Minutes of Meeting

Meeting: Board Meeting
Date: Thursday, 19 October 2023
Time: 6.00pm
Venue: Board Room, Soha Housing

Present:

Naomi Barrand
Janet Crooks
Victoria Dingle
Jenny Ekelund
Dave Lakin
Emma Luddington
David Mody
Peter Nkum
Peter Sloman
Hayley Smith
Martyn Thorne
Kate Wareing

Apologies:

None

Also in attendance:

Matt Archer, Director of Housing and Communities
Lee Hayward, Director of Property Services
Nasreen Hussain, Director of Finance and Resources
Warwick Ainsworth-Parker, Head of Sales and Home Ownership
Penny Finburg, Head of Finance and Treasury
Andy Tollett, Head of Repairs and Estates Services
Marisa Elliott, Governance and Regulation Manager / Company Secretary
Alex Morgan, Director at Savills Financial Consulting

Declarations of Interest

There were no new declarations of interest.

12. Update to Annual Treasury Plan 2023/24	**Actions**
The Director of Finance and Resources introduced the report and reminded members that approval had been given at the July meeting for Soha's Annual Treasury Plan 2023/24. She advised that following a review by our retained Treasury Advisor, Savills Financial Consulting (SFC), an update was being provided at this meeting. The Director of Finance and Resources invited Alex Morgan from SFC	

to take members through the update report and to discuss the areas in further detail. Alex confirmed that he had recently started working with Soha and felt it was a good opportunity to conduct a thorough review of our treasury activities.

Next, Alex took the Board through a presentation on the various aspects of treasury including debt portfolio, interest rate protection, security, financial covenants and funding need.

Confidential items were discussed. Further information is contained within the Confidential Minutes.

The Board were asked to approve the seven recommendations contained in the report and presentation.

Resolved:

That the Board approves the recommendations contained in the report and notes that a further proposal will be brought to the Board meeting in January 2024.

13. Group Treasury Policy

Alex Morgan from SFC presented the re-written Group Treasury Policy which has been refreshed to make it more concise, clearer and easier to follow than the previous policy whilst retaining the key recommendations in the CIPFA code.

He explained some of the key parameter changes to liquidity, interest rate risk, counterparty credit risk and covenant risk.

Resolved:

That the Board approves the new Group Treasury Policy.

Alex Morgan left the meeting.

14a. Approval of Minutes

The minutes of the Board meeting held on 21 September 2023 were approved.

Resolved:

That the minutes of the Board Meeting held on 21 September 2023 be signed as a true and accurate record.

14b. Audit and Risk Committee Minutes

The Chair of the Audit and Risk Committee drew members' attention to a couple of the key items from the meeting held on 4 October 2023. He advised that the Committee welcomed a couple of new members – Emma Luddington and Steve Bolton.

The Chair of the Committee advised that our external auditors, BDO, have decided to stand down from being Soha's external auditors as they feel they are under resourced and want to concentrate on higher value business. He advised that we are currently procuring for a new external audit company.

The Chair advised that the Committee will be trialling a deep dive approach on a specific risk management area as suggested by RSM, our internal auditors. This will commence from the next Committee meeting in January 2024.

Resolved:

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

15. Matters Arising Tracker and Wallboard Ideas

Items 49 & 55 - Update on the MD Repair Backlog

This item is included within the CEX Key Issues report at item 7. It was agreed to keep this on the tracker for now.

Item 54 - What else Soha can do to Assist with Individuals whose Housing Needs are not being Met Elsewhere

This item is not yet due.

Item 55 - Analysis on New Shared Ownership units at Frances Curtis Court

This item is on tonight's agenda at item 18.

Item 74 - Quantify the Impact of a Continuing Freeze on LHA Rates on Soha Rents

This item is not yet due.

Item 77 - Evaluation Technique to Measure Impact of Stopping or Slowing Down Activities

The Chief Executive advised that this was practised on a small scale at the Board Away Day in October. She asked if the Board felt it was helpful to have the pre-determined criteria when attempting to make decisions. It was noted that evaluating in one day was difficult and perhaps this is an issue we could re-visit? It was further noted that it would be useful to include an element of weighting to the criteria.

