



(Company number: 06972673)

Minutes of meeting of the Board of Directors held in the Board Room at Keelman House, Fifth Avenue Business Park, Team Valley, Gateshead on Thursday 21 November 2013 at 12.30pm

Present:

Ordinary Trustees

Brian Kelly (Chair)
Joanne Carr
Anne Connolly
Paul Foy
Linda Hitman
Peter Mole
Hannah Shepherd

In attendance

Jon Mallen-Beadle (Company Secretary and TGHC Managing Director)
Neil Bouch (TGHC Director of Customers and Communities)
Natalie Hewitt (TGHC Head of Corporate Services)
Julie McCartney (TGHC Head of Neighbourhood Services)
Phil Gallagher (TGHC Head of Investment and Development)
Stuart Gibson (TGHC Governance and Risk Officer)

40 DECLARATIONS OF INTEREST

No interests were declared.

41 MINUTES

The minutes of the last meeting of Keelman Homes held on 19 September 2013 were approved as a correct record.

42 KIBBLESWORTH REGENERATION UPDATE

The Board received an update regarding the progress on site and any issues that have come to light since the previous update.

Of the 81 properties, all phases are fully occupied, with the exception of Phase 4 which has now been completed. Of the completed Phase 4 properties, two cannot currently be let due to a retaining wall at the rear boundary requiring a rebuild. The work is estimated to be completed by the end of November 2013.

The Public Art is being led by Gateshead Council's Art Team. Artists have been appointed who have worked with the local community to develop five individual pieces of art work that will be sited within the new development and some parts of the existing village. The art work is progressing and details of this were reported.

The on-site fixed play area within Phase 4 and the off-site play equipment within Kibblesworth Park have both now been installed. The Company is in discussions with Local Environmental Services around the ongoing maintenance and management of these facilities.

The Kibblesworth Celebration Event took place on 28 September 2013 and was formally opened by the Honourable Mayor of Gateshead. The day was well attended and considered a great success. There was significant interest in the remaining available shared ownership properties which it is hoped will generate further sales.

As the construction of the final phase has now completed, there are remedial works to the roads and pathways that are still to be finalised. TGHC are continuing to work closely with Keepmoat on resolving these as a matter of priority.

RESOLVED – That the Kibblesworth regeneration update be noted.

43 MANAGEMENT ACCOUNTS – SECOND QUARTER 2013/14

This is the first year a budget has been produced for Keelman Homes. Previous financial information has been managed by way of a cashflow, as the main income for Keelman Homes was grant income from the Homes and Communities Agency and loan income from Gateshead Council. The main expenditure was costs in relation to the construction of properties.

The Board approved the Keelman Homes budget for 2013/14 at its meeting on 30 January 2013.

The Board received an update on the management accounts for the second quarter of the financial year 2013/14.

The management accounts show Keelman Homes has made a deficit of £23,950 to the second quarter. Although Keelman Homes was expected to make a loss in this financial year, the loss in the period has been greater than budgeted, and a loss for the full year of £101,635 is being forecasted.

The increase in the deficit is due to both a decrease in the anticipated income compared to budget and an increase in the expenditure compared to budget. It is anticipated that this deficit will be met from reserves.

The three to five year budget plan will be provided at the next board meeting in January 2014.

RESOLVED – That the financial management of the revenue budgets for the second quarter of the 2013/14 financial year be noted.

44 KIBBLESWORTH SHARED OWNERSHIP UPDATE

The Board received an update on the marketing, allocation, price and customer interest in the 13 shared ownership properties at Kibblesworth.

Marketing has continued using a number of methods, which is expected to continue throughout the year.

To support the marketing of the properties the company has produced a 'frequently asked questions' brochure and shared ownership booklet.

As previously reported, Reeds Rains were appointed to provide some additional marketing of the remaining five unsold properties in August 2013. In order to support the marketing of the 5 bed property, Reeds Rains have been requested to make it their 'Property of the Week' from 4 November 2013.

An 'open house' event was also held with one of the 3 bed properties as part of the Kibblesworth Celebration Event on 28 September.

To date, 130 customers have expressed an interest and 20 completed applications have been sent for assessment by ISOS.

15 applications have been approved, three have been rejected and two are currently still being assessed by ISOS.

Three applications were approved by ISOS in relation to the one remaining 2 bed property. In addition, two applications have been approved in relation to the three remaining 3 bed properties and a further two applications are still in the process of being assessed by ISOS.

Gateshead Council Legal Services have completed the conveyancing process on the eight properties that have now been sold and the first month's rent has been collected with the completion of each sale.

Legal Services have been commissioned to complete all legal conveyance of a sale, at a rate of £432 per property plus £86.40 on solicitors' fees. To date, £4,147 has been paid to Gateshead Council.

Income received to date from the sale of properties is £438,603. Rental income projected for the year from the eight sold properties is £13,242.

Reed Rains fees could cost a maximum of £6,500 if the remaining five properties are all sold via their external marketing.

- RESOLVED – (i) That the progress made to date on the marketing, allocation and sale of the shared ownership properties be noted.
- (ii) That the outcomes of research into other possible ways of generating interest in the 5-bed property be brought back to the next meeting in January 2014 and a final decision then be made at the Board Meeting in March 2014.

45 DATE AND TIME OF MEETINGS 2014

RESOLVED – That the following schedule of meetings of Keelman Homes in 2014 be approved: -

- Thursday 16 January 2014 at 12.30pm
- Thursday 20 March 2014 at 12.30pm
- Thursday 15 May 2014 at 12.30pm
- Thursday 10 July 2014 at 12.30pm
- Thursday 18 September at 12.30pm
- Thursday 20 November at 12.30pm

46 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED – That the press and public be excluded from the meeting during consideration of the remaining business.