

YHN Limited

Tuesday 20 March 2018 at 5.00 pm

YHN House, Benton Park Road, Newcastle upon Tyne NE7 7LX

Contact Officer: Jill Davison – Tel: 0191 278 8624 Email: jill.davison@yhn.org.uk

AGENDA

Page No

Introduction Items

1. **Welcome and Apologies for Absence**
2. **Declarations of Interests**
3. **Chair's Items**

To exclude the press and public during discussion of remaining agenda items because of the likely disclosure of confidential information. The definitions of what is considered confidential are contained within Section 16 of the Company's Standing Orders.

Main Business

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Minutes/Forward Plan/Delegated Decisions

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	• Minutes of Finance and Performance Committee 13 February 2018	
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15.	Officer Delegated Decisions	111 - 112
16.	Date and Time of Next Meeting	
	Tuesday 24 th May 2018 at 5pm, Board Room, YHN House	



**Your Homes
Newcastle**

Delivering great services, enabling
people to live in great communities,
supporting a great city

Your Homes Newcastle Board 20 March 2018

TITLE	Governance Issues
AUTHOR	Jill Davison – Strategic Business Manager
COMPANY	Your Homes Newcastle
ACTION REQUIRED	For Approval
SUMMARY	This report provides an update on the outstanding recommendations from the Governance Review.

DELIVERY PLAN OBJECTIVE	<ol style="list-style-type: none"> 1. Keep the housing stock decent and neighbourhoods clean and safe. 2. Collect the rent and let properties efficiently 3. Promote health and well-being and support vulnerable people to enjoy independence. 	
STRATEGIC RISK REGISTER	NUMBER & TITLE	GR12: Failure to deliver effective governance of the Group
	LIKELIHOOD	3 (moderate)
	IMPACT	3 (medium)
FINANCIAL / VALUE FOR MONEY IMPLICATIONS	Total cost of the online surveys is £800 and is seen to be value for money compared alternatives on the market.	
CUSTOMER IMPACT / VIEWS	Not applicable	
EQUALITY & DIVERSITY CONSIDERATIONS	Not applicable	

Your Homes Newcastle

Governance Issues

1. Purpose of report

- 1.1 This report provides an interim update on the outstanding actions from the Governance Review recommendations.

2. Background information

- 2.1 An externally facilitated governance review was commissioned in 2016 with Campbell-Tickell, which resulted in a set of 18 recommendations being endorsed by the YHN Board in March 2017. At present, 14 have been completed, with the following outstanding:

1. Revise the Articles of Association
2. Develop a comprehensive Scheme of Delegations
3. Revise the Board Appraisal process
4. Develop a Board Development and Training programme

In reviewing the Board appraisal process it has also been appropriate to review and formalise the process for the re-election of board members, which is also discussed in this report.

- 2.2 Linked to review recommendations, the YHN Board also agreed to adopt the National Housing Federation Code of Governance. In doing so, they were enhancing their strategic approach, placing greater emphasis on skills and competencies required of members to oversee the organisation successfully.
- 2.3 The following provisions of the Code are pertinent to the aims of refreshing and developing the appraisal process and plans for the learning and development of Board Members:

Board Skills, Renewal and Review

D8 – ‘So they can discharge their duties all new board members must receive a properly resourced induction, and ongoing learning and development during their tenure’.

D9 – ‘A full and rigorous appraisal process for the individual members of the board and its committees, including the chairs, must be carried out at least every two years’.

3. Outstanding Actions

3.1 Articles of Association and Scheme of Delegations

It was reported to Board in January, that we were working with colleagues at NCC to progress the amendments to the Articles of Association. Unfortunately, due to resource issues the shareholder has been unable to make any progress through their own governance process and this is still outstanding. The approval of the shareholder is required for any amendment to the Articles, so we are unable to progress without their consent.

Board members should note that without the confirmation that NCC agree to endorse the proposed amendments, the re-election of directors procedure discussed in this report is based on an “as is” position, that is YHN will still have a formal Annual General Meeting in September. Should the proposals to remove the AGM be endorsed and at such point that the shareholder confirms the amendments a further report will be brought to Board outlining the consequence of the changes.

3.2 Scheme of Delegations and Governance Handbook

Work is progressing with Wardhadaway and the Company Secretary to review and refresh all Governance documentation in line with the recommendations from the governance review.

There are a lot of inter-dependencies within this project, the main one being the amendments to the Articles of Association. A lot of the work is currently in draft format until we receive confirmation from the shareholder. Once the Articles of Association are formally amended we can revise the rest of the governance documents and bring them to Board for approval.

4. Proposed Approach

4.1 Board Member Appraisal and Development Policy

For the reason outlined above, we are not presenting a revised Appraisal and Development Policy document for approval; this will be presented to Board with the rest of the Governance documents. However, the appraisal process needs to be completed this year and we cannot put this on hold, so Board members are asked to agree the proposed approach outlined in the report so we can make a start as soon as possible.

The Governance team with support from colleagues in Organisational Development have been reviewing the current Board Appraisal and Development Policy which was last refreshed in 2013. During the previous Chairs term of office a variety of less formal appraisal methods were utilised, not necessarily following policy. In line with the governance review recommendations this report seeks approval to formalise the Board Member Appraisal and Development process to ensure we are compliant with our Code of Governance.

The new process proposed for adoption is a four-step approach and is presented in a flowchart in appendix 1, and discussed below.

4.2 **Online 360 degree evaluation**

Following Board feedback, it was clear that a 360 degree approach was favoured by members. The Governance Team and NCC Organisational Development have reviewed a selection of external corporate governance appraisal providers, and have been impressed by the offer presented by Excellencia. One of their products, Director 360, is an online questionnaire which will give Board Members the opportunity to compare their self-assessment of performance and contribution with that of their peers, in addition to making an assessment of collective Board behaviours such as constructive challenge to others and conflict avoidance.

The Director 360 process follows four steps:

- Content
 - Excellencia will work with the Chair and Governance Team to create a tailored questionnaire for the Board, (average survey size is 12 questions).
- Completion of online questionnaire
 - Board Members are emailed a link to the survey, opinions will be rated on a five-bar scale and there is an opportunity to add additional comments.
 - The Chair will be kept informed of progress and notified of any outstanding responses.
- Analysis
 - Excellencia will analyse the responses and present them to the Chair so that they can feedback to Board Members individually (see My Conversation below) before the collective results are presented to the Board (example report appendix 2)
- Development
 - Working with the Chair, Excellencia help identify potential development opportunities for the Board

4.3 **My Conversation**

From 2017, YHN changed the process for staff appraisals. We want to have genuine conversations, not just a meeting where staff receive some feedback and complete some paperwork. We've called this new approach 'My Conversation' and it is proposed that the Board members use the same approach.

Each Board member will meet annually with the Chair to discuss a number of topics. We have created a simple form for Board members to use for their My Conversation (appendix 3). The form has been designed whereby individual performance, potential issues, development needs and working relationships are discussed in an environment that promotes an open conversation.

The Chair will meet with each Board member individually with the following information to discuss;

- My Conversation template
- Individual Directors 360 report
- Feedback from Committee Chair on contribution and performance in committee meetings

Following the individual meetings, any learning and development needs will be fed back to the Governance team for inclusion in the Learning and Development Plan.

4.4 Board collective assessment

The online surveys completed by all Board members as part of the 360 degree process will be evaluated and analysed by Excellencia and a collective Board performance report will be produced.

Feedback given by members about the collective conduct of the Board will be presented for discussion during a closed Member-only meeting. Common themes and action points will be highlighted for implementation as appropriate, and areas for development and/or training will be built into the Learning and Development Plan.

4.5 Board Learning and Development Plan

The Board learning and Development Plan will contain a number of themed areas which are based on the skills matrix agreed by Board and to ensure compliance with the Code of Governance;

D8 – ‘So they can discharge their duties all new board members must receive a properly resourced induction, and ongoing learning and development during their tenure’.

