

Meeting **Shropshire Towns & Rural Housing Limited Board**

Date **9 December 2024**

Time **13:00-16:00**

Location **Board Room – Mount McKinley**

Members Present:	
Tony Deakin (TD)	STAR Board Chair, Independent Board Member
Steve Robinson (SR)	Independent Board Member
Rachel Connolly (RC)	Shropshire Council, Board Member
Lynn Fonseca (LF)	Tenant Board Member
Richard Amos (RA)	Tenant Board Member
Paul Hayward (PH)	Co-opted STAR Board Member
Non-Members Present:	
Harpreet Rayet (HR)	Managing Director
Tom Forty (TF)	Operations Director
Tracey Gray (TG)	Interim Operations Director
Ros Jones (RJ)	Corporate Director
Jo Grivell (JG)	Executive Assistant and Office Manager/Minute Taker
Jenny Daisley (JD)	Client Officer (Shropshire Council)
Jane Trethewey (JT)	Assistant Director Homes & Communities
Denise Jones (DJ)	Head of Finance
Apologies	

Action #	Agenda Item	Agenda Item	Who	When
	1.	<p>Welcome & Apologies</p> <p>The Chair welcomed all attendees. Apologies were received from Vince Hunt. There are to be some new appointments in the New Year to replace existing board members who have left the STAR Housing Board. The meeting was quorate so proceeded.</p>		
	2.	<p>Declarations of Interest</p> <p>PH declared an interest in the Board member and Subcommittee membership discussion at Agenda Item 13.</p>		
	3.	<p>Minutes of the previous meeting</p> <p>The minutes were circulated in advance of the meeting and Board members were asked to approve the minutes as an accurate reflection of the meeting.</p> <p>TD invited the Board to comment on the minutes.</p> <p>Action #1 Board members to send training (including GDPR) certificates to RD. Update 9/12 RD has now left the organisation. Agreed for this to be picked up by new governance manager and have in place by end of financial year. Action ongoing.</p> <p>Action # 4 Presentation on development appraisal model to Board to help understanding of the process. Update 9/12 Training was planned but short on-Board members, so it was agreed to plan when the new Board members are in place. Deferred to a later Board Meeting in the new financial year. Action August 2025</p> <p>Action # 5 Full action plan to be brought back to Board in September. Update 9/12 Ongoing to be picked up by new Governance Manager in January. Action Ongoing</p> <p>Action #8 RJ asked that the plan on customer engagement work be presented at the next Board meeting following a review by customer committee.</p> <p>Action #9 TD asked that each Councilor receives a list of the housing officers in their patch.</p>	<p>RP</p> <p>EW</p> <p>RP</p>	<p>31/3/2025</p> <p>15/9/2025</p> <p>17/3/2025</p>

	<p>Completed December 2024.</p> <p>Action #10 LC/TF will issue a summarised briefing note from NHF/CIH for Phase 2 Report of the Grenfell Tower enquiry to the board. Completed December 2024.</p> <p>Action #11 Provide an overlay of the damp and mould target on the graph within the report and its rectification to help track over the winter, in order to monitor that are we on top of the mould issue. Complete December 2024.</p> <p>Action #13 The Housing Team to reach out to tenants in the area to assure them that STAR is not looking to sell properties on mass but just specific cases. Update 9/12 The briefing is ready to go out at the appropriate time. LC and JD are working through the approvals on disposals first. Action Complete.</p> <p>Action #14 Issue the annual report for approval ahead of the AGM on 8th October. Update 9/12 The report was issued. Action Complete.</p> <p>Action #15 TD suggested talking to another housing association to understand what happened elsewhere (with the green bin subscription), what percentage of residents had not taken it up and what had been the impact on housing services. Update 9/12. JT advised that the Council did some research before implementing the change and found there was not an increase on fly tipping. HR advised that best practice from ALMO's is to pre-inspect voids including the gardens, have a charge for garden maintenance service that people subscribe to and that has been fully subscribed to in relation to other ALMO's and there is a grant system for people who would have difficulty. Everyone is reviewing what is possible as budgets are tight. The plan is to do at least one estate inspection before the end of the financial year. HR advised will keep a watching eye and report back if needed. Action Complete.</p> <p>Action #16 TD asked that some detailed data on anti- social behaviour be brought to the next Customer Services Subcommittee particularly focused on emerging trends and any concerns to be shared with Board in December. Update 9/12. TF advised that it was discussed, and the papers are included in the meeting pack. Action Complete.</p> <p>Action #17 HR agreed to plan an away day before the end of the year to look at risks, business plan and the forward plan to have a more comprehensive discussion. Update 9/12 Away Day is being planned for morning of 17 March on the same day as the next Board. Action Ongoing.</p> <p>Recommendations: The minutes to be reissued for approval following the meeting. Agreed</p>	RJ	17/3/2025
		HR/RP	17/3/2025

