

NEWARK AND SHERWOOD HOMES

Minutes of the Meeting of **THE BOARD OF NEWARK AND SHERWOOD HOMES** held on Thursday 28 June 2007 at 5.00pm in the Lady Chapel, Kelham Hall.

Present:
Miss M Butler (Chair)
Cllr Mrs NA Armstrong
Cllr Mrs B Brooks
Mrs K Chaffe
Mrs J Clark
Mrs L Clayton
Mr A Fell
Mrs G Hughes
Mr R Mann
Mr GT Parkinson
Cllr Mrs C Rose
Cllr L Sprigg
Mrs P Taylor
Cllr S Wallace

Officers in Attendance:
Mrs R Rance (Chief Executive)
Mrs M Proud (Business Services Director)
Mr P Stead (Interim Housing Director)
Mr A Treweek (Technical Director)
Mrs S Whitling (Finance Director)

The Chair welcomed Cllr Sprigg and Cllr Wallace to their first Board meeting.

42. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Mr R Ainger.

43. **MINUTES OF THE BOARD MEETING HELD ON 10 MAY 2007**

AGREED (unanimously):

that the Minutes of the meeting held on 10 May 2007 were accepted as a correct record of events and signed by the Chair.

44. **CHAIR'S ANNOUNCEMENTS AND URGENT ITEMS**

URGENT ITEM – UPDATE ON RECENT FLOODING AND IMPACT ON NEWARK AND SHERWOOD HOMES SERVICES

The Chair introduced the report to advise the Board on the impact of the recent flooding on Newark and Sherwood Homes services and the actions being taken in preparation for further potential flooding over the weekend.

The report explained that following heavy rain there had been a large quantity of extra work for the Company, ranging from increased repair work to roofs, to severe damage to properties where tenants had to be evacuated. The costs and the whole

impact in terms of performance is being assessed. Guidance has been provided for staff with respect to health and safety while providing services and assistance to tenants. This means staff have been diverted from daily normal work to respond to flood related issues.

(Cllr Mrs Armstrong, Mrs Clayton and Cllr Mrs Rose joined the meeting at this point)

Minor repairs fall to the Company and compensation will come from the Government, via Newark and Sherwood District Council for work such as sandbagging, managing evacuation and boarding up. A review has taken place of the Company's emergency response processes in preparation for the coming weekend.

AGREED (unanimously) that:

- a) the work done by Newark and Sherwood Homes to manage the current flooding situation and minimise the impact on Newark and Sherwood Homes tenants be noted.
- b) a verbal update on the costs and ongoing problems be reported to the Finance and Probity Committee in July 2007.

45. **MINUTES FROM COMMITTEE MEETINGS**

a) Human Resources Committee Meeting held on 14 May 2007

The Chair of the Human Resources Committee, Miss M Butler, introduced the minutes, highlighted key points and asked for questions.

b) Finance & Probity Committee Meeting held on 23 May 2007

The Chair of the Finance & Probity Committee, Mrs P Taylor, introduced the minutes, highlighted key areas and asked for questions.

c) Service & Performance Committee Meeting held on 29 May 2007

The Chairman of the Service & Performance Committee, Mr R Ainger, introduced the minutes, highlighted key areas and asked for questions.

AGREED (unanimously) that:

the Minutes of the Human Resources Committee held on 14 May 2007, Finance & Probity Committee Meeting held on 23 May 2007 and Service & Performance Committee Meeting held on 29 May 2007 be noted.

46. **DIRECTORS OF THE BOARD APPRAISAL PROCESS REVIEW**

The Chair introduced the report to discuss the changes to the Appraisal process and documentation.

The report informed how the current appraisal process had been used since formulation of the Company and how it had been revised with reference to good

practice. The Appraisal form had been developed so that a two way discussion could take place and appropriate training for each Director of the Board could be identified. The timing of the appraisal process was also discussed to align with financial timetables.

The Board went on to highlight that from meeting other ALMO Directors of the Board it had been identified the training support given to Directors of the Board by the Company is excellent.

AGREED (unanimously) that:

- a) the amended version of the Boards Annual Appraisal form be approved.
- b) completion of the Boards Annual Appraisal be changed to September/October of each year.
- c) the Governance Guide be amended to reflect the changes.

47. **BUSINESS PLAN 2007/8 PERFORMANCE INDICATOR AMENDMENTS**

The Chair introduced the report to consider the changes to the targets of some performance indicators following the published outturns for 2006-07.

The report explained that further to the Business Plan's approval at the Board meeting on the 14 March 2007, the performance indicators at that time were based on predicted outturns. Actual outturns and benchmarking information now give an indication of what will be upper quartile performance to achieve three stars.

The complaints performance indicator was discussed in great length as were the other revised performance indicators and it was appreciated that some of the new targets would achieve an incremental improvement over the year.

It was noted that if the Company wanted to deliver to their existing objectives, the challenge to reach the level of performance targeted needed to be met.

AGREED (unanimously) that:

- a) the changes to the selected performance indicators be agreed, apart from BS12.
- b) BS12 be deleted from the Business Plan and replaced with the percentage of tenants satisfied with the outcome after making a complaint with a target of 75% for this financial year.

48. **ANNUAL GENERAL MEETING 2007**

The Chair introduced the report to consider the date for Newark and Sherwood Homes' third Annual General Meeting and the associated retirements.

The report outlined the requirements of the Company as set out in the Constitution, in relation to the Annual General Meeting and the retirement of both Tenant Board

and Independent Board members. At the next Annual General Meeting Tenant Board members Kathleen Chaffe and Roy Mann are required to retire.

An amendment to 5.4 of the report meant that only Robert Ainger will stand down as an Independent Board member being the current longest serving member.

The Board discussed best practice and equality to attract individuals to take up the opportunity and were advised that a positive statement to attract under represented groups would be good practice.

AGREED (unanimously) that:

- a) the third Annual General Meeting of Newark and Sherwood Homes be held on 15th November 2007.
- b) that the Business Services Director to be given delegated authority to confirm tenant candidates eligibility for election which should reflect the community profile wherever possible.
- c) the Governance Guide be amended as at 4.11 of the report.
- d) Robert Ainger be the Independent Board member to stand down.

49. **LOCATION OF BOARD MEETINGS**

The Chair introduced the report to consider varying the location of Board meetings. The report gave detail covering cost and accessibility of possible locations for Board meetings.

Directors of the Board discussed a range of options concerning the locations of Board meetings.

A range of views were voiced including:

- that the nature of the district was such that Kelham was central, known and accessible
- that one or two meetings could be held next year in different venues around the district
- that the meetings could be advertised in local newspapers
- that the profile of board meetings on the Company website could be raised
- that transport could be offered to people wishing to attend

The experience of other ALMOs was considered, the approaches they had tried and the level of success.

To enable the Directors of the Board to complete the agenda, in accordance with Meeting Procedure Principle 2, the Chair extended the meeting for one hour at this point.

AGREED (unanimously) that:

- a) to communicate Board meetings.

50. **FREEDOMS AND FLEXIBILITIES PROJECT CORPORATE KEY TASK**

The Chair introduced the report to consider the outcomes of the work undertaken around the possible freedoms and flexibilities for Councils and ALMOs.

The report outlined work undertaken by external bodies and the government and internal work undertaken by Newark and Sherwood Homes.

The Board considered the DCLG Report Review of Arms Length Housing Management Organisations which outlined future options for Councils and ALMOs. The report made clear that any change should be to deliver significant benefit to tenants and that tenant consultation was integral.

Directors of the Board recognised that this was a critical business issue which needed to be monitored carefully. The current Management Agreement to 2010 created a number of challenges and risks. The importance of working with ALMOs nationally to gain understanding of others positions and experience was recognised. It was noted that each situation was different.

AGREED (unanimously) that:

- a) the advised intention to undertake a review of Newark and Sherwood Homes' future in terms of the Department for Communities and Local Government's "*Review of Arms Length Housing Management Organisations*" report, be noted.

In compliance with Principle 6 of the Company's Meeting Procedure, the public observing the meeting were asked to leave at this point as confidential information would be discussed within the next 5 items.

51. **CONFIDENTIAL ITEM**

INTERNAL AUDIT (CREDITORS)

The Directors of the Board considered the exempt report of the Finance Director.

52. **CONFIDENTIAL ITEM**

INTERNAL AUDIT (REPAIRS)

The Directors of the Board considered the exempt report of the Technical Director.

53. **CONFIDENTIAL ITEM**

INTERNAL AUDIT (SERVICE LEVEL AGREEMENTS)

The Directors of the Board considered the exempt report of the Finance Director.

54. **CONFIDENTIAL ITEM**

INTERNAL AUDIT (RENTS)

The Directors of the Board considered the exempt report of the Interim Housing Director.

55. CONFIDENTIAL ITEM

INTERNAL AUDIT (INSURANCE)

The Directors of the Board considered the exempt report of the Finance Director.

To enable the Directors of the Board to complete the agenda, in accordance with Meeting Procedure Principle 2, the Chair extended the meeting for one hour at this point.

56. ANNUAL INTERNAL AUDIT REPORT 2006-7

The Chair introduced the report providing a summary of the findings of the Internal Audits undertaken for Newark and Sherwood Homes in 2006-7.

The report outlined the outcomes of the internal audits conducted in the year giving additional information on the overall level of financial control within the Company.

The Board were pleased that the audits had been completed using less time than had been allocated.

It was pleasing that all audits showed operating procedures to be satisfactory or sound and that the Company in wishing to provide excellence would work to achieve a sound assessment in all audits.

AGREED (unanimously) that:

- a) the findings of the Internal Audit on overall standards of financial control within Newark and Sherwood Homes be noted.

57. STATEMENT OF INTERNAL FINANCIAL CONTROL

The Chair introduced the report to approve the Statement of Financial Control being presented in the Annual Accounts 2006-2007.

The report explained that the Statement of Financial Control is one section of the Annual Company Accounts. It is a statement that goes to the Board for approval and is a reassurance that sound processes are in place to ensure good internal financial controls. Evidence from the internal audits has meant that the Accounts can be brought to the Board meeting in July 2007.

AGREED (unanimously) that:

- a) the Statement of Internal Financial Control be approved.

58. PENSION FUND LIABILITIES

The Chair introduced the report to advise the Board of the Company's actions in response to the requirement that the Company use its best endeavours to obtain a full indemnity for the pension fund liabilities.

The report explained that in September 2006 the Board were advised of the need for the Council to offer assurance concerning FRS 17 liabilities. The external auditors required formal assurance in the form of either a letter of support or an indemnity.

For 2005/6 the Council offered a letter of support and best endeavours have taken place to obtain an indemnity from the Council for future years. The Council's actions have been influenced by their auditors and they have been advised to offer a letter of support for 2007/8. The letter of support does not pose a threat to business at present and this approach has been accepted.

The issue for Newark and Sherwood District Council via their auditors will also be considered within the National ALMO arena.

AGREED (unanimously) that:

- a) the actions taken by the Company to seek to obtain an Indemnity from the Council in relation to the Pension Liabilities be noted.

The meeting closed at 20.15

Chairman