

**2010 ROTHERHAM LTD**

**MINUTES OF THE BOARD MEETING HELD ON 26 SEPTEMBER 2007 AT 2:00 PM AT  
BOARD ROOM, EASTWOOD**

**Board of Directors:** Miss Anita Heaton (Chair)  
Cllr Jane Austen  
Mr Tony Billingham  
Mrs Liz Booth  
Mr Gaetano Demartino (From item 5)  
Cllr Barry Dodson  
Mrs Margaret Hartley  
Mrs Mary Jacques  
Cllr Neil License (Items 1 – 11)  
Cllr Reg Littleboy  
Mr Keith Stringer

**In Attendance:** Mrs Isobel Riley (Chief Executive)  
Mrs Teresa Butler (Director of Business Development)  
Mr Mark Whittle (Director of Investment)  
Ms Ramona Youhill (Assistant Director of Investment)  
Mr Colin Earl (RMBC) (Items 1 – 11)  
Mr Mike Clements (RMBC)  
Mr John Mansergh (RMBC)  
Mr Maqbool Ahmed (RMBC)  
Mrs Dawn Butterworth (Secretary to Chief Executive) – Minutes  
Mrs Lynne Chatterton (Secretary to Director of Business  
Development)  
Mr Andrew Roddison (RotherFed)

**Minute  
No.**

**1. Apologies for Absence**

Apologies were received from Mrs Victoria Penman, Mr Almas Abbasi and Mrs Michelle Musgrave.

**2. Minutes of Board Meeting 29 August 2007**

Cllr License thought he had given his apologies for the last meeting and requested that they be recorded.

Page 4 – Mr Billingham stated that the minutes were inaccurate and should read “Mr Billingham was happy to accept the report in principle but asked for the report to be brought back to the board should the council not agree with the proposals suggested as this may have further financial implications that would need to be reconsidered.”

Page 8 – Mrs Jacques asked that her comments around Decent Homes were

also included within the minutes to the effect that she had had some negative responses from tenants with regards to Decent Homes.

The minutes of the meeting were agreed subject to the above amendments.

### 3. **Matters Arising**

There were no matters arising.

### 4. **Declaration of Interests**

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

### 5. **Minutes of Committees**

#### **Community Development & Partnership**

Cllr Austen presented the minutes of the meeting held on 5 September 2007 and referred members to the key points listed at the end of the minutes.

The Chair referred to the point about the tenants' places on the Board and explained that if RotherFed feel strongly about this issue the Board looks forward to receiving RotherFed's concerns formally and equally would hope the Leaseholders Forum would be invited to be involved in the discussions.

Mrs Riley confirmed that a formal letter had been received from RotherFed and this would be presented to the Governance Committee on 8 October 2007. The Board requested that the letter also be circulated to each Director.

*(Mr Demartino joined the meeting.)*

It was also suggested that the relevant part of the Articles of Association be circulated to all Directors with the letter. Cllr Austen requested that if any Director had any comments upon receipt of the letter and the articles that they forward them to her or Mrs Butterworth/Mrs Chatterton prior to the Governance Committee on 8 October 2007.

**AGREED: The Board received and noted the minutes of the Community Development & Partnership Committee held on 5 September 2007.**

**ACTION: The letter from RotherFed and relevant part of the Articles of Association to be forwarded to Directors and Directors to provide any comments by 8 October 2007.**

#### **Governance**

Cllr Austen presented the minutes of the meeting held on 10 September 2007 and referred the Board to the key points listed at the end of the minutes. Cllr Austen explained that following discussions with Mrs Butler the reality looks like it

would not be appropriate to reduce to 3 committees and that further recommendations would be brought to the Governance Committee on 8 October 2007.

Cllr Littleboy referred to the accessibility of the Board Meetings to members of the public and stated that this should not be a major issue as it was unlikely that large numbers of the public would attend meetings anyway. Mrs Riley explained that we have a duty to ensure we have an accessible meeting room whether it was for one member of the public or a lot of people. Cllr Littleboy also referred to the changing of Committees at the end of financial year and expressed his concern as Resources had not been quorate for some time and needed to be addressed urgently. Cllr License agreed and stated that he would want to see the merger of Audit and Governance Committees and the merger of Asset and Resources Committees. It was agreed that this proposal would be presented to the Governance Committee but would need to move quickly to address the issue of unquorate meetings. Cllr Austen agreed and stated that the minutes of the meeting did reflect the comments above and would be discussed further at the next meeting.

**AGREED: The Board received the minutes of the Governance Committee held on 10 September 2007. The proposals of merging the Audit and Governance Committees and the Asset and Resources Committees be discussed at the Governance Committee and the outcome to be reported to the Board.**

## Items for Decision

### 6. RMBC Support Team

Mr Earl presented the monthly update on the project plan to the Board and confirmed that the majority of targets were due for October which distorted the figures slightly.

Mr Earl highlighted the areas where progress had been made and explained that the major risks were:

- The financial procedures and the need for appropriate resources to be in place;
- Value for Money (VFM) strategy;
- Bringing up to date the progress against the Delivery Plan and the Road to Excellence Plan and to ensure it was presented to the appropriate forum i.e. Board or Committee.

Mr Earl also confirmed that work was also starting on a report which detailed how sustainability of actions within the project plan was to be achieved.

Mr Earl also explained that another big area of work was to address the Board's training needs and referred to Appendix 2 of the report which highlighted some suggested areas for training. Mr Earl felt that there were two full days of training.

Cllr License expressed his concern that Mr Earl was taking the approach of the Local Authority and that alternative methods of training should be looked at i.e. distance learning. Cllr License also questioned what the red flag within the project plan meant. Mr Earl stated that he felt there would be benefits to get people together and learn from each other's experience and to take on board real life issues that Directors had come across during their time with 2010 Rotherham Ltd. With regard to the red flag areas this reflected issues that would not change if we did not change or add to what was being done currently.

Cllr License suggested that a learning package could be produced which could also be used in the induction process.

Cllr Dodson agreed with Cllr License and explained that he would find it difficult to find 2 days for training.

Mrs Hartley referred to the project plan and asked who was paying for the support team as this question had not been answered at the last meeting. Mr Earl explained that this was not straight forward and that the majority of the financial aspects would be linked to the SLA charges. In terms of his time and Mrs Julie Slatter's time, this would be absorbed by the Council.

Cllr Littleboy agreed that Directors did need to commit to some training and providing it was arranged in advance, could be achievable. Cllr Littleboy referred to the sustainability column and asked what mechanisms were being put into place. Mrs Riley explained that most of the work was finance related and there was a real problem with internal capacity. The SLA with the Council was expensive and the review was important to understand exactly what was provided for the cost. Mrs Riley expressed her concern that the support team was doing a great job but that it would finish shortly and faster progress was needed against the review of the Finance SLA.

Mr Billingham requested that the project plan included dates for when tasks were to be achieved by and, where efficiency savings were mentioned, a column be used to show what efficiency savings had been made. Mr Billingham stated that training was valuable and suggested skills assessment of Directors was undertaken to see what can be learned from each other.

Cllr Austen requested that training be put together on issues specific to Rotherham, in particular the relationship between the ALMO and the Council, as there was a need to understand the Rotherham picture – what we do and how we do it.

The Chair explained that she would find distance learning very inconvenient and Mrs Booth agreed.

The Board continued to discuss the finance SLA and acknowledged that the auditors had also commented on the small finance team. Exact detail of what was provided was essential to move forward. Cllr Littleboy asked that if there

was an existing SLA had both parties not already agreed to it. The Chair confirmed that the SLAs were prepared before the Board was formed and were given to the organisation to sign off before anyone had chance to read and understand.

Mr Demartino questioned the VFM strategy and how we say we have value for money if it was not clear what was being provided. In terms of training Mr Demartino explained that he liked e-learning packages but should also use the resources in house i.e. Directors' library.

Mr Earl thanked the Board for its comments on the training issue and agreed to move this forward in line with what had been discussed. With regard to the SLA review Mr Earl confirmed he would be in a position shortly to provide the detail behind the SLA and would be looking at the broader issues around the sustainability plan.

Mrs Booth asked that this information be shared quickly as the Board had been requesting this for some time now and the people that should be borne in mind were the tenants.

