



BOARD OF DIRECTORS

22 November 2018

PRESENT:

Directors

Paul Foy (Chair)
Elizabeth Bird
Sheila Bouitieh
Robert Buckley
Joanne Carr
George Clark
Brenda Clelland
Mick Davison
Eileen Gill
Helen Hall
Tracy Harrison
Michael Hood
Leigh Kirton

Advisers

Neil Bouch	Director of Customers and Communities
Kevin Johnson	Head of Customer Services
Martin Poulter	Business, Performance and Customer Services Manager
Stuart Gibson	Governance and Risk Lead

Also Present

Andy Butler TLF (The Leadership Factor)

1 **TLF (The Leadership Factor)**

Andy Butler, Client Manager at TLF (The Leadership Factor) gave a presentation on the results of the customer satisfaction survey they were commissioned to carry out on behalf of the company.

The process that was followed, how satisfied customers were, the headline measures, benchmarking, the customer satisfaction index, repairs handling, Net Promoter Score, the mirror survey and next steps were highlighted.

Overall, the survey highlighted that 82.6% of customers were very/fairly satisfied overall.

The following three priorities for were identified where further work would generate the biggest potential for improved satisfaction: -

- The Repairs Service
- Dealing with Anti-Social Behaviour
- Listening to views and act upon them

An action plan would be developed for each of the priorities. It was agreed to bring this back to the Board for approval.

The Board welcomed the presentation but felt that it would take some time to understand the detail. It was agreed to post the presentation and anonymised comments from customers on the Board Members Website.

RESOLVED – (i) That presentation by TLF on the results of the customer satisfaction survey be noted.

2 MINUTES

The minutes of the Board Meeting held on 20 September 2018 were approved as a correct record.

3 MATTERS ARISING

(a) Board Training and Development Plan

A Trainer had been identified deliver Board Recruitment and Selection Training. Board Members would be notified shortly of proposed dates.

A date and time was still to be agreed for Board tour of estates.

The appraisal of the Chair and Deputy Chair was still outstanding.

The company had received a number of expressions of interest in the vacant tenant director position, which would be progressed in due course.

(b) A New Deal for Social Housing – Housing Green Paper

The Council had submitted its response to the Green Paper. A copy of the Green Paper had been circulated to Board Members. It was going to the Council's Cabinet on 18 December 2018.

4 GOVERNANCE REVIEW

A report was submitted proposing a scope for a review of the company's governance arrangements, following discussion at the Board Away Day in October 2018.

RESOLVED – That the proposed review of the company's governance arrangements be deferred until a later date and the scope of the review be agreed after the views of individual Board Members on what works well; not so well; and what could be improved have been considered.

5 CORPORATE PLAN 2018-23 – UPDATE

The committee received an update on progress in the delivery of the company's Corporate Plan 2018-2023 and received proposed priorities for the company's activities in 2019/20.

The Corporate Plan was a five-year plan and Board agreed in March 2018 that a full review of progress against the Plan and performance would be provided to the Board on an annual basis. The Board also agreed that it would consider the strategic position of the business in relation to its key strategy at the midpoint of each financial year.

In October 2018, the Board met with the company's Senior Management Team to consider and discuss the strategic position of the business, ambitions for the future and possible risks and opportunities for the business and priorities for action for the next financial year.

During the session, the group considered the company's progress so far in developing the Corporate Plan. Details of what had been prioritised since April 2018 and progress in delivering the plan's key activities were reported.

As part of the session, the group completed a workshop during which they considered priorities for the next iteration of the plan, potential savings and efficiencies, and opportunities for growth and development. The notes of the workshop were submitted.

The Board identified the following principles to guide activities over the next financial year: -

- Legal and statutory responsibilities
- Tailoring services to those most vulnerable
- Maximising income (particularly in relation to voids, lettings and rent arrears)
- Asset management
- The company's social purpose
- People offer particularly in relation to absence management and workforce planning.

The group agreed that the vision and objectives set out in the Corporate Plan would not need to be changed but did agree key priorities for reflection in the company's plans and activities for the next financial year.

The principles and priorities would be reviewed and expanded upon with a finalised set of proposals to be implemented in the next financial year being provided to Board in March 2019.

The Chair of the Board concluded the Away Day by recognising the opportunities for linking housing, health and social care.

- RESOLVED – (i) That the outcomes of the Board/SMT workshop held on 4 October 2018 be noted.
- (ii) That the principles and proposed priorities for action for the financial year 2019/20 be agreed for further consultation with Executive Management Team and Senior Management Team.
- (iii) That the final proposals on guiding principles and priorities for action be received in March 2019.

6 MINUTES OF RESOURCES COMMITTEE HELD ON 8 NOVEMBER 2018

The minutes of the meeting of Resources Committee held on 8 November 2018 were submitted.

- RESOLVED – (i) That the minutes be noted.
- (ii) That the Absence Management Policy and Procedure be approved.
- (iii) That the Right of Appeal – Improvement Notice issued in line with the Absence Management Policy and Procedure be approved.

7 PERFORMANCE AND SERVICE STANDARDS – SECOND QUARTER 2018/19

The Performance Indicator and Service Standard results for second quarter 2018/19 were reported.

There were 17 Key Performance Indicators reported to Board. 10 were reported quarterly and seven were reported annually. At the second quarter: -

- One indicator was traffic lighted green. This showed that the annual targets had been achieved for this indicator.
- One indicator was traffic lighted amber. This showed that the target set had not been met but performance had increased on the previous year.
- Five indicators were traffic lighted red. This showed that the target set had not been met and performance had decreased compared to the previous year.
- Ten indicators were set with a baseline target for 2018/19.

RESOLVED – That the Board is satisfied with the Key Performance Indicator results at the second quarter 2018/19.

8 UNIVERSAL CREDIT AND WELFARE REFORM UPDATE

The Board received an update on the number of tenants affected by Universal Credit and other welfare reforms and on the associated impact.

12 months on from the implementation of the full service, there were now 2,609 tenants in receipt of Universal Credit.

Under some circumstances, Alternative Payment Arrangements (APAs) could be applied for instead of the standard Universal Credit arrangement. This needed to be on the grounds of rent arrears or because a customer had a vulnerability. To date, 39% of claimants had needed the alternative payment arrangement.

The Board expressed concern that a tenant had to be £1,000 in arrears before the company could apply for it. It was noted that this could be lower if a tenant had a known history.

The impact of Universal Credit on the Housing Revenue Account was considerable. Up to the end of October 2018, 89.91% of rent had been paid by tenants in receipt of Universal Credit compared to 99.30% by other tenants. Average rent arrears for tenants on Universal Credit was also significantly higher than arrears for other tenants.

The impact of rent collection and rent arrears could be attributed to the difficulties experienced by individual tenants who had claimed the benefit, particularly the initial period when waiting for the first payment. There were inherent rent arrears from the start and the company had to manage those tenants through that crisis and make the tenancy sustainable again.

Help with housing costs had been restricted for some 18 to 21-year olds claiming Universal Credit in full service areas, but after a change in policy, entitlement will be restored from 31 December 2018. However, single claimants and couples aged under 25 receive a lower standard amount of Universal Credit, which increased the risk of rents being unaffordable, even for lower rents.

The Board felt that the situation was going to get worse with tenants turning to pay day loans and loan sharks. Therefore, signposting the tenants to other options and putting out more publicity around avoiding pay day loans and loan sharks had to be the best way forward.

Mick Davison reported that North East First Credit Union were looking to put in place a mechanism that provided tenants with an advanced payment before they go onto Universal Credit. The costs of introducing this and the impact on the management fee would need to be clarified if this was considered in Gateshead.

A research study into the impact of Universal Credit and Gateshead had been commissioned by the Gateshead Public Health Team. As well as the financial impact, the study considered impacts on food insecurity, mental health, physical health, and on social and family life. A copy of the full report was submitted. The Board commended the company's activity in this.

The Board noted that the reported highlighted an increase in sickness absence because of dealing with Universal Credit cases. The Board were advised that employees had received suicide prevention training and other day to day

support would continue to be offered. It was also noted that a joint public health proposal was being put forward for Suicide Prevention Officer roles in the region.

The Board felt that this information should be included in the sickness absence report as it gave Resources Committee a better understanding for the reasons sickness absence was increasing in this part of the business.

The Interim Managing Director was particularly proud that the Rent and Income Team was focusing on the causes of the causes and looking beyond Universal Credit.

The Board also received an update on under-occupation and the Benefit Cap.

The Board confirmed that this would be part of its ongoing agenda and it should receive regular updates through Customers and Communities Committee.

- RESOLVED – (i) That the update on the rollout of Universal Credit in Gateshead and the associated impact be noted and Customers and Communities Committee receive regular updates on progress.
- (ii) That the Board place on record its thanks to employees for their work dealing with Universal Credit.

(Mick Davison declared an interest in this matter on the grounds that he is a Director at the North East First Credit Union)

9 MINUTES OF AUDIT COMMITTEE HELD ON 18 OCTOBER 2018

The minutes of the meeting of Audit Committee held on 18 October 2018 were submitted.

RESOLVED – That the minutes be noted.

10 MINUTES OF PROPERTY AND ASSETS COMMITTEE HELD ON 5 NOVEMBER 2018

The minutes of the meeting of Property and Assets Committee held on 5 November 2018 were submitted.

RESOLVED – That the minutes be noted.

11 MINUTES OF CUSTOMERS AND COMMUNITIES COMMITTEE HELD ON 15 NOVEMBER 2018

The minutes of the meeting of Customers and Communities Committee held on 15 November 2018 were submitted.

RESOLVED – That the minutes be noted.

12 MINUTES OF KEELMAN HOMES HELD ON 15 NOVEMBER 2018

The minutes of the meeting of Keelman Homes held on 15 November 2018 were submitted.

RESOLVED – That the minutes be noted.

13 ITEMS FOR INFORMATION

The following items were posted on the Board Members Website for information: -

- Forward Plan
- Petitions Update

RESOLVED – That the information be noted.

14 FEEDBACK FROM OUTSIDE BODIES AND EVENTS

The following feedback from outside bodies and events was reported: -

- Helen Hall attended the first day of the CIH North East Conference on 8 November, which she found very interesting, particularly an inspirational speech from Terry Alatat and the breakout sessions she attended.

RESOLVED – That the feedback from outside bodies and events be reported.

15 DATE AND TIME OF MEETINGS 2019

RESOLVED – That the following schedule of Board Meetings in 2019 be approved: -

- Thursday, 31 January 2019 at 10am
- Thursday, 28 March 2019 at 10am
- Thursday, 23 May 2019 at 10am
- Thursday, 18 July 2019 at 10am
- Thursday, 19 September 2019 at 10am
- Thursday, 21 November 2019 at 10am
(all to be held at Gateshead Civic Centre)

16 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED – That the press and public be excluded from the meeting during consideration of the remaining business in accordance with the indicated categories of the company's Access to Information Rules.