The outputs from the appraisal process will feed into the Learning and Development Plan as well as a range of comprehensive training options designed to cover all of the Board members roles and statutory responsibilities such as Safeguarding, Health and Safety, and fiduciary duties.

4.6 Board Members Re-election Process

Board members are eligible to be re-appointed once their term of office ends subject to satisfactory performance and appraisal and with a consideration as to whether their skills are deemed appropriate. When a fixed term appointment comes to an end, but the Board Member is still within the maximum allotted term of appointment, Members will be invited to seek re-appointment.

The retiring Board Member will be asked to submit a brief supporting statement. The Remuneration & Nomination Committee will review the reappointments considering the supporting statement, skills and track record (including attendance records and other relevant information) and in the light

of the needs of the Board as a whole, and make a recommendation to the Board.

Normally there will be an expectation that the Member's term would be renewed. However, the Board may decide not to renew the appointment if they consider that the Board Member has consistently underperformed and is in breach of the terms of the Board Member Agreement for Services.

5. Conclusion and recommendations

5.1 In conclusion, the Board are asked to agree to the proposed approach outlined above for 2018. This will be subject to review and evaluation as we work through it, but in order to comply with the Code of Governance and have a robust evaluation process for the re-election of non-executive Directors before the AGM, we need to agree on a way forward.

5.2 Board are recommended to:

- a) To receive a further report in May in relation to the amendments to the Articles of association
- b) To approve the proposed approach to Board member appraisals to enable commencement in April
- c) To receive the Board Appraisal and Development Policy document for approval in due course once the Articles of Association have been amended.

Contact Officer:

If you have any questions about this report that you would like clarifying before the meeting, you can contact Jill Davison by telephone on 0191 2788624 or email jill.davison@yhn.org.uk

Online 360

- Board members complete self-assessment survey
- Each Board member then completes survey about each of the other 11 Board Members
- Executive Directors complete survey on each Board member

My Conversation

- Individual meetings held with Board member and the Chair
- INCLUDES:
 - Individual reports from 360 process
 - Feedback from Committee Chairs
 - My Conversation paperwork

Collective Board Assessment

- Collective Board assessment report discussed at July Board
- Areas for development discussed and actions agreed

Learning & Development Plan

- Governance Team will devise the Annual Learning and Development Plan with input from;
 - Individual development needs highlighted in My Conversations
 - Areas for development from Collective assessment discussion

April/May

- Questions will be developed
- Log ins provided for Board members
- Deadline dates agreed

May/June

- Individual appointments scheduled for each Board member with the Chair

July

- 31 July Board

Sept

- 18 September Board

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Board Evaluation - Director 360

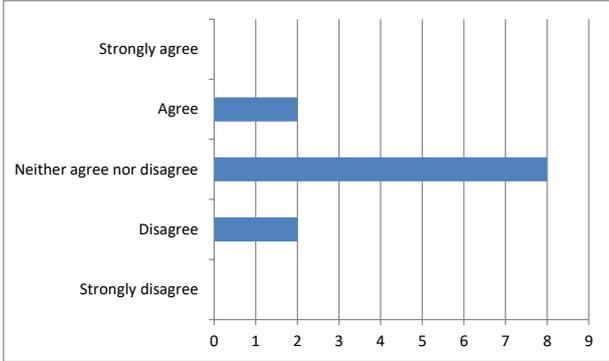
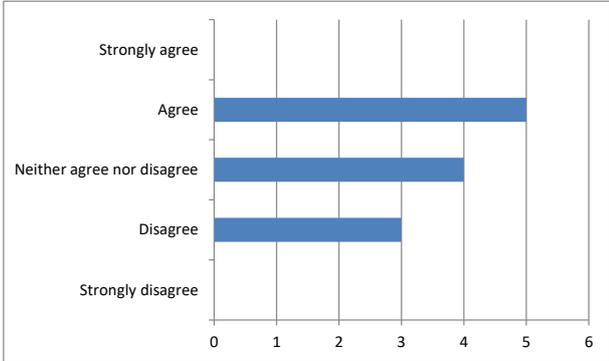
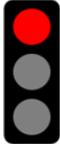
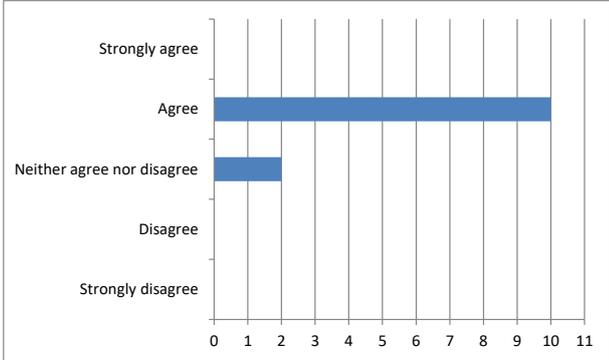
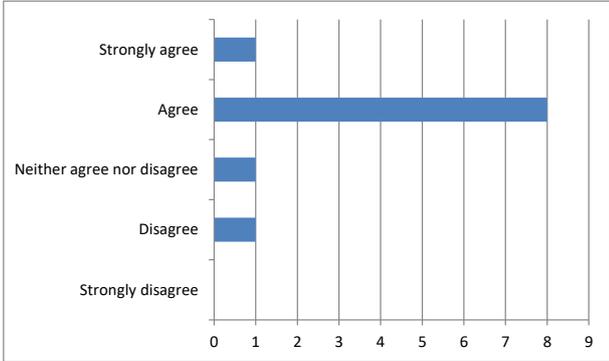
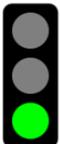


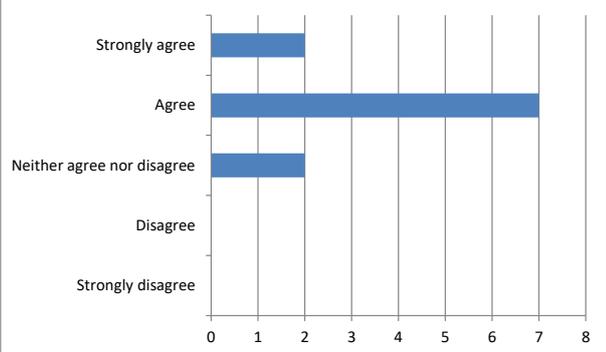
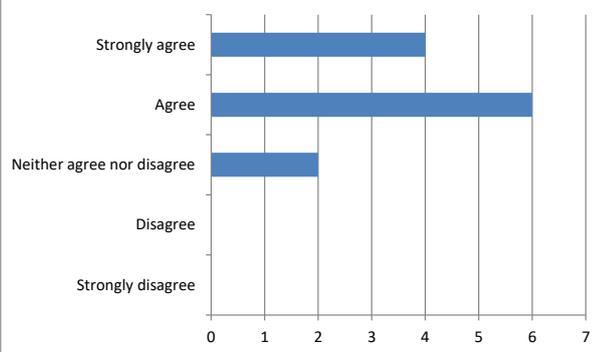
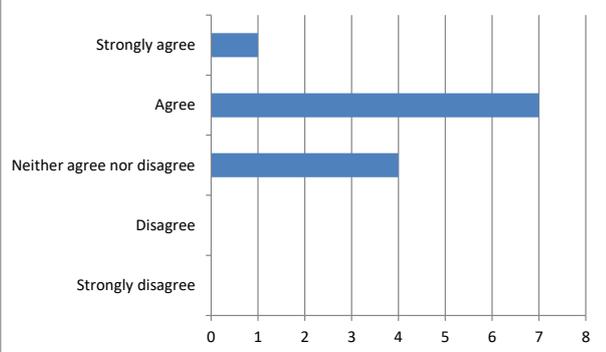
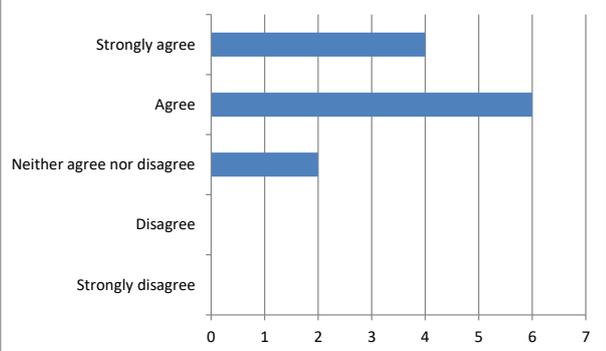
**Sample Report
January 2018**

