

**LEEDS FEDERATED HOUSING ASSOCIATION**

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**MINUTES OF THE BOARD OF MANAGEMENT MEETING HELD ON TUESDAY  
24<sup>th</sup> November 2020 at 4.00pm (via Zoom)**

**Present:** Stuart Whyte (SW) Chair  
Martin Warhurst (MWa)  
Claire Stone (CS)  
Kim Brear (KB)  
Jaedon Green (JG)  
Shaid Mahmood (SM) (*Part*)  
Robin Machell (RM)  
Innocent Moyo (IM)  
Dedra Obeng Kwakye (DO)

**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  
Kirsty Morgan (KM) Head of Finance  
Kate Suggitt (KS) Executive Assistant (Minutes)

**SB presentation on Managing for Value (MfV)**

SW explained that he felt it would be useful for the Board to be able to see the new structure in order for them to understand the changes in operations on a day to day basis.

SB presented and explained that the MfV programme will enable teams to make holistic decisions and to make sustainable decisions and long term VFM choices. It has been developed cross departmentally by staff who have brought their team knowledge to the implementation group. The key themes that MfV is looking to achieve is to break down team and budget silos, understand performance, take responsibilities and allow innovation and reasonable risk taking. SB confirmed that the structure will come into place from April 2021.

KB commented that the scale of change should not be underestimated and queried the level of engagement from staff. JG said that the presentation was helpful and suggested additional customer service measures around failure demand be considered. SB advised that those involved in the implementation of the project to date were very positive and confirmed that Origin 2 would allow for additional customer measures to be reported on. SB added that reporting on current

KPI's would not cease till new measures were satisfactorily in place.

CS noted the timing of the launch, the content of the White Paper that would support the changes but also potential burnout of staff. IM asked whether a matrix set up had been undertaken. It was confirmed that all roles had been reviewed and externally market tested and that regular 1:1's are in place and will continue throughout the launch.

**1) Conflicts of Interest**

**20.191** There were none declared

**2) Apologies**

**20.192** SM sent his apologies for the first half of the meeting

**3) Risk Review of Board Pack**

**20.193** MW presented the new risk that has been added. This risk is entitled Key Project risk. It covers the remaining V21 projects and will fall under the BAU category.

**20.194** MW also clarified that cyber risk is still the biggest risk and that investment is heavily made in this area to keep the Association safe.

**20.195** JG asked if V21 has introduced any new risks into the business and asked the team to consider this outside of the meeting. JR commented that as the V21 projects go live, any risks that fall out of these will be considered individually as a BAU risk.

**20.196** It was agreed to re-review where the Association is and check there are no additional risks that have come up as a direct consequence of V21 and its legacy.

**20.197** MW also highlighted that as a Board there is a lack of expertise in IT and going forward this could become an area to address through future Board recruitment.

**20.198 Board approved adding a 'Key Project Risk', and noted the remainder of the paper.**

**4) Items for Decision**

**4.1 Rent Setting Policy 2021-22**

**20.199** JR introduced the policy and explained a lot of management discussions have been had around this. He clarified that the Business Plan assumes the full rent increase in order to fund the Boards objectives. He also highlighted there are still a lot of uncertainties due to Covid and an increase in arrears.

**SMT**

<p><b>20.200</b> JR clarified a harmonisation exercise for shared ownership properties which will result in some of these receiving a lower rent increase. JG suggested we consider looking back at historical shared ownership properties at the time when inflation was higher, just to double check there are no discrepancies.</p> <p><b>20.201</b> MWa commented that not taking the rent increases now will impact on future increases and he supports taking the full increase. However he did also highlight the importance of being aware of the difficulties tenants are facing due to the pandemic.</p> <p><b>20.202</b> A discussion was had about helping customers live more affordably by look at things such as comparison of energy tariffs and introducing greener energy options in order to reduce day to day household running.</p> <p><b>20.203</b> DO queried about time frames and asked if it would be possible to delay rent increases until later in the year to allow customers time to recover from the impact of Covid and potential rent arrears that have arisen from this. Rent increases are due in April and current furlough schemes are due to end in March. There was acknowledgement from Board members that the timing was not ideal.</p> <p><b>20.204</b> SB confirmed that legally there was no option to change the dates but agreed that there was the opportunity for clear communication with customers framed around the expanded planned work and shape of future services. CS said this could be an opportunity to generate customer engagement and suggested consideration of a hardship fund.</p> <p><b>20.205</b> SB will liaise with CS and DO in regards to the contents of the letter that will be sent out to tenants that will include information on the direction of the organisation and help with arrears.</p> <p><b>20.206 Board approved the update Rent Setting Policy and applying September CPI of 0.5% +1% where indicated.</b></p> <p><b>4.2 Health and Safety Policy</b></p> <p><b>20.207</b> MH clarified that some minor amends have been made to the Leeds Federated Health and Safety Policy which was approved by Board in June 2020 to clearly include and acknowledge that the overall responsibility for Health and Safety for Arthington Property Services (APS) sits with Leeds Federated Housing Association.</p>	<p><b>KM</b></p> <p><b>SB</b></p>
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<p><b>20.208 Board ratified the decisions made by the IHC Sub Group and Health and Safety Committee to include reference to APS within the Leeds Federated Health and Safety Policy.</b></p> <p><b>4.3 Board Skills and Competency Assessment</b>  <b>20.209</b> MH is asking for approval of this from the Board for succession planning and appraisals later in the year.</p> <p><b>20.210 Board approved for members to undertake the Board Skills and Assessment Framework.</b></p> <p><b>4.4 Financial Standing Orders (FSO's) changes</b>  <b>20.211</b> JR confirmed the paper highlights the changes that Board need to approve and the ones that have already been approved by SMT and just need noting by the Board. In future the reports won't be attached to the paper and will be included on Connect for reference instead.</p> <p><b>20.212</b> It was noted that an amendment needed to be added to ensure that there is a contingency in place in case MW left unexpectedly or was unavailable. It was agreed that in the event that the CEX is incapacitated and unable to fulfil their duties, the Chair will have delegated authority to nominate one of the Directors in the short term as Interim CEX in order to continue the business. In such circumstances the Interim CEX shall act in the capacity of CEX as set out in these FSO's. This wording will be added to the FSO's.</p> <p><b>20.213</b> MWa suggested the addition of a paragraph in regards to delegated chairs authority as potentially it could be long time between meetings so it needs to confirm that the Board can be updated via email in this situation.</p> <p><b>20.214 Board approved the addition to the FSO regarding 'Urgent Decisions' and noted the changes approved by SMT</b></p> <p><b>5) Performance</b>  <b>5.1 Performance Update</b>  <b>20.215</b> SB explained that under performance in planned maintenance has arisen as a result of Covid related issues and people shielding. Remobilisation of contractors has also taken longer than expected but SB confirmed that good progress is being made.</p> <p><b>20.216</b> SB confirmed that in quarter two, customer services, development, statutory services and HR achieved an overall amber score.</p>	<p><b>JR</b></p>
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**20.217** There is a total of 17 overdue gas safe certificates at the end of September, 3 of these are due to customers shielding. SB did emphasise that this number is a strong improvement from 58 at the end of quarter one.

**20.218** JG raised a query in regards to HR performance and noted that a lot of companies have found an increase in satisfaction and wondered if it warranted an increased focus on this.

**20.219** MH explained that one of the first surveys in June showed an increase in satisfaction. The second survey was conducted during remobilisation and reflects the concerns that front line staff had in relation to the new ways of working. She also clarified the most recent survey has now shown an improvement but that LT are also very aware that there is a difference in satisfaction between office staff and front facing staff.

**20.220 Board noted current levels of performance and actions identified to address areas of underperformance.**

## **5.2 Financial Performance to 30.9.20**

**20.221** KM apologised for some historical spreadsheets that had been included in the pack.

**20.222** The report shows a surplus of £2.8mn which is about £650k ahead of budget, net income is about £400k lower due mainly to first tranche sales.

**20.223** KM did highlight that the October result is showing some catch ups and the maintenance underspend has reduced to circa £260k which is positive for customers and the first tranche sales underspend has reduced also.

**20.224 Board noted the financial results to 30 September 2020**

## **6) To Note**

### **6.1 Chief Executives Report**

**20.225** MW highlighted he has met with Kerry McHale from MCHLG and had discussions in regards to the recent White Paper; she had highlighted that a number of the items within the paper would take a number of years to work through.

**20.226** MW highlighted that he was pleased with the IIP report and that LT had taken assurance that that nothing surprising has come out of the report whilst also acknowledging that it has given them a lot to build and develop upon.

**20.227 Board noted the report.**

**6.2 Vision 21 Programme Closure report**

**20.228** JR and SB presented the report, they apologised for the length of report and highlighted the importance of taking the learning from it and replicating the successes and learning from the mistakes.

**20.229** JR clarified that Origin2 testing is going well but that P2P implementation has been delayed by defects highlighted in the testing stages.

**20.230** KB confirmed that it was a good wrap up report but highlighted that the report undersells the benefits that V21 has brought to the customers. There has been a lot of work done and it is important that this element captured. JG outlined that an ongoing focus on team, company and customer should be carried forward.

**20.231 Board noted the report.**

**6.3 Mid-Year Treasury Review**

**20.232** JR introduced and explained it is a compliance and assurance report to give visibility to Board. There is additional funding in place which won't need to be drawn down for a couple of years. JR confirmed that the Association is in a very strong position.

**20.233 Board noted the Mid-year Treasury Review**

**6.4 Asset Management Update**

**20.234** SB updated and highlighted that he had contacted councillors to let them know that disposals were planned. The local authority has shown an interest in acquiring these properties due to a demand for properties for single people. The legal processes are in place to transfer these whilst the rest of the properties will be going on the general market.

**20.235** JG questioned whether there was the appropriate level of resource to take this forward. SB confirmed that this was reflected in the future budget update.

**20.236 Board noted the report**

**6.5 HR Health and Wellbeing Report**

**20.237** MH introduced that the report that had been requested by Board and included information from discussions with staff as well as the results of Health and Wellbeing Surveys. MH clarified that feedback is being taken seriously and also

confirmed it will all be dealt with under the IIP action plan and reported to Board in this manner.

**20.238 Board noted the report**

**7 Board Minutes & Matters arising**

**7.1 Minutes of the Board meeting held on the 6<sup>th</sup> October 2020**  
20.239 These were approved as an accurate record

**7.2 Matters arising from the 6th October 2020**  
20.240 These have all been actioned

**7.3 Matters arising rolling agenda 20/21**  
20.241 There were none to note

**8 Minutes for Information**

**8.1 Draft Governance & Remuneration Committee minutes 28<sup>th</sup> October 2020**  
20.242 These were noted

**8.2 Draft LFPS Minutes 21<sup>st</sup> July 2020**  
20.243 These were noted

**8.3 Draft Operations Committee Minutes 3rd November 2020**  
20.244 These were noted

**8.4 Draft Development Committee Minutes 3<sup>rd</sup> November 2020**  
20.245 These were noted

**9 Any other Business**  
There was no other business

**10 Date of next meeting**  
Board Away-Day – 22/23 January 2021  
Board Meeting – 30 March 2021