

Minutes of Meeting

Meeting Name: Shropshire Towns & Rural Housing Limited

Meeting Location: Board Room, Spruce Building, Shrewsbury

Date and Time: 26th November 2019

Members present:

Chair – Simon Harris (Shropshire Council) SH
John Wood (Independent) JW
Mark Jones (Shropshire Council) MJ

Vice-Chair – Nicki Barker (Tenant) NB
Ann Maltby (Tenant) AM
Emma Jones (Staff) EJ

Non-Members
Present:

Sue Adams (STAR) SA
Teresa Dagnall (STAR) TD
Jo Williams (STAR) JWI
Jamie Burns (Shropshire Council) JB

Steve Ogram (STAR) SO
Melanie Smith (STAR) MS
Simone Mansbridge (STAR) SM
Angela Douglas (STAR) AD

1.	Apologies	<p>SH 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 Richard Grounds (Independent) RG 		
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 as a staff member in Item 8 – Pay and Reward Policy.</p>		
3.	Minutes from STAR Board Meeting 17 th September 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.</p>		
4.	Matters Arising	<p>The matters arising from previous Board meetings were circulated for information.</p> <ul style="list-style-type: none"> The review of the Housing Ombudsman complaint is included in Item 10 – Complaints Handling Policy. SH asked how the Area Panels were, and if they had enough members. SA confirmed that although some members had been recruited, some other members have stepped down. Overall membership has not increased significantly but both Panels are quorate. The diversity of membership has increased. The Panels are currently undertaking scrutiny of Planned Maintenance, in particular the kitchens and bathrooms 		

		<p>refurbishment programme.</p> <ul style="list-style-type: none"> • Terms of Reference of Area Panels; concerns were raised by the Vice Chair at the Board meeting September regarding the inclusion of Resident Involvement acting as Vice Chair of the Panels if needed. SO clarified that this would purely be an administration role and Resident Involvement would be acting in a non-voting capacity to allow the panels to function and the meeting to go ahead. <p>There were no further matters arising.</p>		
5.	Confirmation of Appointments	<p>Following the elections at the recent AGM, the following appointments were confirmed:</p> <p>Board:</p> <ul style="list-style-type: none"> • Simon Harris was Chair of the Board. • Nicki Barker was re-elected as Vice-Chair of the Board <p>Development Subcommittee:</p> <ul style="list-style-type: none"> • Richard Grounds was re-elected as Chair of the Development Subcommittee. • John Wood was re-elected as Vice-Chair of the Development Subcommittee. <p>Finance, Audit & Risk Subcommittee</p> <ul style="list-style-type: none"> • John Wood was re-elected as Chair of the FAR Subcommittee. • Paul Kelly was elected as the Vice Chair of the Subcommittee. 		
6.	Annual Review of Risk Management	<p>SO noted the report serves as a reminder to the Board as to how STAR approaches risk management and advise the Board of those risks identified on the High Level Risk register.</p>		

		<p>The Risk Management Strategy, approved by the Board, sets out how risk is managed and approached and shows how risks are evaluated. The Strategy also sets out STAR's responsibilities.</p> <p>The Senior Management Team reviews risk registers quarterly. These are then reported to the Finance, Audit & Risk Subcommittee twice during the annual cycle and brought to Board once a year.</p> <p>There is a specific risk register for Development that is not brought to Board – this is considered by the Development Subcommittee at each meeting. All risk registers are available for members to view at any time.</p> <p>There is one risk identified as a high risk and this is the Government's Policy to cut rent from April 2016. We anticipate that this is the final year and that rent will increase back to CPI+1%, although we await further details from the Government.</p> <p>SA reminded Board members that the top three risks are now identified in the Board's Service Report.</p> <p>The Board noted the contents of the report and the high level risk register.</p>		
7.	Budget Strategy 2020/21	<p>This forms the first part of the annual cycle for setting the budget. The Board needs to formerly approve the strategy to formulate the budget, which will then come to Board in February 2020.</p> <p>The strategy looks at the context and considers the</p>		

		<p>Management Agreement, which defines the key processes for setting the budget.</p> <p>There are a number of considerations when setting the budget:</p> <ul style="list-style-type: none"> • September 2019 RPI 2.4% CPI 1.7%. • Housing Support grant cut 14.2% • Employers' Superannuation rate. • Government rent policy – from April 2020 CPI plus 1%:- 2.7% • Government incentives to build – removal of HRA borrowing cap • STAR and HRA financial stability <p>Universal Credit is happening and we have seen an increase in arrears, although we don't know what the long term impact will be. This is impacting on the HRA and the cost to STAR of managing UC.</p> <p>The Pay Award 2020, the Board approved a realignment with NJC scales earlier this year. STAR are not tied to NJC but have always recognised and aligned to it. The trade union side have put a request in for a 10% increase the Board, a reduction in the working week, and we will see how this develops.</p> <p>Although the General Election and EU Membership do not directly impact us these could impact on interest rates and levels of inflation.</p> <p>A balanced budget is anticipated at the end of the financial year.</p>		
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		<p>We will continue to look to make more efficiency saving with any one off expenditure items being funded from reserves. STAR holds a general reserve of 5%, anything above this is available for reinvestment.</p> <p>Implication is that STAR could request further increases under the terms of the Management Agreement.</p> <p>EJ asked why STAR had never requested additional monies for the Management Agreement. SO advised that although we could, STAR wears two hats. We manage a balanced budget for STAR but also keep the HRA balanced and sustainable as well. STAR recognises that the HRA has been under pressure because of the rent cuts and made a decision that STAR could absorb some of these pressures on the HRA.</p> <p>The STAR budget will be prepared in accordance with the framework and guidelines. The HRA will be prepared in line with Government guidelines and in conversation with Shropshire Council.</p> <p>SH noted that building materials could go through the roof and costs could rocket following Brexit. SO noted there are risks.</p> <p>The Board approved the proposed Budget Setting Framework, Guidelines and Key Assumptions for 2020/21.</p>		
8.	Pay & Reward Policy	<p>The Pay and Reward Policy was originally approved in 2016. It has been slightly amended to reflect the decision to realign with NJC scales, but there have been no significant amendments.</p>		

		<p>The Policy must come to Board once every three years.</p> <p>The Board approved the Pay and Reward Policy.</p>		
9.	Results of Governance Review and Self-Assessment	<p>Board effectiveness is reviewed annually along with the NHF framework. SA has developed a new Action Plan for the Board following this process.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Noted the report on the Board Action Plan 2019 at Appendix 1. • Noted the 2019 self-assessment of compliance with the NHF Code of Governance 2015 at Appendix 2. • Approved the Board Action Plan for 2020 at Appendix 3. • Approved the Schedule of Policies at Appendix 4. 		
10.	Complaints Handling Policy	<p>STAR recently took part in a Customer Experience project to review, amongst other things, how complaints are handled.</p> <p>There have been a number of considerations and recent experiences that has led to the review of complaints handling and the Complaints Policy. There has been confusion in terms of the relationship with the Council and who did what, and there have been two complaints that were recently upheld by the Housing Ombudsman.</p> <p>STAR are in a reasonable place, but there are improvements to be made. We have a relatively small number of formal complaints. Tenants are given a formal role in the complaints</p>		

		<p>process in the new Policy.</p> <p>The Board thought this was a very good piece of work and approved the Complaints Handling Policy.</p>		
11.	Remuneration Panel Report	<p>The report was circulated to the Board for their information.</p> <p>The report highlights what the Panel has considered in the past year and looks at the work programme agreed for next year.</p> <p>The Panel had asked that SMT carry out an appraisal of the Board's performance. It has been agreed that an external review of the Board will be carried out in 2020, and the results will be considered by the Remuneration Panel.</p> <p>The Board thanked JW for the update and noted the contents of the report.</p>		
12.	Customer Insight Surveys	<p>Surveys have been run for 6 months and it was agreed to review at this point. Bigger services generate enough surveys and information to come up with conclusions, however, some parts of the service struggle to get the responses needed to make any conclusions about the responses that we do received.</p> <p>We are looking to pilot Voicescape, a system that could improve the responses received.</p> <p>The Board noted the report on customer insight surveys and to note the actions to improve responses and the customer insight process.</p>		

13.	Neighbourhoods Projects	<p>SM joined the meeting to provide the Board with an update on Neighbourhood Projects.</p> <p>The presentation highlighted:</p> <ul style="list-style-type: none"> • Tenants report that parking is still a major issue in most areas. • 21 projects have been completed and a total of £69,075 spent so far. • According to HACT the social value of the works is £3,177,930. Projects that get vulnerable residents or children involved earn more social value points. • There are two regeneration projects identified that we will be working on next. <p>SH noted that the LED street lights installed in Bridgnorth are brilliant and will be looking at joint projects with the Town Council are STAR.</p> <p>The Board thanked SM for the update.</p>		
14.	Q2 Budget Monitoring	<p>TD noted this is the quarterly budget report brought to Board and shows a projected underspend £280,000. This has increased from Q1 and is mainly due to the number of posts that had not been recruited to, although we have since filled a number of the posts.</p> <p>MJ noted that employment costs were rising and asked if STAR consider using self-employed people or contractors. SO noted that the nature of what we do is labour intensive and staff costs are going up but partly because we are taking on additional staff and growing the business, which is a positive. SO confirmed that each year we look at service</p>		

		<p>delivery opportunities and noted that contracted labour is at a higher cost per hour than a direct employer.</p> <p>SH noted that the skip events had been absolutely outstanding and had received excellent feedback. SH thought they had been very well attended and it is a great idea to have a Housing Officer on site with a skip. TD noted the good feedback – and thanked Board for approving the growth bid.</p> <p>MJ noted that he saw some gardens in St Martins that were not in a very good condition and asked if he could find out whether some of them fell under STAR's management.</p> <p>It was agreed to circulate the housing officer's patches to Board members for information.</p> <p>The Board noted the contents of the report.</p>	<p>MJ to email MS details to pass on to the team</p> <p>Circulate patches to Board</p>	<p>MJ</p> <p>MS</p>
15.	Q2 Performance	<p>JOW joined the meeting and looked at those targets that had not been met:</p> <ul style="list-style-type: none"> • A1i – Average relet time; target – 24 days, actual 26.49 days, so just outside tolerance. Two properties have taken a long time and this has impacted on the figures. • A1ii – Rent loss on voids; as the year increases this improves. Have now hit 1.58%, compared to 2.34% this time last year. • A2iii – Former tenant arrears; 1.41% actual target 0.80%. • C1i - % of non-decent homes; actual 1.31% against target of 0%. • A4i; - % of ASB cases; this is outside of tolerance as we dealing with low numbers. One case was not 		

		<p>resolved.</p> <ul style="list-style-type: none"> • A4iii; - Customers registered to access online services. Actual 6.19% against target of 20%. There have been 264 sign ups as at today, and we seem to be gaining an additional 30 or so tenants per quarter. RI team continue to promote and we should hit target. <p>SH- noted that the turnover of properties is a lot of quicker in his area – it is a matter of weeks.</p> <p>The Board thanked JOW for the presentation.</p>		
16.	Finance, Audit & Risk Subcommittee Minutes	<p>JW summarised the minutes of the recent Development meeting:</p> <ul style="list-style-type: none"> • Health & Safety; AD has been working with HR on health and wellbeing and introducing STARcare – a new online hub for staff. • The order was placed today for an external supplier to carry out Fires Safety checks in Bridgnorth as the employee fulfilling that role has left STAR. Carrie Owens is carrying these out in the Oswestry area. • There have been two RIDDOR incidents. AD reported these to JW, did the paperwork for the HSE and have not had any response. The FAR Subcommittee was happy with the actions taken. • Internal audit; two audits had been carried out and both received a good assurance level. <p>The Board noted the contents of the minutes.</p>		