



GROUP COMMON BOARD MEETING

**ONGO PARTNERSHIP LTD (Company Registration Number: 08048224)
and ONGO HOMES LTD (FCA Mutuals Registration No 7639) (the Association)**

**Held at 2.30pm on Tuesday 29 March 2022
Board Room, Ongo House, High Street, Scunthorpe, DN15 6AT and via MS Teams**

MINUTES

Present:

Group Common Board: Bob Walder (Chair), Steve Hepworth, Melvin Kenyon (Senior Independent Director) (by Teams), Michael Finister-Smith, John Wright (by Teams), Helen Lennon (by Teams), Paul Warburton (by Teams), Liz Cook (by Teams), Paula Gouldthorpe (by Teams), Natalie Cresswell (by Teams)

Officers: Ashley Harrison (by Teams), Jo Sugden, Pete Stones, Karen Cowan, Fiona Ruddick (Minutes), Kevin Hornsby, Kassie Boothby

Apologies: Rachel Cook

Absence: None

Also Present: Erica Sanderson (from agenda item 4.3) (by Teams), Rabul Ibrahim (from agenda item 4.3) (by Teams), Jim Gempton (BDO) (left after agenda item 4.2), Richard St John Williams (Trowers) (by Teams) (left after agenda item 4.2), Katie Hardiman (Trowers) (by Teams) (left after agenda item 4.2), Louise Usher (by Teams)

Time meeting opened: 2.31pm

Quorum: It was reported that proper notice of the Meeting had been given in accordance with the rules of Ongo Homes and the Articles of Association of Ongo Partnership. A quorum being present, the Chair declared the meeting open.

Declarations of Interest:

Each Board Member considered whether he or she was interested for the purposes of rules D14 to D23 of Ongo Homes' Rules and Articles of Association of Ongo Partnership, directly or indirectly, in any of the matters to be discussed at the meeting (including interested personally or by virtue of being a director or other officer of a business trading for profit or in any other way whatsoever in any contract or other transactions with Ongo Homes or Ongo Partnership other than as an officer, committee member or employee of the body whose accounts are or ought to be consolidated with Ongo Homes' or Ongo Partnership's accounts) and it was noted that no Board Member disclosed an interest.

Confidential items: Agenda items 4.1 and 4.2

Time meeting opened: 2.31pm.

3. **Agenda item 3: Minutes of Previous Meetings & Matters Arising**

The minutes from the meeting held on 25 January 2022 (open and confidential) were agreed as a true and accurate record and will be signed by the Chair. The Board noted and accepted the notes from the Away Day held on 3 March 2022.

2. **Agenda item 4: Governance**

2.1 **Agenda item 4.1: Group Structure**

Minutes recorded confidentially.

2.2 **Agenda item 4.2: Director Issue**

Minutes recorded confidentially.

Jim Gempton, Katie Hardiman and Richard St John Williams left the meeting at 3.09pm. Erica Sanderson and Rabul Ibrahim joined the meeting at this stage.

2.3 **Agenda item 4.3: Governance Update**

Summary: This report aims to provide an update on any recent regulatory judgements and gradings to ensure Board are fully aware of any recent changes in the sector. It also includes proposals around a new Director for Ongo Communities Ltd, an in depth review of the Governance & Financial Viability Standard, suggested amendments for Ongo Homes Rules and to accept the updated governance effectiveness review from DTP.

Discussion points/questions:

- A Member asked why the changes to Ongo Homes Rules were being proposed when the Board have already been meeting this way for two years. It was explained this change related to General Meetings e.g. Annual General Meetings which have to be held in person. There is already a provision within the Rules to allow Board Meetings to be held electronically.
- Natalie Cresswell was thanked for agreeing to support the Ongo Communities Common Board by joining it.
- The Board noted the in depth review of the Governance & Financial Viability standard.
- The DTP report on Board Effectiveness had some additional context added to it following comments at the last meeting. This included stating the Ongo Commercial board observed had recently changed who delivered the reports to its Boards. Board were asked to consider the amendments and accept the report as being demonstrative of the effectiveness of Ongo's governance.

Agreed: The Board:

- Acting for **Ongo Partnership Ltd**, appointed Natalie Cresswell as a Trustee to the Board of Ongo Communities Ltd (in accordance with Ongo Communities Articles 11.2),
- Acting for **Ongo Partnership Ltd** noted that officers will progress the approval required to appoint Natalie Cresswell as Director to the Boards of Ongo Recruitment Ltd and Crosby Brokerage Ltd,
- Acting for **Ongo Homes Ltd** considered and discussed the self-assessment against the Governance & Financial Viability standard and noted the proposal by officers that the standard is fully complied with,
- Acting for **Ongo Homes Ltd** in relation to a proposal to make a partial Rule amendment, resolved that:

- Adopting the Amended Rules would be in the best interests of Ongo Homes,
- The Amended Rules be approved and submitted to Ongo Homes' shareholders for their consideration, and if thought appropriate, approval by way of written resolution;
- The Amended Rules be submitted to Ongo Partnership for their consent as Ongo Homes' parent; and
- Ongo Homes' officers be authorised to take such actions as they consider reasonable to facilitate the adoption of the Amended Rules.
- Acting for **Ongo Partnership Ltd** in relation to a proposal to make a partial Rule amendment to the Rules of Ongo Homes, resolved:
 - Approval of the Ongo Homes Amended Rules tabled substantially in their final form circulated to the meeting; and
 - that the Ongo Partnership Secretary be instructed to notify Ongo Homes that Ongo Partnership has granted its consent to the Ongo Homes Amended Rules
- **Ongo Partnership and Ongo Homes** Considered the updated DTP report presenting their review of Board Effectiveness and to gain assurance from this external piece of work that Ongo's governance arrangements are effective
- **Ongo Partnership and Ongo Homes** noted the suggestions made by DTP and that officers will work towards implementation of these with updates reported to the Governance & Remuneration Committee
- **Ongo Homes** Noted the gradings under review and regulatory judgements

3. **Agenda item 5: Action List**

The action list was noted and the Board accepted the closure of action 27/21 to be updated via Chief Executive's updates in future due to the slow moving pace of this work.

4. **Agenda item 6: Chief Executive's Update**

Summary: An update on activity undertaken to achieve the key strategic objectives agreed in the Ongo Corporate Plan 2019-2023 and the Key Performance Indicators track progress against these strategic objectives. There is also an update on our arrangements regarding the Covid-19 pandemic.

Discussion points/questions:

- The ballot from the unions regarding the staff pay offer has been accepted and Jo Sugden explained what the pay offer meant.
- There is a tenant conference arranged for 1 June and Ongo Carnival on 3 August. Board Members are welcome to attend either of these dates.
- A Member asked how the augmented reality would help? The intention is it will enable staff to see what the tenant sees and factor an appropriate response. For example, in damp and mould cases it will be apparent whether it is a small patch that can be easily remedied or more wide spread that requires a fuller response.
- The Housing Ombudsman Code makes a recommendation to have a Board Member with responsibility for customer complaints. The Regulator of Social Housing requires this to be an Executive so there needs to be a discussion whether this should be a Board Member or Executive, or both.
- On KPIs a Member felt Board had previously requested to receive information about percentage of the rent debit. Another Member felt that rent collected as a percentage of the debit was needed as a cash target does not give a true indication. This was to be looked

at as part of a wider review of Board KPIs and the information presented to the next Board would be revised. **Action 1/22**

- There has not been a capacity issue yet from staff as a result of an increase in the number of covid infections within the wider community as restrictions are lifted.
- Steve Hepworth provided an overview of a recent Housing Ombudsman case and the learning points from it.

Ongo Partnership and Ongo Homes Agreed: The Board:

- considered the report and the performance data detailing progress made towards meeting the Corporate Plan strategic priorities and debated the issues affecting the sector.
- noted the current situation in relation to the Coronavirus pandemic and discuss as required.

5. Agenda Item 7: Asset Management Plan

Summary: The Strategic Asset Management Plan detailed in Appendix 1 has been drawn up following detailed discussions at the Group Common Board meeting held in January 2022 and at a tenant focus group held in March.

Discussion points/questions:

- Pete Stones explained the Tenant Property Panel had a good discussion on how this could be implemented and taken forward.
- There have been two good internal audits recently and JLL are 60% through their 10% compliance check with no major findings so far.
- A Member felt it was a good comprehensive report.
- All void properties are having their insulation upgrading which will improve around 1000 properties per year.

Ongo Partnership and Ongo Homes Agreed: Following consideration of the draft Asset Management Plan at the January Board meeting, the requested additions/amendments have been made and members approved the strategic plan and the action plan.

6. Agenda Item 8: Review Delivery of Overall Strategy & Financial Plan

6.1 Agenda item 8.1: Budget 2022/23.

Summary: The Board must approve a budget for financial year 2022-23. This paper considers the final version of the budgets for Ongo Homes and Ongo Partnership which remain unchanged from the initial draft presented to the Board in January 2022.

Discussion points/questions:

- Ashley Harrison explained some changes had been requested by Ongo Communities around consideration of buildings e.g. The Arc. These had all been signed off by that Board.
- A Member asked if within the management accounts to the end of February, any material underspend had been identified. It had not.

Ongo Partnership and Ongo Homes Agreed: The Board

- approved the budgets for Ongo Homes and Partnership for 2022-23 as presented in January 2022.

- approved the budgets for Ongo Communities and Ongo Commercial businesses for 2022-23 which have been approved by the respective Boards.
- approved the consolidated budget for 2022-23 for the Ongo Group.

6.2 Agenda Item 8.2: Business Plan 2022-2023: Base Plan, Individual Sensitivities, Stress Tests, Homes & Partnership and Mitigations.

Summary: The business plan including peak debt, covenant compliance and financial performance is considered annually and is sensitivity and stress tested in relation to various factors that may affect the business.

Discussion points/questions:

- A Member felt this was a comprehensive set of stress tests and showed links to the golden rules.
- Based on the decision taken earlier in this meeting, for future years additional stress tests will be required for the subsidiary entities.
- When development schemes are considered the business plan is considered to check there is appropriate funding and capacity for it.

Ongo Partnership and Ongo Homes Agreed: The Board

- approved the base business plan as presented.
- considered the individual sensitivities applied to the base plan and confirmed that it is satisfied that these adequately test the base plan.
- considered the combined stress scenarios and mitigations applied to the base plan and confirmed that it is satisfied that these adequately test the base plan.

6.3 Agenda item 8.3: Management Accounts and Performance

Summary: The report and management accounts provide information on the financial performance of the group for the period April 2021 to February 2022.

Discussion points/questions:

- The Board accepted the management accounts that were presented.

Ongo Homes Agreed: Board

- noted the content of the report and associated information and approved the management accounts of Ongo Homes for the period.
- noted the red status of three, and amber status of a further three business plan stress test indicators and continued to consider the impact of rising inflation on future costs.

Ongo Partnership Agreed: Board

- noted the content of the report and associated information and approves the management accounts of Ongo Partnership (the entity and group) for the period.

7. Agenda Item 9: Health, Safety and Wellbeing

Summary: Ongo has a duty of care to all stakeholders, including our employees, customers, and contractors. We have a legal obligation to comply with various Health and Safety legislation and regulation, with serious consequences if we fail to do so.

Discussion points/questions:

- The policy for Health and Safety had been presented to Board in advance of the meeting for approval via Convene. It did not therefore need approving as part of this report.

Ongo Partnership and Ongo Homes Agreed: The Board confirmed that they are satisfied with the management of Health and Safety arrangements set out in the report.

8. Agenda Item 10: Strategic Risk Register

Summary: Risk is the possibility of an event and the consequences it has on the achievement of objectives, both at a strategic and operational level. Robust Risk Management is an essential element of effective Governance and a strong internal control environment.

Discussion points/questions:

- There is a changing score on the financial risk.
- The Audit & Risk committee approved the internal audit plan for the 2022/23 financial year.
- A recent internal audit on risk mitigation has been undertaken. The formal results have not been announced but informal feedback suggests substantial assurance.
- Steve Hepworth stated that Stephen Bull's suggestion to prioritise risks would be considered as part of the normal board cycles rather than arranging a special event.
- Helen Lennon suggested the focus around the cyber risk should be on reducing the impact as the likelihood would be high. She offered to deliver a session to the Board and ICT on the realities of living with a cyber issue. Officers would like to take Helen up on this offer.

Action 2/22

Ongo Partnership and Ongo Homes Agreed: The Board

- Considered, debated and agreed the changes in risk score and wider risk register.
- confirmed they are satisfied with the Risk Assurance Programme 2022-23 and did not identify any further areas for review by the Group Audit and Risk Committee.

9. Agenda Item 11: Other Board and Committee Updates:

9.1 Agenda Item 11.1: Governance & Remuneration Committee

Summary: The Standing Orders require Governance & Remuneration to provide an annual formal report on its work.

Discussion points/questions:

- The Board accepted the report from the Governance & Remuneration Committee Chair.
- Steve Hepworth asked if Board wished to harmonise the external review of staff salaries to two years to bring it in line with the Board Remuneration. The Board felt this was a good idea and happy to accept this.

Ongo Partnership and Ongo Homes Agreed: The Board

- received a formal report from the Governance & Remuneration Committee on its work over the last year and Board confirmed they are assured the Committee is delivering its responsibilities which are delegated to them via the Terms of Reference within Standing Orders.
- agreed to external benchmarking of staff pay to be undertaken every two years

9.2 Agenda Item 11.2: Minutes from all meetings and agenda Item 11.3: Assurance Update from Board and Committee Chairs

The minutes and updates were accepted by the Board.

10. Agenda Item 12: Ratify Decisions Taken by Convene in Advance

Summary: To alleviate the amount of paperwork to be considered at this meeting, documents have been circulated in advance of the meeting on Convene for approval. These were the Strategy Development Framework; Health and Safety Policy; Slavery and Human Trafficking Policy & Statement; Delegations Framework; Bribery Policy and Rent and Service Charge Setting Policy, and a Summary of Approved Suppliers.

Discussion points/questions:

- Fiona Ruddick reported that all Board Members had approved these via Convene in advance of the meeting and the decisions taken on there were formally ratified for the minutes. Members were thanked for doing this.

Ongo Partnership & Ongo Homes Agreed: Formally confirmed the decisions taken via Convene on the Strategy Development Framework; Health and Safety Policy; Slavery and Human Trafficking Policy & Statement; Delegations Framework; Bribery Policy and Rent and Service Charge Setting Policy and a Summary of Approved Suppliers.

11. Agenda item 13: Attendance List

The attendance list was noted.

12. Agenda item 14: Time for Reflection

A Member felt the size of the meeting pack needed reviewing again. When they had seen it was in excess of 400 pages this had impacted how they read the papers as they felt more pressured with their time. Officers undertook to review this and reduce the pack where they could. **Action 3/22**

The Chair asked Members to send any comments/proposed objectives for the Chief Executive in advance of his appraisal. He asked for these thoughts by email in the next two weeks.

With no further business, the meeting closed at 4.23pm.

Signed by Chair: Date:

As a true and correct record of the Group Common Board meeting held on 29 March 2022.