

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

**MONDAY 10 SEPTEMBER 2018**

**ENDEAVOUR HOUSE**

**Present:** Richard Hyde – Chair  
Patricia Smith – Vice Chair  
Ben Burton  
Jenny Fletcher  
Julie Hlland  
Andy Mackiewicz  
Nigel Page  
Louise Tubbs  
Chris Williams

**In attendance:** Fiona Hughes – Chief Executive  
Sam Gilbert – Chief Financial Officer  
Business Support  
Patricia McCabe – Central Consultancy and Training  
Mary Moroney – Company Secretary  
Sarah Brookes – Minutes

**1. Welcome and apologies:**

The Chair welcomed Nick Page and Sarah Barnes to the meeting, in attendance, for Item 6 and also Patricia McCabe who was in attendance to observe Board Behaviours.

The Chair advised members that he felt honoured to accept the role of Chair of the Board.

The Chair announced, with deep regret, the sudden death of a staff member whilst at work on 6 September 2018. Paul Wilkes was a long standing employee and the Chair asked members to stand for a one minute silence as a mark of respect. Paul was a member of the Asset Management Team and had been employed by SMBC/SCH for 36 years.

Fiona expressed her condolences to Paul's family and also to his friends and colleagues who were very saddened by the tragic news. Counselling and support has been offered to those that may require these services.

**Apologies were received from:**

David Bell

## 2. Declarations of Interest:

Ben Burton advised that he has held a meeting with Jessup Construction Ltd and dialogue with this company continues  
 Jenny Fletcher leases properties to SMBC  
 Richard Hyde advised that he is a Non-executive Director of HouseMark and that he runs a business in the Borough which employs staff; some of whom are SCH tenants  
 Andy Mackiewicz advised he is a Director of AMPA Associates

## 3. Minutes of the Annual General Meeting held on 18 June 2018

3.1 The minutes were reviewed and agreed as a true and accurate record.

### DECISION THE BOARD

(i) **APPROVED** the minutes of the Annual General Meeting held on 18 June 2018.

## 4. Minutes of the Non-Confidential Meeting held on 18 June 2018

4.1 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 18 June 2018.

## 5. Action Log Non-Confidential

5.1 The action log was noted and Fiona confirmed that work was in progress for reviewing the Role of Company Secretary. Consultation with other ALMO's confirmed that other ALMO's directly employ a person to cover this role and Fiona will arrange for a legal briefing note on this.

5.2 Council approval for a 5 year Envelope and Cyclical Maintenance Contract will be incorporated into the mid-term report that will be taken to the Cabinet Portfolio Holder for Housing and the Environment in December 2018. The Cabinet Portfolio Holder had previously approved a four year contract so this will be an amendment to the approval to extend the contract term for an additional year.

5.3 The letter encouraging the Trade Unions to attend the Corporate Health & Safety Meetings has now been sent on behalf of the Board to the relevant unions.

**DECISION                      THE BOARD****(i) APPROVED**        the Action Log.**6.        SMBC Council Plan**

- 6.1    The Chair was grateful that his first Board meeting involved the attendance of Nick Page and Sarah Barnes who were in attendance to deliver a presentation that would provide a strategic overview of the Council Plan; setting out the strategic direction of the Council until 2025. There will be a review in 2020. The Council Plan outlines the key areas of focus for the Council and SCH is a key partner in delivering on this.
- 6.2    Nick talked through the many significant changes in the context in which we work and the continuing development of the West Midlands Combined Authority (WMCA), of which Solihull is a constituent member, and election of the authority's first mayor, Andy Street.
- 6.3    Nick provided an overview of the fiscal challenges and provided statistics that depicted the economic position taking into consideration data from the past, present and future.
- 6.4    The key financial issues were presented and these included:
- The ongoing need to find budget savings
  - Significant pressures in adults' and particularly children's social care
  - The scale of what we are dealing with now
  - The government's Fair Funding Review
  - The future of the West Midlands 100% business rates retention pilot
  - The WMCA, securing Solihull's £636 million; external/new funding
  - Sticking to the 3 year plan for financial resilience
- 6.5    Nick discussed the many strengths of Solihull and the challenges for the Borough which includes the prosperity gap, creating growth for all and a changing population.
- 6.6    To address the challenges and opportunities facing the Council and achieve future service offers, five new steps need to be undertaken:
- Delivering inclusive growth
  - Planning and delivery of Solihull's low carbon future
  - Managing demand and expectation for public services
  - Developing and delivering the Council's approach to services for the most vulnerable and
  - Making the best use of our people and physical issues
- 6.7    Nick talked through the future service offer model and acknowledged that officers are undertaking more work within their roles than in previous years

and interacting, supporting and providing intervention to prevent people from requiring specialist services. A key activity over the next two years is the implementation of a locality working framework to enable teams from Solihull Council, housing, police, health, and fire services to work together even more effectively to meet needs in the local areas, and this work is being led by Fiona.

- 6.8 Fiona explained to the Board the key focus areas for SCH in the delivery of the Council's plan. This includes:
- Strategic Housing Framework and engaging with the private rented sector to support families facing housing need.
  - Creating conditions for communities to thrive through the locality working. Fiona is the lead for this work and it is an important element of the work of SCH to add value with the combined effort of our partners.
  - Transforming the service delivery through a digital offer.
  - Solihull Together which recognises the importance of aligning health and care priorities with wider opportunities to improve the lives of Solihull residents through developments associated with inclusive economic growth, transport, housing and support. There will also be an explicit focus on the work we do around specialist housing support e.g. Saxon Court and the Wellbeing service.
- 6.9 The Board commented on the information provided by both Nick and Fiona. It was suggested that more work involving apprenticeships and supported internships will have a positive impact on both the Council and SCH.
- 6.10 Patricia Smith was pleased to hear the content of the plan and was satisfied with the focus of SCH and its links with the delivery of the council's plan.
- 6.11 Nick suggested that if SCH wanted to explore in more detail performance outcomes against the Council Plan that they can contact Sarah Barnes who manages the reporting framework around the plan. This could help shape service delivery and where to focus resources.
- 6.12 Chris Williams discussed the high numbers on the housing waiting list and how the, potential, 2/3 year waiting time can impact on people's mental health and wellbeing. It was confirmed that the strategic housing framework will address affordable housing and specialist housing needs.
- 6.13 The Chair thanked Nick and Sarah for attending the meeting and Nick also thanked the Board for their time and feedback.

## **DECISION**

## **THE BOARD**

**(i) NOTED**

the content of the Council Plan.

## **7. Chief Executive's Update**

- 7.1 Fiona provided an update to the Board on the work of the Chief Executive and presented the proposed executive team restructure. This will involve a robust candidate assessment process, by Campbell Tickell, in which the Board members have already been invited to participate.
- 7.2 The restructure involves the establishment of three new executive director roles – all reporting in to the Chief Executive. The new directors will each oversee one of our three core business areas: Asset Management, Housing and Customer/Corporate services. In establishing the executive director roles, it has been necessary to delete the Head of Service roles. Therefore, the affected staff will be ring-fenced to the executive director roles.
- 7.3 The first stage of the implementation of the restructure will be recruitment to the executive directors overseeing the business areas of Asset Management and Housing.
- 7.4 Following a question about the time of the ring-fenced process, Fiona confirmed that the only time constraint concerns the consultation processes and these have been observed.
- 7.5 Jenny Fletcher asked about the role profile and Fiona confirmed that there are role profiles in place and they have been evaluated through a benchmarking exercise.
- 7.6 The next stage of the restructure will relate to customer/corporate services. In the meantime, Deborah Good will continue to oversee this area of work on an interim basis.
- 7.7 Following a question from the Board it was confirmed that if the two current Heads of Service are not appointed to the new Executive Director roles they will be assimilated into the Heads of Service roles.
- 7.8 The Chair stated that if we had a Human Resources and Remuneration Committee this is the sort of issues it would consider and report back to full Board. The Chair will consider this for the future. It was agreed that the Chair would look at draft terms of reference for this committee and report back to the next Board meeting.
- 7.9 Jenny Fletcher provided feedback on the proposed structure and identified that it is not good practice to have only one 'direct report' up the chain of command.
- 7.10 Following a question about branding, Fiona explained that progress has been made and Big Cat have been testing the branding ideas with our staff,

customers, partners and Board members. Big Cat are reporting the outcome of the testing to the Executive Management Meeting on 11 September 2018.

- 7.11 Sam Gilbert confirmed that works are progressing on HRA garage sites along with 2 West Mercia infill sites at Anglesey Avenue and Auckland Drive. The Board will be updated accordingly. These properties will be owned by SMBC and managed through SCH.
- 7.12 Chris Williams confirmed that he would like to be involved in the work reviewing the Allocations Policy. Fiona will ensure that Chris is involved along with opportunities for the wider Board to engage.
- 7.13 The Green Paper 'A new deal for social housing' was published in August 2018. The NFA summary of the Green Paper was also sent to Board members. The Green Paper is a consultation document and headline considerations have been outlined by Fiona in her report.
- 7.14 The Chair asked for Board members to engage in the consultation process and asked for feedback to be emailed to Fiona.

## **DECISION                      THE BOARD**

**(i) NOTED**                      the content of the report.

### **8.        Health and Safety Report**

- 8.1 Steve Sparkes confirmed the appointment of a new Health and Safety Manager and that Mark Pinnell from SCH was involved with the recruitment process.
- 8.2 As part of the Health and Safety review, a new role was proposed "Health and Safety Champion Non-Executive Director". This role will promote Health and Safety and act as an exemplar at the highest level both within and outside SCH.
- 8.3 Ben asked how the role would be covered if we did not have a skilled Health and Safety Board member. Steve Sparkes explained that there would need to be an agreed minimum standard and training would be provided to enable a Board member to fulfil the role. It was agreed that Andy Mackiewicz will devise a minimum standard.
- 8.4 It was proposed that Andy Mackiewicz was appointed to this role by Louise Tubbs and it was seconded by Patricia Smith. The Board members all agreed.

- 8.5 Chris Williams asked about how SCH are meeting the standard for front doors in terms of meeting the 30 minutes fire resistance (FD30), particularly in low rise properties. A discussion took place concerning the position with SCH properties. Mark Pinnell will be asked to prepare a note for circulation to the Board. Jenny contributed her understanding which will be covered in the briefing note.
- 8.6 The Health and Safety policy was agreed however Andy Mackiewicz requested that, when the policy is next reviewed, we engage staff in the consultation process.
- 8.7 Andy Mackiewicz clarified the position regarding a Corporate Manslaughter offence and how the Board would be responsible. A briefing note was attached to the report and Andy emphasised the need for the Board to understand and take seriously their responsibilities.
- 8.8 A separate meeting has taken place with regard to risk management and Andy Mackiewicz confirmed that he had spent several hours with Mark Pinnell and Steve Sparkes looking at Health and Safety and risk management around fire safety. A workshop is to be held in November facilitated by Steve Sparkes and his team and will include the new Health and Safety Manager. Interested Board members will be invited and a report will come back to the December Board meeting. The workshop will focus on looking at all the preventative measures in place to manage fire safety.

<b>DECISION</b>	<b>THE BOARD</b>
<b>(i) APPROVED</b>	SCH Corporate Health and Safety Policy.
<b>(ii) NOTED</b>	INDG417 guidance document.
<b>(iii) NOTED</b>	Non-Executive Director Health and Safety Champion.
<b>(iv) APPOINTED</b>	Health and Safety Champion – Andy Mackiewicz.
<b>(v) NOTED</b>	Corporate Manslaughter briefing note.
<b>(vii) NOTED</b>	Fire Safety Action Tracker – V20 dated 6/8/18.

Break from 7:38pm until 7:42pm

## **9. Financial Performance for Quarter 1 2018/19**

- 9.1 Sam Gilbert provided an update to the Board on the financial performance for the 3 months to 30 June 2018.

- 9.2 Sam confirmed that at this time she has no areas of concerns and was confident that the agreed savings for 2018/19 will be achieved.
- 9.3 Of the uncommitted Budget Strategy Reserve balance, the Board were requested to approve the use of up to £134,000 in order to fund an additional HR Officer for a 2 year period from October 2018.
- 9.4 Fiona has worked with Human Resources to identify the work required in the foreseeable future including a review of the appraisal system and HR policy review, wellbeing for staff and work around the culture of SCH. The inclusion of this additional post will enable the required tasks to be completed within a timeframe agreed by SCH and will help improve our performance and provide even better services to our staff.
- 9.5 The post will need to have a professional qualification for example CIPD and Fiona confirmed that there is a job description and person specification for this role.
- 9.6 The Chair stated that again this is something that, in future, will be considered by the HR and Remuneration Committee.

**DECISION****THE BOARD**

- (i) NOTED** the financial performance for 3 months to date of the current financial year 2018/19 and the latest forecast to year end.
- (ii) NOTED** the progress on delivery of 2018/19 planned savings.
- (iii) NOTED** the current and forecast reserves position.
- (iv) APPROVED** the use of £134,000 from the Budget Strategy Reserve to fund the appointment of an additional Human Resources (HR) advisor for a 2 year period from October 2018.

**10. HRA and SCH Budgets 2019/20**

- 10.1 Sam Gilbert provided an update on the financial plan for SCH to deliver financial sustainability including delivery of HRA savings required for the years 2019/20 to 2021/22.
- 10.2 The next financial year (2019/20) will be the eighth year of HRA Self-Financing and at the Board in May 2018 they were presented with an update on the preparation of the coming 10 year financial horizon. This informed the basis of the Budget Report. The budget report will also set out the saving proposals recommended by EMT for the years 2019/20 – 2021/22 complete with a timetable for budget preparation. After approval by

the SCH Board it will then be presented to the Council's Budget Strategy Group on 2 October 2018.

- 10.3 A discussion took place concerning the 3 year savings plan and early delivery of some savings has also led to revisions of the original plan that was agreed by the Budget Strategy Group last year for 2018/19 – 2020/21. The replacement totals show an overall net increase of £175k savings being delivered.
- 10.4 It was highlighted that if we apply the future capital investment costs derived from the new Asset Management system, implemented in 2017/18, this increases the total by £9,076k over a four year period and this is unsustainable and an unaffordable programme in the long term.
- 10.5 It is recommended that the capital programme is reduced back to the original plan level except for in 2021/22. It is also recommended that more analysis and planning is undertaken during the year including benchmarking with other organisations to identify appropriate and feasible assumptions.
- 10.6 The Chair agreed the recommendation to complete more analysis work and it was agreed that the Asset Management Team need to undertake this review and produce a revised programme. Andy Mackiewicz confirmed that we must maintain our Housing stock but also identify the best value products.
- 10.7 Sam Gilbert confirmed the Task and Finish Group will lead on this review and members can be involved. EMT will review the terms of reference for the Task and Finish group.
- 10.8 The HRA position was discussed and although this does not account for any financial implications of the Executive Management Structure, any financial implications will be brought back as required.

<b>DECISION</b>	<b>THE BOARD</b>
<b>(i) NOTED</b>	the outline HRA budgets for 2019/20 – 2021/22.
<b>(ii) APPROVED</b>	the revision of SCH savings as set out at Table 2 of the report.
<b>(iii) APPROVED</b>	the savings proposed in order to meet the requirements of a 3 year balanced HRA budget.
<b>(iv) APPROVED</b>	a detailed review to be undertaken of the requirements for future capital investment.
<b>(v) RECEIVED</b>	a further report for the detailed 2019/20 SCH operating budget on 10 December 2018 for approval.

**(vi) NOTED** the SCH reserves position.

## **11. Performance Report/Scorecard for Quarter 1 2018/19**

- 11.1 The report provided an update on the performance against the business critical KPI's at the end of quarter 1 (30 June 2018) where targets have not been met.
- 11.2 The new SCH balanced score card is designed to show the overall health of the organisation in relation to meeting KPI targets and achieving delivery plan objectives, with a RAG rating.
- 11.3 Fiona was pleased to report that, currently, we do not have any targets that have not been met (red) and only 5 were off target but within the tolerance (Amber rated).
- 11.4 Chris Williams confirmed that the average stay in temporary accommodation (HO1) may become more challenging however this will be reviewed in detail by the Housing Operations Committee on 17 September 2018.
- 11.5 It was agreed to have a focus on performance during the next Board meeting. The Chair asked for thanks to be passed on to staff for the good work they have completed to achieve the current KPI targets.

### **DECISION THE BOARD**

**(i) NOTED** the overall performance outturn and the commentary, listed in Appendix A, on those KPIs where targets have not been met.

## **12. Minutes of the Confidential Meeting held on 18 June 2018**

- 12.1 The minutes were reviewed and agreed as a true and accurate record.

### **DECISION THE BOARD**

**(i) NOTED** the minutes of the confidential Meeting held on 18 June 2018

## **13. Action Log**

- 13.1 The Board supported the Chair's decision to delay the appointment of the two vacant Board member posts.

## **14. Rents Income Collection Audit - Temporary Accommodation**

- 14.1 The report was requested by the Chair and updated the Board with details

regarding the incident, its impact and most importantly the lessons learned from increasing HRA property rents used for Temporary Accommodation in 2017/18.

- 14.2 Sam Gilbert provided some additional information that had been obtained from the Rent Control Team:
- It is not possible to identify the total number affected by the error; however 165 were on Housing Benefit. We were unable to identify those on universal credit since this goes direct to the individual.
  - 31 accounts were clear or in credit before the correction was made.
  - 53 accounts were clear or in credit after the adjustment to the accounts had been made.
  - In total 4 credits were made and 4 refunds.
  - No recovery proceedings were taken.
  - No correspondence or complaints were received with regard to the error.
- 14.3 Sam talked through the report and focussed on the lessons derived from the incident.
- 14.4 Jenny Fletcher expressed concern with regard to the rating of the internal audit report, level 3, when the issue had been reviewed by the audit team. Sam confirmed that the rating was scored at a level 3 as there was no impact on the SCH company accounts following the incident. The system was rated as acceptable 'Moderate Assurance - the control framework is adequate but a number of controls were not operating effectively.
- 14.5 Sam Gilbert clarified that the issues leading to the error have been eliminated and is confident that a similar issue will not re-occur.
- 14.6 The Board were comfortable that lessons have been learnt from this error however requested confirmation that there are no other areas elsewhere within SCH that will have detrimental errors on the business. Sam Gilbert confirmed that the core services are audited and these take place annually.
- 14.7 It was acknowledged that in future the Board will be notified of issues that may impact on the business and have negative consequences.
- 14.8 The Chair explained that he will be reviewing the terms of reference for the Audit and Risk Committee and will also review how the Board internally regulate SCH. Benchmarking against other organisations will also need to take place for compliance with corporate governance.

## **DECISION**

## **THE BOARD**

- (i) NOTED** the contents of the report.
- (ii) CONSIDERED** whether any further action is required.

**15. Board Forward Plan**

15.1 Budget setting needs to be included for May 2018.

**16. Review of the Board Meeting**

16.1 Patricia McCabe recommended that it would be useful for the Board members to review their own behaviour. Nigel Page provided feedback and explained the Board members were appropriately disciplined and made suitable contributions when required. Patricia McCabe suggested that Board members should listen carefully for guidance from the Chair and this will help guide the debate.

**Any Other Business**

The Whistleblowing policy was raised and it was agreed that the Chair will be the Whistleblowing Champion for the Board. The policy will make it clear that whistleblowing can be reported through the chair or another Board member.

The Chair would like feedback regarding the timing of the Board meeting and asked for this to be emailed to him. The Chair explained that he would like the Board members to meet the staff more regularly and he will provide further information during the next meeting.

The Chair was very satisfied with the debates that had taken place during the meeting and thanked everyone for their participation.

The meeting was concluded at 8.51 pm

The next meeting will be on 22 October 2018 at 6pm

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

Date: .....