



HOOPLE BOARD

Minutes of a meeting of the Board of Directors of Hoople Ltd held in the Kington Room at Plough Lane, Hereford, on Monday 17 September 2018 at 10.00am

Board Members present:

Andrew Cottom (AC)	Chairman and Non-Executive Director - Wye Valley NHS Trust
Harry Bramer (HB)	Non-Executive Director – Herefordshire Council
Richard Ball (RB)	Non-Executive Director – Herefordshire Council

Officers Supporting the Board:

Nick Mather (NM)	Chief Operating Officer
Audrey Clements (AEC)	Head of Management Accounting, Herefordshire Council
Liz Chandler (LC)	Company Secretary Support / Minute Taker
Andrew Lovegrove (AL)	Chief Finance Officer and S151 Officer – Herefordshire Council (Item 3 & 4)
Josie Rushgrove (JR)	Head of Corporate Finance (Item 6 only) – Herefordshire Council
Andy Wood (AW)	Bishop Fleming (Item 3 only)
Issy Cook (IC)	Bishop Fleming (Item 3 only)

1. Apologies

- 1.1 Apologies received from David Warden.

2. Declarations of Interest

- 2.1 None of the directors present declared an interest in the matters to be considered at the meeting.

3. Financial Statements 2017/18, Audit Management Letter and Annual Letter of Representation.

- 3.1 The board welcomed Bishop Fleming auditors, AW and IC, to the meeting.
- 3.2 AW advised the board the financial statements had been reviewed and some revisions had been fed back to the team last week, none of the revisions required any significant changes.



- 3.3 AW sought confirmation from the board in terms of general trading and the status of the 2019 service level agreements with Herefordshire Council (HC). RB confirmed in terms of HC SLA for 2018/19, the Cabinet Member approved the SLA on Friday and the decision was currently in the call off period. RB expected the approval to be confirmed. RB also advised a cabinet decision was made to continue for the foreseeable future and informed AW that a letter has been drafted from HC which indicates HC support to continue with Hoople. AW thanked RB for clarifying.
- 3.4 In relation to the HC contract AL added that the four year Medium Term Financial Strategy, agreed in January, maintained the status quo of previous years and HC has no aspirations to change the model.
- 3.5 IC offered help and advice could be provided by Bishop Fleming on pension reporting when the flow through agreement for pension transfer has been made.
- 3.6 IC advised the board there were no risks identified during the audit when reviewing the management override of controls.
- 3.7 IC reported that bulk purchases of IT equipment were not capitalised as the individual items were below the capitalisation limit. The board agreed this approach and asked AEC to reconsider the policy for future years.
Action: AEC
- 3.8 AW advised the board to review on a regular basis teckal compliance. AEC confirmed the calculation is repeated regularly.
- 3.9 The board approved the letter of representation and financial statements, subject to final minor amendments being made.
- 3.10 The board wished to pass on their thanks to the team for the smooth and efficient processing of the year-end.

4. Minutes, Action Sheet and Matters Arising

- 4.1 The board approved the minutes of the board meeting held on 14 June 2018.
- 4.2 The board noted the progress with the actions arising from previous meetings.



- 4.3 AL provided an update on the pension position informing that HC had produced group accounts which included Hoople and the pension liability is listed on the group balance sheet. AL advised that a flow through agreement is being drafted by the HC legal team and this agreement will effect the transfer of the pension deficit from Hoople to HC in line with previous commitments and the group accounts.
- 4.4 HB raised concerns on the timescale to complete the process, explaining that the current liability appears detrimental for Hoople when tendering for new business. AL confirmed he is working to the timescale of having it completed by the end of March though AL noted the desire to complete the transfer as early as possible.
- 4.5 HB suggested a note is included in the accounts for 2017/18 regarding the commitment from HC. RB offered an exchange of letters between HC and Hoople and AL indicated that the note should refer to the group accounts. AEC will discuss this with Bishop Fleming.
Action: AEC
- 4.6 The Chairman sought assurance on the timeframe and whether there is a risk the pension could not be resolved within the next 6 months. AL responded the only risk he could currently foresee was a legislation change but felt that this was unlikely.
- 4.7 The Chairman thanked Andrew Lovegrove for attending and providing an update on the pension situation.

5. Finance and Business Update

- 5.1 The board noted the finance and business update report including the 2018/19 outturn position, the progress to date made by the business and the key issues and risks.
- 5.2 NM reported there are currently a number of business opportunities being explored, these opportunities are in their very early stages.
- 5.3 The board noted the Finance and Business update report presented by the COO.

6. Universal Credit

- 6.1 JR provided an update to the board on the practical implications of the roll out of Universal Credit to Herefordshire residents.
- 6.2 JR informed the service went live in Herefordshire in June 2018 and all claimants will move to Universal Credit by 2023.
- 6.3 There are currently 120 housing benefit claimants receiving Universal Credit in Herefordshire.



- 6.4 It was noted that the housing benefit team process approximately 13,000 claims per annum and this is expected to reduce by half by 2023. Half of current claimants are pensioners.
- 6.5 Since the introduction of Universal Credit the team has seen an increase in enhanced housing benefit claims. To address this increase a restructure of the team is underway and generic posts will be introduced in order to increase flexibility in the way in which work is managed.
- 6.6 The board thanked JR for attending and noted the progress.

7. Employee Opinion Survey Action Plan

- 7.1 The board reviewed and discussed the contents of the report and action plan.

8. Herefordshire Council Partnership Framework

- 8.1 RB asked the board to consider the publication of board minutes. RB advised the publication of the minutes would aid transparency in decision making in line with the Herefordshire Council Partnership Framework. Any publication would not include commercially sensitive or confidential information.
- 8.2 RB also proposed to the board that Hoople approve to sharing management accounts with HC Chief Finance Officer.
- 8.3 Following a discussion the board agreed to the publication of the board minutes and approval of the minutes for publication is to be sought from the Chairman and Chief Operating Officer. It was agreed that the minutes for publication should be made available within approximately 2 weeks of the meeting.

Action: LC

9. Budget and Business Planning Process 2019-20

- 9.1 The board acknowledged the budget and business planning process.

10. Scheme of Delegation

- 10.1 The scheme of delegation included minor changes to the board membership following the appointment of Richard Ball and changes to the authorisation limits.



- 10.2 RB advised he is in the process of setting a new directorate and will be appointing a replacement commissioner who will attend future board meetings for HC as an observer. RB will advise when this appointment has been made.

Action: RB

- 10.3 The board approved the proposed amendments for subsequent agreement by the shareholders.

Action: LC

11. Chair of the Board

- 11.1 The current term of office concludes in October, and it was agreed to appoint HB for a period of twelve months commencing 1st November as the new Chairman.

12. Forward Plan

- 12.1 The board members noted the forward plan.

13. Any other Business

➤ Communication and Announcements

- 13.1 No communications and announcements were made.