



Agenda Item No B47.18/19
Board Minutes

Board Meeting – Tuesday 17 July 2018 at 1730 at Nexus House, Newport

Present:

Members:

Nicola Somerville	Chair
Chris England	Chair of Audit & Risk Committee
Janice Morgan	Vice Chair of Remuneration Committee
Alex Stephenson	
Kevin Ward	
Cathy Bryant	
Helen Taylor	

In Attendance:

Rob Lynbeck	Executive Director of Operations (EDofOps)
Tim Jackson	Executive Director of Finance & Resources (EDofF&R)
Stephanie Bradley	Head of Finance and Procurement (HdofF&P)
Rachel George	Head of Development & Regeneration (HdofD&R)
Chris John	Business Improvement & Performance Manager (BI&PM)
Sharon Morden	Business Transformation Manager (BTM)
Joanna Fairley	Governance & Compliance Manager (GM&C)
Gill Sherman	Senior Governance Officer (Minute Clerk)

Observers:

Ian Hibble	Welsh Government Regulation Manager (WG(RM))
Guy Stenson	Board member nominee
Paul Marshall	Board member nominee
Christian Cadwallader	Board member nominee
Jonathan Conway	Community Relationship Manager (CRM)

Board Academy:

Neil Upham	Board academy
John Hill	Board academy

AGENDA ITEM**ACTION****1. Welcome to Board Members and Observers**

- 1.1 The board chair opened the meeting at 17:32 and welcomed board academy members, Ian Hibble, Welsh Government (WG) Regulation Manager and the three board member nominees.

2. B23.18/19 – Apologies for absence

- 2.1 Apologies were received and noted from Jane Mudd, John Harray, Jayne Rose and Ceri Doyle, CEO.

3. B24.18/19 – Declarations of interest

- 3.1 The board noted that Guy Stenson, Paul Marshall and Christian Cadwallader had an interest in B30.18/19 – board member recruitment and would leave the meeting whilst the agenda item was being discussed. The board went on to note that Kevin Ward had an interest in B29.18/19 Chair/CEO overview concerning the gym scheme, and this was not considered to be a disqualifying matter.

4. B25.18/19 – Minutes of the meeting held on 08 May 2018 and the special board meeting held on 26 June 2018

- 4.1 The board approved the minutes of 8 May 2018 meeting as a true copy.
- 4.2 The board approved the minutes of 26 June 2018 special board meeting as a true record.

Resolutions:

1. The board approved and signed the minutes of 8 May 2018 meeting as a true record
2. The board approved and signed the minutes of 26 June 2018 special board meeting as a true record

5. B26.18/19 – Matters arising 08 May 2018

- 5.1 The board noted the two completed and two ongoing matters arising.

Resolution: The board noted the two completed and two ongoing matters arising

6. B27.18/19 – Minutes of Audit & Risk Committee (ARC) dated 26 June 2018 plus top 12 risks

- 6.1 The ARC chair ran through the minutes of 26 June 2018 and the top twelve risks, asking the board to note the minutes and the risks, and that the minutes would not be approved by ARC until its next meeting.
- 6.2 The ARC chair concluded by drawing members' attention to the minutes referring to ARC03.18/19 which was recommended by the ARC for approval at the 26 June 2018 special board meeting.



Resolution: The board noted the minutes of 26 June 2018 Audit and Risk Committee (ARC) and noted the minutes would not be approved by the ARC until its next meeting.

7. B28.18/19 - Governance: Share Membership

- 7.1 The governance & compliance manager (G&CM) asked members to note there had been no share membership applications since the last board and to also note the total share membership numbers. The G&CM went on that following completion of the share membership administration exercise a review of the existing share membership policy would be undertaken.
- 7.2 The G&CM advised members, that in accordance with the share membership policy and best practice, share membership applications received 30 days (30 August 2018) prior to the Annual General Meeting (AGM) would be held over until the next board meeting following the AGM for board approval.
- 7.3 The G&CM concluded, before taking questions, by highlighting the statistics from the share membership administration exercise, phases 1 and 2, and to note that phase 3 and the completed exercise statistics would be reported at the September board.

Resolutions:

1. The board noted there were no share membership applications since the last board.
2. The board noted the statistics from phases 1 and 2 of the share membership administration exercise and that the full report would be presented at the September board.
3. The board noted that no share membership applications would be presented to the board 30 days prior to the AGM.

8. B29.18/19 – Chair & CEO Overview

- 8.1 The chair and executive director of operations (EDofOps) asked members for any questions or points of clarification relating to the chair and CEO overview, none were received.
- 8.2 The chair thanked those members who attended the stress testing workshop on 10 July 2018, and reported that since board papers had been issued the association's lenders had also approved the business plan.

Resolution: The board noted the Chair & CEO overview.

Guy Stenson, Paul Marshall and Christian Cadwallader left the meeting at 17:42 while B30.18/19 – Board recruitment 2018 was discussed.

9. B30.18/19 – Board Recruitment 2018

- 9.1 The G&CM referred members to the report which detailed the context for the 2018 board member recruitment campaign, the schedule of which was brought forward to allow nominees to attend and observe board meetings.
- 9.2 The G&CM continued that 16 candidates applied, which were short listed to six, one short listed applicant was on holiday at the time of interview, and members noted the chair and a selection panel member were meeting with that applicant to explore their interest in the association further.
- 9.3 The G&CM referred members to the selection panel recommendations and requested the board approve the appointment of Guy Stenson, Paul Marshall, and Christian Cadwallader, for a term of up to three years and for their names to be added to the AGM notice.
- 9.4 The G&CM concluded, before taking questions and comments, as the number of candidates for appointment did not exceed the number of vacancies on the board, the chair would formally declare the candidates to share members at the AGM as being duly appointed.
- 9.5 A member of the selection panel was asked by the chair to give the board feedback on the overall interviews, which the member confirmed was a very robust process, with good interviews and the three successful applicants demonstrating an exceptional understanding of social housing and a connection to, or interest in, Newport.
- 9.6 The chair stated that whilst the number of applications this year were lower than last year, the quality of applicants remained high, but for future recruitment campaigns it was important that applicants were specifically asked to demonstrate their interests and drivers for wishing to become a Newport City Homes (NCH) board member. **Gov team**
- 9.7 Following a question, the G&CM advised that those applicants that were not shortlisted had not demonstrated effectively their interest in, or connection to the association and its work in the communities of Newport. The G&CM continued that contact had been made with CHC recommending a sector approach to board academy to provide accredited support and training to individuals who required support to fully achieve their board membership aspirations.



- 9.8 There being no further questions the board approved the inclusion of Guy Stenson, Paul Marshall and Christian Cadwallader into the AGM notice and to be duly declared as being appointed to the board for up to a three year term commencing from the AGM in September 2018.

Resolutions:

1. The board noted the board recruitment 2018 campaign.
2. The board approved the appointment of Guy Stenson, Paul Marshall and Christian Cadwallader for a term of up to three years.
3. The board approved the adding of the candidates' names to the AGM notice for a term of up to three years which would be formally declared at the AGM in September 2018 for share members to note.

Guy Stenson, Paul Marshall and Christian Cadwallader returned to the meeting at 17:52

10. B31.18/19 – Financial Statements 2017/18

- 10.1 The head of finance & procurement (HdofF&P) referred members to the audited financial statements and the audit findings report for year ending 31 March 2018. The HdofF&P continued that audit findings had been presented by Bevan & Buckland to the ARC with no major concerns identified and confirmed the audit to be a true and fair view. The HdofF&P continued that the financial statements had been reviewed by the ARC at its 26 June 2018 meeting and recommended the financial statements to board for approval.
- 10.2 The HdofF&P referred members to appendix 3 and the management responses to the minor areas of financial controls identified during the audit. The HdofF&P confirmed that the financial statements for year ending 31 March 2018 had been prepared under FRS102 and referred to the overview of the financial performance at paragraph 3.1 of the report.
- 10.3 The HdofF&P referred members to the financial statements which had been split into four areas and included value for money and financial schedules. The HdofF&P drew members' attention to the reference to the tower blocks removal and replacement of cladding, and the changes in the final treatment of the £3m grant received from Welsh Government.
- 10.4 The HdofF&P concluded, before taking questions, by requesting the board approve the financial statements 2017/18, the audit findings report and letter of representation and the re-appointment of Bevan & Buckland as external auditors for the association for 2018/19, which would be presented to share members at the September 2018 AGM.



- 10.5 The ARC chair commented on the quality of the set of accounts and provided assurance to the board that Bevan & Buckland had met with the ARC privately, reported no issues and complimented the support provided by the finance team

Resolutions:

1. The board approved the Financial Statements for 2017/18.
2. The board approved the Audit Letter and the Letter of Representation.
3. The board approved the re-appointment of Bevan Buckland, as external auditors for the association for 2018/19, for presentation to share members at the AGM on 27 September 2017.
4. The board noted the summary of movements from the management accounts to the financial statements.

11. B32.18/19 – Annual ARC Report

- 11.1 The ARC chair referred members to the annual ARC report for 2017/18 which evidenced the work undertaken by the ARC to provide the board with assurance against the assurance framework and the internal controls of the association.
- 11.2 The ARC chair went on to highlight the annual ARC report at appendix 1, noting that the ARC was a tool of the board, its purpose being to provide the board with assurance. The ARC chair recommended the report to the board for approval and also asked the board for its appreciation of the work undertaken by officers to provide this information.
- 11.3 The ARC chair referred members to the appendices which provided details of the internal auditor's annual report, assets & liability register, health & safety policy, annual health & safety report, the review of the assurance framework and the draft whistle blowing policy & procedures to board approval and asked for members for questions and comments.
- 11.4 Members discussed the deep dive risks undertaken by ARC and the process to be undertaken should ARC determine a risk was of sufficient concern that it needed to be elevated to board or as appropriate to a special board, for consideration and action.
- 11.5 Members had no further questions and approved the ARC annual report and appendices 2-7.

Resolutions:

1. The board approved the Annual ARC report for 2017/18.
2. The board approved the internal auditor's annual report.



3. The board approved the assets & liability register.
4. The board approved the draft health & safety policy.
5. The board approved the annual health & safety assurance.
6. The board approved the review of the assurance framework.
7. The board approved the draft whistle blowing policy & procedures.

12. B33.18/19 – AGM Notice and arrangements

- 12.1 The G&CM updated members on preparations for the association's AGM on Thursday 27 September 2018, requesting members approve the draft AGM notice, which included the re-appointment of the external auditors Bevan & Buckland, following board approval, the addition of the three board appointments of Guy Stenson, Paul Marshall and Christian Cadwallader and the proxy voting form.
- 12.2 The G&CM referred members to paragraph 4.2 which was a new agenda item - Resident Feedback, which aligned to the commitment made in the Resident Engagement Strategy (RES) to give residents a voice in strategic decision making and their feedback on self-evaluation by providing questions to the board at the AGM.
- 12.3 There being no questions, members approved the AGM notice and association arrangements.

Resolutions:

1. The board noted the current arrangements for the 2018 AGM.
2. The board approved the draft notice and the three newly appointed board members.
3. The board approved the draft proxy form for distribution to share members.

13. B34.18/19 – Draft self-evaluation

- 13.1 The BI&PM requested members consider and approve the draft self-evaluation for 2017/18, provided in accordance with the WG's RSL 02/15 core principles of self-evaluation requirement for associations to publish a self-assessment.
- 13.2 The BI&PM continued that the draft self-evaluation evidenced the association's performance against 2020 vision, supported by evidence and case studies.
- 13.3 The BI&PM concluded before taking questions, that the draft self-evaluation had been reviewed and feedback received from the scrutiny partnership (SP), which confirmed that residents' views had been taken into account and included in the required performance information in key service areas. The BI&PM confirmed that the role of the SP would evolve and play a major part in testing the self-evaluation in the future.

Subject to board approval the draft self-evaluation would be published on the association's website with an invitation to residents, staff and stakeholders to provide feedback.

- 13.4 The chair asked members and the SP member for their comments, members were pleased with the presentation of the draft self-evaluation, and the SP member confirmed that the role of the SP was evolving, and had led to a different kind of interaction with the association. The SP was having a greater insight into the association, its objectives and aims and was therefore able to comment better on how improvement could happen.
- 13.5 Members went on to discuss the ownership and creation of the draft self-evaluation, and the executive director of finance & resources (EDoF&R) confirmed that the format had been created with the board and had evolved into its current format, and should be considered alongside performance information reported to board quarterly, incorporating the testing with residents and the SP for the board to consider and decide whether it was a true reflection of the work it had undertaken in the previous year.
- 13.6 Members agreed that the draft self-evaluation brought together in one place the achievements throughout the year in an easy to read summary and demonstrated to WG what differences had been made by the incorporation of the case studies.
- 13.7 A member suggested the board could have greater involvement in drafting the self-evaluation and the chair stated that, subject to member commitments this would be considered for next year's process. **BI&PM**
- 13.8 The chair thanked members for their comments and there being no further questions, members approved the draft self-evaluation 2017-18.

Resolution: The board approved the draft self-evaluation 2017-18, which would be published on the association's website with an invitation for residents, staff and stakeholders to provide feedback.

14. B35.18/19 – Business Transformation Programme Update

- 14.1 The Business Transformation Manager (BTM) referred members to the updates provided in the report, noting that the income and cost review would be covered in the confidential meeting and asked for questions and points of clarification.



- 14.2 A member advised that concerns had been raised by residents about the possibility of a total closure of the two regional offices, and although they understood why this had been made, requested that all residents fully understood the reasons for this.
- 14.3 The EDofOps responded that as a result of the reduction in footfall at both the regional offices, the services had been reduced accordingly. The EDofOps continued that should it become necessary to fully close both regional offices, the association would continue to maintain the close working relationships with residents and partners, eg police, the local authority, health boards and post offices to ensure that local services in communities are provided.

Resolution: The board noted the progress and continuous improvement of the BTP work streams.

15. B36.18/19 – Any other non-confidential business

- 15.1 There being no any other non-confidential business, the chair thanked observers for attending and closed the non-confidential element of the meeting at 18:20.

Observers and Guests leave prior to Confidential Board at 18:20

The HdofF&P left at 18:20

