

Charnwood Neighbourhood Housing Limited

Meeting of the Board of Directors
30th June 2009 6:00pm – 9.00pm
Committee Room 3



- Board Members Present:** Cynthia Popley, Diane Horn, Helen Isaac, Ian Montgomery (Vice Chair), Kenneth Jones, Marie Hannabuss (Vice Chair), Neville Stork, Patrick Cole, Peter Gardner (left at 9pm), Roger Merchant (left at 7.30pm), Ron Jukes, Zoe Wortley (Chair), Paul Day, Ann Watkinson
- Officers Present:** Ian Saville, Maria Maltby, Chris Hewis, Steve Wilson, Louise Gough, Isobel Rickard, Maria Hallows (Beevers and Struthers)
- Apologies:** Elizabeth Holland, William Cavender,

MINUTES

The meeting started at 6.00pm

ITEM	Action
<p>1) Apologies for Absence</p> <p>Apologies were received and recorded from William Cavender and Elizabeth Holland</p>	
<p>2) Declarations of Interest</p> <p>There were no declarations of interest.</p>	
<p>3) Minutes of the Meeting held on 19th May 2009</p> <p>Accuracy</p> <p>The following points of accuracy were identified:</p> <p>Throughout the document the word 'were' to be replaced with 'was'</p> <p>Page 1- under accuracy, HI stated that she did not abstain from agreement and this needs to be changed.</p> <p>Page 7- CBC Structure Change, second paragraph, needs to read 'she' instead of 'herself'.</p> <p>Page 7- Annual Accounts- sixth paragraph, no mention of capitalisation figure, this needs to be added.</p> <p>Page 8- Midlands ALMO Board Members Meeting- the minutes did not state that Ann Watkinson attended, minutes to be changed to reflect this.</p> <p>With amendments made the minutes were agreed as a true and accurate record of the meeting.</p>	
<p>4) Matters arising</p> <p><i>Page 2 - Delivery Plan 2009/10 Final Version</i></p> <p>SW advised the Board that amendments identified have been made to the Delivery Plan.</p> <p><i>Page 2- Deliverables from 2007- 09 Action Plan</i></p>	

ZW advised the Board that a meeting was held 3 weeks ago to go through the deliverables not achieved. Several were identified as being further progressed than outlined, and some had already been achieved and these will be revised accordingly. This is an on going exercise.

Page 2 - Service Level Agreements

IS informed the Board that Finance, HR and Contact Centre will be transferred tomorrow 1st July 2009. We have gone out to tender for Internal Audit and Legal:

- Mazers have been selected to perform the Internal Audit function
- DHM will be providing Property & Housing Law services
- Freeth Cartwright have been selected to provide Employment law advice
- Trowers and Hamlins were selected for the provision of governance services

Page 3 - Performance Targets 2009/10

MM to feedback at the Board Meeting in July on the request raised by IM.

Page 3- March 2009. Quarter 4 and 2008/09 Performance Monitoring

MM informed the Board that the action for PF to provide more commentary on the indicator's not achieving target has been completed.

Page 4- Proposed Key Performance Indicators

PF has checked and we are not required to report on the National Indicator 14 and are investigating if we can record diversity strands.

Page 4- Asbestos Management

SW stated that the policy has been amended as requested. A carefully worded letter will be sent out to tenants to ensure they are informed about the risks but that panic is avoided.

Page 5- Revised Void Standard Report and improve Customer Choice

SW stated that a checklist has been created and a copy has been sent to PG. Both staff and tenants liked the implementation of the checklist.

The proposal of undertaking repairs post occupation was discussed at the tenant group and agreed.

Page 5- Increased Decoration Allowance

SW informed the Board that a briefing paper on this is located in the pack for the Board's information.

Page 5- Crown Void Paint Pack Scheme

SW has contacted local suppliers as requested and comparisons were carried out. Loughborough Paint could supply the packs at £79.50 and Crown at £50. SW has decided to implement the Crown Paint scheme which will be open to all tenants and staff who will be informed via an article in the CNH News.

Page 6- Value for Money Strategy

IS informed that the Decent Homes delivery date has been changed and a business template has been updated accordingly.

Page 7- Risk Management Strategy

IS stated that a risk mapping exercise has taken place by the Executive Team and a report of the results will be taken to the Audit and VFM Sub Committee.

Page 7- CBC Structure Change

ZW/ IS advised that a meeting will take place on 9th July 2009 with Geoff Parker, Eileen Mallon, Councillor Mike Preston new leader and Councillor John Bush lead member for Housing.

Page 7- Annual Accounts

RJ asked IS that the concerns with CBC be put in writing to EM. It was agreed by IS this would be carried out.

Page 8- Youth Zone Play- ABC- Life Ain't that Easy
AW informed the Board that the play was fantastic.

5) **Annual Accounts**

The Board was presented with the Accounts Summary and Management Accounts for the Year ended 31st March 2009. The report shows the current financial position of the Company, Management Accounts and both the Financial Recovery Plan and Directors Report to be approved by the Board.

IS advised the Board that up to the financial year end 2009, CNH had a loss of £560k. This loss is greater than expected and is partly due to the non capitalisation of voids. The Board were informed that works to 560 voids had been carried out during that year.

The Board will receive monthly reports on the accounts in the future instead of quarterly.

The comments from PG that were sent in advance of the Board Meeting were addressed by IS as follows:

- *What are the key reasons the position has deteriorated so significantly from the loss of £435,000 reported at the Board meeting on 19 May?* IS responded by informing the Board that Beevers and Struthers have been asked to review the management accounts to validate them and identify why the unexpected overspend has occurred. They are carrying out an independent audit on the accounts and will report back at the next Board Meeting.
- *Why is there no report on the out-turn for capital expenditure for 2008/9?*
- CNH does not normally report on capital expenditure but can if requested by the Board. RJ asked why it has taken so long for the account to come to the Board. IS stated that the accounts are not finalised until May 2009, on which Beevers and Struthers were contacted at once but due to busy schedules the first available date they had was next week. RJ concerns were noted. The reports for the management accounts for 2009/10 will be sent out to Board Members as soon as they are finalised.
- *Why have we received no reports on management accounts yet for 2009/10?*
- IS explained that a draft of the first quarters accounts is almost finalised but that the Executive have yet to review them. We may also need to get these validated by Beevers and Struthers to ensure accuracy.
- *Has the Council agreed to the loan of £412,000 and how will the repayment of this be funded?*
- The loan request of £412,000 has been previously discussed with the Council but as of yet no agreement has been made and no detail on repayment has yet been discussed.
- *Can you approach the Council to see if they will consider putting a cap on transfers?*
- IS has approached the Council to put a cap on transfers as council policy states that transfers will make up a third of all allocations, this has not yet been done.
- *Do the early indications for 2009/10 suggest we will be able make up any of the accumulated loss?*
- IS informed the Board that we have no scope as yet to fund the repayment of the

loss PG asked if the savings in SW area could be used. RM said that until Beevers and Struthers have audited the accounts and agreed them we could not consider this.

PG asked how confident CNH was with the figures of the Management Accounts as the figures are vastly different from the last set presented. IS stated that we are as confident as we can be about the outturn figure but due to the large difference in the predicted end of year figure given to the Board in January and the actual outturn, Beevers and Struthers have been asked to complete an audit on the accounts. If changes do need to be made to the accounting process in the future this will be done. SW stated that he is not confident in these accounts and NS said that he was pleased that Beevers and Struthers were going to be validating them.

PC told the Board that he was concerned that the final accounts went to the council before they went to Board members. IS confirmed that the delay in circulating the accounts was due CH being on holiday, but that accounts should always come to the Board before shared with CBC.

Beevers and Struthers

Marie Hallows from Beevers and Struthers addressed the Board on the audit of the accounts. The audit will commence on Monday 6th July 2009 and will run alongside the work requested for the year end certification. The main issues seem to be coming from two sources of information that do not match, and we need to find out why is this occurring. MH will also be looking at journals, spending on voids and internal trading (which is work carried out with other departments). The time scale for the findings can be as early as the following week but this depends on the results.

[Maria Hallows left at 6.35pm]

Capitalisation

PD requested information on what criteria was needed for capitalisation. IS confirmed that we have already identified £30,000 for this year which we feel should be capitalised. IS has met with the Council Officers and Council Valuer and a survey has taken place but an agreement has not been made for 2008/09. We now need to focus on 2009/10 but there is still work to be done.

Vacancies

CP asked why has more jobs been advertised. IR informed the Board that the one of the advertised post was for a replacement Warden in our busiest scheme and the other was the final member of the Call Centre staff that was not TUPE'd over from CBC, 17 other posts have been frozen.

Inspection

IS explained that there are cross cutting areas that we still need to focus on e.g. equality and diversity, customer access. CP asked if the budget deficit will have an effect on inspection. IS said that if we do have a financial deficit we will need to show the Audit Commission that we are using the resources we do have to the best effect. IS also stated that we need to be more focused on the relationship between CNH and the Council.

Letter from GP

IS circulated to the Board a letter from Geoff Parker on the financial position of CNH which asked for reassurance that CNH would achieve 2 stars. ZW informed the Board that it is difficult for any ALMO to achieve 2 stars in 2 years. IS stated the setting up of

CNH was not easy and that we were informed that the recommendation given to the Council at their last inspection in 2006 had been completed, but this wasn't the case.

HI stated that the letter from GP appeared to be quite supportive, but this was not felt behind the scenes. NS advised that more work is needed on the recovery plan and the accounts to build trust with CBC.

[Roger Merchant left at 7.30pm]

Resolved:

- 1) **The Board noted the commission of Beevers and Struthers to complete an audit of the Management Accounts.**
- 2) **A meeting date in July to be confirmed to discuss the findings.**

6) May 2009 Performance Report

The Board received a report outlining the May 2009 performance on the key performance indicators reported to the Council and CNH's own suite of indicators.

The Board were advised that only three of CNH's Council indicators were not achieving target.

RC02- 5.80% the target has not yet been agreed with the Council of 4.16%. The automated arrears went live on Monday 29th June 2009 and this should result in improvements. DH asked if the closure of the cash office has had an effect on the service. Evidence of this had not yet been seen but may arise in future months.

M08- current void turn around is 80.9 days with a target of 40 days, discussions with the Council and IT systems team have taken place as the system is not recording the true figure. SW reported that voids repairs were currently being turned around in an average of **14.17** days although for this indicator it was dependent on which properties were let and MM added that Tenancy has been signing up new tenants in the 5 days.

OH07- sickness is still in remedial action but has been better than the target for last 2 months- 6.08 days for May and 4.71 days for April.

OH08- % of tenants satisfied with how their complaint was dealt with- a new remedial plan has been put in place due to the low result of 33.33% from a low sample of 1/3. MM advised that our performance trend is on par with April 2009 on which 10 have had minor deterioration and 12 have remained the same.

With regard to CNH indicators, We have four out of eighteen in red status:

% of repairs classed as emergency- 27.78- this is due to a diagnosis training needed with Contact Centre Staff. Training is being carried out this week.

% 28 day voids repair completed in time - 0% (0 out of 1 28 day void repair)

% repairs in routine category- 59.30%. MM informed the Board that the next report on performance will be brought to the August Board meeting, but an update will be circulated prior to this meeting.

PG asked if the Board can have a report on the Decent Homes figure monthly instead of annually, MM confirmed that this will be changed as requested.

PG also enquired if the gas figure of 99.87% is correct, SW confirmed that this is the true figure.

RJ enquired why some CNH indicators state not data available. MM informed this is due to some indicators being reported on annually and on the satisfaction surveys we are currently analysing the results.

Resolved:

PF

- 1) **The Board noted the report.**
- 2) **Recommendations for monthly reporting on Decent Homes would be implemented for future reports.**

7) Report in support of mobile working

The Board received a report outlining the requirement for Mobile Working technology. The purpose of the report was to provide the Board with 3 options for the implementation of this new system and for an agreement to be made.

SW advised the Board that option 1- full implementation of the system would be the most favourable suggestion at a cost of £61,999 and includes maintenance costs as shown in appendix B and would incur a saving of £120,000 per year by the deletion of 3 posts.

