

THE BOARD

MINUTES of the **Public Meeting** held on **22 JANUARY 2009** at 14 Hounds Gate from 5:30 pm to 8:10 pm.

Board Members:

Ade Aderogba
Tim Bell
Anne Dean
Harry Everington
Martyn Kingsford
Peter Linford
David Liversidge
Margaret Pugsley
Paul Rowe (Chair)
Valerie Schneider
Janet Storar
Graham Ward
Malcolm Wood

Also in Attendance:

Julie Crook	Director of Finance, ICT & Governance
Mark Johnson	Director of Property Services
Chris Langstaff	Chief Executive
Janet Locker	Senior Governance Officer
Alison Mapp	Company Secretary & Solicitor
George Pashley	Director of Organisational Development
Amanda Schofield	Director of Strategy & Partnerships

08/53 WELCOME, INTRODUCTIONS & CHAIR'S ANNOUNCEMENTS

The Chair welcomed George Pashley, the Director of Organisational Development to the meeting.

08/54 APOLOGIES FOR ABSENCE

Apologies were received from Graham Chapman.

08/55 DECLARATIONS OF INTEREST

None declared.

**08/56 CONFIRMATION OF MINUTES OF THE MEETING HELD ON
20 NOVEMBER 2008**

The Board adopted the minutes as a true and accurate record of the meeting subject to the inclusion of Tim Bell in attendance.

08/57 MATTERS ARISING FROM BOARD MINUTES

There were no matters arising from the minutes.

08/58 COMPANY SECRETARY'S REPORT

The Company Secretary & Solicitor presented a report and highlighted the main points.

08/58.1 Board Succession Plans

The Board was advised that four vacancies would arise due to the retirement provisions of the Articles of Association. The longest serving Members are required to retire from office as follows: Paul Rowe, Ade Aderogba (Independents), Janet Storar and Anne Dean (Tenant Board members)

The Board was informed that the Company would commence the recruitment and selection process, for both categories of Board members and a timetable would be brought to the next Board meeting in March. Volunteers from the Board would be sought to sit on the recruitment panels. With the support of the Chief Executive and the Company Secretary, the panels will need to consider the skills and level of expertise required of prospective candidates, bearing in mind the Company's involvement in future regeneration projects with the City Council to be facilitated by the proposed extension in scope and duration to the Management Agreement. In addition, the issue of diversity of the Board will need to be addressed.

08/58.2 Co-opted Members

The Board was also informed that they were required to annually review the Co-opted Members. The matter had been raised at the first Board meeting after the Annual General Meeting on 31 July 2008. The Board Members were reminded that the Board had originally wanted to try and address diversity issues and it was felt that the Board could use the Co-opted Membership to do that as well as encouraging Forum chairs to attend Board meetings.. The Board resolved to consider its options at that meeting.

The intervening Inspection and other Company business had resulted in the matter being deferred. The Company Secretary & Solicitor put two options forward for consideration. The co-opted Board members offered to withdraw from the meeting. This was not considered necessary as it was felt more practical to reach a decision on co-option following the next round of recruitment to establish what additional skills would be required. It was therefore proposed and agreed that Option A was the preferred option.

08/58.3 Use of the Company Seal

The Board was advised that a number of contracts had been sealed in accordance with the Company's standing orders; Tender and Contractual Procedural Rules.

08/58.4 Compensation Payments

The Board was asked to retrospectively authorise the payments of four compensation claims. The Board was advised that the payments were in respect of the complaints raised under the Company's 3C's procedure. The compensation payments were made in this way to prevent delays inevitably caused by referral to the Board. This would also avoid any possible risk of court action and associated court costs that could result from the delay.

This situation has arisen because the Company's Financial Regulations standing order states that any ex-gratia payment over the value of one thousand pounds (£1,000) was to be authorised by the Board.

The Company Secretary & Solicitor informed the Board that at the next review of the Financial Regulations standing order, in addition to any amendments deemed necessary by the Director of Finance, ICT & Governance, the compensation limit for authorisation could be reviewed and this would be subject to consultation with Nottingham City Council. The amendments would then be referred to the Board on the recommendations of the Audit Committee.

In addition, the Board gave consideration to delegating power to nominated Board Members to authorise payments in excess of one thousand pounds (£1,000) countersigned by an executive director,

However it was felt that the payments should be scrutinised and that reference to the Performance and Regulatory Committee would be the appropriate mechanism to achieve this.

08/58.5 Anti-Fraud & Corruption Framework

The Company Secretary & Solicitor informed that Board that the Anti-fraud and Corruption Framework had been considered by the Audit Committee on 8 December 2008 and they resolved to recommend the Framework to the Board for approval.

Tim Bell raised a concern about the wording contained in paragraph 3.2.5 of the Framework, second sentence which states "*They are encouraged through...*" he felt that the statement was too weak. It was proposed to substitute the word "*encourage*" for "*duty*". The Board agreed the proposal.

RESOLUTIONS

The Board:

- 1. note the preparations for the Board succession planning:**
 - (i) the retirement provisions in accordance with the Company's Articles of association;**
 - (ii) Tenant Board Member recruitment 2009;**

- (iii) Independent Board Member recruitment 2009;**
- (iv) the review of the Co-opted Board Member appointments;**
- 2. note the use of the Company seal;**
- 3. authorised the compensation payments in excess of one thousand pounds (£1,000) for the period August 2008 to December 2008; and**
- 4. approved the draft Anti-fraud and Corruption Framework, subject to the wording in paragraph 3.2.5 being amended by the Company Secretary & Solicitor.**

08/59 THE CHIEF EXECUTIVE'S UPDATE REPORT

The Chief Executive updated the Board on some of the ongoing key matters.

08/59.1 2008 Inspection

The CEX reported the result of the Inspection and that the inspection report was expected to be published by early February 2009.

The Board recognised that everyone had demonstrated a high level of commitment and contribution during the inspection period. The Chair said that he was extremely proud of everyone including the Board who had also participated in the inspection process.

The Director of Strategy and Partnership informed the Board that work was underway to put together a publicity campaign. The Board was advised that the Nottingham Evening Post had chosen to leak the result, however, they had indicated that they would run positive headlines.

The Board considered how they would communicate the news to the tenants and leaseholders.

The Board agreed that a message of thanks be conveyed to the staff for their contribution to a successful inspection result.

The CEX informed the Board that a staff roadshow would be held in February.

Malcolm Wood proposed that it would be a great opportunity for the Board Members to visit the local offices. The CEX supported the proposal and agreed that it would strengthen Board Members profile.

08/59.2 Forward Panning

The CEX outlined the key priorities for the Company over the next three years and confirmed that a three year business plan would be developed over the next few months.

08/59.3 Housing Management Operations Working Group

The Board was advised that during the run up to the Inspection a number of strategies and policies were either refreshed or developed. The number of these documents, and time constraints imposed on the Company would have stifled normal Board business; this meant that the documents did not get Board approval. It was proposed that a working group be established to progress the documents.

The Board was asked for volunteers. Martyn Kingsford, Janet Storar and Valerie Schneider volunteered.

08/59.4 Audit Commissions Report into the Allocation and Letting Service

The CEX stated that further to the briefing given to Board Members a list of the recommendations had been prepared. The document was circulated at the meeting. The CEX confirmed that NCH would be accepting the recommendations of the report.

The CEX reminded the Board that the meeting was a public meeting and therefore individual cases could not be discussed. However, the Board was reassured that a mechanism would be put in place to thoroughly investigate the allocation and employment issues. He further advised that legal advice was being sought and a meeting had been arranged with a Barrister for 23 January 2009 in relation to the Report.

The CEX further stated that the Company was working very closely with NCC to progress the recommendations of the Report.

When the CEX was asked by the Board whether there could be a re-occurrence of the issues, he confirmed that it could not and that he was satisfied and confident that the culture of NCH, and systems that were operated had been significantly changed to prevent it happening again.

Graham Ward raised his concern about an article which had been posted on the "*this is Nottingham*" website by the Vice Chair of the Homes4Us Forum. The CEX advised that any issues concerning this individual's actions were a matter for the Tenants & Leaseholders Congress.

The Board was informed that the Report would be reported to Full Council at NCC on 9 February 2009.

The CEX asked how the Board would like to be kept informed and whether by an update at one of the Board's Committees. The CEX confirmed that he met with the Chair and Vice Chair on a regular basis and would keep them apprised of the situation. The Chair suggested that an update could be issued on yellow paper.

08/59.5 Approval of Contracts

The Director of Property Services asked the Board to note:

- (i) the appointment of Vinshire Plumbing & Heating Ltd and Superior Plumbing Installations Ltd and approve the contract for new and

replacement heating systems contract in line with the published Decent Homes Programme; and

- (ii) the appointment of Yorkshire Windows and Nationwide Windows and approve the contract to supply and install windows for the Nottingham Secure Scheme in line with the published Decent Homes Programme.

RESOLUTIONS

The Board:

- 1. note the contents of the report;**
- 2. establish the Housing Management Operations Working Group and note that Martyn Kingsford, Janet Storar and Valerie Schneider volunteered to join the group;**
- 3. note the appointment of the appointment of Vinshire Plumbing & Heating Ltd and Superior Plumbing Installations Ltd;**
- 4. approve the contract for new and replacement heating systems contract in line with the published Decent Homes Programme**
- 5. note the appointment of Yorkshire Windows and Nationwide Windows;**
- 6. approve the contract to supply and install windows for the Nottingham Secure Scheme in line with the published Decent Homes Programme; and**

08/60 2009/10 BUDGET

The Director of Finance, ICT & Governance (DFIG) highlighted the main issues and advised the Board on the current financial position. The DFIG advised that the NCH budget could not be approved until NCC's Executive Board had met on 17 February 2009 to approve the NCC budget including the rent and service charges for the next financial year.

Malcolm Wood confirmed that the decision should be made by the Labour Group on 26 January 2009 and then ratified at the February meeting. The DFIG explained that NCC needed to give twenty-eight days notice for the rent increase and that the notice needed to be issued in readiness for the beginning of the new rent year.

The Board was informed that the draft Housing Revenue Account (HRA) assumed a rent increase of six point four per cent (6.4%) which was in line with Government guidance. If NCC did not make the decision there would be implications for the future years, however, the tenants would be protected against rent increases greater than RPI plus of half per cent increase (½%) plus two pounds (£2) per week.

Martyn Kingsford raised concern over the current economic climate and the possible implications for the Company in the future should deflation arise.

The DFIG informed the Board that for every one per cent (1%) below the assumed rent increase, the HRA would need to find seven hundred and ninety thousand pounds (£790k) from either the management fee or repairs budget. The DFIG advised that the Company's budgets had been examined line by line and savings could be achieved from leaving twenty eight posts vacant during 2009/2010. It was reported that further savings had been identified.

It was noted that the Board had previously requested that they would like to establish a community chest to support local projects within the community. The DFIG advised the Board that the establishment of a community chest was unaffordable at this time. However, the Company was undertaking a tender exercise to appoint partner contractors to deliver the decent homes programme and it would hopefully be a contract condition for the partners to contribute on an annual basis.

RESOLUTIONS:

The Board:

- 1. approved the general principles to be adopted in the formulation of the Nottingham City Homes budget; and**
- 2. noted the remainder of the report.**

08/61 NOTTINGHAM CITY HOMES CAPITAL PROGRAMME

The Director of Property Services updated the Board on the current and proposed Capital Programme following the Audit Inspection. The Board was advised that additional funding of one hundred and seventy-six thousand two hundred pounds (£176.2m) was expected from Government funding and the remainder of the funding was expected from Council resources. However, as a result of the reduction in capital receipts, this has left NCC with a significant shortfall of resources.

The DPS advised that the Company was working in partnership with NCC to address the shortfall. A number of options were identified.

Tim Bell was of the opinion that the Board was not in a position to make a decision on the option to choose, however he asked for an assurance that when the best option decision is made that the Board is included in the process. The CEX confirmed that the Board would be included in the decision making process.

Martyn Kingsford requested that financial awareness training be provided as part of future away days.

The Board noted the report.

08/62 FORWARD PLAN

The Forward Plan for the Board and considered.

The Board noted the Forward Plan.

08/63 ANY OTHER BUSINESS

None.

08/64 DATE OF THE NEXT MEETING

The Board agreed that the date of the next meeting is scheduled for 19 March 2009 in the Board Room, 14 Hounds Gate, Nottingham, NG1 7BA at 5.30pm.

The Meeting ended at 8:10 pm.

SIGNED..... DATE.....