

**2010 ROTHERHAM LTD  
MINUTES OF AGM & BOARD MEETING HELD ON 28<sup>th</sup> June 2006  
AT THE BOARDROOM, EASTWOOD**

**Board of Directors:**

<i>Clive Hartley (Chair)</i>			
<i>Cllr Jane Austen</i>	<i>Almas Abbasi</i>	<i>Keith Stringer</i>	<i>Liz Booth</i>
<i>Cllr Neil License</i>	<i>Anita Heaton</i>	<i>Cllr Barry Dodson</i>	<i>Cllr Glyn Robinson</i>
<i>Harry Tooley</i>	<i>Dr Giles Bloomer</i>	<i>Gaetano Demartino</i>	

**In Attendance:**

<b>Chief Exec –</b> <i>Isobel Riley</i>	<b>Executive Team –</b> <i>Teresa Butler, Richard Walker; Phil Rees; Mark Johnson, Ian Hillier (PWC), Marie Ingham, Helen Bows</i>
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**By invitation:**

<i>Dawn Benfold</i>	<i>Michelle Musgrave</i>	<i>Rachael O’Neil</i>
<i>Steve Jenkinson</i>	<i>Mark Whittle</i>	

<b>Minute No.</b>		<b>Action By</b>	<b>Target date</b>
<b>B46/1</b>	<b>A Governance</b>		
<b>B66/1/1</b>	<b>Elections</b>  Chair – Clive Hartley Vice Chair – Anita Heaton		
<b>B66/1/2</b>	<b>Apologies for Absence &amp; Introductions</b>  <ul style="list-style-type: none"> <li><i>Paddy Burke</i></li> </ul> <p>The following introductions were made:</p> <p>Gaetano Demartino: 2010 Board Member Michelle Musgrave: RMBC Client Manager Mark Whittle: 2010 Director of Investment: (Position commences 7<sup>th</sup> August) Dawn Benfold: 2010 Secretary Rachael O’Neil: Learning and Development Manager Tess Butler: 2010 Director of Business Development</p>		
<b>B66/1/3</b>	<b>Minutes of previous meeting 17/05/06 &amp; Matters arising</b>  The minutes of 17 <sup>th</sup> May 2006 were considered and approved.		

	<p>The Board was advised the Best Value Review of Barbot Hall had taken place and a draft report had been produced and presented to cabinet on 26<sup>th</sup> June 2006. On completion, the report will be resubmitted to Cabinet for approval.</p> <p>Whilst this process is ongoing, Barbot Hall can continue to operate and there is no current threat to the Decent Homes Programme.</p>		
<b>B66/1/4</b>	<b>Chairman's Report</b>		
	<p>The Chairman advised that since the last Board meeting he had represented the 2010 Board at several meetings, however the last liaison meeting had been cancelled. The Chairman had also met with Mike Cuff and discussions on progression, governance, and Partnerships had taken place.</p> <p>Sincere condolences were offered to the family of Denis Alderson who sadly passed away last month. Denis was known as a tireless worker and representative for the tenants and residents of Rotherham. He will be sadly missed by all at 2010.</p>		
<b>B66/1/5</b>	<b>Chief Executive Report</b>		
	<p><b>Sustainable Communities Discussion Paper</b></p> <p>Steve Jenkinson had represented 2010 at the Ruth Kelly speech. The speech indicated that the Government is beginning to look beyond 2010 and the Decent Homes Standard. The discussion paper looks at some of the emerging issues around social and affordable housing which may be fed into the CSR; it also discusses how the long term future of social housing beyond Decent Homes must be addressed.</p> <p>There is a willingness to begin to think more creatively and generate radical solutions whilst creating a greater role for tenants. New build is also back on the agenda.</p> <p>Comments on the discussion paper are invited to be received by 15<sup>th</sup> September. Board Members are encouraged to submit comments to Teresa Butler prior to this date. It is essential that a response is given that</p>		

