Cheltenham Borough Homes Ltd
Minutes of Board Meeting
26th September 2012
CBH Board Room, Cheltenham House, Cheltenham
(non confidential items only)

Present:-

Directors: Lawrence Boyd (LB) (Chair) Stuart Hutton (SH)
Mark Paddison (MP) Dan Clutten (DC)
Gerry McFall (GMc) Colin Hay (CH)
Amanda Oliver (AO) Mike Tyrrell (MT)
Duncan Smith (DS)

Co-opted Member: Alison Foster (AF)

Council Member Representative: Cllr Peter Jeffries (PJ)

Also Attending: Paul Stephenson (PS) Nicola Templeman (NT)
Bob Dagger (RD) Chris Williams (CWi)
Caroline Walker (CWa) from Grant Thornton UK LLP
and James Barrell (JB)

Public Attending: None

Apologies: Barbara Driver (BD) Justine Hirst (JH)
Andrew Lansley (AL) Suzanne Williams (SW)
Graham Templeton (GT)

Recording: Caroline Allen (CA)

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<th>The meeting commenced at 5.30pm</th>
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<td>1. The Chair welcomed attendees to the meeting.</td>
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<td><strong>Declarations of Interest</strong></td>
<td>None.</td>
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<td><strong>Non Confidential Minutes of the last meeting held on 25.07.2012</strong></td>
<td>The minutes were unanimously agreed as a correct record of the meeting and signed by the Chair.</td>
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<td><strong>Matters Arising and Action Points</strong></td>
<td>Members noted progress on the actions identified from previous meetings. SH advised that the independent report from the South West Councils’</td>
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representative, Russell Symons, on the appointment process for the CEO had now been received and would be circulated to Board members.

RD reported that his response to the question regarding the lettings process would be included in his report at Item 6.

Chair’s Feedback and Any Other Business
LB asked for any other business items for the agenda. None received.

LB made reference to the briefing note he had issued to Board regarding the development reviews he had conducted with most of the members. He felt that two themes had emerged: to further develop the mentoring scheme for new board members and to offer coaching skills for directors. LB would encourage both of these suggestions and felt that it would help to create a stronger ‘team’.

LB felt that the Board was now operating in a different environment which required swift decision making. Being an effective team and the move to monthly meetings would enable this to happen and, following his retirement from the Board in October, he wished his successor as Chair every success in the reshaping of the Board.

Board Training
It is intended that training sessions for members on Housing Finance and Risk will be organised for late October/November. LB stated that both areas are of significant importance and, for Housing Finance, may incur consultants’ fees. The dates will be agreed prior to booking and it is expected that members will attend the sessions.

Committee Feedback (draft minutes circulated prior to this meeting)

- Audit Committee 04.09.12: MP (Chair of the Committee) reported that the financial statements had been reviewed by the Committee prior to presentation at this meeting. Positive reports were received from both the external and internal auditors and it was agreed that an internal workshop on risk should be held for the Committee and open to all Board members.

1a. CEO’s report

PS presented his report which highlighted the following activities:

- South West ALMOs Board Members’ Meeting - Saturday 03 November
Board members have been invited to attend this event which was previously organised by CBH. This year, Poole Housing Partnership (PHP) will be co-ordinating the event and has asked that CBH give a presentation on business planning and the Housing Revenue Account.

LB suggested that background information on each of the SW ALMOs (stock size, staffing levels etc) be provided prior to the event. GMC asked that a reasonable amount of time should be set aside for networking. PS to discuss with PHP. An agenda will be issued once finalised.

- CBH Academy
The 2012 Academy sessions commenced on 14 September with 15 people attending (2 x Board members; 10 x tenants; 3 x CBH staff). PS reported it was a very enjoyable session with “students” asking a range of questions. This new
format with Board, tenants and staff will provide an interesting dynamic due to their different perspectives.

- **CBH Festival**
The Festival will take place on Monday 22 October at Cheltenham Town Hall, from 2.00pm to 8.00pm. Within this timeframe there will be two sessions; from 2.00pm to 5.00pm and from 5.30pm – 8.00pm. The central location was identified following tenant consultation and this also shaped the context of the Festival. It is intended that attendees can ‘drop-in’ at any time throughout the course of the event creating a less formal feel than the previous tenant conference.

The event will be presented in an exhibition style conference, with a range of approximately 30 stalls offering information, consultation, interactive opportunities and entertainment. In addition, there will be an interactive workshop, repeated throughout the event, on Welfare Reform. CBH partners are invited and will be available for tenants to meet alongside CBH staff.

The event is being advertised in the CBH News, on posters, the website and via a personal invitation to all tenants containing a full programme of the event which will be sent to them in the post.

- **CBC Housing and Homeless Strategy**
PS stated that the Strategy had recently received approval and was a significant document for CBH as it not only made reference to CBH but also to activities and issues which relate to the work CBH does. CBH was actively represented in the development of the Strategy and the full document would be made available to members on request.

This comprehensive Strategy looks at a range of outcomes and priorities with a vision “for residents to be able to access and maintain suitable, affordable accommodation within communities that are safer, stronger and healthier”.

- **CBH Apprenticeships**
CBH recruited three apprentices who commenced work in August/September 2012. Two of the apprentices had been deployed in the response repairs service and were being mentored by one of the repairs operatives with the third apprentice joining the Community Involvement Team mentored by a Community Involvement Officer. All three apprentices had commenced their associated college courses at Gloucestershire College. PS reported that he had met with the first two apprentices and their mentor and was encouraged by their start with CBH and their desire to make a success of the opportunity.

PS felt that the mentor role was vitally important in ensuring the apprentices were welcomed but also understood what was expected of them. GMc asked what training the mentors had received to equip them for the role. PS replied that no formal training had been given but the mentors were being supported in their role. NT added that coaching and mentoring skills formed part of the organisational development project. GMc advised that the mentoring should be closely monitored so that neither the apprentices or the mentors became disillusioned by the process. PS assured GMc that this would be done.

LB thanked PS for his report.
1b. Presentation: Horizon Scanning for budgets and plans 2013/2014

PS explained that the presentation would outline the pressures and priorities for the coming year and that he would seek endorsement from the Board on the direction of travel for 2013/2014. The Strategy Committee had already received the presentation on the 12 September and was keen that CBH maintain its core purpose of delivering excellent services to its customers.

PS outlined the current key business activities (KBAs) for 2012/2013:
- Accommodation
- ICT Strategy
- Organisational Development
- New Build
- Welfare Reform

CBH was in a good position at present: excellent performance was being maintained; there was a positive relationship with CBC which was consistently being strengthened and stability coming from the renewed Management Agreement. The new build programme was successful and, with the advent of self financing, there was not only a robust financial position but the opportunity to expand services.

PS presented the perceived challenges for 2013/14:
- Does CBH need a new business model?
- How will it use its reserves?
- What does CBC require from CBH and what were the opportunities there for working in partnership?
- What was the Board’s appetite for risk?
- Do we need a different approach to change and decision making?

To meet these and other internal challenges a range of activities were proposed:
- Investment in technology
- Develop a medium term financial strategy
- Explore opportunities across all sectors through an enhanced approach to relationship management
- Embed the new management structure and governance arrangements
- Make the Board more accessible
- Continue with the organisational development project to achieve cultural change
- Review the current Vision, Mission and Objectives

PS added that a streamlining of current strategies and policies was required to enable swift decision making. The tenants’ scrutiny panel (TSIP) was becoming more confident in its role and self-regulation was now enshrined within the governance arrangements of CBH. PS felt that the Company was in a strong position to embrace change but he would need the Board’s endorsement first.

GMc questioned some of the statements made which he felt contradicted each other eg the relationship with CBC is a good one but this set against the news that ALMOs overall are decreasing. GMc felt that many of the proposals were forward thinking especially exploring different business models but how did PS see CBH becoming empowered?

