

Guidance Note

Why are Board minutes important?

Purpose of this guidance note

This guidance note outlines our reasons for classifying Board minutes as a key supporting document for the purposes of annual regulatory reporting.

Introduction

To achieve registration, a community housing provider (CHP) must demonstrate it has the capacity to meet the Performance Standards. Following registration, a CHP's compliance with these standards is monitored annually.

Annual monitoring enables the Authority to provide assurance that the registered CHP remains viable and continues to be eligible for the income-related rent subsidy (IRRS).

Beyond that, annual monitoring of compliance against the Performance Standards keeps registered CHPs safe (i.e., it ensures registered CHPs are complying with relevant legislation), and ensures that social and affordable housing tenants are appropriately housed and receive quality housing services.

In order to complete annual monitoring, registered CHPs are required to complete an Annual Regulatory Report. We also set out a small number of supporting documents for CHPs to provide. This structure has been developed to minimise compliance burdens on registered CHPs, as:

- It means that registered CHPs do not need to generate a significant report that details their compliance with each of the Performance Standards, and
- The documents are those that an organisation should have readily to hand, as they are necessary to the day-to-day operations of the organisation. This includes all Board minutes for the 12

months prior to a registered CHP submitting its annual regulatory report for assessment.

What do Board minutes demonstrate?

From a regulatory perspective, there is no better evidence of compliance across the full range of Performance Standards than Board minutes. They demonstrate that the Board makes effective and transparent governance decisions, that it regularly considers key operational documents, how the Board is working with the management team, how ongoing financial viability is maintained, and how the business is operating in line with the policies and processes reviewed by the Authority. Areas of performance the Authority looks at during annual monitoring include:

- **Governance:** that probity policies and procedures are being followed (for example, that significant procurement activities are transparent and receive appropriate Board/management sign-off), strategic and operational planning is undertaken, decision-making policies and procedures are being followed (for example, that a quorum is present, that significant issues are discussed by the Board, and that resolutions are made, seconded, and appropriately recorded in the minutes), conflicts of interest are recorded and mitigated, processes for identifying, managing and reporting risk are in place, health and safety reporting occurs regularly, quality management practices occur and quality management activities to improve service delivery are reported to the Board.
- **Management:** there is regular reporting by senior management to the Board, that

decision-making by the Board and senior management takes places within the set delegations policies and procedures, and that information gathered through operational activities is used to improve business processes.

- **Financial viability:** there is regular reporting to the Board on the financial status of the organisation, including maintaining an acceptable capital structure and level of financial performance, and that financial risks are brought to the Board's attention and mitigations are put in place.
- **Tenancy management:** there is regular reporting of aggregate complaints, tenant satisfaction (e.g., through annual tenant surveys), and rent arrears data to the Board. This could also include bringing serious complaints to the Board for final arbitration should this be in line with a registered CHP's complaints policies and procedures.
- **Property and asset management:** that there is planning for acquisitions and disposals, appropriate Board oversight of any development activity, and reporting on regular maintenance programmes to the Board.

The Board minutes of the registered entity should be provided in their entirety, not just the parts of the minutes that relate to the housing operation. This is because decisions taken in respect of any non-housing related activities undertaken by the CHP can impact upon the ongoing viability of the registered CHP as a whole.

In limited circumstances, redactions to Board minutes may be undertaken. The Authority requires:

- personally identifiable information on tenants, operational staff and contractors to be redacted. For example, in a Board

minute relating to a tenant complaint about a CHP staff member, the names and addresses of the tenant and staff member should be redacted, but the remainder of the item should still appear in the minutes.

- If Board minutes include legally privileged advice, this advice may also be redacted.

Providing Board minutes using an online portal

Board minutes may be shared with the Authority through several different methods including hard copies sent through the post or courier, electronic copies via email or an online portal.

If an online portal is used to provide Board minutes, we will not download hard copies or an electronic version of the minutes, either at our offices or online. The CHP would retain ownership of these documents, be responsible for the set up and maintenance of the portal and provide the Authority with password access.

To ensure we can continue to undertake our annual monitoring function please provide:

- unrestricted access to the Board minutes within the portal for a period of one year from the date the Authority is given access to the minutes.
- any changes to the minutes, once uploaded, to be clearly signposted to the Authority.

Please note, the Authority retains the right to request and download minutes from any reporting period if required for an investigation. We will advise you before doing so.

What happens with the Board minutes?

Like any regulator, we receive confidential and commercially sensitive information to inform our regulatory function. We do not share any documents we receive with other

business units within Te Tūāpapa Kura Kāinga
- Ministry of Housing and Urban
Development, or other agencies.

However, providers should be aware that the Authority, like other public service agencies, is subject to the [Official Information Act 1982](#). If any such information release is required you will be consulted beforehand and will be able to provide comments on the proposed release, including whether you consider any information should be withheld because it meets the criteria for withholding information contained in the Official Information Act. For further information on this issue, please see the Authority's [Official Information Act Guidance Note](#).

Please note, however, that the final decision on release is ultimately made by Te Tūāpapa Kura Kāinga - Ministry of Housing and Urban Development.

Further information

If you have any questions about the provision of Board minutes as part of the annual monitoring process, please contact us at chra@hud.govt.nz.

For information about how the Authority handles potential releases under the Official Information Act, visit:
www.ombudsman.parliament.nz/resources/oi-a-ministers-and-agencies-guide-processing-official-information-requests.