



Minutes of Meeting

Meeting Name: **Shropshire Towns & Rural Housing Limited**

Meeting Location: **Board Room, Spruce Building, Shrewsbury**

Date and Time: **9th July 2019 – 2.00pm**

Members present:
Chair – Margaret Wright (Independent) MW
Richard Grounds (Independent) RG
Emma Jones (Staff) EJ
Paul Kelly (Shropshire Council) PK
John Wood (Independent) JW

Vice-Chair – Nicki Barker (Tenant) NB
Simon Harris (Shropshire Council) SH
Mark Jones (Shropshire Council) MJ
Ann Maltby (Tenant) AM

Non-Members Present:
Sue Adams (STAR) SA
Melanie Smith (STAR) MS
Angela Douglas (STAR) AD
Robert Macey (Shropshire Council) RM

Steve Ogram (STAR) SO
Martin Whitelegg (STAR) MW
Teresa Dagnall (STAR) TD

1.	Apologies	<p>MW opened the meeting and welcomed everyone to the meeting.</p> <p>Apologies were received from:</p> <ul style="list-style-type: none"> • Charlotte Parry (Tenant) CP 		
2.	Declaration of Interests	<p>The Board were asked if they had any interests to declare on any items on the agenda.</p> <p>There were no interests declared.</p>		
3.	Minutes from STAR Board Meeting 21 st May 2019	<p>All members confirmed that the previous minutes had been received and were an accurate reflection of the meeting.</p> <p>A copy of the minutes will be signed and placed on the minute book. A copy of the amended minutes from the February Board meeting will also be signed and placed on the minute book.</p>		
4.	Matters Arising	<p>The matters arising from previous Board meetings were circulated for information.</p> <ul style="list-style-type: none"> • Tenancy Agreement; this was presented at the recent Cabinet meeting and approved on 3rd July 19. There has been legal agreement of the preliminary letter that goes out to tenants, which is part of the approval process, and it is anticipated that this will be sent out shortly. • Grounds Maintenance; there have no issues or complaints received in terms of sheltered housing, but there have been substantial complaints from our 		

	<p>general needs tenants. We have asked the Council for a schedule but this has still not been received. SMT discussed possible options for the future management of the contract at last week's meeting, and there are three options for consideration. The first is to carry on with the current situation, procuring the service through a SLA with the Council. The second is to tender the housing estates and HRA land as an independent contract, or the third is to bring the service in-house and run alongside the DLO by taking on seasonal crew. SMR will explore these options and this will be brought back to Board in either September or November.</p> <ul style="list-style-type: none"> • Area Panels; SA will be attending the next Panel meetings to discuss current business planning and how to involve the panels in future business planning. • Housing Ombudsman complaint; SA has received a revised response from the Ombudsman, however, this has not yet been finalised. Will bring the final outcome back to the Board. • STAR Survey; the results have been published. Some Board and Panel members attended a meeting last week where the full results were presented. An action plan will be developed regarding any key issues to take on Board and this will feed into the Business Plan. The full report will be circulated to Board once it has been finalised. <p>There were no further matters arising.</p>	Grounds Maintenance options to be considered at Board later this year	SO/AD/MW
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5.	<p>2018/19 Financial Statements & Directors Report</p>	<p>STAR are required to produce a Directors Report and Financial Statements and mandated to have these audited independently – Grant Thornton are appointed to do this.</p> <p>The reports and statements were prepared during May and presented to the Finance, Audit & Risk Subcommittee on 17th June. Tess Barker-Phillips from Grant Thornton attended the meeting to present the Audit Findings Report. She advised the Committee that there were no matters of concern to report.</p> <p>Since then, there has been a national development relating to liabilities to public sector pension funds including the Local Government Pension Scheme. The McCloud judgement supports a claim of age discrimination against pension scheme members following changes that were introduced from 2014. Subsequently, the decision of the Supreme Court on 27th June to deny the Government's appeal, means there will be an increase in the liability for member organisations.</p> <p>Our Actuaries have estimated the increase in our pension liability arising from this is £456k at 31st March 2019 and this will need to be reflected in our Financial Statements.</p> <p>STAR have been working with our auditors to agree a way forward and whilst good progress has been made. Timing does not allow the revised statements to be presented at Board today.—We are aiming to have the revised statement finalised and signed before 31st July to help the Council meet their reporting deadline.</p> <p>The covering report has a list of recommendations that avoids the need to reconvene a meeting of the board before the end of July.</p>		
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		<p>The Board approved the following recommendations:</p> <ul style="list-style-type: none"> • The Board approves the Directors' Report and Financial Statements for the year ended 31 March 2019 (Appendix 1) subject to amendments to reflect the increased pension liability. • The Directors' Report and Financial Statements (Appendix 1) are amended to reflect the increased pension liability and submitted to the external auditor for verification and agreement. • Subject to satisfactory confirmation being received from the external auditor regarding the amendments, approval of the amendments to the Financial Statements is delegated to the Director of Finance and Resources, the Chair of the Board and the Chair of the Finance, Audit and Risk Committee. • The amended Directors' Report and Financial Statements are circulated to all Board Members for information. • Subject to fulfilment of recommendation 2.3 above, the Chair of the Board signs the amended Directors' Report and Financial Statements for the year ended 31 March 2019 on behalf of the Board on the 3 pages required. • Subject to fulfilment of recommendation 2.3 above, the Chair of the Board should sign the letter of representation (Appendix 2) on behalf of the Board. <p>MW congratulated SO, TD and the team for resolving this situation and for another clean audit.</p>		
6.	Value for Money Self-	The self-assessment is not mandatory for STAR, but the		

Assessment	<p>Board felt this was good practice. This is a retrospective document that considers financial performance, benchmarking performance and the performance against performance indicators in the management agreement in 2017/18.</p> <p>Section 1 considers the 2017/18 budget and the risks that informed the budget when it was set. The most significant item in the budget was the amount of money committed to service developments. This was the year we invested in New Century Court.</p> <p>Section 2 considers the benchmarking performance, and was based upon the results of the previous STAR Survey.</p> <p>Section 3 considers performance against management agreement targets, the majority of which were achieved.</p> <p>Previous self-assessments saw significant efficiency savings, however, this year saw more modest gains as previous service improvements were consolidated and we invested around £0.5m in future service development. There was high social value return on a numbers of our community projects and continuing strong performance on our benchmarked and key performance indicators.</p> <p>MW noted that the assessment is retrospective and asked if it could be carried out earlier. SO noted that it has to tie in with the audited financial statements and the benchmarking cycle. The assessment is usually considered by Board in April and work has already started on the 2018/19 self-assessment. Key elements are reported to Board on a regular basis and in an appropriate timeframe.</p>		
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7.	Annual Action Plan 2018/19	<p>The report outlined how STAR has performed in terms of meeting action plan requirements. There were five actions that were incomplete. In the last year we completed almost twice as many in the previous year.</p> <p>Some things were not completed within timescales, some were a little over ambitious, and some were unable to be completed as we are awaiting progress from Legal, such as the Tenancy Agreement.</p> <p>The Board noted the contents of the report and thought good progress had been made.</p>		
8.	Resident Involvement Strategy	<p>The Strategy has been updated to take into account a few minor changes and some actions that have been completed.</p> <p>The Board asked how the pathway between area panel and board membership was working and how tenant recruitment was progressing. MWH advised that one area panel member has joined the Board so there has been a link. Two new panel members have been recruited, however, more needs to be done.</p>		

		The Board approved the Resident Involvement Strategy.		
9.	Void Action Plan	<p>AD advised there are no issues with the repairs team. There have been larger voids in Bridgnorth, primarily due to the number of tenant refusals on items such as kitchen and bathroom refurbishments which mean they are completed on void carried out by Blue Square. This relationship is working well and Blue Square attend internal void meetings. There is also a small in-house team in Bridgnorth that work on minor voids to provide a quick turnaround.</p> <p>In Oswestry, the team tend to carry out more works in-house and a process has been developed for operatives to carry out their own void inspections, which frees up void inspectors and helps monitor the overflow contractor.</p> <p>Weekly void meetings are held that are attended by neighbourhoods staff, the voids team and contractors. Monthly meetings are held centrally and the VOID action plan is reviewed.</p> <p>MWH referred to the report brought to Board in November last year. At that time, the average void time was around 39 days – the most recent turnaround was 23.66 days – a great improvement.</p> <p>Some of the underlying issues with voids have been tackled. The revised Tenant Agreement will help reduce the number of lost days as this will allow a tenancy to start on any day or the week, rather than only on a Monday.</p> <p>Teams are managing 58 properties between them; 29 are void and a further 29 are in the notice period. There is an emerging trend with a small number of hard to let properties,</p>		

		<p>and these tend to be those in corridors of sheltered schemes that don't have their own front door. There have been issues with resources in the Lettings Teams, but these are anticipated to be resolved shortly.</p> <p>Void figures broken down into areas are:</p> <ul style="list-style-type: none"> • 36 in Bridgnorth, with an average relet time of 25 days. • 22 in Oswestry, with an average relet time of 17 days. • Major work days are 37 in Oswestry and 34 in Bridgnorth, giving an average of 35. Bridgnorth have had voids that have had more major works than Oswestry, with 5 within the past two weeks that need kitchen/bathroom replacements. <p>It was noted that 56 properties are currently being utilised by the Council's Housing Options team. The Board discussed the old proposal of redeveloping Sheldon Court, however, there is a lack of alternative accommodation in Albrighton.</p> <p>The Board thanked AD and MWH for the update.</p>		
10.	Development Subcommittee Minutes	<p>RG outlined the minutes of the last subcommittee meeting:</p> <ul style="list-style-type: none"> • There are currently two schemes on site <ul style="list-style-type: none"> - Baptist Chapel at Shifnal. Progress has slowed down, with anticipated completion in August. - Bowling Green Lane, Albrighton – good progress is being made. • Have considered future sites. Weston Rhyn has been earmarked for approximately 40 new homes. There are various issues on site with options being considered. • There had been some issues with workmanship at Shifnal. A new clerk of works has been recruited to 		

		<p>help monitor this.</p> <p>The Board noted the contents of the minutes and thanked RG for the update.</p>		
11.	Finance, Audit & Risk Subcommittee Minutes	<p>JW outlined the minutes of the last subcommittee meeting:</p> <ul style="list-style-type: none"> • The subcommittee discussed the audit, and were delighted with the audit findings. • There were no Health & Safety issues to report – STAR has an excellent health and safety record. Accident reporting has gone live on the Business World system today. • The risk registers were considered by the subcommittee and are now pleased that options appraisal has been resolved. • NB asked about information security on the risk register. SO confirmed that STAR has taken all possible steps to ensure information is kept securely. The likelihood of a breach is low but the impact would be high. SO/SA have been looking at solutions for Board. An option would be to issue Board members with STAR Housing emails and equipment, with the exception of Council members. A paper will be brought to Board in September. <p>The Board noted the contents of the minutes and thanked JW for the update.</p>		

ITEMS 12 – 14 EXEMPT FROM PUBLIC DISCUSSION