

LEEDS FEDERATED HOUSING ASSOCIATION

MINUTES OF THE BOARD OF MANAGEMENT MEETING held on 19th July 2022

Present: Kim Brear (KB) Chair
Martin Warhurst (MWa)
Jaedon Green (JG)
Robin Machell (RM)
Shaid Mahmood (SM)
Claire Stone (CS)
Steve Dungworth (SD)
Innocent Moyo (IM)
Dedra Otchere-Darko (DO)

In attendance:

Matthew Walker (MW) Chief Executive
Stephen Blundell (SB) Operations Director
Jason Ridley (JR) Finance and IT Director
Megan Henderson (MH) Head of Corporate Services
Kirsty Morgan (KM) Head of Finance
Kate Suggitt (KS) Executive Assistant (minutes)

Communication Presentation (Nicola Winn, Creative Bridge)

MW introduced Nicola, who joined the meeting via Zoom. He explained that her company, Creative Bridge is working with LFHA on the development of the Communications work as this was identified as part of the strategic journey.

Nicola gave her presentation and explained that a communications framework will be developed from this work. She asked for feedback on the journey suggested and asked if anyone felt anything extra was needed.

JG commented that he liked the tone and language used, he would like to know more about the elevation pitch. He feels there should be a succinct statement that Board Members should be able to use to sum up Leeds Fed to anyone, Nicola confirmed this would come.

SD asked what makes Leeds Fed unique compared to other social housing and if this has emerged as yet. Nicola confirmed that the Placeshaper membership helps focus it but also the strength of local connections and reputation, especially within Leeds. Another distinction is that everyone lives and breathes the values of LFHA

SM commented the reliability and community anchor phraseology was very meaningful.

RM asked how we generate this upstream and downstream and how the values are taken on by everyone and how this is presented

outside of the Association. CS agreed that the tone of voice is very important as this could spoil the outcome. Nicola confirmed the essence will come from the people involved.

IM asked if we are considering cultural differences and ensuring that every customer has the opportunity to access the communication, and are other languages than English being considered? Nicola agreed that this is critical and that strategic links between EDI and the communications framework at a governance level are in place. From a practical viewpoint, this can only be achieved by contacting and working with customers. DO also commented that customers from all diverse backgrounds should be included in the conversations.

Nicola commented that her engagement has been with LT to date but that work with the customers will move to management and will be work that is picked up by Claudia Walsh in the Customer Services Team.

1 Conflicts of Interest

MW declared a COI in item 4.7

2 Apologies

None

3 Risk Review of Board Pack

22.037 MW confirmed there is an additional risk which was originally one risk that has now been separated out. It was confirmed that this discussion was had at A&R committee and that the external challenges around the pension scheme have become a risk.

22.038 CS commented that as two Housing Associations have been recently affected, it feels right for cyber risk to be highlighted.

22.039 SM asked what the process is if we are hacked and ransoms are asked for, JR confirmed that insurers would be contacted in the first instance and that it all depends on whether the back-up has been affected. He also confirmed that the current back up is positioned so that even LFHA can't access it

22.040 Board noted the paper and approved the proposed addition to the Risk Register as detailed in section 2. Board confirmed that four existing risks currently exceed the board's stated risk appetite for the relevant activities as detailed in section 3.

4 Items for Decision

4.1 Annual Report to Board regarding internal controls and risk management

<p>22.041 MH confirmed this has been approved by Audit and Risk Committee</p> <p>22.042 CS suggested that safeguarding and complaint processing be included in future reports within this. MH agreed to the addition of this.</p> <p>22.043 Agreed Action: MH to add to rolling matters arising and add information regarding safeguarding and complaints processing to the report brought in 2023</p> <p>22.044 Board considered the evidence above and confirmed that acceptable levels of assurance exist over the systems of internal control within Leeds Fed to form the basis of the annual statement within the annual Financial Statements.</p> <p>4.2 Leeds Federated Property Services AGM</p> <p>22.045 This affects the LFHA accounts primarily, but BDO want both sets signing together. There is not expected to be any changes at all to the LFPS accounts</p> <p>22.046 KM also confirmed that there is discussion on whether to extend the external auditor contractor (BDO) for one more year and further information will come as it is becomes available. It was explained that this is due to a shortage of auditors in the sector and it would be wise to allow additional time for more auditors to become available. Board agreed that it would be wise to extend with BDO.</p> <p>22.047 LFHA Board:</p> <ul style="list-style-type: none"> - Received the Annual Report for the Year Ended 31 March 2022 - noted that the external audit contract will be tendered during 22/23, subject to further discussions. <p>4.3 Report and Financial Statements for year ended 31 March 2022</p> <p>22.048 KM introduced, explaining again about the signing and confirmed that it is a sector wide issue but that the signing has to be delayed.</p> <p>22.049 It was confirmed that delegated signatories will be KB and JG.</p> <p>22.050 The Board:</p> <ul style="list-style-type: none"> - Received the Annual Report for the Year Ended 31 March 2022 - Approved delegation for signing the Report and Financial Statements for the year ending 31 March 2022 ready for adoption at the AGM. - Approved delegation to sign the Letter of Representation - Noted the draft external auditor's Audit Completion Report. 	<p>MH</p>
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<p>4.4 Risk Management Framework Policy and Risk Register Review 22.051 MW introduced and explained there are no changes. MW explained that because we look at it at the start of every meeting, it means that reviews are done more regularly rather than just once a year. It is not there have been no changes, just that it is updated more regularly.</p> <p>22.052 Board reviewed and approved the Risk Management Framework Policy including the Risk Register</p> <p>4.5 2022-23 Resilience Plan 22.053 JR clarified it is an ongoing process but there are some good additions. RM commented that he likes that it is constantly evolving and that we can engage with issues that arise.</p> <p>22.054 MWa commented that his recent IDA has highlighted how the regulators are considering a resilience plan as an essential thing to have.</p> <p>22.055 Board reviewed and approved the 2022-23 Resilience Plan.</p> <p>4.6 Health and Safety Policy and Health and Safety Self-Assessment 22.056 MH introduced this, explaining it is the annual review and stressed the importance of Board having oversight and ensuring there is nothing missing.</p> <p>22.057 JG commented he would find it helpful for this to be endorsed by Ops Committee before it comes to Board.</p> <p>22.058 SD queried on whether feedback from staff/customers should be included in the self-assessment and MH confirmed it can be and can also include information from the H&S committee. It was noted, however, that this wouldn't cover feedback from customers. A conversation was had about how this could be addressed. There are themes and issues that come from the complaints processes which are scrutinised at Ops Committee.</p> <p>22.059 It was agreed to include a paragraph on both customers and staff and ensuring both are listened to. The information is there but it was recognised that it needs joining.</p> <p>22.060 Agreed Action: MH to confirm the additional paragraph (within the matters arising) in the self-assessment to the next meeting for information.</p>	<p>MH</p>
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<p>22.061 Board approved the Health and Safety Policy with the additional amendments discussed and noted the remainder of the report.</p> <p>4.7 Governance Review and Board Effectiveness Action Plans</p> <p>22.062 MH confirmed that actions will come back to the G&R committee but asked for any comments about whether the Board is happy with the action plan and if there is anything missing.</p> <p>22.063 KB commented that she is feeling very positive about the review and there are a lot of opportunities available.</p> <p>22.064 It was agreed it would go back to G&R committee, the working through of it should be done by them with a summary coming back to Board in due course.</p> <p>22.065 Board discussed and approved the Governance Review and Board Effectiveness Action Plan and for completeness this includes:</p> <ul style="list-style-type: none"> - Extending Martin Warhurst’s Board tenure by a further 12 months - Agreeing the maximum number of Board members that can be appointed while executives of other HA’s is capped at 4. - Agreeing to replace the Development Committee with an Asset and Investment Committee <p>4.8 GDPR Policy</p> <p>22.066 MH introduced, she confirmed that all new starters have completed the training and 94% of current employees have completed refresher training. There has been one breach and 13 near misses. There is also a GDPR group who consider breaches and near misses to help form the yearly refresher training.</p> <p>22.067 SD feels that greater assurance is needed, the policy is fine but is mindful that at some point there will be a breach and is it enough to have just a policy on it? SM commented he feels that it could be a cultural issue, to allow people to feel confident in admitting their mistakes. MH thinks this culture is in place and that a data amnesty was recently conducted which did highlight some issues.</p> <p>22.068 It was recognised that the policy is sound but as it’s such a broad area, people will constantly be seeking assurance. It was agreed that an additional paragraph will be brought to the next meeting to confirm what we want to do and when this will be done.</p> <p>22.069 Agreed Action: Matters arising to include information on work still be undertaken and timescales for completion.</p>	<p>MH</p>
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<p>5</p> <p>5.1</p> <p>5.2</p> <p>6</p> <p>6.1</p>	<p>22.070 Board approved the GDPR policy with the addition of the matter arising</p> <p>Performance</p> <p>Performance Update</p> <p>22.071 SB introduced and explained that the overall position of amber score in customer service due to customer perceptions survey results, however it was noted that new results will be in shortly.</p> <p>22.072 Overall grow position is amber with contributory factors being lags in planned maintenance, problems with section 106 flowing through, and very cautious liquidity measure.</p> <p>22.073 SB commented that he and the team are very alert to possible early indicators that rent collection is down. FTA was significantly down which can be an indicator of current tenant arrears. Cost of living along with fuel price increases will have an effect.</p> <p>22.074 Agreed Action: SB will organise for a member of the financial inclusion team to discuss this at ops committee to try and mitigate the risk.</p> <p>22.075 CS commented that considering service charges might be something we can do to help mitigate the cost-of-living crisis. She is also concerned about the people that aren't flagged due to missing rent as they could be sacrificing in other areas. SB agreed but it was also noted that the people who are struggling are unlikely to have the mind space to engage with staff or with a challenger panels. We need to be very mindful and be understanding of individuals circumstances.</p> <p>22.076 Board:</p> <ul style="list-style-type: none"> - Noted current levels of performance - Approved the commentary provided in this report - Approved actions to address underperformance <p>Financial Performance Report</p> <p>22.077 KM introduced and explained it is the figures upto the end of May. She confirmed that not all spend has been mobilised and the phasing of budgets and timings differences are being looked at. The results are very positive and the figures from June are also looking positive.</p> <p>22.078 Board noted the financial results to 31st May 2022</p> <p>To Note</p> <p>CEX Report</p>	<p>SB</p>
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22.079 MW commented that many associations are also discussing how to help staff with the cost-of-living crisis, this is something that LFHA are still considering. Also confirmed that any payments would be skewed towards lower salaried employees with a cap applied over a certain amount.

22.080 Board noted the CEX Report

6.2 Report from the Chair of Audit and Risk Committee

22.081 This summarises compliance with ToR and confirms that A&R Committee have discharged all their responsibilities

22.082 Board noted the report from the Chair of the Audit and Risk Committee to Board.

6.3 Financial Standing Orders Update

22.083 It was noted that these have been approved by SMT and they are coming to Board for information. There are two changes, one to the BACS limit and one to the delegated authority.

22.084 Board noted the changes approved by SMT

7 Board Minutes

7.1 Minutes of the Board meeting held on 14 June 2022

22.085 Were approved as an accurate record

8 Matters Arising

8.1 Matters arising from 14 June 2022

22.086 These have all been actioned

8.2 Matters arising rolling agenda 22/23

22.087 These have all been actioned

9 Minutes for information

9.1 Draft Health and Safety Committee Minutes 6 June 2022

22.088 These were noted

10 Any Other Business

22.089 KB highlighted that this is SM's last meeting, she thanked him for his input over the years and that his approach and experience has been invaluable. He has brought a good understanding of the communities we work in and Leeds overall. The political contact he has brought has also been really useful and it was recognised that this contribution wasn't something he had to do.

22.090 The Board wished SM all the best for the future.

22.091 SM thanked the Board and commented on how much he has enjoyed his time on the Board and thanked MW for taking a chance

on him. He confirmed he will keep in touch and was happy to offer advice or guidance if needed.	
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