Minutes of Meeting

Meeting: Board Meeting
Date: Thursday, 30 March 2023
Time: 6.00pm
Venue: Virtual via MS Teams

Present:

Naomi Barrand
Tim Bolton
Victoria Dingle
Jenny Ekelund
Dave Lakin
Emma Luddington
David Mody
Peter Nkum
Peter Sloman
Hayley Smith
Kate Wareing
Lucy Weston

Apologies:

Matt Archer
Nasreen Hussain

Also in attendance:

Lee Hayward, Director of Property Services
Craig Dransfield, Head of Development
Penny Finburg, Head of Finance and Treasury
Katie Legg, Head of HR
Andy Tollett, Head of Repairs and Estates
Marisa Elliott, Governance and Regulation Manager / Company Secretary

Announcements

The Chair welcomed Andy Tollett, Soha's new Head of Repairs and Estates Services to his first Board meeting.

Declarations of Interest

None.

72a. Approval of Minutes	**Actions**
The minutes of the Board meeting held on 23 February 2023 were approved. **Resolved:**	

That the minutes of the Board Meeting held on 23 February 2023 be signed as a true and accurate record.

84b. Audit and Risk Committee Minutes

The Chair of the Committee introduced the key points from the meeting held on 8 March 2023. He advised that both the Internal and External Audit plans for 2023/24 had been agreed. The top live risks and three risks on the internal control framework had been reviewed with only minor changes made.

The Chair of the Committee also advised that a discussion took place earlier this week involving members of the Committee, the Chief Executive and Director of Finance and Resources on our current approach to risk and whether it requires enhancement. Following discussion, it was agreed to consider this further.

Resolved:

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

85. Matters Arising Tracker and Wallboard Ideas

The Chair noted that many of the actions on the tracker have future dates, and these will be discussed at the appropriate time.

Item 37 – Results from the Staff Engagement Survey

It was noted that this item is on the agenda for this meeting.

Item 55 – A&R Committee to Monitor Costs for Alternative Contractors to Clear Repair Backlog

This was discussed by the Committee at their meeting earlier this month.

<u>Wallboard Ideas</u>

Members noted the updates and progress made on some of the ideas.

Resolved:

That the Board notes the update.

Reports

86. Chief Executive Key Issues Update

The Chief Executive provided an update to members on key external trends and internal issues.

External Update

1. Inflation and Economic Operating Environment
The Chief Executive advised that inflation has risen slightly to 10.4% which has reduced from the January figure of 10.5%. She commented that despite rapidly reducing fuel wholesale prices, inflation has once again risen, driven primarily by increases in food and alcohol prices.

2. Cost of Borrowing
The Chief Executive advised that interest rates are widely predicted to increase from the current 4% level to 4.5%. Analysts remain bullish that rates are reaching their peak, although this clearly remains highly uncertain.

3. Merger Activity
The Chief Executive advised that two of our neighbouring associations are in advanced discussions to merge with other organisations. Sovereign is looking to merge with Network to form an 82,000-home association. Silva and Abri are also planning to merge. Neither of these has a direct impact on Soha.

4. Government Campaign on Complaints Awareness for Social Housing Tenants
The Chief Executive advised the Government has recently released its complaints awareness campaign on TV, radio and social media on how social housing tenants can make complaints to their landlord. Whilst we are keen for residents to have the knowledge and support to raise complaints, it's unclear what the Government's motives are as this will undoubtably increase the workload for the Housing Ombudsman.

Internal Update

1. In-depth Assessment
The Chief Executive advised that we have received verbal confirmation that we have retained our existing ratings of G1:V1 from the Regulator of Social Housing. She confirmed that she and the Chair spoke with the regulatory team earlier this week and received positive feedback. They noted that Soha has an effective Board which is well supported by the Executive Team. They were pleased to see appropriate challenge and the inclusion of residents in decision making (the decision on rents was highlighted). They also commented on the balance of development and provision of additionality together with a fully costed net zero carbon programme. There were a couple of areas of focus including an upscaling of pace on the stock condition survey work and a heads up for Soha to start thinking about demonstrating assurance with the

Consumer Standards.

2. WAVE 2 Funding
The Chief Executive advised that our WAVE 2 bid for £1.7m from the Department for Energy Security and Net Zero (DEESZ) has been successful. This will cover 50% of the costs of retrofitting 200 of our poorest performing properties in terms of their energy efficiency. Work will commence at the end of June.

3. Changes to Locality Leadership, and the Neighbourhoods, Communities and Resident Engagement Teams
The Chief Executive provided an overview of the changes to structures across Soha. One of the main changes is to bring neighbourhood management and communities work together, and create more capacity for local leadership by re-shaping the Locality Lead role and building this into, rather than having it as an add-on to existing roles. All the locality teams will be managed by a new Head of Localities.

The other change is that resident engagement (how involved residents contribute to central Soha decision-making) has moved to the Chief Executive's department.

The Chief Executive advised that further updates on the successful individuals will be provided when known.

4. Home Ownership Update
The Chief Executive advised that information on changes to the home ownership and sales team, information about the new website and the current sales position was contained within Appendix A of her report but she highlighted a couple of areas.

She advised that there is still over £5m in unsold shared ownership units but the majority of these are reserved. Sales at Frances Curtis Court are slower than we hoped but there is a demand for them. We have created a special marketing plan for this scheme and are in the process of broadening our advertising across a wide range of communication channels.

A member asked if there were any impacts on our cashflow. It was noted that there hadn't been as yet. We have been very prudent in our predictions and only included one sale per month, but we are regularly monitoring this.

5. MD Building Repair Backlog Update
The Director of Property Services advised that the number of live orders continues to reduce. There are currently 2,183 live repairs which is a reduction of 248 jobs from the previous week. This is in addition to 300 repairs we have issued to United Living, so an overall total of 2,483 jobs.

He expects the number of live repairs to be in a manageable position (i.e., fewer than 1,000 repairs) by 31 May. A member enquired if letters sent to residents could detail the work to be carried out. The Director of Property Services believes this does already happen but agreed to investigate this further. **6. Repair and Void Budget 2022/23** The Director of Property Services advised that as at end February our overall 2022/23 responsive repair and void expenditure including planned plastering and void kitchen and bathroom refurbishments is underspent by £50k against the budget. However, with the work being carried out to reduce the number of live orders, there may potentially be an overspend. He advised that if the total overspend exceeds £100k, he will bring a report to the Board meeting in May providing full details of the expenditure and will request Board approval for the overspend. A member asked if an email could be sent to all Board members as soon as this happens. This was agreed. **7. Stock Condition Surveys 2023** The Director of Property Services advised that 820 stock condition surveys have been completed from October 2022 to March 2023. He noted that very few high priority actions have been identified. We are aiming to complete a minimum of 1,300 stock condition surveys during 2023/24. **8. Partner Status with Homes England** The Head of Development advised that we have had our partner status with Homes England re-confirmed which means we can continue to apply for grant from them. **Resolved:** **That the Board notes the update.** **87. Priorities for 2023/24 and 2024/25: Corporate Plan Delivery and Performance Targets** The Chief Executive presented the report and reminded the Board that drafts of the Corporate Plan objectives and the KPIs/TSMs were brought to the meeting in January. <u>Corporate Plan Delivery</u> The Chief Executive explained that at the meeting in January, we	**LH**

discussed the areas of priority and those we wished to de-prioritise. The version presented tonight is largely unchanged since then.

Performance Targets

The Chief Executive advised that since the last meeting, we have engaged the services of Acuity who will be carrying out our resident sentiment survey work for the TSMs from 1 April. In the interim, they have shared their satisfaction data with us (which is more recent than the data from Housemark) and shows contrasting levels of satisfaction. We have amended our own targets to align with those from Acuity, as highlighted in yellow, but we will be aiming to move all targets from the median to the upper quartile.

A member queried the detail behind the figure for satisfaction that home is safe. It was noted that the results can be subjective and that we will follow up any responses where residents state that home isn't safe or they're not happy.

A member suggested that we unpick our arrears performance against our peers to see if there is anything else we can be doing or could use to improve our performance. The Head of Housing advised that we are using RentSense to support us with this and to benchmark ourselves with others.

Service Standards

The Chief Executive asked the Board to note the revised Service Standards which have been updated with residents and staff. They are still being worked on but when complete will be published on the website and a copy given as part of the tenancy sign-up process.

Resolved:

That the Board:

1. **Approves the KPIs and TSMs for 2023/24**
2. **Approves the action plan to deliver the targets for the final two years of the Corporate Plan 2023-25**
3. **Notes the revised Service Standards**

88. Development Update

The Head of Development presented the report to ask the Board to approve this land led development. Cullum House in Wheatley is an existing Soha sheltered scheme with a high proportion of bedsits which are difficult to let. He advised that the proposal is to demolish the existing building and provide twelve self-contained affordable rent units constructed to zero carbon standards.

The Head of Development advised that initially we had negotiated a build contract with Greencore but decided to go out to tender. R J Leighfield were the successful contractor and we have secured grant of £736k from SODC. The scheme generates a positive NPV. The Chair then invited questions. A member asked if we could build the scheme for what it's worth and if we should consider having a cost to value principle going forward? The Head of Development agreed that this could be an option, but a hurdle rate should be used as a can opener. He suggested that we look to set some parameters for land led developments and revise the scheme appraisal criteria as guidelines, rather than to stop development. This was agreed and will be brought to the May Board meeting. The Chief Executive noted that we have a full development programme already and asked if we should continue to decline any S106 sites until the autumn. It was agreed that we should but to review the appraisal parameters as mentioned above. A member asked if residents will be paying lower energy costs for these homes. The Head of Development advised that they would be substantially lower but there is no discretion on the market value for net zero carbon homes. Rents are linked to local rents within an area and nothing else. A member enquired why the Parish Council initially objected to the scheme. The Head of Development advised they were keen to achieve the same number and size of units as before but without the bedsits. **Resolved:** **That the Board approves the development at Cullum House in Wheatley.** **89. Staff Engagement Survey Action Plan** This item was for information and no questions were raised. **Resolved:** **That the Board notes the report.** **90. Rental Income Performance Update** The Director of Housing and Communities presented the report to update the Board on current progress. A member commented there was a positive downward trend with arrears especially given the current cost of living crisis. However, they	**CD**

enquired whether there was any comparable data available for the KPIs. The Head of Housing advised that he has been speaking with RentSense to see if they can provide data for our peers and sector-wide to enable us to see what's driving arrears.

Resolved:

That the Board notes the report.

91. Any Other Business

None.

92. Date of Next Meeting

The date for the Board Away Day is **Saturday 22 April 2023,** commencing at **9.00am** at Fison Barn, The Earth Trust, Little Wittenham, Oxfordshire OX14 4QZ

The date of the next Board meeting will be **Thursday, 25 May 2023** at **6.00pm** at Soha's office.

The meeting ended at 7.20pm.

Signed:_________________________

Date: ______________

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