

**STOCKPORT HOMES BOARD MEETING**  
**Monday 10 December 2018**  
**15.30**  
**SHG Boardroom, Cornerstone, 2 Edward Street**



**PRESENT / IN-ATTENDANCE:**

**Members (Present):**

- Robin Burman, Chair
- Peter Fitzhenry
- Jamie Hirst
- Sarah Keenan
- Ken Lee
- Jenny Osbourne
- Steve Partridge
- Alanna Vine
- Christine Woolridge

**Observer**

Aisling McCourt

**Officers (In-attendance)**

- Jeremy Beatty, Governance Manager (minute taker)
- John Bowker, Director of Property and Maintenance Services
- Samantha Carlaw, Management Accountant
- Carmel Chambers, Director of Resources  
Sandra Coleing, Assistant Chief Executive
- Tanya King, Social Inclusion Manager (part)
- Rob Lloyd, Performance and Improvement Manager (part)
- Helen McHale, Chief Executive
- Chris Munby, Senior Development Manager (part)
- Simon Welch, Director of Neighbourhoods and Support

<b>01</b>	<b>APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST</b>	<b>Action</b>
	David Beckett and Jo Hague sent their apologies.	
<b>02</b>	<b>INTRODUCTION FROM AISLING MCCOURT</b>	
	Aisling outlined her background in housing and academia, her current role as Housing Strategy Principal at the Greater Manchester Combined Authority and explained her interest in Stockport Homes' work. Board members and officers welcomed Aisling and introduced themselves.	
<b>03</b>	<b>PRESENTATION AND DISCUSSION – INCLUSIVE GROWTH STRATEGY</b>	
	<p>The Customer Engagement &amp; Social Inclusion Manager provided an update about the Inclusive Growth Strategy. Partnership working, support for community cafes and encouraging women into self-employment were highlighted.</p> <p>Stockport's Local Assistance Scheme and customers' digital literacy were discussed in relation to Universal Credit. The Director of Resources explained that intensive support is available including sign-posting to advance payments.</p> <p>The Board asked about the implications of Universal Credit support being outsourced to Citizens Advice Bureau (CAB). The Customer Engagement &amp; Social Inclusion Manager said that Stockport Homes has a positive relationship with CAB, which is improving under new management.</p>	
<b>04</b>	<b>MINUTES FROM MEETING 24 09 18 AND ACTION MONITOR</b>	
	The Board approved the minutes as an accurate record of the meeting and noted progress with the items in the action monitor.	

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	<p>A question was raised in relation to the Pantry's Midlands Franchise Officer. It was noted that the officer is employed by Church Action on Poverty and has been recruited in response to interest in the franchise model across the midlands.</p> <p>It was agreed that the action relating to membership of the National Housing Federation (NHF) should be rolled forward as it is still under consideration.</p>	<b>CR / SC</b>
<b>05</b>	<b>HRA BUSINESS PLAN UPDATE AND HRA RENT SETTING FOR 2019-20</b>	
	<p>The Management Accountant introduced the report and asked the Board to approve the principles relating to the updated HRA Business Plan and rent setting for 2019-20. Discussion covered:</p> <ul style="list-style-type: none"> <li>• Consumer Price Index – it was explained that CPI rates are announced in the September preceding the next financial year. For 2019/20 it is 2.4 per cent. Once mandatory rent reductions have ended, CPI is assumed to be 2 per cent and rent increases are expected to be CPI + 1 per cent from 2020/21 to 2024/25, and CPI + 0.5 per cent thereafter.</li> <li>• Sprinklers in high-rise blocks - the Director of Property &amp; Maintenance said procurement options are being explored with an 18 month delivery period favoured. The Director of Resources said a mixture of short-term and long-term borrowing is being considered. However the work is structured, the impact on phasing the delivery of other elements of the capital programme will be fully evaluated.</li> <li>• Management and maintenance expenditure – it was confirmed that the 1 per cent increase for the first five years was 1 per cent per year. Given that assumed increases in the Management Fee are CPI + 1 per cent this will create some leeway. However it was cautioned that the Management Fee is negotiated following a formula, so the assumptions are not guaranteed.</li> <li>• Whether other options besides the maximum increase to the rental element of shared ownership had been considered. The Chief Executive said this will be investigated but if the starting point for rents was low then increases that benefit the HRA would increase net resources available for investment.</li> <li>• The scope for reviewing the business plan in light of the likely rent increases and potentially increased resources within the HRA. The Director of Resources said that December 2019 would be a good time to do this.</li> </ul> <p>It was noted that the updated Development Strategy would be considered by Stockport Homes' and Viaduct's Boards.</p>	<p><b>JKen</b></p> <p><b>CC / CR</b></p> <p><b>CR</b></p>
	<b>RESOLVED:</b> The Board approved the principles set out within the report in relation to the updated HRA Business Plan and rent setting for 2019-20.	
<b>06</b>	<b>RENT SETTING FOR SHL OWNED PROPERTIES AND HOSTEL RENTS</b>	
	<p>The Head of Corporate Finance summarised the report.</p> <ul style="list-style-type: none"> <li>• It was noted that hostel rents are applied to individuals but owing to the nature of the accommodation most payment is received via Housing Benefit.</li> <li>• The Board noted that 2019 / 20 will be a 53 week year but Universal Credit does not take account of this. This has implications for customers' ability to</li> </ul>	

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	pay rent for the period that is not covered. The Board said its support of the proposals was subject to resolution of the questions this raises. Officers will provide feedback as part of the budget setting process.	<b>JKen</b>
	<p><b>RESOLVED:</b> The Board:</p> <ol style="list-style-type: none"> <li>i. Approved the proposed changes to Stockport Homes' owned property rents for 2019-20 as detailed in section 2.3 of the report, subject to resolution of questions relating to the 53 week rental period; and</li> <li>ii. Noted the contents of the report for hostel rents for 2019-20 as detailed in section 3.2 of the report.</li> </ol>	
<b>07</b>	<b>SERVICE CHARGE SETTING 2019/20</b>	
	<p>The Head of Corporate Finance summarised the report.</p> <ul style="list-style-type: none"> <li>• It was noted that increases to laundry costs are to offset losses and this service is competitively priced compared to private sector laundry facilities.</li> <li>• The Director of Neighbourhoods and Support explained that at hostels, where different costs for the same service had been identified, these are being standardised.</li> <li>• The Board said it was important to take account of the sensitivity of increases in electricity charges. The Chief Executive said that allowing for rent reductions most increases would have zero cumulative impact.</li> </ul>	
	<p><b>RESOLVED:</b> The Board:</p> <ol style="list-style-type: none"> <li>i. Noted the contents of the report;</li> <li>ii. Agreed to recommend to Stockport Council the proposals set out in Appendix One of the report for HRA and Council charges; and</li> <li>iii. Approved the SHL specific service charge increases.</li> </ol>	
<b>08</b>	<b>HOMES ENGLAND STRATEGIC HOUSING PARTNERSHIP FUNDING BID</b>	
	<p>The Senior Development Manager summarised the report. The attraction of working with the Great Places Strategic Partnership was emphasised, because of its Greater Manchester focus. It was noted that it would still be possible for Stockport Homes to access development funding through the Accent Consortia, should it become available. It was confirmed that Stockport Homes focus will be within Stockport. Discussion covered:</p> <ul style="list-style-type: none"> <li>• Whether Stockport Homes would be able to identify sufficient sites to deliver the 100 units. It was confirmed that sites have been identified for most of the properties and that other capacity will be available.</li> <li>• What downsides, if any, are connected to the Strategic Partnerships approach? The Senior Development Manager said fixed grant rates would present some challenges but other funding streams, such as the recycling of grant released through shared ownership stair-casing, would ensure every development was viable.</li> <li>• The critical importance of being part of the Strategic Partnerships approach to development funding.</li> </ul>	
	<p><b>RESOLVED:</b> The Board gave its strong support and approval of the submission of a funding bid for 100 affordable homes as part of the Great Places Strategic Housing Partnership Wave 1a.</p>	

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<b>09</b>	<b>CORPORATE PERFORMANCE REPORT</b>	
	<p>The Performance &amp; Improvement Manager summarised the report and provided additional references to the most recent October data.</p> <ul style="list-style-type: none"> <li>• It was noted that not gaining access for inspections accounted for the Red indicator, 'Percentage of domestic properties with a satisfactory electrical installation certificate'.</li> <li>• The Board discussed liability implications in the event of an incident when a property had no certificate. The Director of Property &amp; Maintenance Services said that if every reasonable effort had been made to gain access this would be grounds for defending a liability claim. He explained that if necessary injunctions would be sought to gain access.</li> </ul>	
	<p><b>RESOLVED:</b> The Board:</p> <ol style="list-style-type: none"> <li>Noted performance and improvement actions outlined in the report;</li> <li>Raised issues of concern about the explanations presented where targets or objectives have not been met.</li> </ol>	
<b>10</b>	<b>GOVERNANCE REPORT</b>	
	<p>The Governance Manager summarised a report and invited questions. Discussion covered:</p> <ul style="list-style-type: none"> <li>• Questions raised by the Financial Conduct Authority in relation to registration of Foundations Stockport. It was noted that clarification had been requested about where the society will work and its asset lock. Full responses had been provided and the Governance Manager said he expected registration to be completed within the coming week.</li> <li>• The Governance Improvement Plan. The Governance Manager said that additional training in relation to the Housing Revenue Account is the top priority and all actions, including those specific to individual needs, would be taken forward in the New Year.</li> </ul>	
	<p><b>RESOLVED:</b> The Board:</p> <ol style="list-style-type: none"> <li>Adopted the Governance Improvement Plan included at Appendix One</li> <li>Noted the position regarding Foundations Stockport's governance arrangements;</li> <li>Approved amendments to the Group Scheme of Delegation; and</li> <li>Noted the forward plan of meeting dates for 2019.</li> </ol>	
<b>11a</b>	<b>CHIEF EXECUTIVE'S REPORT</b>	
	<ul style="list-style-type: none"> <li>• The Chief Executive introduced the report and highlighted positive progress in relation to the CIS tax query. Although final figures are to be confirmed, tax owing is expected to be in the region of £85,000;</li> <li>• The positive relationship with the Council was highlighted. It was noted that the potential for providing further services on the Council's behalf, for example in relation to ASB casework and social care, is being explored;</li> <li>• In relation to Best Companies, the Board was delighted to hear that Stockport Homes has been recognised as an extraordinary organisation and that the three star rating was achieved in every directorate. The Chief Executive said that the impact of the move to Cornerstone was critical in the improved scores;</li> </ul>	

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	<ul style="list-style-type: none"> <li>• The Chair asked for an indication of how social value is being measured. The Assistant Chief Executive explained that the info-graphic in section 19 of the report summarised the measures being used by the Greater Manchester Providers Social Value Group, in which Stockport Homes plays a leading role. The March 2019 Chief Executive's Report will include a further update including an overview of the work that has been done throughout the year; and</li> <li>• In relation to the Internal Audit tender, it was agreed that the Chair of the Audit &amp; Risk Committee be given delegated authority to endorse the outcome of the Tender process to enable Stockport Homes Group to commence the standstill period and enter into Contract in February 2019.</li> </ul>	<b>RL</b>
<b>11b</b>	<b>CHAIR AND MEMBERS' ACTIVITIES</b>	
	<ul style="list-style-type: none"> <li>• Christine Woolridge said she had attended the Customer Hub consultation about services charges;</li> <li>• Board members spoke highly about the Staff Awards held on 30 November;</li> <li>• Sarah Keenan had attended a Stonewall Conference in her role as an ally and has shared implications for Stockport Homes' policies and procedures;</li> <li>• Jamie Hirst and Jenny Osborne were both speakers at the ALMO Board Chairs and Board Members Seminar;</li> <li>• Several Members attended the opening of the St. Thomas's development; and</li> <li>• The CIPFA Housing Panel will be meeting at Cornerstone on Tuesday 11 December.</li> </ul> <p>The Chair summarised his recent activities including attending:</p> <ul style="list-style-type: none"> <li>• ALMO Board Chair and Board Members Seminar;</li> <li>• Board Room event for Chairs. He noted that the National Housing Federation Code of Governance will be updated to take account of the changing legal and regulatory landscape;</li> <li>• Opening of the St. Thomas's development; and</li> <li>• Greater Manchester Housing event.</li> </ul> <ul style="list-style-type: none"> <li>• He had also signed the Armed Forces Covenant, on behalf of Stockport Homes and chaired an employment appeal panel</li> </ul> <p>He promoted a fund raising concert to be held at 7.30pm on Saturday 23 March 2019 in support of Reuben's Retreat. He encouraged Board members to attend, to promote the event and to sell tickets. Tracy Sweeting, Health and Wellbeing Coordinator, is coordinating Stockport Homes work and Board members will be informed when tickets and publicity are available.</p> <p>It was noted that following consultation it has been agreed that Reuben's Retreat will be Charity of the Year for 2019 / 2020.</p> <p>The Chair informed the Board that he will conclude his three year term of office in 2019 and will not stand for re-appointment. He reflected on recent achievements including the development of the group structure and completion</p>	

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	<p>of the appraisal process. He said he is very proud to be associated with Stockport Homes and would like to continue as a member of the Board beyond the 2019 AGM. He advised that the Governance Team will develop the process for selecting a new chair, which may involve the Nominations &amp; Appointments Committee. Details will be made available to all Board members.</p> <p>Jenny Osbourne said the achievements Robin referred to were significant and thanked him for his work in ensuring the group's growth and development.</p>	
<b>12</b>	<b>CORNERSTONE: ONE YEAR ON - BENEFITS EVALUATION</b>	
	<p>The Assistant Chief Executive gave a presentation describing the benefits associated with the move to Cornerstone. This included details of customer and staff feedback and findings from the PWC audit on flexible working.</p> <ul style="list-style-type: none"> <li>• Internal decoration was discussed and it was suggested local artists' work could be considered for display.</li> <li>• The Board agreed that the move had been extremely positive and contributed to greater team working and staff satisfaction.</li> <li>• It was recognised that there has been an increase in energy consumption and costs. The steps being taken to address this were noted.</li> </ul>	<b>SC</b>
<b>13</b>	<b>MINUTES (INFORMATION)</b>	
	<ul style="list-style-type: none"> <li>• Operations Committee 19 11 18 - The Chair of Operations fed back on the meeting and said the discussion about the Digital Vision and IT Strategy was significant.</li> <li>• Audit and Risk Committee 26 11 18 - The minutes of the meeting were noted.</li> </ul>	
<b>14</b>	<b>FORWARD PLAN (INFORMATION)</b>	
	The Governance Manager highlighted business planned for 2019.	

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