

**URH Board Minutes**  
**Wednesday 14<sup>th</sup> March 2007 at 6.30pm**  
**LG04, Lincoln House**

**Present:**

**TMO Members**

<b>Blenheim Gardens TMO:</b>	Selena Ellis
<b>Loughborough EMB:</b>	Ann Hoad (Chair)
<b>Roupell Park RMO:</b>	Mary Simpson
<b>Waltham Estate RMO:</b>	Maya Schram Dilia ('Lia') Conceição

<b><u>Council Representatives:</u></b>	Cllr Clive Bennett Cllr Alex McKenna
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<b><u>Independents:</u></b>	Willem Buttinger
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<b><u>URH: Chief Executive</u></b>	Damian Roche
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<b><u>URH staff:</u></b>	Tim Mathias (Minutes) Alexandra Asare Clara Odamo Phil Morris
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<b><u>Observers:</u></b>	Mark Browne (Manager – Roupell Park) Dan Howcroft (Manager – Blenheim Gardens) Steve Rodman (Leaseholder: LEMB) Jean Slater (Board member – LEMB)
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**Apologies:**

<b>Council Representative:</b>	Paul W Cooper
<b>Council Representative:</b>	Helen Charlesworth-May
<b>Independent Representatives:</b>	Scott Cunningham
<b>Independent Representatives:</b>	Edith Yembra
<b>Loughborough EMB:</b>	Jason Wyatt
<b>Blenheim Gardens TMO:</b>	Anton Manickim
<b>Roupell Park RMO:</b>	Carla Pall

**1.0.0 Introductions**

- 1..1 Steve Rodman, a Leaseholder from Loughborough estate and Jean Slater, a Loughborough board member attended the meeting as observers.
- 1.2.1 Ann Hoad reminded the meeting that comments from all members are welcome.
- 1.3.1 Ann Hoad also thanked Damian Roche for the URH briefing note that has been circulated this week.

**2.0.0 Declarations of Interest**

- 2.1.0 There were no declarations of interest recorded from any of the board members.

**3.0.0 Minutes & Matters Arising from the meeting held on 21<sup>st</sup> February 2007**

**3.1.0 Minutes**

- 3.1.1 Two corrections noted
- 3.1.2 Page 3 – Blenheim Gardens is an RMO, not a TMO.

- 3.1.3 Page 3 – Selena Allis should read Selena Ellis.
- 3.1.4 With these amendments, the Minutes of the URH Board on 21<sup>st</sup> February 2007 were agreed unanimously.
- 3.2.0 **Matters Arising**
- 3.2.1 Action Point 1 (21/2/07) - Present proposals on regular performance review  
This is covered under Item 5 on the agenda.
- 3.2.2 Action Point 2 (21/2/07) – Chase up response to Ann Hoad’s correspondence  
No response received to date, although it is clear there has been progress on this issue. Covered under item 6 on the agenda.
- 3.2.3 Action Point 3 (21/2/07) - Prepare regular briefing note – update on activities  
Damian Roche will link this to the URH briefing note referred to above and produce one briefing note covering general and local matters of interest. .
- 3.2.4 Action Point 4 (21/2/07) - Prepare confidentiality statement  
This has been completed.
- 3.2.5 Action Point 5 (21/2/07) - Draw up Terms of Reference for Human Resources Panel  
The target date has been pushed back. On agenda for the April board meeting.
- 3.2.6 Action Point 6 (21/2/07) - Meet with TMOs to discuss principles around re-charging  
URH will be meeting with the Estate Managers tomorrow. This is on the agenda to be discussed.
- 3.2.7 Action Point 7 (21/2/07) - Monthly board Member briefing on matters of interest  
This was E-Mailed out yesterday.
- 3.3.0 Finally, Phil Morris reminded the meeting that URH was expecting a letter of resignation from Paul Southwell. This has not been received yet. Phil recommended that board notes that Paul Southwell has resigned, remove Paul as a Director and approve Selina Ellis’s appointment as a Director. This was agreed unanimously.

**4.0.0 Chief Executive’s Report**

- 4.1.0 Damian Roche presented this item
- 4.2.0 Governance
- 4.2.1 Scott Cunningham has resigned from the URH board, with immediate effect.
- 4.2.2 Willem Buttinger has tendered his resignation, his last meeting will be during August 2007.
- 4.2.3 Thanks were offered to Scott Cunningham and Willem Buttinger for all their hard work.
- 4.2.4 This will mean that there will be three vacant posts on the URH board.
- 4.2.5 Damian Roche has spoken to the Interim Director of Housing, they have advised that Lambeth received a poor response to their advert for independent board members. Damian Roche and Phil Morris are in the process of making approaches to selected individuals. Damian Roche will draw up a short-list of suitable candidates.

Action Point 1	By whom	When
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Draw up list of candidates for vacant independent director posts	Damian Roche	18 April 07
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- 4.2.6 URH may still need to advertise. National Federation of ALMOs will be approached.
- 4.2.7 Ann Hoad asked whether candidates would be interviewed by the Resident Directors? Damian Roche replied that it has up to the Board what interview process they want to enact.
- 4.2.8 Selena Ellis asked whether it would be possible to have a description of the role of independent director drafted. Damian Roche observed that although the directors are appointed in different ways, they all have the same general role once on the Board. Cllr Clive Bennett suggested that Scott Cunningham and Willem Buttinger be asked to contribute towards this. This was agreed unanimously.

Action Point 2	By whom	When
Draft 'Roles & Responsibilities of an URH Director'	Damian Roche	18 April 2007

- 4.2.9 Agreed that members of the board will E-Mail Damian direct if they feel that there are specific skills or experience they believe an Independent Director should bring to the Board. Email: [DRoche@urh.org.uk](mailto:DRoche@urh.org.uk).
- 4.2.10 Damian Roche stated that he would be happy to meet any possible candidates that the Board would like to nominate.
- 4.2.11 Tim Mathias will circulate a note to all board members setting out how proposals for a selection process, and how individual board members can contribute.

Action Point 3	By whom	When
Circulate briefing note – recruiting new Board members	Damian Roche	18 April 2007

- 4.3.0 Staffing/ Recruitment
- 4.3.1 Kevin Creed has joined URH as a Project Officer.
- 4.3.2 Short-listing for the role of Leasehold Officer has already taken place. Interviews will be held next week. Mary Simpson will sit on the interview panel.
- 4.3.3 The post of Performance Officer will be advertised in the near future.
- 4.3.4 Regarding the post of Capital Programme Manager, currently resources are diverted towards preparing for the Audit Commission inspection. Damian Roche & Phil Morris will be meeting with the TMOs to discuss a joint approach. It was felt that a Capital Programme Manager would not be fully utilised at the moment. Looking to present a report to the May meeting.
- 4.3.5 Blenheim Gardens will be interviewing for the post of Estate Director on 24 March 07.
- 4.3.6 Waltham is in the process of short-listing candidates for the post of Estate Director.
- 4.3.7 Damian Roche attended an ALMO Chief Executive's Conference on 8<sup>th</sup>/9<sup>th</sup> March. Damian will be happy to brief anyone regarding the events that took place.
- 4.4.0 Inspection Preparation
- 4.4.1 URH staff met with Estate Managers at the end of February (this is a regular monthly meeting).

- 4.4.2 Damian Roche will be meeting the Audit Commission Inspector for West London during mid April 2007. Damian will report back to the board. *(Please note a meeting has been set up for 19 April 07)*
- 4.4.3 Damian Roche will give a presentation on the Audit Commission Inspection Process to the April URH Board.

