

FREEBRIDGE COMMUNITY HOUSING BOARD

**Minutes of a Meeting of the Board held on
Monday 6 August 2012 at 6.30pm in the
Conference Room, Juniper House,
Austin Street, King's Lynn**

PRESENT:

Ray Johnson (Chairman)
Lesley Bambridge
John Fox
Irene Gammon
Bill Guyan
Ian Pinches
Colin Sampson

IN ATTENDANCE:

Tony Hall - Chief Executive
Sean Kent - Deputy Chief Executive
Angus MacQueen - Company Secretary

120/12 APOLOGIES

Apologies for absence were received from Matthew Brown, Sylvia Calver, Steve Clark, Michael Jervis and Paul Leader.

121/12 MINUTES

The minutes of the meeting held on 9 July 2012 were confirmed as a correct record and signed by the Chairman.

122/12 MATTERS ARISING

There were no matters arising.

123/12 DECLARATIONS OF INTEREST

Ray Johnson declared an interest in the item at minute number 133/12 – Board Member Recruitment – as he was one of the candidates. Ray Johnson also declared an interest in the item at minute number 134/12 – Board Member Declaration of Interest Update – as the item related to an interest that he had declared. He withdrew from the room during the consideration of both items.

124/12 CHAIRMAN'S UPDATE

The Chairman gave an update on his activities as Chairman since the last meeting.

As well as his regular weekly meetings with the Chief Executive, the Chairman said that he had attended the following:

- two days of judging the sheltered scheme gardening competition, and a meeting to plan the presentation event;
- presentation of apprentice awards, hosted by the Construction Industry Training Board;
- an interview for reappointment to the Freebridge Board; and
- a meeting of the e² Joint Members Group hosted by Greenfields Community Housing in Braintree.

The Board noted the update.

125/12 CHIEF EXECUTIVE'S UPDATE

(a) Hillington Square

The Chief Executive said that currently the main focus of the Hillington Square project was the appointment of the constructor. The tender documents were with solicitors for a legal review, and a scoring mechanism to evaluate the tenders, once returned, had been developed. The logistically difficult task of arranging site visits for each of the eight shortlisted constructors was underway. The timetable had been revised and the intention was now to make the final appointment in the second week of December 2012. Work would then start on site in spring 2013, when the first task would be asbestos removal.

A member advised that he had been in discussion with the new assistant editor of KL Magazine, who had indicated that he would be interested in running a large feature on the Hillington Square project.

(b) Providence Street

Confidential item

(c) Plaxtole House

Confidential item

(d) Service Level Agreement with the King's Lynn Arts Centre Trust

The Deputy Chief Executive advised that the service level agreement with the King's Lynn Arts Centre Trust had now been in operation for a few months. Under the agreement, Freebridge had provided Human Resources advice and helped the Trust to reduce postage costs. In return, Freebridge was receiving use of meeting rooms, was looking to commission some artwork for the courtyard garden at Juniper House, and was receiving a £1 discount on Arts Centre admission for all employees and Board Members. The agreement would continue to be monitored.

(e) Behavioural Influencing

The Deputy Chief Executive reported on a meeting attended by himself, the Chief Executive, the Assistant Director of Housing and the Assistant Director of Communications and Engagement with the Cabinet Office's Behavioural Influencing Team. The meeting had been held at 10 Downing Street and had focused on the Hillington Square project. This had been an extremely useful session, led by one of the world's leading experts in the field. The team had since expressed an interest in continuing to work with Freebridge on a commercial basis, which would involve them gaining more understanding of Hillington Square and then seeking best practice from their international contacts. This would have the added benefit of giving the Hillington Square project some prominence at senior Government level.

The Board was pleased to note the progress made to date and indicated its support for Freebridge continuing to work with the Behavioural Influencing Team.

(f) Employee Conference

The Chief Executive said that the annual Employee Conference had been held on 10 July 2012 at Leziat Lakeview Park. The Conference had focused on the Freebridge values, with a number of external speakers, including a "Human Library" and a Mary Gober trainer. Employee feedback at the Conference on morale and motivation had been extremely pleasing, and was partly the result of the efforts that had been made over the past year to improve the connection between employees and the Executive.

126/12 AUDIT COMMITTEE RECOMMENDATIONS

The Board received a report which introduced the recommendations of the meeting of the Audit Committee held on 2 July 2012.

Recommendations 1 and 2, as listed in the report, were considered under item 8 of the agenda (minute number 127/12 below), and recommendations 3, 4 and 5 were considered under item 9 of the agenda (minute number 128/12 below).

127/12 INTERNAL CONTROLS ASSURANCE ANNUAL REPORT 2011/12

The Deputy Chief Executive presented the Internal Controls Assurance Annual Report 2011/12. The report explained the requirements of the business assurance exercise and the approach that the Association had chosen to adopt, and presented evidence from a wide variety of internal and external sources.

The Board considered the report, noting that it had previously been considered by the Audit Committee.

The Deputy Chief Executive highlighted that the Service Assurance process carried out by Internal Audit was an integral part of the report. The process

had shown improvement over many areas of the business. Ian Pinches, Vice-Chairman of the Audit Committee, advised that the Committee had been pleased to note the large number of areas assessed as “Good”, and had requested a focus on some of the areas with a larger number of “Adequate” assessments. The Deputy Chief Executive confirmed that this was being pursued.

Having noted the recommendations of the Audit Committee, the Board

RESOLVED:

- 1) That the Internal Controls Assurance Annual Report 2011/12, as presented, be approved.
- 2) That the statement of internal controls, as presented, be approved for inclusion in the Association’s statutory financial accounts 2011/12.

128/12 DRAFT STATUTORY ACCOUNTS 2011/12

The Deputy Chief Executive presented a report which detailed the Association’s draft statutory accounts 2011/12, including the Board of Management Report, Operating and Financial Review, Auditor’s Report and Financial Statements. Also presented for approval were the Key Issues Memorandum 2011/12 and the Letter of Representation to the External Auditor.

The Board took assurance from the fact that the accounts had been reviewed by External Audit and the Audit Committee, as well as by the professional financial officers employed by the Association.

The Deputy Chief Executive highlighted that a key change to the accounts this year had been the introduction of component accounting. This had resulted in a large amount of additional work, which had been successfully carried out by the Finance team, with very few issues raised when the accounts had been audited. A result of component accounting was that there was more capitalisation than in the past; consequently, even though Freebridge’s financial position remained largely unchanged, the income and expenditure account was showing a significant net increase on the previously reported figure. This would need to be explained to the shareholders at the AGM. It had also been decided that including the annual revaluation on the balance sheet, as had occurred in previous years, would not be as clear when combined with component accounting; the annual revaluation was reported elsewhere in the accounts.

The Deputy Chief Executive also pointed out that, under new accounting rules, it was a requirement to state in the accounts any remuneration or loss of earnings payments made to individual Board Members, and to name those Board Members. No such payment had been made during 2011/12. However, although this rule did not, as yet, apply to Executive Directors who did not sit on the Board, it had been decided as a matter of good practice to apply it to the Chief Executive and the Deputy Chief Executive. The figures included salary, benefits and on-costs.

Having noted the recommendations of the Audit Committee, the Board

RESOLVED:

- 1) That the statutory accounts 2011/12, as presented, be adopted and the Chairman of the Board, the Lead Member for Resources, the Chief Executive, and the Deputy Chief Executive be authorised to sign these on behalf of the Board.
- 2) That the Key Issues Memorandum 2011/12, as presented, be approved for submission to the Homes and Communities Agency.
- 3) That the Letter of Representation, as presented, be approved for signature by the Chief Executive.

129/12 REVIEW OF COMMUNICATIONS POLICY

The Deputy Chief Executive presented a report which reviewed the Communications Policy. He said that a key theme of the revised Policy was two-way communication, listening to customers and stakeholders as well as informing them.

RESOLVED: That the Communications Policy be approved, as presented.

130/12 REVIEW OF AIDS AND ADAPTATIONS POLICY

The Deputy Chief Executive presented a report which reviewed the Aids and Adaptations Policy.

RESOLVED: That the Aids and Adaptations Policy be approved, as presented.

131/12 REVIEW OF STANDING ORDERS

The Company Secretary presented a report which reviewed the Standing Orders. The report also asked the Board to consider two suggestions around the Audit Committee made in the Campbell Tickell report arising from the 2011 Board appraisal and review process, namely to move risk management to the Audit Committee and to engage a non-Board Member as the Audit Committee Chairman.

In answer to a question, the Deputy Chief Executive explained that engaging a non-Board Member as the Audit Committee Chairman was a practice that had become popular in the commercial sector. It provided an element of independence, but over time some of the independence would be lost as the Audit Committee Chairman had to work closely with the Board.

RESOLVED:

- 1) That the amendments to the Standing Orders be approved, as presented.
- 2) That no changes be made around the management of risk or the chairmanship of the Audit Committee.

132/12 RULE AMENDMENTS

Confidential item

Ray Johnson withdrew from the room for the items at minute numbers 133/12 and 134/12; the Company Secretary assumed the chair for these items.

133/12 BOARD MEMBER RECRUITMENT

Ian Pinches, Chairman of the Board Member Recruitment Panel, presented a report which advised of the outcome of the recent processes for the recruitment of Tenant Board Members and Independent Board Members.

With regard to the recruitment of Tenant Board Members, Ian Pinches said that just one of the four candidates interviewed had displayed the skills required for Board Membership. This candidate was, therefore, the only one that the Panel had decided to put forward for appointment, with the result that one of the two vacancies would not be filled. In answer to a question, the Chief Executive said that officers were actively looking to identify a potential Tenant Board Member to fill the remaining vacancy, with the Customer Engagement Team playing a key role in this.

In terms of the appointment of Independent Board Members, Ian Pinches stated that all three candidates interviewed had displayed the skills required for Board Membership. The two who had, in the Panel's opinion, performed most strongly at interview had been selected to fill the two vacancies. He stressed that Ray Johnson had undergone the same rigorous process as the other candidates.

Ian Pinches said that, during both recruitment processes, the Panel had kept considerations around the diversity of the Board very much in mind, but the candidates displaying the strongest skill-sets had been selected.

RESOLVED:

- 1) That Simon Gathercole be appointed as a Tenant Board Member with effect from the AGM to be held on 17 September 2012 until the 2015 AGM.
- 2) That the 2012 AGM be recommended to reappoint Ray Johnson as an Independent Board Member until the 2015 AGM.

- 3) That the 2012 AGM be recommended to appoint Frazer Clement as an Independent Board Member until the 2013 AGM, to fill the vacancy created by the resignation of Michael Jervis.

134/12 BOARD MEMBER DECLARATION OF INTEREST UPDATE

Confidential item

135/12 BOARD'S REPORT TO THE AGM

The Chief Executive presented a report which sought approval for the Board's Report to the AGM.

RESOLVED: That the Board's Report to the AGM be approved, as presented.

136/12 DRAFT AGM NOTICE OF MEETING AND AGENDA

The Company Secretary presented a report which sought approval for the draft notice of meeting and agenda for the 2012 AGM.

RESOLVED: That the draft notice of meeting and agenda for the 2012 AGM be approved, as presented.

137/12 REQUEST FOR DELEGATED AUTHORITY – MORTGAGE RESCUE SCHEME

The Chief Executive presented a report which sought limited delegation to the Investment Appraisal Panel (made up of the Executive Team) to sign off individual property purchases within the scheme when they met specific criteria.

RESOLVED:

- 1) That delegated authority be granted to the Investment Appraisal Panel (the Executive Team) to purchase mortgage rescue properties where the costs are within the annual Business Plan parameters and that the pay back is within the Business Plan period.
- 2) That the summary position be monitored through the Operations Performance Overview report.

138/12 ISSUE ARISING FROM "CORPORATE GOVERNANCE – STANDARDS OF CONDUCT" INTERNAL AUDIT REVIEW 2011-12

Confidential item

139/12 **APPOINTMENT OF SHAREHOLDER**

The Company Secretary presented a report which requested the Board to consider an application for tenant shareholding.

RESOLVED: That the application for tenant shareholding set out in Appendix 1 to the report be approved.

140/12 **OPERATIONS PERFORMANCE OVERVIEW**

The Board received the Operations Performance Overview report for the quarter ending 30 June 2012.

Members highlighted the very positive trends in many areas of the business as detailed in the report.

It was noted that individual addresses relating to mortgage rescue schemes were still included in the report. The Board had previously requested that these were removed, and the Chief Executive undertook to ensure that this was done.

The Board noted the report.

141/12 **FINANCE AND HUMAN RESOURCES QUARTERLY MANAGEMENT REPORT**

The Board received a report which provided financial information for the quarter ending 30 June 2012, together with Human Resources key performance indicator information.

The Board noted the report and

RESOLVED: Confidential

142/12 **TREASURY MANAGEMENT UPDATE**

The Board received a report which provided an update on treasury activity for the quarter ending 30 June 2012.

The Board noted the report.

143/12 **RISK MANAGEMENT UPDATE**

The Deputy Chief Executive presented a report which provided an update on Freebridge's Corporate Risk Map and detailed risk management activity during the quarter ending 30 June 2012.

The Deputy Chief Executive highlighted that the Homes and Communities Agency had recently produced a paper on the Sector Risk Profile, the main points of which were reproduced in the report. The Freebridge Corporate Risk Map had been checked to ensure that it aligned with the document.

The Chief Executive also pointed out that a formal review of the Hillington Square Risk Map had been undertaken, and that the current version had been attached to the report.

The Board noted the report.

144/12 BUSINESS PLAN 2012/13 – FIRST QUARTER UPDATE

The Chief Executive presented a report which set out the first quarter update to the 2012/13 Business Plan.

The Chief Executive highlighted that the report suggested adding the Plaxtole House and Providence Street projects to the Business Plan, as these had become a significant focus of resources.

The Board noted the report and

RESOLVED: That Plaxtole House and Providence Street be added to the Business Plan as new projects.

145/12 OUT AND ABOUT CAMPAIGN

The Deputy Chief Executive presented a report which described the results of the “Out and About” campaign to date.

The Deputy Chief Executive explained that the campaign had been developed following the success of the “500 tenancy visits” target in the 2011/12 Business Plan. The campaign was an excellent opportunity to engage with tenants, particularly those who did not generally contact Freebridge. It had made a real impact on some tenants’ lives, for instance highlighting people that were in need of assistance with adaptations. Staff from across the organisation, including back-office staff who would not normally meet with tenants, had become involved.

A member suggested that the campaign could be an opportunity to promote the Fire Service’s free fire risk surveys. The Deputy Chief Executive undertook to pursue this.

The Chief Executive and Deputy Chief Executive paid tribute to the hard work of the Housing Services Manager, who was coordinating the campaign with great enthusiasm and efficiency.

The Board was pleased to note the report and the positive benefits of the campaign to date.

146/12 URGENT ACTIONS TAKEN

Confidential item

147/12 WORK UPDATE

The Company Secretary presented the work update, which included the following:

- Action Sheet
- Future Work Programme of the Board.

The Company Secretary highlighted that two informal discussion evenings had been programmed during 2013, in place of Board meetings. These would provide opportunities for detailed discussions/briefings on key issues. The Chairman said that he would like one of these sessions to include a briefing on the structure of the management accounts.

The Board noted the update.

148/12 COMMITTEE MINUTES

Ian Pinches, Vice-Chairman of the Audit Committee, presented the minutes of the Committee's meeting held on 2 July 2012.

149/12 ANY OTHER BUSINESS

(a) Right Tracks

A member said that she had attended the opening of Right Tracks, a new facility of supported accommodation for young people in King's Lynn, being operated by Saffron Housing Trust and the Benjamin Foundation. The Chief Executive commented that the Benjamin Foundation's involvement with this project and with Plaxtole House would be of great benefit to service provision in West Norfolk.

(b) Planning Appeal

A member commented on a planning appeal that was currently taking place involving a proposed development by a private firm in King's Lynn. This appeal was worth monitoring, as one aspect of it related to the provision of affordable housing.

(c) Welfare Reforms

A member referred to a leaflet that had recently been produced summarising some of the forthcoming welfare reforms. In answer to questions, officers explained that this leaflet was being delivered as part of the "Out and About" campaign, and was being targeted at some tenants. Tenants were also being kept informed about the welfare reforms through articles in the Streets Ahead magazine.

150/12 NEXT MEETING

The Board noted that its next meeting was scheduled for Monday 10 September 2012 at 6.30pm.

The meeting closed at 8.10pm.

CHAIRMAN