

Board 30 April 2015

BCT Headquarters, 23 Raby Cross, Byker, Newcastle upon Tyne

AGENDA

1. Reminder to switch off mobile phones
2. Apologies for absence
3. Declarations of Interest
4. Urgent Items which Board Members wish to raise, not elsewhere on the agenda

	<i>Page Number</i>	<i>Presented by:</i>
5. Approve the Minutes of the meeting held 18 March 2015	2 – 5	Chair
6. Shareholder Applications (Verbal Update)		Chair
- William Jarvis-Smith – Independent Membership		

ITEMS FOR DECISION

7. Strategic Risk Register Quarterly Update	6 – 30	P Ambrose
8. NHF 2015 Rules and Byker Specific Amendments	31 – 59	P Ambrose

ITEMS FOR INFORMATION

9. BCT Chief Executive's Monthly Progress Report	60 – 63	J Haley
10. Newcastle City Council Year-end Performance – to follow	63.1 – 63.7	J Haley
11. Your Homes Newcastle Year-end Performance and Performance Targets for 2015	64 – 74	J Haley
12. Homes and Communities Agency National Standard Self-Assessment	75 – 78	J Haley
13. AOB		

CONFIDENTIAL ITEMS FOR DECISION

14. Business Plan Update	79 – 85	P Ambrose
15. Discussion and Agreement in Principle: BCT Service Delivery Options Post 2016 – Options Appraisal Matrix (subject to agreement of Implementation Plan on 21 May 2015)	86 – 101	J Haley
16. To approve the confidential Minutes of the meeting held 18 March 2015 and Matters Arising	102 - 104	Chair
17. Date and time of the next meeting – Wednesday, 17 June 2015, 6pm – 8pm at the BCT offices.		

Minutes of Board 18 March 2015
6pm – 6:50pm

Present:

Amanda Senior
Annette Patten (Vice Chair)
Gordon Bell
Herby Warren
Jim Coulter (Chair)
Ken Milor
Nick Kemp
Nigel Emmerson

In attendance:

Jill Haley
Michelle Bell
Philip Ambrose
David Jones
Jenny Johnson

Observers:

Neil Scott (YHN)
PC Duncan Holness
Olya Bowers (Tenant)

1. WELCOME

1.1 The Chair welcomed everyone to the meeting.

2. APOLOGIES FOR ABSENCE

2.1 Apologies for absence were received from M Ford and A Smith. Board noted the leave of absence for E Snaith.

3. DECLARATIONS OF INTEREST

3.1 There were no declarations of interest arising.

4. URGENT ITEMS WHICH BOARD MEMBERS WISH TO RAISE, NOT ELSEWHERE ON THE AGENDA

4.1 K Milor requested an item to be raised under any other business.

- Young people and drug use on the estate.

5. APPROVAL OF BOARD MINUTES

5.1 The minutes of the last meeting held on 05 February 2015 were agreed as a correct record and signed by the Chair.

5.2 Matters Arising

Item 5.2 of the previous minutes – D Jones advised that there had not been a Tenant Communications Group scheduled since the last Board meeting. However, promotion of Shareholder membership is being included in the next BCT newsletter.

5.3 Item 9.7 of the previous minutes – M Bell advised that she has been in contact with NCC in regards to fly tipping and heat mapping but is yet to receive anything. N Kemp offered to follow this up with T Gribbin at NCC.

6. YHN KEY PERFORMANCE INDICATORS AND TARGETS 2015/16

- 6.1 J Haley presented this report which proposed a set of KPIs and indicators for 2015/16 which included business critical performance areas and measured the impact on residents and service standards.
- 6.2 N Emmerson advised that more clarification would be required for target '98% of repairs are carried out at the first visit during 2015-16'. N Scott to work with J Haley and P Ambrose to review the target description before it is signed off at the next meeting.
- 6.3 A Senior also queried the accuracy of the current performance achieved against this target as it is showing at 100%. N Scott advised that this target indicates that once the correct diagnosis has been confirmed, 100% of repairs were completed upon the first visit, this does not include any follow-up work.
- 6.4 In relation to the target '99% of all repairs to be completed with target timescale' N Scott to send J Haley separate figures for emergency, urgent and standard repairs which will give re-assurances that there are no significant issues.
- 6.5 H Warren queried the target on gas inspections and understood that BCT would be aiming to make the Byker estate gas free. J Haley advised that BCT have no problem with tenants having a gas cooker, however if a property was to become void and had a gas supply, from a health and safety perspective BCT would remove it. There remain a number of properties in the annual gas servicing contract.
- 6.6 N Scott advised that the target on proposed average re-let times for voids for 2015-16 is a different measure compared to the 2014-15 target. It was reported that this target is a specific Housemark target and will show voids with a lower level of repair requirement as opposed to all voids on the estate.
- 6.7 N Scott referred to a new indicator for 2015-16 which will focus on tenancy turnover and try to reduce the number of terminations within the BCT estate.

7. GOVERNANCE AND MANAGEMENT TIMETABLE

- 7.1 P Ambrose presented this report which set out the schedule of Board business for 2015-16. It also provided a new streamlined reporting system so that BCT Board is presented with information on all performance areas on a quarterly basis going forward.
- 7.2 The Chair advised that streamlining the report writing and presentation was something that was commonly raised during the Board member appraisals in 2014-5.

8. REGULATORY FRAMEWORK AND NHF CODE OF GOVERNANCE

- 8.1 P Ambrose presented this report which advised Board of the Homes and Communities Agency's new Regulatory Framework and set out the key requirements;
- Registered Providers (RPs) must ensure they have the skills to conduct their affairs with an appropriate degree of independence.
 - RPs must make every effort to comply with all relevant law.
 - RPs must have a thorough and documented understanding of their assets and liabilities and record them appropriately.
 - RPs are required to stress test their businesses, testing what would happen to the business under a range of different scenarios.
 - Boards are required to certify in their annual accounts that they meet the Regulator's Standards.

- 8.2 The Chair referred Board to the Governance and Financial Viability Standard code of practice and the item on expectations relating to arrangements with third parties. It was reiterated that YHN's Board member has stood down for a period while the contract review discussions were taking place to avoid any risk of conflict of interest.

RESOLVED

That the Board agreed to authorise the Chair to formally write to YHN Board Chair and the Chief Executive of Newcastle City Council about the implications of the regulatory Code of practice relating to 'third party interests'.

9. INVESTMENT PROGRAMME UPDATE

- 9.1 M Bell presented this report which provided a progress update on the BCT Investment Programme.
- 9.2 M Bell advised Board that from April 2015 onwards the Investment Programme report will be presented on a quarterly basis, written complaints will be reported as part of the corporate complaints monitoring to Board and customer satisfaction results will be reported as part of YHN's quarterly performance report.
- 9.3 Chirton House
M Bell advised that Gentoo are reporting on programme and confirmed the launch event which has been planned for 01 April. It was reported that BCT have received over 40 expressions of interest for the new apartments. M Bell also reported that the judge's visits for the RICS awards were held on 04 March and went well.
- 9.4 G Bell queried whether a long term solution had been implemented to prevent any anti-social behaviour particularly around the back of Chirton House. M Bell advised that she met with PC D Holness on site and implemented a number of measures to address Police concerns.
- 9.5 N Kemp advised that he has been liaising with St Lawrence's headmaster in relation to the school adopting the land next to Chirton House which would become a gated garden. This would then provide more security for the building.
- 9.6 Disabled Adaptation
A Senior queried for those people who have been refused, due to high cost multiple adaptations, is there a test of reason in terms of BCT's duties. M Bell confirmed that BCT follow the YHN Policy, enabling residents to appeal in the first instance to the YHN Panel and then a final appeal to J Haley.
- 9.7 A Senior suggested that alternative solutions be brought to Board in response to the need for level access accommodation in Byker. As this would be a constant investment pressure, it was suggested that M Bell look at projected costs for adaptations and compare them against the potential cost of creating some new builds or carrying out some conversions.
- 9.8 A tenant raised a concern in relation to the lighting around the bin areas behind Byker Bank as it can become very dark. M Bell to look into and see if additional lighting can be installed.

10. UNIVERSAL CREDIT UPDATE

- 10.1 P Ambrose presented this report which covered the impact of Universal Credit on BCT and provided an update on BCT strategy to manage this impact.
- 10.2 J Haley advised that BCT have worked with CAB on A Young's position and agreed that TUPE will apply, he will be transferred over to the BCT and start his employment as of 01 April 2015.

11. AOB

- 11.1 K Milor raised concerns about drug use on the estate as feels it is increasing due to lack of youth engagement. It was agreed that N Kemp would bring a programme of activities which are in place to the next Board meeting which would look at what support is available in this area for tenants.
- 11.2 K Milor also raised concerns about young people using inappropriate language. A Senior to provide K Milor with contact details for a support officer who would be able to advise or refer onto the relevant support group.
- 11.3 K Milor also expressed concerns about the football pitch which is located at the back of St Lawrence's Primary School, the self-closing gate has been broken for some time and the grass is over grown. N Kemp advised that he would arrange with Kevin Coombs to coordinate a meeting with BCT/NCC and key stakeholders to look at play and youth provision across the whole BCT estate. In the meantime M Bell would progress the gate, dog fouling and grass maintenance issues.

12. DATE AND TIME OF THE NEXT MEETING

- 12.1 Thursday, 30 April 2015 6pm – 8pm at the BCT offices.

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Chair of Byker Community Trust Board
30 April 2015

Title: Strategic Risk Register Update

Report By: Philip Ambrose, Financial Controller and Company Secretary

FOR DECISION

Business Implications	
Risk	<ul style="list-style-type: none"> This report covers the latest quarterly update of the Strategic Risk Register (SRR).
Financial and Value for Money	<ul style="list-style-type: none"> Robust risk management is a key part of Byker Community Trust (BCT) governance arrangements for BCT to manage its finances and achievement of VfM from its use of resources.
People/Consultation	<ul style="list-style-type: none"> The SRR covers areas of BCT business where customer engagement is required and ensures good control arrangements are in place and these are regularly reviewed.
Equality and Diversity	<ul style="list-style-type: none"> The SRR covers equality and diversity considerations within areas of BCT business and ensures good control arrangements are in place and these are regularly reviewed.
Environment Implications	<ul style="list-style-type: none"> The SRR covers the environmental aspects of the investment programme and the day to day management of the estate environment and ensures good control arrangements are in place and these are regularly reviewed.
Contractor Implications	<ul style="list-style-type: none"> The SRR covers the delivery of the investment programme and the day to day housing management services by contractors and ensures good control arrangements are in place and these are regularly reviewed.



1. Recommendations

1.1 The Board are recommended to consider and approve the updated Strategic Risk Register (SRR).

2. Synopsis

2.1 This report covers the risk register quarterly update carried out on 14 April 2015. The SRR is attached at Appendix A.

2.2 This report highlights the key risks facing the BCT at present.

3. Background Information

3.1 Board approved the Risk Management Strategy and Framework on 11 April 2013.

3.2 The risk management framework requires the BCT Executive Team to carry out a quarterly review and update of the SRR. Any recommended updates to the SRR are reported to Board for consideration and approval of the updated SRR.

4. SRR Update

4.1 The updates recommended to the SRR are detailed below and cover:

- Items added to the SRR.
- Items removed from the SRR.
- SRR items with updated risk score.

4.2 Items added to the SRR:

- CA4 – Adverse outcome from review of Housing management contract.
This has been added following feedback at Board on 05/02/15. The overall risk score is MEDIUM as a sound contract review process has been followed.
- BC6 – Business Plan cannot withstand impact of adverse changes in the external environment.
This has been added following feedback at Board on 05/02/15. The overall risk score is HIGH as stress testing to date illustrates the sensitivity of the Business Plan to such changes.

4.3 Items removed from the SRR:

- None.

4.4 SRR items with updated risk score:

- No changes.

4.5 The SRR has been updated to give the latest position on current controls and mitigation actions.

5. Key Risks for BCT at Present

5.1 There are 11 risks with an overall risk score of HIGH. Mitigation actions are summarised below:

Risk	Mitigation
Increases in arrears and bad debts	<ul style="list-style-type: none">• New Welfare and Employability Support Worker in post.• Key performance targets covering rent collection and former arrears.• No increase in heating charges and more of the heating charges are now housing benefit eligible.• YHN Universal Credit Action Plan.
Potential moves away from cash for rent payment choices	<ul style="list-style-type: none">• Working with YHN to promote non cash payment methods and supporting tenants to access bank accounts (with Lloyds Bank support).
Increases in voids	<ul style="list-style-type: none">• Reviewing condition of void properties.• Minimising void turnaround times.• Marketing of BCT properties.• Key performance targets covering void relet times and reducing the number of tenancy terminations.
Rate of CPI restricts rent increases to lower than business plan target.	<ul style="list-style-type: none">• Business Plan assumptions based on established government and other forecasts.
Overspends on capital programme	<ul style="list-style-type: none">• Tight financial monitoring of schemes in progress, working closely with contractor(s).

Overspends on revenue costs	<ul style="list-style-type: none"> • Specific monthly reporting to BCT Chief Executive covering repairs and maintenance spend and mitigation actions for any overspending. • Investigating scope for delivery arrangements that minimise irrecoverable VAT.
Under-performance on Housing Management Contract	<ul style="list-style-type: none"> • Benchmarking against a peer group. • Emphasis of the current contract review is to improve service delivery terms and costs for BCT in 2015/16. • Review is underway to determine delivery options from Jul 16.
Under-performance by NCC on their contracts	<ul style="list-style-type: none"> • Close monitoring through bi-monthly operational meetings. • Reviewing contracts to determine delivery options from July 16.
NCC review of YHN adversely impacts on YHN ability to deliver Housing Management contract	<ul style="list-style-type: none"> • NCC CEO and BCT Chair and Chief Executive meetings. • NCC representatives involved in current review of YHN Housing Management Contract.
BCT does not have immediate direct access to and ownership of its housing management data	<ul style="list-style-type: none"> • BCT Working with YHN to agree delivery of BCT data and information requirements. • Training to BCT in using Northgate system. • Direct access to Northgate and BCT data.
Business Plan cannot withstand impact of adverse changes in the external environment	<ul style="list-style-type: none"> • Further stress testing being undertaken to identify vulnerability and develop mitigation actions to maintain Business Plan viability.

6. Background Papers

6.1 Strategic Risk Register updated 14 April 2015 attached at Appendix A.

7. Contact Officer:

7.1 If you have any questions about this report that you would like clarifying before the meeting, you can contact Philip Ambrose by telephone on 0191 290 3914 or email philip.ambrose@bykerct.co.uk

Appendix A
Byker Community Trust Strategic Risk Register 2015/16 (Updated 14/04/15)

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
Income management						
IM1	Welfare reform (eg: Universal Credit, potential benefit cap and ceasing benefits for under 21s) brings increases in arrears and continuing pressure on tenants' benefit entitlement. Also rent arrears increase if rents increase at a higher rate than wages or benefits. The HCA regulatory judgments highlight welfare reform as a specific risk area BCT need to manage.	HIGH	HIGH	HIGH	<ul style="list-style-type: none"> Regular monitoring of arrears by value and age and arrears specific to under occupation properties New Welfare & Employability Support Worker in post from Apr 15 with direct 1 to 1 support and IT facilities to be put in place at BCT base for BCT residents specifically focussed on Universal Credit and other welfare benefits, money management and employment and training opportunities Contract management meeting structure in place covering strategic and operational levels to facilitate closer contract monitoring/management YHN Universal Credit Action Plan in place which covers BCT <p>CURRENT CONTROLS ASSESSMENT = AVERAGE POTENTIAL TO IMPROVE CONTROLS = MEDIUM</p>	<ul style="list-style-type: none"> 2015/16 Key Performance Indicators (KPIs) include specific targets for rent collection and former tenant arrears 2015/16 heating charges frozen for fourth year in succession

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
IM2	Potential for rent payment office to be at risk due to Newcastle City Council (NCC) cuts targets which include considering ceasing acceptance of cash payments due to high transaction costs. Also risk of increased arrears due to lack of rent payment facility on the Estate	HIGH	HIGH	HIGH	<ul style="list-style-type: none"> • There is 1 paypoint in the centre of the Byker Estate in a local shop and a further 5 bordering on the Estate • Monitoring of payment methods • Work is ongoing to support tenants to setup bank accounts and to promote non cash payment methods • Links developed with Lloyds Bank to facilitate tenants to access bank accounts <p>CURRENT CONTROLS ASSESSMENT = LIMITED POTENTIAL TO IMPROVE CONTROLS = LOW</p>	<ul style="list-style-type: none"> • Working with YHIN to promote non cash payment methods and support tenants to access bank accounts (with Lloyds Bank support) <p>ONGOING</p>

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
IM3	Welfare reform brings increase in voids. The HCA regulatory judgments highlighted this as a specific risk area BCT need to manage.	HIGH	HIGH	HIGH	<ul style="list-style-type: none"> • Regular monitoring of voids and void days • Securing improvement services from contractors at nil or low cost (eg: free decorating of a limited no of voids) • Monitoring reasons for refusal on hard to let properties and addressing issues • Fortnightly meetings between BCT CEO and YHN Director of Tenancy Services include review of tenancy turnover <p>CURRENT CONTROLS ASSESSMENT = LIMITED POTENTIAL TO IMPROVE CONTROLS = LOW</p>	<ul style="list-style-type: none"> • Reviewing condition of void properties ONGOING • Minimising void turnaround times ONGOING • Rehousing application process under review ONGOING • Marketing of BCT properties under review including advertising in Metro daily newspaper ONGOING • 2015/16 KPIs include targets for void relet times and for reducing the number of tenancy terminations

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
IM4	Government policy change or rate of CPI restricts rent increases to rate lower than business plan target	HIGH	MEDIUM	HIGH	<ul style="list-style-type: none"> Business plan stress testing to quantify impact then identify and agree appropriate mitigation actions <p>CURRENT CONTROLS ASSESSMENT = LIMITED POTENTIAL TO IMPROVE CONTROLS = LOW</p>	<ul style="list-style-type: none"> Business Plan assumptions on CPI inflation based on established Government and other forecasts
Transfer promises						
TP1	Failure to deliver offer promises on early years capital programme	LOW	HIGH	MEDIUM	<ul style="list-style-type: none"> Using YHN established project management and cost control methods Progress update reports to Board Weekly progress review meetings between BCT and YHN investment delivery team An external review of BCT investment plans was completed in Dec 14 with recommendations on how the plans can be set to strengthen the capital growth of BCT assets <p>CURRENT CONTROLS ASSESSMENT = AVERAGE POTENTIAL TO IMPROVE CONTROLS = LOW</p>	

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
TP2	Customers confidence in BCT declines	LOW	HIGH	Overall MEDIUM	<ul style="list-style-type: none"> • Tenant representation on Board • Customer Communication Group in place • A range of communication techniques used in line with the agreed BCT communications strategy and action plan (eg: text/email/free phone/face to face) • Regular newsletter to tenants to promote and advertise work of BCT • Regular updating of website to provide progress updates against the offer promises and tenant priorities • New website to be developed • Publication of non-confidential Board papers and minutes • Specialist firm engaged to support PR work • BCT office open to tenants 6 hours/day, 5 days/week • Proactive support to tenants around Welfare Reform • Community participation budget • Key strategies around customers in place with Head of Engagement and Community Development delivering on these: <ul style="list-style-type: none"> ○ Customer Engagement and Involvement ○ Equality and Diversity • Partnership support from Tenant Participation Advisory Service (TPAS) around resident scrutiny and co-regulation to improve services and customer satisfaction • Annual Report to tenants • 2014 STAR survey results being analysed to inform future strategy • Annual family fun days • BCT support work of 2 TARAs • Tenant Scrutiny panel in place • Corporate Plan Action Plan provides transparent and time bound progress overview reported quarterly to Board <p>CURRENT CONTROLS ASSESSMENT = GOOD POTENTIAL TO IMPROVE CONTROLS = LOW</p>	

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
TP3	Performance against economic and social regeneration objectives is below expectations	LOW	HIGH	Overall MEDIUM	<p>Current Controls</p> <ul style="list-style-type: none"> • Procurement strategy in place which aims to maximise social and economic benefits to the Byker Estate and its Residents resulting from the investment programme. It includes priorities around employment and training opportunities for tenants and use of local suppliers • Capital works contractors active in providing jobs and training opportunities for residents • Establishing good partnership working with other support agencies • Proactively support social enterprise proposals • Community participation budget • Budget for Hobby Rooms developments in 1st 5 years. Working with specialist to develop future options for Hobby Rooms in line with maximising returns on assets • Head of Engagement and Community Development working to prioritise customer aspirations regarding social investment • Social Investment register in place recording all new jobs, training and added value achieved • Pursuing grant aid opportunities where appropriate • Specific partnering arrangement with Newcastle Council for Voluntary Service (NCVS) to access match funding for participatory budget • Investigating feasibility of establishing a Social Return on Investment (SROI) model • Welfare and Employability Support Worker in post from Apr 15 with a remit including facilitating residents access to training and employment opportunities <p>CURRENT CONTROLS ASSESSMENT = GOOD POTENTIAL TO IMPROVE CONTROLS = LOW</p>	

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
TP4	Failure to deliver Corporate Plan	LOW	MEDIUM	LOW	<ul style="list-style-type: none"> Corporate Plan covering 2015 to 2020 approved by Board Mar 15 Corporate Plan Action Plan being developed detailing all actions set out under SMART principles with progress reported regularly to Board Updating of plan in line with developments and changing circumstances <p>CURRENT CONTROLS ASSESSMENT = GOOD POTENTIAL TO IMPROVE CONTROLS = LOW</p>	
TP5	Rent increase in years 1 to 5 exceeds NCC rent increase	LOW	HIGH	MEDIUM	<ul style="list-style-type: none"> Close liaison with NCC around planning rent increases Business plan stress testing to quantify impact then identify and agree appropriate mitigation actions Positive publicity to tenants explaining rent increase, emphasising benefits of investment programme, and freezing of heating charges NCC have undertaken to have 3 way Chair and CEO discussions (BCT/NCC/YHN) to safeguard BCT's position <p>CURRENT CONTROLS ASSESSMENT = LIMITED POTENTIAL TO IMPROVE CONTROLS = LOW</p>	

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
Assets and capital programme						
AC1	Non-compliance with listed building requirements	LOW	HIGH	MEDIUM	<ul style="list-style-type: none"> Maintaining good relations with English Heritage through Heritage Partnership agreement Involving English Heritage in design elements of capital project development <p>CURRENT CONTROLS ASSESSMENT = GOOD POTENTIAL TO IMPROVE CONTROLS = LOW</p>	
AC2	Insufficient supply of fit for purpose stock	LOW	HIGH	MEDIUM	<ul style="list-style-type: none"> Chirton House conversion into 16 apartments for older people (12 one bed, 4 two bed, some adapted for people with disabilities) to be completed May 15 Collection of demographic information to help us understand customer needs Budget for disabled adaptations in place to increase sustainability of tenancies for those with disabilities Analysis of STAR survey findings Asset Management Strategy under development to support decision making on housing stock <p>CURRENT CONTROLS ASSESSMENT = GOOD POTENTIAL TO IMPROVE CONTROLS = LOW</p>	

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
Funding and financial risks						
FF1	Overspends on capital programme. The HCA regulatory judgments highlighted this as a specific risk area BCT need to manage	MEDIUM	HIGH	HIGH	<ul style="list-style-type: none"> Competitive procurement to secure best value Using YHN project management and cost control systems Regular meetings with contractor(s) to identify and manage any variations in works and/or spend Regular monitoring via monthly management accounts and reporting to Finance & Audit Committee and Investment Programme progress reported to every Board Working with contractors to secure best value Ability to delay projects to create financial headroom as required Loan interest fixings in place covering £16m of the £26m loan facility to facilitate cost certainty around finance costs <p>CURRENT CONTROLS ASSESSMENT = AVERAGE POTENTIAL TO IMPROVE CONTROLS = MEDIUM</p>	<ul style="list-style-type: none"> Tight financial monitoring of schemes through financial progress meetings operating alongside site meetings <p>ONGOING</p>
FF2	Cashflow shortfalls	LOW	MEDIUM	LOW	<ul style="list-style-type: none"> Monthly rolling cashflow update as part of management accounts with reporting to Finance & Audit Committee Online banking provides up to date bank balances Approved Treasury Management Strategy & Policy <p>CURRENT CONTROLS ASSESSMENT = AVERAGE POTENTIAL TO IMPROVE CONTROLS = LOW</p>	
FF3	Failure of VAT shelter recovery arrangement in years 1 to 5	LOW	HIGH	MEDIUM	<ul style="list-style-type: none"> Required accounting arrangements are in place VAT claims work includes review of transactions to confirm correct VAT recovery <p>CURRENT CONTROLS ASSESSMENT = GOOD POTENTIAL TO IMPROVE CONTROLS = LOW</p>	

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
FF4	Overspends on revenue costs (eg: repairs & maintenance, running costs, energy)	HIGH	MEDIUM	HIGH	<ul style="list-style-type: none"> Monthly monitoring via management accounts and review by Finance & Audit Committee Identification of corrective actions to address any adverse variances Financial regulations set out expenditure authorisation controls and requirements to obtain competitive quotations Value for money review of repairs and maintenance underway Monthly monitoring meetings between BCT CEO and YHN Head of Repairs & Maintenance to discuss any budget variances, agree remedial actions and assess trends <p>CURRENT CONTROLS ASSESSMENT = LIMITED POTENTIAL TO IMPROVE CONTROLS = MEDIUM</p>	<ul style="list-style-type: none"> Specific monthly reporting to Chief Executive on repairs & maintenance spend ONGOING Investigating potential for cost sharing group agreement with strategic partners/other RPs to reduce irrecoverable VAT for major service areas ONGOING
FF5	Revenue costs inflation higher than business plan target	MEDIUM	MEDIUM	MEDIUM	<ul style="list-style-type: none"> Business plan stress testing to quantify impact then identify and agree appropriate mitigation actions <p>CURRENT CONTROLS ASSESSMENT = LIMITED POTENTIAL TO IMPROVE CONTROLS = LOW</p>	

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
FF6	Non-compliance with loan covenants and undertakings	LOW	HIGH	MEDIUM	<ul style="list-style-type: none"> Monitoring as part of monthly management accounts and reporting to Finance & Audit Committee. No breaches of covenants are forecast Quarterly review meeting with lender <p>CURRENT CONTROLS ASSESSMENT = GOOD POTENTIAL TO IMPROVE CONTROLS = LOW</p>	
FF7	Affordability of staff pension	LOW	MEDIUM	LOW	<ul style="list-style-type: none"> Regular monitoring of contribution rates and building these into budgets and financial forecasts. <p>CURRENT CONTROLS ASSESSMENT = LIMITED POTENTIAL TO IMPROVE CONTROLS = LOW</p>	
FF8	Affordability of investment programme due to rising construction costs	MEDIUM	MEDIUM	MEDIUM	<ul style="list-style-type: none"> Business plan stress testing to quantify impact then identify and agree appropriate mitigation actions Transfer agreement places maximum ceiling of £6.8m on transfer price of Upgraded District Heating System Investment Plan progress reported to every Board Ability to delay projects to create financial headroom as required <p>CURRENT CONTROLS ASSESSMENT = LIMITED POTENTIAL TO IMPROVE CONTROLS = LOW</p>	
FF9	Non-compliance with new financial accounting requirements from Apr 15	LOW	HIGH	MEDIUM	<ul style="list-style-type: none"> Impact on BCT assessed and arrangements in place to ensure compliance <p>CURRENT CONTROLS ASSESSMENT = GOOD POTENTIAL TO IMPROVE CONTROLS = MEDIUM</p>	

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
FF10	Failure to comply with expectations to achieve Value for Money (VFM)	LOW	HIGH	Overall MEDIUM	Current Controls <ul style="list-style-type: none"> • Annual VFM self-assessment carried out with improvement actions and progress towards these reported to Board • Corporate Plan includes VFM service reviews • YHN Housing Management Contract review currently underway which includes focus on identifying scope for efficiency savings • Capital Investment Strategic Brief in place as a framework to achieve value for money in procurement • BCT have joined Housemark which will facilitate benchmarking against an appropriate peer group • Net Present Value methodology will be developed as part of BCT Asset Management Strategy development to identify BCT returns on assets and inform decision making • An external review of BCT investment plans was completed in Dec 14 with recommendations on how the plans can be set to strengthen the capital growth of BCT assets • A value for money review of Repairs & Maintenance commenced in Mar 15 CURRENT CONTROLS ASSESSMENT = AVERAGE POTENTIAL TO IMPROVE CONTROLS = MEDIUM	

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
EN1	Increased incidence of anti-social behaviour on the Estate	MEDIUM	LOW	LOW	<ul style="list-style-type: none"> A range of services provided by YHN/NCC/Police/Agencies focussed on ASB Established good partnership working with Police and other agencies incl SNAPs/Safer Estates/local Schools BCT attend community safety multi agency meetings Directing social investment towards addressing the root causes of ASB issues Participatory budget includes emphasis on diversionary activities Youth Board established June 14 for Byker Ward STAR Survey findings will inform future Action Plan BCT/YHN partnering approach to ASB problem solving commenced Nov 14. Regular monitoring shows incidents low but perceptions do not reflect this so community safety event being considered to run in 2015 <p>CURRENT CONTROLS ASSESSMENT = LIMITED POTENTIAL TO IMPROVE CONTROLS = LOW</p>	

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
Political and economic						
PE1	Failure to comply with data protection requirements	LOW	HIGH	MEDIUM	<ul style="list-style-type: none"> Development of data protection policy Staff have received training around data protection requirements Data Sharing Agreement between BCT and YHN/NCC has been developed <p>CURRENT CONTROLS ASSESSMENT = AVERAGE POTENTIAL TO IMPROVE CONTROLS = MEDIUM</p>	
PE2	Failure to comply with Health & Safety requirements	LOW	HIGH	MEDIUM	<ul style="list-style-type: none"> Procurement procedures include requirements for statements from suppliers of their Health & Safety compliance Service providers (YHN/NCC) work to their established corporate health & safety compliance arrangements BCT Office Manager has undergone health & safety training BCT Head of Investment and Company Secretary both IOSH qualified Board and staff training programme around health & safety requirements and safeguarding Regular safety checks in line with legislative requirements are carried out on BCT properties Board agreed Health & Safety Policy Health & Safety training delivered to Board 6 monthly Health & Safety updates to Board which also cover YHN and NCC health & safety returns Any incidents relating to capital works on site being closely monitored and mitigated through strong security measures <p>CURRENT CONTROLS ASSESSMENT = AVERAGE POTENTIAL TO IMPROVE CONTROLS = LOW</p>	

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
PE3	Failure to comply with HCA or FCA regulatory requirements	LOW	HIGH	MEDIUM	<ul style="list-style-type: none"> • Established timetable listing requirements, deadlines and responsibility for achieving these • Review visits by HCA • Board Chair expertise highlights emerging HCA expectations and requirements • Regular Board meetings • Robust governance arrangements put in place • Annual self-assessments against Excellence in Governance standards • Board receive update reports covering regulation • Board adopted Governance Principles statement • Annual Board Member appraisals • Annual survey of Board effectiveness • Annual Report to tenants <p>CURRENT CONTROLS ASSESSMENT = AVERAGE POTENTIAL TO IMPROVE CONTROLS = LOW</p>	

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
CA1	Underperformance by YHN on Housing Management Service Contract	HIGH	HIGH	HIGH	<ul style="list-style-type: none"> KPIs cover business critical areas, service standards and customer satisfaction Quarterly performance reporting by YHN to Board on performance against KPIs Monthly contract catch up and operational meetings with YHN Regular BCT/YHN Chair and CEO meetings Chair and Chief Executive meetings with NCC Fortnightly review meetings between CEO and YHN Director of Tenancy Services together with other key operational/management YHN staff Performance Improvement Action Plan in place 2015/16 performance targets and indicators are in place aligned to Housemark criteria to facilitate benchmarking <p>CURRENT CONTROLS ASSESSMENT = AVERAGE POTENTIAL TO IMPROVE CONTROLS = MEDIUM</p>	<ul style="list-style-type: none"> Benchmarking against a peer group through Housemark membership ONGOING YHN Housing Management Contract review currently underway ONGOING Monthly monitoring meetings consider performance and spend against targets, discuss any variances and agree remedial actions ONGOING Review is underway to determine delivery options from Jul 16 to ensure good value for money ONGOING

Risk No CA2	Description Underperformance by NCC on Grounds Maintenance, Street Wardens, Pest Control, Rapid Response Contracts	Likelihood HIGH	Impact MEDIUM	Overall HIGH	Current Controls <ul style="list-style-type: none"> • Quarterly performance reporting by NCC • Monthly contract catch up meetings BCT Executive Team/NCC • Benchmarking to be undertaken against alternative providers • Timetabled approach put in place by BCT Head of Property Investment, development and Asset Management to control Grounds Maintenance work • Close monitoring of work of Grounds Maintenance service and Rapid Response Team by BCT Head of Property Investment, Development and Asset Management through operational meetings with NCC <p>CURRENT CONTROLS ASSESSMENT = AVERAGE POTENTIAL TO IMPROVE CONTROLS = MEDIUM</p>	Mitigation Actions & Target Completion Date <ul style="list-style-type: none"> • Close monitoring of work of Grounds Maintenance service and Rapid Response Team by BCT Head of Property Investment, Development and Asset Management through operational meetings with NCC ONGOING • Review is underway to determine delivery options from Jul 16 to ensure good value for money ONGOING
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Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
CA3	NCC review of YHN adversely impacts on YHN ability to deliver Housing Management Contract	MEDIUM	HIGH	HIGH	<ul style="list-style-type: none"> Regular NCC Senior Officer Chair with BCT Chair and Chief Executive meetings This matter is a standing item on contract catch up meetings BCT Board includes NCC representatives <p>CURRENT CONTROLS ASSESSMENT = LIMITED POTENTIAL TO IMPROVE CONTROLS = LOW</p>	<ul style="list-style-type: none"> NCC have nominated a specific lead person to liaise with BCT NCC representatives involved in current BCT/YHN review of Housing Management Agreement
CA4	Adverse outcome from review of Housing Management contract	LOW	HIGH	MEDIUM	<ul style="list-style-type: none"> Thorough contract review process involving all parties Clear governance arrangements in place to progress the review to completion Emphasis of the review is to improve service delivery terms and costs for BCT in 2015/16 <p>CURRENT CONTROLS ASSESSMENT = GOOD POTENTIAL TO IMPROVE CONTROLS = LOW</p>	
Business continuity						
BC1	Failure in business continuity due to loss of a key resource (eg: building or IT system)	LOW	HIGH	MEDIUM	<ul style="list-style-type: none"> Insurance cover Good buildings safety, security, maintenance standards Regular remote backup of BCT office data YHN/NCC have established data disaster recovery arrangements Extended lease agreement in place from Apr 15 for BCT Base <p>CURRENT CONTROLS ASSESSMENT = AVERAGE POTENTIAL TO IMPROVE CONTROLS = LOW</p>	

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
BC2	Poor governance	LOW	HIGH	MEDIUM	<ul style="list-style-type: none"> • Board training plan in place • Governance rules and procedures regularly reviewed • BCT Chair has significant experience and knowledge of governance standards required by RPs • Board adopted NHF Excellence in Governance Standard and have undergone governance training • Corporate Plan includes measures to sustain Board performance • Board away days to reinforce strong BCT governance. • Annual performance appraisal of Board members • Governance principles statement adopted • Annual review of governance effectiveness • Tenant Scrutiny panel in place • Tenant Participation Advisory Service (TPAS) training delivered to Tenant Board Members • Board has arrangements for dealing with potential conflicts of interest via the Register of Interests and the Code of Conduct <p>CURRENT CONTROLS ASSESSMENT = GOOD POTENTIAL TO IMPROVE CONTROLS = LOW</p>	
BC3	Deteriorating workforce performance and morale	LOW	HIGH	MEDIUM	<ul style="list-style-type: none"> • Staff appraisals lead to personal development plans (PDPs) containing specific targets with monitoring via quarterly review • Providing training and learning opportunities • External staff coaching provided to BCT Team • Regular review of resource requirements by BCT Executive Team and Board • Team development days <p>CURRENT CONTROLS ASSESSMENT = AVERAGE POTENTIAL TO IMPROVE CONTROLS = MEDIUM</p>	

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
BC4	Loss of key staff in a small strategic team	LOW	HIGH	MEDIUM	<ul style="list-style-type: none"> Review of staff terms & conditions/remuneration to ensure competitive edge maintained <p>CURRENT CONTROLS ASSESSMENT = AVERAGE POTENTIAL TO IMPROVE CONTROLS = MEDIUM</p>	
BC5	BCT does not have immediate direct access to and ownership of its housing management data	HIGH	MEDIUM	HIGH	<ul style="list-style-type: none"> YHN currently supply a range of monitoring data and information based on BCT needs <p>CURRENT CONTROLS ASSESSMENT = AVERAGE POTENTIAL TO IMPROVE CONTROLS = MEDIUM</p>	<ul style="list-style-type: none"> BCT working with YHN to agree delivery arrangements against the BCT specification of data and information requirements by Apr 15 YHN to deliver training on use of Northgate system by May 15 Access arrangements for asset management and tenancy letting systems to be discussed with YHN ONGOING

Risk No	Description	Likelihood	Impact	Overall	Current Controls	Mitigation Actions & Target Completion Date
BC6	Business Plan is unable to withstand impact of adverse changes in the external environment. The HCA regulatory judgment highlights the limited nature of multi variate stress testing carried out by BCT to date as a risk area BCT need to manage.	MEDIUM	HIGH	HIGH	<ul style="list-style-type: none"> Initial multi variate stress testing reported to Board Feb 15 <p>CURRENT CONTROLS ASSESSMENT = AVERAGE POTENTIAL TO IMPROVE CONTROLS = MEDIUM</p>	<ul style="list-style-type: none"> Further stress testing covering a 5 year timescale, including identification of mitigation actions to maintain Business Plan viability, to be reported to Finance and Audit Committee May 15 Loan interest rate fixings in place to provide greater cost certainty

Explanation of Risk Scoring (agreed by Board on 11/04/13)

All risks are scored in terms of likelihood and impact as follows:

1. Likelihood is scored as:

- Very likely to happen (71-100% probability) = HIGH (score 4).
- More likely to occur than not (50-70% probability) = MEDIUM (score 3).
- Less likely than not to occur (21-49% probability) = LOW (score 2).
- Unlikely to occur but not impossible (0-20% probability) = VERY LOW (score 1).

2. Impact is scored as:

- Financial loss in excess of £500k, loss of service for more than 3 months, long term reputational damage = HIGH (score 4).
- Financial loss in excess of £250k, loss of service for more than 3 weeks, damage to national reputation = MEDIUM (score 3).
- Financial loss in excess of £50k, loss of service for more than 1 week, damage to local reputation = LOW (score 2).
- Financial loss under £50k, service disruption for less than 1 week = VERY LOW (score 1).

The total score is then fed into the scoring matrix to identify the relative importance of each risk using a traffic light system:

RED = high importance. AMBER = medium importance. GREEN = low importance.

		Impact			
		Very Low	Low	Medium	High
Likelihood	High	5	6	7	8
	Medium	4	5	6	7
	Low	3	4	5	6
	Very Low	2	3	4	5

To aid with the management of these risks 2 further criteria are assessed as follows:

1. Assessment of current controls is scored as:

- None or poor controls in place = POOR.
- Some controls in place = LIMITED.
- Average control standards in place = AVERAGE.
- Good control standards in place = GOOD.
- To best practice levels or above = VERY GOOD.

2. Potential to improve controls is scored as:

- Difficult to make further improvements = LOW.
- Possible to make further improvements = MEDIUM.
- Easy to make further improvements = HIGH.

Title: National Housing Federation Rules and Byker Specific Amendments

Report By: Philip Ambrose, Financial Controller and Company Secretary

FOR DECISION

Business Implications	
Risk	<ul style="list-style-type: none"> BCT need to review their Rules and to improve them in line with current best practice.
Financial and Value for Money	<ul style="list-style-type: none"> BCT Rules include clauses governing financial control and audit.
People/Consultation	<ul style="list-style-type: none"> BCT Rules include clauses covering the composition of the Board, the nature of Shareholders and requirements in relation to general meetings. BCT Rules include a requirement for the Board to ensure it possesses the necessary quality, skills, competencies and experience.
Equality and Diversity	<ul style="list-style-type: none"> BCT Rules include a requirement for the Board to ensure it possesses the necessary quality, skills, competencies and experience.
Environment Implications	<ul style="list-style-type: none"> No direct environmental implications.
Contractor Implications	<ul style="list-style-type: none"> No direct contractor implications.

1. Recommendations

- 1.1 The Board are recommended to;
- i. Consider and approve the proposed amended BCT Rules (para 3 and Appendix A).
 - ii. Agree to put a resolution to a Special General Meeting (para 3.3).
 - iii. Agree the date, time and venue for the Special General Meeting (para 3.4).
 - iv. Note the next steps

2. Background Information

- 2.1 When the BCT was formed its initial Rules were based on the National Housing Federation (NHF) Model Rules 2011. NHF have revised their model Rules to take account of changes during 2014 in legislation relating to Co-operative and Community Benefit Societies and to ensure continued fit with the new Regulatory Framework for Registered Providers in place from April 2015.
- 2.2 At its meeting on 24 March 2015 YHN Board resolved to cease its representation on BCT Board. BCT Rules need to be amended to action this change to the composition of BCT Board.

3. Proposal

- 3.1 It is proposed that BCT adopt the amended Rules attached at Appendix A. These are based on the NHF 2015 Model Rules with the inclusion of some specific additional wording to cover the particular requirements of BCT.

- 3.2 The key Byker specific elements of the Rules cover the following:
- Nature of Shareholders – Rule C5.
 - Shareholder votes – Rule C9.
 - Ending of shareholding – Rule C14.
 - Composition of the Board – Rule D2.
 - Terms of office and election to the Board – Rules D12 & D13.
 - Quorum for the Board is 5 Board Members – Rule D15.
- 3.3 In updating the Rules, references relating to YHN have been removed.
- 3.4 Under the amended Rules (Rule D2) it is proposed that the composition of BCT Board be updated to:
- 5 tenants (currently 4).
 - 5 independents (currently 4).
 - 2 local authority (no change).
- 3.5 This will facilitate the requirement under the new Rules (Rule D13.2) for the Board to ensure it possesses the necessary quality, skills, competencies and experience.

4. Special General Meeting (SGM)

- 4.1 Under the existing Rules, they may only be amended by a resolution put before the general meeting by the Board and approved by at least seven members of the Board prior to the general meeting.
- 4.2 If the Board agrees to the proposed Rules at Appendix A it would be most practical to hold the SGM on 21 May immediately before the scheduled Board Meeting on that date.

5. Next Steps

- 5.1 If Board approve the proposed Rules at Appendix A the next steps are as follows:
- Seek prior agreement of Newcastle City Council (this is required under the terms of the Transfer Agreement which also states that their agreement is not to be unreasonable withheld).
 - Send an SGM Notice to all Shareholders.
 - Hold the SGM and vote on a resolution to adopt the proposed Rules at Appendix A.
 - Register the amended Rules with the Financial Conduct Authority and the Homes and Communities Agency (the amended Rules are not valid until registered).
 - Determine the arrangements to fill the resulting 2 vacant positions of Tenant Board Member and Independent Board Member.

6. Background Papers

- 6.1 Current Rules of the BCT and NHF Model Rules available from the Company Secretary.

7. Contact Officer:

- 7.1 If you have any questions about this report that you would like clarifying before the meeting, you can contact Philip Ambrose by telephone on 0191 290 3914 or email philip.ambrose@bykerct.co.uk



RULES OF THE BYKER COMMUNITY TRUST LIMITED

**REGISTERED UNDER THE CO-OPERATIVE AND
COMMUNITY BENEFIT SOCIETIES ACT 2014**

REGISTERED NUMBER: 31376

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PART A: NAME AND OBJECTS

NAME

A1 The name of the society shall be Byker Community Trust Limited (the Association).

OBJECTS

A2 The association is formed for the benefit of the community Its objects shall be to carry on for the benefit of the community:

A2.1 The business of providing and managing housing (which may include social housing and providing assistance to help house people and associated facilities, amenities and services.

A2.2 Any other object which is connected with or incidental to the provision of housing that can be carried out from time to time by a registered society as a provider of social housing with the Regulator.

NON-PROFIT

A3 The association shall not trade for profit and any profits shall only be applied for the purpose of furthering the Association's objects and/or in accordance with these Rules.

A4 Nothing shall be paid or transferred by way of profit to Shareholders of the Association.

CORPORATE STATUS

A5 The Association is not a subsidiary of another organisation and shall not become a subsidiary of another organisation without first amending these rules to state the name of the parent entity and without first having obtained the consent of the Regulator to such a rule change pursuant to section 212 of the Housing and Regeneration Act 2008.

PART B: POWERS OF ASSOCIATION, BOARD AND SHAREHOLDERS

POWERS

B1 The Association shall have power to do anything that a natural or corporate person can lawfully do which is necessary or expedient to achieve its objects, except as expressly prohibited in these Rules.

B2 Without limiting its general powers under rule B1, and only so far as is necessary or expedient to achieve its objects, the Association shall have power to:

B2.1 Purchase, acquire or dispose, take or grant any interest in property including any mortgage, charge, floating charge or other security whatsoever;

B2.2 Construct or carry out works to buildings;

B2.3 Help any charity or other body not trading for profit in relation to housing and related services;

B2.4 Subject to rules F12, F13, and F14 borrow money or issue bonds, notes, loan stock, or any other debt instrument or enter into and transaction having the effect of borrowing;

- B2.5 Enter into and perform any Derivative Transaction on such terms as the Association thinks fit for the purpose of hedging or otherwise managing any treasury risk or other exposure of the Association;
- B2.6 Subject to rule F15 invest the funds of the Association;
- B2.7 Lend money on such terms as the Association shall think fit;
- B2.8 Guarantee, enter into any contract of indemnity or suretyship in relation to, or provide security for, the borrowing or performance of the obligations any other organisation, in each case on such terms as the Association shall think fit;
- B3** The association shall not have power to receive money on deposit in any way which would require authorisation under the Financial Services and Markets Act 2000 or any other authority required by statute unless it has such authorisation.

POWERS OF THE BOARD

- B4** The business of the Association shall be directed by the Board.
- B5** Apart from those powers which must be exercised in general meeting:
- B5.1 By statute; or
- B5.2 Under these Rules;
- All the powers of the association may be exercised by the Board for and in the name of the Association.
- B6** The Board shall have power to delegate, in writing, subject to Rules D29-D33, the exercise of any of its powers. Such delegation may include any of the powers and discretions of the Board.

LIMITED POWERS OF SHAREHOLDERS IN GENERAL MEETING

- B7** The Association in general meetings can only exercise the powers of the Association expressly reserved to it by these Rules or by statute.

GENERAL

- B8** The certificate of an Officer of the Association that a power has been properly exercised shall be conclusive as between the Association and any third party acting in good faith.
- B9** A person acting in good faith who does not have actual notice of these Rules or the Association's regulations shall not be concerned to see or enquire if the Board's powers are restricted by these Rules or such regulations.

PART C: SHAREHOLDERS AND GENERAL MEETINGS

OBLIGATIONS OF SHAREHOLDERS

- C1** All shareholders agree to be bound by the obligations on them as set out in these Rules. When acting as Shareholders they shall act, at all times in the interests of the Association and for the benefit of the community, as guardians of the objects of the Association.

NATURE OF SHARES

- C2** The Association's share capital shall be raised by the issue of shares. Each share has the nominal value of one pound which shall carry no right to interest, dividend or bonus. Shares shall be non-withdrawable.
- C3** Only shares held by the nominee of an unincorporated body (alone or jointly with other nominees) can be transferred and only to a new nominee of that unincorporated body (alone or jointly with other nominees).
- C4** When a Shareholder ceases to be a Shareholder or is expelled from the Association, his or her share shall be cancelled. The amount paid up shall become the property of the Association.

NATURE OF SHAREHOLDERS

- C5** The following provisions shall apply to persons or bodies who are Shareholders:
- C5.1** A Shareholder of the Association is a person or body whose name and address is entered in the register of Shareholders.
- C5.2** The shareholders shall be divided into three classes as follows:-
- The tenant Shareholders;
 - The independent Shareholders; and
 - The local authority Shareholder.
- C5.3** A Shareholder shall belong to a class and cannot belong to more than one class.
- C6** The following cannot be Shareholders:
- C6.1** A minor;
- C6.2** A person who has been expelled as a Shareholder, unless authorised by special resolution at a general meeting;
- C6.3** An employee of the Association or an employee of any other group Member;
- C6.4** A person who has been removed by the Board in accordance with rule D8; and
- C6.5** A person in respect of whom a registered medical practitioner who is treating that person gives a written opinion to the Association stating that the person has become physically or mentally incapable of exercising their rights as a Shareholder and may remain so for more than three months.
- C7** A Shareholder can be the nominee of an unincorporated body. In such cases the register shall contain the name and address of the Shareholder and shall designate the Shareholder as the nominee of a named unincorporated body. The address of the unincorporated body shall also be entered in the register if it differs from the address of the Shareholder nominee.
- C8** A corporate body can be a Shareholder. It can appoint an individual to exercise its rights at general meetings. Any such appointment shall be in writing, and given to the Secretary. The local authority shall be the local authority shareholder.
- C9** The following provisions shall apply with regard to Shareholder votes:

- C9.1 No Shareholder shall hold more than one share and each share shall carry only one vote.
- C9.2 Prior to any vote at a general meeting of Shareholders in accordance with rule C28, the following procedure shall apply:
- At such meeting the resolution shall first be put to each class of Shareholders for their vote;
 - In respect of each class vote, each Shareholder shall have one vote;
 - If a class of Shareholders votes with a 51% or greater majority in favour of a resolution, that resolution shall be carried by that class, and be put to the Shareholder vote pursuant to rule C28 as if all of the Shareholders within that class had voted in favour of the resolution;
 - If a class of Shareholders votes with anything less than a 51% majority in favour of a resolution, that resolution shall have failed to be carried by that class, and shall be put to the Shareholder vote pursuant to rule C28 as if all of the Shareholders within that class had voted against the resolution; and
 - In the vote of Shareholders in accordance with rule C28, each particular class shall have the weighting set out in rule C9.3.
- C9.3 In any vote taken in a general meeting in accordance with rule C28 (and not, for the avoidance of doubt, a class vote taken under rule C9.2) each class of Shareholders shall be deemed to have the following proportion of the total votes cast, notwithstanding how many shareholders there are in each class:
- The tenant Shareholders: 64%
 - The independent Shareholders: 10%
 - The local authority Shareholder: 26%
- C9.4 In any vote in a general meeting in accordance with rule C28 where the matter to be decided relates to a reserved matter, the resolution that is the subject of the vote shall only be passed with a 75% majority of the total votes cast and calculated pursuant to rules C9.2 and C9.3.
- C10** A share cannot be held jointly unless by nominees of an unincorporated body.

ADMISSION OF SHAREHOLDERS

- C11** The Board shall set review and publish its policies and objectives for admitting new Shareholders. The Board shall only admit new Shareholders in accordance with such policies.
- C12** An applicant for a share shall apply in writing to the Association's registered office:
- C12.1 Setting out their reasons for applying and how they meet any criteria set by the Association's policies under rule; and
- C12.2 Pay the sum of one pound (which shall be returned to them if the application is not approved).
- C13** Every application shall be considered by the Board in accordance with rule C11. The Board has the power in its absolute discretion to accept or reject the application. If the application is approved, the name of the applicant and the other necessary particulars shall be entered in the register of Shareholders. One share in the Association shall be issued to the applicant.

ENDING OF SHAREHOLDING

- C14** A shareholder shall cease to be a shareholder if:
- C14.1 they die; or
 - C14.2 they are expelled under rule C15; or
 - C14.3 they withdraw from the association by giving one month's notice to the Secretary; or
 - C14.4 they do not attend in person or appoint a proxy in respect of, nor deliver written apologies in advance for two consecutive annual general meetings of the Association; or
 - C14.5 in the case of a body corporate it ceases to be a body corporate; or
 - C14.6 in the case of the nominee of an unincorporated body, they transfer their share to another nominee of that body; or
 - C14.7 in the case of those that are Board Members, other than tenant Board Members or the local authority Board Member they cease to be a Board Member;
 - C14.8 in the case of tenant Shareholders, the tenant ceases to be a tenant of the Association;
 - C14.9 they cease to be eligible to be a Shareholder under rule C6; or
 - C14.10 having been a Board Member or a member of a committee, they cease to be a Board Member or member of a committee (unless the Board in its absolute discretion resolves that they shall remain as a Shareholder); or
 - C14.11 they are a Resident and in the opinion of the Board are in material or serious breach of their tenancy agreement or lease or are subject to a possession order or are in breach of a suspended possession order, or are subject to any of the following types of court order: anti-social behaviour order, anti-social behaviour injunction, demoted tenancy, or closure order; or
 - C14.12 they are a Resident and the Association has obtained an order of a competent court or tribunal against them for recovery of monies due from them to the Association provided that if the order is suspended or is an order for payment in instalments they shall only cease to be a Shareholder upon failing to meet the terms of the order.
- C15** A Shareholder (except for the local authority shareholder) may only be expelled by a Special Resolution at a special meeting called by the Board provided that the following rules apply to the process:
- C15.1 The Board must give the Shareholder at least one month's notice in writing of the general meeting. The notice to the Shareholder must set out the particulars of the complaint of conduct detrimental to the Association and must request the Shareholder to attend the meeting to answer the complaint.
 - C15.2 At the general meeting called for this purpose the Shareholders shall consider the evidence presented by the Board and by the Shareholder (if any). The meeting may take place even if the Shareholder does not attend.

- C15.3 If the resolution to expel the Shareholder is passed in accordance with this rule, the Shareholder shall immediately cease to be a Shareholder.

ANNUAL GENERAL MEETING

- C16** The Association shall hold a general meeting called the annual general meeting within six calendar months after the close of each of its financial years or such later date as may be permitted by law.
- C17** The functions of the annual general meeting shall be:
- C17.1 To receive the annual report which shall contain:
- The revenue accounts and balance sheets for the last accounting period;
 - The auditor's report (if one is required by law) on those accounts and balance sheets;
 - The Board's report on the affairs of the Association.
- C17.2 Subject to rules F3 and F4, to appoint the auditor (if one is required by law);
- C17.3 To elect (or re-elect) Board Members if applicable;
- C17.4 To transact any other general business of the Association set out in the notice convening the meeting including any business that requires a Special Resolution.

SPECIAL GENERAL MEETINGS

- C18** All general meetings other than annual general meetings shall be special general meetings and shall be convened either:
- C18.1 Upon an order of the Board; or
- C18.2 Upon a written requisition signed by one-tenth of the Shareholders (to a maximum of twenty-five but not less than three) stating the business for which the meeting is to be convened; or
- C18.3 If within twenty-eight days after delivery of a requisition to the Secretary a meeting is not convened, the Shareholders who have signed the requisition may convene a meeting.
- C19** A special general meeting shall not transact any business that is not set out in the notice convening the meeting.

CALLING A GENERAL MEETING

- C20** Subject to rule C22, all general meetings shall be convened by at least fourteen Clear Days' written notice posted or delivered by hand or sent by Electronic Communication to every Shareholder at the address or Electronic Communication address given in the share register. The notice shall state whether the meeting is an annual general meeting or special general meeting, the time, date and place of the meeting, and the business for which it is convened.
- C21** Any accidental failure to get any notice to any Shareholder shall not invalidate the proceedings at that general meeting. A notice or communication delivered by hand or sent by post to a Shareholder at their address or Electronic Communication address

shown in the register of Shareholders shall be deemed to have arrived as specified in rule G14.12.

- C22** Seventy-five per cent of Shareholders may agree, by consenting in writing, or by electronic communication, to a general meeting being held with less notice than required by rule C20.

PROCEEDINGS AT GENERAL MEETINGS

- C23** Before any general meeting can start its business there must be a quorum present. A quorum is one-tenth of all shareholders with a minimum number of five and a maximum number of 25. As part of the quorum at least two Shareholders must be present in person.

- C24** A meeting held as a result of a Shareholder's requisition will be dissolved if too few Shareholders are present half an hour after the meeting is scheduled to begin.

- C25** All other general meetings with too few Shareholders will be adjourned to the same day, at the same time and at the registered office in the following week. If less than the number of Shareholders set out in rule C23 are present within half an hour of the time the adjourned meeting is scheduled to have started, those Shareholders present shall carry out the business of the meeting, provided that the local authority shareholder must be present for a quorum to be achieved at such an adjourned meeting.

- C26** The Chair of any general meeting can:

C26.1 Take the business of the meeting in any order that the Chair may decide; and

C26.2 Adjourn the meeting if the majority of the Shareholders present in person or by proxy agree. An adjourned meeting can only deal with matters adjourned from the original meeting. An adjourned meeting is a continuation of the original meeting. The date of all resolutions passed is the date they were passed (as opposed to the date of the original meeting). There is no need to give notice of an adjournment or to give notice of the business to be transacted.

- C27** At all general meetings of the Association the Chair of the Board shall preside. If there is no such Chair or if the Chair is not present or is unwilling or unable to act, the Vice Chair (if any) shall Chair the meeting, failing which the Shareholders present shall elect a Shareholder to Chair the meeting. The person elected shall be a Board Member if one is present and willing to act.

PROXIES

- C28** Any Shareholder entitled to attend and vote at a general meeting may appoint another person, whether or not a Shareholder, as their proxy to attend and vote on their behalf. A proxy can be appointed by delivering a written appointment, which may be by way of Electronic Communication, to the registered office, or such other place as may be selected by the Board and stated in the meeting notice, at least 48 hours before the date of the meeting at which the proxy is authorised to vote. It must be signed or confirmed by Electronic Communication and sent by the Shareholder or a duly authorised attorney. Any proxy form delivered late shall be invalid. Any question as to the validity of a proxy shall be determined by the Chair of the meeting whose decision shall be final.

VOTING

- C29** Subject to the provisions of these Rules or of any statute, a resolution put to the vote at a general meeting shall, except where a ballot is demanded or directed, be decided upon a show of hands within each class of shareholder in accordance with the provisions of rule C9.2, and such votes then being aggregated and given the weighting referred to in rule C9.3.
- C30** On a show of hands every Shareholder present in person and on a ballot every Shareholder present in person or by proxy shall have one vote. In the case of an equality of votes (other than a class vote under rule C9.2) the Chair of the meeting shall have a second or casting vote.
- C31** Unless a ballot is demanded (either before or immediately after the vote), a declaration by the Chair that a resolution on a show of hands has been carried or lost, unanimously or by a particular majority, is conclusive. An entry made to that effect in the book containing the minutes of the proceedings of the association, shall be conclusive evidence of that fact.
- C32** Any question as to the acceptability of any vote whether tendered personally or by proxy, shall be determined by the Chair of the meeting, whose decision shall be final.
- C33** A ballot on a resolution may be demanded by any three Shareholders at a meeting (in person or by proxy) or directed by the Chair of the meeting (and such demand or direction may be withdrawn). A ballot may be demanded or directed after a vote on the show of hands, and in that case the resolution shall be decided by the ballot.
- C34** A ballot shall be taken at such time and in such manner as the Chair of the meeting shall direct, but shall in any event include proceedings that ensure that the provisions of rule C9 are reflected in the ballot. The result of such a ballot shall be deemed to be the resolution of the Association in general meeting.
- C35** Subject to the Act a resolution in writing signed or confirmed by letter or by Electronic Communication by or on behalf of the requisite majority of the Shareholders, for the time being, entitled to vote on the relevant resolution shall be as valid and effective as a resolution passed at a properly called and constituted meeting of the Shareholders provided that a copy of the proposed resolution has been delivered in accordance with these Rules to all Shareholders and the requisite majority of Shareholders referred to in rule C36 has delivered their agreement in accordance with these Rules. Such resolution when signed or approved may comprise more than one document in the same form, each signed or approved, by one or more Shareholders.
- C36** For the purposes of rule C35 the requisite majorities are:
- In the case of an ordinary resolution, a simple majority of Shareholders who would have been entitled to vote had the resolution been proposed at a properly called and constituted general meeting;
 - In the case of a resolution requiring a two-thirds majority of Shareholders, at least two-thirds of the Shareholders who would have been entitled to vote had the resolution been proposed at a properly called and constituted general meeting; or
 - In the case of a resolution requiring a three-quarters majority of Shareholders, at least three-quarters of the Shareholders who would have been entitled to vote had the resolution been proposed at a properly called and constituted general meeting.

REPRESENTATIVES AND NOMINEES

- C37** Under the provision of these Rules (including rules A3, A4, C2 and C4) no Shareholder is entitled to property of the Association in that capacity, and in the event of death a person shall cease to be a Shareholder, their share shall be cancelled and the amount paid up on that share shall become the property of the Association. The following make provisions for representatives and nominees taking into account the provisions of these Rules:
- C37.1** The Act provides that a Shareholder may nominate a person or persons to whom property in the Association at the time of his/her death shall be transferred. As any such share will have been cancelled, no person so nominated under the Act shall be entitled to any property of that Shareholder on their death.
- C37.2** No property shall be capable of transfer to any personal representative of a deceased Shareholder. Upon a claim being made by a trustee in bankruptcy of a bankrupt Shareholder to the share held by that Shareholder, the Association shall transfer such share to which the trustee in bankruptcy is entitled and as the trustee in bankruptcy may direct them.

PART D THE BOARD

FUNCTIONS

- D1** The Association shall have a Board who shall direct the affairs of the Association in accordance with its objects and these Rules and ensure that its functions are properly performed. These functions will be agreed by the Board and set out separately in a code of governance or otherwise in writing.

COMPOSITION OF THE BOARD

- D2** The following provisions shall apply with regard to the composition of the Board:
- D2.1** The Board shall consist of between five and fifteen Board members (including co-optees) as may be determined by the Board. A majority of Board Members shall always be capable of appointment or election by the tenant Shareholders.
- D2.2** Five members of the Board shall be tenant Shareholders elected under rule D13.2 (the tenant Board Members).
- D2.3** The local authority shall have the right to appoint no more than two local authority Board Members (the local authority Board Members). The local authority may withdraw a local authority Board Member at any time. The local authority shall immediately fill any vacancy created by such withdrawal by appointment of an alternative local authority Board Member. Such appointment shall be notified to the Secretary.
- D2.4** Five members of the Board shall be appointed as the independent Board Members in accordance with rule D13.3.
- D2.5** No member of the Board other than those appointed by the local authority shall be a local authority person.
- D2.6** Up to one third of the Board may be tenant Board Members elected under rule D13.2. The remaining Board Members shall not be tenants.

- D3** Except for co-optees, employees, and appointees of the local authority, only Shareholders can be Board Members.
- D4**
- D4.1 The Board shall make available the obligations (including the expected standards of conduct) of every Board Member (including co-optees) to the Board and to the Association. The Board shall review and may amend the code of conduct and obligations of Board Members from time to time.
- D4.2 No Board Member or co-optee may act as such until they have signed and delivered to the Board a statement confirming that they will meet their obligations to the Board and to the Association and abide by the code of conduct. The Board may vary the form of statement from time to time.
- D4.3 Any Board Member or co-optee who has not signed such statement without good cause within one month of election or appointment to the Board shall immediately cease to be a Board Member or co-optee.
- D5** The Board may appoint co-optees (including but not limited to the Association's Chief Executive) to serve on the Board on such terms as the Board resolves, provided that they do not exceed one quarter of the total number of the Board, and may remove such co-optees. Not more than five co-optees can be appointed to the Board or to any committee at any one time. A co-optee may act in all respects as a Board Member, but they cannot take part in the deliberations nor vote on the election of Officers nor any matter directly affecting Shareholders.
- D6** For the purposes of these Rules and of the Act, a co-optee is not included in the expression "Board Member" or "Member of the Board". For the purposes of the Housing and Regeneration Act 2008, Board Members and co-optees are officers.
- D7** No one can become or remain a Board Member, a committee member or co-optee at any time if:
- D7.1 They are disqualified from acting as a director of a company, as a Board Member of another registered society for any reason; or
- D7.2 They have been convicted of an indictable offence which is not, or cannot be, spent; or
- D7.3 A composition is made with that person's creditors generally in satisfaction of that person's debts; or
- D7.4 They are not a Shareholder (unless they are or a local authority Board Member or a co-optee or employee of the Association or any other Group Member); or
- D7.5 They have absented themselves from three consecutive meetings of the Board or committee (as the case may be) in one rolling twelve-month period without special leave of absence from the Board; or
- D7.6 A registered medical practitioner who is treating that person gives a written opinion to the Association stating that that person has become physically or mentally incapable of acting as a Board Member, co-optee or committee member and may remain so for more than three months; or
- D7.7 They are a tenant and in the opinion of the Board are in material or serious breach of their tenancy agreement or lease or are subject to a possession order or are in breach

of a suspended possession order, or are subject to any of the following types of court order: anti-social behaviour order, anti-social behaviour injunction, demoted tenancy, or closure order; or

D7.8 They are a tenant and the Association has obtained an order of a competent court or tribunal against them for recovery of monies due from them to the Association provided that if the order is suspended or is an order for payment in instalments they shall only cease to be a Board Member, co-optee or committee member upon failing to meet the terms of the order; or

D7.9 They are an employee and their contract of employment is terminated; or

D7.10 They are a specifically elected or appointed as a tenant Board Member and cease to be a tenant.

D7.11 And any Board Member, co-optee or committee member who at any time ceases to qualify under this rule shall immediately cease to be a Board Member, co-optee or committee member (as appropriate).

D8 A Board Member may be removed from the Board:

D8.1 By a Special Resolution at a general meeting; or

D8.2 By a resolution passed by two-thirds of the Board Members, excluding the Board Member subject of the proposed removal and excluding co-optees and employees, provided the following conditions are satisfied:

- At least fourteen days' notice of the proposed resolution has been given to all Board Members; and
- The notice sets out in writing the reasons for the removal; and
- The Board is satisfied that the reasons justify the removal.

D9 Whenever the number of Board Members and co-optees is less than permitted by these Rules, the Board may appoint a further Board Member in addition to the Board's power to co-opt. Any Board Member so appointed shall retire at the next annual general meeting.

TERMS OF OFFICE AND ELECTION TO THE BOARD

D10 In every notice for an annual general meeting the Board shall state those Board Members continuing in office and those candidates intending to offer themselves for.

D11 Each Board Member, save for Board members appointed under rule D14, shall be elected in accordance with any Board membership policies adopted by the Board from time to time and shall be elected for a fixed term of office expiring at the conclusion of the annual general meeting (each a "fixed term").

The fixed term shall be for a term of three annual general meetings unless the Board has set a lower number of annual general meetings for the relevant Board Member on their election. No fixed term shall be set which would cause the relevant Board Member to serve beyond their ninth consecutive annual general meeting (and for this purpose time served on the Board of another Group Member or on the Board of any predecessor of the Association of another Group member shall be counted), save where the Board agrees that circumstances exist where it would be in the best

interest of the Association for a Board Member to serve for a longer period.

D12

D12.1 At every annual general meeting each Board Member elected under rule D11 who has served their fixed term shall retire from office excepting that not less than one quarter of the tenant Board Members and one quarter of the independent Board Members shall retire from office.

D12.2 Any Board Member retiring under rule D12.1 having completed nine years' continuous service (or nine years' continuous service plus any extended period agreed by the Board under rule D11) on either the Board of the Association and/or the Board of a Group Member (or any predecessor) shall not be eligible for re-appointment or re-election for at least one full term of office.

D13

D13.1 Board Members elected under rule D11 will be elected in accordance with open and transparent selection criteria and election procedures set out in any Board membership policies adopted by the Board from time to time. These may provide for prospective candidates to be approved by the Board before they are eligible to stand for election as Board Members.

D13.2 The Board, in accordance with the election procedures set under rule D13.1, shall endeavour to ensure that the Board possesses the quality, skills, competencies and experience which the Board has from time to time determined that it requires.

D13.3 In an election for candidates wishing to be tenant Board Members at a general meeting every tenant Shareholder present in person or by proxy shall have one vote for every vacancy but shall not give more than one vote to any one candidate. In an election for candidates wishing to be independent Board Members at a general meeting every Shareholder present in person or by proxy shall have one vote for every vacancy but shall not give more than one vote to any one candidate.

D13.4 If at elections the number of candidates for election as Board Members does not exceed the number of vacancies on the Board the Chair shall declare those candidates to have been duly elected. If the number of candidates exceeds the number of vacancies the meeting shall elect the Board Members in such a manner as the Chair directs and in accordance with any procedures set under rule D13.1.

D13.5 In casting their votes in an election relating to the appointment of Board members, Shareholders shall endeavour to ensure that the Board possesses the quality, skills and experience which the association has from time to time determined that it requires.

D13.6 Any candidate for election to the Board as an independent or tenant Board Member shall submit a written statement to the association in such form as the Board from time to time determines. It shall set out the candidate's full name, address, and occupation, and the reasons for their suitability to be a Board Member. a candidate who is not retiring as a Board member must be nominated in writing by another Shareholder. The statement and nomination shall be delivered to the registered office at least three days before the meeting at which the vacancies on the Board are to be filled.

D14 The Board may appoint or co-opt employees to the Board on such terms as the Board resolves but no employee may be appointed (or co-opted) to the Board if, following their appointment (or co-option), employees would be in a majority.

QUORUM FOR THE BOARD

D15

- D15.1 Subject to the provisions of rule D15.2 five Board Members, shall form a quorum The Board may determine a higher number or additional requirements.
- D15.2 The Board will not be quorate unless Board Members who are employees of the Association are in a minority.
- D15.3 If the number and make up of Board Members falls below the number and make up necessary for a quorum, the remaining Board Members may continue to act as the Board for a maximum period of six months and the provisions of rule D15.2 shall be suspended for that time.. At the end of that time the only power that the Board may exercise shall be to bring the number and make up of Board Members up to that required by these Rules.

BOARD MEMBERS' INTERESTS

- D16** No Board member, co-optee or member of a committee shall have any financial interest in any contract or other transaction (other than services delivered by the local authority to the Association) with the Association or with any other Group Member, or be granted a benefit by the Association, unless such interest or benefit:
- D16.1 Is expressly permitted by these Rules; or
- D16.2 Would not be in breach of, and would not be inconsistent with, any guidance, standard or code published by the Regulator, section 122 of the Housing and Regeneration Act 2008 or any code of conduct and/or governance adopted by the Board.
- D17** Any Board Member, co-optee or member of a committee, having an interest in any arrangement between the Association and someone else shall disclose their interest before the matter is discussed by the Board or any committee. Such disclosure must comply with any code of conduct and/or governance adopted by the Board from time to time. Unless it is expressly permitted by these rules they shall not remain present (unless requested to do so by the Board or committee) and they shall not have any vote on the matter in question.
- D18** Subject to rule D19, if a question arises at a meeting of Board Members or of a committee of the Board as to the right of a Board Member, co-optee or member of a committee to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chair or Chair of the committee in the case of a member of a committee, whose ruling in relation to any Board Member, co-optee or member of a committee (other than the Chair or Chair of the committee) is to be final and conclusive.
- D19** If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chair or Chair of the committee, member of a committee, the question is to be decided by a decision of the Board members or member of a committee at that meeting, for which purpose the Chair or Chair of the committee is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- D20** Any decision of the Board or of a committee shall not be invalid because of the subsequent discovery of an interest which should have been declared.

D21 Every Board Member, co-optee and member of a committee shall ensure that the Secretary at all times has a list of all other bodies in which they have an interest as:

- D21.1
- A director or Officer; or
 - A member of a firm; or
 - An official or elected member of any statutory body; or
 - The owner or controller of more than two per cent of a company the shares in which are publicly quoted or more than ten per cent of any other company;

D21.2 Any property owned or managed by the Association which they occupy; or

D21.3 Any other significant or material interest.

D22 If requested by a majority of the Board Members or members of a committee (as appropriate) at a meeting convened specially for the purpose, a Board Member, co-optee or member of a committee failing to disclose an interest as required by these Rules shall vacate their office either permanently or for a period of time as the Board directs.

D23 Notwithstanding rule D16, the Association may:

D23.1 Pay properly authorised expenses to Board Members, co-optees and members of committees when actually incurred on the Association's business;

D23.2 Pay insurance premiums in respect of insurance taken out to insure Officers and employees;

D23.3 Pay reasonable and proper remuneration, fees, allowances or recompense for loss of earnings to Board members, co-optees and members of committees following appropriate independent advice; and

D23.4 Subject to compliance with Section 122 of the Housing and Regeneration Act 2008, and subject to compliance with any code of conduct and/or governance adopted by the Board from time to time, grant reasonable and proper benefits to Board members, co-optees and members of committees;

D23.5 Grant benefits to Board Members, co-optees or members of committees who are beneficiaries which are granted on the same terms and in accordance with the same criteria as they would be granted to any other beneficiary of the Association.

D24 A Board Member, co-optee or member of a committee shall not have an interest for the purpose of rules D16 to D21 as a Board Member, director, or Officer of any other Group Member.

D25 Board Members, co-optees or members of committees who are tenants of the Association shall be deemed not to have an interest for the purpose of rules D16 to D201 in any decision affecting all or a substantial group of tenants.

MEETINGS OF THE BOARD

D26 The Board shall meet at least three times every calendar year. At least seven days' written notice (delivered by hand, sent by post or Electronic Communication) of the date and place of every Board meeting shall be given by the Secretary to all Board Members and co-optees. The Board may meet on shorter notice where not less than seventy-five per cent of the Board Members so agree.

- D27** Meetings of the Board may be called by the Secretary, or by the Chair, or by two Board Members who give written notice to the Secretary specifying the business to be carried out. The Secretary shall send a written notice to all Board Members and co-optees to the Board as soon as possible after receipt of such a request. Pursuant to the request, the Secretary shall call a meeting on at least seven days' notice but not more than fourteen days' notice to discuss the specified business. If the Secretary fails to call such a meeting then the Chair or two Board Members, whichever is the case, shall call such a meeting.
- D28** Meetings of the Board can take place in any manner and through any medium which permits those attending to hear and comment on the proceedings. Any person who attends in this manner will be deemed to be present at the meeting whether or not all are assembled in one place.

MANAGEMENT AND DELEGATION

- D29** The Board may delegate any of its powers under written terms of reference to its committees or to Officers or employees. Those powers shall be exercised in accordance with any written instructions given by the Board.
- D30** The Board may reserve to itself certain significant matters that cannot be delegated to committees or employees.
- D31** The Membership of any committee shall be determined by the Board. Every committee shall include one Board Member or co-optee to the Board. The Board will appoint the Chair of any committee and shall specify the quorum.
- D32** All acts and proceedings of any committee shall be reported to the Board.
- D33** No committee can incur expenditure on behalf of the Association unless at least one Board Member or co-optee of the Board on the committee has voted in favour of the resolution and the Board has previously approved a budget for the relevant expenditure.

MISCELLANEOUS PROVISIONS

- D34** All decisions taken at a Board or any committee meeting in good faith shall be valid even if it is discovered subsequently that there was a defect in the calling of the meeting, or the appointment of the members at a meeting.
- D35** A resolution sent to all Board Members or all members of a committee and signed, or confirmed by Electronic Communication by three-quarters of the Board Members or three-quarters of the members of a committee shall be as valid and effective as if it had been passed at a properly called and constituted meeting of the Board or committee and may consist of documents in the same for and signed or confirmed by Electronic Communication by one or more persons.
- D36** Notice may be given to Board Members by hand, post or Electronic Communication at the last address for such communication given to the Secretary. The accidental failure to give notice to a Board Member or the failure of the Board Member to receive such notice shall not invalidate the proceedings of the Board.

PART E: CHAIR, VICE CHAIR, CHIEF EXECUTIVE, SECRETARY AND OTHER OFFICERS

THE CHAIR

- E1** The Association shall have a Chair, who shall also Chair Board meetings, and shall be elected by the Board on such terms as the Board determines. The Association may also have a Vice Chair who, in the Chair's absence, shall act as the Chair and have the Chair's powers and duties and who shall be elected by the Board. The arrangements for election and removal of any Vice Chair shall be determined by the Board.
- E2** The first item of business for any Board meeting when there is no Chair (or Vice Chair) or the Chair (or Vice Chair) is not present shall be to elect a Chair for the purpose of the meeting. The Chair shall at all times be a Shareholder and a Board Member and cannot be an employee or a Board Member appointed by the local authority.
- E3** In a case of equality of votes, the Chair shall have a second vote.
- E4** The Chair of the Association may be removed at a Board meeting called for that purpose provided the resolution is passed by at least two-thirds of the Board Members present and voting at the meeting.

THE CHAIR'S RESPONSIBILITIES

- E5** The Chair's responsibilities will be set out in a written document and agreed by the Board.

THE CHIEF EXECUTIVE

- E6** The Association may have a Chief Executive appointed by the Board. The Chief Executive shall be appointed with a written and signed contract of employment, which shall include a clear statement of the duties of the Chief Executive.

THE SECRETARY

- E7** The Association shall have a Secretary who shall be appointed by the Board and who may be an employee. The Board may also appoint a deputy Secretary (who may also be an employee) to act as Secretary in the Secretary's absence. The Secretary's duties will be clearly set out in writing and agreed by the Board.

OTHER OFFICERS

- E8** The Board may designate as Officers such other executives, internal auditor and staff of the Association on such terms (including pay) as it from time to time decides.

MISCELLANEOUS

- E9** Every Officer or employee shall be indemnified by the Association for any amount reasonably incurred in the discharge of their duty.
- E10** Except for the consequences of their own dishonesty or negligence no Officer or employee shall be liable for any losses suffered by the Association or any Group Member.

PART F: FINANCIAL CONTROL AND AUDIT

AUDITOR

- F1** The Association, if required by law to do so, shall appoint an auditor to act in each financial year. They must be qualified as provided by Section 91 of the Act.
- F2** The following cannot act as auditor:
- F2.1** an Officer or employee of the Association;
- F2.2** a person employed by or employer of, or the partner of, an Officer or employee of the Association.
- F3** The Association's auditor may be appointed by the Board or by a resolution of Shareholders.
- F4** Where an auditor is appointed to audit the accounts for the preceding year, they shall be re-appointed to audit the current year's as well unless:
- F4.1** A general meeting has appointed someone else to act or has resolved that the auditor cannot act; or
- F4.2** The auditor does not want to act and has told the Association so in writing; or
- F4.3** The person is not qualified or falls within rule F2 (above); or
- F4.4** The auditor has become incapable of acting; or
- F4.5** Notice to appoint another auditor has been given.
- F5**
- F5.1** Not less than twenty-eight days' notice shall be given for a resolution to appoint another person as auditor, or to forbid a retiring auditor being re-appointed;
- F5.2** The Association shall send a copy of the resolution to the retiring auditor and also give notice to Shareholders at the same time and in the same manner, if possible;
- F5.3** If not, the Association shall give notice by advertising in a local newspaper at least 14 days before the proposed meeting. The retiring auditor can make representations to the Association which must be notified to its Shareholders under Section 95 of the Act.

AUDITOR'S DUTIES

- F6** The findings of the auditor shall be reported to the Association, in accordance with Section 87 of the Act.
- F7** The Board shall produce the revenue account and balance sheet audited by the auditor, if required, and the auditor's report, if required, at each annual general meeting. The Board shall also produce its report on the affairs of the Association which shall be signed by the person Chairing the meeting which adopts the report.

ACCOUNTING REQUIREMENTS

- F8** The end of the accounting year must be a date allowed by the Registrar.

- F9** The Association shall keep proper books of account detailing its transactions, its assets and its liabilities, in accordance with Sections 75 and 76 of the Act.
- F10** The Association shall establish and maintain satisfactory systems of control of its books of account, its cash and all its receipts and payments.

ANNUAL RETURNS AND BALANCE SHEETS

- F11** Every year, within the time specified by legislation, the Secretary shall send the Association's annual return to the Registrar. The return shall be prepared in accordance with the period specified in the Act, or such other date allowed by the Registrar and shall be lodged within the period required by law. The annual return shall be accompanied by the auditor's report, if required, for the period of the return and the accounts and balance sheets to which it refers.

BORROWING

- F12** The total borrowings of the Association at any time shall not exceed £500 million (five hundred million) pounds sterling or such a larger sum as the Association determines from time to time in general meeting. For the purposes of this rule F12, at any relevant time, any amount of the Association's borrowings in any currency other than pounds sterling (as may be permitted or not prohibited by the Regulator from time to time) shall be converted to sterling using the exchange rate or rates applicable under the related Derivative Transaction or transactions by which the Association has hedged its exposure to currency exchange movements in relation to the principal amount of such borrowings, or in the absence of such a rate or rates (in whole or in part) using the official spot exchange rate or rates recognised by the Bank of England for the conversion of that currency or currency unit into sterling at or about 11:00 on the relevant day.
- F13** The rate of interest payable at the time terms of borrowing are agreed on any money borrowed shall not exceed the rate of interest which, in the opinion of the Board, is reasonable having regard to the terms of the loan. The Board may delegate the determination of the said interest rate within specified limits to an Officer, Board Member or member of a committee.
- F14**
- F14.1** In respect of any proposed borrowing, for the purposes of rule F12 and in relation to the amount remaining undischarged of any deferred interest or index-linked monies or amounts on any deep discounted security previously borrowed by the Association, the amount of such pre-existing borrowing shall be deemed to be the amount required to repay such pre-existing borrowing in full if such pre-existing borrowing became repayable in full at the time of the proposed borrowing; and
- F14.2** For the purposes of rule F13 in respect of any proposed borrowing intended to be on deferred interest or index-linked terms or on any deep discounted security the amount of borrowing shall be deemed to be the proceeds of such proposed borrowing receivable by the Association at the time of the proposed borrowing; and
- F14.3** No person dealing in good faith with the Association shall be concerned to know whether rule F12, F13 or this rule F14 have been complied with.

INVESTMENT

- F15** The funds of or monies borrowed by the Association may be invested by the Board in such manner as it determines.

PART G: MISCELLANEOUS AND STATUTORY

REGISTERED OFFICE AND NAME

- G1** The Association's registered office is:
23 Raby Cross, Byker, Newcastle upon Tyne, NE6 2FF
- G2** The Association's registered name must:
- G2.1** Be placed prominently outside every office or place of business; and
- G2.2** Be engraved on its seal; and
- G2.3** Be stated on its business letters, notices, advertisements, official publications, cheques, invoices, website and any other formal corporate communication whether electronic or otherwise.

DISPUTES

- G3** Any dispute on a matter covered by these Rules shall be referred by either party to a suitably qualified independent mediator for settlement. The mediator shall be appointed by agreement between the parties or, in default of agreement, by the Centre for Effective Dispute Resolution whether the disagreement be as to the qualifications, the identity of the mediator or otherwise. The mediation will be conducted in accordance with the requirements of the mediator. Both parties will be obliged to comply and co-operate with this procedure at each stage and to share equally the costs of appointment of the relevant mediator as referred to above. Costs thereafter will be borne as the mediator will determine. Where the dispute is not resolved by mediation, any claim shall be dealt with in the county court which shall have sole jurisdiction over any dispute arising under the Rules.

MINUTES, SEAL, REGISTERS AND BOOKS

- G4** The minutes of all general meetings and all Board and committee meetings shall be recorded, agreed by the relevant subsequent meeting and signed by whoever Chairs the meeting and kept safe.
- G5** The Secretary shall keep the seal. It shall not be used except under the Board's authority. It must be affixed by one Board Member signing and the Secretary countersigning, or in such other way as the Board resolves. The Board may in the alternative authorise the execution of deeds in any other way permitted.
- G6** The Association must keep at its registered office:
- G6.1** The register of Shareholders showing:
- The names and addresses of all the Shareholders; and
 - A statement of all the shares held by each Board or committee member and the amount paid for them; and
 - A statement of other property in the Association held by the Shareholder; and
 - The date that each Shareholder was entered in the register of Shareholders.

- G6.2 A duplicate register of Shareholders showing the names and addresses of Shareholders and the date they became Shareholder;
- G6.3 A register of the names and addresses of the Officers, their offices and the dates on which they assumed those offices as well as a duplicate;
- G6.4 A register of holders of any loan;
- G6.5 A register of mortgages and charges on land; and
- G6.6 A copy of the rules of the Association.
- G7** The Association must display a copy of its latest balance sheet and auditor's report (if one is required by law) at its registered office.
- G8** The Association shall give to all Shareholders on request copies of its last annual return with the auditor's report (if one is required by law) on the accounts contained in the return, free of charge.
- G9** The Secretary shall give a copy of these Rules to any person on demand who pays such reasonable sum as permitted by law.

STATUTORY APPLICATIONS TO THE REGISTRAR

- G10** Ten Shareholders can apply to the Registrar to appoint an accountant to inspect the books of the Association, provided all ten have been Shareholders of the association for a twelve-month period immediately before their application.
- G11** The Shareholders may apply to the Registrar in order to get the affairs of the Association inspected or to call a special general meeting. One hundred Shareholders, or one-tenth of the Shareholders, whichever is the lesser, must make the application.

AMENDMENT OF RULES

- G12**
- G12.1 The Rules of the Association may be rescinded or amended but not without the prior consent of the Regulator where such consent is required under the Housing and Regeneration Act 2008.
- G12.2 The rules may only be amended by a resolution put before the Shareholders by the Board.
- G12.3 Rules A2, A3, A4, B1, B2, B3, C2, C3, D16, G11 and G13 can only be amended or rescinded by way of a written resolution or by three-fourths of the votes cast at a general meeting. Any other rule can be rescinded or amended by two-thirds of the votes cast at a general meeting or by way of a written resolution.
- G12.4 Amended Rules shall be registered with the Registrar as soon as possible after the amendment has been made. An amended rule is not valid until it is registered.
- G12.5 A copy of the amended Rules shall be sent to the Regulator as soon as possible after registration by the Registrar.

DISSOLUTION

- G13** The Association may be dissolved by such majority of shareholders as is consistent with the provisions of rule C9.4, who sign an instrument of dissolution in prescribed format or by winding-up under the Act.
- G14**
- G14.1 Any property that remains, after the Association is wound-up or dissolved and all debts and liabilities dealt with, the Shareholders may resolve to give or transfer to another body with objects similar to that of the Association;
- G14.2 if no such institution exists, the property shall be transferred or given to the Housing Associations Charitable Trust;
- G14.3 If the Association is registered as a provider of social housing with the Regulator any transfer or gift must be made in compliance with the Housing and Regeneration Act 2008 or any other relevant legal and Regulatory provisions which exist from time to time.

INTERPRETATION OF TERMS

- G15** In these Rules, including this rule, unless the subject matter or context is inconsistent:
- G15.1 Words importing the singular or plural shall include the plural and singular respectively;
- G15.2 Words importing gender shall include the male and female genders;
- G15.3 **Amendment of Rules** shall include the making of a new rule and the rescission of a rule, and "amended" in relation to Rules shall be construed accordingly;
- G15.4 The **Act** shall mean the Co-operative and Community Benefit Societies Act 2014;
- G15.5 The **Association** shall mean the Association of which these are the registered Rules;
- G15.6 **Board** shall mean the Board appointed in accordance with Part D and **Board Member** shall mean a member of the Board for the time being but shall not include a person co-opted to the Board under rule D.5;
- G15.7A **Chair** shall mean the person appointed as Chair in accordance with rule E1 and where applicable shall include the Vice Chair;
- G15.7B **Independent Board Member** means a Board member who is neither a local authority person nor a tenant;
- G15.7C **Independent shareholder** means a member of the association who is a person who is neither a local authority person nor a tenant and whose membership has been approved by the Board in accordance with the association's membership policy referred to in rule C16;
- G15.7D **Local authority** means The Council of the City of Newcastle upon Tyne or the statutory successor to that housing authority;
- G15.7E **Local authority shareholder** means the local authority;

- G15.7F **Local authority person** means a person who is
- A member of the local authority or someone who has been within the last four years or the spouse, partner or close relative of such a person; or
 - An officer of the local authority or the spouse, partner or close relative of such a person; or
 - A person who is both an employee and either a director, manager, secretary or other similar officer of a company which is under the control of the local authority.
- G15.7G **Local authority Board member** means a Board member appointed pursuant to rule D2.3;
- G15.8 **Clear Days**, in respect of notice for a meeting, shall mean a period calculated excluding both the day on which any notice or communication is deemed to be received under these rules and the date of the meeting;
- G15.9 **Derivative Transaction** means any transaction which is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, economic indices or measures of economic risk or value, or other benchmarks against which payments or deliveries are to be made, or any combination of these transactions;
- G15.10 **Electronic Communication** shall have the meaning set out in section 148 of the Act;
- G15.11 **Group Member** means the Association, each subsidiary of the Association, anybody corporate of which the Association is a subsidiary and any subsidiary of such body corporate and for this purpose "subsidiary" has the meaning within the Act and/or the Housing and Regeneration Act 2008 and/or the Companies Act 2006;
- G15.12 **Notice** shall be deemed to have been received by a person:
- (1) if posted by first class post at least two business days (meaning Monday to Friday but excluding bank holidays) after being posted;
 - (2) if sent by Electronic Communication one hour after the transmission provided that no transmission notification of non-delivery or error has been received by the person transmitting the communication and the transmission is to the Electronic Communication address or number last notified by that person to the Secretary;
 - (3) if delivered by hand, on delivery to the person's address last notified by that person to the Secretary;
- G15.13A **Officer** shall include the Chair and Secretary of the Association and any Board Member for the time being and such other persons as the Board may appoint under rule E8;
- G15.13B **Persons claiming through a Shareholder**" shall include their personal representatives and also their nominees where a nomination has been made;
- G15.14 **Property** shall include all real and personal estate (including loan stock certificates, books and papers);
- G15.15 **Register of Shareholders** means the register kept in accordance with rule G5.1;
- G15.16 **Registrar** means the Financial Conduct Authority or any statutory successor to or any assignee of any or all its relevant functions from time to time';
- G15.17 **Regulator** means the Homes and Communities Agency acting through its Regulation Committee established pursuant to the Housing and Regeneration Act 2008 or any

future body or authority (including any statutory successor) carrying on similar regulatory or supervisory functions;

- G15.18 **Secretary** means the Officer appointed by the Board to be the Secretary of the Association or other person authorised by the Board to act as the Secretary's deputy;
- G15.19 **Shareholder** shall mean one of the persons referred to in rule C5 and means member as defined by the Act;
- G15.20 **Social Housing** means low cost rental accommodation and low cost home ownership accommodation as defined in section 68 to 77 of the Housing and Regeneration Act 2008;
- G15.21 **Special Resolution** means a resolution at a general meeting passed by a two-thirds majority of all Shareholders who vote in person or by proxy;
- G15.22 **Tenant** means a person who alone or jointly with others hold a tenancy to occupy the Association's premises for or the premises of any other Group Member for residential use;
- G15.23 **Tenant Board Member** means a tenant of the Association who is duly elected to the Board under rule D13.2 and who is neither a local authority person nor an independent shareholder;
- G15.24 **Tenant Shareholders** means those tenants who have been invited to become Shareholders in accordance with rule C11;
- G15.25 **These Rules** shall mean the registered rules of the Association for the time being;
- G15.26 References to any provision in any Act shall include reference to such provision as from time to time amended, varied, replaced, extended or re-enacted and to any orders or regulations made under such provision.

CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT 2014

Acknowledgement of Registration of Society

Register No.....R

.....Limited is this day registered under the Co-operative and Community Benefit Societies Act 2014.

Dated.....(Seal of Central Office)

Copy kept

.....**Financial Services Authority**

1.Shareholder

2.Shareholder

3.Shareholder

4.Secretary

Title: Chief Executives Monthly Progress Report

Report By: Jill Haley, Chief Executive

FOR INFORMATION

1. Recommendations

1.1 The Board are recommended to note the content of this report.

2. Synopsis

2.1 This report provides an information update of progress made during the period.

3. Items For Information

3.1 Corporate Plan Action Plan 2014/15 – Final

3.1.1 The BCT's first Corporate Plan (CP) was agreed in September 2012 and it set out how we would begin delivering on the Stock Transfer Promises made to our tenants. The CP also set out some initial key objectives built around improving the lives of our customers, by using the opportunities which the Business Plan investment brings.

3.1.2 In January 2014, Board agreed a "roll over" CP Action Plan which would continue to drive the BCT's performance, aims and objectives up until April 2015. A copy of the Action Plan is available upon request.

3.1.3 Board have received quarterly progress reports on achieving agreed actions and this is the final report for the 2014/15 year. All actions have been progressed or completed as appropriate. Any actions which were targeted for development during 2014/15 and completion at a later date will be transferred into the new Corporate Plan Action Plan.

3.1.4 A new BCT CP was agreed by Board on 18 March 2015, in accord the Action Plan for 2015/16 is currently being developed and will be reported on 17 June 2015.

3.2 Equality and Diversity (E&D) Strategy Action Plan 2014/15

3.2.1 In summary of the 30 actions, 26 have been completed, 1 is still in progress and 3 actions which were targeted within the 2014/15 year were not achieved. Actions from the 2014/15 Plan which were not achieved were:

- Annual E&D Report to Board – Report to Board 17 June.
- Organise a Carer Group – To be considered as part of the E&D Advisory Group.
- Organise a Young Mums Group - To be considered as part of the E&D Advisory Group.

3.2.2 Unfinished actions from the 2014/15 Plan will be reviewed and where appropriate transferred to the CP Action Plan 2015/16. A copy of the action plan is published on the BCT Website.

3.3 Communications and Marketing Strategy Action Plan 2014/15

3.3.1 In summary of the 24 actions, 21 actions have been completed, 2 are still in progress and 1 action which was targeted within the 2014/15 year was not achieved. The action from the 2014/15 Plan which was not achieved is:

- A BCT Mobile App – The development of a new BCT website took priority over this action.

3.3.2 Unfinished actions from the 2014/15 Plan will be reviewed and where appropriate transferred to the Communications and Marketing Strategy Action Plan 2015/16.

3.4 Tenant Communications Group

3.4.1 Over the year the Tenant Communications Group have had a very positive impact on how BCT communicate with customers, in particular the BCT News has become a much more community focus newsletter.

3.4.2 In addition the Tenant Communications Group were instrumental in the design of the BCT's first annual report to tenants titled '*Building Byker's future together...our journey so far*' which has been shortlisted for a regional TPAS award under the category of 'Excellence in Annual Reports'.

3.5 Using the STAR Survey

3.5.1 The results of the STAR Survey 2014 are being used to help us improve and influence the services which our tenants and communities are receiving.

3.5.2 The table below gives a flavour of some of the initiatives which have already happened either as a result of the STAR Survey or projects which we are aware of that might influence our communities' perceptions.

Issue raised in STAR Survey 2014	Result of survey	Action taken following result
People who said they interested in becoming a Tenant Shareholder	25%	We sent out an application form with an invitation letter for all those who expressed an interest in becoming a shareholder
Disruptive children/teenagers	31%	A number of initiatives have been supported to create diversionary activities for young people through the Community Participatory Budget and the Community Benefit Fund.
Dog fouling	36%	An article seeking the support of the community to reduce dog fouling was run in the Autumn 2014 BCT newsletter. An initiative by Northumbria Police and YHN is monitoring dog fouling in the Bamburgh Tce area. The Street Wardens are also patrolling the area on a regular basis and can issue fixed penalties.

Rubbish and litter	43%	Community litter picks have been arranged and carried out in the Felton Walk and Shipley Walk areas.
Satisfaction with the way BCT deals with untidy gardens	45%	YHN have resourced an initiative to address this particular problem in Byker.
Overall Neighbourhood Appearance	60%	An article was run in the Autumn BCT Newsletter highlighting that there had been recent prosecutions for fly tipping. A joint review with NCC commenced in April with the aim of understanding the underlying causes, then to increase enforcement and improve education to reduce the problem.
Deals with complaints	62%	BCT complaints policy approved by Board Dec 14.
Quality of Home	79%	BCT created 16 new quality homes through the conversion of Chirton House.

3.5.4 We will continue to use the results of the STAR Survey 2014 to help us understand the aspirations of the Byker community and influence service delivery and that of our partners.

3.6 Chirton House

3.6.1 Despite programming and verbal assurances, it was with great disappointment that Gentoo Construction failed to complete Chirton House ahead of the launch event on 01 April 2015, resulting in its postponement. A three week delay was reported to BCT Board in February 2015, taking the practical completion to 27 March 2015, however this proved unachievable due to quality standards and handover of the building by the contractor. Gentoo have now issued a revised programme, allowing BCT to reschedule the launch for 01 May 2015. Lord John Prescott will be attending to launch BCT's first new housing development.

3.6.2 Over 40 expressions of interest have been received for the 16 new apartments, and provisional offers have been made, subject to viewings. It is hoped that residents will move into their new homes following the launch event on 01 May 2015.

3.6.3 Following completion, a full post project review will be undertaken with BCT, YHN and Gentoo.

4. **Actions from last Board meeting**

4.1 Progress made against the actions from the previous Board meeting are detailed below.

4.1.1 Shareholder Membership

Shareholder membership has now been promoted in the most recent BCT Newsletter. D Jones will also raise awareness of Shareholder membership with the Tenant Communications Group.

4.1.2 Fly Tipping Heat Maps

T Gribbin at Newcastle City Council is working on creating heat maps in order to show the areas where fly tipping is occurring most on the BCT estate. Findings will be discussed at the Working group arranged for 24 April 2015.

4.1.3 Your Homes Newcastle Target Clarification

Following a request to provide more clarity on the target '98% of repairs are carried out at the first visit during 2015-16' it has now been reviewed and is detailed in the YHN Performance report on the agenda.

4.1.4 Disabled Adaptations

It was suggested that projected costs for adaptations be compared against the potential cost of creating new build or carrying out some conversions. M Bell is working with NCC to analyse and to project the future disabled adaptations demand for the Byker estate, which will feed into the BCT Asset management Strategy and future investment decisions.

4.1.5 Lighting for Bin Area behind Byker Bank

A concern raised in relation to the lighting on the archway that leads to 1-27 Salisbury House on Northumberland Terrace. The light fitting has now been replaced which will make a significant improvement to the area. The same was also done at an identical archway further up on Northumberland Terrace.

4.1.6 Football Pitch at Bamburgh Terrace

A concern was raised about the condition of the football pitch located at Bamburgh terrace. M Bell has arranged for the grass to be cut, the goal mouths to be cultivated, 'no dog fouling' signage to be put up and for the gate to be repaired. An initiative by Northumbria Police and YHN is monitoring dog fouling in the Bamburgh Terrace area. The Street Wardens are also patrolling the area on a regular basis and can issue fixed penalties for dog fouling.

5. Contact Officer

- 5.1 If you have any questions about this report that you would like clarifying before the meeting, you can contact Jill Haley by telephone on 0191 290 3910 or email jill.haley@bykerct.co.uk

Title: Newcastle City Council Performance Report

Executive Summary by: Jill Haley, Chief Executive

FOR INFORMATION

1. Recommendations

1.1 Board is recommended to:

- i. Review the report and comment on performance during quarter four 2014/15.

2. Synopsis

2.1 This report from Newcastle City Council (NCC) relates to the performance of services provided to the Byker Community Trust (BCT) under the agreement for support services entered into in July 2012.

3. Background Information

3.1 The services being provided directly by NCC are Grounds Maintenance, Neighbourhood Wardens, Envirocall and the BCT Rapid Response Team. The attached report gives details of services provided and is self-explanatory.

3.2 Regular monthly meetings between the Director of Communities and the BCT Chief Executive are in place as part of the senior governance arrangements. As well as considering any performance issues the meetings are also used to identify collective opportunities to deliver BCTs medium and longer term objectives.

4. Contact Officer

4.1 If you have any questions about this report that you would like clarifying before the meeting, you can contact Jill Haley by telephone on 0191 290 3910 or email jill.haley@bykerct.co.uk

Title: Newcastle City Council (NCC) Performance Monitoring Year-end

Report By: Communities Directorate, NCC

FOR INFORMATION

1. Recommendations

- 1.1 The Board are recommended to consider and comment on the performance of Highways and Local Services during the fourth quarter period.

2. Synopsis

- 2.1 This is the fourth quarter year report for 2014-15. This report relates to the performance of services provided to the Byker Community Trust (BCT) under the agreement for support services entered into in July 2012.

3. Background Information

- 3.1 As reported at previous meetings of the Board the services being provided directly by NCC are Grounds Maintenance, Neighbourhood Wardens, Pest Control and the BCT Rapid Response Team (RRT).
- 3.2 Regular meetings between the Director of Communities and the Chief Executive for BCT are in place as part of the senior governance arrangements. As well as considering any performance issues these are also being utilised to identify collective opportunities to deliver BCT's medium and longer term objectives.

4. Performance/Activity

- 4.1 For the period 01 January 2015 to 31 March 2015, performance in each of the service areas has been assessed and quantified as follows:

4.2 Wardens Service

- 4.2.1 Wardens have provided 1276 hours of patrols, enforcement activities, targeting hotspot and attending events between January 2015 and March 2015.
- 4.2.2 The wardens have:
- Continued to attend the Safer Estates meeting with the police, YHN and other partner agencies. The information gained from these meetings are used to direct our patrols.
 - Continue to attend weekly briefings with the Police.
 - Continued to attend the TARA meetings at The Chevron and Spires Lane as requested by BCT.

- Dealing with dog fouling problems Brock Street, with a warning letter being sent to one resident
- Patrolled scaffolded area around Byker Wall due to burglaries and ASB.
- Moved youths on from Harriet Place for smoking cannabis. Youths names passed to Police.
- Attended walkabouts with Shipley Walk Tenants Association.
- Reported a violent disturbance in Priory Place. Spoke to resident and called Police.
- Reported incident of ASB to HASBET.
- Reported various issues to Envirocall and YHN with regards to cleansing and repairs required on the estate.

Incident Type	Byker BCT Request 4 service				Byker BCT Request 4 service March 15	Byker BCT Request 4 service March 15	Total Number of Tasks Received	Total Number of Incidents reported by Wardens
	Byker BCT January 15	Byker BCT February 15	Byker BCT February 15	Byker BCT February 15				
Cat 1 - Domestic Violence		1	1	1	1	2	4	2
Cat 2 - Verbal Abuse/Harassment							0	0
Cat 3 - Drugs			1	1		2	3	1
Cat 4 - Domestic Violence							0	0
Cat 5 - Other Physical Violence							0	0
Cat 6 - Noise							0	0
Cat 7 - Vandalism			1	2	1		2	2
Cat 8 - Alcohol Related Incidents	2						0	2
Cat 9 - Sex Acts			1				0	1
Cat 10 - Other Criminal Behaviour			1				0	1
Cat 11 - Animal Nuisance (inc dog foul)	2	2	3		1		2	6
Cat 12 - Nuisance from Vehicles	2					2	0	4
Cat 13 - Litter/Rubbish/Fly Tipping	3	1	8	1	7		2	18
Cat 14 - Graden Nuisance							0	0
Cat 15 - Misuse of Public Space (Loitering)	9	2	5	7	1	2	11	15
Cat 16 - General Issues, Eyes Wide Open			1				0	1
Cat 17 - Correspondence to Residents							0	0
Cat 18 - Visits to YHN/Byker Trust Offices	2					8	0	10
Cat 19 - Specified Campaigns / Projects						2	0	2
Cat 20 - Visit to Vulnerable Residents							0	0
Cat 21 - Dispute Resolution / Signposting							0	0
Cat 22 - Visit New Tenants							0	0
Cat 23 - Ad Hoc Community Tasks	5		5		7		0	17
Incidents in Housing Management Area	25	6	27	12	30	6	24	82
Referral to YHN	2		4		3			
Referral to Police			1		4			
Referral to Envirocall	3		6		9			
Referral to Misc	2				2			
New Tenants visited								
Accepted		6		12		6		
Rejected								
Referred								
Action Taken								
FPNs								
IRFs			1		1			
Patrols - AIO		2		7		5		
Self Tasking sheet								

4.3 Local Services

4.3.1 Summary of Envirocalls received from BCT area: January – March 2015.

Service Category	Total No. of Envirocalls	No. Closed	No. Not Closed	% Close at 20-04-15
Assisted Lift Scheme	38	38		100%
Bulky Collection	40	40		100%
Communal Street Bins	1	1		100%
Dog Fouling	6	2	4	33.3%
Drugs Litter	5	5		100%
Fly Tipping	51	35	16	68.6%
Graffiti	4	4		100%
Grassed Area/Verge	1	1		100%
Leaves	1	1		100%

Litter	22	15	7	68.2%
Missed Bins (Domestic)	43	43		100%
Pest Control	45	35	11	77.8%
Recycling	44	33	11	75.0%
Refuse Collection	25	19	6	76.0%
Shrubs & Bushes	2		2	0.0%
Spillage/Staining	2	2		100%
Street Furniture	2		2	0.0%
Trade Service Required	10	8	2	80.0%
Trees	17	8	9	47.1%
Weeds	1	1		100%
Wheeled Bin	59	38	21	64.4%
Grand Total	419	329	91	78.5%

4.4 Fly Tipping Reports

4.4.1 Fly tipping remains a challenge in the BCT area despite a weekly waste collection service. The table below details fly tip reports received and the city average.

Ward	2013-14	2014-15	Grand Total
Byker	630	662	1,292
City Average	220	299	519

4.4.3 In addition to the requests received through Envirocall, the dedicated RRT, comprising of Dan Thompson, Kyle Patten and David Sleightholme, enhance the services provided within the BCT area.

4.4.4 The dedicated team is able respond to issues and concerns raised by residents and officers within the BCT area. The team can then schedule their time to maintain areas of concern.

- 4.4.5
- Areas of activity include picking up fly tips and response to Envirocall requests.
 - The Rapid Response Team schedule zoned activities around the estate to ensure they are swept and cleaned. For example the perimeter is inspected every Monday and Thursday and Dunn Terrace inspected Tuesdays and Fridays.
 - During the months January – March the teams main tasks were to complete a winter tidy up programme.
 - The tasks consisted of removing the remaining leaf fall, removing any weeds and general cleansing of the estate.
 - The team have been working very closely to BCT's partners.
 - Balconies around the Shipley Rise area needed cleared so that Keepmoat could continue the upgrading of the estate.
 - Building work on Chirton House is almost complete and the team have been working around the surrounding area, clearing weeds, moss and also preparing the soil ready for planting.
 - Both apprentices have made huge progress since starting their apprenticeships. Kyle Patten has just recently achieved Level 2 in maths and English.
 - David Sleightholme has recently won Adult Apprentice of the Year after being nominated by Michelle Bell, Jim Forster and also his college lecturer.
 - David has recently achieved Level 1 in both maths and English. This is a huge personal achievement and also an achievement the whole team are proud of.

4.4.6 The team also supplement the Local Services team in this area. During the last quarter they have also assisted with;

4.4.7

	January 2015	February 2015	March 2015
Small fly tips	140	115	130
Medium fly tips	70	68	85
Large fly tips	56	61	70
Dumped fridges	3	2	6
Dumped TV	10	5	4
Graffiti removal	3	6	5
Sharps	0	2	38
Dog fouling	15	18	8

5. Local Services Comparative Data

5.1 The table below details comparative data from previous quarters of service requests within the BCT area received by Local Services teams;

5.1.1

Service Category	Q3	Q4	Q1	Q2	Q3
	2013/14	2013/14	2014/15	2014/15	2014/15
	Oct - Dec	Jan - Mar	Apr - Jun	July - Sept	Oct - Dec
Assisted Lift Scheme	14	28	21	22	17
Bulky Collection	24	27	30	116	31
Dead Animals	1	7	1	5	0
Dog Fouling	2	22	3	2	2
Drugs Litter	1	3	3	2	0
Fly Tipping	63	65	51	92	48
Garden Waste	0	0	2	1	2
Graffiti	17	19	16	25	9
Grassed Area/Verge	1	5	2	2	1
Gullies & Drains	1	6	3	18	3
Leaves	13	5	1	1	6
Litter	7	23	7	19	5
Litter Bins	2	2	2	3	0
Missed Bins (Dom)	29	34	47	60	13
Pest Control	31	47	93	133	47
Shrubs & Bushes	7	1	4	19	3
Spillage / Staining	0	1	2	4	3
Trees	10	18	20	28	16
Weeds	0	4	3	10	3

5.1.2 Local services are investigating options to incorporate rapid response information to combine for activity within the BCT area.

5.2 Pest Control

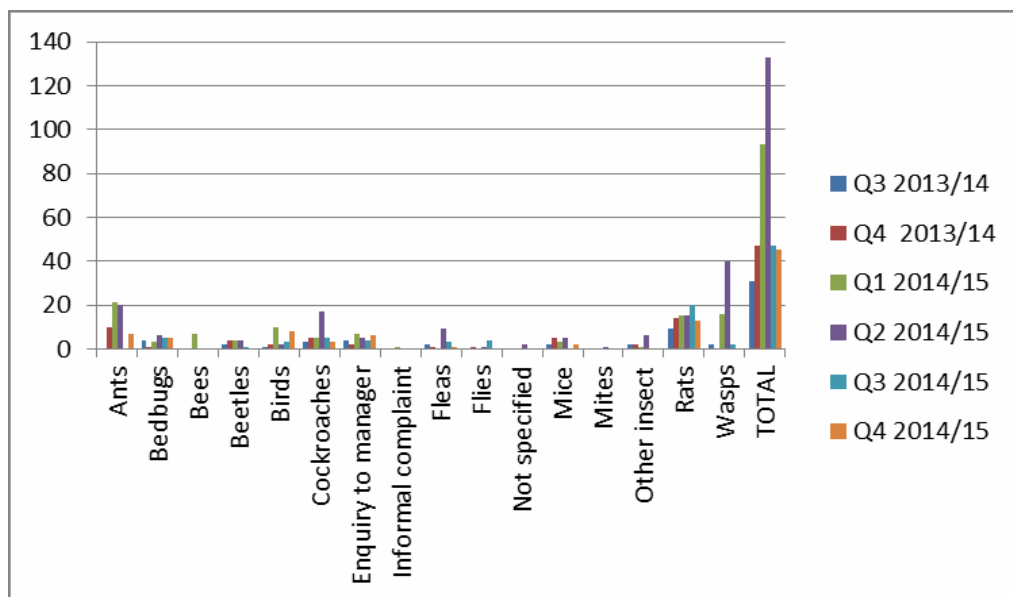
5.2.1 Pest Control services are also provided within the BCT area. The range of pests treated is quite wide and varied. The table below details Envirocall requests for respective service treatments.

5.2.2

	Q3 2013/14	Q4 2013/14	Q1 2014/15	Q2 2014/15	Q3 2014/15	Q4 2014/15
Ants	0	10	21	20	0	7
Bedbugs	4	1	3	6	5	5
Bees	0	0	7	0	0	0
Beetles	2	4	4	4	1	0
Birds	1	2	10	2	3	8
Cockroaches	3	5	5	17	5	3
Enquiry to manager	4	2	7	5	4	6
Informal complaint	0	0	1	0	0	0
Fleas	2	1	0	9	3	1
Flies	0	1	0	1	4	0
Not specified	0	0	0	2	0	0
Mice	2	5	3	5	0	2
Mites	0	0	0	1	0	0
Other insect	2	2	1	6	0	0
Rats	9	14	15	15	20	13
Wasps	2	0	16	40	2	0
TOTAL	31	47	93	133	47	45

5.3 Pest Control Requests

5.3.1



5.4 Grounds Maintenance

- 5.4.1 Last years grounds maintenance and shrub bed programme was undertaken in a consolidated format across the estate. This was carried out by deploying a large number of grounds maintenance staff in a short space of time.
- 5.4.2 The programme for 2014/15 has reverted to the original provision methods. Following a NCC service review in May 2014. The dedicated 3 member team work through the BCT area undertaking a programme of works.
- 5.4.3 This programme is detailed in map format and updates are forwarded to BCT regarding progress. This method of service provision will be undertaken in 2015/16.
- 5.4.4 Activity reports are provided to BCT highlighting the areas attended. Jim Forster (Operations Manager) meets bi-monthly with Michelle Bell to review service performance.

5.5 Grass Cutting

- 5.5.1 The grass cutting programme has commenced across the City on 23 March 2015. However there is no data available for the reported period.

6. **Background Papers**

- 6.1 Envirocall statistics, Highways and Local Services performance management information.

7. **Contact Officer**

- 7.1 If you have any questions about this report that you would like clarifying before the meeting, you can contact Peter Gray by telephone on 0191 211 5911 or email peter.gray@newcastle.gov.uk

Title: Your Homes Newcastle Annual Performance Report 2014/15

Executive Summary by: Jill Haley, Chief Executive

FOR INFORMATION

1. Recommendations

- 1.1 Board is recommended to:
- i. Review the report and comment on performance during the financial year 2014/15.
 - ii. Agree the final Key Performance Indicators and Targets which have been set for 2015/16 (attached at Appendix A).

2. Synopsis

- 2.1 This report from Your Homes Newcastle (YHN) details their overall annual performance against an agreed set of Key Performance Indicators set for 2014/15, as part of the Housing Management Contract provided to the Byker Community Trust (BCT) entered into in July 2012.

3. Background Information

- 3.1 YHN has an agreement with the BCT to provide Housing Management Services and report quarterly on Key Performance Indicators as set by Board.
- 3.2 Regular monthly meetings between the BCT and YHN Executive Teams are in place as part of the senior governance arrangements. As well as considering any performance issues the meetings are also used to identify collective opportunities to deliver BCT's medium and longer term objectives.

4. Contact Officer

- 4.1 If you have any questions about this report that you would like clarifying before the meeting, you can contact Jill Haley by telephone on 0191 290 3910 or email jill.haley@bykerct.co.uk

Byker Community Trust Board 30 April 2015

Title: YHN Performance Monitoring Year-end April 14 – March 15 and Performance Targets for 2015

Report By: Neil Scott, Director of Tenancy Services

FOR INFORMATION

1. Synopsis

1.1 This report sets out the targets that have been agreed by Byker Community Trust (BCT) Board for 2014-15 and YHN's performance against these targets at year end.

2. Background information

2.1 YHN has made a commitment to provide housing management and related services to the tenants of BCT. This commitment is outlined in the agreement between YHN and BCT. As part of this agreement, YHN supplies performance information on key performance indicators to BCT Board on a quarterly basis to monitor the services provided. The indicators for 2014-15 were agreed by BCT Board on 08 May 2014.

2.2 In addition to the quarterly performance reports, YHN provides regular performance information to BCT, and senior officers from both organisations meet regularly to discuss performance.

2.3 This report covers the final quarter of the financial year from January 2015 to March 2015 (Year-end) and the updated proposed targets for 2015-16 that were presented to March Board. The information is included in the following sections:

- Performance update (section three);
- Performance issues and concerns (section four);
- Welfare reform (section five); and
- Added value (section six).

3. Performance update

3.1 The table below summarises performance information at the end of March 2015 for each of the agreed targets.

3.1.1 Performance indicators are reported against targets using a red, amber, green or blue status.
























3.1.2 All targets that are reported as red or amber are discussed in more detail in section four.

3.2 At the end of the period there were:

- 13 targets reported as green, and
- 3 targets reported as red.

Performance	Description
Red	Not on target / not achieved
Amber	Close to target / likely to recover
Green	On target / target achieved
Blue	Information not available / unable to report / no activity to report on

3.2.1 Performance is reported by exception and more detailed information is given where indicators are falling behind the set target or experiencing a downward trend in performance.

	Target	Annual target (by 31 March 2015)	Year-end performance	Trend from quarter three	Year-end
1	Collect 97.8% of rent and service charges owed (excluding arrears brought forward and void rent loss) during 2014-15	97.8%	98.7%		
2	Maintain rent and service charge arrears of £413,197 by 31/03/2015	£413,197	£426,762		
3	The void rent and service charge loss amount not to exceed 1.78% by 31/03/2015	1.78%	1.05%		
4	Collect £27,887 from former tenant arrears accounts by 31/03/2015*	£27,887	£31,143		
5	Reduce the average total re-let time of BCT properties to 33 days by 31/03/2015	33 days	31.5 days		
6	Complete 99.5% of emergency repairs within target timescale during 2014-15	99.5%	End of Feb 99.84%		
7	Complete 99% of urgent repairs within target timescale during 2014-15	99%	End of Feb 99.33%		
8	Complete 99% of routine repairs within target timescale during 2014-15	99%	End of Feb 99.76%		
9	100% of properties have a valid Gas Safety Certificate at 31/03/2015	100%	End of Feb 100%		
10	94% of customers are satisfied with the Repairs and Maintenance Service during 2014-15	94%	End of Feb 99.81%		
11	98% of repairs are carried out at the first visit during 2014-15	98%	End of Feb 100%		
12	95% of customers are satisfied with the external	95%	90%		

	investment works carried out to their home during 2014-15				
13	95% of properties scheduled to have investment work during 2014-15 to be completed within agreed timescale	95%	100%		
14	Properties handed back to YHN from the contractor have an average defect score of 9.5 out of 10 when first handed over during 2014-15	9.5	10		
15	The average number of days taken to complete an investigation of anti-social behaviour cases not to exceed 48 days by 31/03/2015	48 days	29 days		
16	All eight neighbourhood areas of Byker to achieve at least a silver level in their 2014-15 Going for Gold estate inspection	8 estates	5 estates		

* While the cash collection target for former tenant arrears (FTA) has been exceeded, this does not reflect a decrease in the overall FTA balance. The table below shows how the balance of FTA has changed during the year.

FTA balance 1/04/2014	FTA balance 31/03/2015	Amount transfer to FTA	FTA collection	FTA increase
£246,337	£343,866	£128,672	£31,143	£97,529

4. Performance issues and concerns

4.1 Red targets

This section provides an explanation of performance targets that are not on target.

4.2 Maintain rent and service charge arrears

4.2.1 **Year-end target: £413,197** **Year-end actual: £426,762**

4.2.2 At year-end we have seen a slight increase in arrears of £13,565 since the start of the financial year. In this quarter we have seen the arrears reduce further again since quarter three. This is due to the work under-taken by our income recovery team detailed below and the impact of the non-charging week at the end of the financial year on 6 April. In this week there is no rent debit raised, but tenants can continue to make payments towards their rent account. When we then factor in the housing benefit payment that arrived in the week, we can see there has been a substantial drop in arrears.

4.2.3 Income recovery team

There are three specialist income recovery officers dedicated to collecting rent owed and reducing arrears in Byker.

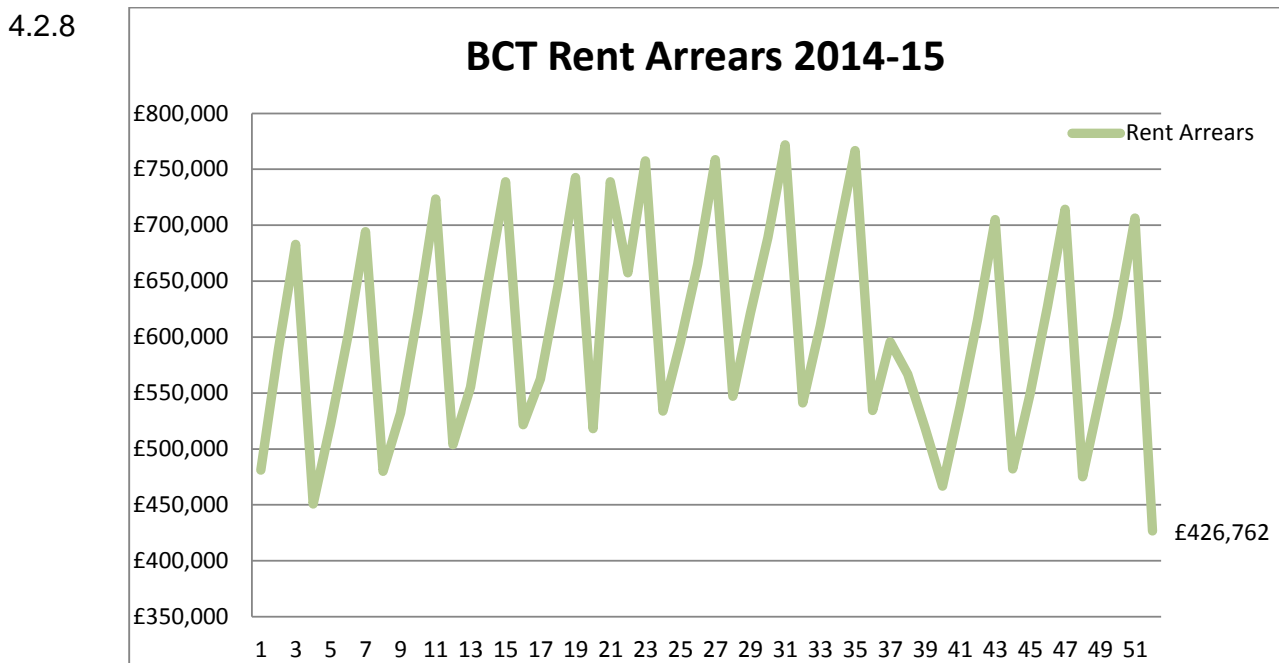
4.2.4 During quarter three the income team undertook specialist negotiation skills training and has continued to successfully embed these skills during quarter four. The team promote a payment culture where officers proactively ask tenants in arrears to make a payment at every contact and encourage tenants to pay rent by direct debit. The impact of the training and approach to income collection can be seen in the increasing number of telephone payments processed by the team, as detailed below.

4.2.5

Period	Telephone payments taken	Total value of payments
Quarter one	35	£3,244
Quarter two	116	£22,645
Quarter three	187	£28,500
Quarter four	223	£35,573

4.2.6 The Rentsense arrears software has been operating since December 2014, and uses a predictive method based on payment patterns to identify accounts in arrears earlier in the process. In early March we re-launched Call2Collect, an automated telephone dialling system which calls tenants in arrears with a personalised message giving them the option to transfer and speak to an officer. These systems increase Income Recovery Officers time to spend time on tenancy sustainment work. There was additional work undertaken to contact tenants with rent arrears arrangements to ensure that they continued to pay during the non-charging week at the end of the financial year.

4.2.7 The rent arrears target is interlinked with the collection rate target. The improvement in collection rate during the year has been reflected in the slowing of the increase in arrears during quarter two and a subsequent reduction in arrears in quarters three and four. This is shown in the graph on the following page.



4.2.9 While we have achieved the income collection target of 97.8% at year-end, the ongoing work detailed above will support keeping the collection rate high and arrears at a low level.

4.3 **95% of customers are satisfied with the external investment works carried out to their home during 2014-15**

Target: 95%

Actual: 90%

4.3.1 There were no satisfaction figures to report for quarter four as there were no schemes completed during the quarter. The overall year-end satisfaction has not been achieved for this target.

4.3.2 We reported in quarter two and quarter three some of the issues that were affecting satisfaction with the external investment works. Some of the reasons for the dissatisfaction were as a result of the English Heritage and planning requirements of the estate. In quarter two, a post-project review was held on the painting programme to date to understand some of the reason for dissatisfaction.

4.3.3 The review highlighted a number of improvement measures that we could put in place for future programmes. The measures were outlined in the quarter two report and have been implemented in the subsequent programmes of work.

4.3.4 These measures have been implemented now and have improved customer satisfaction with how the investments are carried out and the communication with customers.

4.4 **All eight neighbourhood areas of Byker to achieve at least a silver level in their 2014-15 Going for Gold estate inspection**

Target: Eight estates

Actual: Five estates

4.4.1 All the inspections of the eight neighbourhood areas of Byker took place in quarter two. The inspections were carried out by tenant inspectors assisted by members of the environmental services team. Of the eight estates inspected five of the estates achieved the silver level and three estates did not.

4.4.2 The improvements that were identified from the estates inspections and the follow up work that was undertaken was reported in the quarters two and three performance report.

5. Welfare reform

5.1 The impact of welfare reform continues to be an area of concern. This section provides an update on the current issues affecting tenants and how we are working towards minimising the impact for affected tenants.

5.1.1 Under occupation and benefit cap

Newcastle City Council's revenue and benefits service provides YHN with regular information about BCT tenants who are subject to the under occupation charge and the benefit cap. The following information was correct at the end of quarter three:

- 189 BCT tenants are currently subject to the under occupation charge;
- 170 (90%) of the 189 tenants are in rent arrears
- 30 of the 189 tenants are receiving a reduction of 25% from their housing benefit (average of £24.12 per week);
- 161 of the 189 tenants are receiving a reduction of 14% from their housing benefit (average of £13.41 per week),
- The total housing benefit loss over the quarter was £40,411, and
- The total housing benefit loss over the year was £142,351.

- 5.1.2 When we compare this position to the year-end position in 2013/14 we can see there is a reduction the number of tenancies that are now under occupying and the overall level of arrears. Of those tenancies that are under occupying, the majority are in rent arrears. The table does show that for those tenancies that remain in arrears, we are seeing a small rise in the average level of arrears on those tenancies.

	Year-end 2013/14	Year-end 2014/15
Number of tenancies under occupying	216 tenancies	189 tenancies
Number of tenancies in arrears	186 tenancies	170 tenancies
Level of arrears on tenancies which are under occupying	£105,367	£101,083
Average level of arrears per tenancy	£566	£595

- 5.1.3 There are eight BCT tenants who are currently subject to the benefit cap. Of those eight, six are currently in arrears. The average arrears for those tenants are £709.
- 5.1.4 Where appropriate, these tenants are being referred to support services within YHN or signposted to external agencies who can provide them with further support either with their rent, employability or rehousing.

5.2 Discretionary housing payments (DHP)

At the end of the financial year we have made 96 successful DHP claims on behalf of BCT tenants. The value of these claims totaled £55,417. The average claim value awarded was £577.

6. **Added value**

- 6.1 This section of the report provides BCT with information on the additional activities YHN carries out on behalf of BCT.

6.1.1 Employability activity

The BCT tenant who was recruited into our assets and regeneration team in November has continued to develop her skills on her Your Homes Your Jobs placement. She has also engaged fully with the support that is available to all Your Homes Your Jobs trainees, including attending job clubs and mock interviews. This support, along with the experience that she has had working at YHN, has resulted in the tenant securing a permanent job working for Careline Homecare. She starts training for her new role in April 2015.

- 6.1.2 The employability team has recruited our next intake of Community Environmental Assistants (CEA's) and they are due to start in post in May. All successful candidates completed a three week pre-employment course in March that will enable them to develop a range of skills relevant to the role. Two of the CEA's will be based at Tom Collins House and Mount Pleasant in Byker and will be working in and around the Byker area.

6.2 Customer involvement activities

BCT and YHN tenants were invited to attend a job fair on 10 February, with 22 employers in attendance including Greggs, Sainsbury's, Keepmoat and Northumbria Police. The

event was attended by three residents from Byker. The residents who attended received information from each employer and worked with members of the customer involvement and employability teams to discuss any barriers they had to employment and help YHN could give in assisting the customers find employment.

- 6.2.1 The customer involvement team worked with BCT officers to deliver a community participatory budgeting event on 18 February 2015.
- 6.2.2 The event involved engaging with community groups to design and develop a range of projects for the community to decide on how a £20,000 budget should be spent. There was a range of projects for the residents to vote on from youth groups, family activities, art projects and sporting activities.
- 6.2.3 The event was attended by 124 BCT residents with 13 community groups accessing the funding.

6.3 Communications

The communications team has provided support to the BCT in relation to their printed materials during quarter four.

- 6.3.1 The team worked with BCT customer involvement and YHN's customer involvement team to produce and print a flyer and poster promoting the Byker Community Activities Fund event.
- 6.3.2 The team was also involved in the production of the spring newsletter, working with BCT to produce, print and deliver this.
- 6.3.3 This involved working with BCT, their PR agency and other partner organisations, including Northumbria Police, Armed Forces and Veterans Launchpad and football in the community project Hat-Trick to ensure all partners were happy with the content of the newsletter.
- 6.3.4 YHN communications team continue to support the BCT via social media, by retweeting and sharing relevant content on Twitter and Facebook regularly.

6.4 Housing

The housing and anti-social behaviour team (HASBET) and the Byker neighbourhood policing team undertook joint work in Byker during quarter four. Members of the HASBET team spent one Friday night in January patrolling the Byker Estate with officers from the Byker neighbourhood police team.

- 6.4.1 The officers spent time visiting ASB hot spots and speaking to residents on the estate about the work being undertaken to deal with ASB. This joint work between the services was well received by residents and was to be repeated on 15 and 16 April 2015 along with members of tenancy and estate management staff.

6.5 Repairs and maintenance

The repairs and maintenance (excluding district heating) spend for 2014-15 has come in under budget for the year. The total spend was £58,293 under the allocated budget for repairs and maintenance.

7. Contact officer

7.1 If you have any queries about this report on you can contact Neil Scott, Director of Tenancy Services by telephone 0191 278 8711 or email neil.scott@yhn.org.uk.

Appendix A

Performance Area	2015-16 target description
Customers	Number of complaints received Number of complaints escalated to BCT for response <u>Report as an indicator and not a target for 2015-16</u>
Customers	All eight neighbourhood areas of Byker to achieve at least a silver level in their 2015-16 Going for Gold estate inspection. <u>Report as an indicator and not a target</u>
Repairs & Maintenance and Investment Programme	100% of properties to have a valid Gas Safety Certificate during 2015-16.
Repairs & Maintenance and Investment Programme	98% of repairs are carried out at the first visit during 2014-15.
Repairs & Maintenance and Investment Programme	Average number of calendar days to complete repairs (all timescales) not to exceed 5 days during 2015-16.
Repairs & Maintenance and Investment Programme	99% of all repairs to be completed with target timescale.
Repairs & Maintenance and Investment Programme	95% of customers are satisfied with the Repairs and Maintenance service during 2014-15.
Repairs & Maintenance and Investment Programme	90% of customer satisfied with external investment works carried out to their homes during 2015-16. <ul style="list-style-type: none"> • Propose to collect satisfaction on: • Byker Wall works • External painting • Will not include district and group heating work to roads and sub stations.
Repairs & Maintenance and Investment Programme	88% of customer to be satisfied with internal investment work carried out to their homes during 2015-16. <ul style="list-style-type: none"> • Will include: • Concierge upgrade, • District heating works in homes (heating controls), • Omit programme.
Voids	Average re-let time for 'standard voids' not to exceed 25 days by 31/03/2016. Description/calculation method <ul style="list-style-type: none"> • Standard voids are measured from tenancy end and tenancy start date. Any voids requiring major repair work are excluded from the calculation.
Voids	Average cost of void works on standard relets. Report as an indicator and not a target
Voids	The void rent and service charge loss amount not to exceed 0.9%

Appendix A

<p>Voids</p>	<p>Report as an indicator and not a target To reduce number of terminations by 1% (From year end position) within BCT stock during 2015-16. All terminations, excluding succession, furnished/unfurnished and direct exchange.</p>
<p>Rent and service charges</p>	<p>Collect 98.6% of rent and service charges due from current and former tenants (excluding arrears brought forward and void rent loss) by 31/03/2016.</p>
<p>Rent and service charges</p>	<p>Former tenants rent and service charge arrears not to exceed £431,497 by 31/03/16</p>
<p>Anti-social behaviour</p>	<p>To achieve 95% case resolution on ASB case during 2015-16. Housemark: Measure is on closed and unresolved cases.</p>

Board 30 April 2015

Title: Homes and Communities Agency National Standard Self-Assessment

Report By: Jill Haley, Chief Executive

FOR INFORMATION

Business Implications	
Risk	<ul style="list-style-type: none"> Monitoring how we deliver against the National Standards assists the BCT to moderate any potential reputational risk and also ensures that we adhere to the guidance contained within the Regulatory Framework.
Financial and Value for Money	<ul style="list-style-type: none"> Monitoring the services provided ensures that we provide products which residents want, rather than wasting money on services that they do not want.
People/Consultation	<ul style="list-style-type: none"> By working closely with residents, stakeholders and communities we can establish what their priorities are, whilst also giving all residents the opportunity to have their voice heard.
Equality and Diversity	<ul style="list-style-type: none"> Byker has a very diverse community and by reaching out to all residents we can engage with those whose characteristics are detailed in the Equality Act.
Environment Implications	<ul style="list-style-type: none"> Working closely with residents and stakeholders will ensure that we provide environments where our residents are proud to live and others aspire to live in. Supporting, protecting and engaging with residents will result in a safer, better and more cohesive neighbourhood environment. Providing a more sustainable living environment which will enhance BCT's future business.
Contractor Implications	<ul style="list-style-type: none"> We expect all our contractors to live by the BCT's Mission, Vision and Values. By working with residents we can monitor and understand if contractors are meeting these standards and can influence the future delivery of BCT services.

1. Recommendations

1.1 The Board are recommended to note the content of this report.

2. Background

2.1 All Registered Providers (RPs) are subject to the Regulatory Framework, set out by the Homes and Community Agency (HCA) and must meet all the applicable Regulatory Standards.

2.2 The National Standards are classified as either Economic or Consumer Standards.

2.3 Economic Standards

- Value for Money
- Governance and Financial Viability
- Rent

Consumer Standards

- Home
- Tenancy
- Neighbourhood and Community
- Tenant Involvement and Empowerment

2.4 The three Economic Standards have been slightly amended and new ones effective from 01 April 2015.

- 2.5 The Economic Standards are monitored by the HCA and RPs are expected to monitor their own performance against the Consumer Standards.
- 2.6 Board have responsibility for seeking appropriate assurance that all of these standards are being met.

3. Self-Assessment 2015

- 3.1 The Executive Team have completed a self-assessment against all of the National Standards to identify any gaps and/or weaknesses which BCT may have.
- 3.2 Where gaps and/or weaknesses have been identified an appropriate action has been proposed which when completed will ensure future compliance with the appropriate National Standard.
- 3.3 Following this analysis, a summary of BCT's compliance for both the Economic and Consumer Standard was prepared and set out in Appendix A.
- 3.4 A list of all the proposed actions required to ensure future compliance with the appropriate National Standard has also been prepared and set out in Appendix A.

4. Next Stages

- 4.1 The proposed actions detailed in Appendix A will be monitored within the Corporate Plan Action Plan 2015/16 (to be presented to Board in June).
- 4.2 A self-assessment against the National Standards will be carried out and reported to Board annually, in order to provide reassurance that BCT is compliant.

5. Background Papers

- 5.1 Regulatory Standards - April 2015
- 5.2 Regulatory Framework Requirements - April 2015

6. Contact Officer

- 6.1 If you have any questions about this report that you would like clarifying before the meeting, please contact Jill Haley by telephone on 0191 290 3910 or email jill.haley@bykerct.co.uk.

Appendix A

Summary of BCT's Compliance

Economic Standards

National Standard	Required Outcomes	Specific Expectations	Specific Expectations met	Specific Expectations not met
Value for Money	1	7	5	2
Governance & Financial Viability	7	24	24	0
Rent	1	13	13	0

Consumer Standards

National Standard	Required Outcomes	Specific Expectations	Specific Expectations met	Specific Expectations not met
Home	5	3	2	1
Neighbourhood & Communities	3	10	10	0
Tenancy	7	30	30	0
Tenant Involvement & Empowerment	10	17	16	1

Appendix A

Actions List

Economic Standards

- Value for Money Standard

Specific Expectation	Action to be taken/ Local Offer
Understand the return on its assets, and have a strategy for optimising the future returns on assets – including rigorous appraisal of all potential options for improving value for money including the potential benefits in alternative delivery models - measured against the organisation's purpose and objectives	Continue development of Asset Management Strategy. Implement NPV calculations methodology. Update decision making arrangements to include options appraisal including returns on assets for each option. Develop ongoing action plan to optimise future returns on assets.
Enable stakeholders to understand the return on assets measured against the organisation's objectives	Continue development of a clear and transparent AMS and publish this. Implement Net Present Value calculations methodology. Develop ongoing action plan to optimise future returns on assets.

- Governance and Financial Viability Standard: Fully Compliant
- Rent Standard: Fully Compliant

Consumer Standards

- Home Standard

Specific Expectation	Action to be taken/ Local Offer
Registered providers may agree with the regulator a period of non-compliance with the Decent Homes Standard, where this is reasonable. Providers shall ensure their tenants are aware of the reasons for any period of non-compliance, their plan to achieve compliance and then report on progress delivering this plan.	At transfer 188 tenants omitted from the Modern Homes Programme. To date 19 properties have been completed in a capital contract with 55 completed as voids. A second contract is planned for 2015 to target the 114 outstanding omits, with all voids checked for decency compliance.

- Neighbourhood and Community Standard: Fully Compliant
- Tenancy Standard: Fully Compliant
- Tenant Involvement and Empowerment Standard

Specific Expectation	Action to be taken/ Local Offer
2.24: Registered providers shall consult tenants at least once every three years on the best way of involving tenants in the governance and scrutiny of the organisation's housing management service.	Proposed to carry this out as part of the evaluation of the Annual Report to Tenants 2015.