

2010 ROTHERHAM LTD

**MINUTES OF BOARD MEETING HELD ON 21st DECEMBER 2005 Ref: B125
AT THE BOARDROOM, EASTWOOD**

Present:

Board of Directors:

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| <i>Clive Hartley (Chair)</i> | | | |
| <i>Cllr Jane Austen</i> | <i>Almas Abbasi</i> | <i>Keith Stringer</i> | |
| <i>Anita Heaton</i> | <i>Cllr Paddy Burke</i> | <i>Cllr Barry Dodson</i> | <i>Cllr Glyn Robinson</i> |
| <i>Tony Billingham</i> | <i>Dr Giles Bloomer</i> | <i>Cllr Neil License</i> | <i>Harry Tooley</i> |

In Attendance:

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| Int. Chief Exec - Jim McAusland | Executive Team - Marie Ingham & Kath Brisland |
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By invitation:

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| <i>Richard Walker – 2010</i> | <i>Mark Johnson - 2010</i> | <i>Phil Rees - 2010</i> |
| <i>Gary Kyte – 2010</i> | <i>Ian Hillier – PWC</i> | |
| <i>Isobel Riley – Designate Chief Executive</i> | | |

| Minute No. | | Action By | Target date |
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| B125/1 | A Governance | | |
| B125/1/1 | <p>Apologies for Absence</p> <p>Apologies were received from</p> <ul style="list-style-type: none"> • Dr Heather Jones • Liz Booth | | |
| B125/1/2 | <p>Minutes of Previous Meetings -</p> <p>Minutes of 30th November 2005 were considered and approved.</p> | | |
| B125/1/3 | <p>Appointment of Chief Executive</p> <p>The Chairman indicated that the Resources Sub Committee in conjunction with Veredus Recruitment Consultancy had pursued the process of appointment for permanent Chief Executive.</p> <p>From a comprehensive response long list interviews had been concluded and the Sub Committee had short listed five candidates, one of whom had subsequently withdrawn.</p> | | |

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| | <p>Following a robust interview process the Chairman intimated that he had much pleasure in announcing that Isobel Riley currently Director of Operations with Sheffield Homes, had been offered the appointment of Chief Executive of 2010 Rotherham Ltd, effective from 20th February 2006.</p> <p>The Board unanimously agreed to the appointment.</p> <p>The Interim Chief Executive introduced Isobel Riley to the Board.</p> | | |
| <p>B125/1/4</p> <p>B125/1/4/1</p> | <p>Report by Chairs of Sub Committees</p> <p>Business Development Sub Committee – 12/12/05</p> <p>The Board were advised that in terms of the potential development of a Strategic Partnership with the DLO, the Sub Committee were unable to conclude a positive way forward at this stage.</p> <p>Particular issues surrounded the clarity and Terms of Reference of the proposed Strategic Partner, and the overall financial and business viability of the Barbot Hall Business Organisation.</p> <p>The Interim Chief Executive expressed concern that the Sub Committee had apparently been unable to reach positive decisions in the development of the Strategic Partnership with the DSO.</p> <p>He emphasised that it was imperative that clear and precise aspects of evaluation were offered to prospective strategic partners. In addition appropriate time lines in addressing the statutory requirements for the OJEU process was essential.</p> <p>The Interim Chief Executive advised that a special Sub Committee Meeting would be convened on 9th January 2006 to pursue issues of VFM, Quality, TUPE implications and in that context specialist professional advice would be afforded to the Sub Committee.</p> <p>The Board agreed to this course of action.</p> | | |

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| <p>B125/1/4/2</p> | <p>Community and Partnership Development Sub Committee – 16/12/06</p> <p>The overall concept of the development of Neighbourhood Management within RMBC and the appropriate interaction of 2010 RL was raised by the Chair of the Sub Committee.</p> <p>Particular concerns encompassed the future role of Area Assemblies the role of appropriate Chairpersons on these Assemblies. The revised structure and the role and support 2010 RL would be required to provide was considered.</p> <p>The review of Area Assemblies will be complete by February 2006 and a full report will be presented to the Board.</p> <p>The Board endorsed the principles that on receipt of this report the involvement of 2010 RL in Neighbourhood Management should be of top priority in terms of future strategic and operational support.</p> | | |
| <p>B125/1/4/3</p> | <p>Performance Management Sub Committee 14/12/05</p> <p>Performance Management standards for the month of November had been considered by the Sub Committee and specific areas for improvement discussed with the Neighbourhood Co-ordinator.</p> <p>The Board raised concerns with regard to the areas chosen and criteria involved in reality checking by Sheffield Homes.</p> <p>Within that context the Chairman emphasised a necessity of effective scrutiny, whether that be within performance levels, KPI's or customer care etc. It was essential that 2010 RL act in a positive fashion to critique comparators etc in the development of a top quality service of the community.</p> <p>It was agreed that the Interim Chief Executive should pursue appropriate action including performance clinic to redress any areas of non performance within the service.</p> | | |

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| <p>B125/1/4/4</p> | <p>A Strategic Services Manager be invited to the next meeting of the Sub Committee. Resources Sub Committee</p> <p>The Board were advised that all recent meetings of the Resources Sub Committee had predominantly been in relation to the recruitment of the Chief Executive.</p> <p>It was agreed that the resources Sub Committee would convene imminently.</p> <p>It was suggested that the Chairs meet prior to the Board to discussing any cross cutting issues.</p> <p>The Board agreed to this course of action</p> | | |
| <p>B125/1/4/5</p> | <p>Sub Committee Administrative Management</p> <p>Having considered the reporting mechanism of the Sub Committees the Interim Chief Executive advised the Board that the principles of exception reporting should be implemented.</p> <p>Further discussion on a future protocol was considered.</p> <p>It was agreed that the Interim Chief Executive would develop formal processes to address specific concerns in administration and report to the next meeting of the Board.</p> | | |
| <p>B125/1/5</p> | <p>Declaration of Interests</p> <p>None</p> | | |

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| B125/2 | B Strategic Management | | |
| B125/2/1 | <p>Audit Commission Inspection</p> <p>The Interim Chief Executive presented the feedback report on the recent formal inspection of 2010 RL by the Audit Commission.</p> <p>He indicated that the critique identified both strengths and weaknesses within the organisation and outlined specific areas for improvement including:</p> <ul style="list-style-type: none"> • Diversity • Gas Servicing • Disabled Adaptations <p>2010 RL had formally responded to the inspection report... and the process encompassed responses and issues that would assist in the final evaluation and assessment for the Audit Commission Inspection.</p> <p>A formal decision on Judgement 1 <i>How good is the Service</i> and Judgement 2 <i>Prospects for Improvement</i> and consequential potential investment within the Decent Homes programme would be received week commencing 16th January 2006.</p> <p>The Interim Chief Executive expressed his appreciation to the Board for their co-operation, assistance, commitment and participation in the Inspection Programme.</p> <p>The Board requested that all 2010 members of staff be thanked for their individual input and commitment in addressing Inspection requirements.</p> | | |

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| B125/3 | C Resource Management | | |
| B125/3/1 | <p>Financial Management Position Statement</p> <p>Financial Management information in the form of budget profiles was presented by Price Waterhouse Coopers.</p> <p>Housing management Operation Budget Monitoring (For the period ending November 2005)</p> <p><i>“Accrued expenditure to date is lower than budget, with £4.1m having been incurred by the cost centres of 2010 Rotherham Limited’s housing management operation as compared to an apportioned budget at this stage of the year some £4.7m, giving a positive variance of £0.6m. The main accrual which has accounted for is in relation to the Service Level Agreements between the Council and 2010 Rotherham Limited. Once allowance for costs to be processed has been included in the year end forecast, a break-even position has been forecast, compared to a surplus position of £0.058m projected in October. The main reason for this is a reduction in the under spend in relation to indirect and direct employee costs. This accounts for £0.05m of the difference.</i></p> <p><i>Within this budget overall expectation there are variations the largest cost saving has been shown on the employee spend. This has primarily arisen through the Neighbourhood Teams, Programme Management and the Business Unit not having full establishment</i></p> <p><i>The supplies and services spend shows an overall overspend which has arisen in the main from the projections on the Development Budget. A prudent view of this account has been taken where the actual spend on contracted services has been projected to the year end on the basis of the spend pattern and the expert fee budget has been shown as fully utilised the Development cost centres will be a key cost centre for review in ensuring year-end forecasts are robust. Work has been undertaken to ensure that legitimate costs have been included within this area.</i></p> <p><i>Specific meetings are to be undertaken with management to ensure that the plans for 2010 Rotherham Limited are reflected accurately within this exercise.”</i></p> | | |

Property Services Budget Monitoring (for period ending November 2005)

“In summary, the trading account is reporting a surplus of £0.34m for the period to date, compared with a time-apportioned budgeted surplus of £0.16m. The result is driven primarily by the restriction of operating expenses below budget rather than over achievement of income targets.

As a result of improved reporting systems and the methodologies to measure work in progress (WIP) with greater accuracy, the financial results are becoming more reliable. Further work is, however, still required to enhance the robustness of systems and protocols in order to provide greater confidence in the financial data produced for Management and the Board – this will include some realignment with detailed budgetary headings.

Total income of the DSO at £12.3m remains under budget (£13.1m) although some of this shortfall relates to additional Decent Homes schemes dependant on the results of the recent Audit Inspection. Management control over costs has ensured that the budgeted surplus has been exceeded.”

Detailed issues on bank accounting and other operational activities within the financial management environment were questioned.

PwC Indicated detailed scrutiny of the figures; future forecasting and forward planning would be undertaken by the Executive Management Team.

The Interim Chief Executive indicated that robust evaluation of the development budget and other aspects of Subsidy to RMBC would be pursued. He emphasised that it was essential that effective Trading Accounts and Business Planning were of top priority.

Decision

The Board accepted the financial profiles and the rationale projected by Price Waterhouse Coopers.

The Board endorsed the action to date and future programming as outlined by the Interim Chief Executive.

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| B125/4 | D Performance Management Framework | | |
| B125/4/1 | <p>The Performance Management Framework and Key Performance Indicators for November 2005 were presented to the Board.</p> <p>It was noted that performance had dropped with regard to rent arrears and non urgent repairs. The Interim Chief Executive indicated that a robust management audit review and appropriate performance clinics had been implemented.</p> <p>The Board were advised that the Excellence Plan will be reviewed and updated and presented at the next Board Meeting.</p> <p>Decision</p> <p>The Board accepted the performance profiles and endorsed the actions of the Interim Chief Executive.</p> | | |

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| B125/5 | E Business Development | | |
| B125/5/1 | <p>The Chief Executive</p> <p>It was intended that the recently appointed Chief Executive would identify her <i>Forward Strategy for 2010 RL</i> in a formal presentation.</p> <p>It was decided that this presentation would be postponed until the next Board Meeting.</p> | | |
| B125/5/2 | <p>Manager and Employee for November and December</p> <p>A presentation of a plaque and a £50 cheque was made by the Chair of the Board to Dave Whelan and Colin Boyes as Managers of the Month.</p> <p>A further presentation of a plaque and a £50 cheque was made by the Chair of the Board to Margaret Jarvis and Mark Caulket as Employees of the Month.</p> <p>These awards represented the months of November and December.</p> <p>Congratulations were expressed by the Board for the hard work and dedication of these employees.</p> | | |
| | <p>Date and time of next meeting:-</p> <p>25th January 2006, 2pm - Eastwood Board Room</p> | | |