

FREEBRIDGE COMMUNITY HOUSING BOARD

Minutes of a Meeting of the Board held on Monday 23 July 2018 at 4.45pm in "The Barn", 2 Chapel Lane, King's Lynn

PRESENT:

Andy Walder (Chairman)
Marie Connell
Tony Hall (Chief Executive)
Marcus Hopkins
Brian Long
Ian Pinches
Pauleen Pratt
Jasmine Rigg
Simon Smith

IN ATTENDANCE:

Alex Dixon - Director of Property
Dave Marshall - Director of Finance and Resources
Angus MacQueen - Company Secretary

99/18 APOLOGIES

Apologies for absence were received from Steve Clark, Shelley Lamprell-Josephs and Richard Spilsbury.

100/18 MINUTES

The minutes of the meeting held on 14 May 2018 were confirmed as a correct record and signed by the Chairman.

101/18 MATTERS ARISING

There were no matters arising.

102/18 ACTION SHEET

The Board noted the action sheet.

The Board acknowledged that a Finance seminar for all Board Members, held by the Director of Finance and Resources, had been arranged for 15 October 2018. The purpose of the seminar would be twofold: firstly, to cover any aspects of Finance about which Board Members felt they needed to increase understanding and, secondly, to prepare the Board for a refinancing decision to be taken at its meeting in November 2018. In relation to the former, Board Members undertook to advise the Director of Finance and Resources of anything they would like to be covered at the seminar by 10 August 2018.

Two hours had been provisionally allocated for the seminar, but this would be reviewed if necessary.

In answer to a question, the Chief Executive said that he and his counterpart at the Borough Council had written a joint letter to the Chair of Homes England regarding funding for the planned development at West Winch. To date, they had not received a reply. They would consider contacting the local Member of Parliament.

103/18 DECLARATIONS OF INTEREST

There were no declarations of interest.

104/18 CHAIRMAN'S UPDATE

In addition to his usual weekly meetings with the Chief Executive, the Chairman described the following activities that he had undertaken since the last meeting:

- He had been part of the panel which had shortlisted and then interviewed two candidates for the position of Independent Specialist on the Bridgegate Homes Board.
- He had met with his two Chair mentors.
- He had had networking meetings with other local housing association Chairs. There was interest in working together to provide Board Member training.

105/18 MANAGEMENT TEAM UPDATE

A written update from the Management Team had been previously circulated and was noted by the Board.

The written update covered the following issues:

- Procurement Approval Levels
- Proposed Changes to Scheme of Delegation
- Potential Funding Changes
- Changes to Board Member Declaration of Interest
- Pensions Update
- Local Government Pension Scheme Pension Policy Statement
- Total Reward
- Lean Training for Managers and Lean Process Reviews
- Fire at St Edmundsbury Road
- Hillington Square Visit
- Discovery Centre
- Health and Safety
- National Housing Federation East of England Regional Leadership Forum

- Development Update

The top two bullet points required decisions, which were agreed as follows:

RESOLVED:

- 1) That the following procurement approval levels be added to the List of Delegated Authorities and Limits (Appendix 2 to the Financial Regulations):

Health and Safety Manager	£10k to place orders and approve invoices
Head of Service Delivery (Property Services)	£50k to place orders and approve invoices. £1k to approve special requests.

- 2) That the scheme of delegation to the Director of Finance and Resources (Standing Order 10) be amended to read as follows (*additional words in italics*):

6.1 Authority to sell properties under the Preserved Right to Buy, Voluntary Right to Buy and Right to Acquire in accordance with the powers and responsibilities of the Association. Authority to take legal action for a suspension of the Right to Buy *and Right to Acquire*. Authority to deal with matters relating to the repayment of discount on former Preserved Right to Buy *and Right to Acquire* sales including the execution of documents. The Legal Services Manager shall be the Authorised Representative for the purpose of this delegation.

106/18 PERFORMANCE PACK

Confidential item

107/18 AUDIT COMMITTEE RECOMMENDATIONS

The Board received a report which introduced the recommendations of the meeting of the Audit Committee held on 9 July 2018.

