



**ONGO PARTNERSHIP LTD**  
**(Company Registration Number: 08048224)**  
**BOARD MEETING**

**Held at 5.30pm on Thursday 11 July 2019 in the Board Room, Ongo House, Scunthorpe**

**MINUTES**

**Attendance:** Bob Walder (Interim Chair), Andrew Pate, Matthew Spittles, Michael Finister-Smith, Natalie Cresswell, James Main, Daniel Klemm

**Officers:** Steve Hepworth, Ashley Harrison, Jo Sugden, Fiona Ruddick, Cassandra Boothby (Minutes), Kevin Hornsby, Pete Stones

**Apologies:** Helen Lennon, Kevin Yorath.

**1. Declarations of Interest**

There were no declarations of interest made.

**2. Minutes of previous meeting**

The minutes of the previous meeting held 28 March 2019 were agreed as a true record and signed by the Chair.

**3. Action List**

All actions were completed.

**4. Risk**

*Summary: To provide Ongo Partnership Board with an update on their strategic risk register (level 1) and highlight key risk issues.*

Discussion points/questions:

- Jo Sugden explained that the commercial and communities risks are included in this report and Louise Usher is working on reviewing the risk framework. Jo also explained to the board that she had been to a meeting with Michael Finister-Smith to discuss what the new risk framework could be in. Staff are supported by DTP with this work. There is going to be meeting of the Audit Committee on 29 July 2019 to consider the draft new framework.
- Michael Finister-Smith explained that he wanted to be clear on who is responsible for what risks within EMT.
- Natalie Cresswell questioned if we could compare from the previous report to see what has changed, therefore highlighting the differences so the board can discuss them easily. Michael Finister-Smith agreed that the committee can look at developing this.
- Matthew Spittles asked if the final work on this would benefit from a presentation. Michael Finister-Smith explained the Group Audit & Risk committee would receive in depth detail about the new process. Michael Finister-Smith pointed out that Commercial is a red risk on the table but is not shown on the list of Risks. Regarding governance he asked if this risk

colour should be due to all the mitigation but Jo Sugden explained that until the company is fully compliant, it will remain as red.

**Agreed:** Board considered the emerging risks and any implications; reviewed the risk register and confirmed its appropriateness

#### **4. Business Plan 19-20 Stresses and Recoveries**

*Summary: To advise the board in relation to the Final Ongo Partnership Group business plan peak debt profile for the period from 2019/20 and the stress sensitivities considered in relation to that plan. To confirm previous approval of the business plan that was agreed electronically to enable numbers to be included in the report to the Regulator of Social Housing at the end of June.*

Discussion points/questions:

- Bob Walder commented that there have been stresses within the business plan but has seen that the report gave some constructive points.
- Ashley Harrison explained the purpose of the report was to formally capture the decision taken via email.
- Daniel Klemm questioned the pension costs and the difference between Local Government Pension Scheme (LGPS) and Aviva and also questioned if this topic was discussed at the away day. Bob Walder informed Daniel that the board did discuss at the away day and the general feeling was that the company's management of it was the best defence that they currently have.
- Natalie Cresswell added that the pensions are regularly discussed at the HR and Remuneration Committee meetings.
- Ashley Harrison informed the board that this year's valuation has had a further deficit on the balance. The assumption has gone up to £10million. This is the last year of the tri-annual valuation from where LGPS set their contributions.

**Agreed:** The Board noted the report, its previous approval of the business plan via electronic circulation and confirmation, and based on previous approval by Board the business plans for Ongo Homes and Ongo Partnership Group has formed the basis for the Financial Forecast return regulatory submission made by the required date of 30<sup>th</sup> June 2019.

#### **5. NHF Code of Governance - Compliance**

*Summary: To present the annual self assessment against the National Housing Federation (NHF) code of governance. There is a requirement to include details around this self assessment in the year end financial statements. The self assessment looks back over the financial year 2018/19.*

Discussion points/questions:

- Michael Finister-Smith asked how hard it would be to get the non-compliant areas to compliant.
- Steve Hepworth replied the self-assessment has been completed for Ongo Partnership on an individual company basis, it is acceptable to be non-compliant but it needs explaining as to why we are non-compliant.

**Agreed:** The board reviewed the annual assessment against the code of governance, confirmed where they were non-compliant and agreed that the responses are correct and appropriate.