**AGREED: The Board noted the progress against the plan, noted the comments on sustainability with the inclusion of Mr Billingham's comment above and requested that Mr Earl brought back alternative arrangements for training as discussed above.**

## 7. Asset Team

Ms Youhill presented the report to the Board and explained the history of the report. Cabinet Member had approved phase one of the process and approved phases 2 and 3 subject to Board agreement. Ms Youhill confirmed that the structure was included within the current budget and was a major part in addressing the gaps in service delivery and would have a crucial impact on the inspection. When considering the structure of the Asset Management Team, the whole of the organisation had also been taken into consideration.

Cllr Austen questioned what revisions had been made from the report presented last month. Ms Youhill confirmed that the substance of report had not changed, just some of the wording. The gaps were outlined better and the way paragraphs were structured had changed. More benchmarking information had also been included. Cllr Austen requested that future reports were highlighted where changes had been made.

Mr Billingham had a number of questions. Had the £2.3m been benchmarked against other Authorities? Ms Youhill confirmed the percentage costs did show that 2010 was one of the cheapest ALMOs and, even when staffing levels were increased, we would still be one of the cheapest providers. Mr Billingham questioned the number of staff and what the Asset Surveyors were. Ms Youhill confirmed that the external contractor surveys would be completed in February 2008 and that she proposed to bring the surveying in house. An environmental

strategy would then need to be put together on which the surveyors focus. Long term, Surveyors would also be required for yearly health checks on properties. Mr Billingham had further questions on the report and it was agreed that Mr Whittle would discuss these outside the meeting as they would not affect the approval of the report. In particular long term recruitment could be addressed through staff turnover and if changes were needed the phased recruitment would allow these to be made.

Cllr Dodson asked when the agency staff could be brought in house as they were out there already doing a good job. Mrs Riley confirmed that this was exactly why the report needed to be agreed as there were some excellent workers already in place. It was noted that they would need to go through a proper recruitment process.

Cllr License expressed that it was important to get this team in place and the exact mix of the team was not as important and there should be opportunity to change the mix over next 3 years. Cllr License confirmed that when he had given approval for the report to be presented to Cabinet Member he had received assurance that benchmarking had been made on the level and salary scales of staffing and that we now needed to get moving on the process.

Mr Earl agreed with Cllr License and explained that the Cabinet Member had indicated that she would be supportive of the proposal and the important thing was the phased process and that the issues raised by Mr Billingham could be tackled along the way.

**AGREED: The Board approved the Asset Team structure and approved the continuation of the recruitment process for the Asset Team in compliance with the phases of recruitment given in the paper.**

## 8. Decent Homes Budget Virement

Mr Clements presented the report which recommended that a £1.6m virement was made from the refurbishment budget to the windows contractors and explained that this had already been presented to Cabinet Member. She had requested the Board receive the paper first and make a recommendation.

Cllr License explained that this confirmed everything that was wrong with the relationship between the Council and the ALMO and that decisions of this nature should be within the gift of the ALMO, under the powers of delegation.

The Board agreed that there was a major issue with delegated authority and a value needed to be agreed to ensure work was not held up. Mr Earl confirmed that work had started on the delegation process through the Governance Committee. Cllr License questioned what would happen if the delegation had been agreed but Cabinet Member stated that a report needed to go to Board for a recommendation. Mr Mansergh confirmed that he had discussed this with the Cabinet Member and the main area of concern was an appropriate process within the ALMO. Another concern had also been that Cabinet Member had

been aware of Decent Homes information that the Board were not, but it was agreed this was no longer a problem.

Mrs Riley explained that the Board had got to the heart of the matter and endorsed what Mr Earl said that work was being undertaken. Mrs Riley had also discussed this with Mr Cuff and had raised the same issue.

**AGREED: The Board agreed to recommend approval of the £1.6m virement and also requested that the issue of delegated powers be resolved urgently to ensure decisions of this nature could be made under the delegated powers without being brought to the Board or Cabinet Member, other than for information purposes.**

## Items for Discussion

### 9. Chair's Briefing

The Chair confirmed that she had spoken to Mr Andrew Bedford and he seemed reasonably happy with the progress that was being made and was supportive of starting the process of handing back the reins to the company in a phased way. Discussions with Mr Mike Cuff had also been of a similar nature.

A Leaseholders' meeting had been held and had been attended by Mr Webb, Mr Whittle and Mr Earl. Further work was to be undertaken to resolve the issues.

Cllr Austen referred to the minutes of the Governance Committee and requested that items of this verbal nature no longer be included on the agenda. If there were issues that needed to be discussed a paper should be prepared. This was agreed.

**AGREED: The Board received and noted the briefing and agreed that verbal briefings would no longer be included on the agenda.**

### 10. Chief Executive's Briefing

Mrs Riley informed the Board that a meeting with Communities and Local Government (CLG) was taking place on 28 September 2007. The major subject matter would be the deferment of the Decent Homes funding as per the discussions that were held last year.

Mrs Riley also asked the Board for its approval on an extra day's annual leave being given at Christmas. Mrs Riley explained that annual leave cards had already been issued to staff which detailed the 31 December 2007 being an extra day. This however had not been agreed beforehand but would be very difficult to withdraw. Mrs Riley explained that she would like the Board's agreement on this extra day and that she would be informing staff that the last Friday before Christmas would be a normal working day. Cllr Dodson felt we could give an extra half day as thanks for work undertaken during the floods. Cllr Austen felt that a serious discussion should be held as offices would be closed for 7 days

and could cause a major problem. Mr Webb agreed and explained that there was a security issue last year when RBT cashiers were allowed to leave early and tenants still wanted to pay rent etc and our staff did not have the security available to take payments. Mrs Riley confirmed that she had been assured discussions would be held this year.

**AGREED: The Board received and noted the briefing and agreed to the additional day's leave at Christmas.**

## 11. Finance Report

Mr Ahmed presented the report and explained to the Board that comments on its format were welcome in order to develop the report.

Key areas within the report were;

- The Cabinet Member had agreed that district heating costs would be absorbed within the HRA budget;
- The recovery plan would be achieved by March 2009, although there was no scope within the capital budget to accelerate the capital programme and service level agreement (SLA) savings would only be seen from the next financial year;
- Consultancy costs for Barbot Hall still remained a risk and it needed to be decided from where these costs would be funded from;
- Work was continuing to restructure the general ledger and improve month end close down processes;
- Two new members of staff had started with the organisation. Mrs Lynne Balls, Senior Accountant and Ms Terry Thorne, Finance Officer.

*(Mr Earl and Cllr License left the meeting.)*

Mr Ahmed referred to Appendix 1 of the report and the consolidated table which showed the organisation was in excellent shape at present.

Ms Youhill questioned the line on management fee and whether this was revenue. Mr Ahmed confirmed it was revenue and capital. Ms Youhill expressed her concerns that the management fee was not included in the capital section which showed an under spend which was untrue and should show on target. Mr Ahmed confirmed that the processes need to be aligned and discussions had also been held at the Executive Management Team meeting. Mrs Riley confirmed this and explained that there was a need to ensure the figures were reconciled and that Mr Ahmed would be working with Mr Clements to rectify this problem.

Ms Youhill also requested that the presentation of income into the Direct Labour

Organisation (DLO) was amended.

Mr Ahmed explained that the repairs and maintenance figures had improved following capitalisation of some areas of work. Although the principles for capitalisation had been agreed, the exact process and timing had to be agreed.

Mr Clements also confirmed that the repairs expenditure position was being worked on at present by Mr Whittle and his staff to address the planned/ responsive ratio and that a report would be presented to the Board next month and would then be presented to Cabinet Member.

Mr Ahmed referred the Board to Appendix II of the report which identified the areas that could be allocated against the deficit and included in the recovery plan. The majority of items had been pulled out of the recovery plan and additional items were the floods costs, asset management team vacancies, publicity and promotions and computer software. The schedule would be presented to the Board on a monthly basis to show the progress against the deficit.

Mr Billingham referred to the publicity aspect of the recovery plan; he would like to see some positive publicity in readiness for the inspection and requested the £25k saving was reinstated to the budget as soon as possible. Mrs Riley confirmed that internal and external communications need to be improved and this would be a major issue the Inspectors would examine. Additional support for Miss Rachael Ellis was needed and a proposal was being worked up to identify from where the funds would come.

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

## **Items for Information**

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

Ms Youhill presented the report for information.

Cllr Austen expressed her concerns that there was no performance data for ROK and that she had been made aware of concerns in the Aston area. Ms Youhill explained that there have been some problems with a late start on site but was confident these issues were now resolved and work should now progress. With regard to the monitoring system within the report there had been a turnover of staff and now Phase 1 of the Asset Team Structure had been approved a KPI Monitoring Officer would be employed and would be responsible for providing the performance figures.

Mrs Hartley also explained that ROK was currently on her estate and there had been numerous problems with communication.

Mr Demartino referred to the health and safety section of the report and explained that he was concerned about the gas issues. Mr Whittle confirmed

that Mr John Stapleton was looking into these issues. Ms Youhill also confirmed that 2010's own Quality Assurance Teams were also introducing additional checks to ensure work meets the standard. Mr Demartino agreed this was a good way forward but also needed to address the issues with the Contractor as the work should be done to the standard first time.

Cllr Dodson informed the Board that he had raised concerns with Mr Whittle which had all been addressed.

Mrs Booth confirmed that communication had also been an issue whilst work had been undertaken at her property and around her estate. Contractors' Tenant Liaison Officers had not been visiting tenants on a regular basis and this was not good enough. Ms Youhill acknowledged the concerns and explained that a visit log had also been introduced for when work started on a property. Mrs Booth confirmed she was aware of these logs from visits to the Respite Centre but was concerned they were not being used properly. Cllr Dodson confirmed he had been requested to sign one when he had visited a property. Ms Youhill and Mr Whittle agreed to follow up on the concerns raised.

Ms Youhill explained to the Board that she would like to organise a presentation on Decent Homes to give an update on the programme in a more detailed form. The Board agreed it would appreciate a presentation and Ms Youhill agreed to organise.

**AGREED: The Board received and noted the report and agreed that Ms Youhill and Mr Whittle would follow up on the issues around communication and health and safety. A presentation on Decent Homes was also to be organised by Ms Youhill.**

### 13. Health and Safety Report

Mr Whittle presented the report for information.

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

### 14. Service Level Agreement Review

Mrs Butler presented the report for information.

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

### 15. Director of Neighbourhood Management Report

Mr Webb presented his report to the Board for information.

Cllr Austen thanked Mr Webb for coming out to Area Assemblies and asked when people would be informed of which staff were in which area. Mr Webb confirmed that the missing part of the staffing structure was the appointment of the Assistant Managers and following these appointments he would provide the

up to date information.

*Ms Youhill left the meeting.*

Cllr Dodson expressed his concern regarding the work that would be lost in terms of work with local councillors and others which was additional to the job of Neighbourhood Manager and Champions.

Mrs Booth questioned where managers would be based in areas that had been merged. Mr Webb confirmed that one of the first tasks for the managers would be to look at accommodation but he would envisage that managers hot desk between the areas and that the Assistant Managers would be based in each of the Area Assemblies. Mr Webb also confirmed that he would also be looking at customer access points.

Mrs Booth requested an update on a monthly basis as she would not visit the Neighbourhood Office as this would put additional pressure on staff. Mr Stringer disagreed and felt that his visits to the Neighbourhood offices showed staff the Board was committed to the work they were doing.

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

## **16. Director of Business Development Report**

Mrs Butler presented the report for information.

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

*The public and the press were excluded from the meeting during consideration of the following items on the grounds that they involve the likely disclosure of confidential information.*

## **17. Director of Investment Report**

Mr Whittle presented the report to the Board and updated Directors on the current situation.

The Board discussed the article in the press and the findings of the investigations.

Mr Whittle confirmed that he and the Union Representatives would also be meeting with staff groups to update them.

**AGREED: The Board received and noted the report, gave Mr Whittle its support in the investigations and requested to be updated as deemed necessary.**

**Date of Next Meeting:**

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

**Dates of Future Meetings:**

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

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

**30 January 2008 – 2 pm, Board Room, Eastwood**

**27 February 2008 – 2 pm, Board Room, Eastwood**

**26 March 2008 – 2 pm, Board Room, Eastwood**

Signed as a true and accurate record.

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Chair

Date: