



**nsw Federation of
Housing Associations inc**

ABN 86 488 945 663

Minutes Board of Directors Meeting Held 13th October 2006

Meeting opened: 9:10 am

Welcome

Present: Karen Andrew, Bobbie Townsend, Mohamed Ibrahim, Stephanie Cunningham, Judith Beveridge, Nick Sabel, Patrick Yeung

Apologies: Brian White

In Attendance: Adam Farrar, Wendy Rockwell

The President noted that this is the last meeting for Karen Andrew and Bobbie Townsend. The Board would like to thank them for their contribution and time on the board and note that both will be sorely missed.

1. Declaration of conflicts of interest

None

2. Minutes of last meeting(s) – 11 August & teleconference 25 August

Motion: That the Board accepts the minutes of the meeting held 11 August 2006 as a true record.

Moved: Judith Beveridge

Seconded: Stephanie Cunningham Accepted

Motion: That the Board accepts the minutes of the teleconference held 25 August 2006 as a true record.

Moved: Karen Andrew

Seconded: Judith Beveridge Accepted

Action List:

- Need to schedule a meeting with C21 early in term of new Board to get an update.

- Vivienne Milligan has agreed to do some training with the Board, but it will have to be next year. (from business arising)
- Make action to identify associations that have not undertaken training with the Federation and reasons a priority.

There was a request from the South East Regional Meeting that the minutes be made available.

The Board agreed to post the minutes on the Federation's website, as they are a public document. It was agreed that the Board would move into committee when there are sensitive and/or confidential items to discuss. It was also agreed that the minutes can only be posted once they have been approved by the Board (ie at the following meeting), and are no longer in draft form.

ACTION: Wendy to post Board minutes on the web site following their acceptance by Board.

3. Business Arising

Meeting with the Minister - The Federation has still not met with the Minister. A new meeting has been arranged for the 15th of November. The Board agreed that Nick Sabel, Bobbie Townsend and Patrick Yeung will attend that meeting.

Peaks Review – at the quarterly meeting with OCH the Federation was told that there will be no changes to role of peaks, other than developing KPIs and reviewing how monitoring and reporting is done. The Acting ED of OCH assured us that we would receive a copy of the relevant sections of the consultant's report (minus the parts regarding other organisations).

Board Training - See Vivienne Milligan, above, under actions

Identification of 06-07 priority risks - The Audit & Risk Management Committee meeting was delayed, therefore, this action has not been completed. It will therefore be a priority at the next Board meeting.

Maura Boland discussion - The Board met with Maura at its last meeting. The agreed procedure is for the Board to meet Maura without staff. However, it was agreed that a procedure should be developed for the information from these meetings to be passed on to the Executive Director (and to the sector as appropriate).

Adam asked the Board if the restructure of OCH had been discussed, as it is a major strategic issue for the Federation's relationship and role viz a viz OCH. The Board reported that it was briefly mentioned by Maura, but no detail was given. She had indicated that the intention of the restructure is to provide a better service, and to give housing associations a single contact point so they are not shuffled around when they have a question.



Maura also asked the Federation if the sector was ready to manage a big injection (growth) – questioning whether the sector was ready for a challenge. She also asked whether the Federation was ready to respond to such a challenge. She suggested that the Federation appears to work well with the middle range associations, but questioned whether we are ready to resource/support the ‘top end’ or support the smallest associations.

The Board agreed that it will be vital to address any lack of confidence OCH may have in the sector or the Federation’s capacity.

ACTION: Write to Maura Boland indicating that the sector has approached the Federation board with some questions and issues about what is understood to be OCH’s restructure; and request a briefing.

Business development proposals - noted.

4. Correspondence

Argyle, board membership

Maura Boland, Federation funding agreement

Mike Allen, DOH Older Person’s Strategy

Julian Disney, National Affordable Housing Summit

Federation, to Maura Boland re CHLP funding changes

All noted

Adam reported that a response has not yet been received to the letter re CHLP interim changes, but that this was noted at the quarterly meeting. OCH felt unable to discuss the issues until the response had been signed off, but would arrange further discussions once this has happened.

