|  |  |  |
| --- | --- | --- |
| **COMMITTEE MINUTE RECORD**  **Minute of:** Ark Board of Management Strategy Day  **Date Held:** 31 October2024, 10am  **Venue:**  Hybrid  **Chair:** Ian Logan  **Secretary:** Bobby Duffy | | |
| **Present:** Mr Ian Logan (Chair) IL,Ms Catriona Clarke (Depute Chair) CC, Mr Dave Proudfoot DP, Mr Richard Stark RS, Ms  Jane Dunlop JD, Ms Donna Downie DD, Ms Joanna Mansell JM, Ms Isla Gray IG, Mr Oliver  Saint OS(r), Ms Kerrie Mitchell KM, Mr Craig Unsworth CU, Ms Linda Ewart (LE)  **In Attendance:** Mr Bobby Duffy (Chief Executive Officer) BD(r), Mr Mark Hall (Director of Care & Support) MH, Caryn Innes  (Director of Development & Customer Experience) CI, Mr Stuart Green (Director of Finance and Digital  Improvement) SG, Mrs Nina Adamson (PA to CEO) (Minutes) | | |
| **ITEM** |  | |
|  | **Board of Management Pre-Session**  Did not take place today | |
| 1. | **Welcome**  The Chair welcomes everyone to the meeting, in particular the new BoM, and listed apologies. | |
|  | **Apologies**: Ms Joanna Mansell, Mr Darcey Black | |
| 2. | **Governance Review**  To summarise, LE conveyed what a rapidly changing environment we are facing, which means 2024 aims are no longer realisable and we are expected to do more, with less. Construction costs, budget costs, downturn to supply, a decline of housing emergency (driven by homelessness). From a governance stance, it is a time to be nimble and adaptive out of necessity.  Key Considerations for governance structures are supporting senior staff and BoM: what BoM do and what’s delegated to senior staff who are accountable to BoM. Governance is about systems of accountability and BoM need to have assurances that the internal operations at Ark are of a high standard and functioning effectively, so that everyone can fulfil their responsibilities.  BoM’s focus must be on the Strategy & the direction of Ark: financial viability/resilience, performance/quality, affordability/value (for tenants), compliance/assurance. LE questions if the current Governance Structure is fit for purpose and whether the sub committees follow these focuses.  Members agree with LE’s suggestion of removing the current sub committees to start afresh with a new format. Reporting is key and at the right level: relevant items at appropriate frequency, without recycling material, resulting in less work for staff.  Responses to LE’s presentation:  BD states that this reflection is around the demands placed on the Board and their time, our new structure will ease this.  IL sums up that he believes we can delegate more to staff. The volume of Papers is an issue and constructive contribution is lacking. He takes into account the Succession Planning, retention, the benefit of the stake holders.  We would like to be the best provider possible whilst also being attractive to local authorities: this requires a framework, so Ark HA can grow.  The remit of sub committees needs to be succinct & effective with clarity, in a flexible environment: so now is a good time to review it all. LE agrees & doesn’t think what Ark currently has, is fit for purpose. Her proposed layout of sub committees would be: one Finance, Audit & Risk, and a Business Performance and Compliance committee. Discussion of roles of the Sub Committees and the rules applied to them. For example, the Finance Sub Committee doesn’t approve anything, just looks over things in detail.  The ensuing discussion encompasses that the Board has a responsibility for certain decisions that are reported, and that they can support Ark to ensure success on a functional basis. CI assures that if anything became a risk financially or strategically, we would communicate this.  Action: Members agree the level of detail in Papers is too high & DD suggests streamlining for more efficiency.  A layout like FR’s presentation that engaged and sparked debate, is an ideal template. We have already adapted the reporting format to reflect the Board’s preferred way of reporting.  JD joins the meeting at 11.03am  The Chair states he would prefer the Board to be delegators: not delegating decision making but with proposals to open up a conversation.  Action: Determining what are the ‘must-dos’ of the Sub Committees  Action: Implementing a wider staff group to report functions for the Board (like at the AGM).  IL states the above actions would be good all round whilst also and lightens/broadens load. Members agree.  Action: Routemap: next BoM meeting, expect to have framework for options, put into place for 2025.  The Chair states that the Board feel detached from Ark’s residents & Ark staff and Members agree there should be more accessibility for engagement.  The Chair thanks LE for her presentation.  **All Members are in agreement of the above Governance Review** | |
| 4. | **Strategic Risks** (some decisions made, summarise and note approvals) (BD)  BD summarises that he’d like to ask the BoM about the risks that we should be considering, come February ’25. The Board will take a view on Operational Risks.  We launched our Business Plan and refreshed it, as part of the Strategic Plan 23-24. We have been working on the Digital Strategy.  BD Identified 5 strategic risks within the SRR: there are multiple risks with the ET, importantly it’s about those we can mitigate & manage. The final one, number 5, is for unprecedented events, eg. Covid, and how we would manage it. Disruptions could have an impact on the Strategy.  The current SRR is 50pages, a hefty document which we’d like to revise. DD has a SRR to share with us.  The Chair thanks BD for this and the Paper. He thanks all ET for everything in preparation for today.  We have 3 key strategies that we are currently delivering. The detailed people strategy, is embedded within Operations.  The previous SRR had 10 risks associated with it. 5 strategies & 5 C&S (part of Operational RR)  The Chair asks about Strategic risk for people in our care, there doesn’t seem to be one. However, BD clarifies that all risk is made up on an operational focus. In terms of C&S being 80% of the business, it falls into the financial sustainability of the group.  DP argues that Ark has gone the wrong way with the SRR; it is too big and all the mitigating actions are on an (high) operational level. Every operational risk, should be a subset of strategic risk; passed to those who are responsible for managing risk. However, BD clarifies that we are where we are now, as per recommendations of the TIAA audit. The RSS was somewhat ‘confused’. Ultimately, the purpose of the CRR is that the Board voice what they believe could potentially impact the future of the organisation: It is a series of actions designed to achieve a result. Compliance is a consequence of good practice.  For example: Ensuring that at operational level, the correctly skilled personnel perform checks and ensure safety of components within residencies. The Board need to be kept in the loop as to when things are/not working, so that strategic risk can be mitigated.  The Chair states that the ET have asked the Board to either approve or not approve the strategies. Everything is present & covered in the RR as confirmed by the auditors.  Action: BD Review & return with a RR at the right level: less detail, in context of strategy. Create a proposal and delegate to a Sub Committee: what’s involved in the *management* of this.  A 10-point RR is a good starting point, with high-level detail, if required.  Action: All: Need a reporting structure that informs BoM of reports on *XYZ* once a year/month etc.  **Members agree the SRR needs revision and are happy with the plan going forwards** | |
| 5. | **Rent Consultation** (will need approval from members)  CI & SG ask for approval of 4-5% rent uplift & will discuss the rationale.  *How rent is spent*: maintenance, long-term investment, staffing. This is part of 5 year plan.  Service charge has increased exponentially, and auditors have stressed this money is used for the correct purposes.  *Rent uplift*: it is important to highlight inflation rates. Tenants are able to afford the uplift respective to living wages.  This item is delegated to the Finance Sub: we will give them a proposal & when it then returns to the Board for approval, we have already addressed key aspects.  The Board respond that freezing service charges is a given. They recognise that rents are below average, so it makes sense to increase to level up.  We have tried to engage residents over this past year to not much avail. Communication Strategy is missing.  Action: Communications & engagement strategy for residents. Append some incentives to surveys to boost engagement.  **Members agree with numbers and are happy to approve the 4-5% rent uplift suggestion** | |
| 7. | **REDACTED** | |
| 8. | **REDACTED** | |
| 9. | **REDACTED** | |
| 10. | **Brand/Communication Approach**  The Chair offers to postpone this as he feels the full board should be present for a brand presentation, as IG now needs to leave too. This item will be moved to the December meeting. Members agree they would like all Members present for this.  Action: Create a slot in December meeting for Brand/Communications Approach, for a full discussion (BD).    The Chair thanks everyone for their input and hard work for today’s meeting. He concludes that we have steps to move forward, in place.  **Members agree to postpone until all Members are present.** | |
|  |  | **The Meeting closed at 3.20pm** |
|  |  |  |

**2024 Dates for Board of Management Meetings – commencing 14.00**

**Board Member Only sessions will commence at 13.30 unless agreed otherwise.**

* **05 December (Hybrid) Ordinary Board Meeting**