Director 360 – Sample Director

David Doughty CDir FloD

<i>Director 360</i>	<i>Sample Director</i>	
Summary		
<p>Is aware of what is expected of them as a board member</p>		<p>4 out of 12 board members disagree</p> <p>Action</p> <p>Review director roles and responsibilities</p>
<p>Has a good record of meeting attendance</p>		<p>11 out of 12 board members agree</p>
<p>Reads the minutes, reports and other materials in advance of our board meetings</p>		<p>Only 7 out of 12 board members agree</p> <p>Action</p> <p>Individual coaching</p>

<i>Director 360</i>	<i>Sample Director</i>	
<p>Is familiar with what is in the organisation's Memorandum, Articles and governing policies</p>		 <p>Only 2 out of 12 board members agree</p> <p>Action</p> <p>Board to review company constitutional documents</p>
<p>Frequently encourages other board members to express their opinions at board meetings</p>		 <p>Only 5 out of 12 board members agree</p> <p>Action</p> <p>Board development to build foundation of trust</p>
<p>Regularly expresses their opinions at board meetings</p>		 <p>10 out of 12 board members agree</p>
<p>Is a good listener at board meetings</p>		 <p>9 out of 11 board members agree</p>

<i>Director 360</i>	<i>Sample Director</i>	
<p>Follows through on things they have said they would do</p>		 <p>9 out of 11 board members agree</p>
<p>Maintains the confidentiality of all board decisions</p>		 <p>10 out of 12 board members agree</p>
<p>Will raise issues even when they have a different opinion to the majority</p>		 <p>Only 8 out of 12 board members agree</p> <p>Action</p> <p>Board development to build foundation of trust</p>
<p>Supports board decisions once they are made even if they do not agree with them</p>		 <p>10 out of 12 board members agree</p>

<i>Director 360</i>	<i>Sample Director</i>													
<p>Promotes the organisation in the community whenever they have a chance to do so</p>	<table border="1"> <caption>Survey Results for 'Promotes the organisation in the community whenever they have a chance to do so'</caption> <thead> <tr> <th>Response</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td>Strongly agree</td> <td>5</td> </tr> <tr> <td>Agree</td> <td>4</td> </tr> <tr> <td>Neither agree nor disagree</td> <td>3</td> </tr> <tr> <td>Disagree</td> <td>0</td> </tr> <tr> <td>Strongly disagree</td> <td>0</td> </tr> </tbody> </table>	Response	Count	Strongly agree	5	Agree	4	Neither agree nor disagree	3	Disagree	0	Strongly disagree	0	<p>Only 9 out of 12 board members agree</p> <p>Action Individual coaching</p>
Response	Count													
Strongly agree	5													
Agree	4													
Neither agree nor disagree	3													
Disagree	0													
Strongly disagree	0													
<p>Stays informed about issues relevant to our mission and brings information to the attention of the board</p>	<table border="1"> <caption>Survey Results for 'Stays informed about issues relevant to our mission and brings information to the attention of the board'</caption> <thead> <tr> <th>Response</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td>Strongly agree</td> <td>2</td> </tr> <tr> <td>Agree</td> <td>5</td> </tr> <tr> <td>Neither agree nor disagree</td> <td>4</td> </tr> <tr> <td>Disagree</td> <td>0</td> </tr> <tr> <td>Strongly disagree</td> <td>1</td> </tr> </tbody> </table>	Response	Count	Strongly agree	2	Agree	5	Neither agree nor disagree	4	Disagree	0	Strongly disagree	1	<p>Only 7 out of 12 board members agree</p> <p>Action Individual coaching</p>
Response	Count													
Strongly agree	2													
Agree	5													
Neither agree nor disagree	4													
Disagree	0													
Strongly disagree	1													
<p>Is able to balance their time between formal board meetings, preparation and background reading and informal staff and stakeholder relationships in order to discharge their duties as a board member</p>	<table border="1"> <caption>Survey Results for 'Is able to balance their time between formal board meetings, preparation and background reading and informal staff and stakeholder relationships in order to discharge their duties as a board member'</caption> <thead> <tr> <th>Response</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td>Strongly agree</td> <td>0</td> </tr> <tr> <td>Agree</td> <td>5</td> </tr> <tr> <td>Neither agree nor disagree</td> <td>6</td> </tr> <tr> <td>Disagree</td> <td>1</td> </tr> <tr> <td>Strongly disagree</td> <td>0</td> </tr> </tbody> </table>	Response	Count	Strongly agree	0	Agree	5	Neither agree nor disagree	6	Disagree	1	Strongly disagree	0	<p>Only 5 out of 12 board members agree</p> <p>Action Individual coaching</p>
Response	Count													
Strongly agree	0													
Agree	5													
Neither agree nor disagree	6													
Disagree	1													
Strongly disagree	0													

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Board Appraisal

My Conversation



Name:	
Date of Conversation:	

Our commitment to you – *we will:*

- Arrange a comprehensive and tailored induction to ensure there is a clear understanding of the role and expectations of Board Members
- Deliver training and development opportunities where required
- Provide ongoing support across the Board and Committee structure

As a YHN Board Member – *your commitment:*

- Is to help YHN achieve their vision of 'first for housing' and purpose 'to make living easier' by providing objective strategic leadership and direction to the Executive Team
- Is to contribute to all meetings and decision-making effectively
- Is to demonstrate commitment to the role (including commitment of time for board and committee meetings and any other duties)
- Is to ensure behaviours in and out of the boardroom uphold YHN values (RARE – Be Ready, Be Amazing, Be Revolutionary, Be Energetic)

During My Conversation we will talk about:

- Looking back – what happened last year
- How it feels to be a Board Member at YHN
- Your strengths and talents
- Examples of your contribution to the board and committees
- Innovation and continuous improvement
- Learning and development
- Looking forward to the coming year

My Conversation – Looking Back

Consider:

- Looking back, what has gone well?
- What challenges you have faced?
- What are you most proud of in your role as a Board Member - what are your strengths and talents?
- What are your opportunities for growth? What areas do you need more support in?
- What ideas do you have – how can we get better at what we do?
- Building relationships
- Looking forward, what will be important for the next year? Is there anything you would like to do differently?

Have you:

- Understood what is expected of you in your role?
- Received appropriate training, learning and development?
- Had the resources needed to be effective in your role?
- Been motivated and able to cope with the demands of the role?
- Received feedback and recognition where applicable?
- Had the necessary support and encouragement from the chair?

Make some notes here to prepare for your conversation

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Chair's Comments

Reflect on the conversation you have had, the comments on this form and summarise your views on the year



What I will do next year (my objectives and goals for the year ahead)

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Signing Off

		Date
Board Member's signature		
Chair's signature		





**Your Homes
Newcastle**

Delivering great services, enabling
people to live in great communities,
supporting a great city

Your Homes Newcastle Board 20 March 2018

TITLE	General Data Protection Regulation
AUTHOR	Jill Davison – Strategic Business Manager
COMPANY	Your Homes Newcastle Group
ACTION REQUIRED	For Discussion
SUMMARY	To provide the Board with a report on progress with regards to the preparations made ahead of the implementation of the new General Data Protection Regulation.

DELIVERY PLAN OBJECTIVE	<ol style="list-style-type: none"> 1. Keep the housing stock decent and neighbourhoods clean and safe. 2. Collect the rent and let properties efficiently 3. Promote health and well-being and support vulnerable people to enjoy independence. 	
STRATEGIC RISK REGISTER	NUMBER & TITLE	GR12: Failure to deliver effective governance of the Group
	LIKELIHOOD	3 (moderate)
	IMPACT	3 (medium)
FINANCIAL / VALUE FOR MONEY IMPLICATIONS	Considerable financial implications would result from non-compliance.	
CUSTOMER IMPACT / VIEWS	Customers rights will change with the new legislation, but views or consultation are not required to enact the changes.	
EQUALITY & DIVERSITY CONSIDERATIONS	The impact on E&D in particular the protected characteristics will be assessed with all service, policy and procedure changes.	

Your Homes Newcastle General Data Protection Regulation

1. Purpose of report

- 1.1 This report provides a progress update with regards to the preparations made ahead of the implementation of the new General Data Protection Regulation (GDPR). A short presentation will be given at the Board meeting.

2. Background information

- 2.1 The General Data Protection Regulation (or GDPR for short) will bring into force one single set of data protection law, across all 28 European member states, replacing their own legislations on 25 May 2018.

The GDPR aims to give citizens back the control of their personal data and simplify regulations across the EU. Although the UK will leave the EU in 2019, GDPR will remain part of UK law through a new Data Protection Act that is currently working its way through Parliament.

For YHN and Newcastle City Council, this will mean changes to the way that we look after our customers' data, how we respond to data incidents or breaches, and the rights that our customers have with regards to their data.

Failure to comply with GDPR will be punishable by a fine of up to 4% of annual worldwide turnover (or, if greater, €20,000,000) for breaches of certain provisions, and up to 2% (or, if greater €10,000,000) for other specified breaches. The Information Commissioner's Office (ICO) also has the power in some circumstances to stop organisations from processing data until remedial action is taken.

3. Overview

The preparations to ensure compliance with GDPR are focussing on the following three areas, outlined below are the key tasks being progressed.

PHASE I: Prepare	
Awareness and sponsorship from Executive team	Complete
Obtain buy-in and resource support from across the organisation	Complete
Membership on NCC Information Governance Board Establish key GDPR project leads	Complete
Procure consultants to complete a GDPR readiness assessment	Complete
Collaborate with NCC on GDPR Project	Complete
Evaluate and procure best solution for creating an Information Asset Register (MetaPrivacy)	Complete

PHASE 2: Activity	
20 days consultancy GDPR Readiness Assessment	Complete – awaiting final report
Procure and implementation of MetaPrivacy (on-line tool to create Information Asset Register) Will be utilised to identify all data processing activity across the organisation	Procurement complete Currently in configuration stage
Board briefing and presentation	20 March 2018
Establish a central Information Asset register	Awaiting survey returns from MetaPrivacy
Establish GDPR Risk register	Awaiting survey returns from MetaPrivacy
Complete Data Protection Impact Assessments on all HIGH risk areas	Awaiting survey returns from MetaPrivacy
Review all legal basis for processing including consent requirements and implement changes	Awaiting survey returns from MetaPrivacy
Review all Data Protection policies and disseminate to staff	To do
Mandatory staff training	Developing a LMS module with NCC
Review all contracts, Data Sharing Agreements and Privacy Notices	To do
Evidence all Data Protection policies and procedures concerned with individuals rights	To do
<u>PHASE 3: Maintain – post 25 May 2018</u>	
Data Protection Impact Assessment on all MEDIUM and LOW risk areas	To do
Ensure the ongoing integrity and quality of the Information Asset Register	To do
Trigger impact assessments for business change events	To do
Demonstrate effectiveness of Personal Data handling practices	To do
Report and manage Personal Data Breach incidents	To do

4. Conclusion and recommendations

- 4.1 The substantial financial sanctions and reputation implications associated with GDPR noncompliance should ensure that all of the members of the Board and Executive Team recognise the importance of compliance; and the commitment of sufficient resources to facilitate the required activity for implementation of the processes and procedures required for such compliance.

This report and the presentation to Board members is intended to give Board an awareness of the new regulations and provide assurance on the approach taken to prepare.

Monitoring of the GDPR project is proposed to be delegated to the Audit and Risk committee under risk GR12 Failure to deliver effective governance of the Group. Board will receive assurance through regular updates from the Audit and Risk Committee.

5. Conclusion and recommendations

- 5.1 Board are recommended to:

a) receive the report and consider the information presented

Contact Officer:

If you have any questions about this report that you would like clarifying before the meeting, you can contact Jill Davison by telephone on 0191 278 8624 or email jill.davison@yhn.org.uk



Board 23 January 2018 (5:05pm to 6:35pm)

Present:

J Boaden (Chair), R Clark, L Doherty, D Huddart, K Lowry, J McCarty, M Page, P Scope, E Snaith, H Simpson, M Talbot

In attendance:

A Baker	Governance Support Officer
J Davison	Strategic Business Manager
T Drury	Managing Director
M Foreman	Customer Services Director
H Horan	Business Strategy Manager
D Langhorne	Assets and Development Director
J Ritchie	Finance and Commercial Director
A Senior	Head of Fairer Housing, NCC

603 Welcome and Apologies for Absence

Apologies were received from V Dunn.

604 Declarations of Interests

None.

605 Gardiner Richardson Presentation

Following Gardiner Richardson's attendance at the Board away day on the 19th December, where the Board discussed future direction, vision, purpose and aspirations, Darren Richardson gave a presentation to members.

The feedback from the away day was combined with recent work on the vision and values by the Executive Team, and the presentation covered emerging themes, what the vision of YHN could look like and its primary statement of purpose.

'To be first for housing' was proposed as the vision, designed to be a bold, aspirational statement that is measurable and inspires action. The purpose 'to make living easier' represented the desire to be an efficient, accessible organisation that

communicates well, resolves issues quickly and efficiently, highlighting YHN as being easy to deal with and a first choice for housing.

Comments

The following feedback comments were given by members:

- To be first for housing, there will be a need to continually scan the horizon to understand what competitors are doing, to be open to looking elsewhere and adopt what others are doing well. This is not restricted to the housing sector. T Drury responded that the new Innovation Team will be the area of the business which will conduct this type of research and provide feedback
- NCC stock is not as new as other providers, therefore the service provided by YHN has to be the best around, building an excellent relationship with customers
- The idea of being easy to work with is appealing, no customer wants to call six different departments to resolve their issues or queries.
- Some members felt that 'to be first for housing' could be a vague statement, and questioned whether it represented the housing sector, the region, or the country. T Drury replied that not being as prescriptive allows an ambitious level of openness
- How satisfaction is measured will need to be clear, measuring growth could be hard
- The vision and purpose are clear, people-oriented messages, not only to customers but to make it easily accessible to staff who will be delivering those statements, and easier to remember

The Business Strategy Task and Finish Group will take forward the work on the vision and purpose, and progress will be reported to YHN Board to discuss and shape further in due course.

RESOLVED - that:

- The Board noted the progress to date and await further updates

606 Chair's Items

Members were reminded that any outstanding declaration of interest forms should be submitted to the Governance Team for their records.

The Devolution and Housing Strategy briefing by NCC has now been rescheduled to 26th March, members are to inform the Governance Team of their availability.

The Chair noted that a good level of interest was received for the Business Strategy Task and Finish Group membership. The first meeting will be held on 23rd February.

Members were reminded of the upcoming NFA Annual Conference and AGM 'The Housing Challenge' in May, and were encouraged to consider attending.

607 Minutes of 28th November 2017

The minutes were agreed to be a correct record and were signed accordingly.

D Huddart noted that Eugene Milne is progressing with fall prevention work.

608 Matters Arising and Action Log

T Drury commented that as part of the Repairs and Maintenance review, Board would receive regular updates from the Transition Board. A project manager has been appointed to oversee workstream progress and develop the risk register for Group Audit and Risk Committee.

The action log was received and agreed.

609 Assurances from Committees

Group Audit and Risk Committee – 16th November 2017

R Clark informed members of key points of the Committee meeting:

- It was agreed that the Committee would run through two cycles before reviewing the approach in May, with a view to report to July Board.
- Members considered the latest internal audit report and held a detailed discussion on the best way of challenging officer recommendations with an emphasis on being more realistic about achievements.
- Members debated the number of strategic risks on the register and the absence of any high impact 'show stoppers'. Officers have taken this on board and will incorporate into the thinking as the risk register is revisited over coming months.
- It was agreed that Paul Scope will be the lead Board member for health and safety
- The Committee asked that the risk aspects of the decision about BCE management were imported into the risk register as soon as practical
- Members were very pleased to see the progress on safeguarding very actively delivered by officers

Customer Service Committee – 6th December 2017

L Doherty noted that the first meeting of the Committee went well; given that not all members were familiar with a formal setting some were initially shy but engaged well during the discussion on strategy and engagement. They brought up some interesting points and are committed to the purpose of the Committee.

RESOLVED - that:

- The Board received the draft minutes of Group Audit and Risk Committee for information
- The Board received the draft minutes of Customer Service Committee for information

610 Customer Insight and Engagement Strategy

J Davison introduced the report, seeking Board approval of the Customer Insight and Engagement Strategy 2018-2021. This was supported by a presentation from H Horan, which incorporated insight and benchmarking data gained through research, and combined feedback and input from the Board away day last year and the first Customer Service Committee in December. The presentation illustrated the process of identifying customer priorities and priority areas, and how it aligns with the Committee, whose role will be to monitor the operational action plan. In understanding, engaging and investing in the customer experience, the aims of the strategy are:

- To achieve at least 85% overall customer satisfaction
- For more than 70% of customers to feel that YHN have acted upon their views
- To generate £5 for every £1 invested through the Community Investment Fund

The following queries, suggestions and comments were made following the presentation:

- It was suggested that satisfaction milestones could be incorporated i.e. 85% by year one, 90% by year two
- Officers were asked that ward councillors are kept engaged, as they would be a useful resource of local knowledge
- The Positive People, Positive Places budget is £50k per year. Following the Communities Team decreasing in size, YHN have taken ownership of the fund to support community investment, in addition to a small grassroots budget.
- It was suggested that the strategy should contain reference to how YHN identifies and engages with future customers, which could potentially include other housing providers as well as tenants and service users.
- Officers were asked to consider future strategies to follow a standard template. J Davison added that this could be explored further within the Business Strategy Task and Finish Group.
- H Horan confirmed that during customer insight exercises an interpreter accompanied officers to facilitate discussions with the BME community
- The aim is to move towards shorter, more concise strategies with smaller indicators whilst working with committees on detailed operational plans and indicators in measuring satisfaction levels. Some members were concerned that engagement work could be perceived as a primarily officer led exercise whereby YHN are making decisions for tenants, for example using net present value as a measure to select the 13 estates for improvement. T Drury added that the methodology and approach taken by officer's aims to build resilient and proud communities, to identify their needs and make improvements that could vary from estate to estate.
- L Doherty commented that the Customer Service Committee had a similar debate, and explored the idea of whether the community investment should be centred on themes or areas, discussing the position that some of the 13

'must' areas might have better returns with less investment, but had agreed on the approach taken.

RESOLVED - that:

- The Board approved the Customer Insight and Engagement Strategy, delegating the operational action plan to the Customer Service Committee
- Officers acknowledge comments, feedback and suggestions made by members

611 Delegated Decisions

As requested at the previous meeting, members were provided with additional information to explain reasons behind the allocation of additional funding, and a chart which outlined the scheme approval process.

612 Board Forward Plan

The forward plan was received and noted for information. J Davison added that an additional report will be presented to Board in March on the General Data Protection Regulations.

613 Exclusion of Press and Public

RESOLVED – that in accordance with the organisation's Access to Information provisions, the press and public were excluded from the meeting during the consideration of all further agenda items.

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J Boaden
Chair
20 March 2018

YHN Board Forward Plan 2018

Meeting 24 May 2018

	Report Name	Purpose	Confidential?	Report Author
1	YHN Articles of Association and Governance Documents	Approval	No	Company Secretary
2	Remuneration and Nominations Committee Report	Approval	Yes	Chair
3	Equality and Diversity Strategy	Approval	No	Finance & Commercial Director
4	Health and Safety Policy and Update	Discussion	No	Assets & Development Director
5	Procurement Strategy	Approval	No	Assets & Development Director
6	Assurances from Committees: <ul style="list-style-type: none"> Customer Services 15th March 	Discussion	No	N/A
7	Assurances from subsidiaries: <ul style="list-style-type: none"> Asfaleia Ltd. 1st May 	Discussion	No	N/A

Meeting 31 July 2018

	Report Name	Purpose	Confidential?	Report Author
1	Annual Report and Financial Statements	Approval	No	Finance & Commercial Director
2	Year End Reserves	Information	No	Finance & Commercial Director
3	NHF Governance Code Compliance Statement	Approval	No	Company Secretary
4	Remuneration and Nominations Committee - Board Member Re-election Recommendations Report	Approval	Yes	Chair
5	Slavery and Human Trafficking Statement	Approval	No	Assets & Development Director
6	Value for Money Strategy	Approval	No	Finance & Commercial Director
7	Assurances from Committees: <ul style="list-style-type: none"> Finance and Performance 15th May Group Audit and Risk 22nd May Customer Service 19th June Group Audit and Risk 10th July 	Discussion	No	N/A
ABRI TRADING				
8	Abri Trading – Business Activity Update	Discussion	Yes	Finance & Commercial Director

AGM & Meeting 18 September 2018

	Report Name	Purpose	Confidential?	Report Author
AGM				
1	Chairs Report	Information	No	Chair
2	Minutes of 19 September 2017	Decision	No	Company Secretary
3	Appointment of External Auditors	Decision	No	Company Secretary
4	Retirement & Appointment of Board Members	Decision	No	Company Secretary
5	Annual Accounts & Financial Statements	Decision	No	Company Secretary
Board Meeting				
6	Appointment of Vice Chair	Approval	No	Company Secretary
7	Committee Membership	Approval	No	Company Secretary
8	Strategic Risk Register	Discussion	No	Finance & Commercial Director
9	Asset Management Strategy	Discussion	No	Assets & Development Director
10	Assurances from Committees: <ul style="list-style-type: none"> • Finance and Performance 14th August 	Discussion	No	N/A
11	Assurances from subsidiaries: <ul style="list-style-type: none"> • Asfaleia Ltd. 26 July 	Discussion	No	N/A



**Your Homes
Newcastle**

Delivering great services, enabling
people to live in great communities,
supporting a great city

Your Homes Newcastle Board 20 March 2018

TITLE	Finance and Performance – Quarter three summary update
AUTHOR	Jon Ritchie - Finance and Commercial Director
COMPANY	Your Homes Newcastle, Abri Ltd and Asfaleia Ltd
ACTION REQUIRED	For information
SUMMARY	This report summarises the report to Finance and Performance Committee on 13 February 2018 which set out the Group's financial and non-financial performance at the end of quarter three.

DELIVERY PLAN OBJECTIVE	<ol style="list-style-type: none"> 1. Keep the housing stock decent and neighbourhoods clean and safe. 2. Collect the rent and let properties efficiently 3. Promote health and well-being and support vulnerable people to enjoy independence. 	
STRATEGIC RISK REGISTER	NUMBER & TITLE	GR1: Ostara customer numbers are below expectations
	LIKELIHOOD	3 (possible)
	IMPACT	2 (moderate)
	NUMBER & TITLE	GR2: Additional costs on YHN balance sheet from pension liabilities
	LIKELIHOOD	4 (almost certain)
	IMPACT	3 (significant)
	NUMBER & TITLE	GR3: Brexit leads to greater financial uncertainty in the economy and increase in exchange rate, inflation and interest rate

	LIKELIHOOD	3 (possible)
	IMPACT	2 (moderate)
	NUMBER & TITLE	GR4: Government welfare changes (Universal Credit roll out, LHA cap) makes furniture packs less affordable for our customers and clients
	LIKELIHOOD	4 (almost certain)
	IMPACT	3 (significant)
	NUMBER & TITLE	GR9: External pressures arising from Government initiatives (including welfare reform, further role out of universal credit) result in worsening performance for rent collection and void loss.
	LIKELIHOOD	3 (possible)
	IMPACT	3 (significant)
	NUMBER & TITLE	GR10: Internal failings within YHN result in performance targets or delivery of major programmes failing to meet the required level.
	LIKELIHOOD	3 (possible)
	IMPACT	2 (moderate)
FINANCIAL / VALUE FOR MONEY IMPLICATIONS	This report summarises our financial and non-financial performance for quarter three.	
CUSTOMER IMPACT / VIEWS	Relevant customer impacts are detailed in the body of the report.	
EQUALITY & DIVERSITY CONSIDERATIONS	There are no specific equality and diversity matters arising from this report	

Your Homes Newcastle

Finance and Performance – Quarter three update

1. Background information

- 1.1 This paper summarises the information reported to Finance and Performance Committee on 13 February, covering the financial and non-financial performance of the group at the end of quarter three.
- 1.2 It details the headline measures for Board and will be accompanied by a short presentation, to ensure that Board members are aware of the key elements of YHN Group's performance to the end of December 2017. It is not intended to repeat the detailed presentation to the Committee.
- 1.3 Performance against each of the strategic targets is reported with a RAG status, with the Committee receiving additional information for those targets with a red or amber status. The additional information included the contributory factors leading to the performance level and the key actions being taken to address this.
- 1.4 To help give Board a view of YHN's wider performance, the presentation will also include information on:
 - YHN sickness levels,
 - Employee relations case work
 - Customer complaints.

2. Finance update

- 2.1 At the end of quarter three, YHN Group recorded a surplus of £1,675k against a profiled budgeted surplus of £854k, ahead of plan by £820k. These finance figures exclude the cost of transformation (see section 6 below).
- 2.2 Financial performance to quarter three presents a mixed picture. There is a shortfall in the Commercial area of £340k, mainly as a result of reduced furniture rental margins. However, this is offset by positive variances of £604k in Support Services, as a result of additional income from the refugee contracts and staff vacancies. There is also a £359k positive variance in Housing Services, largely as a result of one-off income from the NCC Welfare Reform fund.
- 2.3 The position to the end of quarter three is significantly ahead of the profiled budget and we forecast the surplus for the rest of the year will improve slightly to be ahead of the budgeted surplus of £1,243k. The current year-end forecast is a favourable variance of £868k.
- 2.4 Additional detail was provided to the Committee in the finance pack, which is included as a background paper 1 for Board.

3. Performance update – YHN

3.1 Three targets are on track and reported as green at the end of the quarter. These are:

- Spend against the Cabinet approved capital programme
- Percentage of repairs completed on time
- Collection of rent from current and former tenants

3.2 The tenancy turnover target is reported as amber.

3.3 Four targets are reported as red, which are:

- Spend against the repairs and maintenance budget;
- Repairs and maintenance satisfaction;
- Void rent loss (all stock), and
- Void rent loss (excluding Walker multi storey blocks).

3.4 A graphical summary of performance against these targets was presented to the Committee and is included as background paper 2 for Board. The full Committee report included a summary of the actions taken to address these areas of underperformance, which can be provided to Board as requested.

4. Performance update – Asfaleia

4.1 Asfaleia Board agreed 13 performance measures for the current financial year. Of these, five were targets with the remainder being operational performance measures. A graphical summary of the five targets was provided to Committee, which is included as background paper 3.

4.2 Overall performance has remained strong during quarter three. Four targets are reported as green, which are:

- Average rent arrears reduction
- Tenancy turnover in sheltered housing
- Tenancy sustainment from customers supported by Asfaleia services
- Customers successfully progressing to education, training or employment.

4.3 Void rent loss for sheltered housing properties was reported as red.

5. Performance update – Abri

5.1 Abri Board agreed a set of performance measures, which were a mix of operational information with some overarching business health measures. A graphical summary of the business health measures was reported to Committee, which is attached as background paper 4.

5.2 The measures of overall profitability of the Furniture Service and Palatine were set as targets, which are reported as red at the end of quarter three. Performance continues to be affected by the loss of customers earlier in the year.

6. Transformation

- 6.1 When setting the 2017/18 budget, Board agreed a transformation budget of £2.8m, with the expectation that this would span the next two financial years. At the time of setting the budget, the precise allocation was not known as it was dependent on activities during 2017/18, notably the development of the Directorate structures. However, Board also agreed a set of criteria against which any use of the transformation fund would be assessed before approval by Executive.
- 6.2 Work is now underway to assess the cost of the redundancy arising from the staff restructures that are underway. Current forecasts based on known leavers (predominantly voluntary redundancies) and forecasts of costs arising from the selection process are that the cost will be in the region of £2.5m. However, the final figures will not be known until it is confirmed which staff are leaving the organisation – individual costs can vary significantly. We are also working through the accounting implications of this to confirm which costs will fall on the current financial year and those that will be accounted for in 2018/19. A further update will be given in the outturn report following the year end.

7. Finance and Performance Committee update

- 7.1 The Committee considered the information presented in detail and scrutinised the management actions that are in place. These discussions linked into the associated paper on the Budget and Delivery Plan targets, as current year performance is an important factor when setting the targets for 2018/19. The Committee also requested that the budget report for 2018/19 considered the longer term impact of YHN's plans on the income and expenditure position for a 3-5 year period.

8.1 Board recommendations

- 7.1 Board is recommended to:
- a) Receive the report, background papers and presentation
 - b) Highlight any areas which it would like officers and/or Finance and Performance Committee to investigate further
 - c) Provide comment regarding the form of the report and presentation, and make recommendations for alternative means of providing this update in future.

8. Implementation

- 8.1 Finance and Performance Committee will receive the quarter four report at its next meeting, which is also the year-end outturn report.
- 8.2 Board will receive an update at its May meeting.

Background Papers

Background papers will be circulated separately to Board members for reference:

1. Group Finance Reporting Pack Quarter 3
2. YHN Performance Graphic Quarter 3
3. Asfaleia Performance Graphic Quarter 3
4. Abri Performance Graphic Quarter 3

Contact Officer:

If you have any questions about this report that you would like clarifying before the meeting, you can contact Jon Ritchie by telephone on 0191 277 4317 or email jon.ritchie@yhn.org.uk

Finance and Performance Committee

13 February 2018

(5.05 - 6.26 pm)

Present:

M Page (In the Chair)
E Snaith
J McCarty
M Talbot

In Attendance:

Tina Drury	Managing Director
Jon Ritchie	Finance and Commercial Director
Alistair Dewar	Business Partnership Manager
Richard Burns	Lead Service Quality Officer
Lisa Forrest	Assistant Director Finance, Risk Management & Resources
Stevie Howe	Senior Accountant
Janet Howard	Democratic Services Officer

11 WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting and asked those present to introduce themselves.

12 APOLOGIES FOR ABSENCE

Apologies were received from Rachel Taylor.

13 DECLARATIONS OF INTEREST

None.

14 MINUTES OF THE LAST MEETING DATED 7 NOVEMBER 2017

RESOLVED – That the Committee considered the minutes of the meeting held on 7 November 2017 and approved them as a correct record.

15 ACTION LIST REVIEW

J Ritchie (Finance and Commercial Director) introduced the action list. It was noted that the second item (detailed investigation to take place with a small number of tenants to identify what could be done to improve satisfaction levels) was ongoing. All other actions on the list had now been completed.

RESOLVED – That the Action List be received.

16 **FINANCE AND PERFORMANCE Q3**

Submitted: Report of Finance and Commercial Director (previously circulated and copy attached to Official Records).

J Ritchie introduced the report, which set out the Group's financial and non-financial performance at the end of quarter three, and gave a presentation highlighting the key issues. During discussion the following points were made.

Repairs and Maintenance

- Overspend on Repairs and Maintenance would not be corrected by the end of the year.
- There was a database of work that had been carried out in order to bring homes up to the Decent Homes Standard, but officers could not predict in advance when a tenant who had chosen not to have improvements made might want to move.
- It might not be the best time for a deep-dive review as BCE was currently under review, but it should be recognised that more work was needed than had previously been anticipated and efforts made to correct this.
- Members were concerned about satisfaction levels.
- Repairs and Maintenance was in a transition period, where work was currently taking place to understand the operational issues, and transformation would be implemented from July 2018. As a result it was not expected that any significant change would be seen before 2019, and that it may possibly be as late as 2020.
- A lot of work still needed to be done around capturing feedback through the customer service check list, and this would be a key area of work during transformation, alongside a review of the way in which work was scheduled.
- Satisfaction had been on a downward trajectory since period two, and the decrease was accelerating. As a result a lower target was being considered for next year, following which improvement was expected.
- Many organisations were moving away from having a target time for responses, and were instead asking customers when the best time would be for them to have someone call to complete the work needed. This resulted in customers feeling more in control of the process and being more prepared to wait longer for work to be completed.

Asfaleia Performance

- The committee acknowledged performance across the 4 targets
- In response to a question from a committee member, officers responded that they were working with the Asfaleia Board to make sure that performance targets for 2018/19 were set at the right level.

Abri Performance

- Officers correct an error with the Palatine Profitability graphic on appendix 4, and the drivers of Palatine financial performance is attributed to an increase in sales but fewer sales of manufactured goods and more of bought-in stock,

which had a lower profit margin. This could partially be attributed to it being a quiet time of year for sales, and there had been a slight up-turn throughout January. Officers were reviewing the pipeline for manufacturing of beds.

Other Performance Information

- Members noted the positive improvement in staff sickness levels.
- In response to a query from members about comparison of sickness levels to 2016 figures, officers advised that it was now measured on a rolling 12 month basis whereas previously it had been in-year. As a result it could not be directly compared.

Complaints

- The empowerment of local staff to resolve complaints informally had resulted in a reduction in the number of formal complaints received, and meant that officer, manager and director time was not being spent on resolutions. More work was needed to understand the areas where complaints were still being received.
- A member cautioned that a reduction in complaints did not necessarily equate to increased satisfaction as customers may be dissatisfied but chose not to complain for a variety of reasons.
- Officers were conscious that there were risks involved in allowing local staff to resolve complaints informally.

Employee Relations Case Work

- The Chair expressed his thanks to the team for the results in managing change.

Other

- Members were reminded that the nature of the Committee's responsibility was strategic, rather than operational, and that there was an opportunity to ask questions of report authors in advance of meetings,
- Members asked to see details of transformation and restructuring costs when they were available.

RESOLVED – That:

- i. The report be received and comments noted;
- ii. Details of transformation and restructuring costs be shared with the Committee when available.

17 **EXCLUSION OF PRESS AND PUBLIC**

RESOLVED – that in accordance with the organisation's Access to Information provisions, the press and public were excluded from the meeting during the consideration of agenda item 8 (Business and Financial Planning 2018-19).

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Group Audit and Risk Committee

20 February 2018

(5.00 - 6.25 pm)

Present:

R Clark (In the Chair)

P Scope

S Bramwell

V Dunn

In Attendance:

T Drury	- Managing Director, YHN
J Ritchie	- Finance and Commercial Director, YHN
D Langhorne	- Assets and Development Director, YHN
I Gallagher	- Assistant Director Property Operational Services, YHN
R Burns	- Performance and Risk Specialist, YHN
C McMullen	- Housing Policy & Commissioning Team Manager, NCC
I Pattison	- Principal Auditor, NCC
G Sharpe	- Senior Auditor, NCC
C Patterson	- Democratic Services Officer, NCC
C Mulley	- EY, External Auditors

YHN (Your Homes Newcastle)

NCC (Newcastle City Council)

16 WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting and brief introductions were provided. He reminded the committee about the forthcoming review which was to take place during May with recommendations to Board in July and suggested to avoid any duplication of efforts that only a light touch consideration of the reports should be undertaken at this meeting. He also explained that he intended to vary the agenda to enable both the External Auditor and the Assets and Development Director to be able leave the meeting.

17 APOLOGIES FOR ABSENCE

Apologies for absence were received from K Lowry.

18 **DECLARATIONS OF INTERESTS**

V Dunn declared a general personal interest as Cabinet Member Resources, NCC. She also declared a personal interest during discussion on Agenda Item 9: Internal Audit Progress Report, stating that as her role as Cabinet Member Resources, NCC she had portfolio responsibility for procurement.

19 **MINUTES OF THE PREVIOUS MEETING HELD ON 16 NOVEMBER 2017**

RESOLVED - That the Minutes of the previous meeting held on 16 November 2017 be agreed as a correct record and be signed by the Chair.

20 **ACTION LIST REVIEW**

The committee reviewed the action list with following information being shared:

Internal Audit Progress Report - I Gallagher provided a progress update on the establishment of an effective IT system for the Concierge Service. He pointed out that the review had been completed and his findings had been sent to Internal Audit.

Health and Safety Member - P Scope explained that he had attended a briefing session to enable him to take on the role of committee member with responsibility for health and safety.

Action List - Palatine Update – J Ritchie explained that the Police investigation was still on going.

RESOLVED – That the action list be received.

21 **COMMITTEE FORWARD PLAN 2017-18**

Submitted: Report by Finance and Commercial Director (previously circulated and copy attached to official minutes), which proposed a scheduled of business for meetings during 2018.

J Ritchie introduced the report, reminding the committee that the risk register would be reviewed in more detail at the May meeting.

RESOLVED – That the forward plan be received.

The Chair explained that a private discussion on the appointment/re-appointment and remuneration of the External Auditor would be held at the close of this meeting. He invited the External Auditor to present their Audit Plan.

22 **APPOINTMENT/RE-APPOINTMENT (OR DISMISSAL) AND REMUNERATION OF EXTERNAL AUDITOR AND EXTERNAL AUDIT PLAN**

Submitted: Report by External Auditor (previously circulated and a copy attached to official minutes), which provided the committee with a basis to review the audit approach and scope for the year ending 31 March 2018 audit, in accordance with the requirements of auditing standards and other professional requirements but also to ensure that the audit was aligned with the service expectations.

C Mulley introduced the report, giving an overview of the 2017/18 audit strategy, which summarised the significant accounting and auditing matters and the initial risk identification for the upcoming audit, including changes in risks identified for the current year. During discussions, she provided clarification on how the final materiality level had been determined.

The Chair referred to the lack of reference to NCC as a sole shareholder in the report asking for some thought to be given to including a reference about this. He also asked about the justification for the circa 30% increase in the audit fee compared to the previous year. C Mulley explained that the fee reflected 3 audit opinions being issued (YHN, Abri Trading Limited and Asfaleia Limited). The Chair suggested that the committee meet with T Drury and J Ritchie after the meeting to discuss the matter further.

RESOLVED – That the report be received and the committee confirm its understanding of, and agreement to the materiality and reporting levels.

The Chair indicated that the next item of business would be Agenda Item 10: Health and Safety Report.

23 HEALTH AND SAFETY UPDATE

Submitted: Report by Assets and Development Director (previously circulated and a copy attached to official minutes), which provided a summary of YHN Health and Safety performance during 2017/18 Quarter one, two and three. Tabled at the meeting accidents to employees trends for 2015-16; 2016/17 and Q1, 2 and 3 of 2017/18

D Langhorne introduced the report, inviting the committee to decide on the frequency of reporting of health and safety data. He briefed the committee on a recent fire in Molineux Court, which had started through a blocked shoot in a bin cupboard. He pointed out that it had been dealt with promptly; however, the incident had hit media headlines.

During discussions the following comments were made:

- Reference that work related stress was a major cause of sickness absence. The committee was reminded that stress/anxiety was not one of the standard categories required to be monitored through health and safety. It was difficult to acknowledge whether the stress/anxiety was caused through work, creating challenges around control. Assurances were given that sickness was monitored by HR and senior officers of the organisation as well as being reported to the Finance and Performance Committee and the Joint Consultative Committee.
- Confirmation was given that the accident levels were comparable to other similar type organisations.
- Clarification was provided that the key incident in Q3 - near miss related to road rage whilst the employee was at work; although it had been confirmed was not work related but employees were encouraged to report all significant near miss incidents via the H&S system, even though an element of an incident could be classed as subjective.

- Reference to zero tolerance approach on health and safety, which the private sector operated to improve sickness/absence performance. The committee was informed that performance in YHN had improved significantly over the last 12 months with Ambassador Status being awarded through the Better Health at Work. Performance had improved as a result of a lot of effort being undertaken to implement a series of initiatives by HR. YHN was doing as much as any other responsible employer could do. Data on the improving figures would be circulated to committee for information.

RESOLVED – That the report be received.

24 **2017-18 STRATEGIC RISK REGISTER Q3 UPDATE AND 2018-19 PROPOSED STRATEGIC RISK REGISTER**

Submitted: Report by Finance and Commercial Director (previously circulated and a copy attached to official minutes), which provided an update on the YHN Group 2017-18 Strategic Risk Register. It included an overview of the risk register and an update on the improvement actions against all the risks on the register, set out in appendix one. The report also contained the latest draft of the 2018-19 Strategic Risk Register.

J Ritchie introduced the report summarising the key points. He invited the committee to provide feedback on the risk register, before it was presented to YHN Board in March, reminding the committee that the report should be treated as an interim report in light of a more detailed examination on the risk register scheduled for May.

During discussion, the committee was provided with assurances that action could be taken against unforeseen events without advance updating of the risk register software. The register sat alongside the Business Continuity Plan and the Emergency Plan; the three documents being linked. A committee member queried whether the risks associated with fire safety were adequately recorded in the Strategic Risk Register. Officers commented that the risks were captured in GR15 and the general health and safety risk. But this could be reviewed when the Strategic Risk Register is being reported to Board.

RESOLVED – That:

- i. The updates to the 2017-18 Strategic Risk Register were noted.
- ii. The interim draft Strategic Risk Register for 2018-19 be approved and tabled to Group Board on 20 March 2018 with a comment that the risk register would be reviewed in more detail in May and may therefore be revised during 2018/19.

Submitted: Report by Head of Internal Audit (previously circulated and a copy attached to official minutes), which provided details of internal audit activity undertaken as part of the 2017/18 audit plan.

I Pattison introduced the report, highlighting the key themes. On a point of clarification, he confirmed that YHN had their own procurement rules and procedures. The process was closely aligned to that operated by NCC and whilst he could confirm that YHN rigorously followed their procedures he could not confirm how rigorous NCC were in following their procedures.

(V Dunn declared a personal interest during discussions on the procurement audit).

During discussions, the following comments were raised:

- Reference was made to the issues found during the procurement audit in relation to the Officer Decision Forms (ODFs) with concern raised around the lack of clarity about the tendering process. Assurances were given that all the tendering processes had been carried out correctly.
- Reference was made to General Data Protection Regulation (GDPR) with confirmation provided that the YHN were fully prepared for implementation of GDPR on 25 May 2018. YHN had appointed P Slater, Internal Audit, NCC as their designated Data Protection Officer, to ensure there was consistency in approach between YHN and NCC. Through the transformation programme, YHN were introducing a new role in the organisation - Regulatory Monitoring Manager, whose specific role would be compliance and testing of the organisation in terms of data protection; governance and on actions around serious case reviews.
- Comments were made about the monitoring of fire safety certificates in council properties. Confirmation was provided that fire and gas safety were in last year's audit plan, which resulted with a number of internal mechanisms being recommended and introduced e.g. regular checks to be carried out by Compliance Team, Property Services.
- The Chair requested that the summary recommendations should include the actual date of the audit. (ACTION).
- An observation was made that there was some differences between the target date and what was stipulated in the narrative throughout the report and a suggestion made that a more achievable date should be set for audits. I Pattison agreed to check the comments supplied.

RESOLVED – That:

- i. Progress against the Internal Audit plan and performance indicators be noted.
- ii. Progress for implementation of audit recommendations be noted.
 - ii. The fraud update be noted.

26 **EXCLUSION OF PRESS AND PUBLIC**

RESOLVED – That in accordance with the organisation's access to information provisions, the press and public were excluded from the remainder of the meeting during consideration of the confidential minutes of the previous meeting.

27 **CONFIDENTIAL MINUTES OF PREVIOUS MEETING HELD ON 16 NOVEMBER 2017**

RESOLVED – That the confidential Minutes of the previous meeting held on 16 November 2017 be agreed as a correct record and be signed by the Chair.

Matters Arising:

Minute 13: Safeguarding Review Update - T Drury indicated that there were a few matters to raise about the safeguarding review. The Chair indicated that these could be raised in the private session to be held immediately at the close of this meeting.

Minute 14: Leazes Homes Lettings - The committee was advised that progress had been made with this matter.

28 **ANY OTHER BUSINESS**

(a) **Risk Management Tool Demonstration**

A demonstration was held on the risk management tool. The Chair welcomed the tool, indicating that the committee would return to it, as it would be part of the review to take place in May.

29 **DATE AND TIME OF NEXT MEETING**

Tuesday 22 May 2018 – 5-7pm

YHN Board 20 March 2018

Delegated Decisions – Schedule of non-confidential Delegated Decisions taken between 8 January 2018 and 7 March 2018

No.	Directorate/ Delegated Officer	Scheme	Cost/ Budget provision	Units	Contractor	Wards
1	Matthew Foreman – Customer Services	Customer Service Directorate Review	Funding of £13,500 from YHN Revenue	N/A	Caroline L Gitsham Consulting Ltd	Citywide
2	David Langhorne - Assets & Development	R&M Transition Board	Funding of £50,000 from HRA Revenue	N/A	Newfangled Solutions Limited	Citywide
3	David Langhorne - Assets & Development	Sheltered Housing Refurbishment Programme Belvedere/Conewood - Procurement of Architects. Increased Cost Request	Additional funding of £47,700 added to £37,100 from Regeneration. <i>Commissioning of Structural Engineers & Coal Mining Report</i>	38	JDDK Architects / Fairhurst	Fawdon & South Heaton
4	David Langhorne - Assets & Development	WD0028 Riverside Dene Fire Door Replacement Programme PROSPER	Additional funding of £252,801.51 added to £1,602,720 from Lifecycle – Other <i>Additional Fire Prevention work and associated plastering</i>	383	Straightline NE Ltd	Elswick

5	David Langhorne - Assets & Development	Scotswood Community Hub New Build - Commissioning of Engineers	Funding of £47,700 from New Build & New Housing <i>Commissioning of Civic Engineers on behalf of NCC</i>	45	3E Consulting Engineers Ltd	Benwell & Scotswood
6	David Langhorne - Assets & Development	Scotswood Community Hub New Build - Commissioning of Architects	Funding of £111,300 from New Build & New Housing <i>Commissioning of Architects on behalf of NCC</i>	45	IDPartnership	Benwell & Scotswood
7	David Langhorne - Assets & Development	New Build Programme (Eastgarth) - Procurement of Architects	Funding of £4,240 from New Build & New Housing <i>Commissioning of new build housing designs</i>	8	IDPartnership	Woolsington
8	David Langhorne - Assets & Development	WD0026 Citywide Window & Doors Replacement	Funding of £4,210,377.11 from Lifecycle Programmes (Maintaining Decency) <i>New 3 year window replacement Contract.</i>	1,109	Straightline NE Ltd	Citywide