

## Northwards Housing – Resource & Governance Sub-Committee Meeting

Hexagon Tower  
Tuesday 25<sup>th</sup> July at 5.30pm

Chair: Harvey Norton

**Present:** Ade Alao (AA) Board Member  
Richard Lockwood (RL) Board Member  
Martin McKeivitt (MM) Board Member  
Harvey Norton (HN) Board Member  
Fionnuala Stringer (FS) Board Member

**In Attendance:** Steve Wood (SW) Director of Business Services

ITEM	SUBJECT	ACTION
1	<b>Welcome and Introductions</b>  It was confirmed that the meeting was quorate.	
2	<b>Apologies for Absence</b>  Apologies had been received from Eric Hobin (EH).	
3	<b>Declaration of Interests / Confidential Matters / Equality &amp; Diversity Matters Arising</b>  There were no matters for noting under this item. Equality & Diversity implications were noted on particular reports.	
4	<b>Minutes of Last Meeting - 23<sup>rd</sup> May 2006</b>  The minutes of the previous meeting were approved and signed by the Chair.	

5	<p><b>Matters Arising</b></p> <p><b>a) Arrears Procedure</b>  Further to a question at the previous meeting, SW clarified the approach taken to arrears confirming that a variety of different pieces of work took place before the seven weeks monitoring target.</p> <p>Further work to improve performance was contained in the Rent Recovery Team Improvement Plan and with the introduction of the new Comino Universal Housing system additional reports would be prepared to assist profiling and targeting arrears. There were a number of rent payment methods but direct debit was not currently a facility offered.</p> <p>It was agreed that Sub-Committee should look at some performance trends in details at a later meeting and this was scheduled for October.</p> <p><b>b) Board Membership Leaflets</b>  At the previous meeting it had been felt that some leaflets might be produced about how Board Members are appointed. SW confirmed that this was now being actively looked at with a view to having something published in early 2007 linked to the beginning of elections for Board Members and succession planning.</p> <p><b>c) Internal Audit</b>  SW reported that he had now received the proposed Internal Audit Plan from KPMG. It would be discussed by EMT and then brought to the next meeting of Sub-Committee in August.</p> <p><b>d) Surpluses and Efficiencies Strategy</b>  SW reported that he was working something up on this. Sub-Committee asked for something to come back to the August meeting so in year decisions could be taken as appropriate.</p>	SW
6	<p><b>Governance</b>  There were no specific reports on governance for consideration by the meeting. SW explained some of the continuing discussions to focus the work of the Governance Support Officer and work on the Board and Area Panel Training Programme.</p>	
7	<p><b>Internal Controls Assurance Framework</b>  SW presented a draft Internal Controls Assurance Framework</p>	

	<p>which had been prepared based on industry guidance and good practice.</p> <p>He answered a few specific questions from Sub-Committee about the Assurance Framework and the practicalities of providing the evidence. The Fraud Register would be presented at each Sub-Committee meeting. It was agreed that Management Reports, that were likely to be part of the existing reporting framework, would be reported quarterly rather than as required.</p> <p>With this amendment, Sub-Committee approved the Framework and recommended to the Board that it be approved.</p> <p><b>Recommendation to the Board: That the Board approve the Internal Controls Assurance Framework.</b></p>	<p><b>SW</b></p> <p><b>Board</b></p>
<p><b>8</b></p>	<p><b>Policies</b></p> <p><b>a) Financial Regulations</b>  Following on from the Standing Orders and Procurement Strategy and Rules that had been approved at the last meeting of Sub-Committee, SW presented the Financial Regulations following review. He reported that no alterations had been considered necessary at this time.</p> <p>After some discussion, it was agreed that reference should be made to the Fraud Policy and that virement on capital budgets would be kept under review noting that anything which fell outside the scope of the Financial Regulations would come back to the Board for specific approval.</p> <p>With this amendment, Sub-Committee approved the Financial Regulations and recommended to the Board that they be approved.</p> <p><b>Recommendation to the Board: That the Board approve the Financial Regulations</b></p> <p><b>b) Treasury Policy and Procedures</b>  SW explained some of the background behind the preparation of a Treasury Policy.</p> <p>Committee discussed some of the issues arising from the current banking arrangements including the lack of a deposit account, signatories and petty cash. SW reported that a meeting was being held on Friday to</p>	<p><b>SW</b></p> <p><b>Board</b></p>

	<p>resolve these matters.</p> <p>Sub-Committee asked for the outstanding issues to be Resolved as a matter of urgency or else a review should take place of the banking arrangements.</p> <p>Sub-Committee approved the Treasury Policy and Procedures noting the potential change in the Bank Mandate to add the Chief Executive and Director of Business Services and recommend these to the Board for their approval.</p> <p><b>Recommendation to the Board: That the Board approve the Treasury Policy and Procedures.</b></p> <p><b>c) Fraud Policy</b>  Sub-Committee discussed a Fraud Policy which had been presented for their consideration.</p> <p>Following review, Sub-Committee suggested a few changes:</p> <ul style="list-style-type: none"> <li>• There should be separation of the functions of investigation and action;</li> <li>• If appropriate, there should be suspension of bank signatories;</li> <li>• If the fraud or allegations related to the Director of Business Services, then the Chief Executive should fulfil the role of lead officer.</li> </ul> <p>It was also felt that it might be appropriate to have some detailed procedures and SW agreed to look at this.</p> <p>With the amendments above, Sub-Committee approved the Fraud Policy and recommended it to the Board for their approval.</p> <p><b>Recommendation to the Board: That the Board approve the Fraud Policy.</b></p>	<p><b>Board</b></p> <p><b>SW</b></p> <p><b>Board</b></p>
<p><b>9</b></p>	<p><b>Accounts</b></p> <p><b>a) Monthly Budget Report - May</b>  SW presented the monthly accounts for the period to 31 May 2006 and talked through some of the key issues. A number of the revisions to the format of the accounts requested at the previous meeting had now been put in place.</p> <p>Sub-Committee asked some questions about shortfalls</p>	

	<p>in income and the expenditure on SHOUT TMO. SW said he would bring back some detailed explanations next month.</p> <p>It was noted that further work was still required in looking at the outturn forecast figures, particularly in view of repairs expenditure to date.</p> <p>The contents of the monthly budget report for May were noted.</p> <p><b>b) Tax Update</b> Further to previous discussions about the tax position of the company and which activities may or may not be taxable, SW reported an agreement with HM Revenue &amp; Customs.</p> <p>The agreement obtained meant that the Inspector had agreed with the request made that income and activities with the Council would not be subject to a charge for tax but that with third parties would be. For Northwards at present this related to the Eastlands contract and income from mobile phone masts.</p> <p>Sub-Committee noted the report.</p>	<p><b>SW</b></p> <p><b>SW</b></p>
<b>10</b>	<p><b>Monitoring</b></p> <p><b>a) Performance Management</b> Sub-Committee received the Performance Management Framework in respect of June 2006 for rents and finance.</p> <p>FS commented on the number of Notices to Terminate served on Introductory Tenancies that looked high. SW agreed to look into this and come back with some explanations.</p>	<p><b>SW</b></p>
<b>11</b>	<p><b>Training Requirements</b></p> <p>No further training requirements were noted.</p>	
<b>12</b>	<p><b>AOUB</b></p> <p><b>a) August Sub-Committee</b> After checking with each member, the Chair confirmed that the August Sub-Committee meeting should be quorate.</p>	

	<p><b>b) Risk Assessment</b>  Sub-Committee confirmed that it was appropriate, in accordance with the risk strategy, for all Board and Sub-Committee reports to have risk implications added to them, provided that these boxes were used properly and stayed meaningful.</p>	
<p><b>13</b></p>	<p><b>Date of next meeting</b></p> <p>The next meeting of the Sub-Committee would take place on Tuesday 29<sup>th</sup> August - 5.30 pm at Hexagon Tower.</p> <p>With thanks to everyone, the Chair closed the meeting at 6.50pm.</p>	