

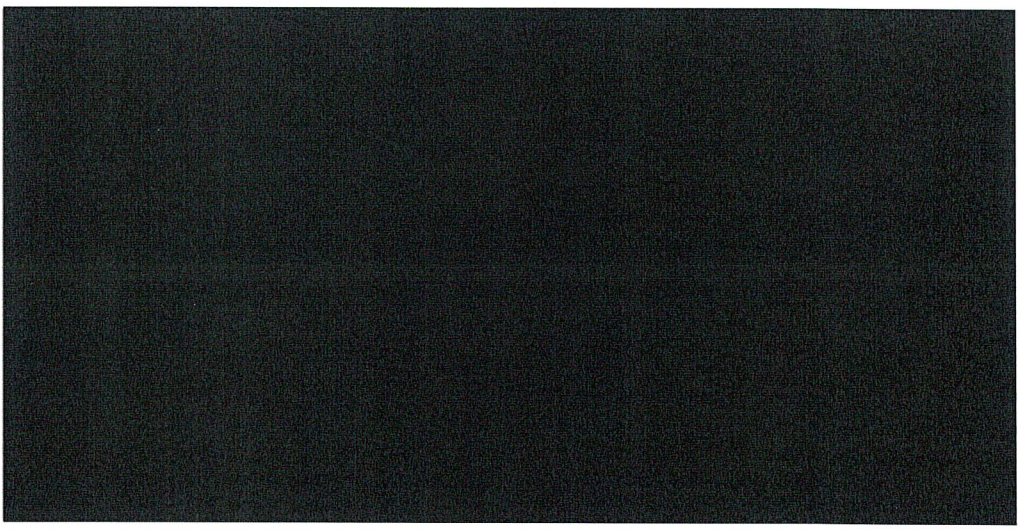
Date/Time 24 th February 2023 12:30 – 15:55	Venue Advance Northumberland, Wansbeck Workspace and via Teams/Telephone Link *
In attendance: Directors: Jeff Reid John Riddle* Phil Hunter* Steven Bridgett* Guy Renner-Thompson* Robin Earl Present: Jon Anderson Kim Grant (Minutes) Observing: Jan Willis* Part: C Maxwell* A Mowbray Michael Black John Hildreth Andrew Farrier John Moran Pam Robertson Deborah Evans Andy Brooks Apologies: Kelly Gardner William Thompson Mary Murphy	Chair Advance Northumberland Group Executive Director Advance Northumberland Head of Finance Advance Northumberland Personal Assistant NCC Executive Director of Finance (s151 Officer) Mazars External Auditors Advance Northumberland Head of Project Management Advance Northumberland Director of Economic Growth & Investments Advance Northumberland Head of Economic Growth Advance Northumberland Management Accountant Advance Northumberland Head of Homes Advance Northumberland HR Manager Advance Northumberland Head of Business Operations NCC Corporate Health & Safety Manager

1.0	Notice & Quorum
1.1	The Chair welcomed the attendees and declared the meeting quorate.
2.0	Apologies for Absence
2.1	The Chair reported that there had been apologies for absence from K Gardner, W Thompson and M Murphy.
3.0	Declarations of Interest
3.1	<p>The Chair stated that the Board's written declarations were recorded as a general notice.</p> <p>The Group Executive Director declared an interest with regard to Point 6.</p> <p>J Riddle declared an interest with regard to Point 9.4 stating that he was a Board member of the Northumberland National Park.</p>
4.0	Minutes of the Previous Meetings
4.1	<ul style="list-style-type: none"> The minutes of the previous meeting held on the 13th January 2023 were REVIEWED and AGREED.
4.2	Actions from the 13th January 2023 Board Meeting
4.2.1	All actions to report back on from the previous Board meetings would be picked up under Matters Arising or elsewhere on the agenda for this meeting.
5.0	Matters Arising
5.1	The following items were brought to the meeting under Matters Arising.
5.1.1	The Group Executive Director confirmed that a thank you note on behalf of the Board to the outgoing Chair, Jeff Watson had been sent.
5.1.2	<p>Ascent Homes Restructure</p> <ul style="list-style-type: none"> The Group Executive Director confirmed that the HR team had sought legal advice with regards to the process of redundancy within Ascent Homes and had received confirmation that all was in order and had been correctly executed.


5.1.3	<p>Rural Design Centre Innovation Project</p> <ul style="list-style-type: none"> The Group Executive Director confirmed that periodic programme updates would be brought to Board when available.
5.1.4	<p>Thropton Update</p> <ul style="list-style-type: none"> The Group Executive Director reminded the Board that at the last Board meeting a debate regarding the Thropton site had concluded with agreeing a 60 day deadline whereby Ascent Homes had to fully secure the site or walk away and also to ensure that contact was made with both landowners. The Group Executive Director confirmed that the Ascent Homes team had made contact and that the team were currently going through their numbers to check viability. Once that piece of work was concluded the Board would be updated but at the moment it was unlikely that Ascent Homes would be pursuing the purchase of the site at Thropton. G Renner-Thompson commented that he had been contacted by a developer asking what was happening with Ascent Homes and Thropton as he had been offered the site by the landowner. There was the potential for some fallouts after progressing with controversial planning then not proceeding. Following a question from J Riddle the Group Executive Director stated that the planning permission already obtained would remain with the site if another developer took the site on, but the planning permission was based on Ascent Homes' house designs therefore there may need to be revised planning permission in the future. S Bridgett confirmed that he was in agreement that the purchase of the site needed to be drawn to a close. The Group Executive Director confirmed that if no contract was signed by 13th March 2023 Ascent Homes would withdraw from the purchase of the site.
5.1.5	<p>NEP1 Update</p> <ul style="list-style-type: none"> The Group Executive Director confirmed that contact had been made with the relevant company regarding whether excess material could be utilised at the new South Newsham flyover. A response was awaited.
5.1.6	<p>Tolent Construction</p> <ul style="list-style-type: none"> The Head of Project Management gave the Board a verbal briefing on the impact on Advance Northumberland of the collapse of Tolent Construction. S Bridgett asked that the Bedlington Councillors were fully briefed on events as it was crucial that they were kept up to date.

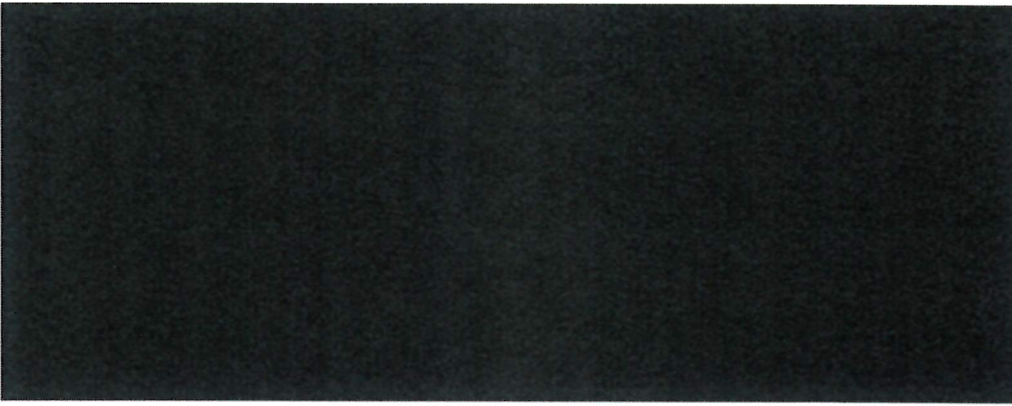
	<ul style="list-style-type: none"> The Group Executive Director confirmed that a dialogue was ongoing with the Councillors and the Developments team were also feeding into NCC's official line which was responding to a number of queries from elected members.
6.0	Appointment of Directors to Subsidiary Companies
6.1	<p>The Group Executive Director introduced the Draft Board Resolution confirming that on 1st February 2023 Shareholder approval was given for the appointment of himself, Robin Earl, as Group Executive Director and the appointment of William Thompson as Interim Executive Director by way of Ordinary Resolution, following Board approval on 28th November 2022.</p> <p>The Group Executive Director confirmed that, as usual following the appointment of new Directors to the top group company, the appointments needed to be cascaded to the subsidiaries.</p>
6.2	The Board discussed the paper, and no points/actions were raised. The Group Executive Director did not take part in the decision.
	The Board:
6.3	<ul style="list-style-type: none"> APPROVED the following Ordinary Resolutions <ul style="list-style-type: none"> That with immediate effect Robin Michael Earl, having consented to act, be appointed as Director of each of the Subsidiaries. That with immediate effect William Thompson, having consented to act, be appointed as Director of each of the Subsidiaries.
7.0	Composition of and Appointment to Audit Committee
7.1	The Group Executive Director introduced the report the purpose of which was to appoint at least one more Non-Executive Director to the Advance Northumberland Audit Committee so as to ensure that a quorum could be achieved following a number of recent resignations.
7.2	The Board discussed the report and S Bridgett volunteered to be appointed to the Audit Committee.
	The Board:
7.3	<ul style="list-style-type: none"> APPROVED the appointment of S Bridgett to the Advance Northumberland Audit Committee
8.0	Ratification of Virtual Board Decisions/Written Resolutions
8.1	<p>The following written resolution was ratified by the Board.</p> <ul style="list-style-type: none"> Sale of Land for Car Parking at CQ South, Blyth
9.0	Confidential Reports for Approval/Decision

9.1	Final Statutory Accounts 2021-22
9.1.1	<p>The Head of Finance introduced the report the purpose of which was to provide the final 2021-22 Group Statutory Accounts to the Board for approval.</p> <p>The Head of Finance confirmed that the Group Statutory Accounts must be audited, approved and submitted to both Companies House and HMRC by the 31st of March 2023.</p>
9.1.2	C Maxwell from Mazars (External Auditor) joined the meeting to update the Board on the progress of the external audit to date.
9.1.3	The Board discussed the report, and the following points/actions were raised.
9.1.4	<p>C Maxwell informed the Board that two risk areas were outstanding currently</p> <ul style="list-style-type: none"> • Management Override of Controls • Property Valuation <p>With regards to Property Valuation C Maxwell stated that the audit work was ongoing, they had engaged with their internal valuation experts, and they were performing their review of the key inputs and assumptions for a sample of properties.</p> <p>Work had been completed on all properties sampled other than Manor Walks. Following a review of the valuation and discussion with Align, points remained outstanding and there was a difference in opinion around the valuation reached.</p> <p>Mazars internal valuation team had received further information and were meeting with the Centre Manager to progress further.</p> <p>The Group Executive Director stated that this placed Advance Northumberland in a difficult situation whereby there was one set of professional advisors for the company who were following appropriate RICS guidelines had provided an independent valuation, but this was now being questioned by the auditors. He asked what would happen if Mazars valuation team came back with a different number?</p> <p>C Maxwell commented that he would ask for verification of where the valuer's numbers had come from. He stated that this was not an exact science, and a degree of judgement came into it. Align had not gone into the same level of detail as Knight Frank and they had not visited Manor Walks itself.</p> <p>The Group Executive Director asked for clarification around the process in terms of the valuation had been carried out a year ago and was provided to Mazars with the draft accounts in May/June 2022 therefore why had work just started on this now.</p> <p>C Maxwell stated that the valuation work had started in conjunction with the audit work last year with requests and discussions being held with Align. [REDACTED]</p>

9.1.5	<p>C Maxwell confirmed that the following key items were outstanding.</p> <ul style="list-style-type: none"> • Work on Manor Walks to be completed and concluded on. • All outstanding requests for information from management had been provided, the audit team would work through these and complete the work. • Progress and complete audit work on updated and final draft of financial statements, including tax numbers. • Final Partner and Manager review of fieldwork and financial statements. • Audit completion following conclusion of the above. <p>C Maxwell stated that once Board approval had been obtained for the final draft accounts they could hopefully be signed off by mid-March 2023.</p> <p>C Maxwell was thanked by the Board and left the meeting.</p>
9.1.6	
9.1.7	<p>The Chair then suspended the meeting to convene a meeting of the Board of Advance Northumberland (Financial) Limited.</p> <p>The Chair reconvened the meeting of the Advance Northumberland Limited group Board following the conclusion of the Advance Northumberland (Financial) Limited Board meeting.</p> <p>The Group Executive Director reported that the Board of Advance Northumberland (Financial) Limited had agreed that it was in the best interests of Advance Northumberland (Financial) Limited to be exempt from a statutory audit, and that Advance Northumberland (Financial) Limited qualified for such an exemption in line with company law.</p> <p>The Group Executive Director asked the Board of Advance Northumberland Limited to consider the request from the Board of Advance Northumberland (Financial) Limited that that it did not require a formal audit of Advance</p>

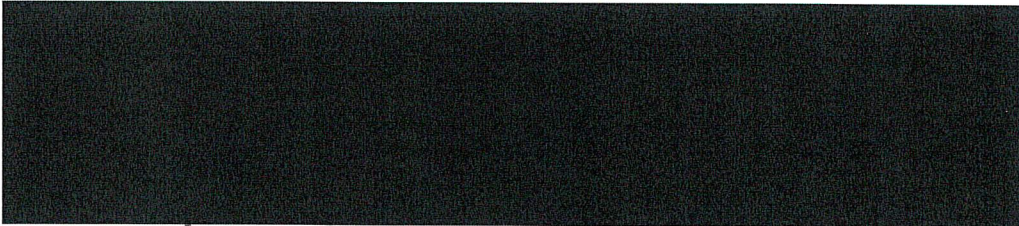

	Northumberland (Financial) Limited's financial statements for the year to 31 March 2022.
9.1.8	The Board:
	<ul style="list-style-type: none"> • NOTED the contents of this report. • APPROVED the statutory accounts of Advance Northumberland Limited, Advance Northumberland (Developments) Limited, Advance Northumberland (Commercial) Limited, Advance Northumberland (Housing) Limited and the Financial Statements of Advance Northumberland (Financial) Limited. • APPROVED the Chair of the Board to accept any immaterial amendments to the statutory accounts as highlighted by the auditors for Advance Northumberland Limited, Advance Northumberland (Developments) Limited, Advance Northumberland (Commercial) Limited, Advance Northumberland (Housing) Limited and the Financial Statements of Advance Northumberland (Financial) Limited • AGREED that it was in the best interests of the Group for Advance Northumberland (Financial) Limited not to be subject to statutory audit. • DELEGATED the Chair of the Board to sign the group statutory accounts • DELEGATED the Chair of the Board to sign the Letter of Representation • DELEGATED the Chair of the Board to sign the Advance Northumberland (Financial) Limited Group Guarantee • DELEGATED the Chair of the Board to sign any necessary forms associated with the filing of the accounts to 31 March 2022 for any Group company. • DELEGATED the Group Executive Director to sign the Tax Computations and HMRC returns (CT600)
9.2	Intercompany Dividend 2022-23
9.2.1	The Head of Finance and the Management Accountant introduced the report the purpose of which was to finalise and seek approval of the intercompany dividend for financial year 2022-23.
9.2.2	The Board discussed the report, and no points/actions were raised.
	The Board:
9.2.3	<ul style="list-style-type: none"> • NOTED the contents of this report. • APPROVED an intercompany dividend of £400,000 from Advance Northumberland (Housing) Limited to Advance Northumberland Limited • Reserved Matter requiring Shareholder approval
9.3	Estate Arrears & Write Offs
9.3.1	The Head of Finance introduced the report the purpose of which was to provide an update to Board of the current outstanding debtors and the proposed arrears

	<p>write offs for the Statutory Accounts process for 2022-23. The report also proposed the bad debt provision required.</p> <p>The Head of Finance confirmed that throughout the year, all arrears had been pursued in line with the company's current Debt Collection Policy</p>
9.3.2	The Board discussed the report, and the following points/actions were raised.
9.3.3	<p>J Riddle commented that NCC were very successful in pursuing their arrears and asked whether Advance Northumberland could work with them to explore any learnings.</p> <p>Action: Head of Finance to reach out to NCC's Revenues department to explore any learnings.</p>
	The Board:
9.3.4	<ul style="list-style-type: none"> • NOTED the contents of the report. •  • Reserved Matter requiring Shareholder Approval
9.4	Future Support for Businesses
9.4.1	The Director of Economic Growth & Investments and the Head of Economic Growth presented the report which highlighted the progress achieved to date by the Rural Business Growth Service (RBGS) during challenging times for the rural economy and sought approval for the proposed strategy for continuing to deliver much-needed business support across the County, tailored to and targeted at, Northumberland's rural business base through the creation of the new Northumberland Small Business Service (NSBS).
9.4.2	The Board discussed the report, and the following points/actions were raised.
9.4.3	<p>The Head of Economic Growth stated that the current iteration requested 5 new posts but there may be a requirement for an additional post to support the enterprise element but approved from NCC and the funding partners were awaited. A further update may come back to Board to request that extra post.</p> <p>The Group Executive Director asked the Board whether it would agree to a clause within the paper to allow an extra post subject to funding coming through, therefore stating 5 or 6 posts, rather than an update paper being brought to a future Board meeting.</p>


9.4.4	<p>The Group Executive Director asked whether the appointment of the National Park had been covered off from a procurement compliance viewpoint.</p>  <p>The Head of Economic Growth confirmed that this would tick the necessary compliance boxes.</p>
The Board:	
9.4.5	<ul style="list-style-type: none"> • NOTED the contents of the report. • APPROVED Advance Northumberland's role in the delivery of the Northumberland Small Business Service (NSBS) on behalf of Northumberland County Council with five or six staff roles. • APPROVED the commission of Northumberland National Park as delivery partner to Advance Northumberland to support the delivery of farming enterprise support to the value of up to £525,000. • APPROVED the procurement of a £399,999 contract by Advance Northumberland to support the technical delivery of the Northumberland Small Business Service • Reserved Matter Requiring Shareholder Approval
9.5	EG&I funding and staffing
9.5.1	The HR Manager presented the report the purpose of which was to update the Board on the implications of the end of the current funding regimes for posts within the Economic Growth and Investments Team.
9.5.2	The Board discussed the report, and no questions/actions were raised.
The Board:	
9.5.3	<ul style="list-style-type: none"> • NOTED the contents of the report. • APPROVED the consultation process for those affected by the end of current funding. • NOTED the potential of future funding streams.

9.6	Residential Rent Increase
9.6.1	The Head of Homes introduced the report confirming that the work had been completed on the basis of the discussions that were held at the last Board meeting on 13 th January 2023.
9.6.2	The Board discussed the report, and the following points/actions were raised.
9.6.3	<p>J Riddle asked for clarification on what were regulated and historic fair rent tenancies.</p> <p>The Head of Homes confirmed that Advance Northumberland Homes currently had 11 regulated tenancies within the portfolio, comprising of 8 Fair Rent Tenancies and 3 Assured Tenancies.</p> <p>The 8 x Fair Rent Tenancies pre-dated 1989, whereas the 3 x Assured Tenancies were commenced between 1989, and 1997. As they legally differ from Assured Shorthold Tenancies (which made up the remainder of the portfolio), we were unable to increase the rent with the same mechanism.</p> <p>Instead, Advance Northumberland Homes must request the increase annually to the Valuation Office Agency who would then assess the rent versus several factors and then approve or deny an increase.</p>
	The Board:
9.6.4	<ul style="list-style-type: none"> • NOTED the contents of the report. • APPROVED a maximum of 7% per annum rent increase for those properties that currently fall below the current market rental value or the Local Housing Allowance, whichever is relevant to the particular property/area • APPROVED a maximum of 7% per annum rent increase on all applicable residential garages, or garage plots within the portfolio
	The Board:
10.0	Confidential Reports for Information
10.1	Medium Term Financial Plan 2023-26
10.1.1	The Head of Finance and the Management Accountant introduced the report explaining that the report today was a work in progress and was intended to set the direction of travel until such time that formal approval would be sought from the Board.
10.1.2	The Board discussed the report, and the following points/actions were raised.

10.1.3	<p>The Group Executive Director stated that a detailed piece of work was underway to look at the portfolio and a review would be held with NCC's Executive Director of Finance to go through a more detailed review of the finances.</p> <p>The Group Executive Director confirmed that Advance Northumberland were due to present to the Overview & Scrutiny Committee but that he did not intend to share the details of the Medium-Term Financial Plan as it was a public session.</p> <p>Action: Group Executive Director & NCC's Executive Director of Finance to discuss whether any information could be shared in the private Part 2 of the Overview & Scrutiny Committee.</p>
	The Board:
10.1.4	<ul style="list-style-type: none"> • NOTED the contents of the report.
10.2	Health & Safety Presentation
10.2.1	The Corporate Health & Safety Manager gave a presentation covering Corporate Manslaughter and Directors' Responsibilities.
10.2.2	The Board discussed the presentation, and no points/questions were raised.
	The Board:
10.2.3	<ul style="list-style-type: none"> • NOTED the contents of the report.
10.3	Health & Safety Update
10.3.1	<p>The Head of Business Operations introduced the report the purpose of which was to update the Board on the current status of:</p> <ul style="list-style-type: none"> • The Health and Safety Service Level Agreement (SLA) with Northumberland County Council (NCC), and • The Internal Audit Report on Health and Safety Arrangements at Advance Northumberland.
10.3.2	The Board discussed the report, and the following points/actions were raised.
10.3.3	<p>The Head of Business Operations confirmed that the SLA with NCC had worked very well and was due to be renewed. It was felt that the SLA did not need to be replicated in its current form with a full time secondee from NCC but have more of a consultancy agreement.</p> <p>The Group Executive Director stated that this report had his full support. Advance Northumberland were investing heavily in Health & Safety and under this model Advance Northumberland would still have the resources of NCC to consult and guide as needed and also still use external agencies as needed.</p>

	<p>The Head of Business Operations confirmed that a proposal and update would be provided to a future Board meeting following a meeting with NCC.</p>
10.3.4	<p>The Head of Business Operations informed the Board that the Project Brief for the internal audit on Health & Safety was agreed in June 2022. The internal audit team has liaised with the HR Manager, the Head of Business Operations and the Health & Safety Advisor to complete their review.</p> <p>The Final Audit Report was issued in February 2023 with an overall assurance level of Reasonable.</p> <p>The Head of Business Operations commented that the report gave the Company and the Board assurance that Health & Safety had been looked at externally and it had come back with some recommendations, many which were already in place.</p>
	<p>The Board:</p>
10.3.5	<ul style="list-style-type: none"> • NOTED the contents of the report. • APPROVED the appointment of William Thompson as Advance Northumberland Health & Safety Champion.
10.4	<p>NEP1 Update</p>
10.4.1	<p>The Group Executive Director presented the NEP1 update report.</p>
10.4.2	<p>The Board discussed the report, and the following points/actions were raised.</p>
10.4.3	<p>With regard to the excess material currently sitting on the east side of the dock, the Chair asked whether there was a potential use for it at the Potland Burn site.</p> <p>The Group Executive Director confirmed that this was not possible without a licence. Advance Northumberland had considered what could be left on site as a bund for weatherproofing but there were plusses and minuses to that option.</p>
10.4.4	
10.4.5	

10.4.6	
	The Board:
10.4.7	<ul style="list-style-type: none"> NOTED the contents of the report.
	S Bridgett left the meeting.
	NON-CONFIDENTIAL ITEMS
11.0	Non-Confidential Approvals
11.1	H&S Policy Statement
11.1.1	The Group Executive Director introduced the paper.
11.1.2	The Board discussed the paper, and no questions/actions were raised.
	The Board:
11.1.3	<ul style="list-style-type: none"> APPROVED the H&S Policy Statement
11.2	Modern Slavery Statement
11.2.1	The Group Executive Director introduced the paper.
11.2.2	The Board discussed the paper, and no questions/actions were raised.
	The Board:
11.2.3	<ul style="list-style-type: none"> APPROVED the Modern Slavery Statement
12.0	Policies for Approval
12.1	HR Policies
12.1.1	<p>The Group Executive Director presented the HR policies confirming that the updates were largely housekeeping as follows.</p> <ul style="list-style-type: none"> Redundancy Policy – flagging up that if an employee purchased a car through the NHS Fleet Car scheme and they were made redundant the company would pay the early termination fee.

	<ul style="list-style-type: none"> • Sickness Absence Policy – tweaked to reflect the current best practice wording and moving the section regarding practical guidelines to a separate procedure. • Leave of Absence Policy – more explicit regarding entitlements. • Career Break Policy – previously incorporated into the Leave of Absence Policy.
12.1.2	The Board discussed the policies, and no questions/actions were raised.
	The Board:
12.1.3	<ul style="list-style-type: none"> • APPROVED the Redundancy Policy • APPROVED the Sickness Absence Policy • APPROVED the Leave of Absence Policy • APPROVED the Career Break Policy
12.2	Business Operations Policies
12.2.1	The Group Executive Director presented the Business Resilience Plan confirming that this was a new policy which pulled together what the company currently did and also reflected the learnings gathered through lockdown.
12.2.2	The Board discussed the policy, and no questions/actions were raised.
	The Board:
12.2.3	<ul style="list-style-type: none"> • APPROVED the Business Resilience Plan
13.0	Any Other Business
13.1	<p>The Chair confirmed that he would not be available for the date of the next Board meeting scheduled for 14th April 2024.</p> <p>Action: The Group Executive Director confirmed that the possibility of moving the date would be explored.</p>
13.2	<p>The Chair thanked the Board for their attendance and closed the meeting at 15:55.</p> <p> CHAIR</p>

Summary of Actions	Action
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Future Support to Businesses	<ul style="list-style-type: none"> 5 or 6 posts acceptable subject to funding 	JH
Estate Arrears & Write Offs	<ul style="list-style-type: none"> Head of Finance to reach out to NCC's Revenues department to explore any learnings. 	JA
Medium Term Financial Plan	<ul style="list-style-type: none"> Group Executive Director & NCC's Executive Director of Finance to discuss whether any information could be shared in the private Part 2 of the Overview & Scrutiny Committee. 	RE
NEP1 Update	<ul style="list-style-type: none"> [REDACTED] 	RE
AOB	<ul style="list-style-type: none"> Alternative date to be explored for the next Board meeting which was currently scheduled for Friday 14th April 2023. 	RE