

Minutes of the Eighty-Sixth Board Meeting

Held on 9 December 2015 at 5.30 pm
At Room 1, CBH, Rowan House,
33 Sheepen Road, Colchester CO3 3WG

Present:

Anne Grahamslaw (Chair)
Alan Blois (Vice Chair)
Nigel Chapman (Vice Chair)
Julie Parker
Tina Graves
Glenn Houchell
Geoff Foster
Michala Carey
Michael Lilley
Dionne Philp
Gerard Oxford
Julia Havis

In Attendance:

Greg Falvey
Michael Hadjimichael
Karen Loweman
Mark Wright
Gerardine Murphy
Matt Armstrong
Yvonne Day

Owen Howell (Minutes)

Observing:

Gareth Mitchell (CBC)
Tina Hinson (CBC)
Jan Sexton (TLCC)
Bill Nairn (TLCC)
Lynda Buxton (TLCC)
Rita Pryor (TLCC Obs.)

1. Apologies and quorum

1.1 Full attendance was recorded and the Chair declared the meeting as quorate.

2. Declaration of interests by Board Members and Officers

2.1 There were no new declarations of interest.

3. Minutes of the meeting held 27 October 2015 and Matters Arising

3.1 The minutes of the previous meeting were agreed as an accurate record and signed by the Chair.

3.2 All actions noted in the minutes were noted as having been completed.

4. Voice your view

4.1 None

5. Housing Investment Programme 2016/17 and 5 Year Investment Plan

5.1 Jan Sexton read the following on behalf of the TLCC:

The TLCC is extremely supportive of the work being done to make sure CBH can continue to provide services even when Government actions have led to a fall in income. We noted that as the Government's 1% reduction in rents has made it

impossible for CBC to consider building any houses in the coming year, we therefore urge the Council and CBH to be active in sourcing housing, for example above shops.

- 5.2 Mark Wright presented his report and explained the process of budget-setting and the rolling update of our 5 Year Investment Plan.
- 5.3 Anne Grahamslaw notified Members that they would be able to ask questions and that there would be a chance to deal with commercially sensitive elements of this item within the confidential section of the meeting.
- 5.4 Mark noted that the changes brought by recent government announcements would have only a small impact in the coming year, but that this impact would increase in subsequent years. CBH would continue to work with CBC and seek new opportunities for funding. Members were referred to the confidential briefing given to them by CBC Housing Portfolio Holder, Tina Bourne.
- 5.5 It was explained that this programme consists of housing/capital investment (the majority of the programme) and the revenue strand (our management fee for conducting repairs).
- 5.6 In response to questions, Mark explained that the reduction in directly-employed workforce shown in the Programme owed to the volatility of the construction sector, and that directly-employed staff were leaving to take better-paid work elsewhere. These losses are being covered by employing agency workers. Any future employment of new staff has to take into account the uncertainty of future workloads – new directly-employed staff should only be taken on if there is likely to be a long-term need for them.
- 5.7 Mark was asked if there were any risks associated with making assumptions on inflation, as detailed in 3.12. Mark explained that the inflator building-cost indices model used by CBC has moved to a significant extent, and is expected to move still further in the coming year. We can potentially mitigate this by reducing the specifications of our work, or reducing the amount of work we do. CBH is exposed with regard to the Revenue Budget (which is fixed), but only through the agreements we reach with our staff and the increase in material costs.
- 5.8 Mark went on to explain that section 3.17 showed that CBH had an idea of what is likely to happen during the course of our 30-year HRA investment programme, but this is a general view on our housing stock. It would be impossible to predict how individual tenants will treat their properties and what individual repair works will be needed. There is also added uncertainty as we cannot predict if changes in building practices, safety rating of materials and/or legislation will have unforeseen consequences for CBH.
- 5.9 The increase in emergency capital to £575,000pa was questioned. Mark explained that a reduction in our investment programme is likely to lead to an increase in the number of emergency works needed. It also reflects the increase in the amount of capital works being done in our void properties, owing to the refusals of former tenants to allow repairs or improvements to their properties. NB These works are not included in the Capital Voids line of Appendix 1 as these figures shows the anticipated amounts for the given years.

- 5.10 Mark explained the difference between the entries for Revenue Voids (CBH) and Revenue Voids (CBC). CBC have a revenue contract for voids, but so do we. This has come about because of contractual arrangements whereby some works are paid for by CBC direct whilst others are paid for from the CBH management fee. Overall, the total cost and combined KPI is monitored by Operations Committee.
- 5.11 Questioning on the Housing and Planning Bill led Mark to explain that, without more details, we are not yet able to plan for its effects on void management etc (regarding proposals to sell off high value assets as they become void). It was confirmed that there would be a clear methodology for assessing whether or not to carry out repair works on voids to be sold off in line with the above proposals regarding high value assets, but as the Bill proposes that all proceeds must be transferred to central government, it is unlikely that works would be done by us prior to sale.
- 5.12 The Chair deferred the decision on this item until the confidential section of this meeting, subject to any further discussions held in the confidential session.

6. Strategic Risk Register

- 6.1 Michael Hadjimichael presented the current Strategic Risk Register and drew Board's attention to developments in Data Security.
- 6.2 It was found that Members had not received a copy of the ICO's report on their advisory visit. **Action:** OH to ensure that Members receive a copy of the report.

7. Environmental Policy

- 7.1 Mark Wright presented the updated Policy to Board for its approval.
- 7.2 Grammatical issues were raised: **Action:** MW to amend:
- Section 2, 2nd bullet to replace 'exceed' with 'exceeding.'
 - Section 2, 4th bullet to replace 'adoption' with 'adopting.'
- 7.3 Board raised the point that if CBH is looking towards external trading opportunities, it might be worth reviewing all our policies with an eye on the requirements that potential clients might have concerning the governance of companies which they take on as contractors or partners. Mark assured Board that CBH has excellent credentials (e.g. ISO standards) and that we can look to rephrase or amend our policies to bring them into line with sector requirements as and when trading opportunities present themselves.
- 7.4 **Decision:** Board voted unanimously to approve the Environmental Policy, subject to the changes listed above at 7.2 being made.

8. Becoming a Dementia-Friendly Organisation

- 8.1 Jan Sexton read the following on behalf of the TLCC:
'The TLCC strongly recommend that CBH takes advantage of the free expert training and advice which the Dementia Friends scheme can provide to members

of staff, involved residents, and hopefully to residents who care for those who experience dementia. The Dementia Friends scheme can provide a great deal of help to those affected by dementia and to those who work with sufferers.'

- 8.2 Karen Loweman presented this report to the Board, which had initially been discussed and recommended for approval by the Operations Committee.
- 8.3 Anne Grahamslaw reminded Board that it was difficult to estimate the numbers of our residents who suffer from, or are affected by, dementia. It is impossible to categorically diagnose (whilst a possible sufferer is alive) and many do not realize that they are suffering from the condition.
- 8.4 Whilst there was no charge for Dementia Friends training, there was an HR cost in the time spent by officers attending this training, and potentially the extra support work they can then give. Board noted that this should be noted as part of the social returns on CBH's investment.
- 8.5 Yvonne Day detailed some of the free support, training and advice available. Whilst the Alzheimer's Society is not seeking funding from us, there is potential for us to fundraise on their behalf as a way to 'give something back.'
- 8.6 Board requested a report in one year's time detailing how our services and support have changed as a result of participating in the Dementia Friends scheme (assuming Board approves).
- 8.7 **Decision:** Board approved the recommendation that CBH become a Dementia-Friendly Organisation.

9. Gateway to Homechoice Allocations Policy

- 9.1 Tina Hinson presented the revised policy and explained that there had been no major changes, with the main effort directed at removing unnecessary detail in order to allow more flexibility, as well as procedures for officers (which will still apply and be adhered to, but do not need to be included as part of the Policy itself). No existing applicants would be affected by these changes. Board's comments would be fed back to the Portfolio Holder to inform her approach to this amended policy.
- 9.2 In response to questions, Tina confirmed that former service personnel were given additional preference on the Register and it has been found that they are on average housed faster than those who do not have a service history.
- 9.3 Board asked for assurance that procedures for staff in the seven local authorities would remain standardised. Tina explained that no authority could change a procedure without gaining approval at one of the bi-monthly meetings of the Project Board for the Gateway to Homechoice, once they have been examined by an operational group of officers from across the different authorities. This will ensure a level playing field across the seven authorities using Gateway to Homechoice. Board Members confirmed that they were satisfied with this answer.

- 9.4 Tina clarified that point 3.8 (f) referred to applicants who put in multiple requests to view without then viewing the properties, and to applicants who put in multiple bids but do not accept any of them.
- 9.5 Karen Loweman explained that point 5.16 refers to applicants who have worsened their housing situation (e.g. applied for a property which was too small and would class as being overcrowded) in order to try to increase their priority need/banding. This clause acts to prevent this being possible. This is discretionary and officers are not expected to apply this clause if an applicant has had to move to a worse housing situation because of factors outside their control (such as if they were unable to continue to afford their original rent).

10. Housing and Planning Bill

- 10.1 Jan Sexton read the following statement from the TLCC:
'The TLCC knows that much of the details on this are not yet available, but is glad that Colchester Borough Homes' plans for dealing with it have been examined by a Tenant and Leaseholder Focus Group. This group was briefed on what is known about the Bill and gave their thoughts and concerns to officers, who will make sure this input is listened to, as CBH continues to develop its plans for the future.'
- 10.2 The Chair reminded Board that any questions of a commercially-sensitive nature should be deferred until the confidential section and that political statements should be avoided.
- 10.3 Gerardine Murphy presented her report on the progress of the Housing and Planning Bill. The report detailed the current content of the Bill, as well as likely elements to be introduced (based on Government signals). There is currently very little detail (e.g. not yet a set level to classify assets as 'high value' and therefore to be sold). It is, however, known that this Bill will harm CBH and be an additional pressure on CBH and CBC.
- 10.4 The costs of the planned measures will hit CBH – eg 'Pay to Stay' will require us to assess tenant incomes, which will be an additional expense, whilst the sale of high-value assets will decrease our stock, with all proceeds having to be transferred to central government.
- 10.5 Gerardine highlighted some of the details regarding current benefits such as Local Housing Allowance and the worst effects on tenants and housing providers.
- 10.6 Regarding Gypsies and Travellers, local authorities will no longer be required to assess housing needs of this group separately. Tina Hinson confirmed that this was so, and that this heavily implied that local authorities would not be required to provide pitches for travellers.
- 10.7 The third sentence on Page 102 was queried and Gerardine informed Board that this provision had been placed in the Bill, but no detail had yet been added to say what this would mean. It gives the Government flexibility to add to this and act further through secondary legislation in the future.

- 10.8 Gerardine confirmed that the Government's energies were fully directed at increasing home-ownership and producing new starter homes. No official Government line has been given on social housing, but the current '5 Point Plan' on housing does not mention social housing – it is purely aimed at increasing home ownership.
- 10.9 Board noted that much of the detail would be added during the current Committee Stage of the Bill. Greg Falvey assured the Board that the developments and debate was being monitored.
- 10.10 A concern was raised that the introduction of new terms and conditions for new tenants would lead to an even more complicated situation regarding different tenants being subject to different rules depending on when they commenced their tenancies.
- 10.11 A further concern was raised that if CBH were forced to sell off high-value older assets then this would endanger historic properties currently managed by us.

11. Finance Assurance Report

- 11.1 Michael Hadjimichael presented the report and confirmed that there was no change to the forecast given at the previous Board Meeting.
- 11.2 It was asked if this item could, in future, include a cash flow forecast.
- 11.3 The table showing new business income was explained. Where there was a 0 entry for expenditure to-date, this was because the staff costs were already met in the base costs of CBH and were not an additional cost. It was noted that if trading increased, then we would have to look at how we allocate costs and how we can do this in a way which more closely mirrors how it would be done in a private-sector enterprise. However, since external trading is currently at low-levels, this was deemed unnecessary for now.
- 11.4 Board asked what issues were of concern regarding the delegated budgets. Michael informed Board that the main concern was grounds maintenance, and that CBH were working closely with CBC to work through the planned works in order to hit our targets by year end.
- 11.5 Greg Falvey clarified that the tables included in this report were high-level summaries which did not give the breakdowns of the individual figures which go to make up the total budgets and expenditure etc. Greg suggested that future tables are more-fully annotated with more detail in order to give Board a better idea of how the totals listed are reached.

12. Performance Assurance Report

- 12.1 Karen Loweman invited Members to discuss the Report.
- 12.2 In response to questions, Mark Wright clarified that the 489 homes listed at 7.2 as not meeting Decent Homes Standard as of the end of September did not include properties where we had been refused entry by the tenant. In these cases we were unable to conduct work and were therefore allowed to declare

Decency by reason of denied access – such properties are thus allowed to be excluded from the figure given. Mark assured the Board that such instances were recorded and work then carried out when the property became void. Around 250 properties were expected to need work carried out on them, but were currently unavailable for this to be done. The level emergency capital has been increased in order to ensure that works can be done as and when they became void and therefore accessible to Property Services.

13. Committee Minutes

- 13.1 Chair expressed concern over the lack of quorum at the 14 October Operations Committee. Discussion had been had about the possibility of Board Members substituting for each other as needed, as well as the usefulness of Members 'sitting in' as observers on Committees other than their own, in order to gain a better knowledge of how all Committees work. These measures were approved. **Action:** Owen Howell to circulate full finalized schedule of 2016/17 meetings to all Members now that the CBC meetings calendar had been confirmed.
- 13.2 Alan Blois confirmed that Operations Committee were happy with the KPIs which they had examined.

14. Forward Look

- 14.1 The items concerning review of the Trading Strategy were raised (A review set for June, with a '6-month review' in the 'to-be-scheduled' section. Chair confirmed that, as we had yet to expand trading, we could not hold the 6-month review, and suggested that in June Board could review the opportunities for trading which had been considered by that point. Once trading is underway, Board can then decide if and when a review would be appropriate.

15. Any Other Business

- 15.1 Board noted that the stock and land we managed included historic features, street furniture, water pumps etc., and that CBH must make sure that we are responsible caretakers of these items. There are funds which could be accessed in order to help us to preserve these items and that this might be worth examining.
- 15.2 Owen Howell notified Board that the TLCC would be presenting a report on their second scrutiny topic at the Board Meeting on 22 February 2016.

With no further business, the meeting finished at 6.51 pm.

