



**GGHT Board of Directors
23 February 2011
Council Chambers**

Minutes

Attendance: John Kerr-Brown (Chair), Jan Kitshoff, Fran Murray, Phil Pemberton, Roy Smith, Terry Spencer, Royston Willard, Sheila Woodyatt (part) Peter Mercer, Allen Barber, Fiona Graham, Peter Fitzhenry, James Bacon (part), Mark Burrows (part), Ian Robinson (part), Angela Perry (part), David Pendleton

Apologies: Sheila Barber, Carole Hassan, Jim Stockton

		Action
1.	<p>Declarations of Interest</p> <p>None</p>	
2.	<p>Apologies</p> <p>As above.</p> <p>FM reported that Sheila Barber had commenced her treatment and was very confident of her return to good health.</p> <p>Members asked that their best wishes for a speedy recovery be sent to Sheila.</p>	
3.	<p>Minutes of the previous meeting: 26 January 2011</p> <p>The Board accepted the minutes as an accurate record of the meeting held on 26 January 2011.</p> <p><u>Matters arising</u></p> <ul style="list-style-type: none"> • TS asked if a response had been received from the gas provider on the matter raised on the issue of maintenance of gas boilers. 	AP
4.	<p>Minutes of the Finance Committee: 9 February 2011</p> <ul style="list-style-type: none"> • RS gave an overview of discussion. • RS outlined the decisions made by the Committee. 	

	<p>Questions/comments</p> <ul style="list-style-type: none"> The Board noted that the decisions relating to the budget and the rent increase were included in separate reports to the meeting. <p>GGH 2010 – 063 The Board endorsed the decisions of the Finance Committee.</p>	
5.	<p>Minutes of the Scrutiny Panel: 19 January and 9 February 2011</p> <p>FG gave an overview of the discussions at the first two meetings of the Scrutiny Panel. The Panel had identified their priorities and a skills audit was to be facilitated at the next meeting to be held in March. The Chairman of the Panel was to meet with the Chair of the Board on a regular basis.</p> <p>Questions/comments</p> <ul style="list-style-type: none"> It would be helpful for Board members to see the Panel's Terms of Reference. <i>These will be circulated.</i> What is the age profile of Panel Members? <i>At present the average age is 45 plus and the Panel were looking to widen the age group to include younger persons. Tenants were eligible to be Panel members but it would be possible to involve other persons eg those of school age in other ways.</i> The report and Panel minutes gave the impression that the Scrutiny Panel had made an encouraging start. <p>The Chairman invited Jean Bullock, a Panel member who was in attendance to give her comments. Jean welcomed the formation of the Scrutiny Panel and considered that it would have a beneficial role in raising the issues of concern to tenants.</p> <p>GGH 2010 – 064 The Board noted the minutes of these meetings.</p>	FG
6.	<p>Rent increase 2011-12 – Decision</p> <p>AB presented a report that set out proposals for the rent increase to be applied in April 2011. This increase would be the first as Golden Gates Housing Trust.</p> <p>Rents had been set in accordance with the Government's rent restructuring policy and the Tenant Services Authority's standard on rents expected that housing associations would follow this policy.</p> <p>Under the policy rent increases would average 6.22%, although increases were calculated on an individual basis, and the vast majority of tenants would see increases of between 5% and 8.5%.</p> <p>This increase was higher than that built in the business plan and would generate additional income of approximately £400k per annum. However there were a number of risks in the future, including the likelihood of</p>	

changes to the current rents policy, which would limit increases in the future and pose a significant risk to GGHT. Additional assistance was to be provided to tenants over the coming months with money advice through temporary staff.

It was proposed that rents be set in line with the rent restructuring policy and an average increase of 6.22% be applied. Garage rents and most service charges were to be increased by 5.1%.

Other options available were:

- Set no increase for 2011/12
- Set an increase in line with business plan assumptions
- Set a lower increase in 2011/12, but apply larger increases in future years.

The Finance Committee on 9 February 2011 had recommended that GGHT continued to follow the government's rent restructuring policy in line with the business plan assumptions.

Questions and comments:

- Is the water charge in addition to this increase? *Yes, these would be set by United Utilities plc. These are not included in comparison figures given in the report.*
- What were the comments from the Customer Consultative Panel? *The Panel had acknowledged that the rent increase followed the Government guidelines and had been included in the Warrington Offer. Additionally, a draft letter to tenants had been submitted to the Scrutiny Panel for their comments.*

The Chairman invited Jean Bullock, a member of the Customer Consultative Panel and Scrutiny Panel, who was in attendance to give her comments. Jean considered that Panel members were aware of the reasons for the rent increase, and that all tenants had been informed, as part of the Warrington Offer that rents would increase in accordance with the Government's guidelines this would be hard to explain.

GGH 2010 – 065

That the recommendations be approved and GGHT continue to follow the Government's rent restructuring Policy and the increases be set as follows: Target rents be increased by 5.1% in line with rent restructuring

- ❖ Actual rents be increased in line with the rent restructuring policy
- ❖ The maximum increase on actual rents be set at 5.1% + £2 per week
- ❖ Service charges be increased by 5.1%, with the exception of furnished accommodation charges and tenants' insurance charges, where no increase be applied
- ❖ Garage rents be increased by 5.1%
- ❖ No change be made to the Supporting People charges

<p>7.</p>	<p>2011-12 Budget – Decision</p> <p>AB presented a report which set out the proposals for the GGHT budget for 2011/12, the first full financial year following transfer. The report gave details of the proposed income and expenditure account and the investment programme. Variances were highlighted together with any impact on the longer term business plan.</p> <p>The investment programme was less than that included in the business plan. Property investment staff had revised the profiles to take into account the procurement process and operational plans. There was no impact on customers in terms of promises made in the offer document.</p> <p>A target saving of £688k in the developing Value for Money Strategy had been identified but was not included in the business plan. This would be reported to the Finance Committee in April.</p> <p>A formal review of the business plan was to be undertaken in March and agreed with Santander. An update would be brought to the Finance Committee in April.</p> <p>The Finance Committee on 9 February 2011 had recommended that the Board approve the Budget for 2011/12 as set out in the report.</p> <p>Questions/comments</p> <ul style="list-style-type: none"> • Given the current inflation rate is the proposed provision of 3.5% sufficient? <i>This had been identified as a risk and the current round of tenders for goods and services was being closely monitored.</i> • The estimated surplus of £4.6M was considered to be satisfactory. • Has provision been made for energy saving initiatives? <i>Provision had been made as part of the business plan over the next 5 years.</i> • The £600k provision for the new headquarters appeared to be low. <i>This sum was for the refitting costs and detailed costing for the whole of the scheme had not been completed. A report was to be submitted to the Office Accommodation Working Group next week on the proposed options.</i> <p>GGH 2010 – 066</p> <p>That the Budget for 2011-12 be approved as recommended in the report and the thanks of the Board be recorded to the officers for their work.</p>	
<p>8.</p>	<p>GGHT and Employment Support changes – Decision</p> <p>PF presented a report setting out the main drivers of the Government’s plans for tackling unemployment. The report also gave details of some of the activities that GGHT was involved with to help increase the levels of employment amongst our customer base.</p> <p>The Government was introducing a new initiative from April 2011 called the</p>	

	<p>Work Programme. This was to replace all existing work programmes; unlike previous work programmes it was to be paid for out of the welfare benefit budget and future savings.</p> <p>The Work Programme was to be let on a regional basis to companies called Prime Contractors. They would then sub-let work to sub-contractors who would deliver support to people seeking work. Warrington was within the Manchester and Cheshire sub region.</p> <p>There were “incentives” (benefit reduction) for claimants who do not participate/co-operate with the Work Programme of Job Centre Plus – this is called conditionality. These incentives include: the withdrawal of 10% of housing benefit; reducing the exemption of single parents from seeking work; reassessing people claiming incapacity benefit and suspension from receiving benefit. These incentives represented a potential risk to GGHT if tenants incurred benefit reduction and were unable to secure employment.</p> <p>GGHT was working closely with other key partners to tackle the issue of employment support across the borough. The main thrust of this activity was around the Closing the Gap strategy. Profiles were included to show the scale of the issue at a local level. This evidenced that there was a great deal of work required to make in-roads to close this gap. GGHT was developing a specific employment offer within the local Warrington context whilst also trying to keep abreast of wider changes. Details were given of the current activities and priorities.</p> <p>Questions/comments:</p> <ul style="list-style-type: none"> • Do the graphs for the Out of Work Closing the Gap areas include details for other than GGHT tenants? <i>Yes, it is for the whole of the relevant area.</i> JK requested a copy of the background information. • The graphs are useful in demonstrating the scale of the task to be achieved. Are we able to monitor GGHT’s contribution? <i>This is being monitored</i> • Regenis was supported by the NW Development Agency. Is this support to be continued? <i>Funding had been secured until March 2012.</i> • Support was given to an increase in the in-house workforce. <i>All loft insulation work, for example, is carried out by the in-house workforce and GGHT was working to provide skills opportunities including apprenticeships.</i> <p>GGH 2010 – 067 That the decision to engage with the Work Programme be endorsed.</p>	PF
9.	<p>Strategic Risks – Discussion</p> <p>FG presented a report to review the risk register following stock transfer. The Board had approved the risk strategy and delegated the review of the risk management framework to the Audit and Risk Committee.</p> <p>A copy of the current strategic risk register, a list of new risks identified and the risk categories were submitted. The risks were then to be included in the</p>	

	<p>risk register with controls and probability/impact scores included. The Audit and Risk Committee were to approve/monitor the register at their next meeting in April.</p> <p>The Board were invited to give their views in order to shape the revised risk register accounting for any new risks to the organisation.</p> <p>Questions/comments:</p> <ul style="list-style-type: none"> • There should be fewer items listed in the strategic risks category. <i>The Audit and Risk Committee would be asked to consider this in April.</i> <p>GGH 2010 – 068</p> <p>That the report be noted and the proposed further action be approved.</p> <p>AP present.</p>	
<p>10.</p>	<p>Board appraisals - Decision</p> <p>FG presented a report and invited the views of the Board on how the appraisals should operate in 2011. In October 2009, the Board had approved the Board Induction, Training and Appraisal policy.</p> <p>Following a skills audit of the Board, a Board training plan had been developed and individual training and development needs identified. A commitment had been made for Board appraisals to be undertaken on an annual basis.</p> <p>The NHF code of excellence in governance, approved by the Board, stated, “The board must carry out an annual appraisal of its own performance and an annual appraisal of individual board members including the chair and if appropriate, any vice chair”.</p> <p>The Board noted the results of the whole Board appraisal carried out in June 2010. Whilst evaluation forms had been completed at the end of Board meetings no further training and development plans had been drafted, due mainly to the pressures of stock transfer.</p> <p>Several Board members had attended training and seminars on issues of interest and/or to improve their skills. Individual appraisals had been agreed for 2011 to ensure that the Board can identify any skills gaps and develop a training plan to assist to increase the skills and capacity of the Board as a whole.</p> <p>The Board were invited to discuss a number of options to determine their preferred method of appraisals.</p>	

	<p>Questions/comments:</p> <ul style="list-style-type: none"> • Suggestion that the Board undertakes the appraisals not consultants. • Considered important to commence and complete the appraisals as soon as possible to enable a Training Plan to be in place, including that for any new Board members from September 2011. • Given the early stage of development of GGHT as a Trust would it be beneficial to continue with a consultant for this year's appraisals to provide an independent view? <i>It would be possible to allocate some of the consultancy days from David Tolson Partnership for this task.</i> <p>GGH 2010 – 069 That DTP undertake the appraisals for 2011 as part of their existing contract.</p>	
11.	<p>Anti-social behaviour (ASB) update – Discussion</p> <p>JB presented the second ASB update report covering the following areas:</p> <ul style="list-style-type: none"> ❖ ASB statistics and trends ❖ ASB satisfaction ❖ How GGHT are targeting ASB ❖ ASB Stock Transfer promises progress and plans ❖ ASB outcomes ❖ Community Safety Partnership ❖ ASB service developments ❖ The cost of managing ASB ❖ Government agenda <p>ASB management continued to be a key priority for GGHT and our customers. This was reflected in the Stock Transfer promises where ASB was number 3 out of the top 10 Year 1 promises.</p> <p>The Government in recent months had announced a range of changes to the management of ASB and a focus on moving responsibility and control from Whitehall to local agencies and neighbourhoods.</p> <p>Questions/comments:</p> <ul style="list-style-type: none"> • How is the cost of ASB work identified? <i>At present this is merged in with other management costs. The aim was to be able to identify the costs of each category eg noise.</i> • What changes are proposed in the level of support from Cheshire Police? <i>These are not known yet but any proposed service reductions were being monitored for their impact on GGHT.</i> • Is it possible to show the ASB trends and statistics in figures rather than as percentages? <i>Yes, those details can be provided and shown that way in the next update report.</i> <p>GGH 2010 – 070 That the report be noted.</p>	JB

12. Gas safety update and improving performance – Discussion/Decision

MB presented a report on GGHT's approach, compliance and performance on gas servicing following challenges from members at the January Board meeting.

In February 2010 the Board had asked for the gas servicing procedure to be reviewed and the report highlighted the improvements made and gave GGHT's performance on gas servicing for 2010/11. At the January meeting members had raised concern at properties where the annual gas service was overdue, in particular those greater than 3 months.

The report detailed:

- Actions taken since February 2010
- Action taken on properties where the gas service was greater than 3 month's overdue
- Action taken across GGHT to gain access

The out-turn performance at January 2011 was that 99.7% of properties had been completed. Of the 81 properties overdue. 2 were over 3 months: one property had no gas supply and the customer had vulnerability issues and the other property had been scheduled in the wrong servicing cycle; Sure were to check on the IT issue in this case. Of the properties less than 3 months 79 were due to lack of response and were being taken through the GGHT abandonment policy and 2 properties had been passed to GGHT's solicitors.

In 2010 GGHT had appointed Pennington's Choice to review the gas servicing contract and contractors' compliance. A report on this was to be submitted to the Audit and Risk Committee in April 2011. GGHT was currently tendering for its legal services provider and this procurement process was having a stronger emphasis on gas performance. A summary of the report's findings was considered by the Board. Areas for improvement included:

- ❖ Establishing a 10 month servicing cycle to mitigate risk to GGHT.
- ❖ External QA inspections need to be done and the results need to be shared with the contractor and tenants in a structured way.
- ❖ Performance against each stage within the access procedure needs to be recorded and then reported upon. This will allow managers to assess where (if anywhere) problems are occurring in the overall system and to take action accordingly.
- ❖ Reviewing the current £100 prize draw every 4 months for those allowing first time access for a reward based, incentive scheme for tenants who consistently allow access on time, for the annual safety check to be undertaken

	<p>Questions/comments:</p> <ul style="list-style-type: none"> • The report showed the changes in the past 12 months and the officers were to be congratulated on the improvements achieved. The Scrutiny Panel minutes showed this as an area that tenants regarded as important • What is the cost of legal services? <i>This was £40k for 2009/10. The abandonment process was now being used and this together with other changes should reduce this cost.</i> • RW raised concern as Health and Safety Champion at the standard of servicing work as evidenced in his property. <i>This issue was known to the officers and would be investigated further outside the meeting.</i> • An external quality assessment had been carried out to provide Board members with an independent report on the work being undertaken. <p>GGH 2010 – 071</p> <ol style="list-style-type: none"> 1. That the Board note the progress and improvement in gas servicing performance with the 2010/11 servicing programme (99.08%) as at January 2011 and the ongoing action and integrated working across GGHT to enable access to overdue properties; 2. That a report be submitted to the next meeting on the issues raised by RW; 3. That the recommendation for a 10 month servicing cycle to mitigate risk to GGHT be implemented, the remaining areas for improvement in the Pennington’s report to be considered by the Audit and Risk Committee. 	
13.	<p>Affordable Warmth and Carbon reduction strategy – Discussion/Decision</p> <p>PF presented a report on the proposed Energy and Carbon Reduction Strategy. At the January 2011 Board meeting, the Board had endorsed the underlying principles for the strategic work. These were embedded within the strategy. The four main drivers underpinning the strategy were:</p> <ul style="list-style-type: none"> • The quality of the built environment • Tenant “life style” factors • Carbon/greenhouse gas emissions • Renewable energy <p>Officers had worked with the Energy Audit Company (EAC) to develop this strategy and Bill Wilkinson, a Director of EAC, attended the meeting and provided an overview of the strategy for the Board. EAC was established in 1991 to provide specialist services to the housing industry – social housing in particular. The draft strategy had been circulated to Board Members and a further copy of the latest strategy was submitted together with an Action Plan.</p> <p>JKB left the meeting at 6.30pm FM in the chair.</p>	

	<p>Questions/comments:</p> <ul style="list-style-type: none"> • The strategy is based on the costed activities within the investment plan. There is nothing in the strategy which is not costed. Further proposals will emerge but these will be subject to a business case. • Still considered to be a need for base case information about number of properties without: <ul style="list-style-type: none"> - CWI - LI - HTH • Is an SAP90 standard achievable for a 1 bedroom flat? <i>Technically it should be achievable but the cost benefit would have to be considered as an action within the action plan.</i> • In considering improvements is it sustainable to include flat roof properties; does this confirm the need to carry out this work on a property by property basis? <i>It was accepted at Stock Transfer that the existing stock was sustainable. The report helps to redefine the Asset Management Strategy approved for Stock Transfer. The Business Plan includes work over the next 5 years on improvements to properties.</i> • Has tenants' income been included as a factor in determining the work to be undertaken? Would it be feasible to do targeted intervention to assist tenants on low income? <i>An income survey could be undertaken but this would be costly and ideally be of all tenants and not a proportion. This would only provide a snapshot at that time. This work has been carried out by some social housing providers. Check Oldham actions in this area.</i> <p>SW left the meeting</p> <ul style="list-style-type: none"> • What provision has been made for renewable energy initiatives eg solar heating? <i>No specific provision had been made in the Business Plan. The strategy did not commit the Board to solar pv or any particular type of renewable energy.</i> • The latest version of the strategy had been presented to the Board and further consideration was needed to it and the suggested property by property approach. • A decision was needed from the Board to allow further consideration to be given to investigating options for renewable energy, including discussions with potential partners. <p>GGH 2010 – 072</p> <p>That the Affordable Warmth and Carbon Reduction Strategy be approved subject to the satisfactory outcome of the concerns expressed by PP and JK.</p>	PF
	FOR INFORMATION	
14.	Summary news items	

	The Board noted the report.	
15.	Minutes of Chair and Deputy Chair's briefing: 14 February 2011 GGH 2010 – 073 That the minutes be noted.	
16.	Minutes of the Tenants' Services Authority post registration meeting: 18 January 2011 The minutes were noted.	
17.	Date of next meeting The Board agreed Wednesday 30 March 2011, 4.30pm at the Gateway.	