	<p>ensures the interests of Rotherham are as well presented as possible.</p> <p><b>Stock Issue Letter</b></p> <p>A letter received by the Chief Executive from Michelle Musgrave was presented to the Board. The letter discussed stock to the value of £897,459 which was transferred to 2010 Rotherham Ltd on set up and now indicates a liability on the balance sheet. It is requested that 2010 Rotherham Ltd submit an action plan to set out how this debt can be satisfied.</p> <p><b>Decision</b>  <b>The Board agreed that this issue must be investigated further to be confident that this money is actually owed. It is not clear what was originally agreed with regard to purchase. The problem is a joint between RMBC and 2010 and must be resolved.</b></p> <p><b>Section 37 of the Management Agreement states:</b></p> <p><i>“The Council shall with effect from the Commencement Date make available to the Organisation the Council’s vehicles, equipment and any other assts listed in the Second Schedule together with any other such assets as may be made available by the Council to the Organisation for use in connection with the Services subject to the following provisions.”</i></p>		
<p><b>B66/1/6</b></p>	<p><b>Excellence Plan Part 1</b></p>		
	<p><b>Recommendation 1 – Leadership</b>  Recommended Task Status Colour Change – Amber to Green  <b>Decision – Remain Amber</b></p> <p><b>Recommendation 2 – Strengthen Customer Focus</b>  Recommended Task Status Colour Change – Red to Amber  <b>Decision – Agreed</b></p> <p><b>Recommendation 3 – Equalities and Diversity</b>  Recommended Task Status Colour Change – Red to Amber  <b>Decision – Remain Red</b></p> <p><b>Recommendation 4 – Value for Money</b>  Recommended Task Status Colour Change – Red to Amber</p>		

	<p><b>Decision – Agreed</b></p> <p><b>Recommendation 5 – Financial Management</b> Recommended Task Status Colour Change – Red to Amber <b>Decision - Agreed</b> (Board agreed recommendation target date to be altered from June 06 to September 06)</p> <p><b>Recommendation 6 – ALMO – Specific approach in key areas where 2010 is currently dependent on the Council</b> Recommended Task Status Colour Change Red to Amber <b>Decision – Remain Red</b></p> <p><b>Recommendation 7 – Consultation with Leaseholders</b> Recommended Task Status Colour Change Amber to Green <b>Decision – Remain Amber</b></p>		
B66/1/7	<b>Election of Tenant &amp; Independent Board Members</b>		
	<p>Two reports were submitted to the Board which detailed the recommendations of the Community Development and Partnerships Sub Committee with regard to the election of tenant representatives, and the review of the selection and appointment of Independent Board Members.</p> <p>Recommendations for the election of tenant representatives were made as follows.</p> <p><i>1. <u>Selection of an existing Member to stand down</u></i></p> <p><i>1a) That the drawing of lots is an appropriate way to select retiring Board Members, given that this process is superseded in time by the longest serving Members retiring in order.</i></p> <p><i>1b) Subject to consultation with Trowers and Hamlin, the Sub-Committee agreed to recommend to the Board that the Leaseholder representative on the Board should retire in 2009 when only one tenants' representative is up for election.</i></p> <p><i>2. <u>Selection of candidates</u></i></p>		

<sup>1</sup> The items in italics are recommendations from the Council's Electoral Service, making minor amendments to the recommendations approved by the Community Development and Partnerships Sub-Committee on 9<sup>th</sup> June 2006.

	<p>2a) That the Board of 2010 is asked to determine “in the reasonable opinion of a majority of Board Members” the definition of “a serious breach” of the obligations of a tenant under the tenancy agreement.</p> <p>2b) That the eligibility criteria for membership of the Board is set out more clearly and includes references from the Board Members’ Code of Conduct.</p> <p>2c) That nominations are sought from representative groups of tenants, residents, community partnerships, and communities of interest, as before, and that Area Housing Panels are added to this list.</p> <p>2d) That volunteers can only be accepted if supported by the signatures of 10 tenants from the register of tenants.</p> <p>2e) That a nomination form is used, clearly setting out the eligibility criteria for candidates, including a commitment to training and development and a declaration to be signed by the candidate stating that the candidate is not in serious breach of the tenancy agreement, and has not done and will not do anything to bring 2010 Rotherham Ltd. into disrepute. The interview date will also be sent out in advance.</p> <p>2f) That these same eligibility criteria will form the basis of the eligibility interviews for candidates prior to the announcement of candidates for election. The eligibility interview questions will be sent to candidates in advance of the interviews. The Panel will determine which candidates go forward for election.</p> <p>2g) That Rother Fed can participate in the eligibility interviews, but not nominate candidates.</p> <p>2h) That existing Board Members seeking re-election do not need to attend the eligibility interview.</p> <p>3. <u>The method of voting</u></p> <p>3a) That ballot papers are only sent to properties with tenants rather than to offices, community houses etc.</p> <p>3b) That only persons named on the tenancy agreement will be eligible to vote in the tenants’ election.</p> <p>3c) (Subject to other considerations) Only the leaseholders in the borough will be eligible to vote for the leaseholder candidates when the leaseholder position on the Board is up</p>		
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for election.

3d) That the elections are run as a postal ballot, with uniquely reference numbered ballot papers and return envelopes, being sent to each person named on the rent card.

3e) That an options paper is presented to the Board setting out the costs of running this election in-house, and via other agencies, including the Council's Election Service. The options paper should include the cost of counting the ballot papers so we can consider whether this should be done through the Company Secretary, or simply announced to the Company Secretary. A bid to the Development Fund is required and sufficient funds to enable annual elections need to be added to the management fee.

3f) That Rother Fed is consulted about whether they would wish to know the turnout for the election by different communities.

3g) That the following timetable is approved:

Supply test data (electorate) to Electoral Services	As soon as possible (if Electoral Services are to undertake this work <sup>1</sup> )		
Propose changes to the Articles of Association	Monday 28 <sup>th</sup> June (to the Board) and 3 <sup>rd</sup> July (to the Cabinet Member)		
Call for nominations	From Friday 30 <sup>th</sup> June		
Electorate Data File to Electoral Services	Friday 14 July		
Nominations in by	Friday 21 <sup>st</sup> July		
Deadline for withdrawal of nomination	Friday 28 <sup>th</sup> July (NOON)		
Eligibility interviews and recommendations completed by	Friday 28 July		
Candidate Details (including photo and statement for leaflet) to Electoral Services	Friday 28 July		
Ballot papers distributed from	Friday 21 August		
Closing date	Friday 8 <sup>th</sup> September		
Declare result at EGM	Mid - September		

3h) *That the issues associated with leaseholder representation are discussed with Anita Heaton, the current leaseholder representative, prior to any discussion with the Leaseholder Forum.*

3i) *That Isobel Riley should be asked to determine if, how and when any issues concerning the failure to distribute Open House on time to facilitate the election, should be taken forward.*

4. *Communicating decisions*

4a) *That the result of the ballot, including profiles of the successful candidates, is publicised via posters in Neighbourhood Offices, the 2010 and Neighbourhoods websites, newsletter articles etc.*

**Decision**

**The Board agreed the recommendations for the elections and the necessary changes to the Articles of Association. The Board requested a clearer definition of the term ‘Serious Breach of Tenancy’.**

**In detail the changes were:**

- 1) *Adding a definition of “leaseholder” to page 8 of the Articles*
- 2) *Amend Article 13 paragraph 4 to read “Five Board Members shall be Tenant and Leaseholder Members, made up of four tenants and one leaseholder”*
- 3) *That wherever the word tenant is mentioned in the Articles, amendments are made where appropriate to clarify whether the term means “tenant and / or leaseholder”.*
- 4) *That subject to other considerations and clearance by the Company Secretary, the leaseholder election takes place in future in the year when only one candidate is required to stand down.*
- 5) *That Article 18 para 10 is amended either to determine*
  - a. *what is a serious breach of the obligations of a tenants or*
  - b. *to add reference to the where the Board*

*has determined in the reasonable opinion of a majority of Board Members the issue of a serious breach of a tenant's obligations. (This will need to be the subject of a separate report)*

- 6) *That a new provision is inserted to enable the Board to act appropriately in the event of only one candidate coming forward for the position of tenant Board Member.*

**Concerns were also raised that the postal ballot will generate a cost of £17k to conduct. The Board requested confirmation from RMBC that this figure would, in future years be included in the management fee.**

**It was also agreed that a future election process will be explored to include full electoral registers.**

The Board thanked the sub committee for their hard work with regard to this process.

Recommendations for the review of the selection and appointment of Independent Board Members were made as follows:

1. *That a further advertisement for Independent Board Members is issued, targeting the following channels and organisations within the South Yorkshire Sub-Region (but avoiding companies that 2010 may have dealings with):*

- *The Council vacancy lists*
- *Directgov.uk – public appointments website*
- *The Chambers of Commerce*
- *Housing Associations*
- *Law firms*
- *Accountants*
- *Social Housing providers*

2. *That the advertisement should call for expertise in the following areas:*

- *Building / construction*
- *Finance and accountancy*
- *Law*

	<p>3. <i>That the interview process previously used is adopted to identify whether candidates have the skills and experience required to enhance the current Board</i></p> <p>4. <i>That the profiles of the successful candidates for Independent Board Members are publicised via posters in Neighbourhood Offices, articles in Open House etc, in line with the arrangements to promote the successful Tenants' representatives.</i></p> <p><b>Decision</b>  <b>The Board agreed the above recommendations</b></p>		
<b>B66/1/8</b>	<b>Verbal Report – ‘Here’s the Deal’ Tenant Compact</b>		
	The Board was advised that a three way meeting between all partners, tenants and colleagues had taken place. There had been no major changes suggested and the document is close to publication.		
<b>B66/1/9</b>	<b>Verbal report by Chairs of Sub Committees</b>		
<b>B66/1/8/1</b>	<b>Asset Management</b> Issues discussed at the Sub Committee were detailed later on the agenda and a report was given at that point.		
<b>B66/1/8/3</b>	<b>Community Development and Partnership</b> The two main items on the agenda were the tenant and independent elections as previously discussed. It was also confirmed that the Sub Committee will continue to monitor the progress of the EGM in September.		
<b>B66/1/8/3</b>	<b>Performance</b> The Sub Committee had requested a presentation on Pathfinder to be given to the Board.  The Neighbourhood Manager for Wentworth South had been requested to attend the July Performance Sub Committee to discuss current performance in that area.		
<b>B66/1/8/4</b>	<b>Resources</b> The need to establish an Audit Committee was expressed;		

	<p>members of the Board must be nominated. The Board proposed the following members to represent:  <i>Cllr Neil License</i>  <i>Gaetano Demartino</i>  <i>Jayne Austen</i></p> <p>The Audit Committee will meet approximately 3 – 4 times a year.</p>		
B66/1/9	<p><b>Declaration of Interests</b>  None</p>		
B66/1/10	<p><b>Forward Plan</b></p> <p>A forward plan of all future 2010 Board and Sub Group meetings was distributed to the Board.</p>		
<b>B66/2</b>	<p><b><i>B Financial Resource Management</i></b></p>		
B66/2/1	<p><b>Financial Year End Position Statement</b></p>		
	<p>Financial Management information in the form of budget profiles was presented by Price Waterhouse Coopers to notify members of the current position in respect of the DSO and Management Fee Budget monitoring reports.</p> <p><b><i>Budget Monitoring (for period ending 31<sup>st</sup> March 2006)</i></b></p> <p><i>“Accrued expenditure to the period end is slightly lower than budget, with £7.3m having been incurred by the cost centres of 2010 Rotherham Ltd’s Housing Management Operations up to 31<sup>st</sup> March as compared to the final budget of some £7.6m giving a positive variance of £267k.</i></p> <p><i>This is the result of the following key positive variances experienced during the year:</i></p> <ul style="list-style-type: none"> <li>• <i>Capitalisation of salaries of the Decent Homes Teams</i> £280k</li> <li>• <i>Decoration Allowances</i> £ 94k</li> <li>• <i>IT Contribution from Client HRA reserves</i> £ 62k</li> </ul> <p><i>Within the total budget, the largest cost saving has arisen on the employee spend (£521k). This has primarily arisen</i></p>		

	<p><i>through the revised capitalisation of salaries detailed above, and Neighbourhood Teams, Programme Management and the Business Unit not having a full establishment. However, salaries eligible for capitalisation were lower than first estimated with £280k allowable rather than the £330k previously expected</i></p> <p><i>Gershon savings of £87k have been accounted for in the year end statements, thus reducing the surplus from the previous forecast at the beginning of April. Additional costs have been accrued for supplies and services for the neighbourhood teams (£21k) and on gas charges for district heating (£52k)</i></p> <p><i>The supplies and services spend, which includes the cost of recruiting specialists and inspection fees (e.g. interim Chief Executive, consultancy firms, Audit Commission, House Mark etc) shows an overall overspend which has arisen in the main from the Management &amp; Administration Budgets. The projected overspend has increased in comparison with March figures, as a result of finalisation of outstanding procurement, training and consultancy costs.”</i></p> <p>The reports also identified that the pre-audit surpluses for the 44 week period to 31<sup>st</sup> March 2006 are:</p> <ul style="list-style-type: none"> <li>• Property Services DSO                      £124k</li> <li>• Housing Management Services      £267k</li> </ul> <p>The statutory financial accounts, subject to audit by KPMG, will be prepared incorporating these figures and provide for the appropriate tax computations.</p> <p><b>Decision</b></p> <p><b>The Board accepted the financial profiles</b></p>		
<p><b>B66/3</b></p>	<p><b>C Performance Management</b></p>		
	<p><b>Performance Management Framework</b></p> <p>May cumulative performance was 100% on target.</p> <p>Neighbourhood Teams – generally positive but there remained a problem in Wentworth South, this could be due to the trialling of a voids team in the aim to improve performance.</p>		

	<p>Complaints – 85% resolved on time, up from April (15% relate to 3 complaints (2 in Construction 1 in Neighbourhood Management)</p> <p>High levels were being upheld, particularly by the gas section which required investigation.</p> <p>Councillor enquiries – 86% resolved on time against 90% cumulative (2 in construction and one in Neighbourhood Management)</p> <p>Connect enquiries – 100% resolved on time</p> <p>Compliments – 9 in May, 13 so far this year.</p>		
<b>B66/3/2</b>	<p><b>Draft Performance Plan</b></p> <p>2010 Performance Plan 2006 – 2009 was received by the Board. The Plan forms a part of the Delivery Plan and provides a summary of what 2010 aims to achieve. The Plan will be submitted to RMBC for approval, consultation will be carried out via the Performance Sub Committee. It was recommended to the Board that:</p> <p>The revised Performance Plan is accepted as fit for purpose and adopted by 2010 Rotherham Ltd., pending agreement from the Neighbourhoods Cabinet Member.</p> <p><b>Decision</b>  <b>The Board accepted this recommendation</b></p> <p>Thanks were expressed to Richard Walker for his hard work in producing this document.</p>		
<b>B66/4</b>	<p><b>Asset Management</b></p>		
<b>B664/1</b>	<p><b>Lessons Learnt Phase 1</b></p> <p>A report on the evaluation of the Decent Homes Scheme Phase 1 was received by the Board for consideration.</p> <p>It was requested that the contents of the report (commissioned by the Cabinet Member for Neighbourhoods of the Decent Homes Scheme Phase 1) were noted. The report seeks to inform the Board of the current financial position of the Decent Homes Phase 1, together with the reports on the Value Engineering process, an appraisal of the success of the scheme and lessons learned for inclusion into phase 2.</p>		

	<p><b>Decision</b> The Board agreed to note the report</p>		
B664/2	<p><b>Decent Homes Phase 2</b></p> <p>A report on the Decent Homes Investment Programme of Works was received by the Board. The Board was asked to note the report following consultation on the Decent Homes Programme.</p> <p><b>Decision</b> The Board agreed to note the report</p>		
B664/2/1	<p><b>Investment Plan</b></p> <p>The Board received the 2010 Investment Plan and was recommended to agree the content. The Plan had previously been submitted to the Business Development Sub Committee and slight amendments had been agreed.</p> <p><b>Decision</b> The Board agreed to accept the content of the Investment Plan</p>		
B664/2/2	<p><b>Consultation Report</b></p> <p>The Board received a consultation report on the Decent Homes Investment Programme of works. The report also outlined alterations to the original programme.</p> <p>The Board was requested to note the report following this consultation.</p> <p><b>Decision</b> The Board agreed to accept the content of the report</p>		
B66/5	<p><b><i>E Business Development</i></b></p>		
B66/5/1	<p><b>Draft Delivery Plan</b></p> <p>The Board received a report on the 2010 Rotherham Ltd Delivery Plan 2006 – 2010. The report detailed how, in line with the Management Agreement, the annual sections of the</p>		

	<p>2010 Delivery Plan have been reviewed, which specifically includes the sections on Resources, Finance and Performance. In addition to this the whole Delivery Plan had been reviewed to reflect the recommendations of the Audit Commission and the development of new national agendas such as Respect and DCLG review of ALMOs.</p> <p>The Board was recommended to accept and adopt the revised Delivery Plan as fit for purpose pending agreement of the Neighbourhoods Cabinet Member.</p> <p><b>Decision</b></p> <p><b>The Board agreed to accept this recommendation</b></p>		
<p><b>B66/5/2</b></p>	<p><b>Working at Heights Report</b></p> <p>The Board received a report on the HSE Improvement notice. The Board was advised that an HSE improvement notice had been served on 2010 Rotherham Ltd on 25<sup>th</sup> May 2006 due to a breach of Working at Height Regulations 2005.</p> <p>Three Specific recommendations had been given within the improvement notice and are to be actioned by 7<sup>th</sup> July. Remedial action had taken place by 2010 Rotherham Ltd and a remedial action plan was in place.</p> <p>The Board was recommended to note the report and the remedial action taken.</p> <p><b>Decision</b></p> <p><b>After a discussion on the Health and Safety within 2010, it was agreed by the Board that Health and Safety would be a routine part of the Asset Management Sub Committee agenda. Any issues would then go to the Board for consideration.</b></p> <p><b>The Board also agreed to note the report and the remedial action taken.</b></p>		
	<p><b>Manager / Employee of the Month</b></p> <p>A presentation of a cheque for £50 was made by the Chair to the following employees:          Fraser Paling as the manager of the month for May          Paul Brewster as the employee of the month for May.</p>		

	<p>Andy Hyett as the manager of the month for June. Cheryl Hodgkinson as the employee of the month for June.</p> <p>All were congratulated on their achievement and thanked for their hard work and commitment.</p>		
B66/6/1	<p><b>Lean and Green Initiative</b></p> <p>The Board received a report and a paper on the 'Lean and Green' Initiative award scheme. The purpose of the initiative is to create a sustainable scheme whereby everyone associated with 2010 acts to facilitate the continual improvement of 2010's Environmental Impact, and create opportunities for 2010 to save money and resources.</p> <p>The Board was recommended to agree to explore the 'Lean and Green' initiative.</p> <p><b>Decision</b> <b>The Board agreed the recommendations of the report.</b></p>		
B66/6/2	<p><b>A Cabinet / Board away half day was to take place on the 3<sup>rd</sup> July 9:15 – 12:30 at the Winters Suite, Rearsby House. All Board members were invited to attend.</b></p>		
	<p><b>Date and Time of Next Meeting</b> <b>2pm, 27<sup>th</sup> July 2006 – Eastwood Boardroom</b></p>		