

FREEBRIDGE COMMUNITY HOUSING BOARD

Minutes of a Meeting of the Board held on Monday 9 September 2013 at 6.30pm in "The Barn", 2 Chapel Lane, King's Lynn

PRESENT:

Ray Johnson (Chairman)
Lesley Bambridge
Matthew Brown
Steve Clark
John Fox
Simon Gathercole
Ian Pinches

IN ATTENDANCE:

Tony Hall	-	Chief Executive
Sean Kent	-	Deputy Chief Executive
Colin Davison	-	Director of Property
Shendi Keshet	-	Interim Assistant Director of Finance
Angus MacQueen	-	Company Secretary

148/13 APOLOGIES

Apologies for absence were received from Frazer Clement, Bill Guyan, Paul Leader and Colin Sampson.

149/13 MINUTES

The minutes of the meeting held on 5 August 2013 were confirmed as a correct record and signed by the Chairman.

150/13 MATTERS ARISING

(a) Draft Statutory Accounts 2012/13 (Minute Number 121/13)

The Company Secretary explained that the External Auditor had made some small amendments to the Key Issues Memorandum and the Letter of Representation subsequent to their being approved by the Board. The amendments, which related to the prior year adjustment that had been required, were tabled, and the full, final versions of the documents would be posted on the Board Members' website. The Board acknowledged and accepted the changes.

The Deputy Chief Executive said that the Audit Committee would be asked to review the process of this year's audit.

(b) Rule Amendments (Minute Number 122/13)

In answer to a question, the Company Secretary advised that Freebridge's solicitors had agreed that the drafting of Rule D2.4 was unnecessarily repetitious. The repetition had been omitted from the version that would be presented to the Annual General Meeting for approval.

(c) Board Member Recruitment (Minute Number 123/13)

Ian Pinches, Vice-Chairman of the Audit Committee, confirmed that he had been in touch with the current co-opted member of the Committee, Karen Sly, as requested by the Board. Ms Sly had advised that she wished to continue as a co-opted member of the Committee.

(d) Use of Volunteers (Minute Number 126/13)

The Chief Executive advised that Management Team would be reviewing how Freebridge might make use of volunteers, and would report back to the Board.

(e) Swarm Apprenticeships (Minute Number 127/13)

The Deputy Chief Executive clarified that the number of apprenticeships likely to be achieved from the initial investment in the SWARM initiative was 10, rather than 20 as had been indicated in the report. The Board agreed that the initiative was still worth the investment.

The Deputy Chief Executive advised that SWARM had agreed to the safeguards relating to monitoring and phasing of payments, as stipulated by the Board.

(f) Zoots Nightclub Site (Minute Number 146/13(c))

Lesley Bambridge said that she would attend the Borough Council's Planning Committee when Freebridge's revised application regarding the Zoots nightclub site was considered.

151/13 DECLARATIONS OF INTEREST

There were no declarations of interest.

152/13 CHAIRMAN'S UPDATE

The Chairman said that, in addition to his weekly meetings with the Chief Executive, he had attended the "start-on-site" launch event for the Hillington Square project. This event had received good media coverage.

153/13 **CHIEF EXECUTIVE'S UPDATE**

(a) Hillington Square Project

Confidential

(b) Fraud Case

The Chief Executive tabled a letter which had been received from the Regulator requesting information regarding the case of fraud suffered by Freebridge earlier in the year. He also tabled Freebridge's response.

[Confidential wording]

(c) Human Resources Conference

The Chief Executive said that Freebridge had been invited to speak at a Human Resources conference in London, about the impact of coaching on the organisation.

(d) EDP Business Awards

The Chief Executive reported that Freebridge would shortly be receiving a visit from the judges for the Employer of the Year category in the EDP Business Awards.

(e) Michelle Playford

The Board asked that its best wishes be passed on to Michelle Playford, Freebridge Director of Engagement, on the occasion of her wedding.

154/13 **VALUE FOR MONEY SELF-ASSESSMENT 2012/13**

The Interim Assistant Director of Finance presented a report which introduced the Value for Money Self-Assessment 2012/13.

The Interim Assistant Director of Finance clarified that the average cost of lettings in 2012/13 had been higher than the median by 40%, rather than lower by this amount as stated in the Self-Assessment. She also explained that the benchmarking for 2012/13 had been based on a very small number of peer group members, as many organisations had not yet submitted their returns.

In answer to a question, the Deputy Chief Executive explained that the peer group consisted of 63 stock transfer associations, of a similar size to Freebridge, based in the south-east (but not London).

The Board welcomed the Self-Assessment as a well put together and useful document, giving an overview of areas of good performance and those to target for improvement.

RESOLVED: That the Value for Money Self-Assessment for 2012/13 be approved as presented.

155/13 ANNUAL REPORT FOR TENANTS 2012/13

The Chief Executive presented a report which introduced Freebridge's proposed Annual Report for Tenants 2012/13.

The Chief Executive acknowledged that there were a number of typographical errors in the document; these would be corrected before the final version was printed.

The Director of Property advised that the most frequently completed repair was heating and hot water. This would be included in the Annual Report.

RESOLVED: That the Annual Report for Tenants 2012/13, as presented, be approved for publishing to Freebridge's tenants.

156/13 REVIEW OF EMPLOYEE HANDBOOK – TAKING INTO ACCOUNT PLAIN ENGLISH AND ANY CHANGES IN LEGISLATION

The Deputy Chief Executive presented a report which sought approval for the revised Employee Handbook, and which proposed a way forward for future amendments to the Handbook.

The Deputy Chief Executive explained that it had originally been considered that the Board should approve the Employee Handbook, and any amendments to it, as Freebridge did not have an overarching Human Resources Policy. Now that a Human Resources Policy was in place, the Handbook was effectively a set of terms and conditions falling within the parameters of the Policy. It was, therefore, suggested that Board approval for most amendments to the Handbook was no longer required.

In answer to a question, the Deputy Chief Executive explained that the Sabbatical Policy, as set out in the Handbook, gave staff the opportunity to take unpaid leave for studying or voluntary work. It was good for the organisation, as it meant that an employee would not feel obliged to resign if they wished to undertake a period of studying or voluntary work. As yet, there had been no take-up of the Policy.

RESOLVED:

- 1) That the changes and updates to the Employee Handbook be approved, as presented.
- 2) That future amendments to the Handbook be approved by the Chief Executive, and no longer brought to the Board for approval, other than amendments affecting matters with which the Board is directly involved.

157/13 AMENDMENT TO FINANCIAL REGULATIONS

The Deputy Chief Executive presented a report which proposed an amendment to Financial Regulation 7.

In answer to a question, the Deputy Chief Executive confirmed that all managers would be informed of the amendment.

RESOLVED: That Financial Regulation 7 be changed through the addition of the following words at section 8:

Contracts under £10,000 in value may be concluded by way of a Letter of Intent. If a Letter of Intent is to be used consideration should be given to including a requirement for compliance by the contractor/supplier with any relevant Freebridge policies such as Equality and Diversity or Sustainability.

158/13 HILLINGTON SQUARE SERVICE CHARGES

The Director of Property presented a report which set out a proposal to introduce service charges to blocks at Hillington Square when they were relet following redevelopment. He said that the Board had previously agreed to introduce service charges at sheltered schemes, but that this would be the first time that Freebridge had extended service charging outside sheltered schemes. It was also proposed that properties being reoccupied would be at Social Rent, and that new lets would be at Affordable Rent.

In answer to questions, officers made the following points:

- The 15% management charge would be included as part of the service charge structure. This covered overheads, such as the costs of the Finance team.
- Should an existing tenant on Social Rent return to Hillington Square after their flat had been redeveloped, but to a different flat, they would remain on Social Rent.
- Only six out of 58 people who were moving out under Phase 1 would be moving back into Hillington Square.
- Under the new Universal Credit, some tenants would be eligible to have their service charges paid.
- With regard to leaseholders, 90% of the charges were already included in the lease. There would need to be discussion with each leaseholder with a view to inclusion of the remaining charges.
- New Government rules around rent revenue were less flexible in that, if these service charges were not applied, it may be necessary to raise all rents to cover them.

- Cases of particular hardship would be considered sympathetically.

[Confidential wording]

Whilst expressing concern at the impact of the service charges, the Board accepted that their introduction was necessary to maintain the required level of revenue.

RESOLVED:

- 1) That the introduction of service charges and Affordable Rent at Hillington Square for all new relets from 1 April 2014, as each phase of the redevelopment project is completed, be approved
- 2) That the introduction of service charges to all existing tenants returning to Hillington Square, from the date they return to their property, be approved.

159/13 REQUEST TO WRITE OFF FORMER TENANT ARREARS DEBTS OVER £2,000

The Deputy Chief Executive presented a report which requested the write-off of a number of former tenant arrears debts that were each worth in excess of £2,000.

In answer to questions, officers made the following points:

- An external contractor was used to pursue bad debts on the basis of a fixed fee for a search and a percentage of any rent arrears they were successful in obtaining. They had a limited amount of success.
- All of the cases listed were complicated ones, and efforts to resolve them, including court proceedings, had taken significant amounts of time.
- Freebridge had robust systems in place for the collection of debt, and these would be tested by the Internal Audit Housing Key Controls review to be undertaken during this financial year.
- Freebridge's Income team was a strongly performing one.
- Even when debts had been written off, they could be reactivated if an opportunity arose to recoup them in the future.

The Board accepted that the most appropriate course of action was to write off the debts listed, as it was very unlikely that Freebridge would be able to recoup the money owed, and there would be considerable costs involved in continuing to pursue it. It was noted that the new welfare reforms could result in increased levels of bad debt.

RESOLVED: That the write-off of the debts listed in the report be approved.

160/13 REQUEST TO WRITE OFF RECHARGEABLE DEBT OVER £2,000

The Deputy Chief Executive presented a report which requested the write-off of a rechargeable repair debt worth in excess of £2,000.

The Board accepted that the case described was an exceptional one, and that it was very unlikely that the money owed would ever be recouped.

In answer to questions, officers made the following points:

- Credit rating agencies were developing processes for the sharing of information about bad debtors. Officers would keep these under review and report back to the Board if it appeared that they could be of use to Freebridge.
- There was case law around whether a housing association could refuse a tenancy to someone who owed them money. Much of this was around the Council's determination of intentional homelessness.

RESOLVED: That the write-off of the debt listed in the report be approved.

161/13 EASTERN PROCUREMENT CONSORTIUM – FRAMEWORK CONTRACT FOR WINDOWS AND DOORS

The Director of Property presented a report which sought approval to enter into the Eastern Procurement Consortium new framework contract for windows and doors.

RESOLVED: That Freebridge enter into the Eastern Procurement Consortium framework contract for windows and doors with Wrekin Windows Limited, Ashford Commercial Limited and Anglian Windows Limited.

162/13 WORK UPDATE

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

- Action Sheet
- Future Work Programme of the Board.

Board members commented that the recent stock tour had been very interesting, useful and well organised. They placed on record their thanks to the Director of Property, the Director of Housing and the Governance Administrator for their organisation of and input into the event.

The Board noted the update.

163/13 ANY OTHER BUSINESS

There was no other business.

164/13 NEXT MEETING

The Board noted that its next meeting was scheduled for Monday 7 October 2013 at 6.30pm.

The meeting closed at 8.00pm.

CHAIRMAN