

Minutes of the Eighty-Seventh Board Meeting

Held on 22 February 2016 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
Dionne Philp
Gerard Oxford
Julia Havis

In Attendance:

Greg Falvey
Michael Hadjimichael
Karen Loweman
Mark Wright
Gerardine Murphy
Matt Armstrong
Angelique Ryan
Kirk Braker

Owen Howell (Minutes)

Observing:

Lynn Thomas (CBC)
Jan Sexton (TLCC)
Bill Nairn (TLCC)
Jimmy Watson (TLCC)

1. Apologies and quorum

1.1 No apologies were 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 on 9 December 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 It was confirmed that all actions had been completed.

4. Voice your view

4.1 None

5. Independent Board Member Reappointment/Recruitment

5.1 As the subject of this item, Glenn Houchell left the room at this point of the meeting.

5.2 It was noted that G&R Committee had recommended reappointing Glenn for a third term on the Board of CBH. This recommendation drew Board's attention to the need for retaining financial expertise on the F&A Committee.

5.3 Board voted unanimously to reappoint Glenn Houchell for a third term as a Board Member.

6. CBH Budget 2016/17

6.1 Michael Hadjimichael presented the Budget and confirmed that it had been examined at the most recent meeting of the F&A Committee.

6.2 It was noted that the Budget includes the £200k reduction in the Management Fee, which had been asked for by CBC.

6.3 **Decision:** Board unanimously voted to approve the 2016/17 Budget.

7. Housing Investment Programme 2016/17

7.1 Mark Wright presented the Programme to Board for its approval. It was stated that the Programme had been accepted by CBC's Cabinet with no amendments requested.

7.2 Board was assured that the Programme took into account the likely impact of changes announced in the Budget and in the spending review.

7.3 Members enquired as to what CBH could do to mitigate the expected loss of 'Right To Buy' (RTB) receipts. Mark confirmed that these receipts were ring-fenced for new development (receipts may be kept if they are to be used for the provision of new properties). CBC wishes to continue to produce new housing, but faces difficulties as they are limited by Government to only being able to pay for 30% of the replacement homes by using these receipts. It was noted that if CBC intends to use such receipts in this way, the money must be spent within three years of the RTB transaction having been completed.

7.4 There is the potential for CBH to assist with buying existing housing, but this would have to be included in CBC's development strategy. This is currently still being drafted.

7.5 Regarding 8.10, it was clarified that, under the Management Agreement, a number of contracts are held between CBC and contractors, with CBH as the contract administrators. These contracts are awarded according to CBC's procurement regulations, with the contracts being awarded by Cabinet.

7.6 **Decision:** Board unanimously approved the Housing Investment Programme for 2016/17.

8. Strategic Risk Register

8.1 Michael Hadjimichael explained that no new risks had been identified and that 'Data Security' had been removed and put on to the Resources Directorate Operational Risk Register. This owed to the completion of mitigating actions.

Board was given assurance that attention is being given to risks 7 and 8, and that Board will receive a briefing on the Housing and Planning Bill in early April by which time it is expected that the Bill's wording might have been finalized.

Until more is known about the final content of this legislation, CBH is limited in what mitigating action it can take.

The possible effect of this year's major elections at CBC on the Council's relationship with CBH was raised as a concern. A request was made for this (risk 4) to be re-examined and assessed as to whether it should be re-graded. Michael Hadjimichael confirmed that he would be happy to discuss this.

Decision: Board voted unanimously to accept the Strategic Risk Register.

9. Operational Scheme of Delegation

Michael Hadjimichael presented the Scheme and confirmed that G&R Committee had already scrutinized this amended document and recommended its approval. He confirmed that there may be further minor changes needed in the near future as a result of the restructuring of the Resources Directorate.

Decision: Board approved the amended Operational Scheme of Delegation.

10. Business Opportunity Panel Terms of Reference

10.1 Michael Hadjimichael reminded Board that this was not an official sub-committee of the Board and so could take a more flexible approach to its task of identifying new business opportunities.

10.2 In response to questions, it was confirmed that any additional members co-opted on to the Panel would not have voting rights. Only Board Members and members of the executive management team would have voting rights whilst they are on the Panel.

10.3 Board requested that it be explicitly stated in the Terms of Reference that the Chair and Vice Chair both be Members of the Board of CBH.

10.4 Board raised the possibility that any additional members appointed from outside of CBH may well wish to be covered under the Company's insurances.

10.5 **Decision:** Subject to point 10.3 being taken into account, Board accepted the revised Terms of Reference for the Business Opportunities Panel.

11. Medium Term Delivery Plan Supplement 2016/17

11.1 Gerardine Murphy presented the Supplement. The main update focused on the KPIs and the targets CBH sets for itself.

11.2 The most significant proposed change was in the way we measure the time taken to re-let general needs properties and what we do to measure void costs. The details of this are at 4.3 of the report.

11.3 It was explained that work was ongoing with CBC to decide the targets for these, but that agreement was expected very soon. If Board approved the Medium

Term Delivery Plan Supplement, it would be taken to the next Principal Liaison Meeting for CBC's agreement.

