

**SOLIHULL COMMUNITY HOUSING
NON CONFIDENTIAL MINUTES OF THE MEETING HELD ON**

MONDAY 18 JUNE 2018

ENDEAVOUR HOUSE

Present: Ashley Lane – Chair
Patricia Smith – Vice Chair
David Bell
Ben Burton
Jenny Fletcher
Julie Hlland
Andy Mackiewicz
Nigel Page
Louise Tubbs
Chris Williams

In attendance: Fiona Hughes – Chief Executive
Peter Stoate – Chief of Assets and Business Development
Sam Gilbert – Chief Financial Officer
Siân Humphreys – Head of Customer Experience &
Business Support
Fiona Pethick – Central Consultancy and Training
Mary Moroney – Company Secretary
Sarah Brookes – Minutes

(i) Welcome and apologies:

The Chair welcomed Fiona Pethick to the meeting, in attendance, for Item 3 and to observe Board Behaviours.

Apologies were received from:

Blondell Maynard and Fay Shanahan

(ii) Admission of late papers: SCH Governance Review and Contract Procurement Proposal Paper.

(iii) Declarations of Interest:

Andy Mackiewicz advised he is a Director of AMPA Associates
Jenny Fletcher leases properties to SMBC
Ben Burton advised that he has held a meeting with Jessup Construction Ltd

1. Minutes of the Non-Confidential Meeting held on 30 April 2018 and Matters Arising

- 1.1 The minutes were reviewed and agreed as a true and accurate record with the exception of one typing error. Andy Mackiewicz is a Director of AMPA Associates. This was amended on the minutes.
- 1.2 The matters arising from the meeting have been completed or included on the agenda.

DECISION THE BOARD

- (i) **APPROVED** the minutes of the Non Confidential meeting held on 30 April 2018

2. Action Log

- 2.1 The action log was noted and it was agreed that there would not be an additional away day in December. The Health and Safety workshop will be included on the agenda for October 2018.

DECISION THE BOARD

- (i) **APPROVED** the Action Log

3. Governance Review

- 3.1 Fiona Pethick thanked members for contributing to the Governance review and they were asked to approve the new standing orders, rules for contracts and financial regulations for SCH.
- 3.2 Fiona Pethick, presented the revised set of documentation and a summary note responding to the comments received from Board members. These comments were considered in the meeting. Some Board members were concerned that the role of independent board members was becoming more prominent, relative to the tenants and the Councillors. They were assured that this issue had been addressed in the latest draft. Each document was approved subject to the amendments listed below.

Standing Orders

- An amendment to 3.10 to read: "All board members are required to uphold the Code of Conduct which is regularly updated and approved by the board from time to time."
- An additional phrase would be added to the last bullet of 17.2 in the Standing Orders, reading as follows: "Significant changes to the structure of SCH executive should be shared with the Board."
- An additional bullet would be added to section 17.2 of the Standing Orders (p11) as follows: "Inform the Chair (and where appropriate the

Board) of any misconduct allegations of the Executive Management Team.”

- A reference would be added to Annex 2 “Specific Delegations from SMBC to the Board” to confirm that the source was the Management Agreement with SMBC, which in the event of any discrepancy would take precedence over the Standing Orders.

Terms of Reference for each Committee

- An amendment to paragraph 2.1 to read “The Board will appoint the Chair of the [] Committee, after taking advice from the Chair of the SCH Board.”
- A change to paragraph 2.2, each Committee should now have at least four members rather than three.
- An amendment to 4.1 from “The quorum necessary for the transaction of business shall be two, including one independent board member.” to “The quorum necessary for the transaction of business shall be three.”

Code of Conduct

- It was agreed that A8 of the Code of Conduct (page 64) would be reworded as follows “You must not engage in any inappropriate political or campaigning activity that might compromise the position of SCH by making use of information obtained in your position on the Board when campaigning.
 - Delete the sentence at A8 “Those Board members or involved residents, who are not already Council Members, intending to stand for political office must discuss the matter with the Chair. Members of Staff should similarly discuss their candidature with their line manager.”
- 3.3 After a discussion about the independence of the Company Secretary and concerns about the role reporting within SCH, albeit indirectly to the Chief Executive, it was agreed that this would be considered further with the new Chair and with information from other ALMOs.
- 3.4 The discussion about the role of the Vice Chair concluded that, while there was no provision for such a role in the Articles, such a role could be created by the Board if it wished. Clarity would be needed about what was expected of a Vice Chair in terms of time commitment and expertise, and whether they would automatically step in, in the longer-term absence of the Chair. It was agreed that this would be reviewed when the new Chair of SCH was in place.

3.5 The Board noted the further governance work listed in the Board paper.

DECISION

THE BOARD

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| (i) APPROVED | New Standing Orders, Rules for Contracts and Financial Regulations for SCH subject to amendments agreed at the meeting (listed above). |
| (ii) APPROVED | <p>Terms of Reference for each Committee of the Board</p> <ul style="list-style-type: none"> • Housing Operations Committee • Audit and Risk Committee • Development and New Business Committee • Remuneration Committee |
| (iii) APPROVED | Code of Conduct |
| (iv) APPROVED | Board Member Role Description |
| (v) NOTED | <p>Further governance work is being carried out with the aim of delivering:</p> <ul style="list-style-type: none"> • New terms of reference for the Scrutiny Committee • A new Board Agreement for Services |

4. Chair's Report from the Audit Committee Meeting held on 11 June 2018

- 4.1 The final accounts were presented to the committee and some amendments were proposed and accepted to the Chair's Statement, Strategic Report and Statement of Internal Control. Following the amendments, the committee recommended the approval of the Statutory Accounts for 2017/18 including the report and Statement of Internal Control.
- 4.2 The committee raised concerns about the rents income audit and they required reassurance that, in future, if a significant issue is identified that Board members are immediately made aware of the situation by the EMT before Internal Audit report findings to the Audit Committee.
- 4.3 A discussion took place about the incorrect increase of rents on, temporary accommodation (TA), HRA properties. The Board were satisfied that the correct control measures have now been put in place to ensure that a similar occurrence could not happen in the future.
- 4.4 Following legal advice from an external solicitor, the rent setting legislation was clarified and there were approximately 80 properties affected, all of the accounts were corrected prior to the new year of 2018 and reimbursements were applied to the accounts. The Board requested clarification that SCH

did not take any tenants to court as a consequence of the 137% increase in rent on TA. This action was noted and an update will be provided.

- 4.5 The external auditors confirmed that the audit had gone very well and there were no issues in respect of accounting policies or related estimates of judgements. It was noted and the Board members recognised the good work of those involved with the audit.

DECISION	THE BOARD
(i) APPROVED	the Statutory Accounts for 2017/18 incorporating the Strategic Report and the Statement of Internal Control.
(ii) DELEGATED	authority to the Chair of the Board to sign the letter of representation on behalf of the Board.
(iii) DELEGATED	authority to the Chair of the Board, Chair of the Audit Committee and Chief Executive to sign the final accounts.
(iv) NOTED	the actions taken by the Committee

5. Financial Performance Update

- 5.1 The report provided an update to the Board of the capital and revenue financial outturn for 2017/18 within SCH and for the HRA.
- 5.2 The HRA reserves were discussed and a Board member asked if the council had a plan for the HRA reserves. It was thought that it would be beneficial to have a long term strategic plan for the HRA reserves/surplus. It has been approved that the 1-4-1 RTB receipts will be used to finance property acquisitions.

DECISION	THE BOARD
(i) NOTED	the revenue and capital outturn for SCH – 2017/18
(ii) NOTED	the latest draft of the HRA outturn for 2017/18
(iii) NOTED	the end of year reserves position
(iv) APPROVED	the use of £50,000 from the Budget Strategy Reserve to fund the appointment of a Project Officer to support the localities project in 2018/19.

6. Chair's Report from the Housing Operations Committee Meeting held on 14 May 2018

- 6.1 The report provided an update following the implementation of the Homeless Reduction Act and the impact on Solihull. Chris Williams reported that the time per case has increased and the assessment interviews are twice as long as the previous interviews.
- 6.2 The accommodation for the Home Options service at Coppice Way is under review; a Task and Finish group has been set up to ensure our requirements for staff and the service provision are identified and used to formulate an options appraisal.
- 6.3 The Board were provided with an update about the youth accommodation arrangements. Lakeside is being considered as an option however permission has not yet been sought from SMBC and residents have not been contacted. Committee members considered that it would be very positive to re-develop Lakeside since we do not currently have affordable supported housing in Solihull.
- 6.4 Adult Social Care have not confirmed that they wish to relinquish the accommodation at Lakeside and this formal process will need to be undertaken before any further options can be considered.
- 6.5 Fiona Hughes confirmed that we need to undertake a financial assessment and an update will be provided during the away day in October 2018.
- 6.6 In the meantime, we are leasing 5 units in Yardley House. The Youth Hub are also using alternative accommodation in Birmingham.
- 6.7 Subject to Council ratification, the Board approved the contract procurement proposal for the envelope and cyclical maintenance work to low rise properties including houses, bungalows and maisonettes. The contract value is estimated at £15,000,000 based on a 5 year term.

DECISION

THE BOARD

(i) NOTED

the content of the report

(ii) NOTED

that the committee approved entering into the procurement process for the following contracts:

- Vehicle Fleet Provision and Maintenance
- Clearance and Repair of Underground Drains
- Communal Decorations to High and Low Rise Properties
- Tarmac and Resurfacing Works
- Asbestos Survey and Analysis

- (iii) APPROVED** the procurement process for the Programmed Improvement Works Contract with an estimated value of £15m over 5 years.

7. Health & Safety Update for Year End 2017/18 Review

- 7.1 The report provided an annual summary of the Health and Safety and compliance performance. The key matters arising from the report were discussed.
- 7.2 Andy Mackiewicz suggested writing to Union Members to offer them the opportunity to attend the Board meetings. Fiona Hughes agreed to draft a letter to the Union.
- 7.3 It was suggested by Andy Mackiewicz that we should take a holistic review of our fire safety procedures and produce a document that provides the rationale for why we deem our properties are safe and compliant “Safe by Design”. It was suggested that the document should include the building design, structure, access for emergency vehicles and a contingency plan if our “stay put” policy does not work. The document could also be used, if necessary, to defend against corporate manslaughter. It was agreed for Andy Mackiewicz to draft a scoping document of what he is suggesting and how this will help the organisation. The scope will be sent to Fiona Hughes and James Gorton for review.
- 7.4 James Gorton endorsed the fire and risk assessment procedures that we have in place and confirmed that the fire service have inspected all of our 37 high rise buildings. Recently, the fire service have used Keble House, high rise building, to train their officers.
- 7.5 James Gorton clarified that Slips, Trips and Falls are covered by risk assessments. Andy Mackiewicz suggested implementing a policy to cover this subject.

DECISION THE BOARD

- (i) NOTED** the contents of the report
- (ii) NOTED** the accident summary provided in appendix 1

8. Hackitt Report Summary

- 8.1 The report provided a strategic overview of the details and key recommendations of the Hackitt report that was published on 17 May 2018.

- 8.2 The report only provides recommendations for fire safety at this stage and the next stage will be a review by Government to determine if and how the recommendations are to be translated into legislation and the timeline.
- 8.3 The Chair confirmed that building owners need to take responsibility for their own buildings. SCH and the Council have a good track record in the specification and management of building safety and fire prevention. However, it was established that the recommendations will have a significant impact on our processes and policies.
- 8.4 The Board provided thanks to the report author and will await further reports.

DECISION THE BOARD

(i) NOTED the contents of the report

9. Forward Plan

- 9.1 This will include an item for updating the Board on the new Brand during the meeting in September.

10. Reflections on Board Behaviours

- 10.1 Fiona Pethick provided feedback about the behaviour of the Board members during the meeting:
- Members were more strategic and refrained from getting involved with the operational detail.
 - All members engaged during the meeting however further progress can be made for all members to contribute to group discussions.
 - At a point during the meeting there was a lapse in concentration and ability to stay focused. Engaging in the discussion will help to overcome this weakness.
 - It is very positive that members thanked SCH staff for their reports and contribution to the meeting.
 - It was encouraging that individuals persevered with items that needed more clarity/understanding.
 - The reports from the Committee meetings were very comprehensive
 - It was suggested that members should go through the Chair and not have separate discussions with members close to them.

Any Other Business

The Chair confirmed that the Board meeting was Peter Stoate's final engagement for SCH and thanked Peter for his time with the organisation.

The members provided a thank you to the Chair for his contribution and perseverance especially when this has not been remunerated.

Ashley accepted the thank you and explained that it had been a pleasure to perform the role and although there had been difficult times, overall he was pleased that the organisation remained successful and wished SCH and his successor the very best.

The meeting ended by Ashley confirming that SCH is here for the benefit of the community and the work of the Board members will be judged by the community especially when positive outcomes are delivered to the people of our community.

The non-confidential meeting was concluded at 8.45 pm

The next meeting will be on 10 September 2018 at 7.30 pm

Signed as a true record of the meeting:.....
(Chair)

Date: