



Minutes of Meeting

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

Meeting Location: **Microsoft Teams**

Date and Time: **23rd February 2021**

Members present:

Chair – Simon Harris (Shropshire Council) SH
Paul Kelly (Shropshire Council) PK
James Wood (Independent) JW
Emma Jones (Staff) EJ
Paul Weston (Co-Optee) PW
Nicki Barker (Tenant) NB

Vice Chair – Tony Deakin (Independent) TDk
Mark Jones (Shropshire Council) Board Member
Ann Maltby (Tenant) AM
Paul Hayward (Co-Optee) PH
Steve Robinson (Independent) SR

Non-Members
Present:

Sue Adams (STAR) SA
Melanie Smith (STAR) MS
Martin Whitelegg (STAR) MW
Jane Trethewey (Shropshire Council) JT

Steve Ogram (STAR) SO
Teresa Dagnall (STAR) TD
Jo Williams (STAR) JOW
Deborah Waltherne (Board Development Agency) DW

1.	Apologies	Apologies were received from Mark Jones.		
2.	Declaration of Interests	<p>The Board were asked if they had any interests to declare on any items on the agenda.</p> <p>EJ declared an interest in Item 8 which related to the pension and pay award. There were no further interests declared.</p>		

ITEMS 3 – 4 EXEMPT FROM PUBLIC DISCUSSION

5.	Minutes from STAR Board Meeting 24 th November 2020	<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.	Annual Action Plan & Performance Targets 2021/22	<p>The AAP and performance targets were circulated for comment.</p> <p>PH asked what the completed 20/21 actions look like and how Board members could access this information, for example number 46 develop a practical mental health response for those who are struggling to maintain their tenancies and number 49 develop further initiatives to deal with welfare reforms.</p> <p>SA noted that a lot of work has been done with the Council and their specific mental health group. A number of toolkits have been issued and are in use by frontline teams and staff can access a specialist report on</p>	<p>Share a copy of the report with PH.</p>	MW

	<p>mental health issues. PH would like to see a copy of the report.</p> <p>STAR has dealt with welfare reform effectively. As an organisation we responded to this when there were changes around UC and so this is now embedded in teams. We are confident we are dealing with this smoothly and the figures indicate, with UC arrears reducing, this is being dealt with effectively.</p> <p>The Board approved the following recommendations:</p> <ul style="list-style-type: none"> • To note the report to the Board of the Q3 Annual Action Plan 2020/21 Dashboard and approve format for presentation at future Board meetings (Appendix 1) • To approve the Annual Action Plan 2021/22 (Appendix 1) • To approve the Performance Targets for 2021/22 (Appendix 3) 	
8.	<p>Budget 2021/22</p> <p>The report is presented to seek approval for budget for the forthcoming year and to provide information about some budget recommendations. The report looks at the logic and rationale behind the</p> <p>In November, SO outlined the budget strategy setting the framework for the approach to budget over the coming year.</p> <p>The Pay Award has been problematic. STAR follows the NJC pay scales for local government, however, there is currently no clear steer as to how the NJC negotiations will conclude. The Government is putting pressure on the public sector to implement a pay freeze. Trade Union discussion indicate there could be a pay award of between 0 – 10% but it is impossible to say at this stage. With this in mind, rather than put in contingency fund, it is suggested that we do not implement a pay award in April other than those increments that staff are entitled to. We will continue to monitor NJC negotiations and should a figure be agreed later in the year, a further report will be brought back to Board. This does create a difficulty in that any pay award would not be built into the base budget, however, we feel this is the</p>	

	<p>best position to recommend to Board.</p> <p>It is not proposed to increase IHM/housing support charges and to also freeze community alarm charges for the next year in recognition of the benefits these services provide to vulnerable tenants.</p> <p>The general reserve will be sustained at 5%.</p> <p>Having considered the impacts of Covid, it is not felt that a special budget is required to be set aside for this. Should this be needed at a later date then a supplementary estimate will be brought back to Board.</p> <p>SMT met in early February to review the service development bids submitted by managers. All of those presented this afternoon have been approved by SMT and are subject to Board consideration today.</p> <p>The HRA will be going to full Council for approval. The management fee is embedded in the HRA and here is an assumption that there will be a rent increase no higher than September CPI 1.5%.</p> <p>PH is fully supportive of the apprenticeship scheme and felt that some of the bids are very clear and well costed. PH asked what the £14,780.67 one off restructure cost relates to.</p> <p>PH asked if the £15,000 assistance within the hoarding and void cleaning growth bid relates to specialist support. SO noted that this provision is for skip hire and to enable staff to work with tenants to help clear any unwanted items.</p> <p>PH queried how the neighbourhood projects budget is decided. SO advised that this is decided through tenant engagement. Staff liaise closely with tenants, regular right place surveys are carried out and from resident feedback. Projects could also arise from complaints – a social impact score to assess those projects.</p>	
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	<p>TDk advised it would be useful for future meetings to have some greater transparency around some trading accounts, such as community alarms so that the Board know the level of income is meeting the expenditure. SO confirmed this information will be included in the Board's budget monitoring papers going forward.</p> <p>TDk noted that STAR updates the HRA and particularly the reserves throughout the year, whereas the Council updates at year end. The two reports show differences in figures in two reserves and TDk queried this. TD advised that the HRA budget included within the budget monitoring report is the budgeted reserve. When the HRA was set last year, it set a projected level of reserve, however, it is projected at year end that those reserves are higher. The appendix referred to shows the actual outrun position.</p> <p>TDk advised that he has read an article where a number of housing organisations are looking at development assumptions and are increasing major repair costs due to the building safety bill and queried if STAR will look again at those assumptions. SO noted it is recognised there could be pressures on the HRA capital programme along with any amendments that may need to be done. STAR will work closely with colleagues in the Council to prioritise how resources are allocated. SA added that the AAP includes the acquisition of a tool to enable this to be modelled more easily once the requirements are known.</p> <p>SH felt that the hiring of a land agent and use of consultants is beneficial; to STAR's need to build housing. It is also pleasing to see STAR reacting to the economic situation and the creation of five new apprenticeships. Along with new staff positions, it good to see.</p> <p>The Board approved the following recommendations:</p> <ul style="list-style-type: none">• No amendment to the Management Fee for increasing service	
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	<p>pressure or the implications of Welfare Reform is requested at this time.</p> <ul style="list-style-type: none"> • In accordance with the results of the 2019/20 triennial review undertaken by the Pension Fund Actuary and the decision taken by the Board on 26th February 2020, the employer's contribution rate will remain at 18% for 2021/22. • No pay award is made in April 2021 but we will continue to monitor developments at the National Joint Council (NJC) for Local Government negotiations. • If a national settlement is agreed a further report will be brought to the Board to seek re-alignment with the NJC pay spine and backdate any amendment in accordance with the terms of the national agreement. • The level of general reserve for the Company is maintained at 5% of turnover (equivalent to £470,000 for 2021/22). • Charges for services directly provided by the Company listed in Appendix 2 are approved. • The two Area Panels are each allocated discretionary budgets of £20,000 for Community Grant applications in 2021/22. Any underspend against these budgets at 31st March 2022 is returned to general balances. • The pre-Service Development Budget for 2021/22 shown in Appendix 3 is approved. • Service Development Proposals recommended by the Senior Management Team (reference numbers 1 to 11 on Appendix 5) are approved for inclusion in the 2021/22 budget and beyond. • Subject to approval of the preceding recommendations, an amount of £290 is allocated to the central training budget in 2021/22. • The 3-year budget forecast shown on Appendix 6 is noted. • The draft Housing Revenue Account (HRA) 2021/22 for Shropshire Council attached as Appendix 7 is noted. • The Proposed HRA Capital Budget for 2021/22 attached as 	
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		Appendix 8 is noted.		
9.	Financial Inclusion Strategy	<p>The Financial Inclusion Strategy has been reviewed and the action plane updated. The aim of the strategy is to help tenants sustain their tenancies.</p> <p>The reviewed Strategy and Action Plan has been shared with the Area Panels for comment.</p> <p>PH had a number of questions regarding the strategy and action plan.</p> <ol style="list-style-type: none"> 1. How many DROs have been granted over the past 2 years? MW advised just one in Bridgnorth. 2. What are the plans to deal with the Debt Respite scheme regulations due to be introduced in May? MW confirmed that the Initiative called Breathing Space allows tenants to consult with a finance adviser and have a breathing space of 60 days to work out how to best to manage their debts. 3. How many STAR tenants have accounts with the local Credit Union? MW was unsure of this and will look into this and report back to Board. 4. What opportunities are being explored to support tenants back into work? MW noted this is a critical piece of work in the current climate, with only 1 in 5 of those tenants we work with being capable of work. A number either have physical or mental issues that prevent them, whilst others are beyond working age. A number of tenants are already employed but don't earn enough to be financially solvent. STAR links up with Wrekin Housing Trust to their better outcomes process that aims to support people into work. <p>NB asked PH what was the relevance of knowing how many customers are part of the local credit union and PH stated it was because it was in the action plan as a start target.</p>		

		The Board noted the contents of the report and approved the Financial Inclusion Strategy and Action Plan.		
10.	Q3 Budget Monitoring	<p>TD advised that there is currently a projected underspend of £643,000, and the main reasons for this underspend are a reduction in employee costs where we are carrying a number of vacant posts, although there has been an overspend on the contractors budget. There is also an underspend on materials, staff mileage and printing and posting costs, as you would expect given current climate.</p> <p>Some of last years planned events have not been able to take place because of COVID.</p> <p>The Board noted the contents of the report.</p>		
11.	Q3 Performance	<p>JoW joined the meeting to discuss the Q3 performance results.</p> <p>PH noted that the average time taken to answer inbound calls appears to have increased from 14 seconds last year to 56 seconds this year and asked if it was possible to give some context as to how many calls have been received this year compared to last year. JoW noted there has been a few thousand calls less this quarter and on average there are 13,000 less calls this year. The 14 seconds was based from a customer experience comparison exercise that was carried out prior to this indicator being monitored. This is the first year this has been monitored and unfortunately the Evolve system was unable to monitor during the first quarter. There have been challenges with some long term sickness within the call centre and the challenges of remote working, however, this indicator remains within tolerance and it is pleasing to note that there have been no customer complaints received.</p> <p>PH asked if there were other methods to access the % satisfaction with call handling if the system cannot do it. JoW advised that if this was to be carried out manually, then we would have to look at between 300 – 400</p>		

		<p>calls to ensure there was a statistically good margin of error. There are plans for the Voicescape service to be expanded and this has already gone live with repairs satisfaction. Planned maintenance will be rolled out next and then we can look to implement this element.</p> <p>PH queried why there has been a drop in the % of complaints responded to in 10 days if the numbers of complaints received are lower as stated in the report? JoW responded to advise that monitoring duties had been split between a number of staff during the pandemic and this had proved difficult to manage. Complaints handling has since been reviewed and it is planned to centralise the service going forward to improve efficiency,</p> <p>The Board noted the contents of the report.</p>	
12.	FAR Subcommittee Minutes – 20.01.21	<p>TDk updated the Board on the last FAR Subcommittee meeting:</p> <ul style="list-style-type: none"> • The subcommittee received the Health & Safety report. • There was an update on the internal audit programme. Four reports have been completed to date, all of which received good assurance level, with only two recommendations being made. • A report on risk was received and members discussed void rates, GDPR compliance and touched on risk appetite that feeds into the BDA. It is recognised there is a need to look at appetite and tolerances and this will be further considered once the BDA report has been received. <p>SH thanked TDk for the update and asked the Board to note the contents of the minutes.</p>	
13.	Development Subcommittee Minutes – 09.02.21	<p>JW updated the Board on the last Development Subcommittee meeting:</p> <ul style="list-style-type: none"> • IT is great to see some sites moving, such as the community led projects in Whittington and Weston Rhyn. It is hoped there will be a 	

	<p>decision on Whittington soon for 24 units. Weston Rhyn is 40+ units with some tight timescales.</p> <ul style="list-style-type: none"> • There have been some opportunities with Cornovii, with three sites being progressed which will yield 36 units. • It's promising to see that a number of other sites are undoing feasibility studies. • Additional staff members will help ease pressure for the Development Manager and will help aid future developments. <p>SR asked if there was parity between STAR and Cornovii in terms of development. SO noted Cornovii is primarily a development company and a subsidiary of Shropshire Council, who are looking for market sale developments to generate income for council but will also provide affordable homes. STAR are building a partnership with Cornovii where they are able to locate sites for affordable homes and the first refusal goes to the HRA and STAR if good value for money can be delivered. There is close liaison between the two companies.</p> <p>SH thanked JW for the update and asked the Board to note the contents of the minutes.</p>	
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ITEMS 14 – 15 EXEMPT FROM PUBLIC DISCUSSION

	<p>Date of next meeting: 18th May 2021</p>	
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