
Minutes of Meeting

Meeting: Board Meeting
Date: Thursday, 23 July 2020
Time: 6.00pm
Venue: Via videoconferencing on MS Teams

Present:

Tim Bolton	Nicky Mellings	Hayley Smith
Victoria Dingle	David Mody	Kate Wareing
Jennifer Ekelund	Nasreen Razaq Al-Hamdani	Lucy Weston
Dave Lakin	Harjit Sandhu	

Apologies:

Vic Breach Jude McCaffrey

Also in attendance:

Lee Hayward, Interim Director of Customer Services and Repairs
Nasreen Hussain, Director of Finance and Resources
Craig Dransfield, Head of Development
Mat Ridley, Head of Finance
Marisa Elliott, Governance Lead and EA to the Chief Executive
Carole Burchett, Members' Forum

Announcements

The Chair gave a warm welcome to Carole Burchett who is attending the meeting as the representative from the Members' Forum.

Declarations of Interest

The Directors of SIB Property Ltd declared an interest in item 138, the Statutory Accounts for the Year Ended 31 March 2020.

132a. Approval of Minutes	
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The minutes of the Board meeting held on 25 June 2020 were approved.	
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Resolved:

That the minutes of the Board Meeting held on 25 June 2020 be signed as a true and accurate record.

132b. Audit and Risk Committee Minutes

The Chair of the Audit and Risk Committee gave a brief summary of the main items discussed at the meeting held on 1 July 2020, as more detail is available as part of item 137. In particular, he mentioned the audit of the statutory accounts which despite being carried out remotely, had gone even better than in previous years according to BDO. It was noted that the relationship with BDO provided Soha with an appropriate degree of challenge and an overall grading of very good/excellent was considered appropriate.

The Committee were also happy with the relationship with RSM, our internal auditors. It was felt that they were a significant improvement on our previous auditors and they had worked with us to agree a suitable audit programme. The Chair of the Committee advised that an overall grading of very good/excellent was considered appropriate.

Resolved:

That the Board notes the minutes of the Audit and Risk Committee meeting.

133. Matters Arising

Item 119 – Matters Arising (Review of Key Performance Information for 2019/20)

In the absence of the Interim Director of Housing and Communities, the Chief Executive confirmed that satisfaction with the lettings process data will be presented as a cumulative total on future STAR surveys.

Item 120 – Action Tracker and Wallboard Ideas (QL Project)

The Interim Director of Customer Services and Repairs advised that since the last meeting, we have made good progress on the implementation of the Asset Management module in QL. He noted that there had been a few delays due to an underestimation of the work involved in transferring all the data together with a need for specific training. It is hoped that the Asset Management module will go live by July 2021.

Item 121 – CEX Key Issues

The Chief Executive confirmed that she had shared the notes from the Covid-19 lessons learned exercise with Board members. She advised

that we are now in a stronger position if we encounter a second wave or a local lockdown.

Item 123 – Asset Management Strategy

The Chief Executive confirmed that the amendments suggested at the last Board meeting have been incorporated into the strategy.

Reports

134. Action Tracker and Wallboard Ideas

Action Tracker

Item 126 – QL Project

This has already been discussed at item 133.

Item 39 – Soha’s Approach to Managing Brexit Risks

The Chief Executive advised that our approach hasn’t changed and there is nothing new to report.

Item 110 – Approval of the Revised Business Plan

The Business Plan will be brought to the Board in September for approval. The Director of Finance and Resources advised there will be some modest revisions but the external operating environment has changed very little from the assumptions made in the Business Plan presented to the Board in May. However, we will continue to monitor this through the summer and will make any necessary amendments.

Wallboard

The ideas on the Wallboard have been paused and will be re-visited when we return to business as usual.

A member asked if we had a contingency plan in place for staff in case of absence or furlough. It was noted that within the Covid-19 business continuity plan we drew up a list of deputies and second deputies for critical job roles. This will remain in place for the foreseeable future.

Resolved:

That the Board notes the update.

135. CEX Key Issues Update

The Chief Executive provided an update on key external trends, internal

issues and our ongoing response to Covid-19.

External Operating Environment

The Chief Executive advised that Covid-19 continues to dominate the external operating environment. This month has seen a loosening of lockdown measures and a focus on re-opening businesses and offices.

The Chief Executive advised that macro-economic indicators continue to show a deep recession. There has been a 20% contraction in GDP, inflation remains low and unemployment is beginning to rise with significant additional increases expected in the autumn.

The Chief Executive advised that the UK government has chosen not to extend the Brexit transition period and it looks likely that relationships with EU countries will revert to WTO terms. The impact for Soha in relation to supply chain issues (in particular for sourcing heating supplies) has been identified and mitigated within the Risk Register.

The Chief Executive advised the Board of the government's proposal to introduce the 'right to shared ownership' which would automatically give all tenants of new grant funded affordable homes the right to purchase a portion of their home with a minimum share of 10%. This creates short and long term issues for us and we await further information on this.

The Chief Executive advised that we are looking into how we build financial contingencies for our likely future retrofitting costs to meet the 2050 zero carbon target. Other associations have estimated per unit costs of circa £20k in addition to current planned maintenance spend. These costs are lower than the anticipated spend built into our Carbon Reduction Strategy.

Internal Issues

The Chief Executive advised she had been working from Royal Scot House and encouraged Board members to visit when able to. Reception is brighter and there is new signage going up. We will be opening up a further wing of the office to allow those members of staff who want to come in and work (in addition to reception cover and duty managers).

The Chief Executive advised that in addition to offering our full service and catching up with the backlogs, we are now reviewing and revising some of the temporary measures put in place at the start of lockdown.

The Chief Executive advised that the P&R Committee have not met since the last Board meeting so we still have 729 members of whom 41 are staff members.

<p>The Chief Executive confirmed that we have exchanged contracts with Bromford and formal consultation with the residents of these homes is continuing. We are expecting completion to take place in September due to delays on the Bromford side.</p> <p>The Chief Executive advised that Homes England and SODC have submitted a revised planning application for the Gateway site which excludes the land we own, the pub and the nursery. We are considering three options for our land including how much space we need, what could be built on our land and should we move to somewhere new.</p> <p>The Chief Executive advised that we have a designed a housing management offer for two local CLTs who are developing new homes in Botley and Hook Norton. We are currently exploring our offer with them.</p> <p>The Chief Executive advised that we held our Staff Conference on Zoom on 3 July to focus on what we had learned during lockdown and on our organisational values. The feedback was positive and the work generated can be seen in the update attached to this report.</p> <p>The Chief Executive advised that we would like to start publishing non-confidential Board minutes on the website (from September) to show our commitment to transparency and accountability to residents and Members. This was agreed.</p> <p>The Chief Executive advised that we had planned to trial a few day time Board meetings but these have been put on hold during the pandemic. She proposed that we move the Board Away Day from 3 and 4 October to the morning of 22 October via Zoom with the Board meeting taking place in the afternoon or evening (as scheduled).</p> <p>The Chief Executive provided an update from the Comms team on their recent activity including the reach of Facebook campaigns and features in national press and speaking events.</p> <p>The Chair then invited questions from members.</p> <p>A member asked if photos of the newly decorated and branded office could be forwarded to Board members. This was agreed.</p> <p>A member asked if we have information on how our residents have coped during lockdown. The Interim Director of Customer Services and Repairs advised that we have surveyed residents and have talked to them about what they may need from us e.g. food parcels or medication collection. We've also given a grant of £5k to Oxfordshire All In which is supporting groups and businesses across Oxfordshire who are responding to the crisis.</p> <p>A member asked how we were connecting with residents who haven't</p>	<p>KW</p>
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contacted us. The Interim Director of Customer Services and Repairs advised that we are speaking with residents reporting repairs as well as actively targeting groups of residents – over 70s and those with mental health issues and underlying health conditions.

Resolved:

That the Board notes the update.

Bethany Eckley joined the meeting.

136. Vision, Mission and Values for New Corporate Plan

The Chief Executive introduced the report to update the Board on the recent workshop sessions and to ask them to review the draft Vision, Mission and Values statements for Soha.

The Interim Director of Customer Services and Repairs and Carole Burchett provided an overview of the Corporate Plan development work which has taken place so far. They advised that we are nearing the end of Phase 2 of this work which comprised a series of workshops attended by residents and staff to define the new Vision, Mission and Values statements. It was noted that everyone's expectations had shifted since the last Corporate Plan with a higher degree of ambition.

Carole commented that the revised statements were well received by the Members' Forum, although they did question a point in the Vision statement which says '....where everyone can find a home'. It was felt that this was aspirational but we have made it clear in the Values what we can and can't do.

A member asked if we could include services alongside quality homes in the Mission statement. This was agreed.

The Board agreed that the new statements are ambitious and provide a real focus for the remainder of the Corporate Plan development work.

Resolved:

That the Board reviewed and approves the draft Vision, Mission and Values statements.

Bethany Eckley left the meeting.

137. Annual Report of the Audit & Risk Committee for the Year Ended 31 March 2020

The Chair of the Audit and Risk Committee presented the report to update the Board on the activities of the Committee over the last twelve months. He confirmed the report should provide members with the

assurance that Soha's system of internal controls is fit for purpose and operating effectively.

He confirmed the Committee had met with the external auditors and no major issues were raised. The Committee reviewed the performance of the external auditors and found it to be very good/excellent.

The Chair of the Audit and Risk Committee advised that RSM had been appointed to provide the internal audit service from 1 April 2019. A number of internal audits have been carried out during the year with no fundamental recommendations being made. One high level action was reported but was addressed immediately. As mentioned earlier, the Committee reviewed the performance of the internal auditors and found it be very good/excellent.

Resolved:

That the Board accepts the annual report of the Audit and Risk Committee for the year ended 31 March 2020.

138. Statutory Accounts for the Year Ended 31 March 2020

STRICTLY CONFIDENTIAL

A confidential item was discussed. Further information is contained within the Confidential Minutes.

Resolved:

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- 1. That the financial statements for the year ended 31 March 2020 be approved by the Board subject to final approval and adoption at the AGM**
 - 2. That the management letter from BDO LLP be noted**
 - 3. That the proposed letter of representation be agreed and signed by the Chair on behalf of the Board**
 - 4. That the Board agree the contents of and the Chair be authorised to sign the proposed letter of support for SIB Property Ltd with the text set out in Appendix C to the paper.**
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139. Review of Key Performance Information for Q1 2020/21

The report was provided to update the Board on financial and operational performance for the first quarter of 2020/21.

Performance and Key Trends Report

The Director of Finance and Resources presented the report and noted some of the key highlights.

She advised we have an operating surplus of £5.1m, which is 10% under budget. This is due to reduced responsive repair expenditure during lockdown. Operational expenditure is £4.9m, which is 13% under budget.

The Director of Finance and Resources advised that arrears performance at the end of Q1 is at 4.3% against a year-end target of 4%. She advised that initial forecasting showed arrears of 5% in Q1 which we are just ahead of but we anticipate that Q2 will see a marked increase as a result of job losses and additional claims for Universal Credit. The average re-let time was 61 days against the forecast of 60 days. Void loss is at 0.94%.

She advised that average time to complete a repair is at 4.4 days against a target of 8.8 days. This is largely due to completing only emergency repairs during Q1. We are expecting the average days per repair to significantly increase to approximately 40 days while we carry out the 1,200 routine repairs which were put on hold during lockdown. She confirmed that the responsive repair and void expenditure was £458k compared with the revised budget of £844k as we've only been able to complete emergency works and there has been a significant reduction in the number of voids.

The Director of Finance and Resources asked the Board to note that while the numbers of complaints received is lower compared with last year, they are steadily increasing during lockdown, particularly neighbourhood issues.

The Director of Finance and Resources confirmed that we had 24 new properties handed over which we were due to take last year. We have revised our target for new homes delivered downwards to 135 to reflect the impact of Covid-19. However, the pipeline is healthy and shows 437 new homes contracted.

A member asked about the backlog of repairs and how these are being dealt with. The Interim Director of Customer Services and Repairs advised that we started with the oldest outstanding work first but we have managed to appoint all jobs apart from 20. We have discussed with residents any concerns they may have before allowing contractors into homes.

STAR Survey

This report was noted and no questions were raised.

ATFS Economic Review

This report was noted and no questions were raised.

Resolved:

That the Board notes the performance report.

140. Risk Register Review

The Chief Executive presented the report to update the Board on changes to the Risk Register since the last review and to ensure we have correctly assessed the key business risks for Soha.

In addition to the regular reviews carried out by SMT and the Audit and Risk Committee, they have both paid particular attention to the Brexit and Covid-19 risk areas over the last three months.

The Chair advised that the Audit and Risk Committee carry out detailed work on the Risk Register at every meeting and the Board should feel assured by this. It was noted, however, that risk is the responsibility of the entire Board.

Resolved:

That the Board notes the detailed work carried out by SMT and the Audit and Risk Committee and agrees the assessment of key business risks for Soha.

141. Property and Development Update

The Chief Executive introduced this item by providing a brief update on the SIB Property Board meeting which had taken place before this Board meeting.

She advised that discussion took place on how we determine the transfer price of an asset from Soha to SIB. It appears that only the transfer of land and not the residual value of properties had been taken into account. This has been resolved going forward.

The Chief Executive advised that on future developments, a full options appraisal using current market value of land needs to be carried out. This will enable the Board to be more aware of the commercial decisions being made.

The Head of Development then provided an update on development activity since the last meeting. He asked the Board to approve the proposed development of Phase 2 at Blaise Park in Milton. The site comprises of twelve units of affordable housing of which two are for affordable rent and ten are for shared ownership. However, all the shared ownership units have been priced as affordable rent in line with our current strategy.

The Head of Development also asked the Board to note a Chair's Action

in relation to Sidney Harrison House in Shiplake.

A member asked a number of questions in advance of the meeting which were answered by the Head of Development. He felt it was worth bringing one point in particular to the attention of the Board regarding assurance that we are calculating the average cost correctly in scheme appraisals. It was noted that the average cost in the scheme appraisal was higher than in the Business Plan. The Head of Development explained that this balanced out by other committed schemes in the programme which brings the overall cost back to the Business Plan figure. However, he advised that this will be reviewed as part of the feasibility assumptions and modelling approach work being undertaken.

Resolved:

That the Board approves the proposed development at Blaise Park in Milton and notes the remainder of the report.

142. Regulatory Compliance Review

The Governance Lead presented the report to confirm Soha's compliance with the Regulator of Social Housing's (RSH) Regulatory Standards.

She explained that the Regulator requires Boards to confirm compliance with the Economic Standards in their Annual Accounts. The report provides Soha's compliance with the Financial Viability and Governance Standard and the Rent Standard. Although we have confirmed compliance with the Value for Money Standard, the Regulator requires us to assess this standard separately as part of the Annual Accounts.

Compliance with the Governance Standard requires Soha to adopt and comply with a Code of Governance; Soha is fully compliant with the NHF's Code of Governance.

The Regulator takes a reactive approach to the Consumer Standards. Their role is limited and they will only intervene in cases of serious detriment. Responsibility rests with the Board to proactively ensure compliance with the Consumer Standards. Soha is compliant with the Consumer Standards as evidenced by the report.

Resolved:

That the Board confirms Soha's compliance with the:

- 1. RSH Standard on Governance and Financial Viability;**
 - 2. RSH Standard on Rent;**
 - 3. NHF Code of Governance; and**
 - 4. RSH Consumer Standards.**
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143. Customer Service KPIs

The Interim Director of Customer Services and Repairs presented the report to ask the Board to agree amendments to the Customer Service KPIs and targets for 2020/21.

He advised that we have measured effectiveness of the CS team by monitoring the percentage of calls answered within 20 seconds and what percentage of calls are lost. He explained that the sector consider these measures to be outdated as it doesn't provide details of the customer experience or the quality and effectiveness of the call. This point was echoed in the recent Customer Service Excellence report.

The Interim Director of Customer Services and Repairs proposed that we introduce three new KPIs – tenant satisfaction with the way the call was handled, average wait time and first contact resolution. We will, however, retain some of the previous PIs but these will not be reported in the monthly performance report.

A member asked how CS staff felt about the revised targets. The Interim Director of Customer Services and Repairs advised that staff felt these measures more accurately captured the quality and customer care element of their role.

Carole commented that the Members' Forum were reasonably relaxed about the time to complete a call and were more concerned that residents didn't feel they were being rushed or their call didn't matter.

Resolved:

That the Board approves the new Customer Services KPIs and PIs.

144. Neighbourhood Case Studies

In the absence of the Interim Director of Housing and Communities, the Chief Executive presented the report which details three Neighbourhood case studies.

She advised that the Board had requested case studies on various areas of the business and this was the first in this series. The report highlights three different types of neighbourhood issues and how these are managed by the team.

A member asked why mediation was refused in two of the cases. The Chief Executive explained that in most cases, the complainant expects us to evict their neighbour. The team attempt to manage expectation from the outset and explain what we can and can't do. Ultimately, we would like to find a solution which works for both parties.

It was suggested that we advertise mediation services as a way to resolve disputes via resident newsletters and publications.
A member asked what Soha does to support staff working in this team. The Chief Executive advised that training on assertive communication, resilience and mental preparedness is carried out every couple of years. We are also identifying an external provider who can deliver group professional training to the team.

A member who has experienced neighbourhood issues commented that more visibility from Soha in the early stages would have helped. This was noted.

The Chief Executive asked the Board to consider other topics which they would like to receive case studies on.

Resolved:

That the Board notes the report.

145. Update on Governance and IDA Reviews

The Governance Lead presented the report to inform the Board of the progress made on the Governance and IDA document reviews and whether the actions have delivered their intended outcomes.

She advised that the majority of actions on both reviews are complete and therefore proposed that these reviews are closed. This was agreed but the remaining actions will be moved into the Action Tracker for monitoring purposes.

Resolved:

That the Board notes the progress on both reviews and agrees to close them as complete subject to monitoring the few outstanding actions via the Action Tracker.

146. Safeguarding Vulnerable Adults and Children Policy

In the absence of the Interim Director of Housing and Communities, the Chief Executive presented the policy which has been updated following an internal audit recommendation.

No questions were raised.

Resolved:

That the Board approves the Safeguarding Vulnerable Adults and Children Policy.

147. Group Treasury Policy

The Director of Finance and Resources presented the policy which has been updated in line with best practice and input from ATFS, our Treasury Advisors.

A member asked if reference to our risk appetite could be mentioned. This was agreed.

Resolved:

That the Board approves the Group Treasury Policy subject to the amendment suggested.

148. Annual Review of the Personnel and Remuneration Committee 2019/20

The Chair of the Committee presented the report to provide collective feedback on the effectiveness and performance of the Personnel and Remuneration Committee over the past year.

She advised that this is the first time that the P&R Committee has carried out a review of its performance and hoped the Board finds it a useful reflection on the activities carried out and the proposed activities for the coming year.

Resolved:

That the Board notes the report and agrees with the Committee's proposed activities for 2020/21.

149. Annual Review of the Assets and Liabilities Register

This report was for information only and no issues were raised.

Resolved:

That the Board notes the update.

150. Code of Conduct – Housing of Employee's Relatives

These reports were for information only and no issues were raised.

Resolved:

That the Board notes the update.

151. Any Other Business

None.

152. Date of Next Meeting

- a) The date of the next meeting will be the AGM on Wednesday, 9 September 2020 at 6.00pm via Zoom.
- b) The date of the next Board meeting will be Thursday, 24 September 2020 at 6.00pm via MS Teams.

The meeting ended at 8.20pm.

Signed: _____

Date: _____