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| **COMMITTEE MINUTE RECORD****Minute of:** Ark Board of Management**Date Held:** 29 August 2024, 2.00pm **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 Craig Unsworth CU**In Attendance:** Mr Bobby Duffy (Chief Executive Officer) BD, Mr Mark Hall (Director of Care & Support) MH, Ms Caryn Innes (Director of  Development and Customer Experience) CI, Mr Stuart Green (Director of Finance and Digital Improvement) SG, Ms Victoria  Knox (Director of People & Organisational Development) VK, Ms Fiona Ross (presentation only) FR, Ms Lucy Robertson LR, Mr  Oliver Saint OS (joined at 1.55pm), Ms Donna Downie DD (left at 2.15pm, rejoined at 3.09pm), Ms Joanna Mansell JM, Mr  Darcey Black DB (left at 3.16pm, rejoined at 3.28pm), Mrs Nina Adamson (PA to CEO) (Minutes) |
| **ITEM** |  |
|  | **Board of Management Pre-Session**A pre-session took place at 13.30 – 14.08 - CEO Briefing (BD) |
| 1. | **Welcome**The Chair welcomed all attendees to 29th August 2024 Board of Management meeting. |
| 2. | Apologies: |
| 3. | **Declaration of Interest**There were no declarations of interest except for the usual that some Members are on other subsidiary Boards: Lucy Robertson and Oliver Saint are both also on the *Ark Services Ltd.* Subsidiary Board. Dave Proudfoot, Oliver Saint & Catriona Clarke are also on the *Ark Commercial Investments Ltd.* Subsidiary Board. |
| 4. | **Items for Approval** |
|  | 4.1 | **Minutes of Previous Meeting held on 27 June 2024** **28/03/24****Item 8**: Chair’s Remarks, BoM Training in September, thank you to everyone for accepting attendance – REMOVE**30/05/24****Item 5:** Policies & Procedure: VK states this is on the Agenda for today – REMOVE**Item 8**: Team board development: IL will cover later in the comments, on the Agenda for today – REMOVE**27/06/24****Item 5:** DB having issues accessing the Portal - REMOVE**Item 10.4**: Habitation: CI states that *Windsor Square* should be *Crusader Rise* – NA to amend (complete). This is on the Agenda for today - REMOVE**Item 11.1:** Feedback regarding high level of details in new Management Accounts reporting format: SG the finance subsidiary are having a discussion around what BoM should see, complete - REMOVE**Item 13**: Board Portal Issues: SG a similar situation; any issues can be picked up with IT. DP & CC asked about why BoM cannot upload/edit documents. The files are there to provide information, but we should be able to provide information back, but cannot comment on papers, only posts. The Portal is not being used to its full purpose. BD comments this is to do with security for documents, but CC explains she was unable to amend something intended for BoM, which wasn’t Ark related.BD: we need to view it in the context that it should be simple, a depository folder. Action: BD & IL: BoM would like to engage more within Portal, discussion around this. **Members approved the 27 June 2024 Board of Management meeting Minutes** |
| 5. | **Policies** |
|  | 5.1 | **CS17 Behaviour of Concern**VK has tried to provide clear information on the cover sheets of papers and will provide information and answers to questions.**DP & IL have approved the paper**  |
|  | 5.2 | **G25 Records Management Policy** VK: Ark’s publication scheme is not there for the ‘wider world to see’. There is a lot of information about managing own policies internally. Perhaps we can have an additional piece of text to go in? The BoM concurs, so long as what is stated, happens. Action: VK to reference G24 procedure and to take it to ML. Refer to the procedure that covers this. **Members approved this policy, subject to this above addition.** |
|  | 5.3 | **HR37 Shared Parental Leave** VK notes that some of the changes are on the front & happy to take questions.**Members approved the Shared Parental Leave Policy** |
|  | 5.4 | **HR38 Sleepover**VK: Very minimal changes to this, changes reflect other policy reference, nothing has changed in terms of practice.**Members approved the HR38 Sleepover Policy** |
|  | 5.5 | **HR30 On-Call**VK states that some refences have changed, some updated wording, but nothing else has changed. **Members approved the HR30 On-Call Policy** |
|  | 5.6 | **HS05 Fire Safety**DP asks about Items 5.3 & 5.8 and queries the ‘new section on SFRS guidance available and new section L&D requirements’, is this a pointer to something else, or is this additional text that going into the policy, and if so, it should have been on the changes/cover sheet. VK agrees & answers that Item 5.3 is a new section with some new wording, and Item 5.8 is a new section contained in all the Policy templates and specifies what the L&D requirements are across the organisation. More for internal use.DP asks if there is anything significant that BoM may be interested in, anything new.Action: VK states that she needs to review the above Policy, as not a governance policy.IL states this policy is going away for clarification, it may or may not return, depending on Item 5.8.**Members approved the HS05 Fire Safety Policy**  |
|  | 5.7 | **CS25 People at Risk of Choking**DP states he is ok with this policy. |
|  | 5.8 | **Policy Approval Process – Proposed Changes**VK. At the May BoM meeting we had agreed that there would be a discussion offline regarding this. BD, IL, DP & VK discussed the policies moving forward & reaching a decision on policy approval. The PPR Group has been running over some years and we are looking to have a discussion about this with BoM, in terms of delegating responsibility for operational policies & how BoM would monitor around this, much the same way as the PPRG operate; an oversight of compliance which is all contained within the Paper. VK states that we will cease bringing forward ALL Policies, and only bringing forward to BoM the Governance Policies in full, for approval. VK has added some next steps which illustrate where we can proceed to, if this is approved today.IL thanks VK very much for pulling this together. DP & BD have been very supportive, too, so thank you.IL asks if there are any questions from the floor. IL has 2 questions, regarding the merging of the 2 Subsidiary Boards: 1. DB is a chair of the Audit Subsidiary as Chair; this would create extra work for him and the committee will need to look at this. Audit Subsidiary has quite a broad remit as it is. Is DB comfortable taking it all on? 2. If we approve this, it will be our first year of doing it in this way, so we are not keen to delegate too much as this will create too many layers for the first year at least. Could we have a quarterly report about approving things? It may work well and BoM members could be more connected at least in the first year. If we have someone, for example BD, coming along from the PPRG then BoM can make its mind up and we could *then* delegate to the Audit Subsidiary.DB will answer the second question first: let’s see how the first year goes. Yes, we can do this, on a trial basis in order to move things forward. It is important to note that we are not approving it, the ultimate approval will come from BoM when all Members are present. We need to be quorate, which we currently are not (min 4 members), so need to be well staffed, in order not to see any meeting cancellations. JM adds that we do have the capacity of being quorate and doesn’t see why we couldn’t accommodate this.IL reiterates that he would like it to come to BoM. Until we know what we are delegating, we cannot delegate.DP: The internal auditor, TIAA, reviewed the effectiveness of the PPRG and we were that told it is all working well, we have some comfort from this. With this in mind, IL suggests that instead of a quarterly review from the Audit Subsidiary, could we have a quarterly review or form of monitoring by BoM, in the first year. Firstly, the formal function is for BoM to delegate to Subcommittees, it needs to know what is being delegated. It may end up only taking 2-3 iterations and then we’re probably able to delegate. We all want the BoM to be comfortable and right now Board seems to be only ‘approving’ everything. A settling in process, that may present issues, as we haven’t done it before, but with time, processes will be streamlined.DP: We have comfort in the form of a report, and Audit Subsidiary has already seen and reported to us in the Minutes. Is it worthwhile having the internal auditor report shared with the BoM, so we can see what TIAA have said about the group we are looking to delegate to?IL offers a solution: a quarterly report: the initial stages come to BoM, to then see about delegation. In terms of the report, we can put it on the portal, so that all BoM can view and when the PPRG review comes along, hopefully everything will be in line and we can move on with it. DB: Took a quotation from the TIAA report which was fine. There is no reason the report can’t be available for anyone that would like to see it.DP highlights the ongoing issue of BoM not being able to update the portal, so cannot upload the report.IL explains that the portal there for information purposes. The TIAA report is not to be questioned, it’s not editable. But allows us a bedding in process and get to know the process.**Members all agree and approve this Paper. IL to VK approved**.  |
| 6. | **Annual Accounts** |
|  | 6.1 | **Summary Report, Audit Report, and Technical Update**We had a clean Audit, and no adjustments were proposed; The Summary Report is a useful read. Recommendations have been helpful and we don’t disagree with any of them. They were discussed in detail at the Finance Subsidiary meeting. We are asking for approval of Accounts, and approve the Letter of Recommendation from the auditors.CC as Chair of Finance Subsidiary, doesn’t have much to add to this: has looked at the details. The movement of the pension fund at the end of the year: BoM need to be aware of the changing profile of this risk. This is the main financial thing we have discussed. We also discussed the End of Year Report and Letter, there is nothing in particular to be highlighted within them. DB: There is nothing to add from the Audit Subsidiary. I have looked it all over and we are reliant on the Finance Committee, from a technical perspective. We’re happy with what we saw.IL: Re: the pension fund, this is a significant movement and not sure what has caused this. Do we have any concerns? The 5 year plan doesn’t offer any provision of contingencies.SG: Yes, we do have some concerns, there will be the reintroduction of deficit contributions and as part of the Shaps Employer Committee we get an early insight and have discussions between the scheme & employer committees, in terms of setting a repayment plan and the period for this. The end of September will be the cut off for tri-annual valuation point. We have some more meetings this year and out of the 3 year cycle, but this is the most important meeting out of them all. There has been a £70m deficit since the last point. This means, when the deficit contribution scheme ended, we had a £30m deficit, it got worse, rather than better.. The next 9 months will be key point for discussions to agree the overall amount to be repaid; by employers, when to pay; this will all influence Ark’s response financially in terms of how we manage it.IL clarifies if this is just a paper exercise & asks about when we will have visibility of the cash output. SG confirms that it is and we should start seeing this April 2026. Employers are generally given notice at about this time now, which they have been given. IL enquires as to what headroom we might have with this.SG says we are in a flexible position. Headroom is linked to us borrowing more money for investment. Until this is done, cannot lock in what the headroom is. DP: whilst we don’t know the numbers yet, the valuation will happen: potential liability being £640k to £1.2m to £2.9m. Is this a cash liability? Is there potential that this could increase the deficit even higher, then calling into question the going concern of Ark on that basis. Is there a requirement of it being in accounts as a contingent liability, which then gives the external auditor a different view of the accounts. The crux then as a valuation comes up; the accounts as at 31st March 2025, might be start of it, in order of how we deal with it going forwards.SG: About 10 years ago a lot of housing associations left the scheme. Ark left just before this, and many merged as they couldn’t pay. Ark has done a great job as it is more exposed than others & has managed well. The deficit is much smaller now, because of this. The level of risk is not to the same extent as it was. IL: It is not in the trustees’ interest to push us into a wall, it won’t happen, it’s a negotiation spread over years. We’re dealing with macroeconomic and now also geopolitical issues too, which all could affect the outcome. Right now, as we are, it is the best we can do and we will continue to monitor the situation.Action: more regular updates from the Finance Subsidiary-SG |
|  | 6.2 | **Ark HA, Letter of Rep, Letter of Support**IL: ACIL, ASL, are they all approved?SG confirms yes both Boards have approved the accounts.DP adds that he’d like to change one bit of emphasis; not a letter of representation from the external auditor, but a letter from *us*, as a Board, to *them*. What we are saying to them, not what they are saying to us. IL agrees we need to make this clear.**Members approve all the documents as above** |
|  | 6.3 | **Ark Services**Nothing to add |
|  | 6.4 | **ACIL**Nothing to add |
| 7. | **SHR Self-Assessment Framework Outcome Report** |
|  | 7.1 | BD: has provided a Paper today for the self-assessment process that we carried out in July. All the documents were presented to the Audit Subcommittee about 2 weeks ago. We have not shared all the information with BoM again as it’s a huge amount of information. BD is sure the Audit Subcommittee reviewed everything in detail and is happy with the information provided. Following self-assessment, we are fully compliant and all the regulatory standards and our processes that we have followed, are those that we have followed for years. BoM can be assured that our processes are very robust. IL asks if there are any questions on this Paper.DP adds that he is sure it’s all there as mentioned by the Audit Subcommittee, but wants to confirm with DB, as the annual report on Audit Subcommittee doesn’t mention this. DB confirms no.BD: This wasn’t worded quite correctly; it was a recommendation from the Audit Subcommittee that reviewed the self-assessment, therefore the Board can approve it.IL asks if we have the ok to approve that we are compliant with the framework, items, 1-3?**Members have approved the above** |
| 8. | **Annual Assurance Statement** |
|  | 8.1 | IL has this in front of him.BD:Following completion of the self-assessment, the Board are then asked to agree the Annual Assurance Statement. Some guidance has been issued for this by the SHR & SFHA this year re: the Assurance Statement. In the past they have wanted a succinct document, previously only 4-5 pages, and this year it is quite a clear document. The SHR provided some guidance on tenant residency areas of compliance areas, the BoM are aware of these as we have been working on them, we are now fully compliant. The Assurance Statement has been shared with the SHR for clarity. Whilst BD was on Annual Leave, Nicola from the SHR shared some feedback, which was reassuring and positive. IL asks if there are any questions, before signing the statement.JM is taking a call at 2.58pm**Members agreed the above is approved** |
|  | **Items from Chair and CEO** |
| 9. | **Chair’s Remarks**IL: Concerning the Annual Appraisals: thank you so much, so far, remainder will be diarised. Apologies for being on Annual Leave so much.Recruitment process: BD, VK, IL & an external recruiter have been reviewing this process. We have been very encouraged by volume of interest for BoM and Subsidiary companies; a very good selection of people. Interviews will be held next week and we are looking forward to the process.We are looking to develop BoM, but most importantly the alignment to governance structure, namely Lynda Ewart. We spoke with her on 2nd August, it became clear that the process BoM took part in in February, needed to be fed back to ET and then ET to feed back to IL. It showed that Board effectiveness was now beginning to align very closely with the work that BD & IL are involved in with Governance & structure. Rather than keeping the 2 workstreams and committees separate, let’s align them. We will do this on Strategic Development Day and get Lynda along. This is about establishing how we want Governance to work and the BoM are involved in this process. In summary, coming together with Governance structure in review. IL really wants to accelerate this going forward (has been a slow process), with Lynda entrained, BD is on board. It will position us as BoM to recognise what this organisation now is and what we are moving into, as we develop & deliver our strategy. IL adds one final comment: in the Agenda, the Housing & Customer Service performance report is an excellent piece of work. The BoM’s connectivity with tenants is so important. IL would like to go and *see* the tenants, he’d like to hear directly from them. We will work on how to make this happen.IL that is all.DB leaves 3.02pm**Members noted the Chair’s Remarks** |
| 10. | **CEO Remarks/Reports** |
|  | * **Board Recruitment**

BD**:** updates that there have been19 notes of interest and the recruiter was able to reach more people than we could have alone. We will be interviewing 13 candidates on Monday & Wednesday. We’re hoping to have an independent Subsidiary Board from the main board.. This new structure is in order to ease the burden, as we ask a lot of the BoM, and it will make the post more interesting.* **AGM**

The AGM will be held on the 26th September 2024, in our office. We will invite some colleagues from across the organisation to present about their work they are doing in relation to various projects. We hope it’ll be an interesting and useful event for BoM. The BoM Meeting will follow the AGM, where we will appoint the new members and discuss the Corporate Services Review. We will provide BoM with more information when we can. * **October Strategic Development Day**

BD: This will fall on the 31st October. We propose to break it down in to 3 blocks: Lynda will come along to do the work initially, plus an additional 1-2 key aspects we’d like Lynda to lead on; which is the Membership and tenant involvement around BoM. It will be worthwhile for BoM to be involved in this. We are in year 2 of Strategy: reflecting on where we are with regards to strategy and also thinking of new a strategy down the line for the coming years..Danish HA visit; BD: a review of the visit from this morning from Himmerland: They comprised a collection of different organisations providing social housing; some members from educational, technical associations etc. and we got an insight into how it all operates, very different financial models compared to our organisation. Presentations were shared and Susie form SFHA was present too. BD: continues, the visitors have been on visits today, around Livingston, QM and Southhouse. An interesting day. We hope to get some feedback from Scott and Dave. IL thanks BD. DD rejoins meeting at 3.09pm**Members noted the Chair’s Remarks** |
|  | **Items for Discussion/Decision**  |
| 11. | **Strategic Plan** |
|  | 11.1 | **Corporate Objective Q1 Report**BD: introduces a new report format that we have been working on over the last few months. A front page, a summary, to show how we are progressing, with a % marker of completeness, with Objectives & Milestones. BD hopes for the BoM it will be helpful & will pull out nicely. We have added some narratives for the milestones, which we hope have been useful; what you might expect after Q1 (the start of the financial year) in the year. We shall build this into Q2, Q3 and so on, and thus everyone will be able to see the delivery of objectives.Nothing much to discuss otherwise & BD is happy to answer questions.CC likes the report. She observes that the ‘Not Started’ is red, which is a bit of a strange visual. Otherwise good.DP: There are 27 Objectives that VK hasn’t started yet, will these be finished before she leaves? Are they being delegated?BD: BoM will see in September, VK’s Paper in a locked cupboard, all about how all projects/Objectives are being delegated.A lot of this work has already been delegated, for example: the work VK is doing on a ‘Quality & Diversity’ Strategy is led by MC but will be delivered by our business partner. IL asks about if there is a protocol that adds priority onto certain tasks.BD explains, the approach that the directors take is sequential: First, the Objective is identified, then what steps to take to complete it, by Quarter, the Objective is thus listed in terms of priority.DP: Whilst each is listed, are they all equally as important? DB answers yes. DP adds that the Objectives must be completed by certain Quarter. CU agrees we may need to have some form of prioritisation. BD reassures that there is a plan in place. *Priority* would come in if we are struggling with an Objective. We would then assess to see which needs completed more urgently. We can always come back to review them. SG assures, that for example, if he knows he is struggling with completion of an Objective, he’ll flag as ‘*delayed’* to allow BoM to see that there may be a delay with this particular item.IL: We trust the ET with priorities, if things need moving around, the ET will tell us. BD agrees this is fair. And yes, we will continue to monitor objectives. We went over this with the SLT too, we are working very transparently. If there is a delay, we’d have narrative in there as to why. CU: This is ideal, as with the Corporate Services Piece, can see how it will be captured and then we can build it out.CC adds, in terms of priorities: the narratives may explain reasons but this doesn’t explain any impact. It is just flagging this to BoM.BD & IL agree. We don’t want to add unnecessary work for the ET, it is just for noting.DB rejoins meeting at 3.28pm**Members are in agreement of the Corporate Objectives Q1 Report** |
|  | **Performance Reporting** |
|  | 11.2 | **Compliance Assurance Q1 Report**BD: BoM will be familiar with this; we have had report coming to BoM for a few years now. It illustrated the areas we have identified with BoM that we will provide a quarterly report on. Not anything else to add. BD asks if there are any questions.DP: This looks like a tick/no tick. Is this on a sample basis? BD agrees, yes this is on a sample basis, we have not normally sampled as much as BD had wished. But no-one else ticked/sampled on his behalf. No further comments. Fiona joins at 3.30pm**Members agree to the Compliance Q1 Report** |
|  | 11.3 | **Annual Housing and Customer Services Performance Report**IL Welcomed FR to the meeting, to present.FR, the Head of the Housing & Customer services team, thanks the Board for inviting her along to BoM meeting. She has prepared some slides with key points. The Housing Association encompasses 413 tenants overall (Ark HA, not ASL); 137 General Needs Tenants, 276 Supported Tenants: 187 tenants supported by C&S, and 89 tenants supported by other care providers. We all do things quite differently within this sector.FR moves into the staff overview. A relatively small team that manages a large area.Key performance indicators: The figures in the report, are better than the actual target. Despite monitoring things closely, we find tenants are struggling to pay rent. It is becoming harder to recover moneys quickly.. Tenancy sustainment; the regulators ask who is still living there after 1 year, we are currently at 100%. Which is great.We have rehoused 24 applicants in a year. 95 applications have been assessed and added to the list. We are meeting our target. Customer satisfaction; there is a report present on this. The regulator asks us to report on items. 2023 has been best performance. Repairs has dipped however. Tenants seem to be happy with service provided. Communications: have gone up 20% in the last 3 years. The handbook is digital now and therefore more accessible for everybody. Repairs: there are some issues here; currently sitting at 68%, down from a previous 95%. The customer services team is the first point of contact and we are reviewing our processes as well as reviewing our targets.Rubixx: will be our contractor & customer portal and it will hopefully address some issues. We hope to use this more & more.HAMSIP: will be refreshed as per the results of our recent survey. We’re looking to review the customer charter. IL thanked FR for her presentation: an excellent report. This presentation makes things more enlightening, which is very useful. Some questions from Members: LR has made some observations; firstly, she is so delighted with the above, the format is great. She thought for a while that we haven’t focused on the housing element enough. Secondly, satisfaction is very much driven by repair: it has had a drop, but other work has been highly productive and of exceptional quality. She extends a huge well done to FR & her team, this is all very encouraging.All Members are in agreement and IL thanked LR.FR left the meeting at 3.55pm |
|  | 11.4 | **Development Progress Report**CI states there is nothing to really add. A Crusader Rise update:. Tenants are moving in from 5th August 2024 (1 C&S Tenant signed up). NA & Regional Manager are working hard to move forward. CI has been trying to push this on, as we do not have any signed off packages form the partners just now. . In terms of contractor, in the last few weeks we have received the last evaluation & received payment (£70k); they indicated their potential intention to make a loss & expense claim for the full delayed period, within their building contract it states that delays means they can claim. This has not yet been formally submitted.IL asks about progress on Windsor Square. CI explains that site works are progressing well & modules are getting/have been successfully completed within the factory, the quality is good. The cashflow has been good. We are currently 26 weeks ahead of schedule. Action: CI to share photos of Windsor Square works progress on the portal with Finance Sub. IL: notes their commitments on this. CR, hoping to work out a positive for both parties. CI: yes. IL asked if any questions and thanked CI. |
|  | **Items for Discussion/Noting**  |
| 12. | 12.1 |  |
|  | 12.2 | **Audit Sub Committee Chair Annual Report** DB asks if all is relatively clear on this. The report is against the agreement of the subsidiary committee, there is nothing to add on to the report.**Members had no questions and noted the comments.** |
|  | 12.3 | **Finance Sub Committee Chair Annual Report**IL asks if any questions for CC. IL thanked everyone, and the Subsidiary Committees for all their work & completing their duties to such a high standard, on behalf of the Board. It makes it all much easier for the Board. CC has nothing to add. |
|  | 12.4 | **Rule 68 Compliance**BD: This is our last BoM meeting before AGM. All the rules have been followed and we just have a report from the secretary to BoM.**All Members are happy that the secretary has followed his duties.** |
|  | **ASL Exceptions**LR says all is well and nothing to report. |
|  | **ACIL Exceptions**DP has nothing to add, all is well here too. |
| 13. | **AOB** |
|  | DD has liked on LinkedIn and CI encourages people to share this across social media.DP reminds us that we are missing some Subsidiary Committee Minutes. The last ones are from Finance & Audit from November 2023. Action: to pick up missing Subsidiary Committee Minutes with Dana BD. IL states the 26th September for our next meeting. Looking forward to seeing as many people as possible for this.Meeting concluded at 4.12pm  |
|  | **Date of Next Meeting: Thursday 26 September 2024**  |
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 **2024 Dates for Board of Management Meetings – commencing 14.00**

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

* **26 September (AGM & BoM meetings)**
* **31 October**
* **05 December**

**ACTIONS**

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| **Meeting Date**  | **Agenda Number** | **Action**  | **Who**  | **Status**  |
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