

## 2010 ROTHERHAM LTD

### MINUTES OF THE EXTRA ORDINARY BOARD MEETING HELD ON 1 AUGUST 2007 AT 2:00 PM IN THE BOARDROOM, EASTWOOD

**Board of Directors:** Miss Anita Heaton (Vice Chair)  
Mr Almas Abbasi  
Cllr Jane Austen  
Mrs Liz Booth  
Mr Gaetano Demartino  
Cllr Barry Dodson  
Mrs Mary Jacques  
Mr John Lewis  
Cllr Neil License  
Cllr Reg Littleboy  
Mrs Victoria Penman  
Mr Keith Stringer

**In Attendance:** Mrs Isobel Riley (Chief Executive)  
Mrs Teresa Butler (Director of Business Development)  
Mr Paul Webb (Director of Neighbourhoods)  
Ms Ramona Youhill (Assistant Director of Investment)  
Mr Gary Ironmonger (Assistant Director)  
Mrs Michelle Musgrave (RMBC)  
Mr Mike Clements (RMBC)  
Mr Adrian Lythgo (KPMG)  
Mrs Clare Partridge (KPMG)  
Ms Kate Robinson (KPMG)  
Mr Andrew Roddison (RotherFed) – Observer  
Mr Derek Corkell (RotherFed) – Observer  
Mrs Dawn Butterworth (Secretary to Chief Executive) – Minutes  
Mrs Lynne Chatterton (Secretary to Director of Business Development)

**Minute  
No.**

#### **EXTRA ORDINARY BOARD MEETING**

**1. Apologies for Absence**

Apologies were received from Mr Clive Hartley and Mr Mark Whittle.

**2. Declaration of Interests**

There were no declarations of interest in addition to standing declarations.

**3. Appointment of Company Director**

Mrs Butler presented the report to the Board which detailed the recommendation of the Interview Panel to appoint Mr Anthony Billingham as an Independent Board Member.

**AGREED: The Board agreed to the appointment of Mr Anthony Billingham as of 1 August 2007.**

**4. Approval of Annual Report and Accounts 2005/06 for submission to the Annual General Meeting**

Mrs Riley presented the report which requested recognition that the organisation was a going concern and approval of the 2006/07 Financial Statements. Also tabled was a letter of support from RMBC. A full discussion had been held at the Audit Committee on 31 July 2007 which recommended the accounts to the Board.

The Chair invited Mr Lythgo and Mrs Partridge from KPMG to provide an overview of the accounts. Mrs Partridge summarised the accounts and referred to the management highlights memorandum. Within the highlights memorandum there were 18 grade 1 recommendations. It was highlighted that the capital fee wasn't agreed until after the year end and invoices for service level agreements were also received at year end which was not good practice. Mrs Partridge also confirmed that although she understood the reasons for the support team being brought in to help in relation to finances, this needed to be kept under review as it could impact on the view of the Audit Commission with reference to the arms length nature of the organisation.

Cllr Dodson questioned the finance service level agreement and where the line was drawn in terms of what was provided and what help was given by the support team. Mr Lythgo explained that there needed to be clear information and what was being paid for and where services were not being received payment should not be made.

**AGREED: The Board took a vote and a majority of Board Members agreed to recognise the company as a going concern and approved the Directors report and financial statements for 2006/07.**

Signed as a true and accurate record.

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Chairman

Date:

**2010 ROTHERHAM LTD**

**MINUTES OF THE BOARD MEETING HELD ON  
1 AUGUST 2007 AT 2:30 PM IN THE BOARDROOM, EASTWOOD**

**Board of Directors:** Miss Anita Heaton (Vice Chair)  
Mr Almas Abbasi  
Cllr Jane Austen  
Mrs Liz Booth  
Mr Gaetano Demartino  
Cllr Barry Dodson  
Mrs Mary Jacques  
Mr John Lewis  
Cllr Neil License  
Cllr Reg Littleboy  
Mrs Victoria Penman  
Mr Keith Stringer

**In Attendance:** Mrs Isobel Riley (Chief Executive)  
Mrs Teresa Butler (Director of Business Development)  
Mr Paul Webb (Director of Neighbourhoods)  
Ms Ramona Youhill (Assistant Director of Investment)  
Mr Gary Ironmonger (Assistant Director)  
Mrs Michelle Musgrave (RMBC)  
Mr Colin Earl (RMBC)  
Mrs Julie Slatter (RMBC)  
Mr Mike Clements (RMBC)  
Mr Maqbool Ahmed (RMBC)  
Mr Adrian Lythgo (KPMG)  
Mrs Clare Partridge (KPMG)  
Ms Kate Robinson (KPMG)  
Mr Andrew Roddison (RotherFed) – Observer  
Mr Derek Corkell (RotherFed) – Observer  
Mrs Dawn Butterworth (Secretary to Chief Executive) – Minutes  
Mrs Lynne Chatterton (Secretary to Director of Business Development)

**Minute  
No.**

**Governance**

Mr Lewis reiterated his comments from the Audit Committee and requested that KPMG should advise on relevant financial information that the Board should be receiving on a regular basis.

**1. Apologies for Absence**

Apologies were received from Mr Clive Hartley, Mr Tony Billingham and Mr Mark

Whittle.

## 2. Minutes of Previous Meeting 5 July 2007

Page 6, Item 11, third bullet point should read 6 July 2007.

The minutes of the previous meeting were agreed as true record subject to the above amendment.

## 3. Matters Arising

Page 7, Item 13 – Health and Safety, Smoke Free Policy. Mrs Butler confirmed that she had written to absent Board members and had received approval of the policy.

Page 8, Item 15 – Sheltered Homes. Mrs Musgrave confirmed that the Department for Communities and Local Government (CLG) had approved in principle the use of Decent Homes funding for Sheltered Housing conversions but are awaiting additional confirmation on figures. Ms Youhill asked to be included in any correspondence. Mrs Musgrave agreed.

Page 8, Item 15 – Refusals. Mrs Riley explained that due to time constraints and resources the Refusals policy had not been written and (resources permitting) would be presented at the August Board meeting.

## 4. Declaration of Interests

There were no declarations of interest in addition to standing declarations.

## 5. Minutes of Committees

### Asset Management

**AGREED: The Board received the minutes of the Asset Management Committee held on 19 July 2007.**

### Community Development and Partnership

There had not been a meeting of the Community Development and Partnership Committee due to the Community Engagement Workshop which had been a very good event.

### Performance

Miss Heaton presented the minutes of the meeting and highlighted the key points: The Decent Homes complaints procedure will be linked to the corporate system, most targets had been agreed with RMBC and further discussions were being held on others.

**AGREED: The Board received the minutes of the Performance Committee held on 24 July 2007.**

## **Resources**

**AGREED: The Board received the minutes of the Resources Committee held on 19 July 2007.**

## **Governance**

Cllr Austen presented the minutes of the Committee.

Mrs Booth raised the issue of attendance and the urgent need to sort out the membership. Mrs Butler confirmed that we do have list of members of the committees and the sequence of meetings was being looked at by the Governance Committee.

Cllr Littleboy asked how the timings of meetings had been addressed as moving the Board meetings to the first Wednesday of every month with a 4pm start would mean that he would be unable to attend due to other commitments. Cllr Austen confirmed that the meeting dates had been looked at in terms of the availability of financial and performance management data.

Mr Earl explained that the Support Team would also be looking at timing and frequency of meetings as part of the review and would be looking to other ALMOs for best practice.

The Board agreed to defer the decision of moving the dates until the above review had taken place.

Mrs Butler also agreed to send out a copy of the members list and stressed that Board members responded with any dates that they are regularly not able to do.

Mr Demartino to be added to the attendance list of the Governance Committee minutes.

**AGREED: The Board received the minutes of the Governance Committee held on 20 July 2007.**

## **Items for Decision**

### **6. Appointment of Chair and Vice Chair**

Mrs Butler explained that the Articles of Association states that a Chair should be appointed at the first Board meeting following the AGM. The Board could also appoint a Vice Chair should it wish.

Cllr Dodson nominated Miss Heaton as Chair of the Board. Mrs Booth nominated Mr Hartley.

All Officers were asked to leave the meeting while the Board decided the way forward. The Board agreed that a secret ballot would be held.

Mrs Riley collected the votes and Miss Heaton was voted as Chair by an 8 to 4 vote.

The Board thanked Mr Hartley for his hard work during his time as Chair. Cllr Austen suggested that appointing a Vice Chair be deferred until the next meeting. The Board agreed and Mrs Butler requested that anyone interested in standing for Vice Chair to let her know.

## 7. **Barbot Hall**

Mrs Riley presented the paper to the Board which detailed the Barbot Hall reports that had also been presented to Cabinet Member on 31 July 2007. The Cabinet Member had agreed to award the contract to Astraseal subject to continued detailed negotiations and to the satisfaction of the Director of Neighbourhood Development. However the report regarding the finance issues was deferred with additional information requested. Mrs Riley informed the Board that she had visited Barbot Hall and the staff were relieved that a decision had been made and the contract awarded.

**AGREED: The Board agreed to support the award of the contract to the recommended company subject to continued detailed negotiations.**

## 8. **Environmental Policy**

Mrs Riley presented the report and explained that the organisation did not have an existing environmental policy and that this had been highlighted by preparatory work for the Environment Agency visit.

**AGREED: The Board approved Environmental policy.**

### **Items for Discussion**

## 9. **Chairman's Briefing**

The Chairman had sent his apologies to the meeting.

## 10. **Chief Executive's Briefing**

The Chief Executive informed the Board of the following:

### **Cabinet Member decisions:**

- The ROCC and Handheld funding had been approved on an "Invest to Save" basis.
- An agreement to cover the increase in Pension Costs had been approved.
- A decision on district heating had been deferred until the review that was

- currently being undertaken by RMBC had been completed.
- A decision on the Asset Management Team had been deferred pending additional information and the Support Team was working with Ms Youhill on the business case.
- The Neighbourhood Management Restructure had been agreed.

### **Costs of Support Team**

The issue of the costs for the support team had been discussed and Mrs Riley had requested confirmation that RMBC would be funding this as the bill would be substantial and the organisation would not be able to afford this.

### **DLO – Market Testing**

Mr Earl had provided confirmation that RMBC would be funding the health check on the DLO which would be carried out by Price Waterhouse Cooper. Mrs Riley explained that this was the first part of the process and the Audit Commission would want to see a proper value for money testing process had been completed and this too would incur additional costs.

### **Inspection**

A letter had been received from the Audit Commission indicating that the organisation would be re-inspected on 16 June 2008. There needs to be a joint decision if we wish to defer the inspection and reports were currently being compiled on the advantages and disadvantages of deferment.

**AGREED: The Board received and noted the briefing.**

## **11. Budget Monitoring**

Mr Earl presented the report and informed Board members that there were no significant issues that Board needed to be concerned with at this time. There was a positive variance in terms of housing management figures and the budgets were currently being loaded onto system.

Mr Lewis felt that the report was worthless as it did not include sufficient detailed information on the current situation.

Mr Earl explained that a health warning was attached to the figures and he would feel more confident with July 2007 figures.

## **12. Decent Homes Phase 2**

Ms Youhill presented the report to the Board and the key points raised were: 1416 properties had been completed to standard this financial year and 880 completed with doors and windows. The organisation is ahead on BVPI 184 target. Total spend at the end of July once committed spend and the management fee had been included would be £90m. A high number of appeals had been received mainly regarding bathrooms and a team was currently looking into changing the standard. Satisfaction levels were good. The Decent Homes Team would also be undertaking a pilot project producing Energy Performance

Certificates.

**AGREED: The Board received and noted the progress report.**

**13. Health and Safety Update**

Mrs Riley presented the report and highlighted the following points: The Environment Agency visit had taken place and an action plan was now being implemented.

Mrs Booth questioned whether Mr Alan Truelove would be being replaced. Mrs Riley confirmed her intention to replace Mr Truelove but Mr John Stapleton would need to put a business case to the Support Team.

**AGREED: The Board received and noted the update.**

**14. Director of Neighbourhood Management**

Mr Webb presented the report and explained that the re-structure would now be implemented.

Cllr Littleboy asked whether Mr Webb would be attending Area Assemblies to update them on the changes. Mr Webb confirmed that presentations would be given to each area.

**AGREED: The Board received and noted the report.**

**15. Director of Investment**

Ms Youhill presented the report which informed the Board of progress within the Investment Directorate.

**AGREED: The Board received and noted the report.**

**16. Director of Business Development**

Mrs Butler presented the report which informed the Board of progress within the Business Development Directorate.

**AGREED: The Board received and noted the report.**

*The public were asked to leave the meeting as the following items were confidential.*

*The Chair informed the Board that KPMG had requested to observe the meeting. The Board agreed to them remaining in the meeting.*

**17. Confidential Minutes of Meeting held on 5 July 2007**

The minutes were agreed as a true record.

## 18. Matters Arising

Page 2 – Item 3 – Proposed Revised Management Agreement

Mrs Riley confirmed that this issue was now contained within support team action plan.

Page 2, Item 4 – Board Member Complaints Procedure – Mrs Riley informed the Board that a draft report should be available and would be discussed at the Governance Committee.

## 19. RMBC Report into 2010 Rotherham Ltd Finance and Performance

Mr Earl presented the report of the Support Team and referred members to the Executive Summary and the project plan. The Board discussed the report and the key issues raised were as follows:

Some Board members expressed their concerns that the action plan was not “smart” and did not highlight the priority areas. There was a substantial finance SLA with RMBC and the organisation needed to ensure that it receives its full service for the amount it costs. Any problems with financial reporting needed to be addressed through the SLA and it was the responsibility of both the organisation and RMBC to get this right.

Mrs Riley explained that the report did not refer to the current relationship problems and the seriousness of this issue. The Board also expressed its concern about the decision making process and the Board’s decisions being overturned by the Cabinet Member. Mrs Slatter requested to attend the next Governance Committee where this would be discussed.

Mr Earl asked for the Board to keep passing through their concerns and assured Board Members that the Support Team was in place to help the organisation.

Mrs Riley informed the Board that neither she nor her Executive Management Team had been given time to comment on the report prior to it being sent to Board members. She did not feel that the report was balanced and would discuss with the Chair outside the meeting. There was a big issue with time and resources within the organisation. Mrs Riley also requested that people did not refer to the Support Team as the Intervention Team. She raised her concerns over reports also being presented to Cabinet Member meetings without prior knowledge of the organisation, were also raised especially when information was not accurate.

Mrs Booth requested that the tenants of Rotherham be thought of during all these issues.

Mrs Riley also explained that there were omissions within the report and some areas that needed to be amended and that the document would be a working

document.

The Chair proposed that the Board received the report and noted the comments made and over next week she would meet with Mrs Riley and members of the Support Team to discuss further.

The Board agreed and stated that the starting point was ensuring all information was correct and as up to date as possible.

**AGREED: The Board received the report and noted the comments made.**

*Cllr License and Ms Robinson left the meeting.*

## **Items for Discussion**

### **20. Financial Recovery Plan and Implication for 2007/08 Budget**

Mr Earl presented the paper which detailed the proposals for recovering the £895k deficit. Following discussions with members of the Executive Management Team it had become apparent that additional information needed to be included within the report before the Board could make a decision on the term to recover the money.

The additional information required would be to consider the various options of where services could be cut back to release funds. Mrs Riley explained that in other ALMOs, back office services would be looked at first but the organisation currently lacked sufficient back office resources to maintain its first line services at the current level. The options should also not heavily rely on the DLO making a surplus as previous years indicated that this may not happen.

Cllr Dodson also informed of the additional work that Neighbourhood Champions take on, over and above their duties and any cut on service would not be good. The Board also suggested whether the management fee was sufficient.

The Board expressed its concern that any cut in front line services would be detrimental and requested to see the options available and asked the Support Team and the Executive Management Team to look at the lesser impact cuts initially.

**AGREED: The Board received the report and recognised the recommendations and awaited further information that was to be presented to the next Board meeting.**

*Mr Clements left the meeting.*

### **21. ROCC**

The report had already been discussed at Item 10.

**Date of Next Meeting:**

**29 August 2007 – 2 pm, Board Room, Eastwood**

**Dates of Future Meetings:**

**26 September 2007 – 2 pm, Board Room, Eastwood**

**31 October 2007 – 2 pm, Board Room, Eastwood**

**28 November 2007 – 2 pm, Board Room, Eastwood**

**19 December 2007 – 2 pm, Board Room, Eastwood**

Signed as a true and accurate record.

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Chair

Date: