

Board Meeting Minutes

Minutes of a meeting held at 3.30pm on **Thursday 21 August 2025** via Microsoft Teams.

Present	Robin Blacklock, Ashley Campbell, Nicola Cooper, Gary Devlin (Chair), Chris Elliott, Adele Erwin, Kathleen McAdams, Christa Reekie, Rob Rowe, James Rowney, Andrew Watson (joined meeting at 4.25pm) Margaret Whoriskey, Bryony Willett
In attendance	Angela Currie (Chief Executive), Elaine McCaffery (Head of Governance & Transformation), Esther Wilson (Director of Customer Services) (joined meeting at 4.15pm), Mark Scott (Head of Finance), Steven Good (Director of Asset Management).
Apologies	Fraser Mitchell, Alan Stewart, Wendy Russell (Director of Business Support & Transformation) & Donna Henderson (Director of Strategic Finance)

1.	Introduction & Apologies <p>The Chair welcomed Board Members to the meeting, especially to new Board members Robin Blacklock, Nicola Cooper and Chris Elliott. All Members were happy for the meeting to be recorded.</p> <p>EM noted that the Board were asked to approve the co-option of new Board member Andrew Watson prior to him joining the meeting (<i>8.2 Governance Matters – item 7.1 Co-option of New Board Member</i>)</p>	
Decision	<p>The Board approved the:</p> <ul style="list-style-type: none"> The co-option of New Board Member Andrew Watson 	
2.	Declarations of Interest <p>Bryony Willett declared an interest on paper <i>8.2 Governance Matters item 12 – Approval of New Director for Arklet Homes Ltd (Dormant Subsidiary)</i></p> <p>Robin Blacklock, Nicola Cooper and Chris Elliott - EM on behalf of Andrew Watson declared an interest on paper 8.2 Governance Matters item 13 – Approval of Membership.</p>	
3.	Minutes	
3.1	Board Minutes (BRD27 May 25)	
Discussion	<p>The Board Minutes (BRD27 May25) were discussed, and the Board had noted a few typing errors and that the wording <i>reduce</i> at item 3.2 should be replaced with <i>harmonise</i>. The Board agreed that they approved the minutes subject to the noted amendments and signed by the Chair following the meeting.</p>	SO
Decision	<p>The Minutes were updated accordingly and were agreed and approved as a correct record and signed by the Chair.</p>	
3.2	People Committee (PPL11 June 25)	
Discussion	<p>Kathleen McAdams – the Vice Chair of the People Committee provided an update, noting that the Gender Pay Gap Report 2025, confirmed that there is no gender pay gap issue. The Committee also discussed KPIs, particularly staff turnover, and highlighted that while overall turnover appeared high, this was largely the result of restructure within Asset Management and the withdrawal of factoring. Care turnover was 17%, which is half the national average. Absence</p>	

was also discussed in detail, with anxiety, stress and depression reported as leading causes; however, the Committee was reassured by the comprehensive measures in place to support employees and noted that these causes are consistent across most organisations and not unique to Hanover.

On the People & Engagement Strategy, 70% of projects were confirmed as complete overall, placing the organisation in a strong position at year end. The Committee welcomed the focus on succession planning, with the Chief Executive and Head of HR & OD currently developing a model for the Executive Team, to be extended in due course. Finally, the Committee welcomed the structured, employee led approach to the Employee Engagement Survey Action Plan, which incorporates employee views through team-level actions and the Our Voice Forum, in contrast to more top-down models used elsewhere.

The Board discussed people-related risks, with reference to high turnover and sickness absence in some service areas such as Telecare. The Board noted this continues to be a challenge, and it was suggested that the People Committee might take a more focused view on higher-risk people areas in future.

WR

The impact of the analogue-to-digital strategy was also raised, recognising that while Telecare call handlers will remain essential, the transition will change working practices, skills requirements and potentially job roles over time. The Board noted that Hanover has experience of managing such transitions, as demonstrated through the restructure of the IT team, and agreed this is an area to keep under review. It was further suggested that learning from other housing associations delivering telecare may provide useful insights. AC confirmed that work is ongoing to support recruitment and retention in Telecare, including use of rota principles to balance business needs and staff wellbeing, and agreed that further discussion on workforce impacts of digital transition should be brought forward as the new systems embed.

Decision

The Board **noted** the update.

3.3

Audit, Performance & Risk Committee (AUD19 May 25)

Discussion

The Audit, Performance & Risk Committee (APR) Chair provided an update from the recent meeting, noting the APR Committee reviewed the draft financial statements for 2024/25 in detail and noted the new reporting format, with queries on terminology confirmed by AAB as standard; members agreed to recommend the statements to the Board for approval and thanked the Finance Team for achieving another clean external audit.

The Q1 Performance Report for 2025/26 was scrutinised, with discussion on the growth in KPIs (with the APR Chair and VC to meet with WR and AC to streamline reporting), strong progress on adaptations, improvements in available homes and complaint handling, telecare response times being under target due to system embedding and PVG delays, and medication errors noted as very low risk with an annual summary to be shared later in the year. The Committee approved proposed write-offs, considered direct award tenders and unbudgeted expenditure, and welcomed the positive Care Inspectorate (CI) report on Care North, recognising improvements while noting one grade to be strengthened and one requirement on customer monies now being addressed. The Chair has requested that the assessment grades (1 – 6) and definitions are included in CI reports.

EW

MS/DH

DH/MS

Thirteen internal audit actions had been completed, leaving nine outstanding, and the audit scopes for 2025/26 were agreed. Members noted the end of the AAB contract and the ongoing external audit procurement, with an update to be provided to the Board, and confirmed that no substantive changes had been made to the Strategic Risk Register.

The Board discussed the external audit procurement and MS noted that the procurement exercise is currently mid-way through the scoring process. Once completed, a recommendation will be brought forward, likely out with the normal Board meeting cycle.

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 noted the wide range of positive initiatives underway across the organisation.

Decision

The Board acknowledged the update.

4.2**Board Actions****Report Summary**

This provided Board with an update on outstanding Board Actions.

Discussion

EM provided an update on the outstanding Board Actions.

Decision

The Board acknowledged the update.

5.**Strategy Spotlight****5.1****Financial Statements 2024-25 & Associated Matters****Report Summary**

This report provided members an opportunity to review the audited financial statements for the year ended 31 March 2025 and to consider the contents of the auditor's Final Audit Findings Report.

Discussion

MS referred to the APR meeting update noting that Financial Statements 2024-25 and associated papers had been covered at the recent APR meeting and now sought approval ahead of account signing and presentation at the AGM.

The Board welcomed the clean external audit report and expressed appreciation to the Finance Team for their work. Some minor comments, such as typos and accessibility issues, were raised, suggesting the accounts could be presented in a slightly clearer, more reader-friendly way to better highlight key messages about financial performance and overall progress. MS agreed to look over and update any typing errors.

EW joined the meeting at 4.15pm

AC noted that the APR committee had raised similar points and outlined plans to improve reporting by using more visual presentations, like slides and images, to help convey the financial and performance story more clearly. Additionally, training will be provided for new board members on housing association finances, rent, and service charges, with refresher sessions available for existing members, ensuring everyone stays up to date on the financial brief.

The Board noted that care services ran a £133,000 deficit last year and that funding pressures from local authorities and lost telecare contracts. AC explained that the deficit is due to the unpredictable nature of care services, such as daily changes in demand and reliance on agency staff. Growth is possible but only with the right systems and skills in place.

AC also highlighted that housing support services are losing funding, but some tenants are willing to pay for valued services themselves. The Board should manage this risk carefully and revisit it regularly.

The Chair suggested looking at the direct care support from different funding streams (housing support, telecare and care support) to enable a more strategic overview of pressures such as funding.

The Board queried how Hanover's results compared to the budget and to other housing associations. MS explained that the final audited accounts don't directly show budget comparisons, but the management accounts do. The Board suggested including a note in the covering paper for context.

The Board also wanted to see how Hanover's profitability and return on investment percentages compare with peers, noting that benchmarking would help understand performance relative to other housing associations. MS confirmed they can explore this by using existing data or reviewing other organisations' accounts to benchmark key metrics.

DH/MS

The Board asked if pensions risks are on the risk register. MS confirmed that they are.

AC added that after the upcoming triannual valuation of the pension scheme, Hanover may need to reintroduce past service deficit payments next year. AC noted that more details will be provided once the formal figures are available.

DH/MS

Decision

The Board:

- **Approved** the financial statements subject to any necessary updates being made following a detailed review.
- **Recommended** the financial statements are presented before the members at the Annual General Meeting on the 25 September 2025.
- **Considered** and **discussed** the content of the auditor Anderson, Anderson and Brown's (AAB) Final Audit Findings Report.
- **Approved** the letters of representation

5.2

Management Account Q1 2025/26

Report Summary

This report presented our finance update to the Board for Quarter 1 in 2025-26.

Appendix 1 provides Management Accounts to 30 June 2025.

Appendix 2 provides the Treasury Report to 30 June 2025

Discussion

MS provided a brief overview and drew attention to a minor transposition in the summary table at point 2.1, where budget and variance figures for the overall surplus were reversed. MS noted that the overall surplus was £857,000, which is £650,000 better than

budget at this early stage of the year, recognising that variances are expected in quarter one.

MS explained that the favourable variance is largely attributable to asset spend, reflecting strong collaboration between the Finance and Assets teams to implement improved controls and monitoring processes. This focus ties into the broader action plan and builds on lessons learned from last year’s budget outturn.

The Board discussed the status of adaptations, noting a potential concern given the backlog accumulated in the previous year. SG confirmed that all outstanding adaptations carried forward had been issued, and that there is no current backlog; the apparent variance is simply a timing issue in quarter one.

SG noted that ongoing monitoring of new referrals is key to meeting the budget, with approximately three new referrals per week being received, which is on track. The Board queried whether any self-funded adaptations from 2024/25 had been retrospectively claimed, and it was confirmed that no retrospective claims were made, but the grant received for adaptations had been sufficient to cover costs. It was agreed that any further detailed discussion on this matter could be taken offline, with updates to be provided to the Board via the Assets Report.

The Board considered and discussed each of the appendices.

Happy Customer

Care & Support Matters

Confidential

Desirable Homes

Leancoil New Build Progress

This report provided an update on the Leancoil New Build Development project status.

SG provided an update on the ongoing development project, first discussed in 2021, with progress details outlined in the paper. SG highlighted that the project has been delayed due to the complex arrangements required for site assembly and the involvement of multiple partners. While the approach is unique and innovative, it has extended the timeline, with completion now anticipated around 2029. Despite the extended timeframe, the project has been a positive experience for the Association, with partners and local authorities showing strong interest in the model developed by Hanover.

The Board raised concerns about the long timeline, uncertainties, and potential risks, including site location, transport links, and whether the project is in Hanover’s best interests. SG noted that the upcoming gateway and framework paper (7.2) will address these concerns and formalise the process.

The Board asked about the amount of time, energy, and resources currently being devoted to the project while awaiting actions from other parties. SG explained that significant work has been invested over an extended period, with peaks and troughs in activity. He noted there is regular contact with the local authority, but at present, the project is not creating major operational issues for Hanover.

The Board discussed the contract and AC advised that if the transfer proceeds, land will be sold to Robertson’s, from whom Hanover would

Decision

6.

6.1

Discussion

7

7.1

Report Summary

Discussion

acquire it for development. A pre-construction agreement allows limited early work, while major development is paused to manage financial risk. The project presents a unique opportunity to integrate digital innovation and community services, but risks remain due to the complexity and dependence on external parties.

The Board noted the importance of maintaining a vision for innovation, including key worker housing, while recognising factors outside Hanover's control. AC explained the current site layout and plans, including repurposing the former nurses' accommodation for future key worker housing, noting funding is not yet secured for this phase.

AC highlighted the potential benefits, including a community health and well-being hub, next-generation housing incorporating digital innovation, and the opportunity to demonstrate a model for older people's housing. She acknowledged the risks, including reliance on the community asset transfer and the need to monitor progress closely. AC confirmed that if delays continue, management will revisit the project with the Board to decide whether to step away.

The Board agreed to continue receiving updates at future meetings and suggested a site visit once the community asset transfer progresses, allowing members to see the project firsthand.

Decision

The Board **considered** and **commented** on the report.

7.2

New Build & Remodelling Framework

Report Summary

This report provided information on our New Build & Remodelling Framework. This approach will ensure that we have robust and comprehensive management of our major new build or remodelling projects. This first version is designed to give Board an overview of the work and an opportunity to provide input to the development.

Discussion

The Board queried whether the development process could be streamlined, suggesting the use of frameworks to reduce workload in more straightforward cases. SG explained that while most projects, such as Leancoil, would likely require the full framework, the process is intended as a comprehensive but flexible "catch-all" document. It begins with a gateway stage to determine the project's direction (e.g., development or remodelling) and only progresses into full framework monitoring if appropriate. SG emphasised that not all framework elements would apply in every case and that the model should be applied pragmatically.

The Board noted the need for the model to reflect current delivery methods, such as design-and-build or land-led deals, which transfer more risk to contractors and developers, rather than traditional in-house construction. AC confirmed that a policy document will be brought back to the Board to clarify principles, noting that Hanover would not resource full in-house development but instead use design-and-build and external expertise.

SG

The discussion also acknowledged upcoming Scottish Government changes to the Housing for Varying Needs design framework, which Hanover will need to incorporate into its design guide.

Decision

The Board **considered** and **commented** on the design of the New Build & Remodelling Framework and the Gateway Decision Making Flowchart.

8.1

Digital ARC & Hanover Connect

Discussion

Confidential

8.2

Governance Matters

Discussion *Confidential*

8.3 **Health Safety & Wellbeing Q1 – 2025-26**

Discussion *Confidential*

9. **AOCB**

Discussion Angela Currie, noted that the meeting also marked Gary Devlin's final Board meetings, with his formal departure taking place at the upcoming AGM. On behalf of the Executive Leadership Team and the Board, AC expressed sincere thanks to Gary for his longstanding service and leadership over many years, including his contributions as Chair, Committee Chair, and Board Member. She highlighted the deep gratitude felt for the commitment and expertise he has given to the organisation.

Angela also noted Fraser Mitchells departure from the Board, and while he was not present at the meeting, his contribution was warmly acknowledged.

In response, Gary Devlin thanked Angela and colleagues for their kind words, reflecting on the privilege it has been to serve Hanover. He paid tribute to the strength of the senior team and the Board, noting his affection for the organisation and confidence that it will continue to achieve even greater success. Gary concluded by saying it had been a real privilege to work with Hanover and that he looked forward to following its progress in the future.

Vice Chairperson: Ashley Campbell

Date: 27/11/25