- 11.4 In response to questioning, it was explained that CBH's performance to date on the proposed new voids targets would be calculated, and future performance compared to them so that we can monitor any potential rises or falls in performance in this area.
- 11.5 It was clarified that the change in voids KPI measurement owed to the fact that the current KPI was complicated, required manual adjustments and was no longer able to be benchmarked by HouseMark. The new measure is simpler and will be less prone to inaccuracies. The new target for average void times will be set in line with our past performance against this measurement. Mark Wright assured Committee that revenue lost and capital voids will continue to be monitored, with the results being available for the Operations Committee. It was confirmed that all Board Members will now receive Committee Papers from **all** Committees.
- 11.6 Board were informed that many of the targets which had been proposed were set with consideration given to upper quartile and median figures in the pool of housing providers against which CBH is benchmarked. This accounts for the use of decimal places in some of the targets proposed. Where CBH currently performs under the upper quartile, this is set as the target. Where CBH performs under the median, the median is set as the target.
- 11.7 In response to questions, Mark Wright and Matt Armstrong explained the current situation regarding required works being refused by tenants.
- 11.8 **Decision:** Board approved unanimously the Medium Term Delivery Plan Supplement 2016/17.

12. STAR Survey Introduction

- 12.1 Jan Sexton presented the Tenants' and Leaseholders' Consultative Committee (TLCC) response to this item (a copy of the TLCC comments will be provided with these minutes for Board Members and is available on request). Karen Loweman thanked Jan and the TLCC for their scrutiny and feedback.
- 12.2 Karen explained that it was vital that the questions be phrased in such a way as to avoid ambiguity or confusion, so the TLCC feedback on this was especially important. Any suggestions from the TLCC as to how to improve the questions set for future STAR Surveys would be gratefully received. Karen offered to talk with the TLCC to clarify their concerns regarding the questions on IT usage.
Action: Karen Loweman to liaise with Mell Robinson over the best way to approach this.
- 12.3 Julia Havis explained her experience of working in social surveying and offered her help in conducting the STAR Survey. Karen confirmed that she already had Julia recorded as being able to help in the question-setting process.
- 12.4 Karen expanded on her report to explain that the sample pool was random, but with demographics taken into consideration so that the sample is balanced

between different types of residency (e.g. by size of property). This is in order to give a more representative picture of the views of our residents. HouseMark is enforcing strict criteria in order to ensure that samples used are representative and will validate the pool we sample. A full survey of all tenants has been ruled out on cost grounds, and modern sampling and surveying techniques make it possible to give accurate results without a full survey.

13. TLCC Scrutiny Report on Pre-Tenancy Workshops.

- 13.1 Jan Sexton presented the TLCC's statement on this item. This statement is included with these minutes for Board Members and can be made available on request. Jan informed Board that the TLCC would defer the choosing of their third scrutiny topic until the new KPIs are set, approved and put in place.
- 13.2 Karen Loweman offered to respond to the questions and points raised, providing replies to the TLCC and copying in Board Members. She highlighted the importance of officers providing evidence as to why processes are carried out in the way they are, and why decisions are made in the way they are.
- 13.3 Karen further offered to share anonymized data on evictions with the TLCC for their information. Alan Blois agreed that it would be possible to discuss this subject at a future Operations Committee, with TLCC Members invited to sit in on this. **Action:** Karen Loweman and Owen Howell to arrange inclusion on a future Ops Committee agenda and ensure a report is prepared on this subject.

14. Finance Assurance Report.

- 14.1 Michael Hadjimichael presented this standing item.
- 14.2 Questions were raised regarding delegated budgets. Michael replied that a meeting had been held with CBC regarding SLAs, including Grounds Maintenance. CBC had given assurance that the projects that they had identified would be complete by year-end. Board would continue to monitor the situation.

15. Performance Assurance Report

- 15.1 Karen Loweman presented the report and talked through the indicators highlighted in this report – most notably the numbers of households in B&B accommodation. The reasons for this were given in the report and explained further. The current numbers are still in the high 20s and mitigating actions are still being worked on and pursued.
- 15.2 Board noted that the figures for B&B use do not give an idea of the turnover. It was confirmed that this was the case as this KPI gave a snapshot of overall numbers, rather than turnover. Karen confirmed that figures relating to turnover of households in B&B were collected and were available to Members on request. Board Members requested to see figures showing lengths of stay/turnover of households in B&B accommodation. **Action:** Karen Loweman to arrange for this to be done.
- 15.3 The increase in the use of High Court orders to evict tenants by private landlords was highlighted as a serious contributing factor to the current high level of B&B

use. Unlike County Court orders, these give permission for immediate eviction of tenants and allow no time for CBH to be alerted to the need to find accommodation for the evicted household. High Court warrants allow bailiffs to seek possession without notice, compared to the usual two-month notice given by County Court orders.

- 15.4 The other KPIs listed in the Performance Assurance Report and the points explaining them were noted.

16. Committee Minutes

- 16.1 The Committee Minutes included in the pack were noted. Committee Chairs endorsed them and there were no questions.

17. Forward Look

- 17.1 Owen Howell confirmed that the Board Briefing sessions on the Housing & Planning Bill and Accountancy Standards/Finances were likely to take place on 6 April.
- 17.2 The Board Away Day had been put back from July to early September in order to allow more time for potential impacts from this year's CBC elections to be absorbed and considered.

18. Any other Business

- 18.1 There was no other business.

With no further business, the open meeting concluded at 6.27pm.