

**Norse Group Board Q1 2022/23 Call
Held on Thursday 15 September 2022**

Attendees

Andy Wood	-	Chair, Non-Executive Director
Andrew Proctor	-	Non-Executive Director, Norfolk County Council
Simon Hardwick	-	Non-Executive Director, Norse Group Ltd
Brian McCarthy	-	Non-Executive Director, Norse Group Ltd
Justin Galliford	-	CEO, Norse Group Ltd
Zoe Repman	-	CFO, Norse Group Ltd
Katie Marrison	-	Group HR Director, Norse Group Ltd

Also in attendance:

Stuart McWilliam	-	Group Solicitor, Norse Group Ltd
Helen Edwards	-	Director of Governance, Norfolk County Council

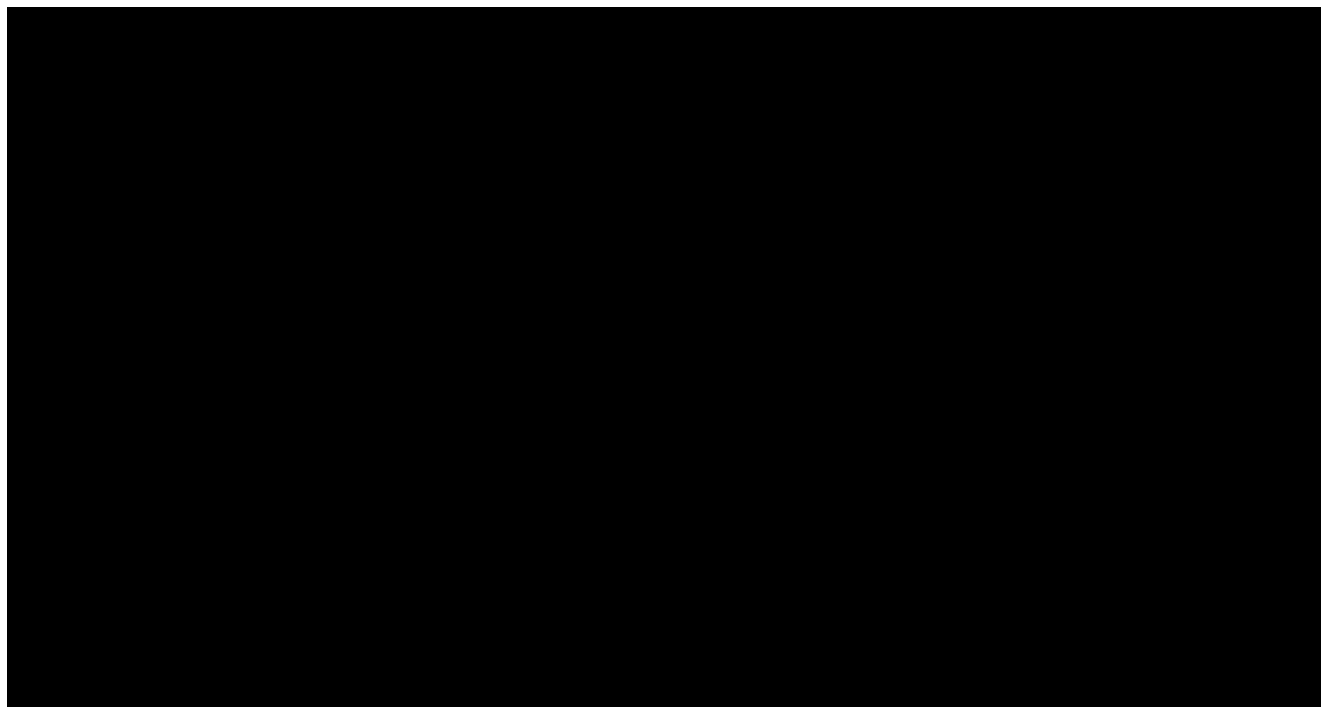
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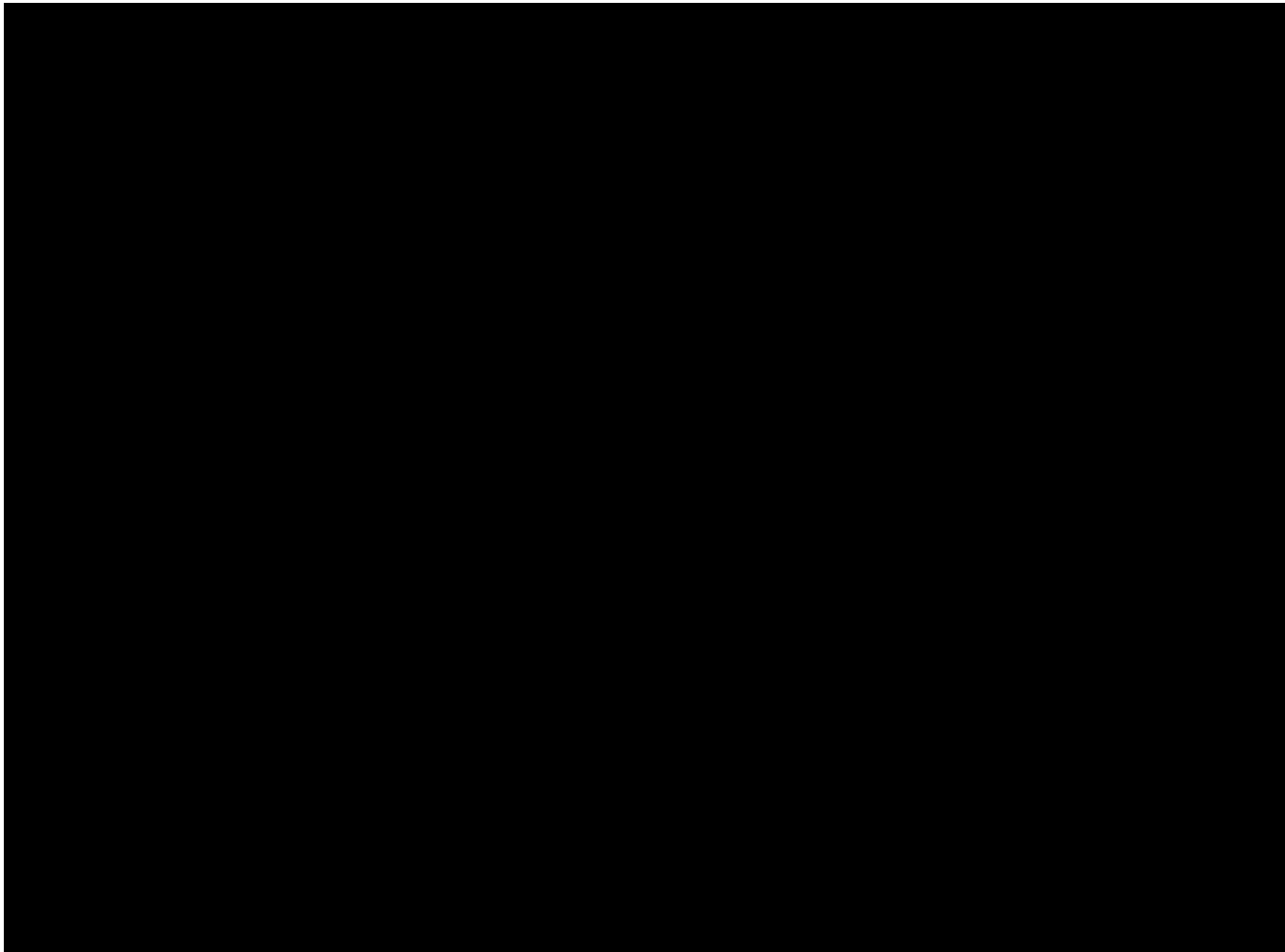
Simon George	-	Executive Director Finance and Commercial Services, Norfolk County Council
Lord Gary Porter	-	Non-Executive Director, Norse Group Ltd

1.0 Declarations of Interest

1.0 None to report.

2.0 Minutes of the previous meeting





2.6 The minutes were **APPROVED**.

3.0 Chief Executive Report

3.1 The CEO provided an update. The following was noted:

- Inflationary pressures continue across the Group.
- Where possible, inflationary costs are being passed onto customers / JVs.
- Energy cost increases are mostly felt in NorseCare.
- Norse Consulting Group – realised both lower than budgeted revenues and significantly depressed trading profit.
- Significant labour costs in NorseCare.
- Recruitment within Care remains difficult with a dependency on agency staff.
- Staff recruitment across Norse Group remains a challenge. Strengthening the Group brand will hopefully, help attract and retain the right staff.
- Alliance and Rochford Norse JVs have commenced. These JVs have allowed Norse to cross sell other services, e.g., N-able and Infinity.
- Following the successful implementation of the Rochford JV, discussions continue with Brentwood and Maldon District Councils.

- Work has commenced on Norse values, culture, and branding work. Borne Agency have been commissioned to assist with this process.

3.2 During the ensuing discussions, the following was noted:

- Whilst Project Viking has ceased, work already undertaken will be used to help drive the new project forward.
- WIP adjustments in NCG will impact 22/23 accounts and could also affect 23/24 accounts.
- Market conditions are significantly impacting the NCG business, and it was asked what is being done to refocus the business. In response the CEO explained that a restructure of NCG is required. (A paper was included in the Q1 22/23 Board pack addressing this).
- The SEND school strategy is changing and NCG must consider this in the work that they undertake.

- NCG should be taking advantage of the opportunities available (e.g., retrofit of housing stock).
- NCG should look at the staff skill available to match the work that is currently offered.
- A proposal of what skill set is required for the future of NCG (to be run as a Consultancy Business) is to be presented at the Q2 22/23 Norse Board meeting in November 2022 **ACTION**.
- Opportunities within net Zero commitments to be considered.

3.3 The Board **AGREED** to note the report.

4.0 Chief Executive Report – COO restructure.

4.1 The CEO provided a report on the intended restructure of the COO roles across the Norse Group.

4.2 The Board are **SUPPORTIVE** of the proposal

4.3 The Board **AGREED** to note the report.

5.0 Norse Group Strategic Actions.

5.1 The CEO provided a report on the Norse Group Strategic Actions. The following points were noted:

- The Board are satisfied with the strategy that was set out, however there is some concern with the bandwidth of the Executive.

- An achievable timeline must be set with priorities identified.
- Regular reporting relating to the timeline is required and would be beneficial for the non-executives to assist where possible.
- Appropriate resources are to be applied.
- The executive is to be realistic in what is achievable.
- Most of the strategies have started and are running concurrently.
- Strategic risk register and strategic actions are to be linked and reported to the Board, quarterly.
- Resources are to be considered to ensure that the transformation of the business can be achieved.

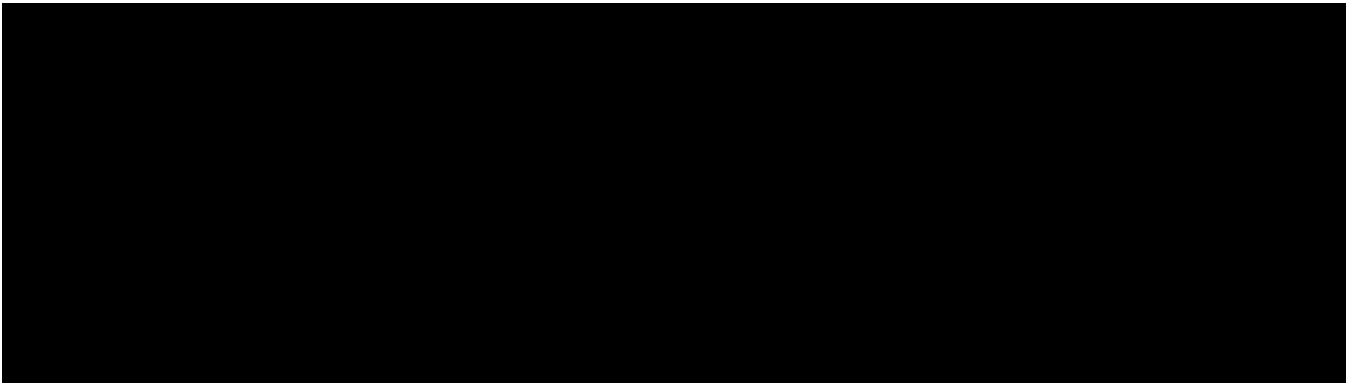
5.2 The Board are **SUPPORTIVE** of the strategic actions

5.3 The Board **AGREED** to note the report.

6.0 **Norse Group Finance Report**

6.1 The Group CFO provided an update. The following was noted:

- NCS revenues are up on budget with the performance in Highways, Newport, catering and the new partnership Alliance being particularly strong.
- Norse Consulting has lower revenues and significantly lower trading profit. This is due to several factors. The profiling of work released by clients has not been in line with expectations and there have been several issues relating to the calculation of WIP.

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- It was suggested that the CFO report includes actions required to improve cashflow and how this will be achieved. The CFO will include this in future reports

6.2 The Board **AGREED** to note the report.

7.0 SHEQ Report

7.1 The report was taken as read.

7.2 It is noted that the NorseCare quality team now sit within SHEQ. This creates a Chinese wall between NorseCare and NorseCare Audit.

7.3 The Risk Register is being revised in terms of content. The report will be brought to Board and include Audit Committee requirements.

7.4 The Board **AGREED** to note the report.

8.0 Business Opportunities

8.1 The report was taken as read.

8.2 It is noted that the value of JVs should be marketed and promoted.

8.3 Candidates are currently being interviewed for a Group Development Director.

8.4 The Board **AGREED** to note the report.

9.0 NorseCare Report

9.1 The report was taken as read. The following was noted:

- Private income is starting to recover.
- Inner Circle have been appointed to assist NCC and NorseCare scope the delivery of service.
- The growth of NorseCare, as a business, will be reviewed.
- Recruitment remains an issue within NorseCare. 1674 individuals starting the recruitment process (March – August 2022), 442 on-line applications were received, resulting in 229 starters for the period and a net gain of 2 employees for this period. However, there were 227 leavers during this timeframe. Retaining staff is key. An assessment of why staff leave NorseCare should be conducted. Exit interviews would assist management in deciphering the reasons.
- The Director of Care has been looking into providing a better mix of care offered in care homes, so that some, are not wholly offering dementia care, where residents needs are more complex.
- Bed blocking remains a problem. Discussions are taking place with Norfolk and Norwich University Hospital regarding care home admissions.

- The Director of care is managing the roll out of updated policies and procedures across the care homes.
- There is no Governance role within NorseCare, and this is a concern for the Board.
- All Hallows nursing home is under-utilised. NorseCare management are looking into re-purposing this home.

- Governance of NorseCare (separate from the Inner Circle review) will be addressed at the October Board meeting. **ACTION.**
- It was suggested that the already scheduled NorseCare Liaison Boards could be shaped to accommodate NorseCare Governance.

9.2 The Board **AGREED** to note the report.

10.0 People Report.

10.1 The report was taken as read.

10.2 During the ensuing discussions, the following was noted:

- Harper Trust v Brazel & UNISON. The CFO will check to ensure that the financial impact of this ruling is accounted for. It is estimated to cost c.£250k.
- Unions are seeking to ballot members – members currently want more of an increase than is being offered and the Unions are in support of the members.

10.3 The Board **AGREED** to note the report.

11.0 Communications Plan

11.1 The report was taken as read

11.2 The Board **AGREED** to note the report.

12.0 Legal Update

12.1 The report was taken as read.

12.2 The Board **AGREED** to note the report.

13.0 AOB



13.2 The target date for signing the Group accounts is 30 September 2022.

13.3 A communications strategy regarding the Group Accounts must be considered so that the Group message is clear.

I declare that these are the agreed minutes.

Chairman: 

Date: