

**BLACKPOOL COASTAL HOUSING LIMITED**

**MINUTES OF THE ANNUAL STRATEGY MEETING  
HELD ON SATURDAY 15<sup>TH</sup> OCTOBER 2011  
IN THE BOARD ROOM, COASTAL HOUSE**

**PRESENT:**

Cllr Adrian Hutton  
Alan Marsh  
Cllr Martin Mitchell  
Bill Rogers  
Cllr Andrew Stansfield  
Janet Stirling  
Alison Stringer  
Doreen Wightman (Chair)

**IN ATTENDANCE:**

Peter Jefferson (Chief Executive)  
Maggie Cornall (Director of Housing Services)  
Cyril Holland (Director of Property Services)  
Peter Whittaker (Company Secretary)

<b>1.</b>	<b><u>Apologies</u></b>  Diane Bellinger, Cllr Lily Henderson MBE, Judith Mills, Paul Whitehead, Cllr Christine Wright										
<b>2.</b>	<b><u>Declarations of Interest</u></b>  None										
<b>3.</b>	<b><u>Welcome and Introduction</u></b>  The Chair, Doreen Wightman, welcomed Directors to the meeting and firstly announced the result of the recent Tenant Customer Director Elections, reminding the Board that successful candidates would be formally appointed at the forthcoming Annual General Meeting. <table border="1" data-bbox="592 1675 1152 1899"><thead><tr><th>Candidate</th><th>Votes</th></tr></thead><tbody><tr><td>DERBYSHIRE, Andrew</td><td>578</td></tr><tr><td>GREENWOOD, David</td><td>209</td></tr><tr><td>PORTER, Colin</td><td>468</td></tr><tr><td>STRINGER, Alison</td><td>985</td></tr></tbody></table> Doreen then explained the purpose of the Strategy Day and outlined the day's programme.	Candidate	Votes	DERBYSHIRE, Andrew	578	GREENWOOD, David	209	PORTER, Colin	468	STRINGER, Alison	985
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<p>4.</p>	<p><b><u>Housing Revenue Account (HRA) Self-Financing</u></b></p> <p>Steve Partridge, the Director of Financial Policy and Development from ConsultCIH, an arm of the Chartered Institute of Housing, presented an update on the current position, future implications and opportunities in relation to the HRA self-financing initiative.</p> <p>He explained that the issues had been under discussion for the best part of 10 years but the Government now planned that the new financing regime would come into effect on 1<sup>st</sup> April 2012. It was noted that this was a very major change and would give local councils full control over their rent income for the first time since 1919.</p> <p>It was, he said, “a big financial deal” involving some £20 billion of national funding moving from central government to local councils and he spoke of the potential for action that could arise from the funding transfer.</p> <p>In the general discussion that followed Peter Jefferson reminded the Board that any options for future service initiatives and development that might now become financially possible would require detail discussion with and consent from the Council because they, rather than BCH were the recipients of the funding transfer and held the responsibility for management of the HRA. Nevertheless, it was noted that opportunities could include such matters as:</p> <ul style="list-style-type: none"> <li>• More new council house building</li> <li>• Support for increased service delivery quality and quantity</li> <li>• Keeping rents at reasonable levels by minimising increases</li> <li>• Environmental improvements</li> <li>• Enhanced pursuance of “green agenda” initiatives</li> </ul> <p><b>Agreed that:</b></p> <ol style="list-style-type: none"> <li>A. The position both generally and for Blackpool in particular be noted</li> <li>B. The Board be kept informed of developments.</li> <li>C. Steve be thanked for his presentation.</li> </ol>
<p>5.</p>	<p><b><u>The Rochdale Model</u></b></p> <p>Nickie Hallard, Resources Director of Rochdale Borough Homes (RBH - Rochdale’s ALMO), gave a presentation on the concept of the mutual model for social housing provision being developed in Rochdale and the progress made towards it. She outlined the background in terms of Rochdale’s socio-economic situation and its tradition of a mutual approach, as in the foundation of the co-operative movement.</p> <p>It was explained that it had been identified that RBH had very poor viability if it were to continue in its present form whereby its funding levels were restricted to the public sector borrowing limits. A range of options had been considered and it had been identified, through major and lengthy discussion and consultation, that the mutual model, whereby the housing stock would be “owned” by both tenants and employees, would best meet the needs and aspirations of tenants and the approval of the Council.</p> <p>The process was complex and had involved much negotiation with central government and potential funders plus detailed consultation with and involvement of both customers and staff. The first stage would be a transfer of the stock to a new purpose formed stock transfer association in late March 2012 and this would then evolve into the full mutual model over the following 15 months.</p>

	<p><b>Agreed:</b></p> <ul style="list-style-type: none"> <li>A. That the nature of the mutual model be noted in general and its development in Rochdale in particular be noted</li> <li>B. Nickie be thanked for her presentation.</li> </ul>
<p><b>6.</b></p>	<p><b><u>Workshop Sessions</u></b></p> <p>The afternoon workshops were facilitated by members of the Senior Management Team with Directors each taking part in all three group discussions, covering respectively the potential for development of BCH services.</p> <ul style="list-style-type: none"> <li>• Future Initiatives - Maggie Cornall</li> <li>• Repairs &amp; Maintenance - Cyril Holland</li> <li>• Housing Needs and Estate Management - Peter Jefferson</li> </ul>
<p><b>7.</b></p>	<p><b><u>Governance Issues</u></b></p> <p><b>A. Board Size and Composition</b></p> <p>Peter Whittaker reminded Directors that, as part of their previous consideration of the outcome of the 2010 Governance Review they had asked that the discussions with the Council should be held to seek their view on this issue.</p> <p>He explained that this had been done but that no firm view had been expressed by the Council, other than that, regardless of its size, one third of the Board's membership should as now be made up of Council Nominees. To move matters forward it would be necessary for the Board to make a formal proposal to the Council.</p> <p>A debate on the issue then followed with Directors largely expressing the same views as when the issue had first been explored in detail and concluding that the Board should remain at its resent size and composition i.e. five Customers, five Council Nominees and five Independents. It was noted that, if this was acceptable to the Council, it would now be possible to fill the current Independent Director vacancy.</p> <p><b>B. Directors' Terms of Office</b></p> <p>Peter Whittaker explained that this issue had also been part of the Governance Review and the Board's view that there should be a maximum period of service of three terms of three years each had been discussed with the Council. There had been no objection raised to it and it was therefore now necessary to put a formal proposal to the Council in order that the necessary changes to the Articles of Association could be made.</p> <p><b>C. Managing Conflicts of Interest</b></p> <p>Peter Whittaker explained that, as a result of the implementation of certain parts of the Companies Act 2006, the law relating to disclosure and avoidance of conflicts of interest was much stricter than previously. The act, however, had provided a means for boards of management to better deal with conflicts if and when they arise.</p> <p>This involves the owners or shareholders of a company, the Council in the case of BCH, granting power to a board to manage the conflict. This is done by passing a written resolution that amends the company's Articles of Association in a suitable manner. A formal request would need to be put to the Council to pass such a resolution and after brief debate it was agreed that this should be done.</p>

	<p><b>D. Board Training Partnerships</b></p> <p>Peter Jefferson explained that BCH had received an approach to take part in partnerships that were being organized, on a commercial basis, by a firm of solicitors who had a degree of specialism in governance issues in the public sector. This approach involves joint training with directors from other similar organisations e.g. ALMOs and RSL's.</p> <p>He noted that such training was expensive, required travel to other locations with the possible need for overnight accommodation and may not therefore provide adequate value for money. He suggested that it may be possible to directly organise such partnership training on a more local basis and asked for the Board's view. After some debate it was agreed that it would be worth pursuing that approach.</p> <p>Agreed that:</p> <ul style="list-style-type: none"> <li>A. Blackpool Council be formally requested to agree to the size and composition of the BCH Board of management remaining as currently constituted.</li> <li>B. Blackpool Council be formally requested to agree to there being a maximum period of service for Directors of three terms of three years each.</li> <li>C. Blackpool Council be formally requested to make the following written resolution in order to empower the BCH Board to deal with conflicts of interest when they arise.: <p><i>That in accordance with paragraph 47 of Part 3 of Schedule 4 to The Companies Act 2006 (Commencement No. 5, Transitional Provisions and Savings) Order 2007, the directors of the Company are empowered for the purposes of section 175(5)(a) of the Companies Act 2006 to authorise any situation in which a director of the Company has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.</i></p> </li> <li>D. The potential for local Board Training Partnerships be explored.</li> </ul>
8.	<p><b>The Meeting Closed at 4-00 pm</b></p>