



Agenda Item No Bxx.18/19
Board Minutes

Board Meeting – Tuesday 06 November 2018, Nexus House, Newport

Present:

Members:

Nicola Somerville	Board chair
Jayne Rose	Board member
Janice Morgan	Board member
Alex Stephenson	Board member
Kevin Ward	Board member
Cathy Bryant	Board member
Helen Taylor	Board member
Christian Cadwallader	Board member

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)
Sharon Wilkins	Head of Housing & Customer Services (HdofH&CS)
Rachel George	Head of Development & Regeneration (HdofD&R)
Simon Andrews	Head of Property (HdofP)
Chris John	Business Improvement & Performance Manager (BI&PM)
Beverley Flood	People & Change Manager (P&CM)
Joanna Fairley	Governance & Compliance Manager (G&CM)
Gill Sherman	Senior Governance Officer

Observers:

Richard Talbot	Health and Safety Manager
Jonathan Pinney	People and Change Administrator
John Hill	Board Academy
Sally Evans	Community Relationship Officer
James Tarrant	Proposed board co-optee
Alex Phillips	Property Accountant
Alison Watkins	Governance Assistant



- | AGENDA ITEM | ACTION |
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| 1. Welcome to Board Members and Observers | |
| 1.1 The chair opened the meeting at 17:33 and welcomed observers and guests. | |
| 2. B65.18/19 – Apologies for absence | |
| 2.1 Apologies were received from Guy Stenson, Ian Hibble and Sharon Morden. | |
| 2.2 Before taking the first agenda item the chair apologised for the size of the board pack which was due to a number of ongoing items that required the attention of the new board. The chair continued that due to the length of the agenda it was intended to focus upon the Qtr 2 KPI report in non-confidential and in the confidential agenda the recognition & reward (R&R), development and regeneration (D&R) and the 55+ sheltered housing reports, adding that there would be opportunity to discuss the other items. | |

Christian Cadwallader arrived 17:37

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| 3. B66.18/19 – Declarations of interest | |
| 3.1 The following declarations were received and noted: | |
| B69.18/19 appendix 1 – Share membership - two declarations of interest from Guy Stenson and Christian Cadwallader. | |
| B69.18/19 appendix 2 – Committee membership –declarations from all members.
Members noted that the company secretary determined these were not disqualifying items | |
| B78.18/19 – Governance – Board Effectiveness – one declaration of interest for James Tarrant. | |
| B83.18/19 – Sheltered housing - Janice Morgan, the company secretary determined that although this was not a disqualifying matter, the member would be unable to participate in a vote, should it be necessary. | |
| B85.18/19 – Tower Blocks - Cathy Bryant | |

Resolution: The board noted the five declarations of interest

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| 4. B67.18/19 – Minutes of the meeting held on 11 September 2018 | |
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- 4.1 The chair asked members to review and approve the minutes of the 11 September 2018 board as a true record.
- 4.2 Board member Janice Morgan apologised to the chair and the business improvement and performance manager (BI&PM) for her misunderstanding at paragraph 9.6 of the minutes.

Resolutions: The board approved and signed the minutes of the 11 September 2018 meeting as a true record.

5. B68.18/19 – Matters arising 11 September 2018

- 5.1 The chair asked members to note the five completed and one ongoing matters arising.

Resolution: The board noted the five completed and one ongoing matters arising

6. B69.18/19 – Governance – share membership - committee membership and 2019/20 meetings matrix

- 6.1 The G&CM asked members to approve the two share membership applications received from Guy Stenson and Christian Cadwallader, in accordance with the rules and to note the total membership of 2,246 with live share membership of 201. The board approved the two share memberships and noted live share membership numbers.
- 6.2 The G&CM asked members to consider and approve the proposed membership of the audit & risk committee (ARC) and remuneration committee (RC), at appendix 2, and approve the proposed board vice chair.
- 6.3 A member questioned the current process and whether it was possible to explore other ways of determining the composition of committee membership. The G&CM responded that committee membership was determined as a result of one to one conversations and by recommendation by the chair. The CEO added that in 2015 the board, following a review of governance, had taken the decision to streamline existing committees with members being nominated by the chair following one to one discussions. The CEO concluded that the governance team, informed by the board effectiveness report, could support the chair in future considerations in relation to the process. Members approved the committee composition of the ARC and RC and the proposed board vice chair.
- 6.4 The G&CM requested members consider and approve the recommended draft meeting matrix for 2019-2020 and asked for questions. The CEO added that Guy Stenson (ARC chair) would not

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be available for 26 March 2019 ARC and requested the meeting either **gov team** be moved or Helen Taylor (ARC vice chair) chair in his absence.

6.5 A member requested that consideration be given to an additional board strategic planning day (BSPD) before December 2019 because of the enormous value members derived from the event.

6.6 A member suggested that due to the increase in development, there might be a requirement for more than three ARC meetings. The chair responded that other meetings would be added to the matrix as required, eg workshops and special meetings. The board approved the meeting matrix for 2019-20 noting a possible change to the 26 March 2019 ARC and the addition of further workshops as required. **gov team**

Resolutions:

1. **The board approved the two share membership applications for board members Guy Stenson and Christian Cadwallader.**
2. **The board approved the composition of the ARC and RC with immediate effect.**
3. **The board approved the appointment of Alex Stephenson as board vice chair with immediate effect.**
4. **The board approved the 2019-2020 meetings matrix, noting a possible change to the 26 March 2019 ARC meeting and the addition of further workshops/meetings as required throughout the year.**

7. **B70.18/19 – Chair and CEO overview**

7.1 The chair presented the CEO/Chair overview and welcomed any questions. There being no questions the chair asked the CEO to update the board on the late addition items since the release of the board pack.

7.2 The CEO referred members to the approach received from Baneswell housing association (HA) regarding a possible merger, as outlined in the Chair and CEO overview. The CEO continued by requesting members note the intention to proceed with an expression of interest, which was confirmed.

7.3 The CEO continued by reminding members of the people & change manager's (P&CM) equality and diversity (E&D) update at the last meeting and the intention to use the Tai Pawb QED process. The CEO continued that following a presentation from Tai Pawb on the QED process it was felt that their methodology did not align with the needs of the association. The association was seeking a qualitative assessment rather than the quantitative process that Tai Pawb was offering. The board's E&D champion had been updated separately



and with his support the P&CM would source an alternative provider to support the development of E&D.

- 7.4 The CEO continued that following recommendations from the Public Accounts Committee (PAC) in 2017, Welsh Government (WG) had published data on performance indicators in relation to Welsh HAs. Members noted the requirement for housing associations to provide a link to this on their own website. Members also noted that the comparison tool had been made available within the knowledge area of BoardPacks, and would be made available through the website before the end of the week.
- 7.5 The CEO continued with another recommendation from the PAC, in that the association would be required to demonstrate that robust analysis of performance standard 6, Value for Money (VfM) was an integral part of decision making by the board. The CEO concluded that the VfM framework would be reviewed by the ARC at its 20 November 2018 meeting.
- 7.6 The CEO completed the additional item update, before taking questions, informing members that further information on fire doors had been received and would be covered at agenda item B86.18/19.
- 7.7 A member requested that the board's good wishes and luck be conveyed to Wesley Ford, an original NCH academy member, who was nominated as a Housing Champion in the Customer Digital Services category of the Welsh Housing Awards taking place on 23 November 2018.

Resolution: The board noted the chair and CEO overview

8. B71.18/19 – Qtr. 2 management accounts

- 8.1 The head of finance and procurement (HdofF&P) referred members to the management accounts for the period ending 30 September 2018 which was presented in the new format. The HdofF&P continued that the pack included Qtr 2 management accounts and the forecast position, and asked members to note that a summary of the development and regeneration information was at appendix 9, with the full commercial detail in the confidential section at B81.18/19. The HdofF&P drew member's attention to appendix 11 which contained the golden rules.
- 8.2 The HdofF&P concluded, with a summary of the overall budget, and highlighted the increase in underspend, an increase in the Right to Buy,



with a forecast increase of £2.4m by year end, and the forecast outturn estimate for refinancing costs of £600K.

- 8.3 A member queried whether the board should receive more regular reports following the growth in arrears over the last six months. The CEO responded that a deep dive on universal credit (UC) was scheduled for the 20 November 2018 ARC, pending the ARC's discussions and recommendations, the current process would stand.
- 8.4 The head of property (HdofP) responded to a query on routine voids and asbestos surveys, stating that asbestos surveys were undertaken in voids where possible, the timing impact upon voids was dependent upon the results of the survey.
- 8.5 The head of housing services (HdofH&CS) responded to a query on community benefits by stating that the association was undertaking a community benefits analysis that had a community approach to utilise funding effectively.
- 8.6 The CEO clarified a query on the old barn blocks and the Oaks at Lanmartin by confirming that asbestos works for both areas were carried out under the one contract. The fire door query raised would be addressed in the confidential element of the board.
- 8.7 A member asked how the bad debt provision compared other HAs, the HdofF&P responded the association was within the sector average for Wales, but additional work was being undertaken in parallel with the scheduled deep dive at the next ARC.
- 8.8 Members fed back that the new format was very good and helpful in aiding understanding.

James Tarrant was welcomed by the chair at 18:04, apologies were noted as James had been advised of the wrong start time of the meeting.

Resolutions: The board approved the management accounts for the period ending 30 September 2018.

9. B72.18/19 – Qtr 2 Key performance indicators

- 9.1 The business improvement and performance manager (BI&PM) referred members to the report for Key Performance Indicators (KPIs) quarter 2. The BI&PM continued, before taking questions, by highlighting a slight improvement in resident satisfaction, and a step change which had improved the call waiting times, which were currently below the average of three minutes.



- 9.2 A member wanted to be assured that resident feedback was being acted upon by staff and the board. The BI&PM confirmed that feedback from residents was discussed with the senior management team and improvement actions identified. The HdofH&CS responded that feedback from all sources was collated and presented to the internal customer feedback panel. The HdofH&CS continued that further feedback was used in the association's self-evaluation, which was scrutinised six monthly by the scrutiny partnership who reported its progress and considerations to the ARC annually.
- 9.3 Members agreed that it was excellent news that the call times had improved, the HdofH&CS stated that call waiting times were currently averaging at a minute. A member queried when board would have the opportunity to consider the corporate KPI's and look at how the metrics for call handling impacted upon resident satisfaction.
- 9.4 The CEO referred members to discussions at the recent BSPD, and the intention, at February board, for a draft version of the corporate plan, CP05, the last annual plan to support delivery of the 2020 vision. The CEO continued that work had commenced for the 2025 vision, and stated that previously, workshops had been held to test the corporate plan prior to board approval. If at the February 2019 board, members had more questions on the draft CP05 plan which could not be fully addressed at the board meeting, an additional workshop could be scheduled prior to the March 2019 board.
- 9.5 A member queried how board determined the association was performing in respect of development work and what constituted green, amber and red. The executive director of finance and resources (EDofF&R) responded there were two assessment metrics, qualitative and quantitative, in respect of development the association was on target to achieve its 2020 vision target, even if it was behind target on spending for this year. There being no further questions board noted performance for quarter 2.

Resolution: The board noted the key performance indicators for quarter 2.

- 10. B73.18/19 – Governance – terms of reference – standing orders including financial regulations and scheme of delegations**
- 10.1 The G&CM referred members to the governance reports which she intended to go through by taking each individual recommendation and pausing for questions before moving to the next.



- 10.2 The G&CM continued by thanking the finance team for their support in the creation of the suite of documents and leadership team for its support in reviewing. The G&CM commenced with requesting approval for terms of reference (ToR) for the ARC and RC. There being no questions, the board approved the draft ToRs for the ARC and RC.
- 10.3 The G&CM requested members approve the draft standing orders. The CEO thanked the team for their patience and hard work in delivering a best practice draft standing order. The board co-optee suggested that a reference to task and finish groups and any other special groups be incorporated into the standing orders, which was agreed. G&CM
- 10.4 The board approved the draft standing orders, subject to the inclusion of reference to task and finish groups without the need to re-approve at the next board.
- 10.5 The G&CM requested members approve the draft financial regulations. There being no questions the board approved the draft financial regulations.
- 10.6 The G&CM concluded with the draft scheme of delegations, both financial and non-financial, requesting board approval. There being no questions the board approved the draft scheme of delegations.

Resolutions:

1. **The board approved the draft terms of reference for the ARC.**
 2. **The board approved the draft terms of reference for the RC.**
 3. **The board approved the draft standing orders subject to the inclusion of the reference to the task and finish group process.**
 4. **The board approved the draft financial regulations.**
 5. **The board approved the draft scheme of delegations, both financial and non-financial.**
- 12. B74.18/19 – Business Transformation Update**
- 12.1 The CEO referred members to the BTP report which provided an update on each of the five programmes within the association's Business Transformation Portfolio. The CEO concluded before taking questions, by requesting members note the BTP progress, that the income and cost programme had now transferred to 'business as usual' and that refinancing would continue to be reported through the BTP updates. Both refinancing and recognition and reward are reported at B79.18/19.



12.2 A member queried the work on the voids and lettings work stream and the CEO explained that a team had been formed from across the association to explore the voids and lettings activities, the outcome of which was shared with the association. The team had completed stage one exploration and was now moving into stage two experimental changes, and would be piloting a number of projects across the following 12 weeks, the outcomes of which would be presented to the leadership team in January 2019. The CEO concluded that those changes which proved successful would be rolled out across the association.

12.3 The member went on to ask how much this work would guide performance. The CEO responded that a full evaluation of the pilot projects would be required by the leadership team before linking this to performance metrics, and asked the governance team to upload, for the benefit of board members, the video on the stage one exploration journey.

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Resolution: The board noted the progress of the business transformation programmes.

13. B75.18/19 – Any Other Business Non Confidential

13.1 There being no any other non-confidential business the chair thanked the observers and guests and took a short break prior to the confidential board.

Observers and Guests leave prior to Confidential Board at 18:26