CP expressed her concerns whilst having sympathy with the initiative she felt that due to the current financial deficit of CNH could not see how this additional spending could be justified on the new system or the additional 2 posts. RJ agreed with this. .

PC highlighted that the costing stated in this report for the system is not the same as in the wish list items and have redundancy costs been covered. SW confirmed that the 3 posts have chosen to retire and if we were to implement this system we would only be using half of the savings stated.

KJ believes that we need to focus on getting 2 stars and if spending will help to increase the service in the future then we should implement this system. Both AW and NS agreed. ZW advised that at a previous Board Meeting it was decided that any savings made in the company would be taken to the Executive Team to decide the best place to spend the savings. SW confirmed that this has been done and agreed.

ZW suggested to the Board option 4, which suggested that the report be deferred until the July meeting when we have received the report on findings from Beevers and Struthers and have more detail on the accurate accounts for 2009/10

Resolved:

- 1) **The Board noted the report and voted for option 4 that the report be deferred until July meeting when more accurate information on our financial position is available.**

SW

8) Anti-Social Behaviour Strategy

The Board received a copy of an Anti- Social Behaviour Strategy which was co-written with the Council and which the council have already adopted. The Board was asked to agree to this joint strategy.

ZW asked the Board if any members had comments to make on the proposed strategy and if not did the Board agree to the report.

Resolved:

- 1) **The Board noted the report and agreed to the implementation of the strategy as there were no comments raised.**

9) Tenant Involvement Strategy

The Board received a copy of the proposed new Tenant Involvement Strategy which has been written to complement the new Tenants Compact. The document considers what has been achieved to date and sets out a template for future involvement.

Due to time restrictions at the meeting, ZW asked if any of the Board members had comments to make on the proposed strategy. The Board asked for this item to be deferred until the next Board Meeting in July for a proper discussion.

Resolved:

- 1) **The Board agreed to defer the report until the 28th July Board Meeting.**

10) Vulnerable Persons Strategy

The Board received a copy of the proposed new Vulnerable Persons Strategy; this report had been brought to the Boards attention at a previous Board Meeting in March 2009. The document was developed to complement the objectives of the Equality and Diversity Strategy and provide a strategic framework for CNH's services, polices and procedures relating to vulnerable tenants.

ZW asked the Board if any member had comments to make on the proposed strategy and if not did the Board agree to the report.

Resolved:

- 1) **The Board noted the report and agreed to the implementation of the strategy as there were no comments raised.**

11) Any Other Business

Sign In Sheet

ZW asked the Board to ensure that they had all signed the sign in sheet before leaving the meeting.

Board Development Meetings

ZW informed the Board that development meetings would be starting this Friday 3rd July 2009. Documentation for the meeting has been emailed out to all Board Members and paper copies are available tonight for Board Members that are not on email. ZW requested that Board Members make contact with her either by phone or email by tomorrow to inform her of their availability.

Elizabeth Holland

IS advised the Board that due to Elizabeth's non- attendance at the Board Meetings he has written to her again asking if she wishes to remain on the Board. IS has not received a response from this letter. Action will now be taken under the Articles of Association on which IS will write again to Elizabeth stating that she will be deselected from the Board. This will open up another position for the Tenant Board Member Elections.

Tenant Board Members Elections

ZW advised the Board that the Tenant Board Member Election papers have been sent out and the closure date for response was today at 12pm. We currently have 4 additional tenants wishing to stand for election. ZW requested information for the election papers from both AW and MH who both wish to stand for re-election.

Skill Audit Forms

ZW requested that all Board Members complete the skills audit form and send to PB.

IR

IS

Board Papers and Minutes

Board thanked the EMT for the new layout of the Board papers and minutes. ZW will be sending out the extra proposed meeting date for July as soon as possible.

ZW

7) Date of Next Meeting

Tuesday 28th July, 6pm, Committee Room 3, Charnwood Borough Council

The meeting ended at 9.00 pm.

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CHAIR

Signed as true and accurate record of the meeting held on 30th June 2009.