



PEAKS & PLAINS
Housing Trust

Minutes of the Trust's Board Meeting held on 17th July 2018, 6.00pm at Ropewalks, Macclesfield

<u>Present</u>	John Hudson	JH	Chairman
	Matthew Cunningham	MC	Board Member
	Paul Findlow	PF	Board member
	Sam Knuckey	SK	Board Member
	Kate Lindley	KL	Board Member
	Simon Leighton	SL	Board Member
	Gordon Richardson	GR	Board Member
	Tom Agar	TA	Board Member
	Jamie Hutchinson	JaH	Director of Customers
	Alison Light	AL	Board Member
	Tim Pinder	TP	Chief Executive
	Greg van Enk-Bones	GvEB	Director of Homes & Resources
	Liz Holmes	LH	Assistant Director Finance
	Louise Crake	LC	Finance Manager
	Helen Bailey	HB	Assistant Director HR
	Danny O'Brien	DO'B	Trowers & Hamlins
	Tom Poole	TP2	Grant Thornton
	Nikki Pearson	NP	Governance Officer
	Pauline Gosling	PG	Minute Taker
	<u>Apologies for Absence</u>		
	There were no apologies for absence		
	<u>Declarations Of Interest</u>		
	GR declared his partner is an Employee of the Trust in relation to Item 7 Pension Report PF declared that he is a member of CEC Pension Fund Committee in relation to Item 7 Pension Report and CEC Cabinet member in relation to Item 4 Wellbeing contract.		
2.	<u>Minutes of meeting held 17th May 2018 and Matters Arising</u>		
	The minutes of the meeting held 17 th May 2018 were reviewed.		
	The Board Decided:		
	675)	That the minutes of the meeting held on 17 th May 2018 be agreed as a true and accurate record and be signed off by the Chairman.	
2a.	<u>Matters Arising</u>		

	<ul style="list-style-type: none"> • There were no matters arising
3.	<u>Chief Executive's briefing</u>
	<ul style="list-style-type: none"> • Happy birthday to the Trust – 12 years old today • We have yet another Housing Minister – the 8th in 9 years and the 3rd since notification of a Green Paper which was due to be published by the end of the summer – SL informed that the Green Paper is due to be published on 24th July. • There has been a bit of criticism of HA's since Grenfell about transparency. Dominic Raab was of a mind that HA's needed to substantially up their game and be providing more choice for customers. • It is expected that there may be something released about strengthening role of Regulator in giving customers powers of redress. • Dispatches programme on affordable rent gave the view that HA's have brought it in to suit themselves. • Summer staff social event was held last week and because of the regeneration of Sunderland Street it was held at Snow goose. • Just learnt that the developer has withdrawn from the cinema proposal for Macclesfield, saddening as it would have been good for our plans. • The Repairs Team's recent Award was published on Board app, JH also attended the last staff briefing which was much appreciated in bridge building with the Board and staff.
4.	<u>Wellbeing Update</u>
	JaH updated Board on the current position of negotiations with CEC regarding the Wellbeing service.
	The Board Decided:
	676) To note the Wellbeing Service update.
5.	<u>People Strategy</u>
	<p>Board received the People Strategy and Focus report explaining the context. HB outlined the major points within the Strategy which had been shared previously with Governance Committee and invited questions.</p> <p>SL confirmed that Governance Committee were very happy with the content of the Strategy.</p> <p>In relation to the different elements within the Strategy - JH questioned whether leadership and management could have been beefed up a bit more in terms of expectations of role and style of leadership.</p> <p>KL asked how is the Board going to know that the Strategy being implemented and whether it is successful. TP agreed that it doesn't lend itself well to suite of KPI's and suggested that an annual report be brought to Board with a quarterly update to Governance committee.</p>

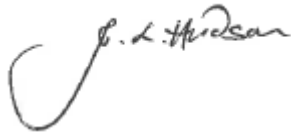
	HB further Informed Board that focus groups have been held with staff which had been very well received and will probably lead to project groups for each pillar.
	The Board decided:
	677) To approve the People Strategy.
6.	<u>Rule Change to meet s93 Regulations Compliance</u>
	<p>Board received a report recommending changes to the Rules to bring them into line with the s93 Regulations by removing the Council shareholder and redistributing the council shares to the other shareholders.</p> <p>GvEB confirmed that the proposed change has been reviewed and approved by Trowers and has also been approved by Governance Committee who decided to make wider changes now – the shareholding will be split between all Board Members, meaning that 1.3 of the report should read ‘all board members become shareholders’.</p> <p>GvEB further explained that the risk of appearing to have further diluted the power of the residents can be managed. This is largely bringing rules into line with what we do – making it less clunky and clarifying recruitment of board members on skill, experience and knowledge.</p> <p>A Special General Meeting is required in order to approve the changes and it is suggested that it is held immediately after this meeting.</p> <p>PF commented that whilst he understands why there will no longer be the need to hold an AGM there will be an expectation to have some kind of annual event.</p> <p>JH confirmed that we will reflect on the best way to communicate with the public – we need to find most effective way.</p> <p>MC suggested that the Trust’s investment into the town would be good way to communicate.</p> <p>The Board discussed the possibility of holding several events in different areas.</p>
	The Board decided:
	678) To call a Special General Meeting to propose the approval of the new rules
7.	<u>Customer Strategy</u>
	<p>Board received a report introducing the Customer Strategy and JaH gave a presentation to put context to the Strategy explain how and why people behave like they do.</p> <p>JaH explained that we want to understand what drives customer satisfaction and have engaged a Consultant to review of how we do business at the moment.</p> <p>AL asked if any personality analysis is carried out on people working in that area. JaH explained that over the last year a mostly new team is in place.</p>

	<p>KL commented that the Strategy signals the Trust's level of ambition which is really pleasing to see but the Board need to recognise the magnitude of that ambition.</p> <p>KL expressed an interest in more level of detail as it takes place and stated that she would be very happy to come in and talk to/listen to customers.</p> <p>There was a discussion around recruiting the right people and the linkage to the People Strategy.</p> <p>JH summed up by stating that it was encouraging to see how ideas from the Board's Away Day are being put into practice.</p>
	The Board decided:
	679) To approve the Customer Strategy
8.	<u>Annual Accounts Including CEX Internal controls, VfM, Going concern</u>
	<p>Board received the Annual Accounts which have been reviewed in detail by Audit Committee and recommended for approval at its meeting on 3rd July where Grant Thornton presented their draft audit findings report which stated their work was substantially complete. No significant issues had been identified and the accounts met the latest required accounting standards. The report also contained a review of internal controls raised last year, and progress on actions against these controls. No new control deficiencies were identified during the audit this year.</p> <p>LH gave a summary of the financial performance set out in the accounts.</p> <p>TP2 echoed the comments already made, stating it was a very clean audit with no significant issues to report. He was pleased to report only 1 small adjustment for the current year and confirmed that the audit compared favourably to other clients for levels of preparedness.</p> <p>1 issue – 4 employees were enrolled in error on the SHPS DC pensions scheme rather than the SHPS DB pension scheme. Legal advice is going to be sought so no disclosures.</p> <p>JH commented that it was really pleasing that some control issues highlighted last year have been rectified, which a reflection of the work is carried out by LH and the team.</p> <p>TP informed Board that the Regulator insists we have effective internal controls in place and the Chief Executive gets reassurance from internal audits as well as the role of the Audit Committee that looks at risk, finance and fraud. TP reported that there had been no entries in the fraud register during the last 12 months.</p> <p>TP reported that the appropriateness and effectiveness of our KPI's provide an effective part of our internal controls mechanism. The Trust's Regulatory judgement is top rated at G1 and V1 and there are no issues with FSA. Compliance with all known law and regulations is reported within the accounts.</p> <p>Taking these points all together, the Chief Executive recommends to Board that the Trust does have an effective set of internal controls that provide substantial assurance.</p>

	<p>TP pointed out that the Board are required to take an annual decision as to whether the Trust maintains an internal audit function. TP cannot see how we could provide an objective assessment of internal controls being effective without it but it is for Board to make the final decision.</p> <p>The VFM statement was noted.</p>	
	The Board Decided:	
	680)	To approve the Annual Report and Financial statements for the year ended 31st March 2018.
9.	<u>Cheshire Pension Fund</u>	
	Board received a report requesting that previous decisions made are put into Action.	
	GvEB recommended to go ahead with the plan to offer Ropewalks as security in exchange for the £2.2m cash in the escrow being released.	
	GvEB also recommended closing the Cheshire Pension Fund to new staff, allowing those staff that have right to enter the scheme over the next year with new staff being offered the two other open schemes.	
	A recommendation on the best offer for new staff will be brought to Board at its September meeting.	
	<u>The Board Decided:</u>	
	681.i)	To delegate authority to the Director of Homes and Resources to approve a charge over Ropewalks as security to the Cheshire Pension Fund and request release of the Escrow cash fund of £2.2m.
	681.ii)	To delegate authority to the Director of Homes and Resources to approve closure of the Cheshire Pension Fund to new entrants, provided the contribution rate can be kept to under 25.1% of payroll or the equivalent in £s
10.	<u>Performance Report</u>	
	<p>Board received the performance report to 31st May 2018 in the new format.</p> <p>2 red Indicators: <u>Void rent loss</u> - facing a number of challenges with a large number of new developments coming on line in the last month of the last financial year in addition to the usual turnover. There are a high number of properties requiring a lot of work, we are currently looking at the cost of repairs and other alternatives. Sheltered and bedsits re proving difficult to fill.</p>	

	<p>JaH explained that some internal resource has been put into the Lettings team and the admin has been taken away from the Lettings officers in order to free up their time to concentrate on lettings.</p> <p>JH said the Board recognise that there are some hard to shift structural issues and that some of the decisions the Board are going to be asked to make around sheltered housing review may make the situation worse for a while.</p> <p>TP confirmed that we haven't given up on letting sheltered accommodation.</p>
	<p><u>Unsold Shared Ownership</u> - 7 units at Wrenbury remain unsold. One unit is reserved, and enquiries have been received regarding the others. The Exec team have put together a plan to sell these units which includes changing the estate agent and having a targeted sales campaign with a more pro-active social media marketing. We are also looking at possible Joint Venture with Bovis homes to get a strategy for selling both their sales units (which are also moving slowly) and our units on the Wrenbury site with meetings scheduled for various dates in July.</p> <p>The average to sell a SO unit is approximately 100 days, however Wrenbury is unique as it is incredibly rural. Most units around Holmes Chapel, Congleton, Alderley have been reserved off plan. For example, we anticipate the RH site at Holmes Chapel to all be sold within 3 months post-handover.</p> <p>An update on the Wrenbury site will be brought to Board in September.</p>
	<p>JH summed up by stating that these KPI's are there to help the Board understand performance and if there are some continually failing to improve maybe Board should take them out and look at them strategically to see where they can be improved.</p> <p>On the format of the report, JH would like to see commentary displayed and has some other suggestions for improvements which he will pass on.</p>
	<p>The Board Decided:</p>
	<p>682) To note the performance report to 31st May 2018</p>
12.	<p><u>Audit Committee Feedback</u></p>
	<p>MC gave feedback from the Audit Committee held 3rd July 2018.</p> <p>The internal audit reports were reviewed.</p> <p>Audit Committee Terms of Reference were reviewed and recommended for Board approval.</p> <p>The Financial Regulations and Scheme of Delegation were reviewed and recommended for Board approval.</p> <p>Committee received an update on the Wellbeing service.</p> <p>The Annual Accounts underwent final review before being presented to Board tonight.</p>

	The minutes of the meeting are available on the Portal.
	<u>The Board Decided:</u>
	684.i) To note the feedback from Audit Committee meeting held 3 rd July 2018.
	684.ii) To approve the Audit Committee Terms of Reference.
	684.iii) To approve the Financial Regulations and Scheme of Delegations.
13.	<u>Any Other Business</u>
	<p>The Homes England 17/18 Audit report for the Lowe Drive development scheme was made available to Board members via email week commencing 28th May 2018. The full report was appended.</p> <p>Board is required to formally acknowledge receipt of the report along with the awarded final grade of Green – meets requirements.</p> <p>Due to the requirement for the report to be acknowledged by Board within one month of issue the report has already been acknowledged under quorum to Homes England on 8th June 2018.</p>
	The meeting closed at 8.20 pm



Signed..... ..

Date.....31st August 2018.....