

Minutes of the Saffron Housing Trust Ltd Board Meeting

26th May 2011

Present:

Board: David Frost (DF)
Graham Minshull (GM)
John Overton (JO)
Peggy Phinn (PP)
Arley Turner (AT)
Ken Warman (KGW)
Terry Woods (TW)
Karen Wooddissee (KW, Chair)

Apologies Michael Harrowven (MH)
Tony Palmer (TP)
Derek Player (DP)

Officers: Adam Ronaldson, Chief Executive (CE)
Steve Burns, Director of Asset Management (DAM)
John Whitelock, Director of New Business (DNB)
Stephen Flowitt-Hill, Director of Housing & Finance (DHF)
Rachael Tresize, Public Relations Manager (PRM)
Mick Masters, Head of Property Services (HPS)
Tim Betts, Head of Contracting Services (HCS)

Observers: Warren Burge (WB)
Sally Moore (SM)

KW welcomed WB and SM to the meeting as observers from CAP. The DAM then advised the meeting that Eloise Ellis was being replaced by Councillor Tony Palmer as one of the Council's representatives on the Board. KW thanked Eloise for her contribution over the last year.

877. Standing Items

Declarations of Interest

JO declared an interest in item 3 as the Councillor for Poringland

Minutes of Previous Meetings

It was **RESOLVED:**

- That the minutes of the meeting on 28th April 2011 were a true record of that meeting.

Matters Arising

AT asked whether there were any plans for Saffron to join the tenant repairing pilot (item 872). The CE confirmed that there were not.

Performance Indicators

The CE drew attention to the performance indicators for April. He noted that the only red indicator on the “review” sheet was for the mystery shopping score. No mystery shopping had been carried out in April. A “shop” was planned for May.

878. Development Approvals

S106 – Poringland, Norfolk Homes.

The DNB introduced the paper and explained that it contained 2 scenarios. One with, and one without shared ownership. The site contained 7 shared ownership properties, but if these weren't sold/reserved within 2 months of completion, they could be converted into intermediate rent properties.

He noted that the mix was 35 social rented properties, 8 intermediate rent and either 7 shared ownership or 7 more intermediate rent. The site comprised 17 flats (11 * 1 bed) and 33 houses. The properties would meet code level 3 but not reach Saffron's size standard. In response to an observation from AT that there were no bungalows, the DNB replied that the mix was set by SNC.

It was **RESOLVED**:

- To approve the purchase of the 50 properties at Stoke Road, Poringland at a total cost of .

Alan Road Ipswich

The DNB explained that this was another HOLD project in conjunction with Suffolk County Council (SCC). The proposed development consisted of 7 flats, 6 of which would be for residents and one for staff.

If the mortgages became unavailable then SCC would add a further of grant. The development was expected to complete in February 2012.

In response to a question from GM, the DAM explained that would maintain the properties.

It was **RESOLVED**:

- To approve the purchase of the 7 properties at Alan Road Ipswich at a total cost of

Cobbs Mews, Great Yarmouth Learning Difficulty Scheme

The DNB explained that only of grant was available for this scheme, this meant the 6 bungalows would have to be let at high rents - per week plus service charges.

It was **RESOLVED**:

- To approve the purchase of the 6 properties at Cobbs Mews at a total cost of

879. Business Plan Approval

The DHF introduced the paper and explained that the business plan excluded any consequences of the HCA bid. To start loan negotiations based on the business plan would be premature as the Board had not yet discussed future development intentions.

When the outcome of the HCA bid was known, it might be necessary to revise the business plan and open negotiations on further loans.

He pointed out the sensitivity analysis which showed that the greatest threats to viability came from changes to housing benefit payment arrangements.

The interest payments from the loan to Crocus were included but no other effects of the PV programme.

It was **RESOLVED**:

- To approve the business plan for 2011/12

880. Policy Reviews

Company Membership policy

The DAM introduced the paper and explained that there were no changes.

It was **RESOLVED**:

- To approve the Company Membership Policy revision

Compensation Policy

The DAM introduced the paper and in answer to questions explained that consistency was achieved by requiring that compensation payments were approved by a Director.

The DHF explained that if tenants had contents insurance then they had to claim against their own insurance in the first instance. This was an insurance industry requirement.

It was **RESOLVED**:

- To approve the Compensation Policy revision

Feedback and Complaints Policy

The CE reported that the policy needed further amendments and was being withdrawn from this meeting.

881. Sale of land - Fritton

882. RSR Return

It was **RESOLVED**:

- To approve the RSR return, to recognise that it was a tedious task and to thank Diane Marshall for completing it.
- Future RSR returns to be distributed to the Board by email only.

KW passed the chair of the meeting to the CE for the next item.

883. Board Member Remuneration

The CE introduced the paper and explained that the original proposals for remuneration had been modified in light of a meeting he had had with CAP. The new proposal was for the payment of The Chair, Vice Chair and Chairs of committees.

In response to questions, PP explained that the position on payment for people on benefits was unclear and that CAP had concerns that payment would exclude many tenants from holding positions on the Board. CAP were also concerned that payment

might result in people joining the Board for the wrong reasons and this was not in keeping with the ethos of volunteers. The CAP meeting had not considered the payment of Chairs of committees, only the Chair and Vice Chair of the Board.

GM suggested that the remuneration levels be set annually. This would mean that the level could be set to zero and not cause problems for anyone on benefits. The CE agreed to seek legal opinion on this suggestion.

PP invited Board members to the next CAP meeting and TW offered to attend.

It was **RESOLVED**:

- To approve the revised proposal to remunerate the Chair, Vice Chair and the Chairs of Committees.
- The Chair to write to all tenants inviting them to comment
- The CE to write to all staff to inform them.

884. Board Training Day

The CE confirmed that the Board training day would be held on 7th July at Park Farm Hotel. Possible topics were discussed and a provisional list was agreed as;

- The HCA deal
- Supporting People and Sheltered Housing
- Board member succession
- Development aspirations and funding opportunities
- Localism Bill
- Memorandum and Articles amendments
- HR information to be presented to the Board
- Saffron's appetite for sharing services with other HAs
- Retrofitting
- Board meeting dates for 2012.

885. Updates

KW reported that the Chairs' group had met and had discussed a number of topics including the HCA bid, Affordable tenancies and PV. She gained the impression that Saffron was ahead in a number of areas.

KW was pleased to announce that she had attended the Local Authorities Building Control regional award ceremony with The DNB and that Sherwell Court had won in its category and now went forward to the national awards.

The CE introduced Tim Betts and Mick Masters to the meeting and explained their new roles. Announcements were due soon on the next tier of management in Asset Management. Stuart Tinkler would be taking over as Company Secretary.

A number of Board members reported on their attendance at committee meetings.

JO advised the Board of changes in the cabinet at SNC and that SNC were working on a business plan of shared services with GYBC.

LS reported that she and MH had attended a meeting with CAP to explain the role of the Board member.

GM reported that Diss job club had received the computer monitors from Saffron and sent their thanks

CAP. PP reported that a number of residents at Silfield had expressed interest in re-forming the Silfield residents association. CAP had attended a meeting of the residents' arm of the Norfolk Housing Alliance, and CAP had held an away day.

886. Minutes from Associated/Controlled Bodies

Information Exchange: May 9th. The meeting had been held at Chedgrave and was well attended. A number of issues had been raised including the policy of replacing doors and windows according to their condition. LS wanted to know why all doors and windows weren't replaced at the same time. The DAM replied that Saffron had set a policy in the past of replacement according to need and that wholesale replacement village by village would result in a lot of unnecessary expenditure. He gave the example of the door replacement programme. Doors had been replaced in every district giving a total of 3000 properties. Another 1200 properties were deemed not to need doors yet. To have replaced the doors when neighbouring properties were being upgraded would have resulted in unnecessary expenditure. The CE agreed that the policy would be reviewed over the coming year.

AT had asked why single bowl sinks were still being installed in new properties contrary to Saffron policy. The DNB explained that the design guide was wrong and was being amended.

EPC: April 7th. The CE reported that _____ were in the process of joining EPC. EPC had recently completed a tender for maintenance services which Saffron was using to benchmark its internal activities. Further analysis was being carried out on the amount of overhead included in the internal costs and the amount of on-cost which the external tendered costs would require.

Remuneration Committee: May 16th. The minutes were noted.

Audit Committee: May 13th. KGW reported that the audit committee had agreed an internal audit plan with the internal auditors which would see fewer but more topical audits carried out in the year. The Audit Committee had also approved a parent company guarantee from Saffron to Crocus at the request of one of the PV contractors.

887. Change of Board meeting Date – October 27th becomes October 20th

888. Management Accounts – April 2011

The DHF introduced the management accounts for April and commented that the first month of the year nearly always showed a variance to budget because new programmes took a while to start. He was satisfied with the positive variance.

889. Development Pipeline Progress report

The DNB gave the Board feedback on the bid round from the HCA. Bids had exceeded levels required and bidders might be asked to reduce their bids. Saffron had already received and answered a number of queries from the HCA. He then gave an update on the development pipeline, including the problems with Denton. The planning committee had met and again deferred making a decision on the new electricity sub-station. They had asked for a site visit.

890. Next Meeting

Thursday 23rd June 2011

The meeting closed at 9.30pm