The Chief Executive asked members to email her with any further comments or thoughts.

Item 88 - Parameters and Revise Scheme Appraisal Criteria for Land Led Developments

It was noted that a report was due this evening, but this has not been possible. It was agreed that it will be brought to the meeting in November.

Item 100 – Consider Diversity in Terms of Changing Nature of our Workforce and Residents

This item is not yet due but will be considered within the EDI Strategy.

Item 104 - Reporting of Arrears Performance

It was agreed to retain an update in the CEX Key Issues report until the Performance Report at the October Board meeting (now November) and then it can be removed from the tracker.

Item 7 - Report against the Framework in the Customer Service and Engagement report by Campbell Tickell

This item is on tonight's agenda at item 17.

Wallboard Items

The Chair of the Board reminded members that these are points which require further consideration and work and may not necessarily be given an immediate timescale. She also encouraged members to reflect on any additional items for inclusion.

No questions or additional points were raised.

Reports

16. 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 increased slightly to a headline figure of 6.7% up from 6.3% in August.

2. Cost of Borrowing
The Chief Executive advised that the Bank of England (BoE) base rate has remained at 5.25%, with further increases uncertain. It was expected the BoE would increase the rate to 5.5%, however, this did not happen due to an unexpected fall in inflation. The higher rate continues to impact directly on our variable rate debt repayments, which currently form 26% of our total drawn down debt.

3. RSH Announces Plans for a National Tenant Survey
The Chief Executive advised that the Regulator has announced plans to carry out a National Tenant Survey with social housing tenants to understand how satisfied they are with their landlord’s service. This is in addition to the Tenant Satisfaction Measures and will provide the Regulator with a robust and independent benchmark for the TSM results.

4. Labour Pledges on Affordable Housing
The Chief Executive advised that the Labour Party has pledged “the biggest affordable housing boost in a generation” as part of its pre-conference announcements. This would be delivered through planning reform to speed up housing delivery and strengthening rules to hold developers accountable. No additional capital investment has been promised.

5. SODC and VOWH Joint Local Plan
The Chief Executive advised the joint Local Development Scheme was approved in September 2023, and sets out the timetable for producing new planning policy documents, including key production and public consultation stages. South Oxfordshire and the Vale of White Horse District Councils are working on a Joint Local Plan, which is expected to identify 3000 new homes. It is due out for consultation within the next month.

6. Oxfordshire Housing Infrastructure (HIF) Fund – Current Status
The Chief Executive advised that the Secretary of State has called in for review the planning refusal for the HIF1 road. This is a nine mile road from the A34 at Milton to the Oxford Road near Nuneham Courtenay. The local plan is being built on the assumption that this appeal will be successful, as development on the sites proposed in the local plan will be contingent on this infrastructure development.

7. Wave 2.2 SHDF Decarbonisation Funding Round
The Chief Executive advised that the government has announced a modest Wave 2.2 grant funding round to fund decarbonisation work in

social housing. Soha will not be eligible to bid for this funding because we received funding via Wave 2.1. <u>Internal Update</u> **1. MD Building Repair Backlog Update** The Director of Property Services advised that our repairs WIP currently stands at 1360 active jobs. He confirmed this comprises our standard WIP of approximately 1,100 orders. The 260 "old" orders are where we have been unable to get access or a reply from residents to re-book work despite repeated chasing. The Director of Property Services advised we are now writing to residents and asking them to get in contact so we can appoint these repairs, otherwise the order will be cancelled. No work orders will be cancelled that relate to damp or any other health and safety issue. The Director of Property Services advised the repair service is now very much back to normal in terms of being able to offer residents early appointments for routine repairs for the majority of trades. The only current pressure is on electrical and plumbing repairs. Soha has now onboarded a third contractor Gilmartins who have begun work on voids. Gilmartins are also able to undertake responsive repairs should the need arise during the colder months. **2. Frances Curtis Court Opening** The Chief Executive advised that the official opening ceremony for Frances Curtis Court took place on 28 September. The opening was carried out by David Johnston OBE MP and attended by residents, local dignitaries, staff from SODC, Soha staff, Board members, Berkeley Homes and relatives of Frances Curtis. The event was well received. **3. Reactive to Proactive** The Chief Executive shared an example of how we are proactively and consistently following up on the raw data we receive from the TSMs. **4. Reinforced Autocleaved Aerated Concrete (RAAC)** The Director of Property Services advised that the RAAC survey of Lee Court in Thame has been completed and we are awaiting the written report. Technical Officers are carrying out routine precautionary inspections of all Soha schemes and blocks of flats, however no RAAC has been identified to date. **5. Deep Dive Reporting: Rental Income Performance Summary - as at 30th September 2023**	

The Chief Executive advised that rent arrears stood at 4.5% (4.4% net of HB) as at 30 September. This reduction is due to the inclusion of two Housing Benefit payment schedules in September. This happens because Housing Benefit is paid 4 weekly, and two of the 4 weekly cycles fell in September. Rent collection, on a 12-month rolling basis, stands at 100.8%. **6. Deep Dive Reporting: Frances Curtis Court - Sales Update** Our current position is that we have four sold (in residence), one sale is progressing and four are on hold with unproceedable buyers. It was noted that this is behind our target of one sale per month (7 months since handover). We have had several interested parties that have not been able to sell their own property due to the difficult market conditions and have therefore decided not to continue with a move. We are continuing to extensively promote these apartments, using many forms of marketing. We are also promoting the option for current Soha shared owners to part exchange their property if they would like to move into Frances Curtis Court. The show home continues to open on Saturdays and the sales team handle enquiries through the week. Interest did drop off during the summer as is traditional in-home sales but there are signs of a recovery through September. **7. Kate Wareing has joined PlaceShapers Board** The Chief Executive advised that she has been appointed to the Board of PlaceShapers, which represents housing associations who are committed to a broader role in creating great places and communities, as well as renting homes. Soha has been an active member of PlaceShapers for many years and have benefited both from the advocacy access and opportunities for learning that being part of the network offers. **8. Regulatory Judgements and HOS Update** An update on the latest judgements and information on Complaint Failure Orders was provided as shown in Appendix A of the report. **9. Communications Update** Updates were provided as shown in Appendix B and B1 of the report. **10. Virement of £285k to 2023/24 Fire Safety Repair Budget** The Director of Property Services advised that Directors have approved a virement of £285k to the 2023/24 fire safety repair budget from the planned and fabric first environmental budgets. He advised that the virement was requested because the 2022/23 fire risk assessment reports and recommendations for all our schemes and general needs blocks of flats arrived six months late, in May 2023.	

The estimated cost of this work, which should have been completed by 31 March 2023, is £390k. The Director of Property Services confirmed that we have to complete this work during this financial year along with any actions identified in the 2023/24 fire risk assessment reports. He advised that none of the £200k fire safety repair budget was spent in 2022/23. Also, at the time of setting the 2023/24 fire safety budget in November 2022 we were still confident we would receive the 2022/23 reports and complete any repairs deemed to be required by 31 March 2023. **11. Next Steps from the Board Away Day** The Director of Property Services advised that he will be bringing a report to the Board in January 2024 following the discussions at the Board Away Day. A **confidential item** was discussed. Further information is contained within the Confidential Minutes.	**KW**
A member enquired if we had considered the impacts of the war in Israel. The Chief Executive agreed to provide further detail in her next update. **Resolved:** **That the Board notes the update.** **17. Customer Service and Engagement – Reflections for Soha** The Director of Housing and Communities presented the report. He advised that following the publication of the Disruptive Innovators Network and Campbell Tickell report on how housing providers engage with their residents, we have been reflecting on these insights and considering what we might want to change as a result. The Director of Housing and Communities advised that we have carried out an initial self-assessment and have proposed some next steps. We will then look to develop an action plan based on this and the discussion with Board at this meeting. He advised that we have highlighted three key themes which we would like to explore in more detail: a) moving from data collection and insight to using it to drive targeted change in how we deliver services b) thinking more intentionally about how we engage with residents – in terms of who we're speaking with, how we do that, and for how long c) living out our values – with a particular focus on putting people at the heart of our approach	

The Director of Housing and Communities enquired whether we are focusing on the right areas and whether the self-assessment aligns with the Board's experience of Soha. Also, how does the Board gain assurance that we have delivered the proposed actions? The Chair of the Board then invited questions from members. A member asked about employee awards that are linked to our values. How are we recognising and communicating this to all staff? It was noted that we use Teams to share positive news, but it was agreed that we could be highlighting this and making it more explicit. A member commented that we are using the Complaints Working Group to review and sign-off any recommendations made via Stage 1 and Stage 2 complaints. It was noted that where we are hearing from residents, we need to draw the sources together. A member noted that it shouldn't just be a plan with actions to tick off and then forget about but using it to constantly learn. This was agreed. It was further noted that we need to use the detail from where something has gone wrong alongside reviewing our blind spots to create a rounded picture. There was some discussion on whether service re-design was the most appropriate way to review an area or should we be finding the gaps/silence. A member enquired about an assessment of the quality of our data and how it can be pulled together. The Director of Housing and Communities confirmed that we are progressing well in data collection, and we now need to use the insights to drive improvements and using technology to help us achieve this. The Director of Housing and Communities advised that this report will be discussed by individual teams before being taken to the Members' Forum in November. He agreed to bring a follow-up report to the Board meeting in November but will circulate the proposed series of questions on Board assurance in advance of the meeting. **Resolved:** **That the Board discussed the initial report and learning paper.** **18. In-depth Analysis on Shared Ownership Units at Frances Curtis Court** The Head of Sales and Home Ownership presented the report to provide an overview of the development and to share the lessons learned through the process.	**MA**

He advised that of the 37 social rent units, we have let 23 to date. A further seven units have been allocated and are waiting for a moving in date with the final 7 being unallocated. He asked the Board to note that the ‘peace of mind’ charge which covers the 24-hour response of on-site carers for any emergencies, but not actual planned care was negotiated down to £45 per week with the county council and care provider. This is more than the £25 per week charge set at our other retirement living schemes.

He advised that we have sold 4 properties and have one more with a sale proceeding. We also have another four people that have a reservation subject to selling their own property first. This is behind our original target of 1 unit per month (7 months since release).

The Head of Sales and Home Ownership advised that the scheme has been built to a high standard and everyone is impressed with the layout and finish. However, its location on the edge of town makes it difficult for anyone without a car to get around as there is no footpath or bus service currently in place. The cost is also more expensive compared with our other shared ownership developments and combined with the charges from the care provider and contribution to a sinking fund, means that most buyers will need to come from the open market, selling bigger properties to move ‘down’ to these apartments. There is also competition from other retirement living providers in the surrounding areas, although it appears that many have units unsold, and all are finding that there is currently more property available for sale than there are active buyers.

The Head of Sales and Home Ownership noted that retirement living remains an important form of affordable housing and that Soha offers a great product that competes well but there are additional factors that require consideration including location and proximity to facilities, local competition, quality of the care provider and number of units for shared ownership.

The Chair of the Board then invited questions.

A member commented that it was a good report – open and reflective. They noted that a number of other housing associations are struggling with this type of housing and asked if there was an answer for future provision of older persons’ housing – either a different product or an alternative way of looking at retirement living.

A member suggested that we should consider architecture on saleability and value. It was noted that properties with balconies tend to sell for a higher value as residents are seeking their own outside space.

A member asked if we could push for paths to be installed around the scheme to allow residents to walk into town. It was confirmed that we are already in discussion to get this carried out.

It was agreed to continue providing sales updates within the CEX Key Issues report.

Resolved:

That the Board discussed and notes the contents of the report.

19. Annual Review of Key Governance Documents

This item was for information and no questions were raised.

Resolved:

That the Board notes the report.

20. Any Other Business

Farewell to Lucy Weston
The Chief Executive advised that as Lucy was unable to attend the Board Away Day due to illness, she would be meeting with her to say a proper farewell sometime in the next few weeks.

21. Date of Next Meeting

The date of the next Board meeting will be **Thursday, 30 November 2023** at **6.00pm** in the **office at Royal Scot House**. Please note the drop-in session with SLT is between 5.00 and 6.00pm to discuss any reports on the agenda or to discuss any IT issues or training requirements.

The meeting ended at 8.05pm.

Signed:___________________________

Date: _______________