## **6. Annual Statement of Assurance**

*Summary: To provide assurance to the Board that key risks and internal controls are effectively managed. The assurance given in this report relates to 2018-19*

Discussion points/questions:

- Jo Sugden explained that this report has been to Ongo Homes and is trying to give the board assurance but it was very in-depth. Members agreed it contained a lot of useful information but felt it was difficult to pick out the key messages. It was suggested the covering report could have drawn attention to the areas in red as they are areas that need further work.
- A member asked where Annual Accounts were referred to – this report only had a small amount of detail regarding the Annual Accounts.
- Steve Hepworth informed the board that the report is too concentrated and there is too much detail and that it needs to be more mindful on the strategic risks. Steve also added that the way that the information has been reported need improving.

**Agreed:** The board endorsed the annual statement on control and gave feedback on any areas of concern that the Board would like to be addressed.

## **7. Treasury Policy Review**

*Summary: To present to the Board the revised treasury policy for review, comment and onward approval.*

Discussion points/questions:

- Ashley Harrison informed the board that within the last year there has been a lot of changes although he has tried to ensure that Ongo Homes position has been clarified during the policy.
- Bob Walder felt the policy was okay, but next year it needs a proper look at with the help of our advisors for the long term regarding the Treasury Committee. Ashley Harrison explained that David Rider, from Ongo's external treasury advisers, had reviewed the policy.

**Agreed:** The Board reviewed the proposed policy, proposed revisions and agreed the policy.

## **8. Ongo Commercial Funding**

*Summary: To request consideration by the Ongo Partnership board of the granting of additional funding to the Ongo Commercial businesses.*

Discussion points/questions:

- Ashley Harrison explained to the board that Ongo Commercial still continue to face financial pressure and therefore looking for a loan to avoid any creditor issues.
- A member question questioned how long it was planned to keep Ongo Commercial afloat with regards to their financial situation and it was suggested there were bigger issues within the group to consider. If the Commercial businesses are not very successful, it should be considered whether to keep loaning money to them.
- Whilst this view was accepted, there had to be a considered decision about the future of the Commercial businesses. It is not the intention for the future of the commercial businesses to

be left in the hands of a creditor. Coming to this board to request a further loan was not a decision that had been taken lightly.

- In relation to the performances of the business, Steve Hepworth was confident that Heating and Plumbing are running properly with a proper controls in place and that the board can trust the figures from these businesses. Ongo Roofing does need to go through the same work as Ongo Heating and Plumbing has gone through with systems, processes and management, then make the judgement on how well that business is doing.
- Steve Hepworth assured the board that the £50k loan would only be used in the event of creditors threatening formal recovery action and used to smooth the cash flow..

**Agreed:** The board considered the request of the Board of Ongo Commercial for the granting of additional funding of £50k for emergency use and agreed it.

## **9. Chief Executive's Update**

*Summary: To advise board members on progress across a range of current issues/activities intended to deliver the agreed Corporate Plan 2019-2023 and discuss important issues affecting the social housing sector. Members will note the format of this report follows the themes in the new Corporate Plan.*

Discussion points/questions:

- The Ongo Carnival is on 7 August 2019 and Board members are all welcome to attend
- It was felt the report put into to context the success of the business which was pleasing for board members to see.
- Steve Hepworth explained about the digital way of tenants getting in contact with Ongo and about the Senior Management Team having gaps and duplications and for both the Executive Management Team and Senior Management Team having a change with roles. This has now gone to unions and staff.

**Agreed:** Board confirmed that the report represented satisfactory progress toward achieving the Corporate Plan strategic priorities.

## **11. Management Accounts**

*Summary: To advise the Board on the financial performance of the Ongo Group for the two months to the end of May 2019, with management accounts appended to this report.*

Discussion points/questions:

- Ashley Harrison introduced his report as being positive. Ashley also questioned the board on the format of the report and if they are happy with it.
- Bob Walder added that the report and the management accounts were clear and easy to read. The Board agreed with Bob Walder's comment.

**Agreed:** The Board members noted and approved the content of the report.

## **12. Health and Safety**

*Summary: To provide the Board with information on Health and Safety within Ongo Partnership, allowing scrutiny and challenge. The information helps to provide assurance that Health and Safety is being effectively managed.*

Discussion points/questions:

- Jo Sugden explained to the board that they have had a restructure in Health and Safety and added new roles within the team sector by removing the Health and Safety Manager post and adding in two Health and Safety Advisors and a Health and Safety Assistant.
- The Health and Safety Team now have their Forum running again.
- Daniel Klemm added that reading this report has given him more comfort surrounding the Health and Safety aspect of the business.

**Agreed:** The Board members confirmed that they are satisfied with the Health and Safety report.

**13. Items Below the Line**

The Group Audit & Risk committee minutes from 28 February 2019 were endorsed and the attendance register was noted, with the addition of Helen Lennon being required.

The Board gave some farewell words to Andrew Pate as this was his last meeting before retiring.

With no further business the meeting closed at 7:11pm.

Signed by Chair: .....

Date: .....