Action Point 4	By whom	When
Presentation – Audit Commission Inspection Process	Damian Roche	18 April 07

- 4.4.4 Damian will be rolling out a similar presentation to TMO staff over the next two months. It was agreed that this should also be offered to each of the TMO boards.
- 4.5.0 Mystery Shopping
- 4.5.1 Training for residents will start next week.
- 4.6.0 Staff Conference
- 4.6.1 This has been delayed so that it will tie-in with the Audit Commission Inspection.
- 4.7.0 TMO Board training/ Induction for URH Board Members
- 4.7.1 Damian Roche is putting together a training programme. Any ideas for items, please let Damian know.
- 4.8.0 Cowley EMB
- 4.8.1 Cowley EMB has formally notified URH that they do not intend to join URH. Damian Roche is not proposing challenging this decision. This was agreed unanimously.

#### **5.0.0 Monitoring Arrangements for URH**

- 5.1.0 Damian Roche introduced this item.
- 5.1.1 URH has to report to the London Borough of Lambeth regarding the functions that Lambeth have delegated to URH. Lambeth and Damian Roche have put together a proposed framework, outlined in this report. Damian Roche is asking the board to endorse the principles put down on this paper. The detail may change slightly, no major amendments are planned.
- 5.1.2 Willem Buttinger asked - are URH staff certain that Lambeth will commit to attending these meetings? Damian Roche replied that he would stress the importance of the continuity of Lambeth's attendance.
- 5.1.3 Phil Morris confirmed that Lambeth have agreed that Les Warren has been delegated to sign-off URH's 2007/08 budget.
- 5.1.4 Lia Conceição asked whether the meetings with Lambeth will be minuted? Damian Roche replied that the majority of meetings would be officially recorded.
- 5.1.5 Cllr Alex McKenna expressed the need to get firm commitments for action out of Lambeth officers, please report to the board if Officers are not turning up or persistently delaying meetings.
- 5.1.6 Cllr Alex McKenna also reminded the board that URH must also consider how to effectively communicate with member TMOs.
- 5.1.7 Cllr Clive Bennett expressed the wish that the Director of Finance attend meetings between URH and Lambeth. Phil Morris replied that that all decision making had been delegated to Les Warren (Housing Finance).

5.1.8 Maya Schram asked why the two budget meetings were scheduled so close together. Damian Roche replied that these are not linked – the first relates to the previous financial year, the second to the new financial year.

5.1.9 The paper was agreed unanimously.

#### **6.0.0 TMO Allowances**

6.1.0 Phil Morris introduced this item.

6.1.1 After the last URH board meeting the Council released the figures for 2006/07 to 2009/10.

6.1.2 Phil Morris has tried to show that the methodology that Lambeth have adopted does not work in practice. There are references across the board to services that only some tenants receive. Some figures would seem suspect – for example a 71% reduction in heating costs on Ethelred estate.

6.1.3 One major development is that Council Officers have finally identified Caretaker Costs within their calculations. This is recorded under Special Services, it had been taken out of Management Costs.

6.1.4 Tenants have begun to receive rent increase letters for the 2007/08 financial year. As part of the rent unbundling exercise these now include details of services that tenants are charged for. These seem to indicate that Lambeth are charging tenants far in excess of the budgets TMOs receive.

6.1.5 Under the proposed cuts one TMO (non-URH) would lose 47% of their grant, partly because they have such a high number of leaseholders.

6.1.6 The Council is assuming that some major savings are achievable. Phil Morris has asked for further details.

6.2.1 Lambeth Council has agreed to the appointment of Tribal to examine the figures

6.2.2 The Council continues to run high management costs per dwelling.

6.2.3 The real argument centres over management costs. This is not a believable figure when you compare to the services that TMOs provide. Tribal will be reviewing the figures. It is believed that Price Waterhouse Coopers will be looking at the figures before they are presented to Tribal. The TMOs have agreed to co-operate as long as Tribal are given full disclosure.

6.2.4 Mark Browne (Estate Manager – Roupell Park) stated that he was happy to talk to the Council as long as figures are transparent. Mark Browne reminded the meeting that there are no guarantees that any allowances are to be paid to the TMOs at the start of April 07. The TMOs cannot make any plans for service delivery until allowances are set. TMOs should be setting their budgets for a two star service now. Mark Browne confirmed that the TMOs received penalty payments last year, amounting to a refund on the interest they would have received on the allowances if they had been paid on time in April 2007.

6.2.5 Cllr Clive Bennett pointed out that URH cannot play the role of an 'honest broker' here because URH does not represent enough TMOs.

6.2.6 Cllr Alex McKenna thanked Phil Morris for his paper, which he believed had gone a long way to unravelling the questions that had surrounded TMO allowances. URH should not hesitate to make representations if they believe there are any figures that are wrong, or any points that need clarifying. Cllr McKenna hoped that the TMOs enter back into full discussions with Lambeth as soon as possible, and that a full settlement is made promptly. Cllr McKenna stated that non-TMO tenants might argue that they are getting a worse service. This leaves the Council open to legal challenge.

- 6.2.7 Mary Simpson stated that the TMOs have never stated that they will not sit down with the Council, however they needed (i) to have the figures, and (ii) to have reasonable faith that they are accurate.
- 6.2.8 Phil Morris pointed out that the TMOs may want to volunteer to pilot Lambeth's Service Charge setting scheme, which will use costs by estate.
- 6.2.9 Phil Morris stated that the Cabinet papers appear to show that even with massive savings, the Housing Revenue Account appears to be in significant deficit. Phil believes that the reason for this is that the calculations assume that government subsidy will be reduced significantly, without concurrent increases in rent to make up the difference. The Government has indicated that decreases in subsidy will be met through increases in rent. Therefore, you could argue that the forecasts Lambeth have provided are not reasonable. Lambeth stated that the total loss of subsidy built into the projections is entirely due to stock transfers. This is incorrect.
- 6.2.10 Mark Browne asked whether it would be possible to produce a model of what a three star service would cost? Damian Roche replied that this follows a concept called zero based budgets. There are practical problems with this approach. Principally that there is only a finite amount of funds available. This also depends on how core services are defined. A Local Authority will deliver a number of centrally based services, we are assuming that TMOs are delivering some services that are never even considered within the HRA.
- 6.2.11 Phil Morris pointed out that the overall housing subsidy system will move into surplus as rents increase. It is likely that this will result in increases in allowances so that surpluses aren't generated.

## **7.0.0 Performance Indicators**

- 7.1.0 Tim Mathias introduced this item.
- 7.1.1 Damian Roche has received assurances from Earl Neil, stating that Performance Reports will be available by 28 March 07.
- 7.1.2 Cllr Alex McKenna has recently attended a presentation by Chris Lee, which seemed to indicate that this situation is close to being resolved.
- 7.1.3 Mark Browne asked whether any alternatives to SX3 had been considered – Allocations should be the only module that is linked inextricably with Lambeth Council. Damian Roche replied that setting up a computer system would require a two year project plan. This can certainly be considered in the future, but is not practical now. Damian Roche emphasised that URH must be able to show the inspectors that they have done everything they can to make this system work.

*Cllr Clive Bennett left the meeting at this point*

- 7.1.4 Lia Conceição asked what would happen if no information was received by the May URH board meeting? Damian Roche replied that he is escalating this issue, and will provide an alternative strategy to the April board, if it appears that the Lambeth system remains unworkable.

<b>Action Point 5</b>	<b>By whom</b>	<b>When</b>
Alternative strategy to deal with SX3 concerns	Damian Roche	18 April 07

- 7.1.5 Please note this action point is only applicable if SX3 is deemed to be unworkable at the beginning of April 2007.

## **8.0 Any Other Business**

- 8.1 Willem Buttinger will be away for most of April 07.

8.2 Lia Conceição requested that TMOs are informed of all URH meetings. Tim Mathias confirmed that all Estate Managers are informed of upcoming URH meetings. Agreed to distribute list of upcoming meetings. Damian Roche stated that he would like the meetings to be advertised on all four estates.

<b>Action Point 7</b>	<b>By whom</b>	<b>When</b>
Distribute list of upcoming URH meetings	Tim Mathias	18 April 07