

Land Development Agency

Board Meeting of 25th February 2019

Minutes of Meeting

Date	25 th February 2019
Venue	22 Merrion Square, Dublin
Time	10am
Chairman	John Moran
Other Board Members	John Coleman, Michael Stone, Tim Bouchier Hayes, Caroline Timmons, Clare Costello, John O'Connor, Michelle Norris
Apologies	Conn Murray
Other Attendees	Barry O'Brien (LDA), Phelim O' Neill (LDA), Catriona Lawlor (Housing Agency)
Minute Taker	Catriona Lawlor (Housing Agency)

No	Item	Action
1	Board Preliminaries	
1a	<p>Chairman's Opening Comments / Disclosure of Interests</p> <p>The Chairman welcomed the Board to the second meeting of the Land Development Agency (LDA).</p> <p>The Chairman noted the apology from Conn Murray who was unable to attend and the disclosure of interest declarations from John O'Connor and Tim Bouchier Hayes, which have been recorded by the Board secretary.</p> <ul style="list-style-type: none">• John O'Connor declared a conflict of interest with agenda item 4(a) – property update in relation to three Housing Agency sites due to be transferred to the LDA. John O'Connor excused himself from the meeting while these properties were discussed.• Tim Bouchier Hayes declared a potential conflict of interest with agenda item 4b in which referral is made to Sisk engagements in relation to a cost/value engineering exercise. The declaration was in relation to Tim Bouchier Hayes' role as an advisor to the Sisk Board.	
1b	<p>Review of January 2019 Board Meeting Minutes</p> <p>The Board approved the board minutes of 28th January 2019 with a minor amendment.</p>	
1c	<p>Matters arising</p> <p>The Interim CEO provided a summary of the action plan developed from "matters arising" at the first board meeting. He also noted the intention to create an ongoing log in relation to same.</p>	
2	Affordable Housing Models	
2a	Affordable Housing Paper Presentation	

	<p>Barry O’Brien thanked both the Housing Agency and Michelle Norris for their contribution in drafting the discussion document and also provided an overview of the key paper content, both in terms of Irish and European affordable housing schemes.</p> <p>The members discussed the contents of the paper with a particular focus on cost rental in the context of the LDA’s strategic planning. It was acknowledged that further work should be commissioned in relation to cost rental to enable a more detailed board discussion regarding key themes emerging (e.g. status and form of proposed regulations, cost vs affordable rents, design requirements, locational policy, LDA’s strategic plan etc.).</p> <p>It was noted that there has historically been a number of issues with affordable purchase (as detailed within the discussion paper) but that this form of tenure has remained politically popular as a means to facilitate home ownership.</p> <p>It was agreed that there is a requirement for further discourse on LDA portfolio strategy in the context of affordable housing (e.g. consideration of alternative options including potential land swaps in relation to higher value sites, transport orientated development with reduced parking requirements / builds costs etc.).</p> <p>More work is needed to determine the demand for cost rental housing in different areas.</p> <p>The Chairman noted the requirement to have relevant MI in order to make strategic assessments in relation to matters such as; (i) addressable market of affordable purchasers / renters: and (ii) housing mix and tenure in locations adjacent to existing and future LDA sites. The complexity of the task was acknowledged. Whilst social housing data is available from the census, a more granular breakdown of non-social housing data is more complex with considerations including GDPR etc. It was noted that a research project was commencing in relation to area (UCD) and it may be possible to leverage upon work underway in this area.</p>	<p>A more detailed cost rental paper to be drafted at presented to the Board at April 2019 meeting</p>
3	Key Actions for Strategy Delivery	
3a	<p>The Interim CEO provided an overview of the 2019 key action plans to enable strategy delivery. He also provided a summary of the underlying plan at an operational and task level.</p> <p>The members also expressed concern regarding potential slippages in the timing of grounding legislation and noted the importance of maintaining momentum to ensure legislation passes as soon as practicable. It was noted that it is the responsibility of the Department of Housing, Planning and Local Government to drive the legislative process, however that the LDA should do all it can to help expedite it. A project management approach was recommended, where possible, with regularly scheduled meetings and deliverables.</p>	<p>Executive to team to ensure regular scheduled contacts with all stakeholders to drive progression on legislation</p>

4	Business Update	
4a	<p>Property Update</p> <p>Phelim O'Neill provided an update to the members in relation to the LDA's initial portfolio (eight sites). The proposed ongoing reporting format is in the form of a "site dashboard" providing details on status, recent progress and site timelines / targets. A pipeline of secondary opportunities was also presented for discussion.</p> <p>The individual issues and work to date was discussed in relation to each of the sites. The importance of delivering affordable homes was also discussed and the potential levers available, including grant funding (LIHAF / URDF / Serviced Site Fund) and cross subsidisation.</p> <p>The members also discussed aspects such as site transportation issues and the potential to reduce scheme parking in particular sites, both in the context of transport orientated development and overall cost reduction for cost rental schemes.</p> <p>The board emphasised the importance of demonstrating progress and delivery and in particular the requirement to deliver in short order on at least one scheme.</p> <p>Other considerations include the future creation of an LDA "Site Scorecard" which will broadly set the LDA's risk appetite / criteria to acquire/develop sites etc. The Board also requested; (i) the development and reporting of "non-housing" metrics to be agreed (e.g. provision of schools, healthcare etc.); and (ii) shorter term delivery targets.</p> <p>The Interim CEO emphasised that any final agreed site strategies would be subject to the required LDA delegated authority approval level (Board or as may be delegated in future to Investment Committee upon establishment). He also confirmed that the site transfer methodologies were to be agreed (with DPER input) but that the intention was for the LDA to gain control of the sites in nearly all instances (with the exception of LDA as service provider in relation to Dyke Road site).</p> <p>The Interim CEO stated that projects were now at the point that control needed to be obtained to move forward.</p> <p>The Board opined upon the desirability of design competitions for individual sites as appropriate.</p>	Executive team to work on development of site scorecard / assessment methodology
4b	<p>Operational Update</p> <p>The Interim CEO provided the members with an operational update covering areas such as the enactment of the LDA legislation, the LDA's tax position and communications and stakeholder events.</p> <p>Staffing</p>	

	<p>The current NTMA secondment arrangement for the three person LDA executive team expires 31/03/2019 and there is currently no continuity plan in place. The executive team's preference is to remain working with the LDA. The Interim CEO clarified that the appointment of a full-time CEO was a matter for the Minister under the Statutory Instrument establishing the LDA whilst other staffing appointments were within the control of the LDA Board (or as delegated).</p> <p>The option of an extension to the NTMA arrangement was discussed but any extension is only likely to provide a short term fix, if terms could be agreed. The members agreed to express their concerns around staff / platform continuity to the Minister / DoHPLG. The Chairman indicated that the NTMA could be the most appropriate platform for the LDA to operate from. It was agreed that a resolution to the staffing platform should be secured as a matter of urgency.</p> <p>Procurement The members stated that adherence to public procurement rules for all professional appointments was paramount. The Interim CEO confirmed that an advisor was in place to provide guidance in relation to same.</p>	<p>Resolution to be sought in relation to operating platform for the LDA.</p>
<p>5.</p>	<p>LDA – Board Resolutions</p>	
<p>5a + 5b</p>	<p>Audit and Risk Committee Draft Audit and Risk Committee Terms of Reference were presented to the Board for discussion and approval. The members were complimentary of the document form, with one amendment, namely to state that the audit service contract is put out to tender at least once every four years (versus 10 years in draft form).</p> <p>The members also opined on the requirement to build out the required organisation infrastructure in terms of matters such as governance and internal controls, internal audit and risk management. The Interim CEO stated that it was the commercial intention to develop a scope of services for initial financial / control / audit / risk management environment set-up work in the short-term.</p> <p>It was agreed by the board that the LDA should procure an outsourced internal auditor until such time as an LDA employee, other than the finance officer, is in a position to assume this function as part of their role.</p> <p>Board Resolutions Conn Murray was proposed as Chairman of the Audit and Risk Committee by John O'Connor and seconded by Michelle Norris. The Board resolved to appoint Conn Murray as Chairman of the audit committee.</p> <p>Clare Costello was proposed as a member of the Audit and Risk Committee by John O'Connor and seconded by Michelle Norris. The</p>	

	<p>Board resolved to appoint Clare Costello as a member of the audit and risk committee.</p> <p>The Chairman noted the desirability of having an external appointment to the Audit and Risk Committee in terms of best practice. The Chairman is to discuss further with the newly appointed committee members.</p>	
5c	<p>Approval of Property Budget</p> <p>The Interim CEO explained the DoHPLG requirement for LDA Board approval of budget prior to any drawdown of the interim capital funding line (€16.4m – capital funding to include all property professional services fees).</p> <p>The members again emphasised the importance of adherence to public procurement rules in terms of expenditure.</p> <p>The members requested some detail around LDA operating costs. The Interim CEO confirmed that 2019 operating budget would largely consist of staff and rental costs. Given the current uncertainty around staffing (quantum / T&C's etc.), it was agreed that an operating budget should be prepared for the Board when further clarity is obtained.</p> <p>Board Resolution</p> <p>The Board resolved to approve the budget as proposed. Proposed by Tim Bouchier Hayes and seconded by Michael Stone.</p>	<p>Operating budget to be provided at May 2019 meeting pending clarity on staffing arrangements.</p>
5d	<p>MoU between LDA and DoHPLG (interim arrangement)</p> <p>The Interim CEO advised the members of the DoHPLG request to put in place an MoU to govern the relationship between both parties on an interim basis (whilst the LDA is established under statute prior to grounding legislation).</p> <p>The document was provided in mark-up form reflecting timing of receipt.</p> <p>Board Resolution</p> <p>It was requested that the board approve the marked-up version of the MoU, whilst delegating the final form of agreement (minor amendments) to the Interim CEO.</p> <p>Delegation to the interim CEO was proposed by John O'Connor and seconded by Michelle Norris. The proposal was resolved by the Board.</p>	
6	<p>AOB</p> <p>A Board Workplan will be presented to the members at the next meeting and a strategy day will also be arranged. The importance of a strategy day was highlighted by members.</p> <p>The Board emphasised the need to ensure that gender balance and diversity is addressed in the hiring and HR practices of the LDA.</p>	<p>Executive to present members with a Board Workplan at April 2019 Board Meeting</p>

	<p>Members were reminded that any IT equipment such as iPads for use at meetings, can be arranged going forward.</p> <p>It was noted that the meeting room at 22 Merrion Square is not available for the proposed meeting date on 2nd May. 7th May is available or an alternative venue may be sought if Members have a preference to proceed on 2nd May.</p>	
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