PS agreed that CBH was at a crossroads but the proposals were a range of business strands for Board to consider. Some of the issues were cultural and
being addressed now. GMc felt that there was a need to speed up the decision making process as currently it was taking too long to effect any real change.

MT stated that it had long been the intention to have all staff working from one location. However, leases had been renewed at Cheltenham House and with the proposed move of the Coronation Square office to the Hester’s Way Resource Centre was this still an aspiration?

RD referred to the Accommodation Strategy which recognised the continuing need for two area offices but also expressed the medium/long term aim of a combined headquarters and depot. RD stated that opportunities must be taken as they arise to improve the working environment for all staff.

SH reiterated that the Strategy Committee had given a general endorsement to the proposals and that now was the time to start the process. DS added that most commercial success is achieved through Boards and organisations demonstrating agility by responding in the moment to challenges.

The Board unanimously endorsed the proposed direction of travel for 2013/2014.

2. Annual review of CBH Risks
   (Adam Waller (AW), Business Support Manager, joined the meeting)

   NT presented the report which followed previous presentations to the Board (November 2011) and Audit and Risk Committee (September 2012) with regard to an enhanced approach to the management of company risks. This would be to take note of current best practice and reflect this, where appropriate. This had resulted in a framework that considerably improved accessibility to risk information, distributed risk information and responsibility appropriately, and maintained risk information in a timely and efficient manner.

   At the recent Audit and Risk Committee it was recommended that this refined monitoring process should be accepted by the Board. It was also recommended that the level of reporting for Board remained at the highest level with detail by exception or direction, and that the Audit and Risk Committee regularly received a breakdown of the highest level of risks to enable greater scrutiny and assurance. NT reported that at the meeting a question had arisen which asked who defines the risk appetite for the organisation. It is the Board that has this responsibility and therefore must be confident in a process which would keep it fully informed.

   AW outlined the process in detail which included:
   - The risk management and monitoring cycle with the reporting and engagement structure;
   - A draft Strengths, Weaknesses, Opportunities and Threats (SWOT) matrix which had been populated by managers - this was new to the process;
   - An overview of thematic risks (a choice of 2 formats);
   - A schedule of insurances for the mitigation of risk

   AW explained that the company’s risk register consisted of a thematic layer of eleven risks which drew together similar sub-risks to enable an effective, strategic overview of this much larger and more operational layer. Work had been undertaken to ensure that the company’s SWOT analysis was up to date.
and that there was alignment with the risk register. Going forward the review of the SWOT analysis would become part of the annual risk cycle to ensure linkages remained in place.

The Audit and Risk Committee recommended the following approach with regards to the level of reporting at Committee and at Board level:

- **Board:** to receive an overview of 11 thematic risks showing health assessment by risk sponsor per quarter with detail at sub-risk level by exception, or by direction from Audit and Risk Committee.
- **Audit and Risk Committee:** an overview of 11 thematic risks showing health assessment by risk sponsor per quarter with detail at sub-risk level supporting this to enable effective scrutiny and assurance.

Where the risk has increased significantly or where significant new risks arose outside of the prescribed cyclical process, Board would be updated on an ongoing, timely basis.

NT advised that risks are managed by identification of relevant ‘controls’ which seek to reduce the likelihood of the risk occurring. These controls are assessed regularly to ensure they remain relevant and effective. A broad suite of insurance policies are in place where appropriate in order to mitigate the impact should a risk occur. These are reviewed annually by the Finance Team and the insurance brokers. The next date for review is February 2013 and it is anticipated that Audit & Risk Committee will be involved prior to the review in line with the risk responsibility of its terms of reference.

Looking to the future, work is underway to understand the sharing of risks with CBC over the next six months and performance indicators are continuing to be added as controls against certain risks (i.e. gas servicing). The linking of new risks and actions arising with the developing actions database will also begin.

SH asked how a new risk was introduced. NT explained that the project sponsor would identify this at the start of the project and it would be held at Senior Leadership Team (SLT) level with AW maintaining the risk register. The process now engages middle managers so that their responsibilities to risk are understood and how those risks will be controlled.

LB felt that Board should also contribute its own view with regard to identifying risks within the governance of the company. SH suggested this would be part of the Audit & Risk Committee’s remit.

NT warned that, from time to time, there may be amber or red sub-risks which may impact overall on the thematic risk.

AF noted that the risk matrix identified the loss of staff to Gloucester City Homes, a neighbouring ALMO, and wondered what steps were being taken to mitigate this risk. NT stated that the next phase of KBA1 “Organisational Development” was the harmonisation of pay and conditions. The next step would be to identify specific risks relating to this.

The Board unanimously agreed the revised risk framework for reporting into Audit and Risk Committee and Board on an annual cycle.
3. **Board Membership**

**a) Retirements in October**

LB (independent) and MT (tenant) have each completed their maximum 9 years on the Board and will retire at the AGM on 10\textsuperscript{th} October, 2012.

AF (independent), currently a co-opted member of the Board, is to be appointed as a full member of the Board on 10\textsuperscript{th} October to fill the vacancy that will arise. AO’s appointment in June of 2012 will also be formalised at the AGM.

**b) Result of tenant and leaseholder recruitment**

As approved by Board and CBC, this year tenant elections were replaced by a selection process. Members received a report on the recent recruitment process to find a replacement for MT’s position as a tenant board member, and the recruitment of a leaseholder for the first time.

The process began in July, 2012, with an ‘Involvement Day’ designed to encourage residents to find out more about how they could become involved with CBH. 16 expressions of interest in board membership were received as a result although only 1 of these was from a leaseholder. Additional publicity for the vacancy at Board for a leaseholder member was produced with every leaseholder being contacted on an individual basis.

Each individual who had expressed an interest was sent an application pack which gave full details of the role and responsibilities of a board member. Five completed application forms were returned, all from tenants. In line with the Board’s approved selection process, the applications were checked against the criteria for membership and the tenants were invited to attend an Assessment Day on 14 September, 2012, at an external location.

The Board’s Appointments Panel for the recruitments were: SH, JH, AO and MT (note: there was no representation from council appointed members as all were unable to attend). The Panel attended on the day and was able to meet applicants as a group over an informal lunch and through planned assessment activities.

As a result of the day, the Panel agreed that two of the candidates should be invited to an individual interview before it could be determined which candidate should be offered the position of tenant board member and which candidate could potentially be offered the opportunity to be co-opted to the Board. The interviews were held on 24\textsuperscript{th} September, 2012, and the recommendation from the Panel is that **Michael French** should be appointed to the Board. The other candidate would be contacted regarding potential co-option.

NT advised that, unexpectedly, a leaseholder attended for part of the selection day. However the Panel agreed that individual interviews should be conducted with that candidate and with 2 other leaseholders who were unable to attend the selection day. This interview date was yet to be agreed. PJ asked how long this was likely to be and CWa stated it would be a matter of weeks.

The Board discussed the importance of assigning mentors to new Board members and agreed this should be done as soon as possible. To be discussed by the Governance Working Group in November.
The Board unanimously approved the recommendation from the Appointments Panel to appoint Michael French as a tenant board member to the Board of CBH, and noted the retirement of Lawrence Boyd and Mike Tyrrell, on 10 October, 2012, at the Company’s Annual General Meeting.

(JB joined the meeting at 6:50pm)

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<th>Community Hub and Spoke Pilot and Supporting People Update</th>
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<td>CWa presented the report which outlined progress to date and further activities planned within the pilot project. In addition, the Board was informed of the discussions held with CBC and Gloucestershire County Council’s (GCC) Supporting People team with regard to the development of a housing related support transitional plan.</td>
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**Community Hub and Spoke Pilot**

The Hatherley Hub had been created at Wallace House sheltered scheme. This scheme houses 35 residents with a mixture of support needs and the location of the scheme and the facilities available were deemed suitable for the delivery of services and activities to local people. CWa explained the difference between activities and services:

- **Activities** were designed to promote wellbeing and quality of life for older people and to tackle issues around social isolation eg craft and dance sessions, day trips etc.

  The activity sessions within the Hub have demonstrated to residents of Wallace House how they can benefit from the change in services. These activities have already shown an increase in networking with CBH and other partners, and an improvement in how people feel about their own health and wellbeing. CBH will continue to monitor the impact of these.

- **Services** would be based on ongoing consultation and local need and likely to involve health issues e.g. diabetic and blood pressure clinics; financial support such as debt and benefits advice; holistic therapies and beauty treatments plus advice on how to stay independent and mobile in their own homes.

CWa reported that, recently, Wallace House had opened its doors for the first community event. Residents of the scheme were supportive and welcoming to the local residents who attended. Developing this through the use of existing customer insight and profiling will ensure that the activities available become sustainable. In October, CBH will commence with charging residents for the activities in response to their request and support for this.

The Spoke (wider community) element of the service is under development. A bespoke suite of paperwork has been developed to promote and deliver it effectively. The customer journey for floating support has been mapped to ensure outcomes and performance measures can be captured. A caseload of local residents who require support is being managed within existing resources and support for those people has commenced. Further promotion of the floating support side of the service will be undertaken.

**Housing Related Support Transitional Plan**

CWa advised that following discussions with GCC and CBC, a transitional plan detailing future service and funding proposals had been developed and presented to GCC. The plan outlined the manner in which services could be delivered into the future with the creation of additional hubs in Cheltenham.
Initial consultation with residents in the pilot and the Sheltered Housing Working Group had determined that residents were in support of expanding services to account for older people living in general needs accommodation. This would be subject to how GCC intends to commission floating support services to the community in the future.

MT stated that while he fully supported the project he could understand that a small percentage of retired or disabled residents who resist sheltered accommodation may view this as a first step towards it. How would these people be encouraged to engage? CWa agreed a low level of suspicion had been encountered but felt that continued allaying of fears and promoting the benefits of offering services to residents in their own homes would eventually deal with this.

AF suggested contacting the Gloucestershire County Association for the Blind as it provides a lot of resources and would probably welcome the approach.

SH asked about the sustainability of the project and his concern that CBH may be raising expectations about a service it may have to withdraw from. CWa stated that CBH would be able to maintain the pilot but that current resources would be used to refocus the approach to customers. The hub and spoke idea is sustainable long term for staff and it was hoped that the relatively small amount of funding received from CBC would be retained.

AO felt that the positive impact already achieved was linked to the Company’s vision and mission.

**Board noted the information.**

### 5. Annual Report to Tenants

CWa presented the third CBH Annual Report to tenants which had been produced by a group of tenants with staff support. The document built on the success of the last two years and included a cover of the new St Paul’s development painted by Mark Wright, a tenant who had been actively involved in developing all three Reports.

CWa advised that the Report would be published on the CBH website on 1st October, circulated to the Tenant Scrutiny Improvement Panel (TSIP) and tenant representatives, and would be available to any tenant or interested party on request. Copies would also be available in the reception of CBH’s area offices and in the communal areas of Sheltered Housing schemes.

GMc asked that the language be simplified so that someone with no knowledge of CBH or the housing sector could understand it better.

**The Board noted the Annual Report to Tenants for 2011-2012.**

### 6. Finance and Performance

RD presented the report which covered the period up to the end of August 2012. He advised members that the SLT was reviewing the presentation of performance information to Board in light of the move to monthly meetings and the demise of the Business Operations Committee.
All reported areas were on target with the exception of Gas (% dwellings with a valid gas safety certificate) and Repairs (% tenants satisfied with repairs) which were both slightly off target.

In response to the question asked at the previous meeting regarding whether all tenants who go through the lettings process are surveyed, RD reported that those tenants who accept a property are surveyed on the process and on the condition of the property at acceptance. With the introduction of Choice Based Lettings it was very rare for those refusing properties to be surveyed but this was being monitored by CBH.

RD advised that the parameters for setting targets had been reviewed by the SLT and found to be an accurate reflection of current performance levels.

CH reiterated his request for information on the range of re-let times rather than just the mean average.

**Board noted the performance.**

### Sickness Management and staff turnover

NT presented the report which examined sickness levels against staff turnover within CBH over the past two years to determine whether there was any connection between the two.

NT reported that sickness management within CBH had historically been a difficult area. A number of measures had been adopted including: revisions to the CBH Attendance Management Policy; the introduction of a new occupational health provider; training for all levels of management; the introduction of an external, independent call centre (IMASS) to report sickness; monthly monitoring and reporting statistics to SLT/Board plus pro-active management of staff members within each team to ensure full understanding of individual sickness history to facilitate early return to the workplace.

The introduction of IMASS Absence Line in May 2010 initially resulted in a reduction in short term sickness levels across all departments. However, the impact on the sickness absence figures was not sustained during 2011/12 and this service would now be discontinued.

Long term sickness during 2010/11 remained at a constant level for most of the year. The increase in 2011/12 was a result of a number of cases of serious illness, ill health retirements and periods of hospitalisation. The nature of these absences made it difficult to influence these figures. Insurance had been put in place to mitigate against financial loss.

*(Note: please refer to the Confidential minutes for the remainder of the discussion).*

GMc wished to confirm that the IMASS service would be removed and that the line manager would have responsibility for the day to day management of sickness. NT confirmed this would be the case and on the appointment of the HR Manager they would be responsible for the co-ordination of sickness monitoring across the company.

CH asked whether the occupational health service would continue. NT stated
that it would. Consideration was being given to highlighting the opportunity for all employees to use the early consultation/diagnosis service offered by the Birmingham Hospital Saturday Fund (BHSF) which could be very beneficial to individuals and the organisation. The BHSF currently provides staff with a health cash plan insurance which is subsidised by CBH.

With regard to staff turnover in CBH, April 2010 to June 2012 showed an increase from 2010/11 to 2011/12 and was above target in both years. Some of this turnover was planned including early retirements following restructures e.g. Property Services and ill health retirements. NT advised that 10% of turnover is to be expected in any organisation and can be beneficial to the performance of the company. Turnover for 2010/11 of 11.90% was considered to be acceptable and the increase to 15.44% in 2011/12 reflected the restructures. Any correlation between sickness levels and staff turnover was not apparent from this information. NT added that CBH trained its staff to a high level and that this often resulted in them being ‘head-hunted’ by other organisations that were able to offer higher salaries.

CH asked whether the past year, recognised as being a difficult one with senior management restructures taking place, had resulted in a negative impact. NT assured Board that this was not the case.

DC asked whether CBH was ‘head-hunting’ individuals itself. PS confirmed that this had been the case at senior level.

**Board noted the information and the proposed future approach to sickness management.**

8. **Any Other Competent Business**

MT relayed his concerns regarding charges to leaseholders as a result of improvement works being carried out. PS suggested that he meet with MT separately to discuss this in detail. GMc requested a briefing to Board following their meeting.

9. **Scheduled Board Meetings and other events**

- **10th October AGM**
- **31st October 2012**
- **28th November 2012**
- **12th December 2012 Board Away Day (venue/timings tbc)**
- **30th January 2013**
- **27th February 2013**
- **27th March 2013**

Unless otherwise stated, Board meetings will be held at Cheltenham House, 5:30-8:00pm

**The remainder of the agenda contained confidential items – please refer to the confidential minutes.**

Signed ……………………………………………………………

Chair of Cheltenham Borough Homes       Date ………………………………

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Minute No.063  Initial: