

**Group Board Meeting: In-Depth Summary**

**Date:** 26 January 3:00pm

**Location:** Number Five Board Room / MS Teams

**Chair:** Alexis Cleveland

Context	Agenda Item
<p><i>Chair's welcome</i></p>	<p><b>Welcome &amp; Opening Remarks</b></p> <p>The minutes of the Board strategy and Group Board meeting held in December 2025 were approved.</p>
<p><i>H&amp;S verbal update to Board.</i></p> <p><i>Provides assurance around sound H&amp;S practices and performance</i></p>	<p><b>Health &amp; Safety</b></p> <ul style="list-style-type: none"> <li>• The Board discussed the value of comparing Karbon's accident rates and training hours with sector standards and expressed interest in obtaining benchmarking data.</li> <li>• It was noted that the Health &amp; Safety team undertakes both planned and unannounced inspections on contractor and development sites to provide assurance.</li> <li>• The Board explored whether hazards are recorded separately rather than within near-miss data, to strengthen accident prevention.</li> </ul>
<p><i>Quarterly CEO update on what is happening across the housing sector, anything impacting our operating environment, Government policy changes and across Group that Board need to be sighted on</i></p>	<p><b>Chief Executive's Strategic Update</b></p> <ul style="list-style-type: none"> <li>• Ongoing uncertainty due to the Government delaying the rent convergence decision.</li> <li>• Possible impact of a new homelessness duty on allocations, with potential for higher-need applicants.</li> <li>• Expansion of mental health services reflects existing support work and does not introduce new safeguarding risks, though workload will increase.</li> <li>• New Supported Housing Regulatory Oversight Act will require local authority strategic plans and future licensing for providers.</li> </ul>
<p><i>Performance Reporting</i></p>	<p><b>Performance Reporting</b></p> <ul style="list-style-type: none"> <li>• Sector-wide customer satisfaction is declining, but improving repairs performance and customer service skills is expected to help rebuild confidence.</li> <li>• Modelling of future emergency repair requirements was considered; more detailed modelling will be brought back to the Board.</li> <li>• Recent improvements have depended on overtime and subcontractors, which is not sustainable; long-term progress requires stable processes, sufficient resourcing, and preparation for legislation that may enforce a two-tier repairs model.</li> <li>• Rising demand from new hazards and higher vulnerability classifications indicated a need for further strategic planning.</li> </ul>
<p><i>Reporting relates to providing detail of progress made against our Stronger Foundations strategy.</i></p>	<p><b>Stronger Foundations Update</b></p> <p>A report was presented providing an update of progress at the end of quarter two (Q2, July-September 2025) against the 2025-28 Stronger Foundations Plan.</p>
<p><i>Management Accounts &amp; Financial Compliance</i></p>	<p><b>Management Accounts &amp; Financial Compliance</b></p> <p><b>Financial Reporting</b></p> <ul style="list-style-type: none"> <li>• Financial position has shown modest improvement in several areas.</li> <li>• Subsidiaries performed better financially.</li> <li>• Karbon Land Ventures' forecast declined because of delayed development phases, though this mainly affected internal trading rather than external performance.</li> </ul>

	<ul style="list-style-type: none"> <li>All entities stayed within financial golden rules, and investors reacted positively at the annual update, viewing Karbon as financially strong compared with peers.</li> </ul>
<i>Governance &amp; Risk</i>	<ul style="list-style-type: none"> <li>Board noted the regulator’s expanded evidence requirements, driven by a new regulatory team seeking more detail on timescales and outcomes.</li> <li>Repairs performance expected to approach 80% for non-emergency repairs by year end, representing significant improvement.</li> <li>Customer Committee confirmed it will continue providing oversight for the Board.</li> <li>Board approved remuneration levels for board and committee members, following scrutiny and recommendations by GRNPC</li> </ul>
<i>Policies</i>	The Group Board Approved the Rent Policy 2026/27
<i>Customer Voice</i>	<p><b>Annual Report of BCT Committee to the Group Board</b></p> <ul style="list-style-type: none"> <li>Tenants generally reported improved feelings of safety, although occasional issues still occurred.</li> <li>Most serious incidents reported publicly had taken place on the edges of Byker, not within the estate.</li> <li>Karbon worked effectively with partners to disrupt problematic behaviour, including relocating individuals causing issues.</li> <li>Strong collaboration continued between Karbon, the Police, and the Council, supported by CCTV investment and targeted joint operations.</li> <li>Overall, the community recognised and appreciated the improvements being made.</li> <li>On the Byker Promise, tenants remained supportive and still wished to see its delivery despite delays.</li> <li>Delays were largely understood, linked to legislative requirements and priority compliance work (e.g., Byker Wall, communal heating system).</li> <li>Some residents felt environmental improvements had been delayed in favour of work perceived as less urgent.</li> <li>Despite this, tenants valued Karbon’s continued commitment to fulfilling the Promise over time.</li> </ul>
<i>Board and Committee minutes from our subsidiaries are included in the papers to Group Board so members have visibility of the discussions taking place across the Group.</i>	<p><b>Committee &amp; Subsidiary Updates</b></p> <ul style="list-style-type: none"> <li>Cyber resilience was a major focus, with deep-dive reviews and follow-up work after the Arctic Wolf exercise.</li> <li>The Living Will was highlighted as a clear and valuable tool for understanding organisational risks.</li> <li>Ongoing progress was noted on Graphite Living registration.</li> <li>Subsidiaries reported no significant issues, and transitions into the Karbon Group are progressing.</li> </ul>
	<b>Next Meeting-Monday 16 February</b> (Business Planning & Stress Testing)