**LEEDS FEDERATED HOUSING ASSOCIATION**

**MINUTES OF THE BOARD OF MANAGEMENT MEETING HELD ON WEDNESDAY 2nd October 2019 at 6.00 pm**

**Present:** Stuart Whyte (SW) Chair

 Sue Howlett (SH)

 Martin Warhurst (MWa)

 Claire Stone (CS)

 Jaedon Green (JG)

 Robin Machell (RM)

**In attendance:**

Matthew Walker (MW) Chief Executive

 Stephen Blundell (SB) Director of Operations

 Jason Ridley (JR) Director of Finance and IT

 Megan Henderson (MH) Head of Corporate Services

 Lukas Bisek (LB) Head of IT

 Kate Suggitt (KS) Executive Assistant (Minutes)

|  |  |
| --- | --- |
| **1 Post AGM Business** **19.131** MH explained that this paper is to conclude the outcome of the AGM held on 12/09/2019.  **19.132 The Boards members:****• Elected Stuart Whyte as Chair of the Board****• Elected Claire Stone as Chair of Operations, Martin Warhurst as Chair of Audit & Risk, Robin Machell as Chair of Development and Governance & Sue Howlett as Chair of Remuneration Committees****• Approves the membership of Audit Committee, Operations Committee, Development Committee and Governance and Remuneration Commitee****• Noted Martin Warhurst as Chair of the Pension sub group****• Note correspondence arrangements for the Board****2 Conflicts of Interest** CS and MWa declared an interest in regards to item 4.1.**3 Apologies** There were no apologies**4 Items For Decision** **4.1) Commercially Sensitive Item** **4.2) Board and Committee Dates** **19.139** MH presented and explained that it was being proposed to change the Board and Committee days from a Wednesday to Tuesday. The Operations committee in November 2019 would remain on Wednesday however. **19.140** **Board approved the Board and Committee dates 2019 – 2020 and it was agreed that KS would send out the amended dates****4.3) Approval of Telephony Supplier** **19.141** JR introduced and explained this is an unusual situation but critical in order to move out of the offices and enable agile working. He explained that the supplier arrangement is quite flexible and after 2 years would have expected to migrate to Microsoft teams.  **19.142** In terms of the procurement process, he would be more than happy to offer training in one of the pre audit sessions and explain the process used and the supplier risk assessments conducted. **19.143** **Board approved for VIA to be appointed as the supplier of cloud based telephony services to Leeds Federated for a term of 2 years.****4.4) Option Appraisal – The Towers, Armley** **19.144** SB introduced, explaining that this property has high maintenance costs and a decision now needs to be made about whether to be refurbished and let as general needs or dispose.  **19.145** JG asked what the intent is for the profits of this disposal. He commented on the need to focus on net value of growth after disposal and show the positive impact of disposals by highlighting the high value properties versus income from the disposals.  **19.146** MW explained that profits at the end of the year are looked at and then a plan is made about how best to reinvest the overall profits and what the priorities are going forward. It is not considered on a case by case basis.  **19.147** The Board asked for the next paper to include a summary of which properties have been disposed of.Boar **19.148** **Board approved the disposal of 25 The Towers**. **5 Performance****5.1) BSC Performance Update (August 2018) and BSC Changes**  **19.149** SB introduced and summarised by saying that overall, there are no business areas in red, most are green. The ratings are amber for development, finance and HR. For development this is to do with unsold properties after 5 months, he explained they will need to let the regulators know if they do tip over the 6 month mark **19.150** Finance is to do with void loss, there was a former Supported Housing property in the Stonegates which was going to be developed with another support provider but this wasn’t possible and so went into voids and will be available to re-let soon.  **19.151** HR’s amber rating was due to an admin issue. There was a lag in getting documented development actions logged but this has now been corrected.  **19.152** In regards to statutory services there are a couple of ambers: gas servicing is always amber due to access issues. The water failure amber rating is also due to non-access issues. Electrical works are on target.  **19.153** CS asked if the domestic programme is on track and SB confirmed it is and should be completed by the end of the year. CS and KB also asked about remedial works across the service due to comments made by the IDA, SB said a report will come to operations to provide reassurance but all is fine. **19.154 Board noted current levels of performance.** **5.2) Financial Performance for the period ending 31 August 2019** **19.155** JR introduced, explaining that this is a flash report as the finance team are right in the middle of going live with the new SUN systems. He explained there have been minor changes since the report was produced: some underspends have increased and some over spends have decreased but overall not a huge deal of change.  **19.156** All changes proposed are being used for the mid-year review and stress testing and the full report will come to the November meeting. **19.157** JG asked whether there would be an income shortfall due lower property sales. It was confirmed that it was hard to predict sales and handover dates but this would be reviewed fully at half year. It was also agreed that training around RCGF would be arranged.   **19.158** **The Board noted the financial performance to 31st August 2019.** **6 To Note****6.1) Governance Update**  **19.159** MH introduced and explained that this is the normal paper with any updates and changes that could affect Leeds Fed, the use of the company seal, CIG updates and procurement. **19.160** SW asked for more information in regards to the audit which was discussed at audit committee.  **19.161** Commercially sensitive. **19.162** Commercially sensitive. **19.163** JR informed board that he had a letter from the RSH concerning an error on the Q1 NROSH report. The error concerned a cell that was incorrectly filled in saying we did not require security when we do and it should have been inputted in the cell above. The note related to it was clear in that we were securing it. **19.164** JR apologised and highlighted that when the data is uploaded onto the website, it does need a 2nd person to check. To give some context, the last time an error occurred was 2017 and the internal audit report gave an A1 for regulatory returns. **19.165** The Board asked that JR reports back to the next meeting, what control has been put in place and how this is working practically.   **19.166** Commercially sensitive.   **19.167** **The Board noted the report****6.2) Stress testing and migration parameters for half year budget and business plan review** **19.168** JR introduced and explained that this is the same paper that went to Audit and Risk Committee, it is proposing scenarios that would be tested and the assumptions on which the business plan is tested on. He confirmed that Audit & Remuneration committee are content with it but recommended that a 0% interest rate scenario is considered also.  **19.169 Board members:*** **Reviewed and discussed the draft parameters and assumptions in accordance with section 2.3.6 of the Board’s terms of reference,**
* **Noted the current Parameters which are not proposed to be changed at this time,**
* **Noted the Assumptions which were included in the March business plan,**
* **Considered the Stress testing scenarios and the mitigation response and endorsed the approach being used and recommended these for use within the mid-year review that will be reported to the November Board.**

**6.3) Vision 21 Update**  **19.170** JR introduced and explained this is the usual update, giving a progress report and detailing what is coming up. He highlighted the additional costs and investment such as the telephony and in house contractor will be written into the mid-year review and also benefits tracking will also be included. **19.171** SH asked how it is impacting the customer? She knows that the CJM has been done but the report doesn’t tell the benefits of what V21 are doing for the customer. She also asked for clarification on why things are out of scope and why they are being deferred. Key areas seem to be extended and she knows that V21 was about streamlining the business but it was also meant to benefit customers and she can’t see how it is.   **19.172** JR said he will give a presentation at the next meeting to give more detail about the scope decisions and to make it more visual. This will show what has been done, what will happen next and when. **19.173** KB commented that she felt an additional column is needed to show benefit for the customer, she knows it needs to be process driven but also need to keep an eye on the end results. JG agreed it is lacking the voice of the customer and queried how de-scoping things will affect them. **19.174** JG asked if it worth having less regular updates but to do them in a presentation format to make it more accessible. SB said this is worth considering. He explained that here is a lot of detail behind it, there are over 400 processes, a lot of which will have customer focused impacts but it is difficult to give an overall picture of the work done. **19.175** SW concluded that management need to think of the best method to give reassurance to the Board and also give some thoughts to how to present the information. MW agreed that SMT will come up with an approach and discuss with board members. **19.176 The Board noted the report** **6.4) Merger Advisor costs**  **19.177** MW explained he felt it was appropriate for the Board to know how much had been spent on the merger talks now that they have concluded.  **19.178 Board noted the fees paid to consultants during merger discussions.** **6.5) Stakeholder engagement**  **19.179** MW explained that is just for information. As there is not much to update, he may combine in with the governance paper to create a CX paper or similar.  **19.180 Board noted the paper** **7) Board Minutes****7.1) 19.181 Minutes of the Board meeting held on the 24th July 2019 were approved as an accurate record****7.2) 19.182 Minutes of the Additional Board meeting held on the 16th September 2019 were approved as an accurate record****8) Matters Arising****8.1)** **Matters Arising**  **19.183** These have all been actioned and MW confirmed he has spoken with SM’s colleague who is preparing some diversity training for the Board. **8.2)** **Rolling Matters Arising 2018/19**  **19.184** These have all been actioned**9 Minutes For Information****9.1) Draft Operations Committee 11th September 2019** **19.185** These were approved as an accurate record**9.2) Draft Audit & Risk Committee 18th September 2019 19.186** These were approved as an accurate record**9.3) Draft Health & Safety Committee 21st August 2019** **19.187** These were **i**ncluded for information and noted. CS queried the lone working implements. MW said everyone is using it and those who aren’t have valid reasons. It is treated seriously by staff and it is a disciplinary issue if not used.**9.4) Draft Development Committee 11th September 2019** **19.188** These were approved as an accurate record**10 Risk Review of Board pack** 19.189 MW confirmed that the risk involving the merger has been removed from the risk register **10 Any other business** None **11 Date of next meeting**  Board Meeting - Tuesday 26th November 2019 at 6.00 pm  | **Action****KS****SB****JR****SMT** |