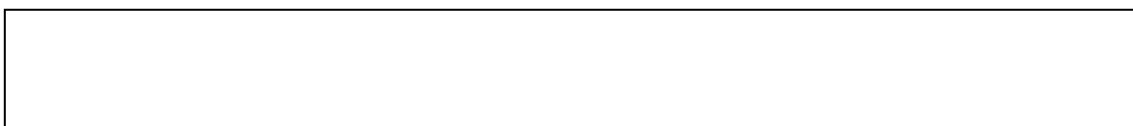
In addition, the Board agreed to endorse the “Social Infrastructure World Australasia 2007” event, and requested we enquire whether we can have additional Federation promotional information included with the conference materials.

5. Financial Overview – 2005/06 Audited Report

Motion 1: That the Board accepts the Audited Report for year ending 30th June 2006, as presented.

Motion 2: That the Board accepts the Directors’ Report ⁽¹⁾ and Directors’ Declaration ⁽²⁾, and authorises the President and Treasurer to sign them.

Moved (1 & 2): Karen Andrew **Seconded:** Stephanie Cunningham Accepted



⁽¹⁾ DIRECTORS' REPORT

Your directors present their report on the association for the year ended 30th June 2006.

The names of the directors in office at any time during or since the end of the year are:

Nick Sabel	<i>President (from 18 Nov 2005)</i>
Patricia June Martin	<i>President (to 18 Nov 2005)</i>
Karen Andrew	<i>Vice President</i>
Bobbie Townsend	<i>Treasurer</i>
Judith Beveridge	<i>Secretary (from 18 Nov 2005)</i>
Margaret-Ann Robinson	<i>Secretary (to 18 Nov 2005)</i>
Patrick Yeung	<i>Member</i>
Brian White	<i>Member</i>
Stephanie Cunningham	<i>Member (from 18 Nov 2005)</i>
Barbara Brown	<i>Member (to 7 Apr 2006)</i>
Pamela Pryor	<i>Member (to 1 Dec 2005)</i>

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

The surplus of the association for the financial year amounted to \$7,534.

The association is exempt from income tax.

A review of the operations of the Association during the financial year and the results of those operations show that market demand and competition have seen revenue increase to \$983,153. The surplus however reduced significantly over the prior year. This was largely attributable to an abnormal surplus in the prior year for a training project and an increase in employee benefit expenses.

No significant changes in the association's state of affairs occurred during the financial year.

The principal activities of the association during the financial year were Community Housing assistance and training.

No significant change in the nature of these activities occurred during the year.

No matters or circumstances have arisen since the end of the financial year, which significantly affected or may significantly affect the operations of the association, the results of those operations, or the state of affairs of the association in future financial years.

The association's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

No indemnities have been given during or since the end of the financial year for any person who is or has been an officer or auditor of the association. Directors and Officers Liability Insurance premiums are paid by the association.



No person has applied for leave of court to bring proceedings on behalf of the association or intervene in any proceedings to which the association is a party for the purpose of taking responsibility on behalf of the association for all or any part of those proceedings.

The association was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the Board of Directors:

⁽²⁾ **DIRECTORS DECLARATION**

The directors have determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the association declare that:

1. The financial statements and notes, as set out on pages 4 to 9 present fairly the associations financial position as at 30th June 2006 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
2. In the directors' opinion there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

6. Financial reporting – July to Sept 2006

Motion: That the Board accepts the financial reports presented as a true record for the period 1 July – 30 Sept 2006.

Moved: Bobbie Townsend

Seconded: Karen Andrew

Accepted

There was some discussion about the need to increase the revenue raised independently of OCH funding. It was agreed that the cost of developing tenders in pursuit of this objective should be funded from income received from successful tenders.

ACTION: Make provision in next year's budget, to attribute some surpluses from projects to provision for tender development.

