

FREEBRIDGE COMMUNITY HOUSING BOARD

Minutes of a Meeting of the Board held on Monday 20 May 2013 at 6.30pm in "The Barn", 2 Chapel Lane, King's Lynn

PRESENT:

Ray Johnson (Chairman)
Lesley Bambridge
Bill Guyan
Paul Leader
Ian Pinches
Colin Sampson

IN ATTENDANCE:

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

67/13 APOLOGIES

Apologies for absence were received from Matthew Brown, Steve Clark, Frazer Clement, John Fox and Simon Gathercole.

68/13 MINUTES

The minutes of the meeting held on 15 April 2013 were confirmed as a correct record and signed by the Chairman.

69/13 MATTERS ARISING

(a) Executive Remuneration (Minute Number 38/13)

Confidential item

(b) Empty Homes (Minute Number 42/13)

Confidential item

70/13 DECLARATIONS OF INTEREST

Tony Hall and Sean Kent declared interests in the item at minute number 69/13(a) – Executive Remuneration – but remained in the room as there was no discussion.

71/13 CHAIRMAN'S UPDATE

The Chairman advised that, as he had been on holiday, he had no update on this occasion.

72/13 **CHIEF EXECUTIVE'S UPDATE**

(a) Times Top 100

The Deputy Chief Executive reminded the Board that there was an action in the new Business Plan to identify common themes from companies in the Times Top 100 Employers list, with a view to preparing to submit an application next year. However, as a result of this piece of work which had now been done, Management Team was confident of submitting a worthwhile application for 2013, in the not-for-profit category. This would involve all staff answering a survey, which would replace the Freebridge staff survey this year. The application would provide external validation of Freebridge as an employer and, if successful, would be a significant boost to recruitment.

RESOLVED: That Freebridge submit an application to the Times Top 100 Employers list this year.

(b) Financial Regulations

The Deputy Chief Executive said that the Financial Regulations were due for review. However, there was nothing significant that he was aware of that needed to be changed, other than cosmetic items such as job/role titles and committee/organisation names. In any case, it would be more sensible to delay a more thorough review for a further year, by which time the new Finance Director should be in post and settled in.

RESOLVED:

- 1) That the Financial Regulations be reviewed, at this time only to make cosmetic changes, such as job/role titles and committee/organisation names.
- 2) That the next review of the Financial Regulations be scheduled for May 2014.

73/13 **PROVIDENCE STREET YOUTH CENTRE**

Confidential item

74/13 **REVIEW OF THE FREEBRIDGE APPROACH TO SECTION 122 OF THE HOUSING AND REGENERATION ACT 2008 POLICY**

The Company Secretary presented a report which reviewed the Freebridge Approach to Section 122 of the Housing and Regeneration Act 2008 Policy.

RESOLVED: That the Freebridge Approach to Section 122 of the Housing and Regeneration Act Policy 2008 be approved, as presented.

The Company Secretary presented a report which advised of the outcomes of the consultation that had taken place with the Tenant Panel and the Borough Council on the Board's aspiration for its future structure. The report also sought to instigate this year's Board Member recruitment process.

The Board noted that a positive response to the consultation had been received from the Tenant Panel, albeit that the Panel had asked the Chief Executive to provide it with some more information. The Panel had particularly welcomed that, under the proposals, it would assume an enhanced role in support of the Board. A member questioned whether the Panel had the capacity or the skills to take on this enhanced role. In reply, it was stressed that the Panel would receive training and that its workload would be monitored; it would only take on new responsibilities when it felt ready. A member also reported that some Tenant Panel members felt that they were being "led" by Freebridge. The Deputy Chief Executive responded that this had never been the intention, which was why the Panel had an independent Facilitator; indeed Management Team had accepted the large majority of the Panel's recommendations. The Board agreed to "ask" the Panel to take on the enhanced role, so that it did not feel under undue pressure. The importance to the Regulator of having a strong Tenant Panel was noted, as was the fact that the suggested enhanced role was in line with national strategy.

The Board noted that the proposals included introducing two Executive seats onto the Board, and that it was suggested that this should take effect from the Annual General Meeting in September 2013. A member questioned whether this would increase the Executive's workload, and whether it would be better for Freebridge to retain the current two-tier structure. The Board was of the view, however, that Board Membership would not significantly increase the Executive's workload, and that it would improve and enhance the Board's working relationship with senior management. There would still be a two-tier system, with Management Team operating as the second tier. Most of the more successful housing associations had Executive seats on the Board.

It was noted that the Borough Council appeared to be not yet ready to give up its two seats on the Board. It was hoped that this would change over time, so that a fully unitary Board could be achieved.

In terms of Board Member recruitment, the Board acknowledged that it had a precedent for recommending the reappointment of members who had assumed an existing term of office without the need for a further recruitment process. It was happy to apply this precedent to both John Fox and Frazer Clement. Regarding the recruitment process for the Independent Board Member position that did need to take place, it was noted that advertising in the Lynn News was proposed. However, it was suggested that a lower cost option in the local media could be investigated. The Board acknowledged that it was appropriate to undertake a recruitment process for this position, even though there was a strong internal candidate.

RESOLVED:

- 1) That the outcomes of the consultation undertaken so far on the Board's aspiration for its future structure be noted.
- 2) That the Freebridge Tenant Panel be asked to assume an enhanced role in support of the Board, subject to appropriate training.
- 3) That the Board aim to introduce the following Board structure at the Annual General Meeting in September 2013:

5 Independents
2 Council-nominated
3 Tenants
2 Executives

and that consultation on this be carried out with key stakeholders, the results of the consultation to be reported back to the Board meeting on 5 August 2013.

- 4) That solicitors be engaged to draft the necessary Rule changes to achieve the structure set out in 3) above, and that these be presented to the Board meeting on 5 August 2013.
- 5) That Board payment be not introduced this year, but be considered again when the Board takes its next step towards its aspiration for its future structure.
- 6) That the Freebridge 2013 AGM be recommended to reappoint John Fox as a Tenant Board Member and Frazer Clement as an Independent Board Member until the 2016 AGM.
- 7) That no further action be taken at the present time to commence a Tenant Board Member recruitment process.
- 8) That a recruitment process, as set out at Appendix 2 to the report, be undertaken to fill the Independent Board Member position currently occupied by Matthew Brown, subject to investigating a lower cost option for advertising the position in the local media.

76/13 REVIEW OF THE TENANT PANEL'S CONSTITUTIONAL DOCUMENTS

The Company Secretary presented a report which reviewed the Tenant Panel's constitutional documents.

RESOLVED: That the Tenant Panel's constitutional documents (the Code of Conduct, Confidentiality Agreement and Terms of Reference) be approved, as presented.

77/13 COMPLAINTS PANEL TERMS OF REFERENCE

The Company Secretary presented a report which put forward Terms of Reference for the Complaints Panel, for the Board's approval.

RESOLVED: That the Complaints Panel Terms of Reference be approved, as presented.

78/13 AMENDMENT TO FINANCIAL REGULATIONS

The Deputy Chief Executive presented a report which sought to make an amendment to Freebridge's Financial Regulations by including a definition of "partnering agreement", as recommended by Internal Audit.

RESOLVED: That the following definition of "partnering agreement" be added to Financial Regulation 1:

"A contract where there is a requirement for all parties to share the risk and work together which uses the PPC2000 form of contract or other form of contract approved by the Board".

79/13 STATISTICAL DATA RETURN 2013

The Company Secretary presented a report which requested delegated authority to approve the Statistical Data Return 2013.

RESOLVED:

- 1) That delegated authority be given to the Chief Executive, in consultation with the Chairman, to approve this year's Statistical Data Return, subject to the document being made available to the Board for information at its meeting on 24 June 2013.
- 2) That the Chief Executive be authorised to sign the document on Freebridge's behalf.

80/13 PROVISION OF A TENANCY TO A RECENT BOARD MEMBER

Confidential item

81/13 2012/13 BUSINESS PLAN OUTTURN REPORT

The Chief Executive presented the 2012/13 Business Plan outturn report.

It was highlighted that there had been no statutory challenges to the Hillington Square project.

The Board congratulated Management Team on an excellent year.

RESOLVED: That the 2012/13 Business Plan outturn report be approved.

82/13 APPOINTMENT OF SHAREHOLDER

The Board considered a report which listed an application for tenant shareholding.

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

83/13 OPERATIONS PERFORMANCE OVERVIEW

The Deputy Chief Executive presented the Operations Performance Overview report for the quarter ending 31 March 2013.

The Deputy Chief Executive highlighted that, although it had been hoped to maintain performance around rent arrears, this had not been achieved. This had been partly the result of problems at year-end. There had been some improvement in April 2013, although performance had slipped again so far in May. To date, Freebridge had arrears in collection of the new “Bedroom Tax” at 23%. This compared to up to 50% being reported by other associations. Freebridge would be liaising with the court service around a way forward, as it appeared that some people were refusing to pay the “Bedroom Tax”.

The Deputy Chief Executive said that, to assist with the increased workload associated with the new welfare reforms, a total of five new posts had been created, in the Income, First Contact Centre and Welfare Support teams. These posts had been funded from efficiencies, and had largely replaced the six posts that it had been decided last year were no longer required in the Housing team.

The Board stressed the importance of supporting tenants through the welfare reforms. If necessary, an early decision should be taken to recruit a further post to the Welfare Support team. The Deputy Chief Executive stated that Board approval would be sought if Management Team decided that such posts were required.

The Board was pleased to note the generally healthy performance figures, particularly around re-let times, staff turnover and sickness absence.

The Board noted the report.

84/13 FINANCE AND HUMAN RESOURCES QUARTERLY MANAGEMENT REPORT

The Deputy Chief Executive presented a report which provided financial information for the 12 months to 31 March 2013, together with Human Resources key performance indicator information.

The Board noted the report.

85/13 TREASURY MANAGEMENT UPDATE

The Deputy Chief Executive presented a report which provided an update on treasury activity for the quarter ending 31 March 2013, and set out projected 2013/14 treasury activity.

In answer to a question, the Deputy Chief Executive said that he could not be confident that Freebridge's current fixed rates would be available when Freebridge next looked to fix rates. The best rates would be identified at the appropriate time.

The Board noted the report.

86/13 RISK MANAGEMENT UPDATE

The Deputy Chief Executive presented a report which detailed risk management activity during the quarter ending 31 March 2013 and provided an update to the Corporate Risk Map. The report also provided information on this year's insurance renewal.

The Deputy Chief Executive said that the departmental risk maps had been amalgamated, with all risks now incorporated into the Corporate Risk Map. Corporate risks would be monitored at a strategic level, through Management Team and the Board, whilst operational risks would be monitored at managerial level with exception reporting as necessary. Cosmetic changes to the Corporate Risk Map, relating to job titles and committee names, as highlighted by a Board Member, had also now been made.

In answer to questions, the Deputy Chief Executive made the following points:

- Freebridge had achieved a good deal on flood risk insurance.
- Freebridge's insurance consultant provided good advice, but the Deputy Chief Executive would look into the new insurance consultancy service provided by the National Housing Federation, to see if this could be of benefit to Freebridge.
- Contents insurance was offered to tenants, although separately from these policies.

The Board noted the report.

87/13 PLAXTOLE HOUSE QUARTERLY UPDATE

The Chief Executive presented the quarterly update report on the Plaxtole House project.

The Chief Executive said that the key issue was to achieve break-even. Work was being undertaken with the Benjamin Foundation to ensure that they

understood the financial parameters. Freebridge would also be taking the marketing of the facility in-house.

Following suggestions from Board Members, the Chief Executive undertook to look into whether any help might be available from the State Boarding Schools Association, the Sheridan School at Northwold or Aspire in Fincham with finding future residents. In answer to a question, the Chief Executive said that Freebridge was making links with the Forward Centre on Millfleet.

The Chief Executive advised that an independent valuer had confirmed that there was a financially viable alternative use for the building. The Board accepted this as an appropriate exit strategy.

In response to a question, the Deputy Chief Executive said that he was not expecting the Auditors to raise impairment around Plaxtole House as a significant issue.

The Chairman commented on the success of the Plaxtole House launch event, which had been attended by around 60 guests, including several Board Members.

The Board noted the report.

88/13 TENDERS UPDATE

The Deputy Chief Executive presented a report which advised of three recently re-let contracts.

The Deputy Chief Executive commented on the need to be mindful of social, environmental and financial considerations in procurement, in light of new legislation and regulatory requirements.

The Board noted the report.

89/13 CHIEF EXECUTIVE'S APPRAISAL PANEL

The Chairman referred to a meeting of the Chief Executive's Appraisal Panel held on 23 April 2013. The meeting had reviewed the performance of the Chief Executive during 2012/13, and had undertaken his performance planning for 2013/14. The outcomes of the meeting had been circulated to all Board Members.

The Board noted the update.

90/13 WORK UPDATE

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

- Action Sheet
- Future Work Programme of the Board.

The Company Secretary said that the item around providing the Board with an exit strategy for Plaxtole House would be removed, in light of discussion earlier in the meeting (minute number 87/13 above refers).

The Board noted the update.

91/13 COMMITTEE MINUTES

Paul Leader, Chairman of the Audit Committee, presented the minutes of the Committee's meeting held on 29 April 2013. He commented on the positive direction of travel around the outcomes of Internal Audit reviews.

92/13 ANY OTHER BUSINESS

There was no other business.

93/13 NEXT MEETING

The Board noted that its next meeting was scheduled for Monday 24 June 2013 at 6.30pm.

The meeting closed at 8.35pm, the Board having resolved to continue to sit after the meeting's duration had exceeded two hours.

CHAIRMAN