be provided after the meeting.

Action: Chris Hopkins

Gavin enquired about the depreciation policy and the capitalisation process which would impact on the overall forecast. The Board noted the level of detail given to outline aspects of the budget and agreed this was at an appropriate level. The details given framed the asset and development discussion planned to take place.

The Board thanked Chris and his team for their work.

The Board **APPROVED** the 2026/2026 Budget.

2330 MID MARKET RENTS

Bryony outlined the principles of mid-market rent and how this was meant to work. Whilst the concept could skew the wider market and those earning just over the threshold, the rules applied at the point of let.

Gavin expressed some concern as to how this worked in practice. Bryony confirmed any new let would see the Local Housing Allowance applied. The rationale for applying increases was provided to the Board and would allow HGS to level rents without significant increases.

The Board considered the process and the impact on customers. Affordability for customers was considered at the point homes were allocated.

Catherine queried the impact on affordability and the rehoming of people on the waiting list. Bryony confirmed that mid-market rent lets generally did not come from waiting lists. However, some people on the waiting list would not now be able to afford the increased rents but there was still strong demand in most locations. June asked for more background information on MMR to be provided. A discussion would take place for interested Board Members.

Action: Bryony Willett

The Chair acknowledged the appropriate level of detail brought to the Board and welcomed the insight and assurance of how levels were set. The high-level recommendations were noted.

The Board **APPROVED** the mid-market rent increase of 0 to 5.8% to be applied on 1st August 2026.

The Board **APPROVED** the continued application of the MMR Setting Procedure approved in March 2025.

The Board **APPROVED** the proposed new income bandings for MMR applicants as set out.

2331 Customer Committee and Scotland Oversight Group

Bryony gave an overview of the Scotland Oversight Group and explained how this fitted into the overall governance structure. The Board welcomed the development and hoped that customer representation on these groups would be strong.

Catherine asked about the determination of 'good' projects and lessons learned from schemes since feedback would be beneficial to the Board. Austin confirmed a G3 and G4 lessons learned approach took place. Formalised reporting for the Board could happen if required.

Action: Will Gardner

The Board welcomed greater visibility of representation at committee and feedback to HGS Board. The Chair noted this proposal and highlighted that assurance from committees fed into other aspects of the governance process. HGS Board will continue to seek improvements and remain focused on its remit.

2332 The Chair confirmed future meetings planned to discuss the Annual Assurance Statement, access of videos for board training and future development discussions. These were all in hand.

The date of the next meeting was confirmed as 21 May 2026.

Signed: Date:
Chair

Susan Deacon

22 MAY 2026 - 13:25:58 GMT