

Hexagon Housing Association Ltd

Minutes of the Board Meeting held on Tuesday, 29th March 2016 at 4:30pm at 130-136 Sydenham Road, Sydenham, London SE26 5JY.

Present: Roy Coulter (Chair), Debbie Bankole-Williams, Ruth Chambers, Kellie Elmes, Dermot Finn, Jeanette Kenyon, Martin Large, Ian Mansell, Tom McCormack, Rosalind Watson, and Ian Watts.

In attendance: Jon Cross, Kerry Heath, Chris Melville, Olga Yao (Residents' Forum Observer), and Val Sharpe.

Apologies: Phil Newsam

		Action
16/23	<i>Declarations of Interest</i>	
16/23/1	There were no declarations of interest.	
16/24	<i>Minutes of the meeting held on 26th January 2016</i>	
16/24/1	The minutes were <u>agreed</u> .	
16/25	<i>Matters arising from the minutes</i>	
16/25/1	16/04/2 – Strategic issues arising from the review of Stock Improvement – Jon Cross confirmed he has discussed the 'simpler format' request with Debbie.	
16/25/2	16/09/3 – Sustainability & Greening the Stock Annual Update – In response to Kellie Elmes' suggestion of providing residents with a paper manual for how their meters worked, Jon Cross said we are also working on creating an 'App' to supplement paper manuals.	
16/26	<i>Confidential extract from the minutes</i>	

16/27 Chief Executive's report

16/27/1 Tom McCormack presented his paper which reported on several issues, including:

- Value for Money – Efficiency
- Update on Welfare Reform
- Right to Buy – Amendments to the Housing Bill
- NHF Merger Code
- Summary of Staff Survey results
- Hexagon's Policy on Co-operative development
- Final settlement with liquidator for R R Richardsons
- Market to Market movements on interest rate swaps
- Working towards a paperless Board Room
- NHF Survey on How Housing Associations are perceived
- NHF Liability Insurance
- Proposed Board Away-Day date
- Update on Brockley Tenants Co-op

16/27/2 **Mark to Market movements on interest rate swaps** – the Board **agreed** that if Mark to Market rates rise again to the end of February levels and remain there for four weeks, that we quickly move to put further property security in place rather than cash to address the risk of cash calls impacting on our development capacity.

16/27/3 **Working towards a paperless Board Room** - Members **approved** the recommendations to purchase MinutePad, that a pilot of using the product is undertaken with Directors before full roll out to the Board, and that a survey is done to establish whether Members have their own devices to utilise.

16/27/4 **National Housing Federation Liability Insurance** – It was reported that the National Housing Federation has purchased an Indemnity Policy protecting all Board, Committee or staff members and volunteers from claims made against them in their capacity as representatives of the organisation.

16/27/5 It was **noted** that cover for the organisation under such policy is conditional upon immediate notice in writing to the insurer of any claim made against any person insured by the policy or of the receipt of notice from any persons of intention to make a claim against any person insured by the policy.

16/27/6 Accordingly, it was **agreed** that if any Board Member (present or absent) or senior executive is aware of any such claim or any such notice of intention or of any circumstances or incident which may give rise to a claim he or she will immediately notify the Secretary of the organisation in order that notice in writing together with all relevant details can be submitted to the insurer. Notification of this minute has been made to all Board Members and senior executives who are required to make necessary disclosure to the Secretary.

16/27/7 **Board Away-Day Date** – Members **agreed** that the Away-Day is held on Saturday, 10th September (instead of the proposed 3rd September).

16/28 Strategic matters arising from the annual review of IT

16/28/1 Dermot Finn presented the report which set out the main strategic issue arising from the Annual Review of IT:

- The replacement of Genero/Context, the association's housing management/maintenance system.

16/28/2 Olga Yao arrived at this point.

16/28/3 Tom said officers will come back to the Board when approval on a recommendation as to which product to purchase is required.

16/28/4 Members **noted** the progress on replacing Genero and the likely timescale for a Board decision.

16/29 Strategic matters arising from the annual review of HR & Administration

16/29/1 Tom McCormack presented the paper and reported that Directors have not identified any strategic issues arising from the annual report of HR & Administration which warranted reporting to the Board. The report, however, did provide details of progress with the strategic issues identified at the 2015 Board meeting.

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| 16/29/2 | Debbie Bankole-Williams requested further information on job applicants in terms of the number of young people that had applied and the number of young people recruited. | TI |
| 16/29/3 | The Board noted the report. | |
| 16/30 | 2016/17 Budget | |
| 16/30/1 | Debbie Bankole-Williams presented the 2016/17 Budget for approval and explained that she had discussed all areas of the budget with Phil Newsam. | |
| 16/30/2 | Ian Watts suggested that for the 2017/18 budget, we should not retain a cap on service charges, but try to recover all our costs.

Debbie said she thinks we do recover our costs, but these are not a “straight read across” in the accounts so may be difficult to identify. | |
| 16/30/3 | After further discussion, the Board approved the 2016/17 Budget. | |
| 16/31 | Draft format for Assessment of Compliance with Governance & Financial Standards | |
| 16/31/1 | Tom McCormack presented his report which he had prepared for the February Audit & Risk Committee, where it had been agreed that he would bring an interim report to the Committee at its May meeting and a full report to its July meeting before reporting to the full Board at its July meeting. | |
| 16/31/2 | The Board noted the report and noted that the Audit & Risk Committee had approved the draft format at its February meeting. | |
| 16/32 | Residents’ Inspection Review of Community Investment Excluding Financial Inclusion | |
| 16/32/1 | Chris Melville presented the paper which reported on the recommendations, and management’s responses, following the Residents’ Inspection of the Community Investment Team. An Action Plan has also been developed. | |

16/32/2	Debbie asked whether the report had been endorsed by the Directors' Group. Chris replied that it had.	
16/32/3	Debbie said she couldn't see where or how feedback had been provided to the Inspectors and queried whether this was done. She thought the recommendations were clear, but the management responses did not seem to have dealt with the issues raised. Chris said she will check if this version of the Action Plan has been sent to the Inspectors.	CM
16/32/4	The Chair suggested that Chris and Rosalind Watson, as Lead Board Member for Community Investment, discuss the report and action plan outside the meeting, and report back as to whether the recommendations have received a valued response or not. This was agreed.	CM/RW
16/33	<i>Residents' Forum Committee (RFC)</i>	
16/33/1	The Board <u>noted</u> that the Forum Committee will come back to the July Board meeting with the Residents' Forum proposal. Members added that the July meeting would be the deadline for the RFC to present their report and proposals as the matter has been outstanding for some time.	
16/33/2	Members <u>agreed to defer</u> discussion of the Forum's responses to the consultant's recommendations following review of the Residents' Forum, together with any discussion on the revised Residents' Forum Constitution to the July meeting.	
16/33/3	The Board <u>agreed</u> the request that the Residents' Forum Committee's Acting Chair and Vice Chair meet with the Resident Involvement Manager and the Operations Director to discuss and agree joint outcomes to the consultant's recommendations. However, Members <u>did not agree</u> that the RFC's Proposal Working Group included members of the Board at this stage.	
16/33/4	Olga Yao said that the RFC are organising a residents' meeting for 4 th June to present the draft constitution to residents prior to presenting to the Board.	

16/33/5 Members thanked the Residents' Forum Committee for all their work so far and **noted** the contents of their report.

16/33/6 The Chair added that the Board encourages partnership working between the Residents' Forum and Officers.

16/33/7 **Response to the recommendation from the Residents' Forum that the Board provides assurance to residents that it will not adopt the Government's 'Pay to Stay' Policy**

The Board has already discussed this topic and had agreed not to adopt the Government's Pay to Stay policy as it had not been made compulsory for housing associations. However, if the Government did reverse this and made it mandatory for housing associations, (i.e. if it became law), the Board would need to revisit the decision.

16/34 *Update on Hexagon's response to the Welfare Reform*

16/34/1 Chris Melville provided an update on how we are responding to the main welfare reform changes. She reported that we now have 17 households affected by the introduction of Universal Credit.

16/34/2 Ian Watts asked how we will respond to our local authority partners who wish to allocate under 35 year old single people to our housing who are claiming Housing Benefit, bearing in mind the restriction on their ability to only the shared accommodation rate for the Local Housing Allowance.

Chris said that we will be clear where we will not be able to offer housing to those that fail our affordability test.

16/34/3 The Board **approved** the priorities for our response to the Welfare Reform changes as set out in Section 5 of the report.

16/35 *Innovation in Development Working Group*

16/35/1 Martin Large said the Working Group had had its second meeting earlier today.

16/35/2 The Board **noted** the draft notes of the 26th January 2016 meeting.

16/36 *Recruitment of Resident Board Members*

16/36/1 Tom presented a report that outlined a process for filling two Resident Board Member vacancies. The letter from the Chair to all residents inviting applications has been drafted and will go out later this week.

16/36/2 In terms of extending the methods by which residents can cast their vote, Tom said further work will be done on this for future ballots. However, due to the timescale for this year, ballots will go out in the post to each household as in previous years, for a return by post.

16/36/3 The Board **agreed** that the recruitment panel will comprise:

- Rosalind Watson
- Ruth Chambers
- Ian Mansell
- Tracy Inniss (HR Manager)

16/36/4 Rosalind asked that it be made clear to residents that the eligibility to vote has been extended to joint tenants (i.e. all tenants named on the tenancy agreement).

16/36/5 Jeanette Kenyon arrived at this point.

16/36/6 Rosalind also suggested that a verification exercise is carried out before the election for the residents selected to go forward by way of taking up references. This was **agreed**.

16/36/7 Members **noted** the timetable and key milestones appended to the report.

16/37 *Jon Cross – Property Services Director*

16/37/1 As this is Jon Cross' last Board meeting as he would be leaving the Association, the Board thanked him for his hard work over the past five years and wished him all the very best.

16/37/2 Jon said he was sorry to be leaving and was really pleased with what has been achieved so far. He thanked the Board and fellow Officers for their support.

Jon left the meeting.

16/38 Changes to Corporate Risks

16/38/1 Debbie explained that this item had been considered at the Audit & Risk Committee meeting of 16th February and was for the Board's information.

16/38/2 The Board **agreed** that the risks have been reasonably identified and that the risk management strategies are appropriate. The Board also noted that risks that emerged in light of the breach of the Rent Standard will be reviewed and added to the list if appropriate.

16/39 Minutes of the Audit & Risk Committee meeting held 3rd November 2015

16/39/1 Ian Watts presented the minutes of the 3rd November meeting and it was noted that another meeting had been held since then on 16th February.

16/39/2 The Board **noted** the November minutes and **agreed** that draft Audit & Risk Committee minutes can be circulated to the full Board if they have been approved by the ARC Chair.

16/40 Use of the Company Seal

16/40/1 Rosalind Watson asked whether the Board had been made aware that Hexagon had purchased the site at 167-177 Lewisham Road, SE13, an area undergoing large scale re-development.

Kerry Heath said purchase of this site has been reported via the quarterly PI reports to the Board.

16/40/2 The Board **noted** the report.

16/41 Starters & Leavers

16/41/1 The Board **noted** the report.

16/42 *Stage 3 Complaints*

16/42/1 Members **noted** the outcome and the lessons learnt from the complaint set out in the covering report by Chris Melville.

16/43 *Any Other Business*

16/43/1 There was no other business.

16/43/2 Olga Yao, Chris Melville, Kerry Heath and Tom McCormack left the meeting at this point.

16/44 *Confidential item*

There being no other business, the Chair declared the meeting closed at 7.00pm.

Minutes of the Board Meeting held on Tuesday, 29th March 2016.

Signed (Chair)

Date