Minutes of Meeting

Meeting: Board Meeting
Date: Thursday, 21 July 2022
Time: 6.00pm
Venue: Board Room, Soha Housing

Present:

Naomi Barrand
Victoria Dingle
Jenny Ekelund
Dave Lakin
Nicky Mellings
David Mody
Peter Nkum Jnr
Harjit Sandhu
Kate Wareing
Lucy Weston

Apologies:

Tim Bolton
Hayley Smith
Marisa Elliott

Also in attendance:

Matt Archer, Director of Housing and Communities
Lee Hayward, Director of Property Services
Nasreen Hussain, Director of Finance and Resources
Craig Dransfield, Head of Development
Jude McCaffrey, Head of Housing
Jo Worth, EA to Chief Executive (Minutes)

Declarations of Interest

None

Announcements

The Chair announced that this would be Nicky and Harj's last Board meeting. She wanted to extend her thanks for their hard work, expertise and dedication over the last nine years. There will be the opportunity for a proper farewell and speeches at the Board dinner on 30 September, but she wanted to formally thank them both.

The Chief Executive was delighted to announce that Dave Lakin had been chosen by the Appointments Panel to join the Board as a full member subject to ratification by Members at the AGM on 7 September. She also confirmed that an additional offer to join the Board, and an offer to join as a co-opted member had been extended to two candidates interviewed earlier today, and that she would update the Board once this had happened.

105a. Approval of Minutes	Actions
The minutes of the Board meeting held on 26 May 2022 were approved. **Resolved:** **That the minutes of the Board Meeting held on 26 May 2022 be signed as a true and accurate record.** **105b. Audit and Risk Committee Minutes** No questions were raised and the minutes were noted from 13 July 2022. **Resolved:** **That the Board notes the minutes of the Audit and Risk Committee meeting.** **106. Matters Arising** Item 90 – Matters Arising (Item 47 - Continuous Improvement: Learning from Feedback and Issues) The Director of Housing and Communities confirmed that the website is currently being updated to provide better information and support on anti-social behaviour. This will include improved signposting to agencies who can assist with issues such as noise, concerns about animals, refuse collection etc. Item 90 – Matters Arising (Item 60 – Budget 2022/23) The Chief Executive took the meeting through stock numbers versus headcounts from 2018 to 2022. During this period, stock went up by 506, 7%, whereas staff numbers went up by 32, 29%. Breakdown was given showing which positions were due to an increase in stock, 16% and which positions were due to business development and improvement, 13%. This has included more investment in functions such as IT, and more investment in tenancy support and customer services to better meet growing workloads. The Chief Executive reiterated that we have been lean for a long time and the increase has ensured we are more robust, however staffing numbers will be managed closely.	

Item 90 – Matters Arising (Item 80 – Action Plan on Lettings and Arrears KPIs) This has been completed. Item 91 - Action Tracker and Wallboard Ideas A case study on a domestic violence case is included in the Board papers for this evening's meeting. The Wallboard will be updated with items raised from the recent Board shadowing exercise for review at the September Board meeting. Item 95 - Partnerships and Mergers Annual Review It was noted that the point on how we maintain our culture as we continue to grow in size has been added to the Wallboard.	**KW**
Reports	
107. Action Tracker and Wallboard Ideas <u>Action Tracker</u> Item 92 – The point on re-visiting the domestic abuse case study has been discussed earlier at item 106. Item 88 - The Director of Housing and Communities advised that he would provide an update on the group's review in September. <u>Wallboard ideas</u> The Chief Executive will update the Wallboard with items raised following the Board shadowing exercise and these will be discussed at the Board meeting in September. **Resolved:** **That the Board notes the update.** **108. Chief Executive Key Issues Update** The Chief Executive provided an update to members on key external trends and internal issues. <u>External Operating Environment</u> **Cost of Living** The Chief Executive noted that inflation has now risen to 9%, with	

impacts for residents, staff and our headroom for long-term investment. This is captured on our risk register and will be continuously reviewed. SLT have made a decision to not increase mileage rates because this would mean they would be classified as a taxable benefit, and the rate currently paid still covers fuel costs.

Policy Announcements
There have been no new policy announcements since the last meeting and those that have been announced may not follow through. The Chief Executive advised she has had constructive conversations locally and met with councillors and MPs, however any lobbying is restricted due to the political turbulence. Soha is working with other Placeshapers housing associations and the Joseph Rowntree Foundation on cost of living. Key policy asks are a suspension of deductions from UC for debts during the autumn, and a rise in the current level of the benefit cap, which is unchanged since 2017, and is £6k lower than when first introduced in 2014. The Chief Executive is not optimistic this will be achieved.

She stated she is increasingly optimistic that SODC may choose to spend some of their retained s106 funds to enable us to convert up to 69 affordable rent properties to social rent. We have key people interested but the speed of decision making may be a risk factor.

The Chief Executive fed back from the Regulator at the recent Housing Conference. If the three-year inspection cycle is kept to we can expect to have an In-depth Assessment (IDA) in January with an emphasis on knowing our stock and listening to tenants. The Regulator is expecting some HAs to have to merge due to pressure on business plans from inflation and potential rent caps. Currently, we rely on residents to report problems, therefore we are doing more work on stock condition surveys to proactively inspect against all elements of the Decent Home Standard.

<u>Internal Update</u>

Void Loss Data
This figure has improved since April 2022.

Arrears
This area remains challenging, with arrears in line with last year.

Recruitment and Retention
The meeting heard that turnover is creeping up. However, staffing is in a good place, and we have made good appointments and are seen as an attractive organisation to join. We have sped up the interview process by applying dynamic recruitment and appointing as soon as we get a good candidate. In addition, we are using LinkedIn for recruitment, which has attracted good candidates and drives visibility.

Board Recruitment

The Chief Executive was pleased to advise that following today's interviews we have offered three of the applicants a position on the Board, two as full Board members and the other as a co-optee. It is hoped they will bring lots of experience to the Board. **Soha 25th Birthday** Following the Playing with Words celebration we have received some good feedback in person and via social media. **Co-Regulation Away Day** The next away day will focus on the Communities Strategy. **Joint Venture Update** We have agreed to pause this work. Hyde and Cottsway have agreed to this. This is due to significant risk that Soha would not be able to access grant independently if any JV did not meet its delivery targets. **Wallingford Extra Care Scheme** We are looking at whether we can afford to convert the rental units from affordable to social rent. We will be asking the Board to take a decision via an e-resolution in mid-August. **ISO Accreditation in Environmental Management** We have achieved this accreditation which gives us a framework, helps us remain compliant and meet our goals. **Lettings Dashboard** The Head of Housing took the meeting through the Lettings Dashboard. Current performance shows a significant improvement with average YTD performance of 27 days for minor voids with trajectory good in Q1. The Board agreed this is a positive picture and we are moving in right direction and having desired results. **Income and Rent Arrears Dashboard** The Head of Housing advised that any debt owing carries over from year to year and does not reset. We saw a spike in 2020 and this has not reduced. A large part of the debt is an increase in migration of tenants onto UC with all benefits moving to UC by end of 2023. The Head of Housing took the meeting through the breakdown of arrears owed. The Rental Income team is bringing cases to court for those not engaging with us, with the court working through the backlog of cases due to the pandemic. In addition, the team is making sure we are getting out and engaging with tenants as much as possible and having conversations about rent. Rentsense is also enabling better targeting of available staff time. The Board commented that we need to replicate the good work on reducing voids to arrears with a forensic analysis of all contributory	

factors. How frequently rent statements are sent was also discussed, with a suggestion that we may wish to move back to more regular paper statements. It was agreed to consider this point further. **Resolved:** **That the Board notes the update.** **109. Annual Report of the Audit and Risk Committee for the Year Ended 31 March 2022** The Chair of the Audit and Risk Committee presented the annual report of the Committee to the Board. He highted that the Committee had met both sets of auditors without officers. We have received positive feedback from auditors on how we responded to their requests and our work with them. We have received a clean management letter from BDO on the year end audit of the annual accounts. The Chair of the Audit and Risk Committee confirmed they had received internal audit reports from RSM throughout the year and monitored the progress on the actions arising from the audits. The Committee had also tracked the cyber security audit and been advised on the actions points from the penetration testing and phishing trials. **Resolved:** **That the Board accepts the annual report of the Audit and Risk Committee for the year ended 31 March 2022.** **110. Statutory Accounts for the Year Ended 31 March 2022** The Director of Finance and Resources took members through the financial results for the year end. Operating surplus for the year was £14.4m compared to the previous year of £10.3m. £2m of the increased surplus was the result of capitalising interest. The Chair asked for additional commentary in the accounts to capture the increase in surplus despite a very challenging economic environment. This was agreed. The Director of Finance and Resources advised that the audit has resulted in a clean management letter. She expanded to explain that we have received no management letter points since 2017. She was pleased with the work of the Finance Team. The Board thanked the Director of Finance and Resources and her team for their work. It was noted that on Page 74, the unit cost benchmark is a typo and will be corrected. **Resolved:** **That the:**	**JMC** **NH**

1. **Statutory accounts for the year ended 31 March 2022 are approved by the Board and are recommended for adoption at the AGM**
2. **Proposed letter of representation be agreed and signed by the Chair on behalf of the Board**
3. **Board agrees the contents of, and the Chair be authorised to sign the proposed letter of support for SIB Property Limited with the text set out in Appendix B of the paper.**

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111. Annual Treasury Plan 2022/23

The Director of Finance and Resources advised that the annual treasury plan follows on from Business Plan in May which showed that new debt is required from June 2024. Interest rates are increasing and there is a risk that we may agree financing too soon as actual development spend profile was moving into the future as the work on some schemes slows down. The Director of Finance and Resources has spoken to new and current lenders to get an understanding of the market. The Chief Executive noted we have been cautious about bank liquidity during the pandemic, however, drawing down against the RCF now contains little risk and gives us access to very attractive rates.

The Board agreed that it was sensible to update the Business Plan in September to refresh our data to inform our future financing decisions and that we will also get a private rating in line with the proposal in the Annual Treasury Plan. **NH**

Resolved:

That the Board approved the Annual Treasury Plan 2022/23.

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112. Risk Register Review

The Chief Executive introduced the paper showing the top live risk register. The Board heard the explanation for the inflation risk being sub-divided into three risks to enable us to scrutinise separately. Members requested that Long Covid be added to the existing Covid risk. **KL**

The Board questioned the risk of a cyber-attack being a higher priority than cost of living crisis. Although the results of an attack are immense, cost of living is more of an immediate risk. The Chief Executive replied **KW** they were equally scored but will swap them around. The Director of Finance and Resources advised that the risks for a cyber-attack are static, and we have measures in place with a cloud-based backup. The meeting heard that other HAs have experienced cyber-attacks and have experienced significant financial costs from the fallout. The Board suggested sourcing a company that specialise in cyber-attacks on hand **DE** should an attack happen.

Disrepair remains a live risk area, with controls including increasing our own stock condition surveys. This is linked to the cost of living crisis as we understand that many residents will be unable to afford to heat their homes adequately this winter.

Resolved:

That the Board reviews and approves the Top Live Risk Register subject to the minor amendments discussed.

113. Communities Strategy

The Director of Housing and Communities introduced the strategy and outlined the main areas – resident involvement in decision making, membership and community investment.

The Board noted their support for stronger links between our new localities working arrangement and resident engagement, noting the feedback from the co-reg away day that localities engagement structures were something the co-reg groups wished to see strengthened. The meeting also noted the link through to wider issues raised in the governance review of how customer voice is heard and made visible in Board decision making processes. This is being tracked through the governance review action plan.

Resolved:

That the Board discussed and approves the strategy in principle subject to final approval by Members at the AGM.

114. Development Update

The Head of Development presented the report to ask the Board to approve a S106 site with Redrow Homes. The scheme at Blaise Park in Milton comprises twenty-four affordable homes of which fourteen are for affordable rent and ten for shared ownership. It generates a positive NPV.

The Head of Development asked the Board to note a reporting inconsistency at the Wallingford Extra Care scheme which has altered the tenure split previously agreed by the Board. He advised that a one bed shared ownership unit had been swapped to a two bed which had improved the NPV.

He further advised that we were in the process of carrying out some calculations for the Wallingford Extra Care site to determine whether we would be recommending a change from affordable rent to social rent plus service charge. He explained that if we were to recommend this

change, we would be requesting approval under an e-decision in August 2022. **Resolved:** **That the Board:** **1. Approves the site at Blaise Park in Milton;** **2. Notes the tenure split change at Wallingford Extra Care scheme; and** **3. Further notes that a recommendation to change the tenure at the Wallingford Extra Care scheme from affordable to social rent may be requested via an e-decision.** **115. Continuous Improvement: Learning from Feedback and Issues** The Director of Housing and Communities introduced the report around definitions of Anti-Social Behaviour (ASB) and Unwanted Behaviour (UB). Historically we have tried to solve all issues, however, we need to focus on ASB. The Board asked how improvements and changes are followed up and how we ensure we have clear service standards where we are clear about this limit of our powers. The meeting agreed we need to manage expectations and not over promise to the point when we are unable to deliver. The Director of Housing and Communities summarised we are aiming for clarity, speed and expectation setting and the knowledge to signpost rather than not saying it is not our problem. He agreed to bring an update report to a future Board meeting. The meeting also considered a case study showing the results that the No Recourse to Public Funds project is achieving. The first residents have now successfully regularised their immigration status and become permanent Soha tenants, creating space in the project to work with more people. Special thanks was given to Emma Morrell for her work on the project. **Resolved:** **That the Board notes the report.** **116. Soha's Golden Rules** The Director of Finance and Resources introduced the discussion paper highlighting that the existing golden rules have developed over a period, rather than thought through as red line that which must not be crossed. She asked Members to review the proposals in the report and provide their input. Discussion took place around setting the golden rules with reference to	**MA**

lenders covenants, at levels which did not threaten viability and allowed us to undertake activities in line with our corporate objectives. It was agreed that the Director of Finance and Resources will bring back a set of golden rules that are clearly defined, with triggers and early warning indicators for Board approval. **Resolved:** **That the Board discussed and notes the report.** **117. Review of Key Performance Information for Q1 2022/23** A member questioned the downturn in resident satisfaction levels. The Chief Executive explained that due to a delay by MEL in starting surveys, the data was weighted towards text samples and not phone calls and that this methodological difference will account for some of the shift. We also have concerns about the accuracy with which MEL have collated the data which are being bottomed out. Further work will take place on this to ensure data is accurate, and to identify the difference that the new collection methodology has had on satisfaction numbers. She stated that the senior team do not recognise these steep declines in satisfaction from our other data sets such as repairs satisfaction data on completion of current work, although we recognise that there have been issues that could be expected to impact satisfaction during the last quarter. This detail will be brought back to the next Board meeting. The Board noted a drop in satisfaction in Estates due to issues with IdVerde, the ground maintenance contractors. This has been addressed through regular meetings with management and rectification notices. In addition, we do not pay for any jobs missed and this reduction is passed back to residents through service charges. Performance is now improving The Board were asked to note that we have had to fast track the installation of carbon monoxide testers due to the government mandating work is completed by 31 October. We are currently on target. **Resolved:** **That the Board discussed and notes the report.** **118. Annual Statement of Regulatory Compliance 2021/22** This item was for consent with no questions raised. **Resolved:** **That the Board confirms Soha's compliance with the:** **1. RSH Standard on Governance and Financial Viability;**	**NH** **JMC**

2. **RSH Standard on Rent;**
3. **NHF Code of Governance; and**
4. **RSH Consumer Standards.**

119. Amendment to Soha's Rules

The Board was asked to approve minor changes to Soha's Rules prior to adoption by Members at the AGM. The changes are to allow us to hold virtual AGMs, and to align the maximum tenure of a Board member with the provisions in the Code of Governance 2020.

Resolved:

That the Board:
1. **Approves, in principle, the amendments to Soha's Rules; and**
2. **Agrees that the amended Rules be recommended to Soha's shareholding Members for adoption at the AGM in September 2022.**

120. Group Treasury Management Policy

This item was for consent and no issues were raised.

Resolved:

That the Board approves the Group Treasury Management Policy.

121. Rent Policy and Procedure

This item was for consent and no issues were raised.

Resolved:

That the Board approves the Rent Policy and Procedure.

122. Annual Review of the Personnel and Remuneration Committee

The Board noted the contents and thanked the Committee for all the work they do.

Resolved:

That the Board noted the contents of this report and the activities the Committee should be undertaking during 2022/23.

123. Annual Report on the Asset and Liability Register

This item was for information and no questions were raised.

Resolved:

That the Board notes the report.

124. Any Other Business

Request to Increase 2022/23 Repair Budget
The Director of Property Services asked the Board to approve an increase in the annual repair budget by £120k. This is to accommodate an increase in rates agreed with our main repairs contractor to reflect increasing labour and materials costs. The Board approved the increase and asked the Director of Property Services to continue to exercise close control over costs.

Resolved:

That the Board approves an increase in the annual repair budget.

125. Date of Next Meeting

The date of the next Board meeting will be **Thursday, 22 September 2022** at 6.00pm via MS Teams or at Soha's office (location to be confirmed nearer the time).

The meeting ended at 9.00pm.

Signed:__________________________

Date: _________________

CONFIDENTIAL MINUTES	
There were no Confidential Minutes. Signed:___________________________ Date: _________________	