	4.	Matters Arising There were no matters arising other than the review of previous actions.		
	5.	Reappointment of Sub-committee Chairs, appointment of Board Vice Chair This item was covered in the MD Update later in the meeting.		
#19	6.	<p>Performance Update RJ provided an update and took the report as read.</p> <p>Urgent repairs – reporting issue impacting figures but some decline evident and being addressed. Major works performance dipped in P7 with 1 property skewing the figures. Complaints handling has seen significant progress and now within annual target and performance is rising.</p> <p>TD highlighted that the stats on relet of the TA properties completely distorts the figures. The management agreement is for general needs and the TA figures should be ringfenced. HR said the management agreement does not make it explicit that TA is not included. HR said it was important to show the whole picture.</p> <p>It is recognised that by its nature there will be a lot of churn with TA's. TD stated he understand the need to account for the TA expenditure but the two are totally different.</p> <p>JT advised to report them separately so it would be clearer going forward. HR said they are already tracked separately and had wanted to give the complete picture to the Board. Currently it is being managed within the HRA and STAR Housing would not want to exclude up to 65% of properties in certain KPI's such as the number of void properties. HR noted that a proposal is being brought forward which would result in all TA being managed directly by the council and the funds associated with IHM would be used by the council to fund these activities. This would create a financial burden in certain areas to STAR Housing and would potentially sit outside the management agreement. This would need to be managed as a client and contractor relationship.</p> <p>Action: TD asked for Management Agreement Performance KPI's and TA Agreement KPI's to be reported separately to the Board and Asset Assurance Board.</p> <p>TD asked about contractor availability given the recent bad weather and can the Board be assured that contractors can respond to any new requests. HR advised that STAR Housing have recently procured a new roofing contractor and they would be keen to make the relationship</p>	RJ	Feb 2025

#20	<p>work and show good performance. The measured terms contract means there is no guarantee of the volume of work and if a contractor is not performing, we have the option not have to use them. The contractor has been very responsive in the last few days and that needs to continue. TF gave further clarification that there are two staff internally now that can do dry zone plastering and we have trained a further two so there are now four staff able to support the damp work.</p> <p>HR added that we are continually looking at contracts and where things can be improved and for example have identified issues with how we manage air source heat pumps repairs and will be looking at new options for these areas.</p> <p>TD asked about the Call centre staffing shortage. TF explained STAR Housing had a stable staff structure within the call centre until a short time ago, a number of staff have recently left and unfortunately a few really poor people were recruited which has set us back. The staff recruited since have been far better. There is still a bit more intervention required to correctly plan repair jobs but hopefully will see things improve considerably with a bit more time.</p> <p>HR said that we are planning to do some general training for all staff so we can support when there are dramatic events and a flood of calls.</p> <p>JT complimented the team on the improvement in complaints especially with the regulators interest in this area. TD agreed that there has been a marked improvement from 12 months ago and in particular in the complaints area.</p> <p>HR said that we have been speaking with Housemark for the KPI's for next year and there are only a few areas where STAR is not second quartile.</p> <p>Pre-provided question from PH: The percentage of completed in seven days appears to be more than an admin issue. TF clarified it is an admin issue relating to the timing of a job being closed on the system and when the report is run and how the update is made by the contractor. It will be run again at the end of the year to ensure that all completed have been picked up.</p> <p>Action: HR said we will have a position with the KPI's for next year that will allow STAR to be compared to the sector. This will be worked through, and a paper sent virtually to the Board for consideration.</p> <p>Recommendation: For the STAR Board to note the performance of the organisation in relation to its obligations through the management agreement. Performance and Report was noted.</p>	HR	Feb 2025
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7.	<p>Engaged Customer Report It was agreed this item would be discussed at the next meeting in March 2025 noting that there is a customer engagement report later in the agenda.</p>		
8	<p>Compliance And Property Safety Update TF provided an update and took paper as read.</p> <p>Electrical safety checks had some capacity issues and there is a plan to resolve this issue with the use of sub-contractors and additional staff. It will increase each month to meet the target by the end of March.</p> <p>Asbestos is 93% communal completed by the end of the month. There are two more that have been completed but no reports yet. Domestic has increased year on year, it should be around 96% by end of the year. The asbestos contractor has put more resources in place for the communal and then they will move across to the domestic when complete.</p> <p>SR asked for clarification on the customer consultation for the Damp and Mould Management Policy. TF explained that we were contacting the people who have had a damp and mould issue in the last few years to survey on the processes and policy will go to the Customer Sub-committee.</p> <p>SR asked is there is a way to get ahead of the high numbers being reported. TF explained that it had been particularly wet this summer and so the numbers were higher than the previous summer but returning to normal levels. There will be a review at the end of January 2025 to have a better view of whether have got on top of things when the winter period is over.</p> <p>LC is implementing sensors in the property and will be looking at recurring issues to see if there is something more fundamental going on. TF added that the reporting of mould cases and then subsequent treatment has come down from hundreds of days to around 8 days for a survey and 23 days for the work to be completed.</p> <p>Recommendation: For the STAR Board to note the performance around compliance. Performance and the report were noted.</p>		
9.	<p>Sub-committee Update-FAR RJ provided the following update:</p>		

		<p>The HRA Business Plan has been circulated which is going for approval in March 2025. It has been running through Council processes in parallel. It is asking for an increase in the borrowing envelop from £122m to £174m. This will enable 500 new homes in the next 5 years. It is imperative that the business plan is approved through the Council's meetings in February. The plan which sets out the budget and includes some sensitivity testing and looks at scenarios such as if the rents change and other factors that might impact. has been through the Development Sub-Committee</p> <p>FAR also considered the management fee increase by 2.7%. Have agreed the principle of capitalisation of staff working on any capital projects. The FAR Committee also considered STAR's out turn position which is a more or less balanced position with a slight overspend of £17K.</p> <p>The risk register was also discussed with some amendments to descriptions of risk and changes to some controls. The temporary accommodation risk was increased from 9 to 16 due to the uncertainty of delivering that service going forward.</p> <p>The internal audit actions will all be completed by the end of the financial year.</p> <p>The committee also looked at a Pension Strategy document regarding potential changes to the Pension structure.</p> <p>SR asked for an update on the employers National Insurance increase. The increase in National Insurance contributions will have an impact on STAR and the Council. There are discussions underway about how the Council might be compensated for that by way of a grant or exemption. STAR is a staff-oriented business and so the increase in staffing costs will have a material impact. The impact for the whole year is £380,000. We are looking to be compensated through the HRA for the next financial year and need to look at a long list of savings to help support that increase in subsequent years.</p> <p>TD asked about the borrowing and flagged that Telford have recently advertised 72 affordable homes in Station Quarter and had secured £4.7m in grant funding from West Midlands Combined Authority. HR advised that there is a mix of funds going on there, land remediation, and working with PRS partners and is not being done through the HRA.</p> <p>TD asked what the impact would be on STAR's borrowing if Shropshire Council issued a Section 114 notice. JT advised that the Council have spoken to Birmingham City Council about their</p>		
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	10.	<p>Subcommittee Update – Development, Sustainability and Strategic Investment</p> <p>HR/TD gave the following update:</p> <p>Looking to finalise the appointment of the contractors to recommence work at Racecourse Crescent.</p> <p>The Wave 3 programme was also covered in detail at the DSSI committee. The good work was recognized in getting the Wave 3 bid in. There is no guarantee how much will get though.</p> <p>Approval is sought for the development of 32 affordable units at London Road, which will all be built to national defined space standards and to EPC C standard. They will be a mix of 1- & 2-bedroom apartments, bungalows and family housing.</p> <p>The legal work related to developments is an issue. The approval process was discussed where the Board approve the transactions, it then goes to the Council to approve. It then has to be approved by JT and then an approval by the Estates Officers who then send a recommendation to legal services to appoint a solicitor. This can mean that there is a property sitting empty for 6 or 7 months while that process is worked through. It has been flagged that there needs to be a change to the Constitution to allow more power to flow through the Boards and a more streamline process. JD and HR will be reviewing the process in the New Year. As things ramp up there will be commercial decisions required if stock is sitting empty - where do those costs go. It also needs to look at housing needs as we cannot have properties sitting empty and people needing housing just because of the internal process being slow.</p> <p>JT stated that there had been some information sharing issues with Cornovii but agreed that there were issues on both sides and there is a willingness on both sides to streamline and improve the process. The Anthony Collins review illustrated more clearly the approach to how</p>		

#21		<p>the HRA should work and that opens up potential for delegation to STAR. It would require a recommendation to Cabinet to make a change but that is the sort of thing that could be looked at.</p> <p>RC highlighted the lack of properties in the South. HR explained that development is restricted in the Southwest due to the river Clun quality issues. A lot of the Bridgnorth area is classed as green belt and areas of national beauty. There is not really the STAR Housing infrastructure to build in the Ludlow area. There is still the intent to grow the numbers where possible.</p> <p>SR asked for an update on the Local Plan. JT advised that everything had been going well and provided inspectors with information and clarification on certain things. All appeared to be going well and then the brakes were put on and they intimated that they would not progress with the local plan and didn't give any reason or information as to why. What appears to be happening is the announcements from Government on the changes to planning are being fed through to the Planning Inspectorate and that is causing them to review what is already on their plate. It had been hoped it would go through so the work could start.</p> <p>SR asked if there is no Local Plan in place, might it have an impact of the increase in houses suggested by the Government. JT advised the numbers being put forward for Shropshire would be very difficult for communities to tolerate and absorb. The infrastructure isn't there, for schools, transport etc.</p> <p>Action: TD asked if the government agenda on housing could be on the agenda for the STAR away day. HR advised will have the National Policy Framework and the Devolution White Paper which is going to affect everything.</p> <p>Recommendation: For the STAR Board to consider the approval of the purchase of Properties at London Road. This was endorsed.</p>	HR	17 March 2025
	11.	<p>Sub Committee Update – Customer Services RJ gave the following update:</p> <p>The CSS committee considered Period 6 performance and recommended to look to exceed the complaints handling target rather than simply meet it.</p> <p>The customer report provided update on customer engagement activities that have taken place and those planned for the remainder of the year as well as key service improvements in this</p>		

		<p>area. Complaints analysis also provided looking at the root cause of complaints.</p> <p>Customer Engagement Offer - outline of customer engagement approach for STAR was discussed. This included ideas like having a mystery shopper. This will be going back to SMT for approval before coming to board for approval in March.</p> <p>There was an update on the approach to Programme Management and how the strategic projects are going. There was also an update provided on Hoarding.</p> <p>TF advised that things are getting more challenging now in terms of many residents having more complex issues and some of the support services are disappearing. 71% of new tenants are Band One and this is putting pressure on the income teams. 30% of last year's relets are due to a tenant death who were reliable payers, and they are being replaced by more complex and challenging people, who need help with money management. Over a cycle of 2-3 years STAR's customer base could completely change. A piece of work is going to be done to look at everyone that was let to in 2024 and how they compared to the previous year's tenants so that can bring some more insight and understanding on what it means for our resources and as an organisation.</p> <p>TD flagged that the themes from the regulator are complaints, property data and hearing from tenants is a key consideration, and he believes we need to move at pace on these aspects.</p> <p>TD asked what the change were to the payment system. All payments go through their system and then are posted to the STAR account.</p> <p>There is a switch of payment systems at the Council that has introduced some operational issues.</p> <p>Recommendation: For the STAR Board to note the contents of the report. Contents noted.</p>		
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Chair of the Board:

Date:

Managing Director:

Date: