

2010 ROTHERHAM LTD

**MINUTES OF BOARD MEETING HELD ON 25TH JANUARY 2006 Ref: B
AT THE BOARDROOM, EASTWOOD**

Present:

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>Anita Heaton</i>	<i>Cllr Paddy Burke</i>	<i>Cllr Barry Dodson</i>	<i>Cllr Glyn Robinson</i>
<i>Harry Tooley</i>	<i>Dr Giles Bloomer</i>		

In Attendance:

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

<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>Simon Bunker - RMBC</i>
<i>Isobel Riley – Designate Chief Executive</i>		

Minute No.		Action By	Target date
B16/1	A Governance		
B16/1/1	<p>Apologies for Absence</p> <p>Apologies were received from</p> <ul style="list-style-type: none"> • Dr Heather Jones • Cllr Neil License • Tony Billingham 		
B16/1/2	<p>Minutes of Previous Meetings -</p> <p>Minutes of 21st December 2005 were considered and approved.</p>		
B16/1/3	<p>Chairman’s Report</p>		
B16/1/3/1	<p>Audit Commission Inspection 28/11/05 – 09/12/05</p> <p>The Chairman indicated that he was pleased to advise that the Housing Inspectorate had assessed the 2010 Rotherham Ltd service has having satisfied the conditions set by the ODPM to attract funding under Round 4 of the ALMO programme.</p> <p>The Inspection assessment evaluated 2010 Rotherham Judgement 1 ‘2 Star’ service Judgement 2 uncertain prospects form improvement.</p>		

<p>B161/3/2</p>	<p>The Chairman advised that the judgements had been formally accepted by 2010 Rotherham Ltd and RMBC.</p> <p>The Chairman thanked the Board and all members of 2010 staff and RMBC for their professional approach and commitment to achieving considerable improvements within the service and in the achievement within the '2 Star' rating.</p> <p>He stated that he was delighted that the additional funding and investment had been achieved to improve the quality and standard of living within the Rotherham Community.</p> <p>The Board noted the outcomes of the Audit Inspection and expressed their appreciation to all concerned.</p> <p>The Board agreed to award staff an additional 1 day leave for 2006.</p> <p>Liaison Meetings</p> <p>The Chairman reported that Client Liaison meetings were now being convened on a weekly basis each Friday at 2pm....although the timeline was difficult for both Chair and Vice Chair to respond to as the result of professional commitments.</p> <p>Although the Client had not been able to offer alternative days/times alternative arrangements to accede to the Clients request were discussed.</p> <p>The administrative process of minutes of Liaison meetings was considered.</p> <p>It was agreed that the Liaison minutes would be presented through the Chair on an exception reporting basis but that the detailed minutes would be available on file.</p>		
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<p>B16/1/4</p>	<p>Chief Executive Report</p> <p>The Interim Chief Executive read a letter received Graeme Bennett of the Audit Commission to the ODPM which advised that the Housing Inspectorate had assessed the service as having satisfied the conditions set by the ODPM to attract funding under Round 4 of the ALMO Programme.</p> <p>The information received from the Audit Commission would enable the ODPM to authorise 2010 Rotherham's additional capital allocation for the Decent Homes programme.</p> <p>He confirmed that the formal response accepting the judgement and evaluation of Inspection had been agreed by the Interim Chief Executive and the Executive Director of Neighbourhoods RMBC.</p> <p>He advised that the draft inspection report would be discussed at the round table meeting on 10th February 2006 and following this the final report would be produced towards the end of February.</p> <p>He stressed that the Judgement and the Draft report would be embargoed until that time.</p>		
<p>B16/1/5</p> <p>B16/1/5/1</p> <p>B16/1/5/2</p>	<p>Verbal Report by Chairs of Sub Committees</p> <p>Business Development Sub Committee presented by Mark Johnson</p> <p>The Board were advised that the programme for Phase 2 Decent Homes incorporating evaluation of contractors etc was within appropriate legislative time scales.</p> <p>The evaluation of potential strategic partners had been considered by the sub committee and further legal advice had been sought in particular aspect of the ITT process.</p> <p>Community and Partnership Development Sub Committee presented by Cllr Austen</p> <p>The Sub-Committee had received reports providing a current health check on the Area Housing Panels and local TARA's. Further updates have been targeted on a quarterly basis.</p>		

	<p>The Board accepted the report with the amendments that the timelines should be 3 working days and that AOB should be accepted at the discretion of the Chair.</p>		
B16/1/8	<p>Governance Strategy</p> <p>Phil Rees presented a report identifying the issue of good Governance and the development of improving Governance arrangements for the Board and sub committees.</p> <p>The report encompassed</p> <ul style="list-style-type: none"> • Relevant Articles Association • progress to date in evaluation, • learning from experience • Time frame for the development and implementation of a Governance Improvement Strategy for the Board. <p>The Board adopted the principles of good Governance as outlined in the briefing paper.</p> <p>Approved the Governance Improvement Strategy for the Board as the first stage of a more comprehensive process of reviewing and developing governance arrangements.</p> <p>Requested a further report on taking forward a comprehensive review of governance arrangements.</p>		
B16/1/9	<p>Succession Strategy</p> <p>Phil Rees presented a report outlining the statutory requirements to implement a formal Succession Strategy for Board members.</p> <p>He emphasised the Board Succession Strategy was drawn from the Articles of Association governing 2010 as a Company Limited by Guarantee.</p> <p>The Articles identified the manner in which these rules should be applied and developed in practice.</p> <p>Consideration of the wider issues of Board member induction, support and development, in order to minimise the impact of change on the effectiveness of the Board, as the primary governing body of the company was imperative.</p>		

	<p>It was agreed that the Community Development Sub Committee should consider the issue...including the practicalities processes etc and report back to the next Board meeting.</p>		
B16/2	B Strategic Management		
B16/2/1	<p>Decent Homes Position</p> <p>Mark Johnson presented a current position statement identifying:-</p> <ul style="list-style-type: none"> • Decent Homes Phase 1...Ravenfield project ahead of schedule. • Herringthorpe and Swinton scheduled as next areas with the Phase 1 programme. • A successful Bidders Conference in preparation for Decent Homes Phase 2 had been successful. • The evaluation of prospective partner's bids will be implemented during March 2006 and appropriate input would be essential from the Business Development Sub Committee. <p>The Board noted the current programme and instructed the Interim Chief Executive to report on a monthly basis the progress on all aspects of the Decent Homes programme.</p>		
B16/3	C Resource Management		
B16/3/1	<p>Financial Management Position Statement</p> <p>Ian Hillier of PWC presented a report on the current Financial Management profiles as at December 2005.</p>		
B16/3/1/1	<p>Housing Management</p> <p><i>"Accrued expenditure to date is lower than budget, with £4.6m having been incurred by the cost centres of 2010 Rotherham Ltd's housing management operation, as compared to an apportioned budget at this stage of the year of some £5.4m, giving a positive variance of £0.8m.</i></p> <p><i>The main accrual which has been accounted for is in relation to the Service Level Agreements between the Council and 2010 Rotherham Ltd. Once allowance for future costs to be processed has been included in the year end forecast, a break even position is expected at the year end.</i></p> <p><i>Within the total budget overall expectations these are variations, the largest cost saving has been shown on the employee spend. This</i></p>		

	<p>has primarily arisen through the Neighbourhood Teams, Programme Management and the Business Unit not having a full establishment.</p> <p>The supplies and services spend shows an overall underspend 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 key cost centres for review in ensuring year-end included within this area.</p> <p>Specific meetings are to be undertaken with management to ensure that the plans of 2010 Rotherham Limited are reflected within this exercise.”</p>		
<p>B163/1/2</p>	<p>Property Services DSO Trading Statement 31st December 2005</p> <p>“In summary, the trading account is reporting a surplus of £268K for the period to date, compared to the time apportioned budgeted surplus of £187K. This result is primarily driven by the restriction of cost of sales below budget rather than over achievement of income targets.</p> <p>Total income to the DSO at the 31st December of £149m is slightly below the apportioned budget of £15m. This shortfall is lower than that reported in the previous month due to profiling issues and high work in progress figures for December. Although income from Decent Homes Projects appears to be £3m below the apportioned budget, a large percentage of this shortfall relates to additional Decent Homes schemes dependent on the results of the recent Audit Inspection. Management control over Variable costs has ensured that the budgeted surplus has been exceeded.</p> <p>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 underway, however, 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 of budgets.”</p> <p>The Board reinforced the necessity of ensuring the robust financial information should be attained.</p> <p>It was noted that the Work In Progress figure was excessive and that remedial action programme should be implemented.</p>		
<p>B163/1/3</p>	<p>Rent Increase</p> <p>The Interim Chief Executive advised the Board that 5% rent increase had been approved by RMBC.</p> <p>Consideration was given to the principle of housing</p>		

	<p>subsidy and it was identified as a consequence there was a gap of £1.3m within the revenue account.</p> <p>The Interim Chief Executive indicated that 2010 Rotherham Ltd had been asked by RMBC to address the £1.3m gap and within that context consideration had been given to a variety of options.</p> <p>Capitalisation of salaries, savings on SLA's, development fund reduction, an evaluation of staff costs, and potential reductions therein had been evaluated by the management team and ongoing discussions were taking place with the Client.</p> <p>The Board noted the comments of the Chief Executive and endorsed the options for consideration.</p> <p>The Interim Chief Executive was instructed to report on the outcome of further negotiation.</p> <p>The Board accepted the offer by the new Chief Executive to outline the principles of Housing subsidy at a future meeting.</p>		
<p>B16/3/2</p>	<p>Workforce Development Strategy</p> <p>The Interim Chief Executive presented a Workforce Development Strategy which had been adopted by RMBC.</p> <p>He emphasised the model was nationally recognised and that the principles incorporated should be adopted by 2010 Rotherham Ltd.</p> <p>The Board endorsed the Chief Executives recommendation and referred the strategic document to the Resources Sub Committee for further detailed consideration and evaluation.</p>		
<p>B16/4</p>	<p>D Performance Management Framework</p>		
<p>B16/4/1</p>	<p>Richard Walker presented the performance management framework identifying the latest Key Performance Indicators and service standards.</p> <p>The Board were advised that the performance levels had improved and that action plans were in place to ensure</p>		

	<p>that top quartile standards were achieved.</p> <p>A verbal presentation on the 2010 Rotherham 2005 survey was provided and the Board were advised that individual copies of the survey were available.</p> <p>Marie Ingham presented the updated Excellence Plan and the matrix which included areas for improvement highlighted in the recent Audit Commission report.</p> <p>The Board accepted the reports and referred the Performance Management Framework, KPI's etc to the sub committee on Performance for detailed consideration and monitoring.</p>		
B16/4/2	<p>Housemark Report</p> <p>Gary Kyte presented a summary of the 429 page report provided by CMC which identified potential savings.</p> <p>The Board noted the summary and the outlined potential savings.</p> <p>The Board instructed the Interim Chief Executive to implement a financial evaluation in conjunction with the Resources sub committee.</p> <p>The evaluation should have an output on prioritisation of the various options to establish Value for Money and efficiency savings.</p>		
B16/5	<p>E Business Development</p>		
B16/5/1	<p>Chief Executive Presentation – Forward Strategy</p> <p>Isobel Riley the new Chief Executive gave a presentation on her Forward Strategy for 2010.</p> <p>The presentation incorporated key issues, strategies, objectives, timelines etc based on short-term and long term programmes.</p> <p>The Board endorsed the principles identified in the presentation...and welcomed the opportunity of working with the new Chief Executive to achieve the objective of a '3 Star' ALMO.</p>		

B16/5/2	<p>Board Member Training</p> <p>Members were asked for convenient diary dates so that training needs could be pre booked.</p> <p>The Board requested that training be limited to one day per month</p>		
B16/5/3	<p>Manager and Employee of the Month</p> <p>A presentation of a plaque and a £50 cheque was made by the Chair of the Board to Gavin Courtney as Manager of the Month.</p> <p>A further presentation of a plaque and a £50 cheque was made by the Chair of the Board to Trevor Wilson as Employee of the Month.</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>22nd February 2006 – 2.00pm – Eastwood Boardroom</p>		