Recommendations 1 and 2, as listed in the report, were considered under item 10 of the agenda (minute number 108/18 below), and recommendations 3, 4 and 5 were considered under item 11 of the agenda (minute number 109/18 below).

In relation to recommendation 6, the Board noted the reasons for the Audit Committee's recommendation, and

RESOLVED: That it be recommended to the next three Annual General Meetings that Mazaars LLP be appointed as Auditor for the Association.

108/18 **INTERNAL CONTROLS ASSURANCE ANNUAL REPORT 2017/18**

The Director of Finance and Resources presented the Internal Controls Assurance Annual Report 2017/18. 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 acknowledged that this was an important report, bringing together a number of work streams which had taken place throughout the year.

The Board noted in particular the statement on internal controls, which it was required to approve for inclusion in the statutory accounts. This was a significant statement, confirming that the Board was satisfied that adequate systems of internal control had existed within the organisation during the year.

It was noted that the report highlighted issues at Property Services. It was stressed that Freebridge's own systems of internal control had identified these issues and they were being addressed by management. The Board had been kept fully informed and now had a key role in supporting management to deliver improvements.

The Board observed that a large number of compliments had been received and asked that its thanks be passed on to the staff involved.

Having noted the recommendations of the Audit Committee, the Board

RESOLVED:

- 1) That the Internal Controls Assurance Annual Report 2017/18, as presented, be approved.
- 2) That the statement on internal controls, as presented, be approved for inclusion in the Association's statutory financial accounts 2017/18.

109/18 **DRAFT STATUTORY ACCOUNTS 2017/18**

The Director of Finance and Resources presented a report which detailed the Association's draft statutory accounts 2017/18, including the Board of Management Report, Strategic Report, Auditor's Report and Financial Statements. Also presented for approval were the Audit Findings Report 2017/18 and the Letter of Representation to the External Auditor.

The Director of Finance and Resources advised that he had received an email that afternoon from the External Auditor which may result in some minor changes being required to the statutory accounts. The Board was content that these could be approved by the Chairman, Chief Executive and Company Secretary at the point of signing.

RESOLVED:

- 1) That the statutory accounts 2017/18 be approved, subject to any minor, non-material changes which may be required.
- 2) That delegated authority be given to the Chairman, Chief Executive and Company Secretary to approve any minor, non-material changes to the statutory accounts at the point of signing.
- 3) That the Audit Findings Report 2017/18 be approved for submission to the Regulator of Social Housing.
- 4) That the Letter of Representation be approved for signature by the Chief Executive.

110/18 BOARD'S REPORT TO THE ANNUAL GENERAL MEETING

The Chief Executive presented a report which sought approval for the Board's Report to the 2018 Annual General Meeting.

RESOLVED: That the Board's Report to the 2018 Annual General Meeting be approved, as presented.

111/18 RULE AMENDMENTS

The Company Secretary presented a report which set out draft Rule amendments for approval to be taken forward to the 2018 Annual General Meeting.

It was highlighted that, although the Board had requested the inclusion of a casting vote for the Chairman at General Meetings, this had been omitted from the drafting on legal advice. The reasons for the omission were that the inclusion of a casting vote would be contrary both to the Companies Act 2006 and to the latest version of the National Housing Federation Model Rules. The Board accepted this advice.

The Board stressed the importance of increased engagement with shareholders. The Company Secretary responded that he was intending to organise a lunch for shareholders mid-way between Annual General Meetings, at which they could be updated on the business and have a chance to ask questions. He had also amended the proxy form, to make it easier for shareholders to appoint the Chairman as their proxy at General Meetings, so that their vote was not wasted if they could not attend.

RESOLVED: That the 2018 Annual General Meeting be recommended to adopt the Rule amendments, as presented.

112/18 **DRAFT ANNUAL GENERAL MEETING NOTICE OF MEETING AND AGENDA**

The Company Secretary presented a report which sought approval for the draft notice of meeting and agenda for the 2018 Annual General Meeting.

It was noted that, since the draft notice of meeting and agenda had been produced, the time of the Annual General Meeting had changed from a 6.30pm start to a 1.30pm start. It was hoped that this earlier start time would encourage more tenant shareholders to attend.

RESOLVED: That the draft notice of meeting and agenda for the 2018 Annual General Meeting be approved, as presented, subject to amending the start time.

113/18 **PROCUREMENT STRATEGY**

The Director of Finance and Resources presented a report which introduced a new Procurement Strategy.

In answer to questions, the Director of Finance and Resources made the following points:

- There was not expected to be any significant change to procurement regulations following the United Kingdom's exit from the European Union.
- Freebridge's ICT systems were fit-for-purpose to support the Procurement Strategy.
- Adherence to Freebridge's values would be a key part of tender evaluation.

The Board welcomed the new Strategy, which would provide a more planned approach to procurement. This would lead to additional assurance in terms of compliance and potentially to cost savings.

The Chief Executive thanked the Finance team for their hard work in preparing the Strategy. He also reported that feedback from key suppliers was that they appreciated the new, more planned, approach to procurement.

RESOLVED: That the Procurement Strategy be approved, as presented, including the revisions to the Procurement Policy and annual approval and delegation of procurement activity to the Management Team.

114/18 **VALUE FOR MONEY STRATEGY**

The Director of Finance and Resources presented a report which introduced a new Value for Money Strategy.

The Director of Finance and Resources highlighted the financial targets that were included within the Strategy and said that these would be monitored on a quarterly basis.

In answer to a question, the Director of Finance and Resources stated that intended efficiency savings would be incorporated into the Financial Plan once the new funding arrangements were in place.

RESOLVED:

- 1) That the Value for Money Strategy be approved, as presented, including the revisions to the Value for Money Policy.
- 2) That the financial targets within the Strategy be approved.

115/18 AMENDMENT TO THE LOAN FACILITY DATED 3 APRIL 2006

Confidential item

116/18 AMENDMENTS TO STANDING ORDER 8, “DELEGATED AUTHORITY TO THE DIRECTOR OF PROPERTY” AND STANDING ORDER 13, “INVESTMENT APPRAISAL, LAND BANKING AND ASSET DISPOSAL”

The Company Secretary presented a report which proposed amendments to Standing Order 8, “Delegated Authority to the Director of Property” and Standing Order 13, “Investment Appraisal, Land Banking and Asset Disposal”. (The Company Secretary apologised that the report erroneously referred to Standing Order 13 as “Standing Order 14”.)

RESOLVED:

- 1) That Standing Order 8 be amended at section 3.6 as follows (*additional wording in italics*):

“Authority to complete transfers of land or dwellings *to or from the Council or private landowners* to rectify errors in stock transfer plans *or errors in sales previously made by the Council*, up to a consideration of £10,000.”

- 2) That Standing Order 13 be amended as presented at Appendix 1 to the report.

117/18 AMENDMENTS TO BOARD MEMBER AGREEMENT FOR SERVICES – DATA PROTECTION SECTION

The Company Secretary presented a report which proposed amendments to the Board Member Agreement for Services, to bring it in line with new data protection legislation and Freebridge Policy.

RESOLVED: That the amendments to section 14 of the Board Member Agreement for Services, as set out in the report, be approved.

118/18 GOVERNANCE COMMITTEE RECOMMENDATION AND INFORMATION ITEM

(a) Governance Committee Recommendation

The Board considered the recommendation of the Governance Committee meeting held on 2 July 2018.

All Board Members had previously been circulated with the career details of Mr Britch and the background to the recommendation had been set out in the Governance Committee minutes.

RESOLVED: That Michael Britch be appointed to the Bridgegate Homes Board as an Independent Specialist.

(b) Governance Committee Information Item

The Board noted the Governance Improvement Action Plan which had been approved by the Governance Committee at its meeting on 2 July 2018, and which the Committee had specifically asked to be brought to the Board's attention.

119/18 ANNUAL REPORT FOR TENANTS 2017/18

The Board considered a report which sought approval for the Annual Report for Tenants 2017/18.

The Board requested that the following changes be made to the document:

- Include a reference to the work being carried out on current stock.
- Include a reference to Freebridge's commitment to communities outside King's Lynn.
- Include a reference to the fact that Freebridge is always keen to hear from individuals interested in joining the Tenant Panel.

RESOLVED: That the Annual Report for Tenants 2017/18 be approved for publishing to Freebridge's tenants, subject to the amendments listed above.

120/18 MEETINGS TIMETABLE 2019

The Company Secretary presented a report which sought approval for the 2019 timetable for Board and Committee meetings and the Annual General Meeting.

In answer to a question, the Chief Executive undertook to give consideration as to how the Tenant Panel could best be included in Board strategy afternoons.

RESOLVED: That the meetings timetable for 2019 be agreed, as presented.

121/18 ASSET MANAGEMENT STRATEGY

The Director of Property presented a report which introduced, for discussion, the revised Asset Management Strategy, incorporating input from the Board provided at the strategy afternoon on 11 June 2018.

In answer to questions, the Director of Property confirmed that the revised Strategy allowed for occasions when tenants did not wish for refurbishment works to be undertaken in their homes. It was also a requirement of the Decent Homes Standard that tenants could not be forced to accept refurbishment works. An exception to this was if health and safety could be put at risk.

The Board acknowledged that the revised Strategy aimed to keep people in their homes for as long as possible and to help them to retain their independence, including through the installation of aids and adaptations as necessary. In response to a question, the Director of Property confirmed that Freebridge would work with health services to ensure that tenants could leave hospital and return to their own homes at the earliest opportunity. The Board requested the following changes to the fourth bullet point under section 3.5 (*additional words in brackets*):

“Have a comprehensive policy and process for a programme of Aids & Adaptations to enable Tenants to continue to live in their homes independently as *they age and* their needs change, *including working with other agencies as appropriate.*”

The Board noted that it had been intended to present the revised Strategy to the Board's next meeting, in November, for adoption. However, as there were only minor amendments to make before the document was finalised, this was considered to be an unnecessary delay; the Chairman could approve the final version.

The Board asked that the revised Strategy be shared with the Tenant Panel.

RESOLVED: That the revised Asset Management Strategy be adopted as presented, subject to the inclusion of the minor amendments described above and the final version being approved by the Chairman.

122/18 PLACESHAPING STRATEGY

The Chief Executive presented a report which introduced, for discussion, the revised Placeshaping Strategy, incorporating input from the Board provided at the strategy afternoon on 11 June 2018.

The Board requested that additions be made to the document, as follows:

- More evidence on how projects would be evaluated and on how communities would be prioritised.
- More on partnership working.
- More on risks and how these would be mitigated.
- More on how the policy objectives would be met.

A Board Member expressed concern that one of the policy objectives referred to the “sense of deprivation” in some communities; this could suggest that deprivation was not real. The Chief Executive responded that this form of wording had been agreed by the Placeshapers organisation nationally.

The Board asked that the document be revised and presented to its next meeting for further discussion. The urgency and importance of assisting communities were acknowledged. Board Members offered to help with the development of the document.

123/18 PROCUREMENT APPROVAL

Confidential item

124/18 PROMOTION OF A CLOSE RELATIVE OF AN EXISTING EMPLOYEE

The Board noted a report which described the promotion of a close relative of an existing employee.

125/18 URGENT ACTIONS TAKEN

The Board noted the following requests for urgent action that had been approved:

- Provision of a Tenancy to a Close Relative of an Existing Employee
- Procurement of External Audit and Accountancy Advice
- Provision of a Tenancy to Close Relatives of Existing Employees
- Employment of Close Relatives of Existing Employees

126/18 COMMITTEE MINUTES

The Board received the minutes of the Governance Committee meeting held on 2 July 2018 and of the Audit Committee meeting held on 9 July 2018.

127/18 FUTURE WORK PROGRAMME OF THE BOARD

The Board noted its work programme for the ensuing year.

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

- He would consider how and when the development of a Communications Strategy could be built into the Board's work programme.
- He was developing a longer term business planning cycle for the Board. This would include opportunities for Board Members to share specific areas of expertise, such as in health.

12818 ANY OTHER BUSINESS

There was no other business.

129/18 NEXT MEETING

The Board noted that its next meeting was scheduled for Monday 5 November 2018 at 4.30pm.

The meeting closed at 7.10pm, having resolved to continue to sit after two hours.

CHAIRMAN