

# Board Meeting Minutes

Minutes of a meeting held at 3.30pm on **Thursday 26 January 2023** via Microsoft Teams

<b>Present</b>	Gary Devlin (Chair), Adele Erwin, Louise Reid (left meeting at 4:45pm), Julia Fitzpatrick, James Rowney, Rob Rowe, Ashley Campbell (arrived 3.35pm)
<b>In attendance</b>	Angela Currie (Chief Executive), Donna Henderson (Director of Strategic Finance), Chris Milburn (Director of Customer Services), Wendy Russell (Director of Business Support & Transformation) Mohammed Yasser (Digital ICT Consultant) presentation only (5.1)
<b>Apologies</b>	Alan Stewart, Jo Roger, Margaret Whoriskey, Fraser Mitchell, Cathie Wyllie (leave of absence)

<b>1.</b>	<p><b>Introduction &amp; Apologies</b></p> <p>The Chair welcomed Board Members to the meeting. All Members were happy for the meeting to be recorded. Apologies were accepted from Alan Stewart, Jo Roger, Margaret Whoriskey and Fraser Mitchell.</p>
<b>2.</b>	<p><b>Declarations of Interest</b></p> <p>Rob Rowe declared his interest in Agenda point 6.1 Core Financial Assumptions, as he is a tenant and the rent levels were being discussed. The Chair confirmed that he was happy for Rob to remain in the meeting for the discussion.</p>
<b>3.</b>	<p><b>Minutes</b></p>
<b>3.1</b>	<p><b>Board Minutes &amp; Action Plan (BRD12 October 22)</b></p>
<b>Decision</b>	<p>The Minutes were agreed and <b>approved</b> as a correct record and signed by the Chair following the meeting.</p>
<b>3.2</b>	<p><b>Audit, Performance &amp; Risk Committee (AUD9 November 2022)</b></p>
<b>Discussion</b>	<p>The Chair of the APR Committee provided a summary of the matters discussed at the November meeting. Several of the items discussed also appeared on the Board's Agenda. The Chair of the APR Committee noted an overview of the main items:</p> <ul style="list-style-type: none"> <li>• Management Accounts – discussions regarding the financial impact on Hanover on the cost-of-living crisis on tenants.</li> <li>• Customer Safety Compliance – Timetable for the Fire Safety Risk Assessments fast tracked.</li> <li>• Strategic Risk Register – Mitigation actions work still to be done. Further discussion on the Risk Register took place at the Board Strategy Day, and a revised version would be brought back to APR in February for consideration.</li> </ul> <p>The Chair of the APR Committee noted that there had been a couple discussions regarding the desirability around the addition of an individual with a financial background being co-opted to the Committee. It was</p>

agreed that this would be looked at as part of the next round of Board recruitment.

#### Decision

The Board **noted** the update.

#### 4

### Matters Arising

#### 4.1

### Management Action Table

#### Discussion

Confusion had arisen over two different versions of the Management Action Table being contained within the board pack. WR confirmed that we will ensure going forward there will be only one copy of the table contained. The Board queried how warm spaces (6.1) are implemented. Where there is a communal lounge tenants are being actively encouraged to use the lounge instead of using their own heating in their individual flat; ultimately, they are paying for the heating of their communal area through their rent/service charge. Tenants can be signposted to any Warm Space Scheme in the community and available funding through the Fuel Support Fund.

The Chair noted that two action points in the minutes (Oct 2022) did not appear on the Action Table and would advise the relevant points to WR after the meeting.

It was noted that the organisation supporting tenants (5.4) on the Scatter Flat Disposal Programme should read Tenant Participation Advisory Service (TPAS).

**Post Meeting Note** - The Management Action Table has been updated accordingly.

It was noted that an action for future Board recruitment could be added to include the need for financial skills.

GD

#### 4.1.1

### It's Good to Know...

#### Report Summary

The Board were introduced to a new format which will provide updates on key issues happening in Hanover that are not included in Board papers through the formal Board or Committee meeting cycle.

#### Discussion

The Board discussed the new format and welcomed updates on matters that are not included in Board meetings and are aware that customers comment on the 'Hanover Blether' Facebook page and were reassured that any posted issues were promptly addressed.

#### Decision

The Board **noted** that the updates were informative.

#### 5.

### Strategy Spotlight

#### 5.1

### New Digital Plan 2022-27 & Cyber Security Update

#### Report Summary

This report provided the Board with an overview of the new Digital Plan and provided an update on measures already taken and future planned activities to improve cyber security. Mohammed Yasser presented the New Digital Plan 2022-27 slide deck explaining:

- The creation of the Digital Plan which supports the new Corporate Strategy where there is a desire to move away from the focus on the maintenance of infrastructure and software to an approach that embraces digital transformation.

- The Digital Plan will evolve mirroring our key themes within our Corporate Strategy
- Timeline of the Digital Plan Journey which will have successfully completed most of its objectives for Year 1 including the installation of broadband to all developments and works to mitigate the risks and stabilise our infrastructure.

## Discussion

The Chair noted that the Board keenly welcomed this report and discussed the timeline of when the customer will see this take place. The completion of installation of Wi-Fi by Summer 2023 will benefit connectivity for our customers and once the plan continues its journey the customer will see the creation of a new Tenants Portal, Customer App and electronic signage on developments.

The Board noted that the report lacked numbers and queried Year 1 budget. The IT Budget has historically been healthy and the near £1million budget will cover what is planned for next year.

The Board queried if there was capacity and skills to be able to deliver the plan and noted the use of staff out with Hanover needed to get to the current stage of the plan. Recruitment is planned with a new Head of Service post which Adele Erwin had previously agreed to support with recruitment and 2 key position posts that will be filled within next 3-4 weeks.

The Board noted as the plan will develop and a creation of more automated services then presumably the workforce model would have to change.

The Chair highlighted that customers should be at the heart of any digital strategy. Happy Customer Strategy is twin tracked with our Corporate Strategy. Customers thoughts were collated in a survey and results noted that tenants did not prioritise digital, but our future customers will expect it. A great deal of work has been done within our Customer Happy Strategy which has a Digital Plan customer group within. Segmentation of our customers is very important. We have our tenants, but we also have Factoring and Telecare who will have different digital priorities.

The Board concluded that the New Digital Plan 2022-27 was very good, and they were looking forward to seeing the next steps. The Board noted the need to include customer focus and numbers within the Strategy.

## Decision

The Board:

- **Commented on and discussed** the current position in our digital journey and existing challenges and risks.
- **Considered and approved** the Digital Plan including implementation of project and activities planned for the next 4-5 years. Subject to additions of customer focus and numbers.
- **Reviewed and discussed** the cyber security plans for the next year.

6.

**Happy Customer**

6.1

**Core Financial Assumptions & Rent Increase Proposal 2023-24**

<b>Report Summary</b>	This report provided an update on the assumptions agreed at the Board Meeting in October 22, to be applied to the budget for 2023/24 and Business Plan and provided an update on the outcome of the rent consultation process and ask the Board to approve the 2023-23 Rent Increase.
<b>Discussion</b>	<p>The Board will have to consider write offs at year end, not only for void moratoriums but within service charges due to huge increases in fuel costs. The Chair queried the anticipated write off amount. The estimation of £100-200k does not consider any service charge arrears due to fuel increases as the new electricity contract has just recently commenced so will have to wait a few months to determine.</p> <p>The Chair queried the figure of the non-consolidated pay award. The amount of £260k was an estimation of £400 per head but we will have to work out if we go with either a scaled approach or flat rate for everyone. Several organisations in the sector are doing this. The Board noted that they would be supportive of that approach.</p> <p>The Chair queried the Pay award of 5%. DH confirmed we have already had a tentative discussion with our union, and they did not raise any objections of the 5% as we were talking about the non-consolidated pay award too. The only preference they raised was to award the non-consolidated pay award in a graduated approach instead of the flat rate one, ensuring those at the lower end of the pay scale received a higher award.</p> <p>The Board queried how the reduction in Service Charges and the increase of rent works. It was noted that a training session or a briefing paper would be beneficial to Board members. This will be added to the Board Learning &amp; Development Programme.</p> <p>The Chair recommended that it would be beneficial to set a timescale to start using 3-year budgets, committing to 24/25 budget. DH noted that it would be better to start initially with a 2-year budget period. We agreed to implement two-year budgeting from 24/25.</p>
<b>Decision</b>	<p>The Board:</p> <ul style="list-style-type: none"> <li>• <b>Considered</b> and <b>discussed</b> the outcome of the recent Rent Consultation</li> <li>• <b>Approved</b> the updated assumptions which will be used in the preparation of the annual budget for 2023/24 and for the Business Plan</li> <li>• <b>Approved</b> the recommended rent increase for 2023/24</li> </ul>
7.	<b>Desirable Homes</b>
7.1	<b>Customer Safety Compliance</b>
<b>Report Summary</b>	<p>This report provided an update to Board on work to improve our compliance with customer safety requirements and assurance status.</p> <p>This report provided an update to Board on work to investigate and resolve damp and mould issues.</p>
<b>Discussion</b>	The Board were presented with an update and were reassured that in each of the Big Six areas (Gas, Electrical, Fire Safety Risk

WR

DH

Assessments, Lifts, Legionella, Asbestos) compliance will have reached 100% by 31 January 2023.

The Board acknowledged the hard work undertaken and extended their gratitude to all employees involved for achieving compliance within a relatively short period of time. CM confirmed that the external organisation supporting us on Customer Safety Compliance had also commented on the thorough process and pace of change achieved.

WR confirmed we will notify SHR as soon as possible after the 31<sup>st</sup> January to start the process towards the updating of our Assurance level and therefore our Engagement Plan.

The Board noted that the process could be shared as a learning piece for others, and we should do that where possible.

The Board discussed the update on work to investigate and resolve damp and mould issues. The Board queried how current figures relating to damp and mould issues were ascertained. The Chair asked that an update on figures relating to damp and mould issues could be taken forward to the next meeting. CM confirmed that KPIs in relation to damp and mould will be built into our Performance Framework for 2023-24.

CM

## Decision

The Board:

- **Considered and Commented** on the content of this report.
- **Agreed**, dependent upon the completion of the work by 31 January 2023 as planned, we can notify SHR that we have reached full compliance with the Regulatory Framework.

## 7.2

### Development & Assets Update

## Report Summary

This report provided the Board with an update on current new build and remodelling activity and identified risk and mitigation. It also provided information on the key work underway within the assets service.

## Discussion

The Chair commented that the Appendix 1 Development Summary details that the Troon development is categorised as Amenity and was unsure how this will transition to our strategic aims and ambitions. AC confirmed there is still the opportunity to change the model of the Troon development and influence what we build there.

The Chair noted the wording in the Regulatory Engagement Plan may cause unnecessary concern to our tenants and noted that this should be corrected, if permitted with the Regulator. WR will speak to them on this – it is the number of properties that needs to be removed as this identifies to some people who these properties belong to.

## Decision

The Board **Reviewed and Commented** on:

- Current development & Remodelling activity, including an update on the claim by Robertsons.
- Position with our Reactive and Landscaping contracts.
- Progress with the Planned Maintenance Programme.
- Progress with recruitment to the Management Team and ask for and ask for a volunteer to join the recruitment panel.
- **Homologated the decision of the Chair** to sell a former scatter flat property at East Kilbride.

<b>8.</b>	<b>Resilient Organisation</b>
<b>8.1</b>	<b>Redundancy Policy</b>
<b>Report Summary</b>	The report provided the Board with a revised Redundancy Policy, highlighting the main changes following a significant review, ELT scrutiny and the feedback from the employee teams following consultation.
<b>Discussion</b>	The Board asked under which circumstances the Enhanced Redundancy payments could be used. WR confirmed that each situation was likely to be different, but a supporting procedure for this, which is already under development will set out the process.
<b>Decision</b>	The Board <b>approved</b> the Redundancy Policy
<b>8.2</b>	<b>Governance Matters</b>
<b>Report Summary</b>	This report provided updates and decisions required on various governance topics currently and the year ahead.
<b>Discussion</b>	The Board: <b>Considered and Commented on:</b> <ul style="list-style-type: none"><li>• Notifiable Events update</li><li>• Notes of the Board Strategy Day 24th November 2022</li><li>• Plans for Board Recruitment</li><li>• Duty of Candour Report for 2022</li><li>• Gas &amp; Electricity Contracts Outcome</li></ul>
<b>Decision</b>	The Board: <b>Approved the:</b> <ul style="list-style-type: none"><li>• Applications for Membership Mr Peter Smyth, Mrs Sylvia Trotter and Mrs Helen Scott.</li><li>• New date for the AGM for 2023</li><li>• New Assurance Status for SHR to be “compliant” and for a notifiable event to be submitted – already covered under the customer compliance report.</li></ul>
<b>9.0</b>	<b>AOCB</b>
<b>Discussion</b>	The Board noted that Jo Roger can no longer commit to attending Board Meetings but will still be able to chair the People Committee. The Chair noted that other members of People Committee would be able to update Board meetings in her absence.
<b>Decision</b>	The Board: <b>Approved that Jo Roger</b> would not attend Board meetings but would Chair the People Committee.
	<b>Chairperson:</b> Gary Devlin <b>Date:</b> 23.03.2023

