

Board Meeting Minutes

Minutes of a meeting held at 3.30pm on **Thursday 23 May 2024** at our Head Office in Edinburgh and via Microsoft Teams.

Present (Edinburgh) Gary Devlin (Chair), Ashley Campbell, Adele Erwin, Kathleen McAdams, Christa Reekie, James Rowney, Alan Stewart, Margaret Whoriskey (left 17:15)

Angela Currie (Chief Executive), Chris Milburn (Director of Customer Services), Wendy Russell (Director of Business Support & Transformation)

Present (MS Teams) Rob Rowe (left 15:55), Bryony Willett
Donna Henderson (Director of Strategic Finance), Maurissa Fergusson (Director of Asset Management)

Apologies Fraser Mitchell

1. Introduction & Apologies

The Chair welcomed Board Members to the meeting. All Members were happy for the meeting to be recorded. Apologies were accepted from Fraser Mitchell. Rob Rowe, who attended on MS Teams had to leave the meeting early because of a poor connection with Teams.

2. Declarations of Interest

MW noted that she has previously declared interest as she has responsibility for the national Telecare policy and programme including responsibility for commissioning the national ARC as part of her employment so for completeness noted interest on item 5.1 Analogue to Digital Project. The Chair noted this and confirmed that MW's contribution would be welcomed to the discussion.

3. Minutes

3.1 Board Minutes (BRD20 Mar 24)

Decision The Minutes were agreed and **approved** as a correct record and signed by the Chair following the meeting.

3.2 Audit, Performance & Risk Committee (AUD15 May 24)

Discussion The Chair of the APR Committee provided a summary of the matters discussed at the meeting (14th May 2024), noting:

Q4 Performance 2023-24

- While the time to complete emergency repairs is within target, performance has declined in non-emergency repairs. The Asset Management team is addressing this issue.
- Rent arrears have also increased, partly as a result of the significant increase in service charges.
- There is a noticeable increase in short-term absences in Q4, but this is being closely watched.

Complaints

- Complaints continue to primarily come from Telecare and Asset Management. A detailed analysis is being conducted to understand and improve the handling of these complaints. Customer Service

training is being implemented as part of the Happy Customer Strategy, and the APR Committee continue to monitor satisfaction.

Annual Return of the Charter

- The Committee discussed the decline in customer satisfaction indicators as per the discussion at Board in March. Committee acknowledged the work done and recommended the charter for Chair approval, which was subsequently approved after the meeting.

Internal Audit Report

- The Internal Audit Annual Report highlighted a very positive rating for the fraud prevention and response audit. This is the highest rating achievable, and the Committee was pleased with the overall audit data. Our auditors (Henderson Loggie) complimented us on our performance throughout the year, and an excerpt from the report is included in the APR annual report to Board which is on the agenda for approval today (item 8.5).

Decision The Board **noted** the update.

4 Matters Arising

4.1 It's Good to Know

Report Summary This provided Board with an update 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 recent visits to Barrland Court, Giffnock and St Mary's Garden, Barrhead and noted that it was good to see the wide spectrum of our work.

The Board discussed the Customer Engagement updates and queried if there were any key themes from the spring events with tenants. CM advised that there are still concerns around repairs and planned maintenance. However, overall, the feedback has been very positive, and customers have really welcomed the Happy Customer initiatives and our plans for the future. It has also helped to see a reduction in service charges from last year.

AC advised that Janice McDonald (Head of Housing) provides a summary report from the events and highlighted the significant shift in customer mindset over the past year. The change is attributed to open and honest communication about the challenges faced and decisions made internally.

Post Meeting Note:

A copy of the Spring Focus Group Update was emailed to Board members.

The Board noted that this was a good read and was encouraging to see the progress that we are making.

Decision The Board acknowledged the update.

4.2 Board Actions

Report Summary This provided Board with an update on outstanding Board Actions.

Discussion WR explained that all actions have either been completed or have been captured for future Board Meetings.

Decision The Board noted the update.

5. Strategy Spotlight

5.1	Analogue to Digital Project	
Report Summary	<i>Confidential</i>	
Discussion	<i>Confidential</i>	
Decision	<i>Confidential</i>	
5.2	Communications Plan Update	
Report Summary	This presentation provided the Board with an update on the Communications Plan.	
Discussion	<p>WR provided a brief update on the Communications Plan.</p> <p>The Board queried how we deal with reactive communications. WR explained that in the last couple of months we have engaged the services of an external PR company who have been particularly supportive in the realm of Factoring, which was a big risk to us as we demobilise the service. We have been exploring how to incorporate PR going forward, with their help in developing messages and providing ongoing support in case of emergencies like floods and fires. Our Communication Manager has significant experience in handling reactive PR too. WR noted that we have a plan in place to cover all bases in our Business Continuity Plan, as we finalise the documents, we will ensure that there is a clear link to this plan as it is an integral part of our overall strategy.</p> <p>Discussions regarding the Target Audience Personas took place and WR advised that these are designed to assist in tailoring messages for different stakeholders, ensuring that we are addressing their specific needs and concerns. WR advised that she will be happy to provide further clarification and share the Communication Plan when it is ready.</p> <p>KM noted that she would be happy to volunteer to go over the draft plan in June.</p>	WR
Decision	The Board: <ul style="list-style-type: none">• Considered and commented on the update.	WR/KM
6.	Happy Customers	
6.1	Customer Services Update	
Report Summary	This report provided the Board an update on key areas of work being undertaken by the Customer Services Team.	
Discussion	CM provided a brief update. The Board discussed the Care & Telecare Service Review and queried if there would be a new additional post to allow the integration of the services together. CM advised that we plan to convert the existing Head of Care into a combined role – this would be at no additional cost to the existing structure.	
Decision	The Board: <ul style="list-style-type: none">• Noted and commented upon the contents of this report	
6.2	Telecare Improvement Plan	
Report Summary	The presentation provided an update on Telecare Performance.	
Discussion	CM provided an update on Telecare performance noting that we undertook an audit in March and received the Audit Report in April identifying three improvement notices, work has been underway, and he was delighted to share that he received news today that Hanover Telecare has regained TEC Quality accreditation.	

The Board expressed their appreciation for the update and extended their gratitude to the entire Telecare team for their efforts.

Discussions regarding the next audit which is due to take place in November took place and the Board noted that it would be beneficial to provide feedback to the TEC Quality auditor for continuous improvement for their process.

WR reminded the Board that the Telecare Key Performance Indicators (KPIs) are part of the standard performance framework so will continue to be reported to the Audit Performance & Risk Committee.

Decision The Board **acknowledged** the update

7. Desirable Homes

7.1 Factoring Demobilisation Plan Update

Report Summary This report provided Board with an update on the progress of the Factoring Demobilisation. The report also requests approval to dispose of the common areas within the Factored Developments that are currently owned by Hanover.

Discussion DH provided a brief update on the Factoring Demobilisation and a brief overview of the proposed disposal of common areas and the arrears position.

The Board discussed common areas and DH explained that Bield retained responsibility for the common areas when they ceased factoring. We have taken initial legal advice from TC Young and are receiving feedback from some factors, who are now facing significant challenges in getting work done because of that decision – hence the proposal for Hanover to gift the common areas to the existing factored owners.

The Board discussed the write offs and DH acknowledged that there may be write offs if we are unable to recover all of the arrears.

Decision The Board **considered** and **commented** on the:

- Factoring Demobilisation Progress.
- The arrears and the plans for recovery.

The Board **approved** the transfer of ownership of the common areas currently owned by Hanover.

8 Resilient Organisation

8.1 5 Year Financial Plan & Loan Portfolio Return for SHR

Report Summary Hanover is required to provide annual financial returns to the Scottish Housing Regulator (SHR). The financial information in this report helps to demonstrate Hanover’s financial viability and provides the Board and SHR with assurance that tenants’ and others’ interests are protected. This paper included the Loan Portfolio Return (LPR) and the Five-Year Financial Projections (FYFP)

Discussion DH noted that the LPR and FYFP (appendices a & 2) were emailed separately to the Board at the beginning of the week.

Decision The Board:

- **Reviewed and approved** the content of the LPR for 2023/24, due for submission to the SHR by the end of June and the FYFP, due by the end of May.
- **Authorised** the submission for the portal and **delegated** authority to the Head of Finance/Director of Strategic Finance to approve the submission.

8.2 Q4 Performance Report 2023-24 2023 - Management Accounts

Report Summary This report presents our performance and finance update to the Board for Quarter 4 in 2023-24.

Discussion DH gave a brief overview and extended her gratitude to MF and her team for the outstanding work on the capital programme which has been the closest to budget since DH came into post.

The Board queried the progress of year end and audit. DH confirmed that we are on track for our audit which is a couple of weeks away.

Decision The Board **considered** and **discussed** each of the appendices.

- **Appendix 1** provides Management Accounts to 31 March 2024.
- **Appendix 2** provides the Treasury Report to 31 March 2024.

8.3 ESG Report 2024 & Business Plan 2024/25 Update

Report Summary This report provided Board with Hanover's first Environmental, Social and Governance (ESG) report for 2024/25 for approval. An update on the changes made to the Business Plan was also provided.

Discussion DH noted that the Business Plan was issued separately via email, earlier in the week. DH gave a brief overview of our first ESG Report.

The Board discussed the net zero target (2040) and AC explained that this plan was drafted 18 months ago and so much has changed in that period, including a different approach by the government in terms of their targets. The target will be looked at when our Sustainability Plan is reviewed.

The Board discussed the properties that fell below level D in the EPC rating and emphasised the importance of minimising disruptions to tenants during property upgrades.

The Board also discussed the importance of ensuring the ESG report meets the expectations of potential lenders. DH noted that while the report has not yet been reviewed by our Treasury advisors AFTS, we have benchmarked it against other sector reports. It is critical for securing loan finance, as some lenders now require ESG reports. The Board acknowledged that the ESG report, generated using the industry recognised Social Housing Reporting Standard, is a vital document for future engagements with Treasury advisors.

MF highlighted the ongoing efforts to engage tenants in sustainability initiatives, noting that Zoe Lindsay our Sustainability Co-Ordinator has been actively involving tenants and seeking input on community benefits.

The Board noted that they were pleased to see this report.

The Board discussed the Business Plan 2024-25 and queried the benchmarking request regarding surpluses and how it might influence future strategies. DH explained that although our percentage surplus is below average, our strategy has been to maximise investment. This approach involves operating close to our covenant limits to fund essential catch-up investments. A covenant carve- out request is currently in progress, as approved by the Board in March 2024.

The Board discussed budget setting targets and DH confirmed that going forward this can be incorporated when setting the budget.

DH

Decision The Board:

- **Commented and noted** on the amendments made to the Business Plan that was approved subject to some minor amendments at the Board meeting in March 2024.

	<ul style="list-style-type: none"> • Discussed and approved the ESG Report for 2024/25. 	
8.4	Annual Health Safety & Wellbeing Report 23-24, including HSWB Plan 24-27	
Report Summary	This report provided the Board with an overview of Health, Safety and Wellbeing (HSWB) performance during 2023/24 and the HSWB Plan 24-27	
Discussion	<p>WR provided a brief overview of both the Annual Health Safety & Wellbeing report 23-24 and HSWB Plan 24-27.</p> <p>The Board discussed slips, trips & falls and WR advised that we conduct monthly analysis of data by development. This analysis is reviewed by both senior management team and operational management team to identify trends and address any specific issues that may arise. WR noted that we are exploring various initiatives to promote awareness in this area.</p> <p>WR confirmed that they were compliant with the specialised fire safety guidance and noted that they conduct both person centred risk assessments and building risk assessments noting all necessary documentation is in place. WR agreed to include confirmation of compliance in the report for clarity and completeness.</p> <p>Post Meeting Note: The Annual Health Safety & Wellbeing Report has been updated accordingly. The Board suggested that the use of graphs could also be used for the other safety related topics. WR noted this request.</p>	WR
Decision	<p>The Board:</p> <ul style="list-style-type: none"> • Considered and commented on the information provided and the actions required going forward. 	WR
8.5	Governance Matters	
Report Summary	The Governance Matters paper sets out updates and decisions required on various governance topics now and for the year ahead.	
Discussion	<i>Confidential</i>	
Decision	<i>Confidential</i>	
9.	AOCB	
Discussion	<p>The Chair noted, on behalf of the Board, to thank CM for his support and contribution to Hanover over the years, expressing sincere gratitude for his dedication and service.</p> <p>Chairperson: Gary Devlin Date: 23/08/2024</p>	