

ST LEGER HOMES OF DONCASTER LIMITED (the “Company”)

COMPANY NUMBER 5564649

FIRST BOARD MEETING

Held on 29 September 2005

The meeting started at 8.30 am.

1 Apologies and Quorum

Apologies had been received from Paul Coddington, John Young and Charles Wyatt.

It was noted that the Board was made up of the Board Members who had signed the Form 10 submitted to Companies House. The quorum for the meeting was four Board Members and it was noted that a quorum was present.

2 Company Membership and Board Membership

2.1 Membership

The meeting was reminded that Doncaster Borough Council was the first (and only) Member of the Company having signed the Memorandum and Articles of Association submitted to Companies House.

2.2 First Board Members

It was noted that Margaret Ward, Paul Coddington, Joe Blackham, Stuart Hardy, George Beck, Lyn Ralph, Valerie Hartley, Sidney Hall, Charles Wyatt, James Parkin, John Young, Peter Chapman, Gillian Taylor and Katherine Radovanovic were the first Board Members of the Company, having signed the necessary form, Form 10, submitted to Companies House.

2.3 Council Board Members

It was noted that the First Council Board Members were Margaret Ward, Paul Coddington, Joe Blackham, Stuart Hardy and George Beck having signed the Form 10 submitted to Companies House.

2.4 Tenant Board Members

It was noted that Lynn Ralph, Valerie Hartley, Sidney Hall, Charles Wyatt and James Parkin were appointed as the First Tenant Board Members having signed the Form 10 submitted to Companies House.

2.5 Independent Board Members

It was noted that John Young, Peter Chapman, Gillian Taylor and Katherine Radovanovic were appointed as Independent Board Members having signed the Form 10 submitted to Companies House.

3 Selection of Chair and Vice-Chair(s)

It was agreed by the Board that Peter Chapman preside as Chair and that Lyn Ralph and Joe Blackham preside as Vice-Chairs.

4 Declaration of Interests

4.1 The Board Members were reminded of their obligation to declare any interest they have in matters, which may arise during Board meetings, and of the need to follow the procedure set out in Article 29.

4.2 It was recommended that on appointment, Board Members complete a Declaration of Interest form in relation to any ongoing interests they may have and that they also regularly update it. It was noted that such a form had been sent to every Board Member and forms for all of the Board Members had been returned.

4.3 It was also recommended that Declarations of Interest be included as an item on the agenda at each Board meeting so that Board Members can remind fellow Board Members of any interests which he/she may have in regard to specific items under discussion.

4.4 The Council Board Members present were noted as declaring their interests in matters relating to Doncaster Borough Council. The Tenant Board Members present declared their interests as Tenants (as defined in the Memorandum and Articles of Association) of Doncaster Borough Council.

4.5 It was recommended that the Council Board Members and Tenant Board Members not present declared their interests in matters relating to Doncaster Borough Council and as Tenants respectively at the next Board Meeting.

4.6 The Company Secretary was instructed to prepare a register of interests from the declarations made by Board Members and circulate a copy to all Board Members.

5 Incorporation of the Company

It was reported that St Leger Homes of Doncaster Limited had been incorporated on 15th September 2005 under company registration number 5564649.

6 Memorandum and Articles of Association

A copy of the Memorandum and Articles of Association was distributed to each new Board Member. It was noted that a copy would also be kept with the company's records at its registered office.

7 Registered Office

It was noted that the registered office of the company was Council House, 11th Floor, PO BOX 117 College Road Doncaster DN1 3SZ being the address on Form 10, submitted to Companies House. The Board was reminded that its stationery must include various information about the Company including the details of its registered office.

8 Confirming Company Secretary

The Board was reminded that Martin Musgrave had signed the paperwork to become the first Company Secretary.

9 Statutory Books

The Statutory Books contain the key details about the Company, including those of its Member and Board Members. These must be kept at the registered office of the company. The Board Members were reminded of the legal obligations and the time constraints (15 days deadline) to file changes of any details at Companies House e.g. the details of new Board Members or the change of address of existing Board Members. Accordingly, any such changes should be reported to the Company Secretary as soon as possible. Details of any changes must be reported to the Company Secretary who will then update the Statutory Books and be responsible for their safe keeping at the registered office.

10 Declarations of Acceptance of Responsibilities and Code of Conduct

It was noted that the Board had agreed to comply with the Code of Conduct for Board Members and sign a declaration of acceptance of responsibilities, copies of which had been circulated and explained to all Board Members.

11 Accounting Reference Date

As the Company was registered in September 2005, its accounting reference date is currently 30 September, being the end of the month in which the Company was registered with Companies House.

IT WAS RESOLVED THAT the accounting reference date be changed to 31st March.

12 Company Seal

It was agreed that the Company would not adopt a company seal.

13 Ratifying Decisions made prior to the Registration of the Company by the Shadow Board

The Board was asked to consider the decisions made at the past Shadow Board meetings and to ratify decisions which had been made by the Shadow Board.

IT WAS RESOLVED THAT the Board ratifies all of the decisions of the Shadow Board as recorded in the minutes of its Shadow Board Meetings.

14 **Management Agreement**

It was noted that a copy of the Management Agreement has previously been distributed to each new Board Member.

Nick MacKenzie of Anthony Collins Solicitors LLP gave a short presentation on the Management Agreement to deal with some issues that could not be dealt with at the shadow Board meeting on 27th April 2005. The presentation covered the following:

- clause 9 – This clause has been amended to recognise that the Council will be responsible for best value reviews;
- clause 10 - performance indicators which SLHD will be measured by the Council is listed in the schedule of the Management Agreement;
- clause 15 - the Company undertakes tenant consultation in relation to all landlord issues, however, the Council will remain responsible for consultation on non related landlord matters;
- clause 5.2 - tenant involvement on service provision will be the responsibility of SLHD;
- clause 54 – SLHD will use any surplus in accordance with the Delivery Plan and as set out in the Management Agreement;
- clause 63 – The Council can vary the services provided by SLHD. Variations to the Services and the right of the Company to object where this relates to the fundamental nature is set out in the liaison procedure and dispute resolution procedure;
- clauses 67 & 68 – the difference between the liaison procedure and the dispute resolution procedure; and
- clause 28 - intellectual property rights, the Council will allow IPR to SLHD, for its use in delivering services. If the Management Agreement is terminated, the IPR reverts back to the Council.

Nick MacKenzie then explained what information would be set out in each of the schedules and annexes to the Management Agreement.

Nick MacKenzie explained that the information set out in the Sixth Schedule, which detailed the financial arrangements and in particular the calculation of the Management Fee, could be made clearer. Unfortunately, it appeared that no further work had been done on the schedule since Anthony Collins Solicitors commented on it in August 2005. As a result of the lack of clarity in the financial

arrangements Nick MacKenzie advised the Board that there was a risk in proceeding with the current draft of the Sixth Schedule. It was a decision for the Board whether to proceed and sign the Management Agreement with the Sixth Schedule as drafted.

Officers confirmed that they were expecting a payment of £17 million from Doncaster Borough Council shortly after the Management Agreement was signed. This payment representing the Management Fee from 1st October 2005 until the end of the financial year. The Board were informed that this figure did not include capital expenditure but represented the fee payable to the Company for providing the services to Doncaster Borough Council.

It was agreed that the current draft of the Sixth Schedule should be inserted into the Management Agreement to be signed and that Martin Musgrave should work with officers to negotiate amendments to the Sixth Schedule with Doncaster Borough Council as soon as possible in order to give greater clarity to the financial arrangements by adopting a more formulaic approach to the calculation of the Management Fee and by specifically mentioning the pension deficit.

IT WAS RESOLVED THAT the Company should enter into the Management Agreement with the Council and that any two Board Members be authorised to sign the Management Agreement on behalf of the Company.

15 **Any Other Business**

15.1 Staff Realignment Proposals

Following the presentation by Keith Miller on 28 September 2005, the Board felt it was necessary to expediate action to ensure that the Chief Executive had the necessary authority to address the proposals outlined in the report.

The Board AGREED to the proposals outlined in the report and AGREED that the Chief Executive will contact the Recruitment Consultants, Rockpools to prepare for the recruitment process.

It was also AGREED that the recruitment panel for the Directors appointments would comprise of Chief Executive; Chair; and a representative from each of the three constituent groups represented on the Board.

An up to date report will be submitted for Board approval on 6 October 2005. Immediately following the Board meeting of 6 October, the recruitment process will commence. It is expected that appointments will be made sometime in November.

15.2 Accommodation Proposal

A discussion took place 28 September 2005, where a detailed proposal was presented to the Board on the options considered, and the recommendations to the Board on the best solution, which is also affordable to acquire as Headquarters for SLHD.

The Board AGREED to delegate authority to the Chief Executive to proceed on negotiations with the landlord of Enterprise House and 20-30 Thorne Road, and to enter in to a lease arrangement on satisfactory heads of terms.

The Chief Executive AGREED to report progress at the next Board meeting.

- 15.3 A discussion took place on the external meetings which some board members currently attend. It was important to note that attendance at these meetings by members would be perceived by attendees as board members representing St Leger Homes of Doncaster.
 - 15.4 Discussed attendance at other meetings in varying capacities, e.g. Standing Joint Committee, Doncaster Strategic Housing Partnership. This could possibly be perceived as a conflict of interests. With the Board's permission, members of the SJC should attend one or two more meetings and then stand down. We should respond at external meetings on questions regarding St Leger Homes of Doncaster, by promoting SLHD. There was a need for board members to spread the positive work of SLHD, but be mindful of disclosing commercially sensitive information.
 - 15.5 List all meetings being attended by Board Members at each meeting as a standing item. Write up benchmarking guide for members information/guidance.
- 16 The next meeting is to be held at the Mount Pleasant Hotel at 6:00pm, followed by a celebratory launch dinner.

CHAIR

Signed as true and accurate record of the meeting held on 29 September 2005.

Dated: