



Board

23 June 2009

(5.00 – 6.50 pm)

Present: S Murphy (Chair), W Bowman, J Common, J Cuthbertson, W Drury, V Dunn, R Higgins, J McLaughlin, A Mirza, P J Morrissey, M O'Callaghan, J Reid, N Shukla, D Slesenger, L Stephenson.

In Attendance:

J P Lee	- Chief Executive
R Atkinson	- Director of Finance & Resources & Company Secretary
S Breslin	- Assistant Chief Executive and Director of Business
N Scott	- Director of Tenancy Services
D Creighton	- Executive Assistant to Chief Executive
M Dickson	- Company Administrator and Board Support Officer
B O'Doherty	- Head of Citywide Services
W Keilty	- Manager, Customer Service & Improvement
S Doyle	- Diversity Manager
L Forrest	- Head of Finance
A Lister	- Finance Manager (Technical)
K Embleton	- Finance Manager (Revenue)
K McDonald	- Business Strategy
P Hickey	- Finance & Resources
G Davidson	- Organisational Development
L Ainscough	- Business Strategy
S O'Donnell	

Observers:

J Hussain	- Newcastle City Council
J Coulson	- Newcastle Tenants Federation
N Stephenson	- Newcastle Tenants Federation
H Purvis	- Resident

126 WELCOME

The Chair welcomed V Dunn, council nominee, to her first meeting of the Board.

127 APOLOGIES

Apologies for absence were received from R Harral, G Keating and R Renton.

128 ITEMS RAISED, NOT ON AGENDA

(a) Concierge Review

R Higgins said that he had had comments from residents about how much they valued the resident concierge service; these comments had been fed back to the officer leading the review and he sought re-assurance that the future of the service had not already been decided upon.

N Scott confirmed that the consultation process was taking place and that no decisions had been made about the future of the service. He confirmed that Concierge staff worked 37 hours across six days and this would be taken into account during the review. He also said that there was no obligation for resident concierge staff to provide an out of hours service.

129 CORE VALUES

This was a participatory session about developing core values that would underpin everything that the organisation set out to achieve. Board worked in groups on two exercises (1) to identify the core values of different high profile companies and (2) to come up with core values for the organisation. Observers at the meeting were also invited to take part in this exercise. Feedback from the second exercise was as follows:

	Group 1	Group 2	Group 3
Super	Transparency	Integrity	Demonstrate
Uniform	Honesty	Customer comes first	Striving
Passion	Respect	Working together	Commitment
Excellent	Energy	Communications with people	Demonstrate willingness and treating customers fairly
Respect	Excellent		Striving for continued improvement
			Commitment to openness with all parts of the community

Observers

Consistency and fairness	Integrity
Respect	Honesty
Honesty	Caring
Integrity	

In concluding the session, J P Lee said that feedback from Board, staff and customers would be combined and the core values to be adopted would be recommended to a future meeting of Board.

130 STRATEGIC RISK REGISTER

S O'Donnell led a review of the Strategic Risk Register containing the major risks facing the organisation, concentrating on the red risks.

Decline in Housing Stock (Numbers)

Actions identified at the previous review session were either complete or nearly complete and the organisation was on track to deal with this indicator. It was considered that the controls were very good and that the current risk could be re-categorised to Amber.

Questions/Comments

- Commenting on the reduction in Right to Buy, a board member asked whether this was a result of market conditions or whether the organisation had control over the situation. J P Lee said that the lack of interest in Right to Buy was due to market conditions. If property prices were to reduce further there might be an increase in applications. However, it should be kept in mind that the discount was capped at £22,000 and that obtaining mortgages was more difficult.
- A board member asked whether regeneration schemes might trigger more interest in Right to Buy. J P Lee commented that as areas improved market values were enhanced and while this might make it easier to sell properties it also meant that it was more expensive to buy; as the Right to Buy discount was capped, this could deter Right to Buy applications.
- A board member asked whether the downturn in the market could affect the private development proposals for Riverside Dene. J P Lee agreed that there were concerns about the sale of the five blocks, however this was a matter for Newcastle City Council.

At the conclusion of the discussion, it was decided that the risk associated with the decline in housing stock numbers be re-classified to Amber and that the impact of the economic downturn on regeneration schemes be considered later

in the meeting as a new risk.

District and Group Heating

The Time Limited Committee continued to meet and the programme installation of meters and controls was on track with Phase I being carried out during July – September 2009. Actions were either complete or on track to be completed. The following additional actions were identified:

- Review of installation of meters and controls Phase I (September 2009)
- Understanding tariff setting (December 2009)

Questions/Comments

- A board member asked whether the introduction of meters and controls would impact on benefits. It was explained that tenants paid the full charge for heating.

It was decided that the control adequacy and current risk priority should remain the same.

Failure to ensure adequate IT business continuity plans and testing of these

R Atkinson reported that reassurances had been received from Newcastle City Council that the continuity plan had been tested satisfactorily. All the actions had been completed; however he suggested an additional action to provide a further update to Finance Committee.

Questions/comments

- A board member asked whether a full test of the IT system continuity plan had been run by the City Council. R Atkinson explained that the City Council had run a scenario and everything appeared satisfactory. It was not possible to crash all of the systems. He further explained that each system had a different level of robustness. It was also explained that there were off site arrangements for services that affected customers.

Board agreed that the control adequacy and risk priority should remain the same.

Financial Impact from Single Status/equal pay claims

There was no progress with single status. The control adequacy and current risk priority to remain the same.

Failure to ensure adequate contractor management processes

S Breslin reported that the Procurement Strategy had been updated and Financial Regulations amended to reflect procurement requirements. Contract Management training sessions had been run for staff including staff who managed Service Level Agreements.

Control adequacy to remain the same with risk priority amended to Amber.

Failure to acquire and retain skilled employees

It was noted that the staff survey would be conducted during July and that the other actions would be completed shortly. The Chair suggested that in view of the economic climate, this was a diminishing risk.

Control adequacy to remain the same with risk priority amended to Amber.

At this point in the discussion, the Chair asked board members to consider the following:

Tenant Services Authority – in view of the uncertainty about how the Tenant Services Authority (TSA) would be regulating ALMOs, he suggested that this should be identified as a new risk and should be monitored at Directorate level.

Regeneration – the possible impact of the economic downturn on regeneration schemes should be registered as a new risk for the organisation.

Actions - take advantage of the liaison and communication arrangements with Newcastle City Council to make sure YHN's concerns were raised in the right place.

Relationship with Newcastle City Council – In view of the departure of a number of key staff at the City Council, the Chair suggested that the risk should be re-prioritised as Amber.

Actions - take advantage of the liaison and communication arrangements with Newcastle City Council to make sure YHN's concerns were raised in the right place.

Questions/comments

- A board member commented on the lack of YHN's presence on the Benwell/Scotswood Project Board. J P Lee said that YHN representation was determined on a project by project basis at the invitation of the City Council. YHN's lack of representation was a

matter of concern because of the impact of regeneration schemes on YHN's business.

S O'Donnell concluded the session and confirmed that the Strategic Risk Register would be updated and submitted to Management Team for further review.

131 MINUTES

The Minutes of the meeting held on 26 May 2009 were approved as a correct record and signed by the Chair.

Matters Arising

(a) Board Membership (Minute No 116 refers)

The Chair reported that interviews for the positions of tenant board members had been held earlier in the day and the panel recommended that M O'Callaghan (Outer West & North) and M McMahon (Inner West) be appointed.

RESOLVED – That M O'Callaghan and M McMahon be appointed as tenant board members for a three year term effective from the Annual General Meeting on 22 September 2009.

The Chair also informed Board that interviews for the positions of independent board members had been delayed until R Harral was in a position to be interviewed. The process would be complete in time for the Annual General Meeting.

(b) Compliments, Complaints and Comments Report Year End 2008/09 (Minute No 118 refers)

N Scott re-assured board that all appropriate categories of religion were being collected and that the issue had been about how this data was reported. Improvements for future reports had been identified.

(c) Riverside Dene (Minute No 119 refers)

N Scott informed Board that good progress was being made with the allocation of tenancies for The Sycamores.

132 YHN AND HRA FINANCIAL OUTTURN 2008 -09

Submitted: Report by Director of Finance and Resources (previously circulated, copy attached to Official Minutes) setting out the financial outturn for the Housing Revenue Account (HRA) and Your Homes Newcastle (YHN) accounts for the financial year 2008-09.

In presenting the report, R Atkinson drew attention to the lower than expected spend on the YHN account which meant a reduction in the Management Fee payable to YHN and therefore a saving on the HRA.

The HRA showed a net surplus of £0.1m at the year end which was in line with the revised budget.

R Atkinson asked Board to note that there would be deteriorations in surplus over the next five years, although Finance Committee would continue to monitor the situation. He also said that that in view of the impact of inflationary cost pressures, the organisation was starting to look at how reductions in resources could be made without affecting the services provided to customers.

A full update on the Medium Term Plan position would be submitted to the July meeting.

RESOLVED – That

- (i) the provisional 2008-09 financial outturn for the YHN account be approved;
- (ii) the provisional 2008-09 financial outturn for the HRA accounts and the levels of reserves be approved;
- (iii) the latest Medium Term Plan position be noted;

133 PROPERTY DESIGNATIONS PROCEDURE

Submitted: Report by Director of Tenancy Services (previously circulated, copy attached to Official Minutes).

In presenting the report, N Scott explained that as part of the review of Your Choice Homes, it had been recognised that there was a need to review designations to properties managed by YHN. The review had been carried out by officers of Your Homes Newcastle and Newcastle City Council.

The main principles and features of the designation process were described in section 3 of the report.

The working group had consulted on the procedure with the Newcastle Tenants Federation Living in Flats Group, Newcastle City Council and YHN Joint Lettings Advisory Group, Newcastle City Council's Executive Member for Regeneration and Housing and with relevant officers of both Your Homes Newcastle and Newcastle City Council.

Questions/Comments

- A board member asked whether the Diversity Manager had been consulted on the report. N Scott said that the Diversity Manager had not been consulted on the report, however there would be a need to carry out an Equality Impact Needs Assessment (EINA).

RESOLVED - That

- (i) the overall approach outlined in the report, including the need for a fair and consistent and transparent designation process and the need for a three yearly programme of a rolling review commencing during the 2009-2010 financial year, be approved;
- (ii) the additional trigger points that would be used where a significant change in circumstances means an unscheduled review of an existing designation is necessary or where a request for a new designation needs to be considered as described in paragraph 3.2 of the report be approved.

134 ITEMS FOR INFORMATION

RESOLVED – That the following items be received for information:

- (i) Delegated Decisions 15 May to 15 June 2009
- (ii) Petitions Monitoring
- (iii) Minutes of
 - Governance & Personnel Committee held on 7 April 2009
 - Finance Committee held on 23 April 2009
 - Finance Committee held on 21 May 2009

135 CONFIDENTIAL MINUTES

The Minutes of the meeting held on 26 May 2009 were agreed as a correct record and signed by the Chair.

Matters Arising

(a) New Build Developer Officer (Minute No C/122 refers)

J P Lee reported that the concerns raised at the last meeting had been resolved and that measures to improve the environment quality were in progress.

(b) Newcastle Furniture Warehouse (Minute No C/123 refers)

N Scott confirmed that acquisition of the warehouse was in progress.

(c) Riverside Dene (Minute No C/125 refers)

J P Lee said that the Chair had written to Newcastle City Council seeking reassurances about the scheme; to date a response had not been received.