

Minutes of Meeting

Meeting Name: Shropshire Towns & Rural Housing Limited

Meeting Location: Microsoft Teams

Date and Time: 18th May 2021

Members present:

Vice Chair – Tony Deakin (Independent) TDK
Mark Jones (Shropshire Council) Board Member
Paul Hayward (Co-Optee) PH

Paul Kelly (Shropshire Council) PK
Emma Jones (Staff) EJ
Paul Weston (Co-Optee) PW

Non-Members
Present:

Sue Adams (STAR) SA
Melanie Smith (STAR) MS
Jo Williams (STAR) JOW
Jane Trethewey (Shropshire Council) JT

Steve Ogram (STAR) SO
Angela Simpson (STAR) AS
Ayyaz Ahmed (STAR) AA
Jamie Burns (Shropshire Council) JB

ITEMS 1-4 EXEMPT FROM PUBLIC DISCUSSION

5.	Minutes from STAR Board Meeting 23 rd February 2021	<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.</p>		
6.	Matters Arising	<p>The matters arising from the previous Board meeting have been circulated.</p> <p>There were no further matters arising.</p>		
7.	A Review of Delivering Net Zero Carbon Emissions within the Housing Stock	<p>AS advised that Bratch Consultancy have been appointed to carry out a review of the housing stock managed by STAR. Bratch are an independent consultancy who have worked with Cornovii on their carbon modelling scheme and bring a great deal of relevant experience. Their report is due to be presented at the end of month, however, they have advised that, to meet the standards being set out by Shropshire Council, would cost in the region of £118m for the 4,000 homes managed by STAR.</p> <p>The spend would include improvements to heating systems, removing fossil fuel systems earlier than planned, improvements to the fabric of buildings, lighting, solar panels and offsetting carbon emissions in a number of ways.</p> <p>AS advised that STAR has not sat back, in the meantime, all of the non “hard to treat” loft and cavity wall insulations have been done. The average SAP rating is 66.82 which is pretty good allowing for the amount of off grid stock. Decent Homes Standard was met in March 2015, and has been maintained since – this involves thermal standards. Offering central heating upgrades, replacement door and windows and re-roofing programmes continue, all of which help improve the energy efficiency of the stock.</p> <p>Staff continue to work with tenants to offer heating upgrades to air source heat pumps and annually contact those who have previously refused or are due an upgrade. In April 45 letters have been sent so far. Two have</p>		

		<p>responded to say they may be interested, 17 are a definite no and the rest have not responded.</p> <p>Over 300 air source heat pumps have been installed using renewable heat incentive funding where applicable. There are currently 21 properties with an EPC rating of F & G and 157 with an E rating, 7 of which have had air source heat pumps. Some properties have low SAP ratings due to the construction of the property, whether it is solid wall or non-traditional construction and there aren't any easy fixes for those.</p> <p>Planned maintenance's programme budget for the year is £4.8m, £1.8 is allocated to programmes that will impact thermal properties and energy efficiency of the stock.</p> <p>STAR has worked with utility companies to access funding opportunities but have often struggled to spend grant money due to tenant refusals, or tenants not meeting the relevant criteria because the household income is too high. STAR will continue to link with the Council and other registered providers to access grant schemes and Philip Dunne MP has been invited to a meeting to discuss issues accessing funding, where it often tends to be announced quite quickly and submissions are required in a very tight timescale with limiting criteria. There are often frustrations as some grants can't be accessed when there is no tenant in the property.</p> <p>AS has asked Bratch to provide a sliding scale of works to help tie in with the Council's aims and targets and AS would like to come back to the next Board meeting to provide an update. Options will include thermal efficiency works whilst properties are void, carbon offsetting and disposal of properties, although it's preferred not to do this. AS felt tenant engagement is important so that tenants understand how they can help themselves both reduce their utility bills and reduce carbon emissions.</p> <p>Some steps already taken is the step to green energy – the Spruce Building, community centres and communal lighting are all powered using green energy and some communal energy is solar powered. STAR has</p>		
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		<p>also been involved in tree planting schemes for carbon reduction.</p> <p>TDk noted he has seen similar reports and in each case the costs are astronomical. TDk asked if there was a difference in timescales between what has to be done legislatively and what the Council has signed up to do. AS confirmed the Council's target is 2030, whilst the national target is currently 2050.</p> <p>TDk suggested there may be a need for debate and a presentation from Bratch to the Council and appropriate councillors regarding the estimated costs and consider what is affordable and agree a realistic timescale. TDk understands that the Council has signed up to deliver by 2030, but queried if it is realistic to meet this and suggested a sliding scale of works may be the way to approach this.</p> <p>JT thanked AS and colleagues for carrying out this important piece of work and it not surprised at the costs. JT likes the idea of a sliding scale of options that can inform the Council's team, and noted that this is a fast moving area with a lot of development in terms of heating of spaces and water etc. and how energy is delivered. This is constantly changing along with grant funding so there may be opportunities to speed some of this up. JT supports the concept of putting together a briefing for the Portfolio Holder of Housing and from there develop a way forward with STAR for the HRA stock.</p> <p>SA noted in the context of the review we will need to explore the priorities for the Council and will need the outcome of the review before it can be decided how we balance those priorities in terms of other customer, strategic and development priorities.</p> <p>MJ noted the figures work out at around £30k per property on average and commented that some housing estates have a lot of room around them, could those houses be taken down to rebuild more energy efficient homes. AS noted there could be potential for that. MJ asked if the report considered water supply and AS confirmed it didn't, it focussed on internal</p>		
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		<p>wall, floor insulation etc. and these kind of works often affect the kitchen/bathroom.</p> <p>TDk noted that air source heat pumps can have an impact on tenant's bills and this should be factored in to any presentation.</p> <p>PK asked how many properties fall into EPC band D and AS advised around 2000. PK noted that there have been conversations around the LADF grants and there may be the possibility of utilising that. PK asked what the options are where a tenant opts out of work, are there measures STAR can take? SA confirmed there are limited circumstances in which you can force a tenant to take work on, and it tends to only be where there are health and safety issues. .</p> <p>JT agreed with the point MJ made about potential for redevelopment of properties where they are poorly functioning in climate and efficiency terms and noted the new build programme is delivering a much higher performing property in terms of performance. JT felt a communication campaign is needed for tenants so they understand the importance of these kind of works and investment.</p> <p>The Board thanked AS for the update.</p>		
8.	Q4 Performance	<p>JoW joined the meeting to discuss the Q4 performance results.</p> <p>JoW noted the board consideration report contains some additional items that form part of STAR's Covid19 response and the indicators have been flexed in agreement with the Council. Due to the pandemic it has not been possible to achieve some targets and these were flexed to reflect this.</p> <p>SA noted that one of those not achieved was the re-let target. Despite not achieving this, STAR have performed ahead of Housemark's predictions, but has not been able to fully recover. It is hoped that this target will be back on track over the next year and will be reviewed again at Board.</p> <p>PW asked about the numbers of tenants accessing services online via the</p>		

		<p>tenant portal. SA confirmed steady progress is being made, with an increase of approximately 30 customers per quarter. It is hoped that an upgrade to the system be more attractive and have more functionality.</p> <p>PH asked about % of calls answered through the contact centre and AS advised that the Team Leader has software that monitors missed calls and picks up any issues that may arise.</p> <p>The satisfaction survey software is about to go live for Planned Maintenance and it will be a number of months before this is fully rolled out across the business. SA noted that EJ will liaise with AS and IT in terms of rolling this out in Housing Management.</p> <p>The Board noted the contents of the report.</p>		
9.	FAR Subcommittee Minutes – 27.04.21	<p>TDk provided an update from the last FAR Subcommittee meeting. The subcommittee discussed:</p> <ul style="list-style-type: none"> • The internal audit performance gave a substantial year end opinion in terms of controls. Eight audits were completed with seven of those receiving a good assurance level and on receiving a reasonable assurance level. There were no fundamental recommendations made, which should provide the Board with comfort that there is a good control framework in place. • The internal audit plan is on a two year cycle to align with the management agreement and covers all of the high risk areas. • Grant Thornton explained the detail in the external audit plan and set out the timescales for the audit. • The committee work plan was discussed and it was agreed to add insurance claims and trends to the plan. <p>The Board noted the contents of the minutes.</p>		

ITEMS 10-11 EXEMPT FROM PUBLIC DISCUSSION

		Date of next meeting: 6th July 2021		
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