

LEASE - The Leasehold Advisory Service

Minutes of the Board Meeting held on Wednesday 22/01/2025 at 2 Marsham Street

Present: Martin Boyd (MB) Wendy Wilson (WW), Paula Higgins (PH), Emer McNally (EM), Kim Caddy (KC)

In attendance LEASE: Alice Bradley (AB), CEO, Laurence Mallows (LM)

Observers MHCLG : Mohammad-Ali El-Zein (ME), Razeeb Ahasan (RA), Melanie Harries (MH).

Secretariat: (MR)

Apologies: Gabrielle Owtram (GO) (LEASE COO)

1.0 Welcome and apologies for absence

1.1 The Chair welcomes everyone to the meeting. Apologies GO (COO) .

2.0 Minutes and actions from Sept Board

3.0 Chairs update

3.1 The board meeting commenced with confirmation of no new conflicts of interest and agreement on the previous board minutes. The action log was briefly discussed, with a focus on the LFRA demand – the headlines are that these types of enquiries have so far gone up by 100s not 1000s.

Action: CEOs to send paper to Board that sets out these stats.

3.2 Ministers have now agreed in principle on the remit for LEASE - which confirms the direction of travel we have been heading in for the last year. The focus is on improving the core advice service and upgrading the website. The Minister is also likely to invite lease to produce an annual report on consumer issues - but a formal Chair's letter has not yet been received.

- **Government Agreement:** The government has agreed on the headline LEASE change initiatives that have been in progress for the last year.
- **Advice Service Improvement:** The focus of the new Minister is more squarely on improving the advice service and upgrading the website to provide better information to consumers.
- **Data Report:** The Minister is also keen on LEASE producing a report on consumer issues, which will help put important messages into the public domain.
- **Redress:** LEASE's convening roll will have more of a focus on the redress system – although the detail to that work will need developing further with the Sponsor.

3.3 The Chair noted that redress was likely to be particularly important as commonhold becomes a more prevalent tenure. The new remit does need to be confirmed in writing - but this year should now clearly be the focused-on delivery and getting on with the improvements planned.

- **Staff Time Allocation:** Now many of the core operational and compliance issues have been addressed CEOs are asked to spend no more than 10% of their time on compliance and bureaucratic processes next year and to focus more on outward-facing service improvements. The Board ask that all LEASE staff be more outward facing.

3.4 Thanks were expressed to the Board for all the work they have been doing and also to CEOs for new the systems they have put in place.

4.0 Update from Ctte Chairs

4.1 Change committee:

EM provided an update on the Change Committee, highlighting the recruitment of key roles.

- **Change Committee Meetings:** Since the last board meeting in September, four Change Committee meetings have been held.
- **Recruitment:** Progress has been made in recruiting the remaining change roles, with new members joining the team. Service Owner hired to lead the digital transformation, a COO joined in the summer and the policy and consumer lead will start next week.
- **Digital Partner:** Progress on selecting a digital partner has been made, but there are concerns about the high-cost estimates received, leading to a potential re-evaluation.
- **Procurement Challenges:** Government procurement processes have posed challenges, particularly before Christmas, but new LEASE processes are being developed to allow direct procurement and ensure LEASE can access support for larger procurements if necessary.
- **Fix the Fundamentals:** A parallel effort entitled “Fix the Fundamentals” has been underway, focusing on website and CRM database improvements, as well as enabling AI for senior staff, lead by the digital services manager. Changes made to the website and allocations systems will be coming on-line in the coming weeks.
- **Budget and capacity:** EM was keen to make more progress on the main website change programme and would like to see more of the CEOs time focused on change – and clarity on the processes for accessing the digital change funding for next year.

ACTION: Get process going of how to release funding next year.

The Chair agreed the need for a step change – with a shift to delivery. He highlighted that the board had necessarily been getting involved in operations, but they did need to be mindful of being too involved once we have got through this initial phase.

4.2 Pay & Remuneration

WW discussed the pay flex case, learning and development budget, staff survey findings, and the whistleblowing policy. The need for a structured approach to HR policies was emphasized.

- Pay Flex Case: The LEASE pay case is being considered – MHCLG have acknowledged that this is now a pressing issue that needs resolving urgently.
- Learning and Development: The learning and development budget has increased, and additional training suggestions have been made for consideration.
- Staff Survey: P&R had been presented with survey findings with a focus on progress that had happened so far and quick wins. It was important to move quickly on implementing changes. Pay was the subject brought up the most by staff. Proposals to change the allocation of enquiries were also raised regularly.
- Performance Appraisal Forms: Lighter touch staff assessment and appraisal forms were being trialed. Previously there has been a lack of clarity amongst managers on how the system should be applied. COO was using the learning from the new form to introduce a new system of appraisals from 1st April 2025.
- Potential name change from Pay & Remuneration, people's committee. TBD.
- Whistleblowing & HR Policy: The whistleblowing policy was discussed and is nearly finalized, with a focus on embedding risk within HR policies and procedures. The need for a structured approach to HR policies was emphasized, with a focus on performance management and other key areas.

KC raised the multiple HR policies that are being reviewed and asked whether these would come to Pay and Remuneration – it was agreed that they would. A forward plan would be developed for this.

Learning and Development will be coming to the next committee. CEO raised that quite a lot of people related issues link into change –for example, there is a big people and culture strand as part of the change programme.

ACTION: Develop and circulate new performance management forms by the end of the financial year to ensure the next staff performance reporting can happen on new forms. (COO)

ACTION: Create a pipeline and timetable for reviewing and prioritizing HR policies, including embedding risk within HR policies and performance management. (COO) -before next board meeting.

4.3 ARAC

The organisation is continuing its programme to review and document key policies and procedures.

- Prioritisation of these efforts is based on departmental needs, business necessity, and risk.
- Immediate focus areas:
 - Contract Management
 - GDPR Compliance
 - Cybersecurity

A session on risk management has been proposed to embed risk practices across staff and HR procedures. We have suggested a focus board session on risk management.

ARAC Update The process of re-procuring audit was discussed at ARAC, and it was agreed that the current auditor will remain for the year. The organisation decided to defer the re-procurement of auditors to the next year due to staff workload and the benefit of retaining institutional knowledge. It was acknowledged that best practice suggests periodic review or change of auditors, but independence and performance are also key determinants. The process for looking at re-procurement would need to start relatively soon.

Paper 6 - procurement principles sign off

- Approval sought for the principles to underpin development of the LEASE procurement policy for smaller procurements (below £200k) - including a plan to establish better public notification methods.
- Also CEO signing authority raised to £12,000, better reflecting the organisation's size and needs.

The board approved the principles while highlighting the need for a delegation of authority table for clarity on decision-making levels.

ACTION: Re-procure auditors for next year. End of year (COO)

ACTION: Provide a detailed delegation of authority table to clarify signing authority and procurement processes within the organization. This will come round as part of the updated delegations paper that went to ARAC. (CEOs). end of Feb

Paper 7 – 24/25 accounts

Current Status: Management reporting needs improvement to meet board-level expectations.

Reports should show:

- Line-by-line comparisons against budget and prior year.
- Clear separation of transformation project costs from core operational spending.

COO has already initiated efforts to address this gap with bookkeepers.

Challenges Identified: The organisation operates under dual scrutiny: internal reporting for management and external reporting to the department.

ACTION: CEOs and COO to develop a board report on the finances. NEXT BOARD MEETING

ACTION: COO to look at in the future developing automated modelling systems to bridge gaps between internal and external reporting needs.

ACTION: Transformation funding should be tracked separately to ensure clarity on operational budgets. Next board report

Paper 8 – Compliance – functional standards summary and timeline

The review indicated the organisation is largely compliant but identified areas for improvement.

Priority areas include:

- GDPR Compliance
- Cybersecurity Measures

A detailed work plan is being developed, and prioritisation was supported by both departmental challenges and organisational risk considerations.

The CEOs are trying to be proportionate with the work on this but sometimes it is tricky to manage that alongside central government expectations.

ACTION: Develop a risk-based prioritisation approach with greater detail for the next ARAC meeting.

ACTION: Focus on embedding improved compliance practices across key functions.

5.0 25/26 Budget Planning: CEO explained the challenges in finalizing the budget for the next year without knowing what the funding from the department will be. The budget circulated was done on the basis of a minimum viable product.

Now we have clarity of remit EM said that the Board needed urgent clarity on what the organisation needs and what the funding that is being given can deliver in order to make decisions about prioritization, including bringing out co-dependencies.

CEO flagged that there was more of an emphasis on the core advice and some planning assumptions would need revisiting on that basis.

ACTION: Develop a detailed plan for budget allocation for 25/26, ensuring clarity on what will be delivered and how funds will be used. (CEOs/COO). Next board meeting

6.0 Metrics and performance

CEOs discussed the metrics, explaining that the current measures are supply-based and that we are running historically 'hot' on call times. This was with agreement from MHCLG to allow training and Change work of staff.

Phone System Issues: The phone system's performance was discussed, with concerns about long wait times and calls being dropped. A new receptionist and changes to call handling are expected to improve the situation but there is a clearly a system issue.

- Performance Issues: Concerns were raised about the phone system's performance, including long wait times and calls being dropped.
- New Receptionist: A new receptionist will start next week to cover afternoons and improve call handling capacity.
- Call Handling Changes: Changes to call handling will be implemented in March, reducing the number of calls per shift from eight to six to improve service quality.
- System Failures: There are indications that the phone system may not be functioning correctly, with some calls being dropped unexpectedly.

ACTION: Investigate and address the issues with the current contact platform, including the problem of calls being dropped after long wait times. (CEOs).

ACTION: CEOs to relook at metrics based on agreed remit and also continue to develop metrics and reporting. Next board

ACTION: Determine and communicate the timeline for the first annual report on the issues being faced by leaseholders. (CEOs)

7.0 Staff rep reflections and questions

Staff Feedback: Staff representatives expressed their concerns about the phone system and the stress of handling calls. They appreciated the positive changes and the efforts to improve the work environment brought in recently.

**ACTION: Framework for staff & career development plans to be incorporated in learning & development strategy and new performance appraisal system. (COO)
APRIL**

8.0 AOB

None.

Next meeting data is **09/04/2025** at **11:00**. Location TBC.