

## ASHTON PIONEER HOMES

### MEETING OF THE Board of Directors Held on Thursday 18<sup>th</sup> February 2016

Commenced : 6.00 pm

Terminated : 8.20pm

Present :	David Postlethwaite (Chair)	Council
	Joyce Bowerman	Council
	Helen Bradbury	Tenant
	Gerald Cooney	Council
	Stephen Greenwood	Independent

Also in

Attendance : Tony Berry, Chief Executive  
John Auty, Director of Finance & Administration  
Peter Marland, Director of Housing  
Dorothy Moore, Personal Assistant

<p><b>16/1 APOLOGIES FOR ABSENCE</b></p> <p>Apologies for absence were received from Jane Atherton.</p> <p><b>16/2 DECLARATIONS OF INTEREST</b></p> <p>There were no declaration of interest to report.</p> <p><b>16/3 MINUTES</b></p> <p>The Minutes of the Special Meeting held on 4<sup>th</sup> November 2015 and the Ordinary Meeting of the Board held on 17<sup>th</sup> December 2015, were approved as a true and accurate record and signed by the Chair.</p> <p><b>16/4 CHIEF EXECUTIVE'S REPORT</b></p> <p><b>Business &amp; Financial Plan 2016/17</b></p> <p>The Chief Executive reported that work on the preparation of the 2016/17 Business Plan was progressing particularly in relation to the financial element in terms of re-financing and cash flow. There were also a number of influencing factors which would be incorporated into three year budgets, namely, welfare, housing supply and demand and rents. Stress testing of the plans would continue, with up-dates being provided to the Board at its next meeting in March 2016.</p>	<p><b>CEO/ DoFA</b></p>
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<p><b>Welfare Reform</b></p> <p>The Board were advised of the regular Government announcements relating to the continued roll-out of Universal Credit changes and other benefit issues, particularly Local Housing Allowance (LHA) and its effects on under 35's and supported housing restrictions.</p>	<p><b>DoHs</b></p>
<p><b>National Housing Federation Activity</b></p> <p>The Chief Executive reported upon a recent briefing from David Orr, Chief Executive of the National Housing Federation, summarising the changes and impact of the Voluntary Right to Buy agreement and the implications of the LHA cap. He added that he would keep the Board up-dated on any further developments.</p>	<p><b>CEO</b></p>
<p><b>Announcement by the Office of National Statistics (ONS)</b></p> <p>Following on from the ONS ruling for Registered Providers to be re-classified as "public sector", the Chief Executive advised the Board of the on-going dialogue between Government and the NHF whereby the Government has acknowledged that it was committed to reflecting the historic voluntary ethos of the sector and ensuring Housing Associations continued to be recognised as independent organisations. He stated that he would provide further updates throughout the year.</p>	
<p><b>Empty Homes (EHP) Up-Date</b></p> <p>The Chief Executive reported upon that clarification was still awaited from the Homes and Communities Association and the Department for Communities and Local Government in relation to the rent reduction elements of the Housing Bill and its effects on properties within the empty homes programme.</p> <p>It was also reported that a copy of the GMCA Empty Homes Consortium Agreement for 2015 – 2018 had very recently been received and the Chief Executive sought approval to sign the agreement once he had considered it in detail and deemed it to be appropriate.</p>	
<p><b>That approval be given to the Chief Executive to sign the GMCA Empty Homes Consortium Agreement 2015 – 2018, if, having considered it fully, deemed it to be appropriate.</b></p>	<p><b>CEO</b></p>
<p><b>Governance</b></p> <p>Further to Minute 8 of the Annual General Meeting on 15<sup>th</sup> October 2015, relating to the move to a Community Benefit Society, the Chief Executive reported that he had now met with the Chief Executive and Borough Solicitor of Tameside MBC to discuss the issues which had been raised at the AGM relating to appointments to the Board.</p>	
<p>The meeting had been positive and the Chief Executive would now be working on a draft document which would address the concerns of the Local Authority, but allow progress to continue on the change to charitable status. A further report would be submitted to the next meeting of the Board on 31<sup>st</sup></p>	<p><b>CEO</b></p>

March 2016.

### **Render Defect Up-Date**

The Chief Executive advised the Board that the render works were progressing and work was on-going in relation to the planning consent which was required for the final choice of finish to be used on the blocks. Additional works would also be undertaken to take advantage of the scaffolding being in place, namely window replacements and works to balconies and roof spaces.

### **Human Resources**

Following the recent review of the posts of Estate Services Assistant, the Chief Executive reported that a further two posts were currently being advertised together with the post of Neighbourhood Services Assistant which had recently become vacant.

### **Multi-Storey Car Park (MSCP)**

The Board were advised that the car park was now ready to be opened with negotiations between Tameside MBC and the NHS for 169 spaces, having been concluded. It was noted that a further 26 spaces would be let from 14<sup>th</sup> March 2016 at a higher charge. There were still some defects outstanding, but in relation to financial matters, TMBC would be dealing them until handover was complete.

### **Connecting APH Communities**

The Chief Executive reported that the surveys and technical design solutions associated with the wi-fi roll-out were being progressed with ITS.

### **Legal Services Tender**

In relation to the tender for the provision of legal services to Community Housing Associations, the Board were advised that the tender had been won by Brabners. Final negotiations on the scale of fees and details were being progressed by the Community Housing Associations North West Working Group, which would be reported to this Board on 31<sup>st</sup> March 2016.

**It was agreed that subject to the clarification of points outlined above, the Board approve the addition of Brabners to the Ashton Pioneer Homes, Approved List of Contractors.**

### **CCTV /Concierge Tender**

The Chief Executive up-dated Members in relation to the above tender stating that tenders had been received with further clarification was being sought in relation to some pricing anomalies and additional details relating to the type of handset to be installed in properties.

In order to proceed, the Chief Executive requested that in order to expedite the process, he would circulate the final tender analysis to all Board Members for comments and approval by the Chair, in advance of the next meeting of

**CEO/**

<p>the Board on 31<sup>st</sup> March 2016.</p> <p><b>Agreed that the Chief Executive be authorised to circulate the final tender analysis to Board Members for comments and approval by the Chair, as detailed above.</b></p> <p><b>Exceptional Letting</b></p> <p>The Chief Executive outlined, for Members information, the reasons for granting an “exceptional letting”, outlining this particular case (full details at Appendix A to this report) and requesting Board to ratify the consent given by the Chair on 25<sup>th</sup> January 2016.</p> <p><b>Agreed that the Board ratify the consent to an Exceptional Letting given by the Chair on 26<sup>th</sup> January 2016.</b></p> <p><b>16/5 BOARD TRACKER REPORT</b></p> <p>Consideration was given to the Board Tracker Report with specific reference being made to point 102 – Board Networking. The Board was advised that a new Chief Executive of Arcon had been appointed and it was now hoped that Chair/ Board Member networking would recommence.</p>	<p><b>CHAIR</b></p>
<p>The Chief Executive stated that the he would make further enquiries at the next Chief Executive’s Forum.</p> <p><b>16/6 MEMBER’S APPRAISAL REPORT FROM THE CHAIR</b></p> <p>The Chair submitted a report providing feedback on the Board Members and Chair’s appraisal, undertaken by the Chair and Deputy Chairs in 2015, which asked Members to rate their own performance; identify training and development needs; and identify current and future skills base for recruitment and development.</p> <p>The appraisals highlighted training requirements including risk management and governance together with a number of issues in particular, more challenging KPI’s and the need for Board Members to be more challenging in their approach to reports and the Company overall.</p>	<p><b>CEO</b></p>
<p>In relation to training, Members were reminded of the webinar training which was available to all Members on-line, which could be undertaken in their own time and at their own pace, and the Chief Executive agreed to re-issue log-in details.</p> <p>Reference was made to succession issues and it was proposed that consultation be undertaken with the Regulator in order that the Chair could continue to sit on the Board following the expiry of his Term of Office in 2016, if he so wished.</p> <p>Discussion also ensued in relation to Members of the Board meeting informally, without officers present and the Chief Executive agreed to facilitate such meetings but provide professional advice from officers, where appropriate.</p>	<p><b>CEO/PA’S</b></p> <p><b>CEO</b></p>

<p>The Chair also stated he would further consult with the Chair of the Asset Group in order to review operation of the Board and improve processes.</p>	<p><b>CHAIR</b></p>
<p><b>The Board approved the report.</b></p>	
<p><b>16/7 PERFORMANCE DASHBOARD (QUARTER 3)</b></p>	
<p>The purpose of this report was to provide the Board with performance data across our various operational activities for the year 2015/16 to date, showing comparisons with specific business and operational plan targets established for the two previous reporting years and included benchmark data from Housemark and Skills and Activity.</p>	
<p>Specific reference was made to former tenants arrears, particularly following eviction and the work which was being undertaken by the newly established Debtor Group in relation to recovery of all debt to Ashton Pioneer Homes.</p>	
<p>In relation to voids, performance was excellent, currently out-performing any of our peers. The Marketing Group had now met and was developing a marketing strategy to raise the profile of Ashton Pioneer Homes. It was hoped that the draft strategy would be available by 31<sup>st</sup> March 2016.</p>	<p>Marketing Group</p>
<p>It was stressed that further scrutiny of performance indicators was required in order to more accurately assess customer satisfaction by means of fewer, but more valid indicators. Until that process had been undertaken, with input from the Performance Group, current KPI's would remain in place.</p>	<p>Performance Group</p>
<p><b>16/8 GOVERNANCE UP-DATE</b></p>	
<p>The Chief Executive submitted a report providing an up-date on the modernising governance process, seeking approval to the adoption of the principle of the National Housing Federation 2015 Model Rules for Community Benefit Societies, charitable status, together with the desired changes to the rules of the Association.</p>	
<p>The Model Rules accommodated changes to current working practices and, if acceptable to Members, and after further discussions with Tameside MBC, would be submitted to an Emergency General Meeting of this Board for approval.</p>	<p><b>CEO</b></p>
<p>Specific reference was made to paragraph D2.1 relating to composition of the Board, together paragraph D12 in respect of extending terms of office in circumstances which would be in the best interests of the Association.</p>	
<p><b>Agreed that the Board approve the principle of the move to a Community Benefit Society and the adoption of the National Housing Federation 2015 Model Rules.</b></p>	
<p><b>16/9 MANAGEMENT ACCOUNTS (QUARTER 3)</b></p>	
<p>The Director of Finance and Administration submitted a report presenting the financial position of the Company for first half of the financial year 2015/2016, showing both the short term revenue income and expenditure, together with</p>	

longer term capital income and expenditure. The accounts showed the consolidated position of Ashton Pioneer Homes, Ashton Pioneer Developments Ltd., and Pioneer Homes Services, compared to the approved Budget. Included within the report were the calculations for covenants, based on those Management Accounts.

Whilst the Company was in surplus, there were factors which could affect performance and the balance sheet, namely :-

- The impact of welfare reform was still to be fully felt when all aspects of the legislation was in force. Budgets would be calculated to allow an anticipated worsening of the void, arrears and bad debt positions, but were loosely based on estimates only.
- Major spends on CCTV, door entry system and the render have all been scheduled into the second half of the year, but have been subject to delays with substantial costs falling into 2016/2017.

In addition the Board was also requested to write off former tenant's arrears amounting to £7,316.04.

**Agreed that the Board approve the Managements Accounts to 31<sup>st</sup> December 2015, together with the writing off of former tenant's arrears in the sum of £7,316.04.**

#### **16/10 TREASURY MANAGEMENT**

The Director of Finance and Administration submitted a report up-dating Board on progress against the Approved Treasury Management Statement 2015/2016, at the end of the first nine months.

The Cash Flow Statement showed the opening balance was over-stated in the original document, which changed as year-end spend increased beyond anticipated levels. There was no change to the facility value, other than the consolidation of some of the variable rates which had the same renewal dates on the short term fixes currently operating. There was no recommendation to change the current Treasury Management Strategy.

In relation to the Investment Account, notice had been given with the Nationwide and an Investment Account was still held with Santandar. HSBC accounts were now open, which would spread the risk on investments for Ashton Pioneer Homes. The Co-Operative Bank accounts were now closed.

Minimum cash balances of £150,000 had been maintained throughout the period, with loan repayments of £600,000 being made in Quarter One.

In conclusion, the Director stated that the period had been very positive, with full advantage being taken of the low LIBOR fixed rates on offer for variable rate loans at the present time. Cash flow was robust and able to meet the demands to be placed on in future. Later years would require a re-financing of the facility due to pressures arising from the render requirements.

**Board noted the progress to date.**

## 16/11 BUDGET AND RE-FINANCING UP-DATE

The Director of Finance and Administration submitted a report up-dating the Board on the progress of the budget and re-financing position together with a recommendation to appoint David Tolson Partnership Ltd. (DTP), to act for Ashton Pioneer Homes in relation to re-financing.

With regard to the budget and following on from the Board Strategy event in January 2016, the Director submitted a revised schedule of assumptions, a re-drafted budget together with an Income and Expenditure Account, Balance Sheet and Cash Flow from the Finance Plan, making specific reference to additional repairs to the tower blocks; render; CCTV tender; changes to Sage accounting system; and additional mobiles phones for new staff.

The documents did not include any of the related costs involved in re-financing the loan position, or no revisions for the effect of FRS 102. He added that they would also form the basis of the negotiations around the re-financing of the plan to ensure the future of Ashton Pioneer Homes remained on a firm foundation.

In relation to re-financing, whilst the Board had received a presentation from JC Rathbones at the event in January 2016, following further discussions with the Finance Directors of Community Housing, a representative of David Tolson Partnership Ltd (DTP), a consultancy company, was invited to discuss the re-financing of our facility.

The Consultant agreed that whilst we had the cash to commence the work and delay re-financing, the time was appropriate to advantage APH by utilising the low rates and cement our strong position. An offer was subsequently received which included additional benefits, including drafting a new Treasury Policy and Board training, together with a full review of our Brixx Finance Plan at an additional cost to the quotation of £2,000 maximum.

Full details of both proposals were submitted for Members' consideration.

Detailed discussion ensued in respect of both the budget and the re-financing proposals, with the Director agreeing to arrange a meeting for Board Members to meet representatives of DTP.

**It was agreed to the appointment of David Tolson Partnership Ltd., to review Ashton Pioneer Homes current funding and treasury position in the terms set out in their letter dated 12<sup>th</sup> February 2016.**

**The Board was also minded to approve Version 3 of the Budget, as submitted to this meeting, subject to details of revised cash flows being circulated to Members, with a final version being ratified at the meeting of the Board on 31<sup>st</sup> March 2016.**

## 16/12 LOCAL HOUSING ALLOWANCE (LHA) CHANGES

The Director of Housing Services presented a summary of the Government proposals to align Housing Benefit with the Local Authority Local Housing Allowance (LHA).

DoFA/  
CEO

<p>The implications of the changes would mean that LHA would not cover the rent for people on benefits and that Housing Benefit for single people in social housing under 35 years of age, without children, would be restricted to shared accommodation rates. This will have a major impact on social housing tenants who would only be able to claim the shared room rate, currently £56.10p in Tameside.</p> <p>The Housing Management Team were starting to put in place measures to collate data on the impacts of the changes through 2016 and 2017 and the Marketing Group would also need to consider the impact upon the marketing strategy.</p> <p>In conclusion the Director stated that the Board would be kept informed of progress and the likely impact on Ashton Pioneer Homes and its tenants.</p> <p><b>Board noted the report.</b></p> <p><b>16/13 SAFEGUARDING POLICY</b></p> <p>The Director of Housing Services, following implementation of the Care Act 2014 submitted a Safeguarding Policy for approval by the Board.</p> <p>The Policy set out the framework by which Ashton Pioneer Homes offers support and guidance, as follows:-</p> <ul style="list-style-type: none"> <li>• To ensure an Ashton Pioneer Homes named contact to offer advice, guidance, support and to identify next steps.</li> <li>• Ensure concerns were logged correctly and to support staff when making referrals to outside agencies, if required.</li> <li>• Monitor progress and response to referrals.</li> <li>• Monitor any safeguarding concerns, in conjunction with the staff member or referring agency.</li> <li>• Offer support to escalate concerns in line with the Local Authority escalation process.</li> <li>• Support staff members, where appropriate.</li> </ul> <p>The Director also reported that the Policy was required to be in line with that of the Local Authority Adult Safeguarding Policy, which had not yet been published. Any amendments required following publication of the Local Authority Policy would be brought back to Board for approval.</p> <p><b>It was agreed that the Adult Safeguarding Policy be approved and adopted, subject to any amendments required following the publication of the Local Authority Adult Safeguarding Policy.</b></p> <p><b>16/13 REVIEW OF 2015/2016 BUSINESS PLAN</b></p> <p>The Chief Executive submitted a summary of the review of the Business Plan for 2015/2016, which showed excellent progress, highlighting those areas which were on-going and those where decisions not to proceed had been taken.</p> <p><b>Board noted the report.</b></p>	<p>DoHS</p> <p>DoHS</p>
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CHAIR