7. Business Plan exceptions report to 30 Sept 2006

Noted

--

8. Service evaluation trends

Noted

ACTION: In future present service evaluation graphs with the same percentage scale on the Y axis.

In the meeting with OCH to develop new KPI's for reporting by the peaks, they indicated that they would also evaluate the performance of the peaks via satisfaction surveys of housing associations and coops. The 'ownership' of the survey is an issue here, and has been raised with OCH.

ACTION: Adam to distribute the report on the outcomes of KPI workshops to Board members.

Adam Farrar tabled two pieces of correspondences from members, regarding their gratitude with help received by Adam West in preparation for registration.

The Board asked that its appreciation of Adam West's work be recorded and conveyed to Adam.

9. Conference report

Noted

10. Community Housing Advisory Committee

Bobbie noted that she was limited in what could be discussed due to confidentiality of parts of the CHAC discussion.

The Board meeting moved into committee for the discussion of the issues that could be raised, due to the confidentiality of possible Federation advocacy strategy.

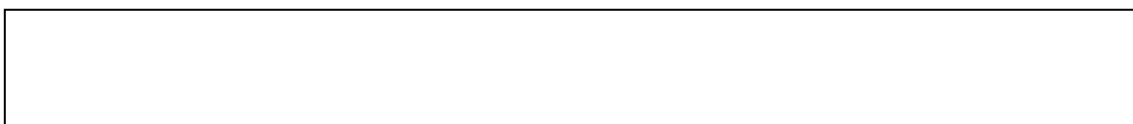
Return to Board meeting

11. Draft 5 year strategy

The Board noted the delay in releasing the full draft strategy and commencing the consultation. However, it was agreed that a preliminary discussion of the themes was needed to ensure that the Federation was in a position to undertake a consultation with members as soon as the full strategy is released.

The Board began with a discussion of Theme 1, Growth.

A key issue is the possibility of targeting growth to a small number of providers. Adam noted that we are already seeing a significant reduction in the size of the sector as a result of registration. Of 8 associations that have C grades, 4 have folded. This gave rise to a



discussion of the importance of ensuring that local regional providers are continue to be sustainable under the new growth strategy.

- Adam noted that while housing management will not be lost because it will be taken up by other providers, these providers will themselves require access to growth to ensure that they have a scale of operation that can sustain work across a wider regional base. This seems not to be the case for some who have picked up tenancies of associations that have wound up.
- Patrick asked, whether associations know what number of stock to they require to be sustainable. He suggested the Federation could assess this, and supply useful information to OCH rather than OCH having a somewhat random strategy for growth.
- Nick pointed out that the objective should be sustainability, diversity, viability. Does it improve service to clients and provide better outcomes? More of a concern if the process “kills off” a vital, unique service that is not replaced.
- Adam noted that Theme 2 of the strategy – diverse and flexible responses – aims to address some of this. He reminded the Board that OCH is already about to undertake development work around “back-office sharing” and resource sharing models (and has committed to doing this in partnership with the Federation).
- Mohamed argued that the sector needs a collective approach, rather than letting OCH pit one association against another. It was suggested that we need to meet with OCH to discuss the basis of any possible assumptions about targeting growth to a limited number of providers. It was agreed that we should be proactive regarding OCH and the growth strategy.
- Adam noted that the other major issues in Theme 1 relate to how growth is to be achieved – this includes the assumptions and models for leveraging public funds, and how sustainable a growth strategy that relied very heavily on stock transfer would be.
- Members expressed concern about the apparent emphasis in Theme 2 on responses to particular target groups, rather than on models of housing management – including smaller, localised models. The latter will be the focus of the Federation’s response.
- Adam noted that a major issue arising from theme 4 – capacity & confidence – is the extent to which OCH sees capacity building as driven by the sector, or by them, or in partnership. This is fundamental to the role of the Federation.
- The Board noted that themes 3 and 5 – stronger communities, and viability & sustainability – require substantial new policy and capacity development. It is crucial that these are developed in close partnership with the sector and that the Federation is closely engaged in the development.

Nick summarised that it is vital to be part of the dialogue, be proactive, and have a collective way of operating, especially at this time when strategy is being formed.

Mohamed recommended that we be proactive - undertake our own consultation with our sector, based on the 5 areas in the draft strategy, and use this information to form a sector position.



Adam noted that members had proposed that we begin this discussion at the HAM. He asked the Board whether we should limit this discussion to the sector or ask Maura to provide background.

It was agreed that at this stage there is unlikely to be anything concrete that OCH can add, and that it is therefore important to use the time for the sector to discuss the issues.

The Board agreed to set up a Reference Group: Stephanie Cunningham, Mohamed Ibrahim, and Bobbie Townsend to prepare a presentation to members at the HAM. The group will also issue some briefing notes to providers to assist them during the consultation(s).

ACTION: A board sub-committee to prepare a presentation on the 5 year strategy to members at the HAM; and prepare some briefing notes to providers to assist them during the consultation(s).

Stock transfer

Arising from the discussion of theme 1, the board went on to discuss the current stock transfer program. Karen proposed a meeting take place amongst providers dealing with stock transfers, to come up with a united approach and understanding, and discuss issues (eg. process issues; financing issues). She argued that housing associations are in a strong position, and should not accept unsatisfactory conditions or arrangements. It was agreed that we would present providers' issues to OCH in a positive light (ie that we all want to achieve a positive outcome, and can learn from each other, and should work together).

ACTION: Federation to convene a meeting in the next month, made up of providers dealing with the stock transfer program. (see above for details)

12. Executive Director Report

Minister – see business arising (item 3)

National Affordable housing Agreement/CSHA – noted the importance for the future of the sector of achieving a broader agreement to replace the current CSHA. He noted that the Federation had been closely involved in the national summit and the advocacy on a new agreement flowing from that. He also noted that the review of the CSHA is underway.

Community Housing Strategy – Executive strategy launched at conference. Still awaiting full strategy and consultations.

State Plan – consultations have just finished. Plan is supported by NCOSS and by us and presents a significant opportunity to embed longer term objectives and accountability. However, there was concern with absence of any reference to affordable housing or homelessness – and while we have been successful in adding homelessness, it is still not clear how affordable housing will be included.



Affordable Housing Strategy – Noted that nothing has emerged yet, but that there is an expectation that a partial strategy may be announced before the end of the year.

CHLP review- expecting a response to our letter outlining concerns

Legislation—no further info

Community Housing Federation of Australia (CHFA) – Adam Farrar has been appointed to a casual vacancy in the CHFA board, until their AGM. Feel it is time to resume participation on the national peak.

Aboriginal Housing - Adam reported that we have been substantially increasing our contact with AHO and will be discussing possible areas of cooperation which may lead to an MOU.

Accreditation – we are part way through Accreditation project. There is strong support for accreditation – and major concerns about the future cohesiveness of the sector if it is lost. However, demand for a non-government run service will be highly constrained unless government subsidises providers. Adam noted that the issue of the Federation seeking to provide accreditation services was raised during the consultations, and that a Board decision is essential before continuing with the project. He advised the Board that he believes the Federation does not currently have the capacity to deliver the service and or to carry the very significant financial risks of doing so.

This was not presented as a motion with movers and seconders... May need to at next meeting:

That, due to a range of conflict of interest reasons, and because it is a federating body rather than a regulatory body, the Federation will not consider taking on a potential role as an accrediting body.

Registration – of 8 orgs receiving C grade, 4 have decided to wind up.

Group structures – a project is being undertaken by the human services CEOs and NCOSS to explore the possible shared services, group structures, etc. Maura Boland is leading a project to explore back office functions for housing associations as part of this.

Resourcing bodies review – Adam reported that the Minister has decided to take no action at this stage..

Human services CEOs review of peaks funding – a review is underway to provide a common approach to peaks funding, across all human service areas. The Federation is a member of a working party to progress this.

Training business – have submitted proposal to DOH on the next training contract.

13. Business Development proposals

Things are continuing with Ahouse and Reidmark.

OCH has done an assessment of the Reidmark product and will do the same for the other two systems sometime this month, so that everyone in the sector has good information.



This will not be comparative or a recommendation, but will provide a base line evaluation.

Ahouse proposal is reaching a much more developed level. Interested housing associations have developed a sub-committee to work with Ahouse, and to enable housing associations to do due diligence. There may be a resolution regarding tax issues soon. If so, they will issue a prospectus early next year. The sector working group will also develop steps necessary to develop a consortium, if that is a useful vehicle for the sector. Adam is continuing to prepare a business case for the board on the possible roles for the Federation.

No further information on Estatemaster.

14. Annual General Meeting

Motions:

- **The Board agrees that the President can sign off on the Annual Report 2006.**
- **The Board authorises the President to approve the wording of the rule change, to formalise the appointment of the auditor.**

Moved: Judith Beveridge **Seconded:** Mohamed Ibrahim Accepted.

Board can recommend priorities/criteria to members, which can be sent out accompanying the voting papers and biographies of nominees.

Motion: That the Board agrees the following areas of expertise are desired from nominees to the Board at this years election:

- Small / regional associations
- Aboriginal
- Marketing
- Legal
- Housing association directors
- Financial expertise

ACTION: Nick to draft a letter outlining the desired areas of expertise and inviting all members to nominate. Letter to be sent out ASAP since nominations are due back shortly, (2nd November).

15. Board Evaluation

Adam presented the results of the self-assessments by individual board members from the “Board effectiveness survey”. The results were grouped into key board functions and ranked, as background for board discussion. (See attached).

The broad results ranked areas in the following way (with average scores out of a possible maximum of 12)

- *Control & monitoring of organisational performance*

11



• <i>Strategy formation</i>	10.5
• <i>CEO evaluation/ relations with Board</i>	10.3
• <i>Compliance</i>	10
• <i>Risk management</i>	9
• <i>Board expertise</i>	8.4
• <i>Communication with key stakeholder groups</i>	8
• <i>Board dynamics</i>	7.8
• <i>Board support</i>	6

Members agreed that the survey indicated that the board has been effective in the top four areas. It did, however, note that one member felt unable to form a view about whether the board regularly reviews the Federation strategy or whether the EO responds to board input.

Members also agreed that areas in which members had expressed least confidence would be significantly affected by the turnover of members at the coming AGM. It was agreed that the survey would be administered again in 6 months' time to help the new board to evaluate their effectiveness. It was agreed that this should particularly monitor any significant changes reported in the current areas of strength.

ACTION: Administer board evaluation survey in six months' time – April 07.

In the meantime, the fact that some board members either weakly agreed or disagreed that they understood the Federation's beliefs, values, philosophy, mission & plans suggested that this be a focus for induction of new board members after the coming elections.

ACTION: Focus on Federation's beliefs, values, philosophy, mission & plans in board induction.

Similarly, the fact that members very weakly agreed that the board had strong business and marketing expertise led members to agree that this should be included as a desirable area of expertise for new members.

ACTION: Include marketing in desirable expertise for new board nominees.

The President noted that we have current tools to address some of these areas (ie induction kit, marketing strategies, or communication strategy).

The main area for more immediate attention is the board dynamics, preparation and support. It was suggested that individual board members may wish to have discussions with the Chair to disclose issues and concerns.



ACTION: Chair to liaise with ED and evaluate any weaknesses and see if there are already strategies in place to improve. Bring to next meeting.

16. Audit & Risk management committee

Committee report is deferred until next Board meeting.

17. Development Committee

The revised terms of reference noted. The following changes were agreed:

Under duties; add the development of Federation business
Add ability to establish sub-committees to deal with specific development proposals agreed by the Board, made up of committee members and other interested board members.
Add: of the terms of reference after 12 months.

ACTION: Adam to amend the Development Committee terms of Reference.

18. Staff changes

The Board agreed that we need to expand the recruitment policy to deal with the use of Recruitment agencies. The new policy should identify the conditions under which you would use a recruitment agency, and the procedures.

ACTION: Bring a draft policy for using recruitment agencies to next board meeting.

19. EO annual appraisal

ACTION: Nick to follow up with Adam Farrar.

20. New members & renewals

The board asked that Wendy check whether the reason that MACH hasn't paid is because they are amalgamating with Resamen.

ACTION: Check whether the reason that MACH hasn't paid is because they are amalgamating with Resamen

Motion: That the Board approves Queanbeyan City Council – Family Accommodation & Support Service, and Wayback Committee Ltd, as new Affiliate Members.

Moved: Bobbie Townsend

Seconded: Karen Andrew

Accepted

Motion: That non-financial members be sent a reminder – and that unfinancial members as of two months from the reminder date, be removed from the Register of members (as per Rules).

Moved: Bobbie Townsend

Seconded: Karen Andrew

Accepted

It was agreed to remind full members that they can't vote and can't stand as a board member if not financial.

ACTION: Send unfinancial members a reminder letter. Include reminder that only full members can vote or nominate for the Board in the reminder letter.

21. Code report

Noted

22. Other Business

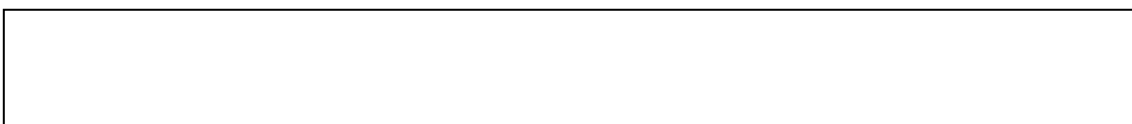
1. NSW Charter Group – The Board agreed to endorse it.
2. Meeting with the Minister – The Board discussed the agenda for the meeting. It was agreed that the delegates should take the following approach to the meeting:
 - Promote the sector by identifying achievements and strengths
 - Do not focus on issue that might not be under immediate consideration
 - Seek information from Maura (such as imminent announcements) that might inform our discussion with the MinisterThe following items were agreed:
 - 5 year strategy paper
 - CHAC membership (encourage industry representation)
 - Legislation
 - Rent setting
 - Affordable Housing Strategy
 - Future plans for PPPs

Next Meeting:

AGM – 24 November 2006

Board – 8 December 2006

Meeting closed: 3:52pm



ACTIONS

1. Wendy to post Board minutes on the web site following their acceptance by Board.
2. Write to Maura Boland indicating that the sector has approached the Federation board with some questions and issues about what is understood to be OCH's restructure; and request a briefing.
3. Make provision in next year's budget, to attribute some surpluses from projects to provision for tender development.
4. In future present service evaluation graphs with the same percentage scale on the Y axis
5. Adam to distribute the report on the outcomes of KPI workshops to Board members.
6. A board sub-committee to prepare a presentation on the 5 year strategy to members at the HAM; and prepare some briefing notes to providers to assist them during the consultation(s).
7. Federation to convene a meeting in the next month, made up of providers dealing with the stock transfer program. (see above for details)
8. Nick to draft a letter outlining the desired areas of expertise and inviting all members to nominate. Letter to be sent out ASAP since nominations are due back shortly, (2nd November).
9. Administer board evaluation survey in six months' time – April 07
10. Focus on Federation's beliefs, values, philosophy, mission & plans in board induction
11. Include marketing in desirable expertise for new board nominees
12. Chair to liaise with ED and evaluate any weaknesses and see if there are already strategies in place to improve. Bring to next meeting
13. Adam to amend the Development Committee terms of Reference
14. Bring a draft policy for using recruitment agencies to next board meeting
15. Nick to follow up EO appraisal with Adam
16. Check whether the reason that MACH hasn't paid is because they are amalgamating with Resamen
17. Send unfinancial members a reminder letter. Include reminder that only full members can vote or nominate for the Board in the reminder letter

